

**Village of Buchanan, New York**

Financial Statements and  
Supplementary Information

Year Ended May 31, 2022



# Village of Buchanan, New York

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## **Independent Auditors' Report**

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Buchanan, New York ("Village"), as of and for the year ended May 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village, as of May 31, 2022, and the respective changes in financial position and the respective budgetary comparisons for the General and Water funds 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, 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'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.

## ***Auditors' 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 auditors' 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 GAAS 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 GAAS, 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'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village'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 Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information 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 for the year ended May 31, 2022, was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules for the year ended May 31, 2022 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 for the year ended May 31, 2022 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 for the year ended May 31, 2022 and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2022.

We also previously audited, 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, the basic financial statements of the Village as of and for the year ended May 31, 2021 (not presented herein), and have issued our report thereon dated January 13, 2022, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 31, 2021 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 related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2021.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

March 7, 2023

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## Village of Buchanan

### Management's Discussion and Analysis May 31, 2022

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The Village of Buchanan, New York ("Village"), presents this Management's Discussion and Analysis ("MD&A") as an overview of the Village's financial activities for the fiscal year ended May 31, 2022. This MD&A focuses on current year activities, resulting changes, and currently known facts and should be read in conjunction with the basic financial statements and the notes to the Village's financial statements which immediately follow this section.

### Financial Highlights

- On the government-wide financial statements, the liabilities and deferred inflows of resources of the Village exceeded the assets and deferred outflows of resources at the close of the most recent fiscal year by \$11,612,507.
- At the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$6,726,982. This amount is inclusive of the Capital Projects Fund balance of \$2,881,826.
- Total expenses amounted to \$9,097,439 and were \$361,834 less than fiscal year 2021. The majority of the decrease was related to GASB 68 (ERS) required entries.
- Since the fiscal year ended May 31, 2019, the Village implemented the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")*". This statement addresses accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. This statement supersedes the provisions of GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*". The primary distinction between the two standards is that since no mechanism exists under current New York State law for New York municipalities and school districts to pre-fund these obligations in an irrevocable trust, entities must now report their total OPEB liability as opposed to the net OPEB liability that has been reported under the prior standard. At May 31, 2022, the OPEB liability was \$16,245,086.

### Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3)

notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements present the Village as a single, unified entity and are intended to give the reader a broad perspective of the Village's financial condition. These statements closely resemble the financial statements of a private sector entity.

The statement of net position presents financial information on all of the Village's assets, deferred inflows/outflows of resources and liabilities with the difference between the two 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 indicating how the Village's net position changed during the fiscal year. All changes in net position 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The governmental activities of the Village include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

### **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds but not the Village as a whole. Some funds are required to be established by state law and by bond covenants. However, the Village has other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. All of the funds of the Village of Buchanan can be divided into two categories, government funds and fiduciary funds.

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

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. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds

statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains four individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Water Fund, Special Purpose Fund and Capital Projects Fund which are considered major funds. The Village has no non-major funds.

Budgetary comparison statements have been provided for the General Fund and Water Fund within the basic financial statements to demonstrate compliance with the respective budgets. In the Capital Projects Fund, budgets are established on an individual project basis.

### **Notes to Financial Statements**

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### **Other Information**

Additional statements and schedules can be found immediately following the notes to financial statements and include individual fund financial statements and schedules of budget to actual comparisons.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Village, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$11,612,507 at the close of the most recent fiscal year.

The largest portion of the Village's net position, \$3,176,152, net investment in capital assets (land, buildings and improvements, infrastructure and machinery and equipment), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to its citizens and as a result these assets are not available for future spending. Although the Village's net investment in 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 these liabilities. The following table provides a summary of the Village's net position as of:

	May 31,	
	<u>2022</u>	<u>2021</u>
Current Assets	\$ 8,508,046	\$ 6,495,579
Capital Assets, net	<u>5,475,295</u>	<u>4,972,236</u>
Total Assets	<u>13,983,341</u>	<u>11,467,815</u>
Deferred Outflows of Resources	<u>5,076,334</u>	<u>5,551,929</u>
Current Liabilities	1,328,855	2,169,918
Non-Current Liabilities	<u>20,629,461</u>	<u>24,082,863</u>
Total Liabilities	<u>21,958,316</u>	<u>26,252,781</u>
Deferred Inflows of Resources	<u>8,713,866</u>	<u>4,465,937</u>
Net Position		
Net Investment in Capital Assets	3,176,152	3,482,946
Restricted	4,531,046	3,505,990
Unrestricted	<u>(19,319,705)</u>	<u>(20,687,910)</u>
Total Net Position	<u>\$ (11,612,507)</u>	<u>\$ (13,698,974)</u>

## Change in Net Position

The following table provides a summary of the Village's changes in net position as of:

	May 31,	
	2022	2021
<b>REVENUES</b>		
Program Revenues		
Charges for Services	\$ 3,272,871	\$ 3,958,320
Operating Grants and Contributions	1,178,761	112,778
Capital Grants and Contributions	105,440	424,196
Total Program Revenues	<u>4,557,072</u>	<u>4,495,294</u>
General Revenues		
Real Property Taxes	3,808,884	3,211,878
Other Tax Items	1,800,614	2,499,460
Non-Property Taxes	674,619	662,539
Unrestricted Use of Money and Property	92,952	18,679
Sale of Property and Compensation for Loss	92,972	19,617
Unrestricted State Aid	99,095	66,989
Miscellaneous	57,698	36,017
Total General Revenues	<u>6,626,834</u>	<u>6,515,179</u>
Total Revenues	<u>11,183,906</u>	<u>11,010,473</u>
<b>EXPENSES</b>		
Program Expenses		
General Government Support	1,835,273	1,552,072
Public Safety	1,988,439	2,504,513
Health	-	2,500
Transportation	1,060,501	931,803
Economic Opportunity and Development	2,850	2,850
Culture and Recreation	553,448	196,691
Home and Community Services	3,635,546	4,238,928
Interest	21,382	29,916
Total Expenses	<u>9,097,439</u>	<u>9,459,273</u>
Change in Net Position	2,086,467	1,551,200
<b>Net Position</b>		
Beginning	<u>(13,698,974)</u>	<u>(15,250,174)</u>
Ending	<u>\$ (11,612,507)</u>	<u>\$ (13,698,974)</u>

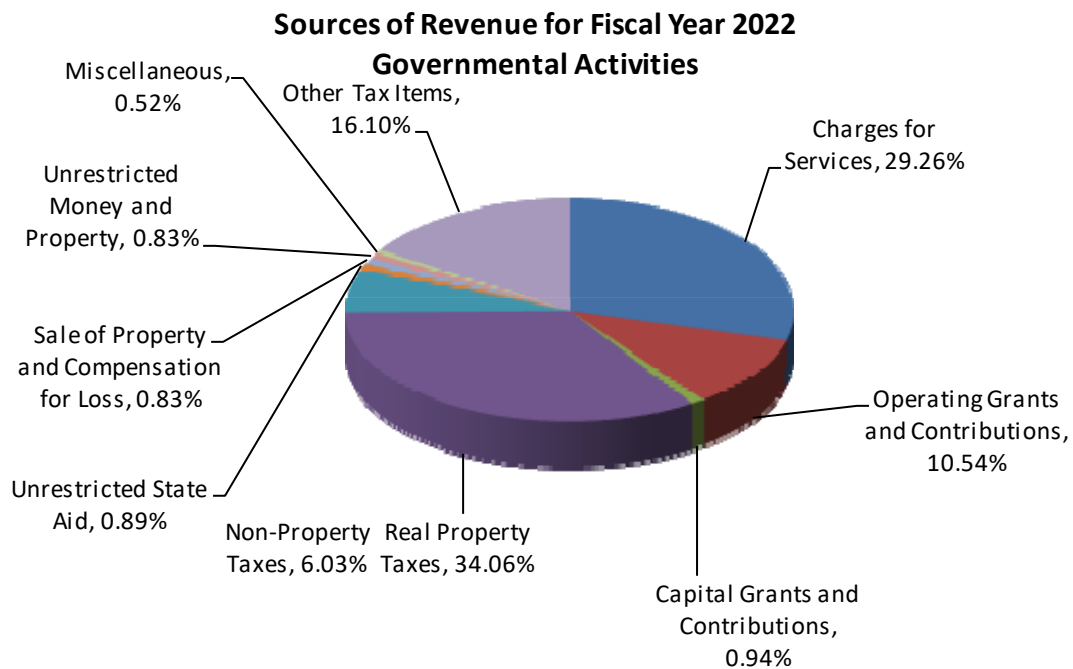
## Governmental Activities

Governmental activities increased the Village’s net position by \$2,086,467 inclusive of the impact of GASB Statement No. 75.

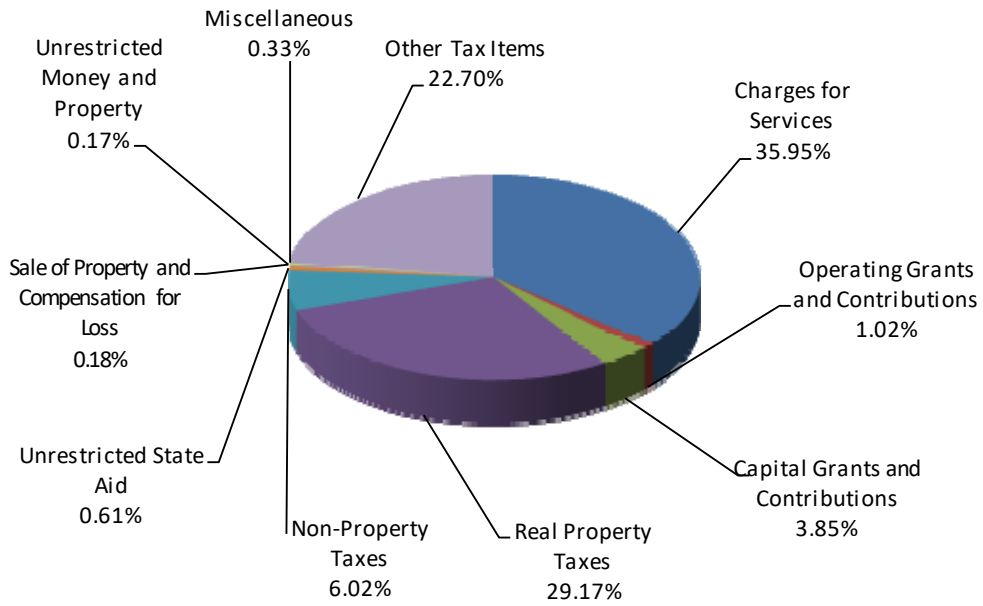
For the year ending May 31, 2022, the Village’s OPEB obligations of \$16,245,086 reflected as a liability on the government-wide financial statements and accordingly was the prime factor in the decrease in total net position.

For the fiscal year ended May 31, 2022, revenues from governmental activities totaled \$11,183,906. Program revenues are 40.74% of this total and 59.26% is attributable to taxes and other sources. The major changes are as follows:

- Charges for services decreased by \$685,449 due to a reduction in water consumption attributable to the closure of the Indian Point generating facility
- Operating Grants and Contributions increased by over \$1 million, the majority of which is the Cessation Grant the Village was able to secure.



