

# **Village of Rye Brook, New York**

Financial Statements and  
Supplementary Information

Year Ended May 31, 2024



# Village of Rye Brook, New York

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## **Independent Auditors' Report**

**The Honorable Mayor and Board of Trustees  
of the Village of Rye Brook, 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 Rye Brook, New York ("Village"), as of and for the year ended May 31, 2024, 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, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund 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") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village'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, 2024 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 and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* for the year ended May 31, 2024 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, 2024 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2024.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2023 (not presented herein), and have issued our report thereon dated October 4, 2023 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, 2023 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 2023 financial statements. The information was subjected to the audit procedures applied in the audit of the 2023 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, 2023.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2024 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

October 21, 2024

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## Village of Rye Brook, New York

### Management's Discussion and Analysis (MD&A) May 31, 2024

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#### Introduction

The management of the Village of Rye Brook, New York ("Village") offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2024. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Village's financial performance.

#### Financial Highlights

- ❖ On the government-wide financial statements, the liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources at the close of fiscal year 2024 by \$24,357,871. Of this amount, a net unrestricted deficit of \$60,864,900 exists.
- ❖ As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$13,717,769 of which \$7,786,753 is unassigned, which is available for spending at the Village's discretion. The fund balance of all governmental funds increased by \$546,286, primarily attributable to revenue and other financing sources exceeding expenditures and other financing uses.
- ❖ At the end of the fiscal years 2024 and 2023, the unassigned fund balance for the General Fund was \$7,786,753, or 30%, and \$7,272,266, or 30%, respectively, of total General Fund expenditures and other financing uses.
- ❖ During the current fiscal year, the Village did not issue new long-term obligations. General obligation bonds payable were reduced by \$480,000 in scheduled payments. The Village's bond rating is Aa1.
- ❖ As of May 31, 2024, the Village had outstanding bond anticipation notes ("BAN's") payable of \$1,180,727 issued to finance prior year's authorized capital projects after retiring \$586,700 of outstanding BAN's in the current year.
- ❖ The Village is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the Village has recognized substantial liabilities in the government-wide financial statements for these benefits. As of May 31, 2024, the Village had liabilities of \$53,312,167 for other postemployment benefits recorded in accordance with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"* ("OPEB"). The Village also reported \$5,156,785 for its proportionate share of the net pension liability of the New York State Police and Fire Retirement System ("PFRS") and \$1,501,271 for its proportionate share of the net pension liability of the New York State and Local Employees' Retirement System ("ERS") recorded in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"*. More detailed information about the Village's OPEB and pension reporting is presented in Note 3G in the notes to financial statements.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains combining and individual fund financial statements and schedules in addition to the basic financial statements.

### *Government-Wide Financial Statements*

- The *government-wide financial statements* are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.
  - The *statement of net position* presents information on all of the Village's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the Village is improving or deteriorating.
  - The *statement of activities* presents information showing how the Village's net position changed during the most recent 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 for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes, earned but unused vacation leave and OPEB).
  - 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.

The government-wide financial statements can be found on the pages immediately following this section, as the first two pages of the basic financial statements.

### *Fund Financial Statements*

- A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Village's funds can be divided into two categories: governmental funds and fiduciary 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 on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating 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 Village's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

- The Village maintains two major governmental funds; General Fund and Capital Projects Fund. This information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Friends of Rye Brook and the Recreation Trust Fund are grouped together as a Special Purpose non-major governmental fund.
- A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the budget. The Capital Projects Fund is budgeted on a project basis.
- *Fiduciary funds* are used to account for assets held by the Village on behalf of others. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support Village programs. In accordance with the provisions of GASB Statement No. 84, "*Fiduciary Activities*", the Village had no such activity to report in this fund category.

#### *Notes to the Financial Statements*

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

#### *Other Information*

Additional statements and schedules can be found immediately following the notes to financial statements. These include the required supplementary information for the Village's other postemployment and pension benefit liabilities, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of the Village's financial position. In the case of the Village of Rye Brook, New York at the close of the current fiscal year, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$24,357,871.

	May 31,	
	2024	2023
Current Assets	\$ 17,557,980	\$ 18,531,049
Capital Assets, net	45,924,196	45,125,600
Total Assets	63,482,176	63,656,649
Deferred Outflows of Resources	12,892,585	16,261,927
Current Liabilities	3,684,202	5,067,453
Long-term Liabilities	75,034,005	83,390,455
Total Liabilities	78,718,207	88,457,908
Deferred Inflows of Resources	22,014,425	17,328,222
Net Position		
Net Investment in Capital Assets	34,446,214	33,542,460
Restricted	2,060,815	1,937,318
Unrestricted	(60,864,900)	(61,347,332)
Total Net Position	\$ (24,357,871)	\$ (25,867,554)

The largest portion of the Village's net position is its investment in capital assets (land, land improvements, buildings and improvements, infrastructure, machinery and equipment and construction-in-progress), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens and, consequently, these assets are not available for future spending. Although the Village's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

Those assets subject to external restrictions listed above constitute \$2,060,815 of net position and is comprised of amounts restricted for specific purposes, i.e., debt service, capital projects, special purposes, etc. There is a negative balance of unrestricted net position of \$60,864,900, primarily a result of the recognition of the OPEB liability. Overall, net position increased by \$1,509,683, mostly as a result of the change in OPEB and pension liabilities.

## Changes in Net Position

	2024	2023
Revenues:		
Program Revenues:		
Charges for Services	\$ 2,596,406	\$ 2,338,063
Operating Grants and Contributions	814,682	576,745
Capital Grants and Contributions	311,606	374,766
Total Program Revenues	<u>3,722,694</u>	<u>3,289,574</u>
General Revenues:		
Real Property Taxes	18,707,565	18,202,685
Other Tax Items - Interest and penalties on real property taxes	17,947	17,362
Non-Property Taxes	3,243,111	3,128,679
Unrestricted Use of Money and Property	706,927	353,244
Sale of property and compensation for loss	81,330	-
Unrestricted State Aid	254,745	488,019
Miscellaneous	1,557	25,457
Insurance Recoveries	77,283	26,814
Total General Revenues	<u>23,090,465</u>	<u>22,242,260</u>
Total Revenues	<u>26,813,159</u>	<u>25,531,834</u>
Program Expenses:		
General Government Support	4,505,544	4,574,391
Public Safety	11,722,667	13,184,587
Health	367,162	286,635
Transportation	2,966,573	2,906,267
Economic Opportunity and Development	551,458	591,277
Culture and Recreation	2,939,830	3,079,898
Home and Community Services	1,744,959	1,607,767
Interest	505,283	514,257
Total Expenses	<u>25,303,476</u>	<u>26,745,079</u>
Change in Net Position	1,509,683	(1,213,245)
Net Position - Beginning	<u>(25,867,554)</u>	<u>(24,654,309)</u>
Net Position - Ending	<u>\$ (24,357,871)</u>	<u>\$ (25,867,554)</u>

Governmental activities increased the Village's net position by \$1,509,683 from the prior year.

For the fiscal year ended May 31, 2024, revenues from governmental activities totaled \$26,813,159, an increase of \$1,281,325. Tax revenues comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (\$21,968,623, or 82%). Real property taxes increased by \$504,880 because of a higher tax levy; unrestricted use of money and property increased by \$353,683 as a result of increased interest rates on investments; non-property taxes increased by \$114,432 primarily due to an increase in sales tax distributed by Westchester County, charges for services increased by \$258,343 due to increase in building permit fees and police contractual charges for village-wide utility work, and operating grants and contributions increased by \$237,937 due to American Rescue Plan Act funds recognized as revenue for public safety projects obligated and paid in fiscal year-end May 31, 2024.

The largest components of governmental activities expenses are public safety (\$11,722,667), general government support (\$4,505,544), transportation (\$2,939,830), culture and recreation (\$2,966,573) and home and community services (\$1,744,959). Public safety expenses decreased by \$1,461,920 and culture and recreation expenses decreased by \$140,068 primarily due to OPEB and pension related adjustments.

### **Financial Analysis of the Village's Funds**

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

#### ***Governmental Funds***

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

As of the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$13,717,769, an increase of \$546,286. Of this amount, \$51,201 has been classified as non-spendable, \$2,907,833 has been classified as restricted, \$2,926,206 has been classified as committed; \$45,776 has been classified as assigned and \$7,786,753 has been classified as unassigned.

The General Fund is the primary fund of the Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$7,786,753 representing 62% of the total General Fund balance of \$12,499,656. Revenues and other financing sources were \$26,552,125, which was \$1,575,681 greater than the final budget. The major areas where revenues exceeded the budget were non-property taxes, departmental income, use of money and property and sale of property and compensation for loss. Expenditures and other financing uses were \$25,803,623, which was \$979,838 less than the final budget.

### **General Fund Budgetary Highlights**

The net change in total fund balance of the General Fund was an increase of \$748,502 inclusive of other financing sources (uses). Actual revenues were \$1,525,341 greater than the final budget. Revenues that exceeded projections were from the following revenue categories: Non-property taxes which was \$268,111 greater than budget due primarily to the increase in sales tax revenue, use of money and property which was \$688,468 greater due to the increase in interest earnings, departmental income which was \$601,252 greater due to the increase in police fees and building permit fees, which were \$305,456 and \$203,943 higher, respectively.

Actual expenditures were \$979,838 less than the final budget, with savings primarily in general government support (\$208,249), public safety (\$253,862), home and community services (\$226,663), employee benefits (\$214,550) and transportation (\$45,290).

## Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2024, net of \$35,407,897 of accumulated depreciation, was \$45,924,196. This investment in capital assets includes land, land improvements, buildings and improvements, machinery and equipment, infrastructure, and construction-in-progress.

Major capital asset activity during the current fiscal year included the following:

- ❖ Road resurfacing - \$817,564
- ❖ Purchase of a metro regional radio system - \$479,838
- ❖ Purchase of (2) large trucks and salters - \$263,669
- ❖ Purchase of a sewer jet truck - \$262,628
- ❖ Sanitary sewer relining and manhole rehabilitation - \$208,723
- ❖ Purchase of a leaf loader - \$149,811
- ❖ Repair of AJP Senior Center walkway - \$121,884
- ❖ Purchase of a highway department dump truck - \$108,663

Class	May 31,	
	2024	2023
Land	\$ 13,660,376	\$ 13,660,376
Land Improvements	7,525,536	7,497,536
Building and Improvements	22,318,914	22,178,830
Machinery and Equipment	9,009,577	8,577,668
Infrastructure	28,409,426	27,460,282
Construction-in-Progress*	408,264	-
Less - accumulated depreciation	<u>(35,407,897)</u>	<u>(34,249,092)</u>
Total (net of depreciation)	<u>\$ 45,924,196</u>	<u>\$ 45,125,600</u>

\*Construction in progress is comprised of:

	2024	2023
Sanitary Sewer Improvement	\$ 208,723	\$ -
AJP Senior Center Walkway/Boiler Replacement	199,541	-
	<u>\$ 408,264</u>	<u>\$ -</u>

Additional information on the Village's capital assets can be found in Note 3D in the notes to financial statements.

### Long-Term Debt /Short-Term Debt

The Village had general obligation and other long-term debt outstanding as follows:

	May 31,	
	2024	2023
Bonds Payable	\$ 13,000,000	\$ 13,480,000
Compensated Absences	2,063,782	1,834,616
Net Pension Liability - ERS	1,501,271	2,334,298
Net Pension Liability - PFRS	5,156,785	6,252,104
Other Post Employment Benefit Liability	53,312,167	59,489,437
Total	<u>\$ 75,034,005</u>	<u>\$ 83,390,455</u>

At the end of the current fiscal year, the Village had total general obligation bonded debt outstanding of \$13,000,000. As required by New York State Law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the Village is subject to a “constitutional debt limit”. This debt limit is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property within the Village. At May 31, 2024, the Village has the authority to issue \$213,783,504 of general obligation long-term debt.

During the current fiscal year, the Village issued no new short-term debt (bond anticipation notes/BAN's), and paid down \$586,700 (all from General Fund appropriations) on existing BAN's for capital projects.

Additional information on the Village's long-term and short-term debt can be found in Notes 3F, G in the notes to the financial statements.

### Economic Factors and Next Year's Budget Rates

The following economic factors currently affect the Village of Rye Brook and were considered in developing the fiscal year end May 31, 2025 budget:

- ❖ Commitment to sound capital improvement program to maintain our fleet and infrastructure.
- ❖ Moderate increase in taxable assessed values for both homestead and non-homestead tax base.
- ❖ Low inventory and leveling off of housing prices are expected throughout the fiscal year due to higher interest rates, which will continue to impact mortgage tax revenues.
- ❖ Higher interest rates remain; however slight decrease anticipated during the fiscal year with national election year ahead.
- ❖ Rising inflation costs.
- ❖ Contract settlement for Village Police union anticipated and for which are currently without contract since fiscal year-end May 31, 2023.
- ❖ Additional personnel hired in the police department (1) and highway department (1), and elimination of (1) position in the recreation department.
- ❖ Increase in health insurance, NYS retirement pension costs, as well as other employee benefits.



### **Requests for Information**

This financial report is designed to provide a general overview of the Village of Rye Brook, New York's finances. Questions and comments concerning any of the information provided in this report should be addressed to:

Patricia Lepre, Treasurer  
Village of Rye Brook  
938 King Street, Rye Brook  
New York 10573

**Village of Rye Brook, New York**

## Statement of Net Position

May 31, 2024

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 8,822,151
Investments	7,286,085
Receivables	
Taxes	69,309
Accounts	245,292
State and Federal aid	23,086
Due from other governments	758,971
Leases	301,885
Prepaid expenses	51,201
Capital assets	
Not being depreciated	14,068,640
Being depreciated, net	31,855,556
Total Assets	63,482,176
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension related	5,563,011
OPEB related	7,329,574
Total Deferred Outflows of Resources	12,892,585
<b>LIABILITIES</b>	
Accounts payable	1,088,317
Accrued liabilities	316,733
Deposits and other liabilities	262,362
Due to retirement systems	355,664
Unearned revenues	352,727
Bond anticipation notes payable	1,180,727
Accrued interest payable	127,672
Non-current liabilities	
Due within one year	2,160,077
Due in more than one year	72,873,928
Total Liabilities	78,718,207
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Pension related	2,405,533
OPEB related	19,325,211
Lease related	283,681
Total Deferred Inflows of Resources	22,014,425
<b>NET POSITION</b>	
Net investment in capital assets	34,446,214
Restricted	
Debt service	1,462,000
Capital Projects - Playing field facility	227,720
Special purposes	371,095
Unrestricted	(60,864,900)
Total Net Position	\$ (24,357,871)

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

# Village of Rye Brook, New York

Statement of Activities  
Year Ended May 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 4,505,544	\$ 157,506	\$ 14,102	\$ 12,000	\$ (4,321,936)
Public safety	11,722,667	1,500,014	7,803	-	(10,214,850)
Health	367,162	-	-	-	(367,162)
Transportation	2,966,573	40,000	755,716	156,544	(2,014,313)
Economic opportunity and development	551,458	-	-	-	(551,458)
Culture and recreation	2,939,830	723,973	37,061	-	(2,178,796)
Home and community services	1,744,959	174,913	-	75,950	(1,494,096)
Interest	505,283	-	-	67,112	(438,171)
Total Governmental Activities	<u>\$ 25,303,476</u>	<u>\$ 2,596,406</u>	<u>\$ 814,682</u>	<u>\$ 311,606</u>	<u>(21,580,782)</u>
General revenues					
Real property taxes					18,707,565
Other tax items					
Interest and penalties on real property taxes					17,947
Non-property taxes					
Non-property tax distribution from County					2,698,001
Utilities gross receipts taxes					302,447
Franchise fees					242,663
Unrestricted use of money and property					706,927
Sale of property and compensation for loss					81,330
Unrestricted State aid					254,745
Miscellaneous					1,557
Insurance recoveries					77,283
Total General Revenues					<u>23,090,465</u>
Change in Net Position					1,509,683
Net Position - Beginning					<u>(25,867,554)</u>
Net Position - Ending					<u>\$ (24,357,871)</u>