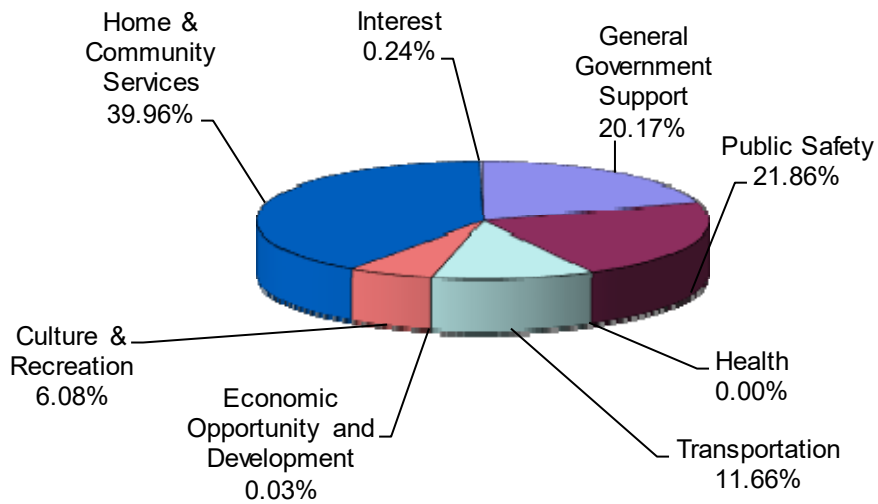
**Sources of Revenue for Fiscal Year 2021  
Governmental Activities**



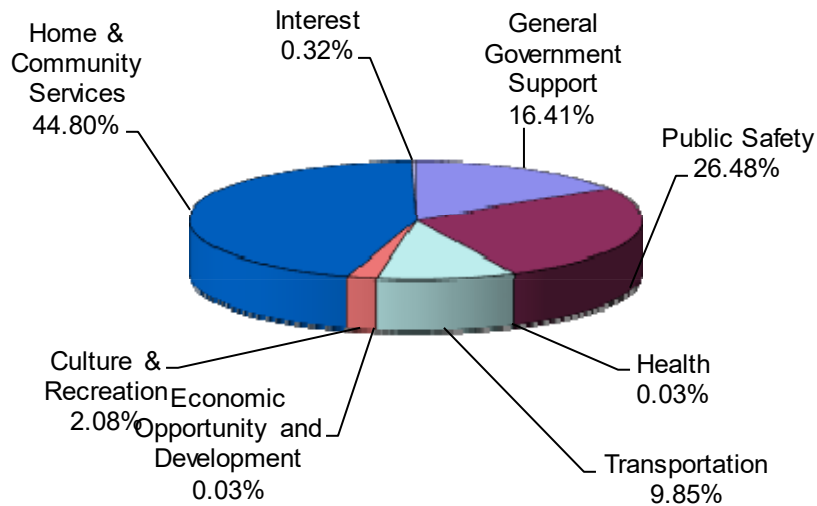
For the fiscal year ended May 31, 2022, expenses for governmental activities totaled \$9,097,439 or \$361,834 less than the prior year. Major changes are as follows:

- Decrease was related to GASB 75 (OPEB) required entries.

**Sources of Expenses for Fiscal Year 2022  
Governmental Activities**



## Sources of Expenses for Fiscal Year 2021 Governmental Activities



## Financial Analysis of the Village's Funds

### Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may be 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 fund balances of \$6,726,982. Of the total, \$4,541,900 is restricted, \$481,653 is assigned, and \$1,703,429 is unassigned.

### General Fund Budgetary Highlights

The major change between the original adopted budget and the final budget was an increased transfer to the Capital Fund for its expenditures from the General Fund. Actual expenditures and other financing uses were \$1,104,784. Actual revenues and other financing sources were less than the final budget by \$538,300. The major area where revenues were less than the final budgetary estimates was in other financing sources transfers in from the Water Fund by \$625,000.



## Capital Asset and Debt Administration

### Capital Assets

The Village has invested in a broad range of capital assets, including police and sanitation equipment, buildings, park facilities, roads, and water and sewer lines. For the Village's governmental activities its capital assets, net of accumulated depreciation was \$5,475,295.

The following table represents a summary of the Village's capital assets as of:

<u>Asset</u>	May 31,	
	<u>2022</u>	<u>2021</u>
Land	\$ 478,000	\$ 478,000
Constructin-in-progress	113,653	-
Buildings	172,934	192,502
Infrastructure	3,566,780	3,643,379
Machinery and Equipment	<u>1,143,928</u>	<u>658,355</u>
Total (net of depreciation)	<u>\$ 5,475,295</u>	<u>\$ 4,972,236</u>

### Long Term Debt/Short-Term Debt

At the end of the current fiscal year, the Village had total outstanding serial bonds of \$2,159,000 and installment purchase debt of \$150,997.

## Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Marcus Serrano, Village of Buchanan, 236 Tate Avenue, Buchanan, New York 10511.

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**Village of Buchanan, New York**Statement of Net Position  
May 31, 2022

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 5,832,008
Investments	968,411
Receivables	
Taxes, net	132,234
Accounts	281,528
Water rents	378,112
State and Federal aid	105,440
Due from other governments	484,544
Net pension asset	325,769
Capital assets	
Not being depreciated	591,653
Being depreciated, net	4,883,642
Total Assets	<u>13,983,341</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	1,661,346
Fire service awards related	453,726
OPEB related	2,961,262
Total Deferred Outflows of Resources	<u>5,076,334</u>
<b>LIABILITIES</b>	
Accounts payable	540,104
Accrued liabilities	58,024
Employee payroll deductions	4,758
Due to retirement systems	69,284
Unearned revenues	192,306
Deposits payable	119,863
Bond anticipation notes payable	50,000
Overpayments	288,722
Accrued interest payable	5,794
Non-current liabilities	
Due within one year	236,937
Due in more than one year	20,392,524
Total Liabilities	<u>21,958,316</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	2,443,817
Fire service awards related	332,558
OPEB related	5,937,491
Total Deferred Inflows of Resources	<u>8,713,866</u>
<b>NET POSITION</b>	
Net investment in capital assets	3,176,152
Restricted for	
Capital projects	2,870,972
Repairs	448,954
Debt service	2,074
Pension benefits	968,411
Special Purpose - Parklands	240,635
Unrestricted	<u>(19,319,705)</u>
Total Net Position	<u>\$ (11,612,507)</u>

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

**Village of Buchanan, New York**

Statement of Activities  
Year Ended May 31, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 1,835,273	\$ 147,396	\$ 773,568	\$ -
Public safety	1,988,439	106,131	-	-
Transportation	1,060,501	-	-	105,440
Economic opportunity and development	2,850	-	-	-
Culture and recreation	553,448	130,132	298,147	-
Home and community services	3,635,546	2,889,212	107,046	-
Interest	21,382	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 9,097,439</b>	<b>\$ 3,272,871</b>	<b>\$ 1,178,761</b>	<b>\$ 105,440</b>

General Revenues

- Real property taxes
- Other tax items
- Payments in lieu of taxes
- Interest and penalties on real property taxes
- Non-property taxes
- Non-property tax distribution from County
- Utilities gross receipts
- Franchise fees - Cable TV
- Unrestricted use of money and property
- Sale of property and compensation for loss
- Unrestricted State aid
- Miscellaneous

Total General Revenues

Change in Net Position

**NET POSITION**

Beginning

Ending

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

<u>Net (Expense)</u>	
<u>Revenue and</u>	
<u>Changes in</u>	
<u>Net Position</u>	
\$	(914,309)
	(1,882,308)
	(955,061)
	(2,850)
	(125,169)
	(639,288)
	(21,382)
	<u>(4,540,367)</u>
	3,808,884
	1,797,758
	2,856
	554,456
	96,040
	24,123
	92,952
	92,972
	99,095
	57,698
	<u>6,626,834</u>
	2,086,467
	<u>(13,698,974)</u>
\$	<u><u>(11,612,507)</u></u>

**Village of Buchanan, New York**

Balance Sheet  
 Governmental Funds  
 May 31, 2022

	General	Water	Special Purpose
<b>ASSETS</b>			
Cash and equivalents	\$ 3,452,749	\$ 801,734	\$ 190,787
Investments	968,411	-	-
	<u>4,421,160</u>	<u>801,734</u>	<u>190,787</u>
Taxes receivable, net of allowance for uncollectible taxes	<u>132,234</u>	-	-
Other receivables			
Accounts	281,528	-	-
Water rents	-	378,112	-
State and Federal aid	-	-	-
Due from other governments	484,544	-	-
Due from other funds	<u>6,215</u>	<u>100,298</u>	<u>49,848</u>
	<u>772,287</u>	<u>478,410</u>	<u>49,848</u>
Total Assets	<u>\$ 5,325,681</u>	<u>\$ 1,280,144</u>	<u>\$ 240,635</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 416,470	\$ 112,030	\$ -
Accrued liabilities	56,576	1,448	-
Employee payroll deductions	4,758	-	-
Due to retirement systems	69,284	-	-
Unearned revenues	192,306	-	-
Due to other funds	1,607,613	-	-
Deposits payable	119,863	-	-
Bond anticipation notes payable	-	-	-
Overpayments	-	288,722	-
Total Liabilities	<u>2,466,870</u>	<u>402,200</u>	<u>-</u>
Deferred inflows of resources			
Real property taxes	<u>132,234</u>	-	-
Total Liabilities and Deferred Inflows of Resources	<u>2,599,104</u>	<u>402,200</u>	<u>-</u>
Fund balances			
Restricted	1,023,148	396,291	240,635
Assigned	-	481,653	-
Unassigned	<u>1,703,429</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>2,726,577</u>	<u>877,944</u>	<u>240,635</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,325,681</u>	<u>\$ 1,280,144</u>	<u>\$ 240,635</u>

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

Capital Projects	Total Governmental Funds
\$ 1,386,738	\$ 5,832,008
-	968,411
<u>1,386,738</u>	<u>6,800,419</u>
-	132,234
-	281,528
-	378,112
105,440	105,440
-	484,544
<u>1,451,252</u>	<u>1,607,613</u>
<u>1,556,692</u>	<u>2,857,237</u>
<u>\$ 2,943,430</u>	<u>\$ 9,789,890</u>

\$ 11,604	\$ 540,104
-	58,024
-	4,758
-	69,284
-	192,306
-	1,607,613
-	119,863
50,000	50,000
-	288,722
<u>61,604</u>	<u>2,930,674</u>
-	132,234
<u>61,604</u>	<u>3,062,908</u>
2,881,826	4,541,900
-	481,653
-	1,703,429
<u>2,881,826</u>	<u>6,726,982</u>
<u>\$ 2,943,430</u>	<u>\$ 9,789,890</u>

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## Village of Buchanan, New York

### Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position May 31, 2022

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Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances - Governmental Funds	<u>\$ 6,726,982</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets - non-depreciable	591,653
Capital Assets - depreciable	13,402,712
Accumulated depreciation	<u>(8,519,070)</u>
	<u>5,475,295</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) and fire service award related are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	1,661,346
Deferred outflows - fire service awards related	453,726
Deferred outflows - OPEB related	2,961,262
Deferred inflows - pension related	(2,443,817)
Deferred inflows - fire service awards related	(332,558)
Deferred inflows - OPEB related	<u>(5,937,491)</u>
	<u>(3,637,532)</u>
Other long-term assets that are not available to pay for current-period expenditures and, therefore, are either deferred or not reported in the funds.	
Net pension asset	325,769
Real property taxes	<u>132,234</u>
	<u>458,003</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(5,794)
General obligation bonds payable	(2,159,000)
Installment purchase debt payable	(150,997)
Compensated absences	(377,841)
Net pension liability	(139,897)
Total pension liability - Length of service award program	(1,556,640)
Total OPEB liability	<u>(16,245,086)</u>
	<u>(20,635,255)</u>
Net Position of Governmental Activities	<u><u>\$ (11,612,507)</u></u>

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

**Village of Buchanan, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended May 31, 2022

	General	Water	Special Purpose
<b>REVENUES</b>			
Real property taxes	\$ 3,763,358	\$ -	\$ -
Other tax items	1,800,614	-	-
Non-property taxes	674,619	-	-
Departmental income	392,464	2,657,880	-
Use of money and property	120,326	60	19
Licenses and permits	136,496	-	-
Fines and forfeitures	58,657	-	-
Sale of property and compensation for loss	92,972	-	-
State aid	1,170,791	-	-
Federal aid	104,784	-	-
Miscellaneous	57,698	2,202	-
<b>Total Revenues</b>	<b>8,372,779</b>	<b>2,660,142</b>	<b>19</b>
<b>EXPENDITURES</b>			
Current			
General government support	1,513,733	-	-
Public safety	1,398,849	-	-
Health	-	-	-
Transportation	718,411	-	-
Economic opportunity and development	2,850	-	-
Culture and recreation	372,543	-	97,929
Home and community services	843,011	2,602,182	-
Employee benefits	1,685,167	74,487	-
Debt service			
Principal	128,454	-	-
Interest	24,029	-	-
Issuance costs	35,807	-	-
Capital outlay	-	-	-
<b>Total Expenditures</b>	<b>6,722,854</b>	<b>2,676,669</b>	<b>97,929</b>
Excess (Deficiency) of Revenues Over Expenditures	1,649,925	(16,527)	(97,910)
<b>OTHER FINANCING SOURCES (USES)</b>			
General obligation bonds issued	86,700	-	-
Transfers in	-	-	-
Transfers out	(1,104,784)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,018,084)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>631,841</b>	<b>(16,527)</b>	<b>(97,910)</b>
<b>FUND BALANCES</b>			
Beginning of Year	2,094,736	894,471	338,545
End of Year	<u>\$ 2,726,577</u>	<u>\$ 877,944</u>	<u>\$ 240,635</u>