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

**Village of Rye Brook, New York**

Balance Sheet  
Governmental Funds  
May 31, 2024

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
<b>ASSETS</b>				
Cash and equivalents	\$ 6,402,493	\$ 2,047,123	\$ 372,535	\$ 8,822,151
Investments	6,894,998	391,087	-	7,286,085
Taxes receivable	69,309	-	-	69,309
Other receivables				
Accounts	245,292	-	-	245,292
State and Federal aid	9,836	13,250	-	23,086
Due from other governments	758,971	-	-	758,971
Due from other funds	1,723	72,000	-	73,723
Leases	301,885	-	-	301,885
Prepaid expenditures	51,201	-	-	51,201
Total Assets	<u>\$ 14,735,708</u>	<u>\$ 2,523,460</u>	<u>\$ 372,535</u>	<u>\$ 17,631,703</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 592,885	\$ 493,992	\$ 1,440	\$ 1,088,317
Accrued liabilities	316,733	-	-	316,733
Deposits and other liabilities	262,362	-	-	262,362
Due to retirement systems	355,664	-	-	355,664
Due to other funds	72,000	1,723	-	73,723
Unearned revenues	352,727	-	-	352,727
Bond anticipation notes payable	-	1,180,727	-	1,180,727
Total Liabilities	1,952,371	1,676,442	1,440	3,630,253
Deferred inflows of resources				
Lease related	283,681	-	-	283,681
Total Liabilities and Deferred Inflows of Resources	<u>2,236,052</u>	<u>1,676,442</u>	<u>1,440</u>	<u>3,913,934</u>
Fund balances				
Nonspendable	51,201	-	-	51,201
Restricted	1,689,720	847,018	371,095	2,907,833
Committed	2,926,206	-	-	2,926,206
Assigned	45,776	-	-	45,776
Unassigned	7,786,753	-	-	7,786,753
Total Fund Balances	<u>12,499,656</u>	<u>847,018</u>	<u>371,095</u>	<u>13,717,769</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,735,708</u>	<u>\$ 2,523,460</u>	<u>\$ 372,535</u>	<u>\$ 17,631,703</u>

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

## Village of Rye Brook, New York

### Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position May 31, 2024

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

Total Fund Balances - Governmental Funds	\$ 13,717,769
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	14,068,640
Capital assets - depreciable	67,263,453
Accumulated depreciation	<u>(35,407,897)</u>
	<u>45,924,196</u>
Governmental funds do not report the effect of assets or liabilities related to net pension liabilities and other postemployment benefit obligations whereas these amounts are deferred and amortized in the statement of activities.	
Deferred outflows - pension related	5,563,011
Deferred outflows - OPEB related	7,329,574
Deferred inflows - pension related	(2,405,533)
Deferred inflows - OPEB related	<u>(19,325,211)</u>
	<u>(8,838,159)</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(127,672)
General obligation bonds payable	(13,000,000)
Compensated absences	(2,063,782)
Net pension liability - ERS	(1,501,271)
Net pension liability - PFRS	(5,156,785)
Total OPEB liability	<u>(53,312,167)</u>
	<u>(75,161,677)</u>
Net Position of Governmental Activities	<u>\$ (24,357,871)</u>

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

**Village of Rye Brook, New York**

Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
Year Ended May 31, 2024

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
<b>REVENUES</b>				
Real property taxes	\$ 18,707,565	\$ -	\$ -	\$ 18,707,565
Other tax items	17,947	-	-	17,947
Non-property taxes	3,243,111	-	-	3,243,111
Departmental income	2,289,552	-	-	2,289,552
Intergovernmental charges	95,444	-	-	95,444
Use of money and property	939,292	-	6,934	946,226
Fines and forfeitures	66,585	-	-	66,585
Sale of property and compensation for loss	81,330	-	-	81,330
State aid	281,766	156,544	-	438,310
Federal aid	731,369	75,950	-	807,319
Miscellaneous	1,557	12,000	28,930	42,487
Total Revenues	26,455,518	244,494	35,864	26,735,876
<b>EXPENDITURES</b>				
Current				
General government support	3,175,848	-	-	3,175,848
Public safety	7,002,804	-	-	7,002,804
Health	367,162	-	-	367,162
Transportation	1,292,774	-	-	1,292,774
Economic opportunity and development	366,328	-	-	366,328
Culture and recreation	1,988,200	-	18,238	2,006,438
Home and community services	1,520,467	-	-	1,520,467
Employee benefits	6,331,059	-	-	6,331,059
Debt service				
Principal	480,000	-	-	480,000
Interest	511,019	-	-	511,019
Capital outlay	-	3,212,974	-	3,212,974
Total Expenditures	23,035,661	3,212,974	18,238	26,266,873
Excess (Deficiency) of Revenues Over Expenditures	3,419,857	(2,968,480)	17,626	469,003
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	77,283	-	-	77,283
Transfers in	19,324	2,767,962	-	2,787,286
Transfers out	(2,767,962)	(19,324)	-	(2,787,286)
Total Other Financing Sources (Uses)	(2,671,355)	2,748,638	-	77,283
Net Change in Fund Balances	748,502	(219,842)	17,626	546,286
<b>FUND BALANCES</b>				
Beginning of Year	11,751,154	1,066,860	353,469	13,171,483
End of Year	\$ 12,499,656	\$ 847,018	\$ 371,095	\$ 13,717,769

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

## Village of Rye Brook, 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, 2024

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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>\$ 546,286</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	3,132,473
Depreciation expense	<u>(2,333,877)</u>
	<u>798,596</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.	
Principal paid on general obligation bonds	<u>480,000</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	5,736
Compensated absences	(229,166)
Changes in pension liabilities (assets) and related deferred outflows and inflows of resources	(583,657)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>491,888</u>
	<u>(315,199)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 1,509,683</u></u>

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

**Village of Rye Brook, New York****Statement of Revenues, Expenditures And Changes**

In Fund Balance - Budget And Actual

General Fund

Year Ended May 31, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 18,709,381	\$ 18,709,381	\$ 18,707,565	\$ (1,816)
Other tax items	17,500	17,500	17,947	447
Non-property taxes	2,975,000	2,975,000	3,243,111	268,111
Departmental income	1,688,300	1,688,300	2,289,552	601,252
Intergovernmental charges	108,600	108,600	95,444	(13,156)
Use of money and property	250,824	250,824	939,292	688,468
Fines and forfeitures	25,000	34,400	66,585	32,185
Sale of property and compensation for loss	5,000	5,000	81,330	76,330
State aid	411,334	411,334	281,766	(129,568)
Federal aid	-	729,838	731,369	1,531
Miscellaneous	-	-	1,557	1,557
<b>Total Revenues</b>	<b>24,190,939</b>	<b>24,930,177</b>	<b>26,455,518</b>	<b>1,525,341</b>
<b>EXPENDITURES</b>				
Current				
General government support	3,469,716	3,384,097	3,175,848	208,249
Public safety	7,151,187	7,256,666	7,002,804	253,862
Health	388,479	388,479	367,162	21,317
Transportation	1,331,863	1,338,064	1,292,774	45,290
Economic opportunity and development	370,969	370,193	366,328	3,865
Culture and recreation	1,978,189	1,994,242	1,988,200	6,042
Home and community services	1,747,130	1,747,130	1,520,467	226,663
Employee benefits	6,556,505	6,545,609	6,331,059	214,550
Debt service				
Principal	480,000	480,000	480,000	-
Interest	511,019	511,019	511,019	-
<b>Total Expenditures</b>	<b>23,985,057</b>	<b>24,015,499</b>	<b>23,035,661</b>	<b>979,838</b>
Excess of Revenues Over Expenditures	205,882	914,678	3,419,857	2,505,179
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	15,000	27,006	77,283	50,277
Transfers in	-	19,261	19,324	63
Transfers out	(1,857,899)	(2,767,962)	(2,767,962)	-
<b>Total Other Financing Uses</b>	<b>(1,842,899)</b>	<b>(2,721,695)</b>	<b>(2,671,355)</b>	<b>50,340</b>
<b>Net Change in Fund Balance</b>	<b>(1,637,017)</b>	<b>(1,807,017)</b>	<b>748,502</b>	<b>2,555,519</b>
<b>FUND BALANCE</b>				
Beginning of Year	1,637,017	1,807,017	11,751,154	9,944,137
End of Year	\$ -	\$ -	\$ 12,499,656	\$ 12,499,656

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



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

The Village of Rye Brook, New York ("Village") was incorporated in 1982 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 Administrator serves as the chief administrative officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, 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 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, the following entity is included in the financial statements as a blended component unit. Blended component units are, in substance, part of the Village's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the Village.

The Friends of Rye Brook, Inc. ("Friends") was incorporated in 1995 under Section 102 of the Not-for-Profit Corporation Law of the State of New York. Although the Friends is a separate legal entity, members of the Village Board of Trustees are the governing body of the Friends and, therefore, can impose their will on its activities. Since a financial benefit/burden relationship exists between the Friends and the Village, Friends has been reflected as a blended component unit and reported within the Village's Special Purpose Fund.

**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 is 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

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

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.

**C. Fund Financial Statements**

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

**Fund Categories**

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

General Fund - The General Fund constitutes the primary fund of the Village in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

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)**

The Village also reports the following non-major governmental 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 non-major Special Revenue Fund of the Village is as follows:

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Village in accordance with grantor or contributor stipulations. Among the activities included in the Special Purpose Fund are the activities of the Friends.

- 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 activities 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*, as is the Fiduciary Fund. 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 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. Issuances of long-term debt are reported as other financing sources.

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

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

**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.

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 establishes 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.

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

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30<sup>th</sup>.

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

The Village's position in the pool at May 31, 2024 of \$7,286,085 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

CLASS is rated AAAM by Standard & Poor's Rating Service. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17<sup>th</sup> Street, Suite 1850, Denver, CO 80202.

**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, "*Deposit 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, 2024.

**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.

**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.

**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 February. The Town of Rye, New York is responsible for the billing and collection of the Village's real property taxes.

**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 are incurred. Allowances are recorded when appropriate.

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

**Leases Receivable** - The Village is a lessor for noncancellable leases of real property. The Village has recognized a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

At commencement of the lease, the Village initially measured the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources was initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the Village determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease-term, and (3) lease receipts.

- The Village uses its estimated incremental borrowing rate as the discount rate for the leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is comprised of fixed payments from the lessee.

The Village monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**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, 2024, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Prepaid Expenses/Expenditures** – Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of various costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at 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.

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

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

Land is 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>
Land improvements	20
Buildings and improvements	15 - 45
Machinery and equipment	5 - 20
Infrastructure	15 - 50

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

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In the government-wide financial statements, unearned revenues consist of 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 \$204,363 for summer recreation programs and \$148,364 for American Rescue Plan monies 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 has reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the government-wide financial statements. These amounts are detailed in the discussion of the Village's pension and other postemployment benefit liabilities in Note 3G.

The Village has also reported lease related deferred inflows of resources in the General Fund and in the government-wide financial statements. These amounts are deferred and recognized over the terms of the leases as an inflow of resources in a systematic and rational manner.

**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.

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

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 the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

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

**Net Pension Liability (Asset)** - The net pension liability (asset) represents the Village's proportionate share of the net pension 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 provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No.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** - 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 and deferred outflows of resources 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 debt service, capital projects – playing field facility 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.

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and



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

unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Village's Board of Trustees or a person with delegated authority from the governing board to assign amounts for a specific intended purpose 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, represents 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.

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

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

**F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. 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 the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is October 21, 2024.

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

**A. Budgetary Data**

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

- a) On or before March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes proposed expenditures and the means of financing for all funds.
- 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.

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

- e) Formal budgetary integration is employed during the year as a management control device for the General Fund.
- f) The budget for the General Fund is 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 legally 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.
- g) The Village Board of Trustees 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 Village Administrator. However, any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations require a majority vote by the Board.
- h) Appropriations in the General Fund 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 tax levy for the 2023-2024 fiscal year was \$61,081,001 which exceeded the actual levy by \$44,920,538.

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

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

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. Capital Projects Fund Project Deficits**

Deficits in certain capital projects arise because of the application of generally accepted accounting principles. 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. Deficits in these projects will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

**D. Reclassification of Prior Year Presentation**

Certain amounts in the prior year's financial statements in relation to components of fund balance have been reclassified to conform with the current year's presentation. These reclassifications have no effect on previously reported total fund balances.

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

**A. Taxes Receivable**

Taxes receivable at May 31, 2024 consisted of the following -

Current Year	<u>\$ 69,309</u>
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**B. Leases Receivable**

The Village has entered into a lease agreement for a lessee to lease land to operate a cell tower. The lease term runs through May 2026. The Village recognized lease income of \$136,613 and interest of \$14,102 for the year ended May 31, 2024. As of May 31, 2024, the lease receivable was \$301,885 and the deferred inflows of resources was \$283,681 and was reflected in the government-wide financial statements and in the fund financial statements in the General Fund.

**C. Interfund Receivables/Payables**

The composition of due from/to other funds at May 31, 2024 were as follows:

Fund	Due From	Due To
General	\$ 1,723	\$ 72,000
Capital Projects	72,000	1,723
	<u>\$ 73,723</u>	<u>\$ 73,723</u>

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

**Village of Rye Brook, New York**

Notes to Financial Statements (Continued)  
 May 31, 2024

**Note 3 - Detailed Notes on All Funds (Continued)****D. Capital Assets**

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

Class	Balance June 1, 2023	Additions	Deletions	Balance May 31, 2024
Capital Assets, not being depreciated:				
Land	\$ 13,660,376	\$ -	\$ -	\$ 13,660,376
Construction-in-Progress	-	408,264	-	408,264
Total Capital Assets, not being depreciated	<u>\$ 13,660,376</u>	<u>\$ 408,264</u>	<u>\$ -</u>	<u>\$ 14,068,640</u>
Capital Assets, being depreciated:				
Land Improvements	\$ 7,497,536	\$ 28,000	\$ -	\$ 7,525,536
Buildings and Improvements	22,178,830	140,084	-	22,318,914
Machinery and Equipment	8,577,668	1,606,981	1,175,072	9,009,577
Infrastructure	27,460,282	949,144	-	28,409,426
Total Capital Assets, being depreciated	<u>65,714,316</u>	<u>2,724,209</u>	<u>1,175,072</u>	<u>67,263,453</u>
Less Accumulated Depreciation for:				
Land Improvements	5,342,292	349,035	-	5,691,327
Buildings and Improvements	4,696,262	476,547	-	5,172,809
Machinery and Equipment	5,483,263	764,342	1,175,072	5,072,533
Infrastructure	18,727,275	743,953	-	19,471,228
Total Accumulated Depreciation	<u>34,249,092</u>	<u>2,333,877</u>	<u>1,175,072</u>	<u>35,407,897</u>
Total Capital Assets, being depreciated, net	<u>\$ 31,465,224</u>	<u>\$ 390,332</u>	<u>\$ -</u>	<u>\$ 31,855,556</u>
Capital Assets, net	<u>\$ 45,125,600</u>	<u>\$ 798,596</u>	<u>\$ -</u>	<u>\$ 45,924,196</u>

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

General Government Support	\$ 422,980
Public Safety	412,686
Transportation	902,673
Economic Opportunity and Development	14,395
Culture and Recreation	432,601
Home and Community Services	<u>148,542</u>
Total Depreciation Expense	<u>\$ 2,333,877</u>

**E. Accrued Liabilities**

The Village has reported accrued liabilities for payroll and employee benefits of \$316,733 in the General Fund and government-wide financial statements.

# Village of Rye Brook, New York

Notes to Financial Statements (Continued)  
May 31, 2024

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

### F. Short-Term Capital Borrowings - Bond Anticipation Notes Payable

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2023	New Issues	Redemptions	Balance May 31, 2024
Sanitary Sewer Improvement	2018	09/24	4.50 %	\$ 718,950	\$ -	\$ 230,700	\$ 488,250
Aerial Fire Truck	2020	09/24	4.50	423,477	-	215,000	208,477
Various	2022	09/24	4.50	625,000	-	141,000	484,000
				<u>\$ 1,767,427</u>	<u>\$ -</u>	<u>\$ 586,700</u>	<u>\$ 1,180,727</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 five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$60,125 were recorded in the fund financial statements in the General Fund. Interest expense of \$57,551 was recorded in the government-wide financial statements.

### G. Long-Term Liabilities

The following table summarizes changes in the Village's long-term liabilities for the year ended May 31, 2024:

	Balance June 1, 2023	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2024	Due Within One-Year
General Obligation Bonds Payable					
Capital Construction	\$ 12,650,000	\$ -	\$ 325,000	\$ 12,325,000	\$ 335,000
Judgement and Claims	830,000	-	155,000	675,000	160,000
	<u>13,480,000</u>	<u>-</u>	<u>480,000</u>	<u>13,000,000</u>	<u>495,000</u>
Other Non-current Liabilities					
Compensated Absences	1,834,616	412,666	183,500	2,063,782	206,400
Net Pension Liability - ERS	2,334,298	-	833,027	1,501,271	-
Net Pension Liability - PFRS	6,252,104	-	1,095,319	5,156,785	-
Other Postemployment Benefit Liability	<u>59,489,437</u>	<u>3,670,746</u>	<u>9,848,016</u>	<u>53,312,167</u>	<u>1,458,677</u>
Total Non-current Liabilities	<u>69,910,455</u>	<u>4,083,412</u>	<u>11,959,862</u>	<u>62,034,005</u>	<u>1,665,077</u>
Total Long-Term Liabilities	<u>\$ 83,390,455</u>	<u>\$ 4,083,412</u>	<u>\$ 12,439,862</u>	<u>\$ 75,034,005</u>	<u>\$ 2,160,077</u>

## Village of Rye Brook, New York

### Notes to Financial Statements (Continued)

May 31, 2024

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

Each governmental fund's liability for general obligation bonds, compensated absences, net pension liability and other postemployment benefit liability are liquidated by the General Fund.