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

Capital Projects	Total Governmental Funds
\$ -	\$ 3,763,358
-	1,800,614
-	674,619
-	3,050,344
-	120,405
-	136,496
-	58,657
-	92,972
105,440	1,276,231
-	104,784
-	59,900
105,440	11,138,380
-	1,513,733
-	1,398,849
-	-
-	718,411
-	2,850
-	470,472
-	3,445,193
-	1,759,654
-	128,454
-	24,029
-	35,807
1,010,340	1,010,340
1,010,340	10,507,792
(904,900)	630,588
1,762,300	1,849,000
1,104,784	1,104,784
-	(1,104,784)
2,867,084	1,849,000
1,962,184	2,479,588
919,642	4,247,394
\$ 2,881,826	\$ 6,726,982

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## Village of Buchanan, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended May 31, 2022

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 2,479,588</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	972,189
Depreciation expense	<u>(466,826)</u>
	<u>505,363</u>
The net effect of various miscellaneous transactions involving capital assets is to decrease net position	
Loss on disposal of assets	<u>(2,304)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>45,526</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
General obligation bonds issued	(1,849,000)
Principal paid on general obligation bonds	70,000
Principal paid on installment purchase debt	<u>58,454</u>
	<u>(1,720,546)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	2,647
Changes in pension liabilities and related deferred outflows and inflows of resources	213,559
Compensated absences	179,294
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>383,340</u>
	<u>778,840</u>
Change in Net Position of Governmental Activities	<u><u>\$ 2,086,467</u></u>

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

**Village of Buchanan, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual  
General and Water Funds  
Year Ended May 31, 2022

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 3,808,915	\$ 3,808,915	\$ 3,763,358	\$ (45,557)
Other tax items	1,807,758	1,807,758	1,800,614	(7,144)
Non-property taxes	467,000	647,000	674,619	27,619
Departmental income	224,580	394,580	392,464	(2,116)
Use of money and property	3,000	3,000	120,326	117,326
Licenses and permits	13,250	113,250	136,496	23,246
Fines and forfeitures	23,000	23,000	58,657	35,657
Sale of property and compensation for loss	30,000	30,000	92,972	62,972
State aid	635,000	685,000	1,170,791	485,791
Federal aid	-	-	104,784	104,784
Miscellaneous	5,000	5,000	57,698	52,698
<b>Total Revenues</b>	<b>7,017,503</b>	<b>7,517,503</b>	<b>8,372,779</b>	<b>855,276</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,736,240	1,624,795	1,513,733	111,062
Public safety	1,466,008	1,398,849	1,398,849	-
Health	2,500	-	-	-
Transportation	583,163	727,548	718,411	9,137
Economic opportunity and development	3,000	2,850	2,850	-
Culture and recreation	390,573	392,793	372,543	20,250
Home and community services	1,158,730	909,534	843,011	66,523
Employee benefits	1,917,770	1,830,984	1,685,167	145,817
Debt service				
Principal	110,000	143,454	128,454	15,000
Interest	33,107	29,693	24,029	5,664
Issuance costs	-	35,807	35,807	-
<b>Total Expenditures</b>	<b>7,401,091</b>	<b>7,096,307</b>	<b>6,722,854</b>	<b>373,453</b>
Excess (Deficiency) of Revenues Over Expenditures	(383,588)	421,196	1,649,925	1,228,729
<b>OTHER FINANCING SOURCES (USES)</b>				
General obligation bonds issued	-	-	86,700	86,700
Transfers in	625,000	625,000	-	(625,000)
Transfers out	(300,000)	(1,104,784)	(1,104,784)	-
<b>Total Other Financing Sources (Uses)</b>	<b>325,000</b>	<b>(479,784)</b>	<b>(1,018,084)</b>	<b>(538,300)</b>
<b>Net Change in Fund Balances</b>	<b>(58,588)</b>	<b>(58,588)</b>	<b>631,841</b>	<b>690,429</b>
<b>FUND BALANCES</b>				
Beginning of Year	58,588	58,588	2,094,736	2,036,148
End of Year	\$ -	\$ -	\$ 2,726,577	\$ 2,726,577

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

Water Fund

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
4,032,388	4,032,388	2,657,880	(1,374,508)
2,000	2,000	60	(1,940)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	2,202	2,202
<u>4,034,388</u>	<u>4,034,388</u>	<u>2,660,142</u>	<u>(1,374,246)</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
3,349,552	3,366,289	2,602,182	764,107
59,836	78,124	74,487	3,637
-	-	-	-
-	-	-	-
-	-	-	-
<u>3,409,388</u>	<u>3,444,413</u>	<u>2,676,669</u>	<u>767,744</u>
<u>625,000</u>	<u>589,975</u>	<u>(16,527)</u>	<u>(606,502)</u>
-	-	-	-
-	-	-	-
<u>(625,000)</u>	<u>(625,000)</u>	<u>-</u>	<u>625,000</u>
<u>(625,000)</u>	<u>(625,000)</u>	<u>-</u>	<u>625,000</u>
-	(35,025)	(16,527)	18,498
-	35,025	894,471	859,446
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 877,944</u>	<u>\$ 877,944</u>

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

The Village of Buchanan, New York (“Village”) was established in 1928 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 Village Manager 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, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local 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 Village’s significant accounting policies are described below:

**A. Financial Reporting Entity**

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

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

**B. Government-Wide Financial Statements**

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

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

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

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

**C. Fund Financial Statements**

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. The Village has elected to treat each governmental fund as a major fund as provided by the provisions of GASB Statement No. 34, "*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*". Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements’ governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village’s resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

**Fund Categories**

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

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

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

Water Fund - The Water Fund is used to record the water utility operations of the Village which renders services on a user charge basis to the general public. The major revenue of this fund is departmental income.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Village in accordance with grantor or contribution stipulations.

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.

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

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) – The Fiduciary Funds are used to account for assets held by the Village on behalf of others. In accordance with the provisions of GASB Statement No. 84, “*Fiduciary Activities*”, the Village had no such activity to report in this fund category.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability, total pension liability and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances**

**Cash and Equivalents, Investments and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The Village’s deposits and 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.

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

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

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The Village follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and established a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

**Length of Service Award Program Investments**

**Fire Service Award Program** - The program allows investments in accordance with a prudent person rule. Investments consist of insurance contracts backed by an insurance company with a credit rating of Aa3. The investments are priced using Level 1 inputs.

**Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Village does not invest in any long-term investment obligations.

**Custodial Credit Risk** - 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, "*Deposits and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", 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, 2022.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Village does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

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

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Village's investment policy limits the amount on deposit at each of its banking institutions.

**Property Taxes Receivable** - Real property taxes attach as an enforceable lien on real property as of June 1st and are levied and payable in two installments due in June and December. The Village has the responsibility for the billing and collection of Village taxes and also has the responsibility for conducting tax lien sales and in-rem foreclosure proceedings.

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

**Due From/To Other Funds** - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of May 31, 2022, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Capital Assets** - Capital assets, which include property, plant and equipment are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Village chose to include all such items regardless of their acquisition date or amount. The Village was able to estimate the historical cost for the initial reporting of these assets through 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 costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	5-40
Infrastructure	10-60
Machinery and equipment	5-10

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

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

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$192,306, which includes \$147,376 for the unexpended portion of a prior year donation for recreational purposes, \$12,887 for New York State aid for clock maintenance, \$9,677 for grant revenue unused as of year-end and \$22,366 for other revenues received in advance in the General Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

The Village reported deferred inflows of resources of \$132,234 for uncollected taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The Village has also reported deferred outflows of resources and deferred inflows of resources in relation to its pension, fire service awards and other postemployment benefit liabilities in the government-wide financial statement for governmental activities. These amounts are detailed in the discussion of the Village's pension plans in Note 3E.

**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 or not withheld from the actual debt proceeds received, are reported as General Fund expenditures.

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

**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 Statement of Net Position as current and long-term liabilities, as applicable. 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 Asset/Liability (Asset)** - The net pension asset/liability (asset) represents the Village's proportionate share of the net pension asset/liability (asset) of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provision of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68.*"

**Total Pension Liability** - The total pension liability represents the Village's liability for its Length of Service Award Program ("LOSAP"). The financial reporting of this amount is presented in accordance with the provisions 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.*"

**Other Postemployment Benefit Liability ("OPEB")** – In addition to providing pension benefits, the Village provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*".

**Net Position** - represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

*Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the Village includes restricted for capital projects, repairs, debt service, pension benefits and special purposes.

*Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

**Fund Balance** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy

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

based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

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

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the 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 Village 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 Village removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Village Board of Trustees.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Village Board of Trustees for amounts assigned for balancing the subsequent year's budget or the Village Treasurer for amounts assigned for encumbrances. 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 or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represent amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

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



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

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in all budgeted governmental funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is March 7, 2023.

**Note 2 - Stewardship, Compliance and Accountability**

**A. Budgetary Data**

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

- a) On or before March 31st, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, meets to discuss and review the tentative budget.
- c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for the General and Water funds.
- f) Budgets for the General and Water funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted by the Board for the Special Purpose Fund since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.

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

- g) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also requires a majority vote by the Board.
- h) Appropriations in the General and Water funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Board of Trustees.

**B. Property Tax Limitations**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2021-2022 was \$7,443,975, which exceeded the actual levy by \$3,635,060.

In addition to this constitutional tax limitation, Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limit on the amount of real property taxes a local government may levy. The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

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

**C. Reclassification of Prior Year Presentation**

Certain prior year amounts have been classified to conform with the current year presentation.

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2022

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

**D. Expenditures in Excess of Budget**

The following capital project exceeded its budgetary authorizations by the amount indicated:

Fire Truck	\$141,891
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**E. Capital Projects Fund Projects Deficit**

The individual project deficit in the Capital Projects Fund arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced or 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 are outstanding arise because of expenditures exceeding current financing on the projects. This deficit will be eliminated with the subsequent receipt or issuance of authorized financing.

**Note 3 - Detailed Notes on All Funds**

**A. Taxes Receivable**

Taxes receivable consisted of the following:

Village taxes - Current year	\$ 48,350
Tax liens and overdue taxes	<u>84,518</u>
Total Taxes	132,868
Less - Allowance for uncollectible taxes	<u>(634)</u>
Taxes Receivable	<u><u>\$ 132,234</u></u>

Taxes receivable in the fund financial are also offset by deferred tax revenues of \$132,234, which represents the taxes receivable which were not collected within the first sixty days of the subsequent year.

**B. Interfund Receivables/Payables**

The composition of due from/to other funds at May 31, 2022 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 6,215	\$ 1,607,613
Water	100,298	-
Special Purpose	49,848	-
Capital Projects	<u>1,451,252</u>	<u>-</u>
	<u><u>\$ 1,607,613</u></u>	<u><u>\$ 1,607,613</u></u>

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)

May 31, 2022

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

The outstanding balances between funds results 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.