#### **General Obligation Bonds Payable**

General obligation bonds payable at May 31, 2024 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2024
Various Village Purposes - 2018A	2018	\$ 14,250,000	March, 2048	3.000-3.750 %	\$ 12,325,000
Tax Certiorari - 2018B	2018	1,533,000	March, 2028	3.500	675,000
					<u>\$ 13,000,000</u>

Interest expenditures of \$450,894 were recorded in the fund financial statements in the General Fund. Interest expense of \$447,732 was recorded in the government-wide financial statements.

#### **Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of May 31, 2024 including interest payments of \$6,084,213 are as follows:

Year Ending May 31,	General Obligation Bonds	
	Principal	Interest
2025	\$ 495,000	\$ 435,719
2026	515,000	420,069
2027	530,000	403,794
2028	550,000	387,044
2029	385,000	369,644
2030-2034	2,140,000	1,665,870
2035-2039	2,545,000	1,303,448
2040-2044	3,025,000	835,438
2045-2048	2,815,000	263,187
	<u>\$ 13,000,000</u>	<u>\$ 6,084,213</u>

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

#### **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. At May 31, 2024,

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

that amount was \$213,783,504. As of May 31, 2024, the total outstanding debt applicable to the limit was \$16,160,463, which is 7.56% of the total debt limit.

**Compensated Absences**

Pursuant to the terms of existing collective bargaining agreements, certain employees are permitted to accumulate sick and personal leave. The maximum accumulation varies with each agreement. Upon termination, employees will be compensated for such accumulated leave at varying amounts according to the terms of each agreement. 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 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 2024 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	4 A15/41J	14.9 %
	5 A15/41J	12.9
	6 A15/41J	9.5



# Village of Rye Brook, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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

	<u>Tier/Plan</u>	<u>Rate</u>
PFRS	2 384D	30.4 %
	5 384D	26.2
	6 384D	21.1

At May 31, 2024, the Village reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2024	March 31, 2024
Net pension liability	\$ 1,501,271	\$ 5,156,785
Villages' proportion of the net pension liability	0.0101961 %	0.1087282 %
Change in proportion since the prior measurement date	(0.0006894) %	(0.0047304) %

The net pension liability was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended May 31, 2024, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$664,896 for ERS and \$1,951,253 for PFRS. Pension expenditures of \$503,146 for ERS and \$1,529,346 for PFRS were recorded in the General Fund.

At May 31, 2024, 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	\$ 483,558	\$ 40,936	\$ 1,588,737	\$ -
Changes of assumptions	567,597	-	1,945,144	-
Net difference between projected and actual earnings on pension plan investments	-	733,363	-	1,399,818
Changes in proportion and differences between Village contributions and proportionate share of contributions	124,833	86,605	497,478	144,811
Village contributions subsequent to the measurement date	86,306	-	269,358	-
	<u>\$ 1,262,294</u>	<u>\$ 860,904</u>	<u>\$ 4,300,717</u>	<u>\$ 1,544,629</u>

# Village of Rye Brook, New York

Notes to Financial Statements (Continued)

May 31, 2024

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

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,072,295	\$ 40,936
Changes of assumptions	2,512,741	-
Net difference between projected and actual earnings on pension plan investments	-	2,133,181
Changes in proportion and differences between Village contributions and proportionate share of contributions	622,311	231,416
Village contributions subsequent to the measurement date	355,664	-
	<u>\$ 5,563,011</u>	<u>\$ 2,405,533</u>

\$86,306 and \$269,358 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the plan's year ended March 31, 2025. 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
2025	\$ (265,013)	\$ (260,216)
2026	305,255	1,645,627
2027	435,160	947,288
2028	(160,318)	(94,573)
2029	-	248,604
	<u>\$ 315,084</u>	<u>\$ 2,486,730</u>

The total pension liability for the ERS and PFRS 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, 2024	March 31, 2024
Actuarial valuation date	April 1, 2023	April 1, 2023
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	6.2%
Inflation rate	2.9%	2.9%
Cost of living adjustments	1.5%	1.5%

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

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

Annuitant mortality rates are based on the April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on Society of Actuaries' Scale MP-2021.

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.

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32 %	4.00 %
International Equity	15	6.65
Private Equity	10	7.25
Real Estate	9	4.60
Opportunistic/ARS Portfolio	3	5.25
Credit	4	5.40
Real Assets	3	5.79
Fixed Income	23	1.50
Cash	1	0.25
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.9%.

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 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:

## Village of Rye Brook, New York

Notes to Financial Statements (Continued)  
May 31, 2024

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

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 4,720,150</u>	<u>\$ 1,501,271</u>	<u>\$ (1,187,160)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 12,052,617</u>	<u>\$ 5,156,785</u>	<u>\$ (540,179)</u>

The components of the collective net pension liability as of the March 31, 2024 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 240,696,851,000	\$ 46,137,717,000	\$ 286,834,568,000
Fiduciary net position	<u>225,972,801,000</u>	<u>41,394,895,000</u>	<u>267,367,696,000</u>
Employers' net pension liability	<u>\$ 14,724,050,000</u>	<u>\$ 4,742,822,000</u>	<u>\$ 19,466,872,000</u>
Fiduciary net position as a percentage of total pension liability	<u>93.88%</u>	<u>89.72%</u>	<u>93.21%</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, 2024 represent the employer contribution for the period of April 1, 2024 through May 31, 2024 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly. Retirement contributions to ERS and PFRS for the two months ended May 31, 2024 were \$86,306 and \$269,358, respectively.

#### *Voluntary Defined Contribution Plan*

The Village can offer a defined contribution plan to all non-union employees hired on or after June 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.

#### **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 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.

## Village of Rye Brook, New York

### Notes to Financial Statements (Continued)

May 31, 2024

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

At May 31, 2024, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	62
Active employees	69
	<u>131</u>

The Village's total OPEB liability of \$53,312,167 was measured as of May 31, 2024, and was determined by an actuarial valuation as of June 1, 2023.

The total OPEB liability in the June 1, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.50%, average, including inflation
Discount rate	4.13%
Healthcare cost trend rates	6.5% for 2024, decreasing 0.5% per year to an ultimate rate of 5.0% for 2027 and later years
Retirees' share of benefit-related costs	Varies from 0% to 100%, depending on applicable retirement year and bargaining unit

The discount rate was based on the Bond Buyer's 20 Bond Index.

Mortality rates were based on the PUB-2010 headcount weighted mortality tables using the MP-2021 projection scale.

For the following demographic (mortality, retirement, disability, and other termination of employment) assumptions, the rates utilized were developed in the report, "Development of Recommended Actuarial Assumptions" for New York/SUNY GASB 75 Valuation prepared by the AON Hewitt dated August 2022.

The Village's change in the total OPEB liability for the year ended May 31, 2024 is as follows:

Total OPEB Liability - Beginning of Year	\$ 59,489,437
Service cost	1,610,072
Interest	2,060,674
Changes of benefit terms	-
Differences between expected and actual experience	(5,896,018)
Changes in assumptions or other inputs	(2,493,321)
Benefit payments	<u>(1,458,677)</u>
Total OPEB Liability - End of Year	<u>\$ 53,312,167</u>

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 (3.13%) or 1 percentage point higher (5.13%) than the current discount rate:

**Village of Rye Brook, New York**

Notes to Financial Statements (Continued)

May 31, 2024

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

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB Liability	<u>\$ 63,027,680</u>	<u>\$ 53,312,167</u>	<u>\$ 45,737,334</u>

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 (5.5% decreasing to 4.0%) or 1 percentage point higher (7.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (5.5% decreasing to 4.0%)	Current Healthcare Cost Trend Rates (6.5% decreasing to 5.0%)	1% Increase (7.5% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 44,954,803</u>	<u>\$ 53,312,167</u>	<u>\$ 64,109,723</u>

For the year ended May 31, 2024, the Village recognized OPEB expense of \$966,789 in the government-wide financial statements. At May 31, 2024, 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	\$ 3,675,486	\$ 14,261,896
Differences between expected and actual experience	<u>3,654,088</u>	<u>5,063,315</u>
	<u>\$ 7,329,574</u>	<u>\$ 19,325,211</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,	
2025	\$ (2,557,509)
2026	(1,918,871)
2027	(3,571,302)
2028	(3,046,946)
2029	<u>(901,009)</u>
	<u>\$ (11,995,637)</u>

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

**H. Revenues and Expenditures**

**Interfund Transfers**

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

Transfers Out	Transfers In		Total
	General Fund	Capital Projects Fund	
General Fund	\$ -	\$ 2,767,962	\$ 2,767,962
Capital Projects Fund	19,324	-	19,324
	<u>\$ 19,324</u>	<u>\$ 2,767,962</u>	<u>\$ 2,787,286</u>

Transfers are used to 1) move amounts earmarked in the General Fund to fulfill commitments for Capital Projects Fund expenditures and 2) move funds for closed capital projects from the Capital Projects Fund to the General Fund.