**C. Capital Assets**

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

	Balance June 1, 2021	Additions	Deletions	Balance May 31, 2022
Capital assets, not being depreciated:				
Land	\$ 478,000	\$ -	\$ -	\$ 478,000
Construction-in-progress	-	113,653	-	113,653
<b>Total Capital Assets, not being depreciated</b>	<b>\$ 478,000</b>	<b>\$ 113,653</b>	<b>\$ -</b>	<b>\$ 591,653</b>
Capital assets, being depreciated:				
Buildings and improvements	\$ 1,990,873	\$ -	\$ 95,840	\$ 1,895,033
Infrastructure	9,181,954	157,416	-	9,339,370
Machinery and equipment	1,648,827	701,120	181,638	2,168,309
<b>Total Capital Assets, being depreciated</b>	<b>12,821,654</b>	<b>858,536</b>	<b>277,478</b>	<b>13,402,712</b>
Less accumulated depreciation for:				
Buildings and improvements	1,798,371	19,568	95,840	1,722,099
Infrastructure	5,538,575	234,015	-	5,772,590
Machinery and equipment	990,472	213,243	179,334	1,024,381
<b>Total Accumulated Depreciation</b>	<b>8,327,418</b>	<b>466,826</b>	<b>275,174</b>	<b>8,519,070</b>
<b>Total Capital Assets, being depreciated, net</b>	<b>\$ 4,494,236</b>	<b>\$ 391,710</b>	<b>\$ 2,304</b>	<b>\$ 4,883,642</b>
<b>Capital assets, net</b>	<b>\$ 4,972,236</b>	<b>\$ 505,363</b>	<b>\$ 2,304</b>	<b>\$ 5,475,295</b>

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

General Government Support	\$ 104,516
Public Safety	55,813
Transportation	259,545
Culture and Recreation	13,605
Home and Community Services	33,347
<b>Total Depreciation Expense</b>	<b>\$ 466,826</b>

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
 May 31, 2022

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

**D. Short-Term Capital Borrowings**

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance June 1, 2021	New Issues	Redemptions	Balance May 31, 2022
4th street pump station improvements	3/6/2020	3/4/2022	0.390 %	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
Fire truck	3/4/2021	3/4/2022	0.390	387,600	-	387,600	-
Motor vehicles	3/3/2022	3/3/2023	1.000	-	50,000	-	50,000
				<u>\$ 1,387,600</u>	<u>\$ 50,000</u>	<u>\$ 1,387,600</u>	<u>\$ 50,000</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded 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 seven 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 \$5,412 were recorded in the fund financial statements in the General Fund. Interest expense of \$4,230 was recorded in the government-wide financial statements.

**E. Long-Term Liabilities**

The following table summarizes changes in the Village's long-term liabilities for the year ended May 31, 2022:

	Balance June 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2022	Due Within One-Year
General Obligations Bonds Payable	\$ 380,000	\$ 1,849,000	\$ 70,000	\$ 2,159,000	\$ 139,000
Installment Purchase Debt	209,451	-	58,454	150,997	59,937
Compensated Absences	557,135	-	179,294	377,841	38,000
Net Pension Liability - ERS	4,297	-	4,297	-	-
Net Pension Liability - PFRS	378,327	-	238,430	139,897	-
Total Pension Liability - Fire					
Length of Service Award Program	1,444,248	115,392	3,000	1,556,640	-
Other Postemployment Benefit Liability	21,109,405	(4,280,741)	583,578	16,245,086	-
	<u>\$ 24,082,863</u>	<u>\$ (2,316,349)</u>	<u>\$ 1,137,053</u>	<u>\$ 20,629,461</u>	<u>\$ 236,937</u>

Each governmental fund's liability for general obligations bonds payable, installment purchase debt payable, compensated absences, net pension liability for ERS/PFRS, total pension liability for Fire-Length of Service Award Program, and other postemployment benefit obligations are liquidated by the General Fund.

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2022

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

**General Obligations Bonds Payable**

General obligations bonds payable at May 31, 2022 is comprised of the following individual issue:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at May 31, 2022</u>
Public Improvements	2016	\$ 700,000	October, 2025	3.500 %	\$ 310,000
Public Improvements	2022	1,849,000	March, 2042	3.000 - 5.000	<u>1,849,000</u>
					<u>\$ 2,159,000</u>

Interest expenditures of \$12,031 were recorded in the fund financial statements in the General Fund. Interest expense of \$11,643 was recorded in the government-wide financial statements.

**Installment Purchase Debt Payable**

The Village entered into a lease agreement to finance the costs of a police vehicle. The terms of this agreement provided for the repayment of the principal amount of \$32,160 in annual installments of \$7,289 through October 2022 including interest at 6.60%.

The Village entered into a lease agreement to finance the costs of various energy efficient equipment. The terms of this agreement provided for the repayment of the principal amount of \$125,000 in annual installments of \$25,000 through August 2022 with no interest.

The Village entered into a lease agreement to finance the costs of a police vehicle. The terms of this agreement provided for the repayment of the principal amount of \$204,997 in annual installments of \$32,751 through August 2025 including interest at 3.90%.

Interest expenditures of \$6,586 were recorded in the fund financial statements in the General Fund. Interest expense of \$5,509 was recorded in the government-wide financial statements.

The balance due at May 31, 2022 on these various installment purchase debt obligations was \$150,997.

## Village of Buchanan, New York

Notes to Financial Statements (Continued)

May 31, 2022

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

#### **Payments to Maturity**

The annual requirements to amortize all debt outstanding as of May 31, 2022 including interest payments of \$731,972 are as follows:

Year Ending May 31,	General Obligations Bonds		Installment Purchase Debt		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 139,000	\$ 76,413	\$ 59,937	\$ 5,103	\$ 198,937	\$ 81,516
2024	140,000	70,963	29,200	3,551	169,200	74,514
2025	150,000	65,000	30,338	2,413	180,338	67,413
2026	150,000	58,700	31,522	1,229	181,522	59,929
2027	75,000	53,800	-	-	75,000	53,800
2028 - 2032	430,000	211,050	-	-	430,000	211,050
2033 - 2037	505,000	131,700	-	-	505,000	131,700
2038 - 2042	570,000	52,050	-	-	570,000	52,050
	<u>\$ 2,159,000</u>	<u>\$ 719,676</u>	<u>\$ 150,997</u>	<u>\$ 12,296</u>	<u>\$ 2,309,997</u>	<u>\$ 731,972</u>

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

#### **Legal Debt Margin**

The Village is subject to legal limitations on the amount of debt that it may issue. The Village's legal debt margin is 7% of the five year average full valuation of taxable real property.

#### **Compensated Absences**

Pursuant to collective bargaining agreements, employees covered by the Local 456 International Brotherhood of Teamsters contract may accumulate an unlimited amount of sick time. Upon retirement, these employees will be compensated for a sliding scale percentage of unused sick time at their current salary level up to a maximum of 180 days. Employees covered under the Police Association contract can accumulate sick leave up to a maximum of 185 days and are also paid on a sliding scale percentage of unused sick time at their current salary level. Vacation time for all employees can be accumulated to a maximum of 10 days. The value of the compensated absences has been reflected in the government-wide financial statements.

#### **Pension Plans**

##### *New York State and Local Retirement System*

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
 May 31, 2022

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

employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (“NYSRSSL”). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees’ Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State’s financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at [www.osc.state.ny.us/retire/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers’ contributions based on salaries paid during the System’s fiscal year ending March 31. The employer contribution rates for the plan’s year ending in 2022 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	4 A15	18.0%
	5 A15	15.0
	6 A15	10.5
PFRS	2 384D	30.4%
	5 384D	25.5
	6 384D	19.8

At May 31, 2022, the Village reported the following for its proportionate share of the net pension liability (asset) for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2022	March 31, 2022
Net pension liability (asset)	\$ (325,769)	\$ 139,897
Villages' proportion of the net pension liability	0.0039851 %	0.0246279 %
Change in proportion since the prior measurement date	(0.0003307) %	0.0028384 %

The net pension liability (asset) was measured as of March 31, 2022 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Village’s proportion of the net pension liability (asset) was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.



**Village of Buchanan, New York**

Notes to Financial Statements (Continued)

May 31, 2022

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

For the year ended May 31, 2022, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$121,692 (\$8,758 for ERS and \$130,450 for PFRS). Pension expenditures of \$192,981 for ERS and \$251,173 for PFRS were recorded in the fund financial statements and were charged to the following funds.

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 159,862	\$ 251,173
Water	33,119	-
	<u>\$ 192,981</u>	<u>\$ 251,173</u>

At May 31, 2022, 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>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 24,671	\$ 32,000	\$ 75,420	\$ -
Changes of assumptions	543,672	9,174	837,317	-
Net difference between projected and actual earnings on pension plan investments	-	1,066,757	-	1,175,504
Changes in proportion and differences between Village contributions and proportionate share of contributions	32,215	75,981	78,767	84,401
Village contributions subsequent to the measurement date	27,698	-	41,586	-
	<u>\$ 628,256</u>	<u>\$ 1,183,912</u>	<u>\$ 1,033,090</u>	<u>\$ 1,259,905</u>
	<u>Total</u>			
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		
Differences between expected and actual experience	\$ 100,091	\$ 32,000		
Changes of assumptions	1,380,989	9,174		
Net difference between projected and actual earnings on pension plan investments	-	2,242,261		
Changes in proportion and differences between Village contributions and proportionate share of contributions	110,982	160,382		
Village contributions subsequent to the measurement date	69,284	-		
	<u>\$ 1,661,346</u>	<u>\$ 2,443,817</u>		

\$27,698 reported as deferred outflows of resources related to ERS resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the plan's year ended March 31, 2023. \$41,586 reported as deferred outflows of resources related to PFRS resulting from the Village's accrued contributions subsequent to the

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)

May 31, 2022

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

measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	ERS	PFRS
2023	\$ (102,151)	\$ (59,681)
2024	(134,364)	(99,238)
2025	(286,088)	(276,684)
2026	(60,751)	156,501
2027	-	10,701
Thereafter	-	-
	<u>\$ (583,354)</u>	<u>\$ (268,401)</u>

The total pension liability for the March 31, 2022 measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

	ERS	PFRS
Measurement date	March 31, 2022	March 31, 2022
Actuarial valuation date	April 1, 2021	April 1, 2021
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	6.2%
Inflation rate	2.7%	2.7%
Cost of living adjustments	1.4%	1.4%

\*Compounded annually, net of pension plan investment expenses, including inflation.

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table.

Village of Buchanan, New York

Notes to Financial Statements (Continued)

May 31, 2022

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

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32 %	3.30 %
International Equity	15	5.85
Private Equity	10	6.50
Real Estate	9	5.00
Opportunistic/ARS Portfolio	3	4.10
Credit	4	3.78
Real Assets	3	5.80
Fixed Income	23	-
Cash	<u>1</u>	(1.00)
	<u>100 %</u>	

\* The real rate of return is net of the long-term inflation assumption of 2.7%.

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 determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	<u>1% Decrease (4.9%)</u>	<u>Current Discount Rate (5.9%)</u>	<u>1% Increase (6.9%)</u>
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 838,526</u>	<u>\$ (325,769)</u>	<u>\$ (1,299,645)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 1,556,143</u>	<u>\$ 139,897</u>	<u>\$ (1,032,378)</u>

## Village of Buchanan, New York

Notes to Financial Statements (Continued)

May 31, 2022

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

The components of the collective net pension liability as of the March 31, 2022 measurement date were as follows:

	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
Total pension liability	\$ 223,874,888,000	\$ 42,237,292,000	\$ 266,112,180,000
Fiduciary net position	<u>(232,049,473,000)</u>	<u>(41,669,250,000)</u>	<u>(273,718,723,000)</u>
Employers' net pension liability (asset)	<u>\$ (8,174,585,000)</u>	<u>\$ 568,042,000</u>	<u>\$ (7,606,543,000)</u>
Fiduciary net position as a percentage of total pension liability	<u>103.65%</u>	<u>98.66%</u>	<u>102.86%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of May 31, 2022 represent the employer contribution for the period of April 1, 2022 through May 31, 2022 based on paid ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly. Accrued retirement contributions to ERS and PFRS within the General Fund as of May 31, 2022 were \$27,698 and \$41,586, respectively.

#### *Voluntary Defined Contribution Plan*

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

#### **Length of Service Award Program**

The Village's financial statements are for the year ended May 31, 2022. However, the information contained in this note is based on information for the Length of Service Award Program for the plan year ending on February 28, 2022, which is the most recent plan year for which complete information is available.

#### *Plan Description*

The Village established a defined benefit Service Award Program (referred to as a "LOSAP" – length of service award program – qualifying under Section 457(e)(11) of the Internal Revenue Code) effective October 1, 1991 for the active volunteer firefighter members of the Village. This is a single employer defined benefit plan. The program was established pursuant to Article 11-A of the General Municipal Law of the State of New York. The program provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Village is the sponsor of the program.

Under the program, participating volunteers begin to be paid a service award upon attainment of the program "entitlement age". The amount of the service award paid to a volunteer is based upon the number of years of service credit the volunteer earned under the program for performing active volunteer firefighter activities.

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)  
May 31, 2022

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

*Participation, Vesting and Service Credit*

Active volunteer firefighters who have reached the age of 18 and who have completed one year of firefighting service are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is age 65 with one year of Plan participation. In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for 5 years of firefighting service rendered prior to the establishment of the program as an active volunteer firefighter member of the Village.

*Benefits*

A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to \$20 multiplied by the person's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed forty years. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program provides statutorily mandated death and disability benefits.

*Fiduciary Investment and Control*

Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by each fire company having members who participate in the program. The fire company must maintain all required records on forms prescribed by the governing board.

The governing board of the sponsor has retained and designated VFIS to assist in the administration of the program. The designated program administrator's functions include installation assistance in the following areas: specimen adoption agreement, specimen master plan, insurance applications, participant enrollment forms, explanation of benefits and benefit certificates provided at enrollment and every three years thereafter. In addition, VFIS provides the following administrative assistance: reminder letter to the Village with census for current anniversary date, participant's benefit calculation at the time of termination or retirement for verification by the Village, schedule of benefits and costs, valuation and recommended deposit, summary of required contribution and actuarial review and recommended benefit enhancement.

Disbursements of program assets for the payment of benefits or administrative expenses must be approved.

<u>Group</u>	<u>May 31, 2022</u>
Inactive participants currently receiving benefit payments	1
Inactive participants entitled to but not yet receiving benefits payments	12
Active participants	<u>25</u>
	<u><u>38</u></u>

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)

May 31, 2022

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

*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.

*Measurement of Total Pension Liability*

The total pension liability at the February 28, 2022 measurement date was determined using an actuarial valuation as of March 1, 2021.

*Actuarial Assumptions.* The total pension liability in the February 28, 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: 0.00%

Salary Scale: None assumed

Mortality – No pre-retirement mortality, post retirement RP2000 projected to 2030

*Discount Rate.* The discount rate used to measure the total pension liability was 2.37%, net of pension plan investment expense, including inflation.

*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. The trust assets are recorded in the General Fund as investments and as a component of restricted fund balance.

*Changes in the Total Pension Liability*

Total Pension Liability - Beginning of Period	\$ 1,444,248
Service cost	42,645
Interest	34,229
Changes of assumptions or other inputs	40,817
Differences between expected and actual experience	(2,299)
Benefit payments	<u>(3,000)</u>
Total Pension Liability - End of Period	<u>\$ 1,556,640</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 February 28, 2022 measurement date, calculated using the discount rate of 2.37%, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.37%) or 1-percentage point higher (3.37%) than the current rate:

**Village of Buchanan, New York**

Notes to Financial Statements (Continued)

May 31, 2022

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

	1% Decrease (1.37%)	Current Discount Rate (2.37%)	1% Increase (3.37%)
Total Pension Liability	\$ 1,918,750	\$ 1,556,640	\$ 1,275,228

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

For the year ended May 31, 2022, the Village recognized pension expense of \$149,311. At May 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,436	\$ 150,959
Changes of assumptions or other inputs	420,525	181,599
Benefit payments and administrative expenses subsequent to the measurement date	28,765	-
	<u>\$ 453,726</u>	<u>\$ 332,558</u>

For the year ended May 31, 2022, the Village reported \$28,765 as deferred outflows of resources resulting from Village contributions subsequent to the measurement date and this amount will be recognized as a reduction of the total pension liability in the plan year ended February 28, 2023.

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

Year Ended May 31,	
2023	\$ 23,821
2024	23,821
2025	23,821
2026	23,821
2027	23,827
Thereafter	<u>(26,708)</u>
	<u>\$ 92,403</u>

**Other Postemployment Benefit Liability (“OPEB”)**

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit OPEB 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 postemployment health

## Village of Buchanan, New York

Notes to Financial Statements (Continued)

May 31, 2022

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

care benefits is shared between the Village and the retired employee as noted below. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At May 31, 2022, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	27
Active employees	<u>19</u>
	<u><u>46</u></u>

The Village's total OPEB liability of \$16,245,086 was measured as of May 31, 2022, and was determined by an actuarial valuation as of June 1, 2021.

The total OPEB liability in the June 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.00%
Discount rate	3.70%
Healthcare cost trend rates	8.0% for 2022, decreasing 0.5% per year to an ultimate rate of 5.0% for 2028 and later years

The discount rate was based on S&P Municipal Bond 20-Year High Grade Rate Index as of May 31, 2022.

Mortality rates were based on RP-2006 mortality table and MP-2020 projection.

The actuarial assumptions used in the June 1, 2021 valuation were based on published municipal bond indices.

The Village's change in the total OPEB liability for the year ended May 31, 2022 is as follows:

Total OPEB Liability - Beginning of Year	\$ 21,109,405
Service cost	388,765
Interest	331,000
Changes of benefit terms	-
Differences between expected and actual experience	677,668
Changes in assumptions or other inputs	(5,678,174)
Benefit payments	<u>(583,578)</u>
Total OPEB Liability - End of Year	<u><u>\$ 16,245,086</u></u>



**Village of Buchanan, New York**

Notes to Financial Statements (Continued)

May 31, 2022

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

The following 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 rate that is 1 percentage point lower (2.70%) or 1 percentage point higher (4.70%) than the current discount rate:

	1% Decrease (2.70%)	Current Discount Rate (3.70%)	1% Increase (4.70%)
Total OPEB Liability	\$ 18,936,301	\$ 16,245,086	\$ 13,553,873

The following 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 1 percentage point lower (7.0% decreasing to 4.0%) or 1 percentage point higher (9.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (7.0% decreasing to 4.0%)	Current Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	\$ 13,782,491	\$ 16,245,086	\$ 19,101,933

For the year ended May 31, 2022, the Village recognized OPEB expense of \$200,238 in the government-wide financial statements. At May 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 2,366,552	\$ 4,731,812
Differences between expected and actual experience	594,710	1,205,679
	<u>\$ 2,961,262</u>	<u>\$ 5,937,491</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended May 31,	
2023	\$ (519,527)
2024	(519,526)
2025	(534,516)
2026	(569,239)
2027	(833,421)
Thereafter	-
	<u>\$ (2,976,229)</u>

Village of Buchanan, New York

Notes to Financial Statements (Continued)  
May 31, 2022

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

**F. Revenues and Expenditures**

**Interfund Transfers**

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

<u>Transfers Out</u>	<u>Transfers In</u> Capital Projects Fund
General Fund	<u>\$ 1,104,784</u>

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures.

**G. Net Position**

The components of net position are detailed below:

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

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

*Restricted for Repairs* - the component of net position that has been established pursuant to Section 6d of the General Municipal Law of the State of New York to pay the cost of major repairs to Village assets.

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

*Restricted for Pension Benefits* - The component of net position that has been set aside to be used for LOSAP pension benefits in accordance with Article 11-A of the General Municipal Law of the State of New York.

*Restricted for Parklands* - the component of net position that has been established pursuant to New York State law. This amount represents funds received by the Village in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreational purposes.

*Restricted for Recreational Purposes* - the component of net position that has been established by the granting organization. This amount represents funds received by the Village as part of an agreement between the Village and the granting organization. These funds may be used only for specific recreational purposes within the Village.

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

Village of Buchanan, New York

Notes to Financial Statements (Continued)  
 May 31, 2022

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

**H. Fund Balances**

	2022					2021				
	General Fund	Water Fund	Special Purpose Fund	Capital Projects Fund	Total	General Fund	Water Fund	Special Purpose Fund	Capital Projects Fund	Total
Restricted:										
Repairs	\$ 52,663	\$ 396,291	\$ -	\$ -	\$ 448,954	\$ 52,401	\$ 394,319	\$ -	\$ -	\$ 446,720
Debt service	2,074	-	-	-	2,074	-	-	-	-	-
Pension benefits	968,411	-	-	-	968,411	901,244	-	-	-	901,244
Parklands	-	-	240,635	-	240,635	-	-	228,713	-	228,713
Recreational purposes	-	-	-	-	-	-	-	109,832	-	109,832
Capital projects	-	-	-	2,881,826	2,881,826	-	-	-	919,642	919,642
Total Restricted	<u>1,023,148</u>	<u>396,291</u>	<u>240,635</u>	<u>2,881,826</u>	<u>4,541,900</u>	<u>953,645</u>	<u>394,319</u>	<u>338,545</u>	<u>919,642</u>	<u>2,606,151</u>
Assigned	-	481,653	-	-	481,653	-	500,152	-	-	500,152
Unassigned	<u>1,703,429</u>	-	-	-	<u>1,703,429</u>	<u>1,141,091</u>	-	-	-	<u>1,141,091</u>
Total Fund Balances	<u>\$ 2,726,577</u>	<u>\$ 877,944</u>	<u>\$ 240,635</u>	<u>\$ 2,881,826</u>	<u>\$ 6,726,982</u>	<u>\$ 2,094,736</u>	<u>\$ 894,471</u>	<u>\$ 338,545</u>	<u>\$ 919,642</u>	<u>\$ 4,247,394</u>

## Village of Buchanan, New York

Notes to Financial Statements (Continued)

May 31, 2022

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

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

Unassigned fund balance in the General Fund represents amounts not classified as restricted or assigned.

### **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.

#### **B. Risk Management**

The Village purchases various conventional insurance coverages to reduce its exposure to loss. The Village maintains general liability insurance coverage with a policy limit of \$3 million. The personal and advertising limit policies provide coverage up to \$1 million. The Village also participates in a workers' compensation public entity pool through the Public Employer Risk Management Association.

Settled claims resulting from those risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### **Note 5 - Tax Abatement**

The Village has a real property tax abatement pursuant to New York Real Property Tax Section 485 which permits the exemption from taxation of nuclear powered electric generating facilities upon the adoption of a local law or resolution by any tax jurisdiction.

The Village received a PILOT from Entergy in the amount of \$26,240,000 over ten years with additional inflation payments in accordance with the Allowable Levy Growth Factor determined annually by the New York State Office of the State Comptroller. The PILOT was amended for the 2021 and 2022 fiscal years and for 2022 the Village received \$1,797,758.

The Village signed a new PILOT agreement with Holtec Decommissioning International, LLC in the amount of \$3,300,000 for three years from 2023-2025 with option to extend for the year 2026 for \$900,000.

## Village of Buchanan, New York

Notes to Financial Statements (Concluded)

May 31, 2022

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### **Note 6 - Recently Issued GASB Pronouncements**

GASB Statement No. 87, “Leases” as amended by GASB Statement No. 95, “*Postponement of the Effective Dates of Certain Authoritative Guidance*”, establishes a single model for lease accounting based on the concept that leases are a financing of a “right-to-use” underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 96, “*Subscription-Based Information Technology Arrangements*” provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (“SBITAs”) for government end users. This Statement defines a SBITA and establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding liability. The Statement also provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, as well as detailing the requirements for note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Village believes will most impact its financial statements. The Village will evaluate the impact of this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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**Village of Buchanan, New York**

Required Supplementary Information - Schedule of Changes in the  
 Village's Total OPEB Liability and Related Ratios  
 Last Ten Fiscal Years (1)(3)

	2022	2021	2020	2019
Total OPEB Liability:				
Service cost	\$ 388,765	\$ 287,775	\$ 265,446	\$ 243,084
Interest	331,000	500,351	565,184	553,194
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	677,668	(1,083,006)	(967,353)	89,959
Changes of assumptions or other inputs	(5,678,174)	2,668,074	1,175,671	-
Benefit payments	(583,578)	(577,117)	(512,467)	(473,817)
Net Change in Total OPEB Liability	(4,864,319)	1,796,077	526,481	412,420
Total OPEB Liability – Beginning of Year	21,109,405	19,313,328	18,786,847	18,374,427 (2)
Total OPEB Liability – End of Year	<u>\$ 16,245,086</u>	<u>\$ 21,109,405</u>	<u>\$ 19,313,328</u>	<u>\$ 18,786,847</u>
Village's covered-employee payroll	<u>\$ 2,261,658</u>	<u>\$ 2,293,046</u>	<u>\$ 1,977,040</u>	<u>\$ 2,236,779</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>718%</u>	<u>921%</u>	<u>977%</u>	<u>840%</u>
Discount Rate	<u>3.70%</u>	<u>1.59%</u>	<u>2.63%</u>	<u>3.05%</u>

Notes to Schedule:

- (1) Data not available prior to fiscal year 2019 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".
- (2) Restated for the implementation of the provisions of GASB Statement No. 75.
- (3) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

See independent auditors' report.