**I. Net Position**

The components of net position are detailed below:

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

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

*Restricted for Capital Project - Playing Field Facility* - the component of net position that reports the amounts restricted for the construction or reconstruction of the playing field facility.

*Restricted for Special Purposes* - the component of net position that reports the difference between assets and liabilities of certain programs that consist of assets with constraints placed on their use by either external parties and/or statute.

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

# Village of Rye Brook, New York

Notes to Financial Statements (Continued)  
May 31, 2024

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

### J. Fund Balances

	2024				2023			
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:								
Prepaid expenditures	\$ 51,201	\$ -	\$ -	\$ 51,201	\$ 21,816	\$ -	\$ -	\$ 21,816
Restricted:								
Debt service	1,162,000	-	-	1,162,000	1,094,887	-	-	1,094,887
Debt service - for subsequent year's expenditures	300,000	-	-	300,000	300,000	-	-	300,000
Capital Project - Playing field facility	227,720	-	-	227,720	188,962	-	-	188,962
Capital Projects	-	847,018	-	847,018	-	1,066,860	-	1,066,860
Parklands	-	-	287,724	287,724	-	-	280,790	280,790
Trusts	-	-	83,371	83,371	-	-	72,679	72,679
Total Restricted	1,689,720	847,018	371,095	2,907,833	1,583,849	1,066,860	353,469	3,004,178
Committed:								
Capital projects	1,702,556	-	-	1,702,556	1,536,206	-	-	1,536,206
Capital projects - for subsequent year's expenditures	1,223,650	-	-	1,223,650	1,271,199	-	-	1,271,199
Total Committed	2,926,206	-	-	2,926,206	2,807,405	-	-	2,807,405
Assigned -								
Purchases on order:								
General government support	3,235	-	-	3,235	3,200	-	-	3,200
Public safety	37,646	-	-	37,646	8,782	-	-	8,782
Transportation	-	-	-	-	7,621	-	-	7,621
Culture and recreation	-	-	-	-	30,385	-	-	30,385
Home and community	4,895	-	-	4,895	15,830	-	-	15,830
Total Assigned	45,776	-	-	45,776	65,818	-	-	65,818
Unassigned	7,786,753	-	-	7,786,753	7,272,266	-	-	7,272,266
Total Fund Balances	\$ 12,499,656	\$ 847,018	\$ 371,095	\$ 13,717,769	\$ 11,751,154	\$ 1,066,860	\$ 353,469	\$ 13,171,483



**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.

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

The Village has committed \$2,926,206 from the General Fund to be used for future capital projects.

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

Subsequent year's expenditures represent that at May 31, 2024, the Board of Trustees has utilized the above amounts to be appropriated for the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed 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 damages, personal injury or breach of contract. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

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

**B. Contingencies**

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

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

**C. Risk Management**

The Village purchases various conventional insurance coverages to reduce its exposure to loss. The Village maintains a general liability policy, public official's liability and law enforcement liability with coverage up to \$1 million per occurrence and \$2 million in the aggregate. In addition, the Village also maintains an umbrella policy with coverage up to \$10 million policy aggregate and maintains a cyber liability policy with coverage up to \$1 million for each claim on a claims made basis and \$1 million in the aggregate. The Village purchases conventional workers' compensation insurance with coverage at statutory limits. The Village also purchases conventional health insurance from one provider. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

**Note 5 - Subsequent Events**

The Village, on September 19, 2024, issued a \$600,550 bond anticipation note. The note matures on September 19, 2025 and bears interest at 4.0% per annum.

**Note 6 - Recently Issued GASB Pronouncements**

GASB Statement No. 101, "*Compensated Absences*", provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

GASB Statement No. 102, "*Certain Risk Disclosures*", provides guidance on disclosures within government financial statements on risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

GASB Statement No. 103, "*Financial Reporting Model Improvements*", has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025.

**Note 6 - Recently Issued GASB Pronouncements (Continued)**

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 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 Rye Brook, New York

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

	2024	2023	2022
Total OPEB Liability:			
Service cost	\$ 1,610,072	\$ 2,234,523	\$ 2,869,289
Interest	2,060,674	2,007,262	1,600,314
Changes of benefit terms	-	-	68,025
Differences between expected and actual experience	(5,896,018)	-	6,716,173 (4)
Changes of assumptions or other inputs	(2,493,321)	(5,343,299)	(14,016,975)
Benefit payments	(1,458,677)	(1,380,219)	(1,242,148)
Net Change in Total OPEB Liability	(6,177,270)	(2,481,733)	(4,005,322)
Total OPEB Liability – Beginning of Year	59,489,437	61,971,170	65,976,492
Total OPEB Liability – End of Year	<u>\$ 53,312,167</u>	<u>\$ 59,489,437</u>	<u>\$ 61,971,170</u>
Village's covered-employee payroll	<u>\$ 7,455,381</u>	<u>\$ 7,742,360</u>	<u>\$ 7,553,522</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>715%</u>	<u>768%</u>	<u>820%</u>
Discount Rate	<u>4.13%</u>	<u>3.67%</u>	<u>3.16%</u>

(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.

(4) Difference due to Village now paying 100% of the retiree dental premiums for Highway and Office retirees.

See independent auditors' report.

<u>2021</u>	<u>2020</u>	<u>2019</u>
\$ 2,643,975	\$ 1,760,339	\$ 2,014,886
1,417,310	1,706,228	1,659,691
-	-	-
-	-	(2,242,362)
(495,880)	13,717,821	(5,496,928)
<u>(1,116,293)</u>	<u>(1,005,694)</u>	<u>(908,752)</u>
2,449,112	16,178,694	(4,973,465)
<u>63,527,380</u>	<u>47,348,686</u>	<u>52,322,151</u> (2)
<u>\$ 65,976,492</u>	<u>\$ 63,527,380</u>	<u>\$ 47,348,686</u>
<u>\$ 6,876,874</u>	<u>\$ 6,709,145</u>	<u>\$ 6,773,253</u>
<u>959%</u>	<u>947%</u>	<u>699%</u>
<u>2.20%</u>	<u>2.16%</u>	<u>3.51%</u>

# **Village of Rye Brook, 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)**

	2024	2023 (3)	2022 (4)	2021 (4)
Village's proportion of the net pension liability (asset)	<u>0.0101961%</u>	<u>0.0108855%</u>	<u>0.0115387%</u>	<u>0.0108771%</u>
Village's proportionate share of the net pension liability (asset)	<u>\$ 1,501,271</u>	<u>\$ 2,334,298</u>	<u>\$ (943,243)</u>	<u>\$ 10,831</u>
Village's covered payroll	<u>\$ 3,258,507</u>	<u>\$ 3,393,846</u>	<u>\$ 3,253,305</u>	<u>\$ 3,235,018</u>
Village's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>46.07%</u>	<u>68.78%</u>	<u>(28.99%)</u>	<u>0.33%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>93.88%</u>	<u>90.78%</u>	<u>103.65%</u>	<u>99.95%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

## **Schedule of Contributions**

	2024	2023	2022	2021
Contractually required contribution	\$ 485,528	\$ 397,256	\$ 552,509	\$ 468,201
Contributions in relation to the contractually required contribution	<u>(485,528)</u>	<u>(397,256)</u>	<u>(552,509)</u>	<u>(468,201)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 3,396,204</u>	<u>\$ 3,380,832</u>	<u>\$ 3,289,372</u>	<u>\$ 3,141,591</u>
Contributions as a percentage of covered payroll	<u>14.30%</u>	<u>11.75%</u>	<u>16.80%</u>	<u>14.90%</u>

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

(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.

See independent auditors' report.