**Village of Buchanan, New York**

Required Supplementary Information - Schedule of Changes  
in the Village's Total Pension Liability - Service Awards Program  
Last Ten Fiscal Years\*

	2022	2021	2020	2019	2018*
Total Pension Liability:					
Service Cost	\$ 42,645	\$ 41,747	\$ 45,132	\$ 36,445	\$ 34,562
Interest	34,229	40,663	22,977	42,904	39,926
Changes of assumptions or other inputs	40,817	(233,485)	534,483	60,093	14,881
Differences between expected and actual experience	(2,299)	5,704	(210,829)	(24,816)	-
Benefit payments	(3,000)	(70,161)	(1,410)	(4,775)	(3,073)
Net Change in Total Pension Liability	112,392	(215,532)	390,353	109,851	86,296
Total Pension Liability – Beginning of Year	<u>1,444,248</u>	<u>1,659,780</u>	<u>1,269,427</u>	<u>1,159,576</u>	<u>1,073,280</u>
Total Pension Liability – End of Year	<u>\$ 1,556,640</u>	<u>\$ 1,444,248</u>	<u>\$ 1,659,780</u>	<u>\$ 1,269,427</u>	<u>\$ 1,159,576</u>
Village's covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Total pension liability as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Discount Rate	<u>2.37%</u>	<u>3.72%</u>	<u>3.70%</u>	<u>1.81%</u>	<u>3.72%</u>

\*Schedule is intended to show information for 10 years. Additional information will be displayed as it becomes available.

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Government Accounting Standards Board ("GASB") Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements Nos. 67 and 68" to pay related benefits.

**Village of Buchanan, New York**

Required Supplementary Information  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years (1)

Schedule of the Village's Proportionate Share of the Net Pension Liability (Asset) (2)

	2022 (4)	2021 (4)	2020 (3)	2019	2018	2017	2016
Village's proportion of the net pension liability (asset)	0.0039851%	0.0043158%	0.0046687%	0.0055265%	0.0059832%	0.0057881%	0.0056321%
Village's proportionate share of the net pension liability (asset)	\$ (325,769)	\$ 4,297	\$ 1,236,310	\$ 391,569	\$ 193,105	\$ 543,865	\$ 903,964
Village's covered payroll	\$ 1,448,166	\$ 1,249,721	\$ 1,287,641	\$ 1,430,276	\$ 1,463,184	\$ 1,400,911	\$ 1,406,385
Village's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(22.50%)	0.34%	96.01%	27.38%	13.20%	38.82%	64.28%
Plan fiduciary net position as a percentage of the total pension liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%
Discount Rate	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

Schedule of Contributions

	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 198,340	\$ 188,376	\$ 208,153	\$ 211,746	\$ 204,616	\$ 210,691	\$ 223,059
Contributions in relation to the contractually required contribution	(198,340)	(188,376)	(208,153)	(211,746)	(204,616)	(210,691)	(223,059)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 1,504,421	\$ 1,256,584	\$ 1,277,357	\$ 1,394,336	\$ 1,497,232	\$ 1,413,626	\$ 1,416,980
Contributions as a percentage of covered payroll	13.18%	14.99%	16.30%	15.19%	13.67%	14.90%	15.74%

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

(2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(3) Increase in the Village's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(4) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.



**Village of Buchanan, New York**

Required Supplementary Information  
 New York State and Local Police and Fire Retirement System  
 Last Ten Fiscal Years (1)

Schedule of the Village's Proportionate Share of the Net Pension Liability (2)

	2022 (4)	2021 (4)	2020 (3)	2019	2018	2017	2016
Village's proportion of the net pension liability	0.0246279%	0.0217895%	0.0230480%	0.0273691%	0.0295435%	0.0277265%	0.0265829%
Village's proportionate share of the net pension liability	\$ 139,897	\$ 378,327	\$ 1,231,899	\$ 458,997	\$ 298,613	\$ 574,674	\$ 787,064
Village's covered payroll	\$ 929,879	\$ 901,228	\$ 760,853	\$ 1,033,616	\$ 995,894	\$ 1,052,655	\$ 942,526
Village's proportionate share of the net pension liability as a percentage of its covered payroll	15.04%	41.98%	161.91%	44.41%	29.98%	54.59%	83.51%
Plan fiduciary net position as a percentage of the total pension liability	98.66%	95.79%	84.86%	95.09%	96.93%	93.46%	90.24%
Discount Rate	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

Schedule of Contributions

	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 251,505	\$ 184,675	\$ 246,724	\$ 235,683	\$ 256,772	\$ 224,705	\$ 208,770
Contributions in relation to the contractually required contribution	(251,505)	(184,675)	(246,724)	(235,683)	(256,772)	(224,705)	(208,770)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 921,391	\$ 930,616	\$ 751,021	\$ 980,211	\$ 1,031,844	\$ 1,055,021	\$ 940,301
Contributions as a percentage of covered payroll	27.30%	19.84%	32.85%	24.04%	24.88%	21.30%	22.20%

- (1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".  
 (2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.  
 (3) Increase in the Village's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.  
 (4) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

**Village of Buchanan, New York**

General Fund  
 Combining Balance Sheet - Sub-Funds  
 May 31, 2022  
 (With Comparative Totals for 2021)

	<u>General</u>	<u>Fire Service Awards Program</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 3,452,749	\$ -
Investments	-	968,411
Taxes receivable, net of allowance for uncollectible taxes of \$634 in 2022 and \$677 in 2021	132,234	-
Accounts receivable	281,528	-
Due from other governments	484,544	-
Due from other funds	6,215	-
	<u>4,357,270</u>	<u>968,411</u>
Total Assets	<u>\$ 4,357,270</u>	<u>\$ 968,411</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
Liabilities		
Accounts payable	\$ 416,470	\$ -
Accrued liabilities	56,576	-
Employee payroll deductions	4,758	-
Due to retirement systems	69,284	-
Unearned revenues	192,306	-
Due to other funds	1,607,613	-
Deposits payable	119,863	-
	<u>2,466,870</u>	<u>-</u>
Total Liabilities	2,466,870	-
Deferred inflows of resources		
Real property taxes	132,234	-
	<u>132,234</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,599,104</u>	<u>-</u>
Fund balances		
Restricted	54,737	968,411
Unassigned	1,703,429	-
	<u>1,758,166</u>	<u>968,411</u>
Total Fund Balances	1,758,166	968,411
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,357,270</u>	<u>\$ 968,411</u>

See independent auditors' report.

Totals	
2022	2021
\$ 3,452,749	\$ 2,000,481
968,411	901,244
132,234	86,908
281,528	238,826
484,544	178,104
6,215	10,244
<u>\$ 5,325,681</u>	<u>\$ 3,415,807</u>
\$ 416,470	\$ 182,399
56,576	43,683
4,758	1,377
69,284	74,975
192,306	164,990
1,607,613	662,248
119,863	104,691
<u>2,466,870</u>	<u>1,234,363</u>
132,234	86,708
<u>2,599,104</u>	<u>1,321,071</u>
1,023,148	953,645
1,703,429	1,141,091
<u>2,726,577</u>	<u>2,094,736</u>
<u>\$ 5,325,681</u>	<u>\$ 3,415,807</u>

**Village of Buchanan, New York**

General Fund

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Sub-Funds

Year Ended May 31, 2022

(With Comparative Actuals for 2021)

	General	Fire Service Awards Program	Eliminations
<b>REVENUES</b>			
Real property taxes	\$ 3,763,358	\$ -	\$ -
Other tax items	1,800,614	-	-
Non-property taxes	674,619	-	-
Departmental income	392,464	43,408	(43,408)
Use of money and property	92,952	27,374	-
Licenses and permits	136,496	-	-
Fines and forfeitures	58,657	-	-
Sale of property and compensation for loss	92,972	-	-
State aid	1,170,791	-	-
Federal aid	104,784	-	-
Miscellaneous	57,698	-	-
Total Revenues	8,345,405	70,782	(43,408)
<b>EXPENDITURES</b>			
Current			
General government support	1,513,733	-	-
Public safety	1,395,234	3,615	-
Health	-	-	-
Transportation	718,411	-	-
Economic opportunity and development	2,850	-	-
Culture and recreation	372,543	-	-
Home and community services	843,011	-	-
Employee benefits	1,728,575	-	(43,408)
Debt service			
Principal	128,454	-	-
Interest	24,029	-	-
Issuance costs	35,807	-	-
Total Expenditures	6,762,647	3,615	(43,408)
Excess of Revenues Over Expenditures	1,582,758	67,167	-
<b>OTHER FINANCING SOURCES (USES)</b>			
General obligation bonds issued	86,700	-	-
Transfers out	(1,104,784)	-	-
Total Other Financing Uses	(1,018,084)	-	-
Net Change in Fund Balances	564,674	67,167	-
<b>FUND BALANCES</b>			
Beginning of Year	1,193,492	901,244	-
End of Year	\$ 1,758,166	\$ 968,411	\$ -

See independent auditors' report.

Totals	
2022	2021
\$ 3,763,358	\$ 3,205,612
1,800,614	2,499,460
674,619	662,539
392,464	586,846
120,326	47,058
136,496	40,458
58,657	8,229
92,972	19,617
1,170,791	66,989
104,784	-
57,698	36,017
<u>8,372,779</u>	<u>7,172,825</u>
1,513,733	1,094,712
1,398,849	1,462,479
-	2,500
718,411	485,325
2,850	2,850
372,543	122,930
843,011	834,941
1,685,167	1,645,623
128,454	156,136
24,029	35,518
35,807	-
<u>6,722,854</u>	<u>5,843,014</u>
<u>1,649,925</u>	<u>1,329,811</u>
86,700	-
<u>(1,104,784)</u>	<u>(828,696)</u>
<u>(1,018,084)</u>	<u>(828,696)</u>
631,841	501,115
<u>2,094,736</u>	<u>1,593,621</u>
<u>\$ 2,726,577</u>	<u>\$ 2,094,736</u>

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**Village of Buchanan, New York**

General Fund  
 Comparative Balance Sheet - Sub-Fund  
 May 31,

	2022	2021
<b>ASSETS</b>		
Cash and equivalents	\$ 3,452,749	\$ 2,000,481
Taxes receivable, net of allowance for uncollectible taxes of \$634 in 2022 and \$634 in 2021	132,234	86,908
Other receivables		
Accounts	281,528	238,826
Due from other governments	484,544	178,104
Due from other funds	6,215	10,244
	<u>772,287</u>	<u>427,174</u>
Total Assets	<u>\$ 4,357,270</u>	<u>\$ 2,514,563</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 416,470	\$ 182,399
Accrued liabilities	56,576	43,683
Employee payroll deductions	4,758	1,377
Due to retirement systems	69,284	74,975
Unearned revenues	192,306	164,990
Due to other funds	1,607,613	662,248
Deposits payable	119,863	104,691
Total Liabilities	2,466,870	1,234,363
Deferred inflows of resources		
Real property taxes	132,234	86,708
Total Liabilities and Deferred Inflows of Resources	<u>2,599,104</u>	<u>1,321,071</u>
Fund balance		
Restricted	54,737	52,401
Unassigned	1,703,429	1,141,091
Total Fund Balance	<u>1,758,166</u>	<u>1,193,492</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 4,357,270</u>	<u>\$ 2,514,563</u>

See independent auditors' report.

**Village of Buchanan, New York**

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

	2022			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 3,808,915	\$ 3,808,915	\$ 3,763,358	\$ (45,557)
Other tax items	1,807,758	1,807,758	1,800,614	(7,144)
Non-property taxes	467,000	647,000	674,619	27,619
Departmental income	224,580	394,580	392,464	(2,116)
Use of money and property	3,000	3,000	92,952	89,952
Licenses and permits	13,250	113,250	136,496	23,246
Fines and forfeitures	23,000	23,000	58,657	35,657
Sale of property and compensation for loss	30,000	30,000	92,972	62,972
State aid	635,000	685,000	1,170,791	485,791
Federal aid	-	-	104,784	104,784
Miscellaneous	5,000	5,000	57,698	52,698
<b>Total Revenues</b>	<b>7,017,503</b>	<b>7,517,503</b>	<b>8,345,405</b>	<b>827,902</b>
<b>EXPENDITURES</b>				
Current				
General government support	1,736,240	1,624,795	1,513,733	111,062
Public safety	1,466,008	1,398,849	1,395,234	3,615
Health	2,500	-	-	-
Transportation	583,163	727,548	718,411	9,137
Economic opportunity and development	3,000	2,850	2,850	-
Culture and recreation	390,573	392,793	372,543	20,250
Home and community services	1,158,730	909,534	843,011	66,523
Employee benefits	1,917,770	1,830,984	1,728,575	102,409
Debt service				
Principal	110,000	143,454	128,454	15,000
Interest	33,107	29,693	24,029	5,664
Issuance costs	-	35,807	35,807	-
<b>Total Expenditures</b>	<b>7,401,091</b>	<b>7,096,307</b>	<b>6,762,647</b>	<b>333,660</b>
Excess (Deficiency) of Revenues Over Expenditures	(383,588)	421,196	1,582,758	1,161,562
<b>OTHER FINANCING SOURCES (USES)</b>				
General obligation bonds issued	-	-	86,700	86,700
Transfers in	625,000	625,000	-	(625,000)
Transfers out	(300,000)	(1,104,784)	(1,104,784)	-
<b>Total Other Financing Sources (Uses)</b>	<b>325,000</b>	<b>(479,784)</b>	<b>(1,018,084)</b>	<b>(538,300)</b>
<b>Net Change in Fund Balance</b>	<b>(58,588)</b>	<b>(58,588)</b>	<b>564,674</b>	<b>623,262</b>
<b>FUND BALANCE</b>				
Beginning of Year	58,588	58,588	1,193,492	1,134,904
End of Year	\$ -	\$ -	\$ 1,758,166	\$ 1,758,166

See independent auditors' report.



2021

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 3,212,675	\$ 3,212,675	\$ 3,205,612	\$ (7,063)
2,407,011	2,407,011	2,499,460	92,449
467,000	467,000	662,539	195,539
457,096	592,096	586,846	(5,250)
3,000	3,000	21,679	18,679
13,250	13,250	40,458	27,208
23,000	23,000	8,229	(14,771)
30,000	30,000	19,617	(10,383)
35,000	35,000	66,989	31,989
-	-	-	-
5,000	5,000	36,017	31,017
<u>6,653,032</u>	<u>6,788,032</u>	<u>7,147,446</u>	<u>359,414</u>
1,356,701	1,137,989	1,094,712	43,277
1,391,280	1,435,459	1,392,903	42,556
2,500	2,500	2,500	-
589,200	550,375	485,325	65,050
3,000	3,000	2,850	150
358,115	352,114	122,930	229,184
1,112,760	872,008	834,941	37,067
2,024,256	1,962,800	1,686,837	275,963
110,000	196,136	156,136	40,000
25,220	35,651	35,518	133
-	-	-	-
<u>6,973,032</u>	<u>6,548,032</u>	<u>5,814,652</u>	<u>733,380</u>
<u>(320,000)</u>	<u>240,000</u>	<u>1,332,794</u>	<u>1,092,794</u>
-	-	-	-
625,000	625,000	-	(625,000)
<u>(305,000)</u>	<u>(865,000)</u>	<u>(828,696)</u>	<u>36,304</u>
<u>320,000</u>	<u>(240,000)</u>	<u>(828,696)</u>	<u>(588,696)</u>
-	-	504,098	504,098
-	-	689,394	689,394
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,193,492</u>	<u>\$ 1,193,492</u>

**Village of Buchanan, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget - Sub-Fund

Year Ended May 31, 2022

(With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
<b>REAL PROPERTY TAXES</b>	\$ 3,808,915	\$ 3,808,915	\$ 3,763,358	\$ (45,557)	\$ 3,205,612
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	1,797,758	1,797,758	1,797,758	-	2,467,511
Interest and penalties on real property taxes	10,000	10,000	2,856	(7,144)	31,949
	<u>1,807,758</u>	<u>1,807,758</u>	<u>1,800,614</u>	<u>(7,144)</u>	<u>2,499,460</u>
<b>NON-PROPERTY TAXES</b>					
Non-property tax distribution from County	365,000	545,000	554,456	9,456	530,218
Utilities gross receipts taxes	85,000	85,000	96,040	11,040	108,835
Franchise fees - Cable TV	17,000	17,000	24,123	7,123	23,486
	<u>467,000</u>	<u>647,000</u>	<u>674,619</u>	<u>27,619</u>	<u>662,539</u>
<b>DEPARTMENTAL INCOME</b>					
Town Clerk fees	2,500	2,500	6,495	3,995	6,835
Police fees	500	500	280	(220)	165
Inspection fees	-	-	900	900	-
Planning Board fees	3,000	3,000	600	(2,400)	1,200
Park and recreation charges	153,700	153,700	134,537	(19,163)	67,666
Zoning fees	2,000	2,000	500	(1,500)	1,500
Sewer charges	42,880	212,880	220,829	7,949	187,144
Traffic control	-	-	18,920	18,920	34,950
Indian Point agreement	-	-	-	-	276,020
Sewer services	20,000	20,000	9,403	(10,597)	11,366
	<u>224,580</u>	<u>394,580</u>	<u>392,464</u>	<u>(2,116)</u>	<u>586,846</u>

**USE OF MONEY AND PROPERTY**

Earnings on investments	<u>3,000</u>	<u>3,000</u>	<u>92,952</u>	<u>89,952</u>	<u>21,679</u>
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**LICENSES AND PERMITS**

Dog licenses	250	250	330	80	208
Building and alteration permits	<u>13,000</u>	<u>113,000</u>	<u>136,166</u>	<u>23,166</u>	<u>40,250</u>

	<u>13,250</u>	<u>113,250</u>	<u>136,496</u>	<u>23,246</u>	<u>40,458</u>
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**FINES AND FORFEITURES**

Fines and forfeited bail	<u>23,000</u>	<u>23,000</u>	<u>58,657</u>	<u>35,657</u>	<u>8,229</u>
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**SALE OF PROPERTY AND  
COMPENSATION FOR LOSS**

Sale of equipment	-	-	31,267	31,267	13,658
Insurance recoveries	<u>30,000</u>	<u>30,000</u>	<u>61,705</u>	<u>31,705</u>	<u>5,959</u>

	<u>30,000</u>	<u>30,000</u>	<u>92,972</u>	<u>62,972</u>	<u>19,617</u>
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**STATE AID**

Per capita	-	-	17,867	17,867	-
Mortgage tax	35,000	35,000	81,228	46,228	66,989
Cessation Grant	600,000	650,000	773,568	123,568	-
Sidewalk and pavilion projects	<u>-</u>	<u>-</u>	<u>298,128</u>	<u>298,128</u>	<u>-</u>

	<u>635,000</u>	<u>685,000</u>	<u>1,170,791</u>	<u>485,791</u>	<u>66,989</u>
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**FEDERAL AID**

ARPA	<u>-</u>	<u>-</u>	<u>104,784</u>	<u>104,784</u>	<u>-</u>
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**MISCELLANEOUS**

Other	<u>5,000</u>	<u>5,000</u>	<u>57,698</u>	<u>52,698</u>	<u>36,017</u>
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**TOTAL REVENUES**

	<u>7,017,503</u>	<u>7,517,503</u>	<u>8,345,405</u>	<u>827,902</u>	<u>7,147,446</u>
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**Village of Buchanan, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget - Sub-Fund (Continued)

Year Ended May 31, 2022

(With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
<b>OTHER FINANCING SOURCES</b>					
General obligation bonds issued	\$ -	\$ -	\$ 86,700	\$ 86,700	\$ -
Transfers in					
Water Fund	625,000	625,000	-	(625,000)	-
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>625,000</u>	<u>625,000</u>	<u>86,700</u>	<u>(538,300)</u>	<u>-</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 7,642,503</u>	<u>\$ 8,142,503</u>	<u>\$ 8,432,105</u>	<u>\$ 289,602</u>	<u>\$ 7,147,446</u>

See independent auditors' report.

**Village of Buchanan, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - Sub-Fund

Year Ended May 31, 2022

(With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town Board	\$ 35,000	\$ 41,971	\$ 41,971	\$ -	\$ 102,370
Town Justice	42,125	38,619	38,619	-	40,405
Manager	108,393	104,428	104,428	-	102,151
Mayor	8,100	8,100	7,709	391	7,892
Independent audit	40,000	40,830	40,830	-	35,240
Treasurer	221,736	215,081	215,081	-	197,737
Assessor	2,000	1,102	414	688	1,306
Clerk	20,000	22,885	22,885	-	19,870
Town Attorney	135,000	138,147	138,147	-	177,618
Engineer	140,000	221,095	221,095	-	146,203
Elections	3,000	3,028	3,028	-	4,716
Buildings	125,300	195,032	194,727	305	125,794
Central garage	144,686	197,648	195,468	2,180	122,918
Unallocated Insurance	153,400	199,674	199,674	-	-
Municipal association dues	6,000	5,031	5,031	-	5,051
Metropolitan Transportation Authority payroll tax	-	-	-	-	-
Judgements and claims	5,500	84,626	84,626	-	5,441
Contingency	546,000	107,498	-	107,498	-
	<u>1,736,240</u>	<u>1,624,795</u>	<u>1,513,733</u>	<u>111,062</u>	<u>1,094,712</u>
<b>PUBLIC SAFETY</b>					
Police	1,024,159	995,244	995,244	-	1,029,784
Fire protection	264,000	238,307	234,692	3,615	219,828
Safety inspection	177,849	165,298	165,298	-	143,291
	<u>1,466,008</u>	<u>1,398,849</u>	<u>1,395,234</u>	<u>3,615</u>	<u>1,392,903</u>
<b>HEALTH</b>					
Nursing services	2,500	-	-	-	2,500

**TRANSPORTATION**

Transportation administration	1,775	4,850	4,843	7	2,184
Street maintenance	410,708	463,375	463,375	-	375,617
Snow removal	95,000	68,374	68,374	-	72,340
Street lighting	75,680	64,739	55,609	9,130	35,184
Sidewalks	-	126,210	126,210	-	-
	<u>583,163</u>	<u>727,548</u>	<u>718,411</u>	<u>9,137</u>	<u>485,325</u>

**ECONOMIC OPPORTUNITY AND DEVELOPMENT**

Publicity	<u>3,000</u>	<u>2,850</u>	<u>2,850</u>	<u>-</u>	<u>2,850</u>
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**CULTURE AND RECREATION**

Parks	98,091	164,352	164,352	-	68,232
Community center	56,357	47,025	42,126	4,899	32,622
Municipal pool	106,200	93,546	78,195	15,351	19,364
Town historian	1,500	-	-	-	422
Adult recreation	34,340	1,595	1,595	-	-
Other	94,085	86,275	86,275	-	2,290
	<u>390,573</u>	<u>392,793</u>	<u>372,543</u>	<u>20,250</u>	<u>122,930</u>

**HOME AND COMMUNITY SERVICES**

Zoning Board of Appeals	24,637	14,869	14,095	774	17,976
Planning Board	32,700	26,360	13,040	13,320	14,391
Sewer system	134,912	73,742	68,792	4,950	74,207
Sewage treatment and disposal	619,423	516,129	479,929	36,200	483,582
Refuse and garbage	341,058	272,434	267,155	5,279	244,785
Shade trees	6,000	6,000	-	6,000	-
	<u>1,158,730</u>	<u>909,534</u>	<u>843,011</u>	<u>66,523</u>	<u>834,941</u>

**EMPLOYEE BENEFITS**

Employees' retirement	256,000	183,174	159,862	23,312	175,624
Police retirement	214,000	251,505	251,173	332	195,814
Service awards program	55,000	43,408	43,408	-	42,714
Social security benefits	200,000	200,000	194,865	5,135	178,644
Workers' compensation benefits	190,000	150,127	150,127	-	165,632
Life insurance	19,600	19,600	18,271	1,329	18,462
Unemployment benefits	2,000	2,000	-	2,000	5,249
Hospitalization, medical and dental benefits	972,500	972,017	901,716	70,301	896,409
Other	8,670	9,153	9,153	-	8,289
	<u>1,917,770</u>	<u>1,830,984</u>	<u>1,728,575</u>	<u>102,409</u>	<u>1,686,837</u>

(Continued)

**Village of Buchanan, New York**

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget - Sub-Fund (Continued)

Year Ended May 31, 2022

(With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
<b>DEBT SERVICE</b>					
Principal					
Serial bonds	\$ 110,000	\$ 85,000	\$ 70,000	\$ 15,000	\$ 70,000
Installment purchase debt	-	58,454	58,454	-	86,136
	<u>110,000</u>	<u>143,454</u>	<u>128,454</u>	<u>15,000</u>	<u>156,136</u>
Interest					
Serial bonds	12,107	12,107	12,031	76	14,350
Installment purchase debt	-	6,586	6,586	-	9,301
Bond anticipation notes payable	21,000	11,000	5,412	5,588	11,867
	<u>33,107</u>	<u>29,693</u>	<u>24,029</u>	<u>5,664</u>	<u>35,518</u>
Costs of Issuance	-	35,807	35,807	-	-
	<u>143,107</u>	<u>208,954</u>	<u>188,290</u>	<u>20,664</u>	<u>191,654</u>
<b>TOTAL EXPENDITURES</b>	7,401,091	7,096,307	6,762,647	333,660	5,814,652
<b>OTHER FINANCING USES</b>					
Transfers out					
Capital Projects Fund	300,000	1,104,784	1,104,784	-	828,696
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 7,701,091</u>	<u>\$ 8,201,091</u>	<u>\$ 7,867,431</u>	<u>\$ 333,660</u>	<u>\$ 6,643,348</u>

See independent auditors' report.