2020 (3)	2019	2018	2017	2016
<u>0.0114397%</u>	<u>0.0120649%</u>	<u>0.0114718%</u>	<u>0.0123733%</u>	<u>0.0131940%</u>
<u>\$ 3,029,307</u>	<u>\$ 854,836</u>	<u>\$ 370,245</u>	<u>\$ 1,162,624</u>	<u>\$ 2,117,674</u>
<u>\$ 3,154,079</u>	<u>\$ 3,005,776</u>	<u>\$ 2,802,117</u>	<u>\$ 2,919,670</u>	<u>\$ 2,948,292</u>
<u>96.04%</u>	<u>28.44%</u>	<u>13.21%</u>	<u>39.82%</u>	<u>71.83%</u>
<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>
<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>
2020	2019	2018	2017	2016
<u>\$ 443,128</u>	<u>\$ 482,180</u>	<u>\$ 442,325</u>	<u>\$ 461,117</u>	<u>\$ 550,949</u>
<u>(443,128)</u>	<u>(482,180)</u>	<u>(442,325)</u>	<u>(461,117)</u>	<u>(550,949)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 3,155,396</u>	<u>\$ 2,949,754</u>	<u>\$ 2,973,848</u>	<u>\$ 2,927,244</u>	<u>\$ 2,925,051</u>
<u>14.04%</u>	<u>16.35%</u>	<u>14.87%</u>	<u>15.75%</u>	<u>18.84%</u>

## Village of Rye Brook, 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)

	2024	2023 (3)	2022 (4)	2021 (4)
Village's proportion of the net pension liability	<u>0.1087282%</u>	<u>0.1134586%</u>	<u>0.1169637%</u>	<u>0.1081421%</u>
Village's proportionate share of the net pension liability	<u>\$ 5,156,785</u>	<u>\$ 6,252,104</u>	<u>\$ 664,406</u>	<u>\$ 1,877,646</u>
Village's covered payroll	<u>\$ 5,300,108</u>	<u>\$ 5,398,970</u>	<u>\$ 5,307,018</u>	<u>\$ 5,130,833</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>97.30%</u>	<u>115.80%</u>	<u>12.52%</u>	<u>36.60%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>89.72%</u>	<u>87.43%</u>	<u>98.66%</u>	<u>95.79%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>

### Schedule of Contributions

	2024	2023	2022	2021
Contractually required contribution	\$ 1,478,988	\$ 1,386,711	\$ 1,419,972	\$ 1,146,207
Contributions in relation to the contractually required contribution	<u>(1,478,988)</u>	<u>(1,386,711)</u>	<u>(1,419,972)</u>	<u>(1,146,207)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 5,373,050</u>	<u>\$ 5,401,041</u>	<u>\$ 5,334,666</u>	<u>\$ 4,996,904</u>
Contributions as a percentage of covered payroll	<u>27.53%</u>	<u>25.67%</u>	<u>26.62%</u>	<u>22.94%</u>

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

(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.

See independent auditors' report.



2020 (3)	2019	2018	2017	2016
<u>0.1086153%</u>	<u>0.1154339%</u>	<u>0.1085772%</u>	<u>0.1063724%</u>	<u>0.1104717%</u>
<u>\$ 5,805,420</u>	<u>\$ 1,935,899</u>	<u>\$ 1,097,452</u>	<u>\$ 2,204,729</u>	<u>\$ 3,270,831</u>
<u>\$ 4,842,255</u>	<u>\$ 4,606,970</u>	<u>\$ 4,307,617</u>	<u>\$ 4,018,503</u>	<u>\$ 3,798,173</u>
<u>119.89%</u>	<u>42.02%</u>	<u>25.48%</u>	<u>54.86%</u>	<u>86.12%</u>
<u>84.86%</u>	<u>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>
<u>6.80%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>	<u>7.00%</u>
2020	2019	2018	2017	2016
<u>\$ 1,044,061</u>	<u>\$ 1,057,150</u>	<u>\$ 1,020,500</u>	<u>\$ 944,674</u>	<u>\$ 884,771</u>
<u>(1,044,061)</u>	<u>(1,057,150)</u>	<u>(1,020,500)</u>	<u>(944,674)</u>	<u>(884,771)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 4,864,535</u>	<u>\$ 4,568,855</u>	<u>\$ 4,640,138</u>	<u>\$ 4,720,743</u>	<u>\$ 4,043,564</u>
<u>21.46%</u>	<u>23.14%</u>	<u>21.99%</u>	<u>20.01%</u>	<u>21.88%</u>

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**Village of Rye Brook, New York**

General Fund  
Comparative Balance Sheet  
May 31,

	2024	2023
<b>ASSETS</b>		
Cash and equivalents	\$ 6,402,493	\$ 6,027,377
Investments	6,894,998	6,949,268
Taxes receivable	69,309	59,853
Other receivables		
Accounts	245,292	177,281
State and Federal aid	9,836	338
Due from other governments	758,971	878,632
Due from other funds	1,723	15,969
Leases	301,885	438,498
	1,317,707	1,510,718
Prepaid expenditures	51,201	21,816
Total Assets	<u>\$ 14,735,708</u>	<u>\$ 14,569,032</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 592,885	\$ 477,252
Accrued liabilities	316,733	312,874
Deposits and other liabilities	262,362	273,546
Due to retirement systems	355,664	287,484
Due to other funds	72,000	-
Unearned revenues	352,727	1,041,201
Total Liabilities	1,952,371	2,392,357
Deferred inflows of resources		
Lease related	283,681	425,521
Total Liabilities and Deferred Inflows of Resources	<u>2,236,052</u>	<u>2,817,878</u>
Fund balance		
Nonspendable	51,201	21,816
Restricted	1,689,720	1,583,849
Committed	2,926,206	2,807,405
Assigned	45,776	65,818
Unassigned	7,786,753	7,272,266
Total Fund Balance	<u>12,499,656</u>	<u>11,751,154</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 14,735,708</u>	<u>\$ 14,569,032</u>

See independent auditors' report.

# Village of Rye Brook, New York

## General Fund

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

	2024			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Real property taxes	\$ 18,709,381	\$ 18,709,381	\$ 18,707,565	\$ (1,816)
Other tax items	17,500	17,500	17,947	447
Non-property taxes	2,975,000	2,975,000	3,243,111	268,111
Departmental income	1,688,300	1,688,300	2,289,552	601,252
Intergovernmental charges	108,600	108,600	95,444	(13,156)
Use of money and property	250,824	250,824	939,292	688,468
Fines and forfeitures	25,000	34,400	66,585	32,185
Sale of property and compensation for loss	5,000	5,000	81,330	76,330
State aid	411,334	411,334	281,766	(129,568)
Federal aid	-	729,838	731,369	1,531
Miscellaneous	-	-	1,557	1,557
Total Revenues	24,190,939	24,930,177	26,455,518	1,525,341
<b>EXPENDITURES</b>				
Current				
General government support	3,469,716	3,384,097	3,175,848	208,249
Public safety	7,151,187	7,256,666	7,002,804	253,862
Health	388,479	388,479	367,162	21,317
Transportation	1,331,863	1,338,064	1,292,774	45,290
Economic opportunity and development	370,969	370,193	366,328	3,865
Culture and recreation	1,978,189	1,994,242	1,988,200	6,042
Home and community services	1,747,130	1,747,130	1,520,467	226,663
Employee benefits	6,556,505	6,545,609	6,331,059	214,550
Debt service				
Principal	480,000	480,000	480,000	-
Interest	511,019	511,019	511,019	-
Total Expenditures	23,985,057	24,015,499	23,035,661	979,838
Excess of Revenues Over Expenditures	205,882	914,678	3,419,857	2,505,179
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	15,000	27,006	77,283	50,277
Transfers in	-	19,261	19,324	63
Transfers out	(1,857,899)	(2,767,962)	(2,767,962)	-
Total Other Financing Uses	(1,842,899)	(2,721,695)	(2,671,355)	50,340
Net Change in Fund Balance	(1,637,017)	(1,807,017)	748,502	2,555,519
<b>FUND BALANCE</b>				
Beginning of Year	1,637,017	1,807,017	11,751,154	9,944,137
End of Year	\$ -	\$ -	\$ 12,499,656	\$ 12,499,656

See independent auditors' report.