**Village of Buchanan, New York**

Water Fund  
Comparative Balance Sheet  
May 31,

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	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 801,734	\$ 516,999
Water rents receivable	378,112	581,864
Due from other funds	100,298	-
	<u>1,280,144</u>	<u>1,098,863</u>
Total Assets	<u>\$ 1,280,144</u>	<u>\$ 1,098,863</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 112,030	\$ 148,270
Accrued liabilities	1,448	1,171
Due to other funds	-	54,951
Overpayments	288,722	-
	<u>402,200</u>	<u>204,392</u>
Total Liabilities	<u>402,200</u>	<u>204,392</u>
Fund balance		
Restricted	396,291	394,319
Assigned	481,653	500,152
	<u>877,944</u>	<u>894,471</u>
Total Fund Balance	<u>877,944</u>	<u>894,471</u>
Total Liabilities and Fund Balance	<u>\$ 1,280,144</u>	<u>\$ 1,098,863</u>

See independent auditors' report.

**Village of Buchanan, New York**

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

	2022			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Departmental income	\$ 4,032,388	\$ 4,032,388	\$ 2,657,880	\$ (1,374,508)
Use of money and property	2,000	2,000	60	(1,940)
Miscellaneous	-	-	2,202	2,202
<b>Total Revenues</b>	<b>4,034,388</b>	<b>4,034,388</b>	<b>2,660,142</b>	<b>(1,374,246)</b>
<b>EXPENDITURES</b>				
Current				
Home and community services	3,349,552	3,366,289	2,602,182	764,107
Employee benefits	59,836	78,124	74,487	3,637
<b>Total Expenditures</b>	<b>3,409,388</b>	<b>3,444,413</b>	<b>2,676,669</b>	<b>767,744</b>
Excess (Deficiency) of Revenues Over Expenditures	625,000	589,975	(16,527)	(606,502)
<b>OTHER FINANCING USES</b>				
Transfers out	(625,000)	(625,000)	-	625,000
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(35,025)</b>	<b>(16,527)</b>	<b>18,498</b>
<b>FUND BALANCE</b>				
Beginning of Year	-	35,025	894,471	859,446
End of Year	\$ -	\$ -	\$ 877,944	\$ 877,944

See independent auditors' report.

2021

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 3,947,349	\$ 3,947,349	\$ 3,297,408	\$ (649,941)
2,000	2,000	174	(1,826)
-	-	2,693	2,693
<u>3,949,349</u>	<u>3,949,349</u>	<u>3,300,275</u>	<u>(649,074)</u>
3,265,134	3,265,134	2,984,718	280,416
59,215	59,215	31,250	27,965
<u>3,324,349</u>	<u>3,324,349</u>	<u>3,015,968</u>	<u>308,381</u>
625,000	625,000	284,307	(340,693)
<u>(625,000)</u>	<u>(625,000)</u>	<u>-</u>	<u>625,000</u>
-	-	284,307	284,307
-	-	610,164	610,164
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 894,471</u>	<u>\$ 894,471</u>

**Village of Buchanan, New York**

Water Fund  
 Schedule of Revenues Compared to Budget  
 Year Ended May 31, 2022  
 (With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
<b>DEPARTMENTAL INCOME</b>					
Metered water sales	\$ 4,018,988	\$ 4,018,988	\$ 2,571,359	\$ (1,447,629)	\$ 3,277,108
Water service charges	13,400	13,400	86,521	73,121	20,300
	<u>4,032,388</u>	<u>4,032,388</u>	<u>2,657,880</u>	<u>(1,374,508)</u>	<u>3,297,408</u>
<b>USE OF MONEY AND PROPERTY</b>					
Earnings on investments	2,000	2,000	60	(1,940)	174
<b>MISCELLANEOUS</b>					
Other	-	-	2,202	2,202	2,693
<b>TOTAL REVENUES</b>	<u><u>\$ 4,034,388</u></u>	<u><u>\$ 4,034,388</u></u>	<u><u>\$ 2,660,142</u></u>	<u><u>\$ (1,374,246)</u></u>	<u><u>\$ 3,300,275</u></u>

See independent auditors' report.

**Village of Buchanan, New York**

Water Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2022

(With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
<b>HOME AND COMMUNITY SERVICES</b>					
Pumping, supply and power	\$ 3,103,224	\$ 3,028,118	\$ 2,273,627	\$ 754,491	\$ 2,764,414
Transmission and distribution	246,328	338,171	328,555	9,616	220,304
	<u>3,349,552</u>	<u>3,366,289</u>	<u>2,602,182</u>	<u>764,107</u>	<u>2,984,718</u>
<b>EMPLOYEE BENEFITS</b>					
Employees' retirement	17,456	33,119	33,119	-	14,413
Social security benefits	8,841	10,090	7,483	2,607	6,938
Life insurance	130	130	-	130	-
Hospitalization, medical and dental benefits	33,008	34,785	33,885	900	9,899
Other	401	-	-	-	-
	<u>59,836</u>	<u>78,124</u>	<u>74,487</u>	<u>3,637</u>	<u>31,250</u>
<b>TOTAL EXPENDITURES</b>	3,409,388	3,444,413	2,676,669	767,744	3,015,968
<b>OTHER FINANCING USES</b>					
Transfers out					
General Fund	625,000	625,000	-	625,000	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 4,034,388</u>	<u>\$ 4,069,413</u>	<u>\$ 2,676,669</u>	<u>\$ 1,392,744</u>	<u>\$ 3,015,968</u>

See independent auditors' report.

**Village of Buchanan, New York**

Special Purpose Fund  
Comparative Balance Sheet  
May 31,

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	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 190,787	\$ 190,768
Due from other funds	<u>49,848</u>	<u>147,777</u>
Total Assets	<u><u>\$ 240,635</u></u>	<u><u>\$ 338,545</u></u>
<b>FUND BALANCE</b>		
Restricted	<u><u>\$ 240,635</u></u>	<u><u>\$ 338,545</u></u>

See independent auditors' report.

**Village of Buchanan, New York**

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

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	<u>2022</u>	<u>2021</u>
<b>REVENUES</b>		
Use of money and property	\$ 19	\$ 79
Miscellaneous	<u>-</u>	<u>109,832</u>
Total Revenues	19	109,911
<b>EXPENDITURES</b>		
Culture and Recreation	<u>97,929</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(97,910)	109,911
<b>FUND BALANCE</b>		
Beginning of Year	<u>338,545</u>	<u>228,634</u>
End of Year	<u><u>\$ 240,635</u></u>	<u><u>\$ 338,545</u></u>

See independent auditors' report.

**Village of Buchanan, New York**

Capital Projects Fund  
Comparative Balance Sheet  
May 31,

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	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 1,386,738	\$ 1,702,734
Receivables		
State and Federal aid	105,440	97,651
Due from other funds	<u>1,451,252</u>	<u>559,178</u>
	<u>1,556,692</u>	<u>656,829</u>
 Total Assets	 <u>\$ 2,943,430</u>	 <u>\$ 2,359,563</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 11,604	\$ 52,321
Bond anticipation notes payable	<u>50,000</u>	<u>1,387,600</u>
 Total Liabilities	 61,604	 1,439,921
 Fund balance		
Restricted	<u>2,881,826</u>	<u>919,642</u>
 Total Liabilities and Fund Balance	 <u>\$ 2,943,430</u>	 <u>\$ 2,359,563</u>

See independent auditors' report.



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

	<u>2022</u>	<u>2021</u>
<b>REVENUES</b>		
State aid	\$ 105,440	\$ 164,045
Miscellaneous	<u>-</u>	<u>257,151</u>
Total Revenues	105,440	421,196
<b>EXPENDITURES</b>		
Capital outlay	<u>1,010,340</u>	<u>828,991</u>
Deficiency of Revenues Over Expenditures	<u>(904,900)</u>	<u>(407,795)</u>
<b>OTHER FINANCING SOURCES</b>		
General obligation bonds issued	1,762,300	-
Transfers in	<u>1,104,784</u>	<u>828,696</u>
Total Other Financing Sources	<u>2,867,084</u>	<u>828,696</u>
Net Change in Fund Balance	1,962,184	420,901
<b>FUND BALANCE</b>		
Beginning of Year	<u>919,642</u>	<u>498,741</u>
End of Year	<u><u>\$ 2,881,826</u></u>	<u><u>\$ 919,642</u></u>

See independent auditors' report.

**Village of Buchanan, New York**

Capital Projects Fund  
 Project-Length Schedule  
 Inception of Project through May 31, 2022

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Project	Authorization	Expenditures and Transfers	Unexpended Balance
Reconstruction and resurfacing of various roads	\$ 3,029,358	\$ 2,622,109	\$ 407,249
Vehicle replacement	15,000	-	15,000
LED lighting	65,000	-	65,000
IT security upgrade	308,566	26,755	281,811
Village hall office	35,000	-	35,000
Village hall boiler	235,000	2,440	232,560
4th street pump station improvements	1,000,000	900,229	99,771
Fire Truck	487,600	629,491	(141,891)
General projects	316,695	16,000	300,695
Sewage treatment plant	200,000	-	200,000
Police vehicle	60,000	49,146	10,854
Manhole repair	204,784	104,784	100,000
DPW firelighter plow truck	236,700	-	236,700
Police records management system	51,000	-	51,000
Financial application software	51,000	1,074	49,926
Building, planning, zoning code enforcement software	51,000	-	51,000
Asphalt recycler	75,000	-	75,000
LED conversion	50,000	-	50,000
Pickup - vehicle replacement	60,000	-	60,000
Village hall computer	50,000	-	50,000
Village hall general	10,000	-	10,000
	\$ 6,591,703	\$ 4,352,028	\$ 2,239,675

See independent auditors' report.

Total Revenues	Fund Balance (Deficit) at May 31, 2022	Bond Anticipation Notes Outstanding at May 31, 2022
\$ 3,329,358	\$ 707,249	\$ -
50,000	50,000	-
65,000	65,000	-
308,566	281,811	-
35,000	35,000	-
235,000	232,560	-
1,000,000	99,771	-
794,751	165,260	-
316,695	300,695	-
200,000	200,000	-
60,000	10,854	50,000
204,784	100,000	-
236,700	236,700	-
51,000	51,000	-
51,000	49,926	-
51,000	51,000	-
75,000	75,000	-
50,000	50,000	-
60,000	60,000	-
50,000	50,000	-
10,000	10,000	-
<u>\$ 7,233,854</u>	<u>\$ 2,881,826</u>	<u>\$ 50,000</u>