2023			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 18,202,685	\$ 18,202,685	\$ 18,202,685	\$ -
15,000	15,000	17,362	2,362
2,385,000	2,385,000	3,128,679	743,679
1,706,700	1,915,432	2,083,213	167,781
73,000	73,000	88,516	15,516
166,223	228,223	579,066	350,843
30,000	30,000	35,037	5,037
5,000	5,000	-	(5,000)
400,000	445,334	648,510	203,176
-	3,000	355,433	352,433
45,334	-	25,457	25,457
23,028,942	23,302,674	25,163,958	1,861,284
3,384,325	3,315,365	3,077,185	238,180
7,061,989	7,362,722	7,173,500	189,222
263,194	286,635	286,635	-
1,315,533	1,299,864	1,213,818	86,046
352,553	366,697	365,066	1,631
1,967,106	1,986,665	1,955,734	30,931
1,738,949	1,674,287	1,569,824	104,463
5,755,876	5,816,046	5,749,546	66,500
630,000	630,000	630,000	-
484,886	484,887	484,870	17
22,954,411	23,223,168	22,506,178	716,990
74,531	79,506	2,657,780	2,578,274
15,000	16,284	26,814	10,530
-	5,066	20,076	15,010
(1,569,850)	(1,581,175)	(1,581,175)	-
(1,554,850)	(1,559,825)	(1,534,285)	25,540
(1,480,319)	(1,480,319)	1,123,495	2,603,814
1,480,319	1,480,319	10,627,659	9,147,340
\$ -	\$ -	\$ 11,751,154	\$ 11,751,154

**Village of Rye Brook, New York**

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2024

(With Comparative Actuals for 2023)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2023 Actual
<b>REAL PROPERTY TAXES</b>	<b>\$ 18,709,381</b>	<b>\$ 18,709,381</b>	<b>\$ 18,707,565</b>	<b>\$ (1,816)</b>	<b>\$ 18,202,685</b>
<b>OTHER TAX ITEMS</b>					
Interest and penalties on real property taxes	17,500	17,500	17,947	447	17,362
<b>NON-PROPERTY TAXES</b>					
Non-property tax distribution from County	2,500,000	2,500,000	2,698,001	198,001	2,593,960
Utilities gross receipts taxes	240,000	240,000	302,447	62,447	296,054
Franchise fees	235,000	235,000	242,663	7,663	238,665
	2,975,000	2,975,000	3,243,111	268,111	3,128,679
<b>DEPARTMENTAL INCOME</b>					
Clerk fees	3,000	3,000	18,685	15,685	3,389
Police fees	102,250	102,250	407,706	305,456	451,950
Safety inspection fees	750,000	750,000	953,943	203,943	772,421
Alarm permits	90,000	90,000	71,780	(18,220)	80,522
Parks and recreation charges	451,650	451,650	484,639	32,989	439,048
After school program	155,000	155,000	204,569	49,569	148,845
Home and community service fees	114,500	114,500	125,795	11,295	164,753
Concessions	4,000	4,000	5,521	1,521	6,923
Community events	1,700	1,700	2,360	660	1,804
Senior programs	16,200	16,200	14,554	(1,646)	13,558
	1,688,300	1,688,300	2,289,552	601,252	2,083,213
<b>INTERGOVERNMENTAL CHARGES</b>					
Airport revenue	40,000	40,000	40,000	-	40,000
Other governmental services					
Home and community services	49,100	49,100	49,118	18	42,314
Snow removal	19,500	19,500	6,326	(13,174)	6,202
	108,600	108,600	95,444	(13,156)	88,516

**USE OF MONEY AND PROPERTY**

Rental of real property	146,824	146,824	138,821	(8,003)	143,040
Senior center rental	14,000	14,000	12,330	(1,670)	12,560
Interest earnings	90,000	90,000	788,141	698,141	423,466
	<u>250,824</u>	<u>250,824</u>	<u>939,292</u>	<u>688,468</u>	<u>579,066</u>

**FINES AND FORFEITURES**

Fines and forfeited bail	<u>25,000</u>	<u>34,400</u>	<u>66,585</u>	<u>32,185</u>	<u>35,037</u>
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**SALE OF PROPERTY AND COMPENSATION  
FOR LOSS**

Sale of equipment	<u>5,000</u>	<u>5,000</u>	<u>81,330</u>	<u>76,330</u>	<u>-</u>
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**STATE AID**

AIM payments	45,334	45,334	45,334	-	45,334
Mortgage tax	335,000	335,000	209,411	(125,589)	442,685
Youth funding	2,000	2,000	1,697	(303)	31,600
Snow removal	25,000	25,000	19,552	(5,448)	19,552
Speed and alcohol enforcement	4,000	4,000	5,772	1,772	7,705
Emergency disaster	-	-	-	-	38,509
Other - public safety	-	-	-	-	63,125
	<u>411,334</u>	<u>411,334</u>	<u>281,766</u>	<u>(129,568)</u>	<u>648,510</u>

**FEDERAL AID**

American Rescue Plan	-	729,838	729,838	-	3,000
Emergency management assistance	-	-	-	-	352,433
Other	-	-	1,531	1,531	-
	<u>-</u>	<u>729,838</u>	<u>731,369</u>	<u>1,531</u>	<u>355,433</u>

**MISCELLANEOUS**

Refund of prior year's expenditures	-	-	35	35	5,328
Unclassified	-	-	1,522	1,522	20,129
	<u>-</u>	<u>-</u>	<u>1,557</u>	<u>1,557</u>	<u>25,457</u>

**TOTAL REVENUES**

	<u>24,190,939</u>	<u>24,930,177</u>	<u>26,455,518</u>	<u>1,525,341</u>	<u>25,163,958</u>
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**OTHER FINANCING SOURCES**

Insurance recoveries	15,000	27,006	77,283	50,277	26,814
Transfers in	-	-	-	-	-
Capital Projects Fund	-	19,261	19,324	63	20,076

**TOTAL OTHER FINANCING SOURCES**

	<u>15,000</u>	<u>46,267</u>	<u>96,607</u>	<u>50,340</u>	<u>46,890</u>
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**TOTAL REVENUES AND OTHER  
FINANCING SOURCES**

	<u>\$ 24,205,939</u>	<u>\$ 24,976,444</u>	<u>\$ 26,552,125</u>	<u>\$ 1,575,681</u>	<u>\$ 25,210,848</u>
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See independent auditors' report.

**Village of Rye Brook, New York**

General Fund  
Schedule of Expenditures and Other Financing Uses Compared to Budget  
Year Ended May 31, 2024  
(With Comparative Actuals for 2023)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2023 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board of Trustees	\$ 34,091	\$ 38,011	\$ 37,589	\$ 422	\$ 31,844
Administrator	346,060	352,900	350,945	1,955	342,078
Treasurer	637,450	637,450	600,532	36,918	593,458
Village office	110,676	122,682	101,703	20,979	93,407
Clerk	115,624	123,074	122,371	703	115,819
Village attorney	225,000	223,750	215,733	8,017	210,384
Engineering	229,024	238,024	233,969	4,055	178,563
Management information systems	317,678	334,340	329,830	4,510	318,146
Central communications	70,000	74,000	73,189	811	79,711
Central garage	682,531	682,531	644,395	38,136	684,776
Central supplies	25,000	26,000	25,081	919	20,714
Central printing and mailing	12,000	12,000	11,354	646	11,536
Unallocated insurance	264,000	264,326	264,326	-	241,514
Consulting fees	95,000	120,000	110,738	9,262	100,884
Bonding fees	8,000	8,000	2,000	6,000	4,331
Judgments and claims	7,500	7,500	1,944	5,556	-
Tax on property	18,685	18,685	18,290	395	17,794
Contingency account	238,600	68,027	-	68,027	-
Metropolitan commuter transportation mobility tax	32,797	32,797	31,859	938	32,226
	<u>3,469,716</u>	<u>3,384,097</u>	<u>3,175,848</u>	<u>208,249</u>	<u>3,077,185</u>
<b>PUBLIC SAFETY</b>					
Police Department	4,369,239	4,396,474	4,184,158	212,316	4,399,924
Control of animals	16,051	16,620	16,620	-	15,636
Fire protection	2,398,046	2,475,721	2,464,632	11,089	2,397,015
Safety inspection	367,851	367,851	337,394	30,457	360,925
	<u>7,151,187</u>	<u>7,256,666</u>	<u>7,002,804</u>	<u>253,862</u>	<u>7,173,500</u>



**HEALTH**

Ambulance services	388,479	388,479	367,162	21,317	286,635
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**TRANSPORTATION**

Highway maintenance	1,041,863	1,048,064	1,032,775	15,289	1,025,017
Snow removal	145,000	139,000	110,468	28,532	46,801
Street lighting	145,000	151,000	149,531	1,469	142,000
	1,331,863	1,338,064	1,292,774	45,290	1,213,818

**ECONOMIC OPPORTUNITY AND DEVELOPMENT**

Community services - Programs for the aging	370,969	370,193	366,328	3,865	365,066
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**CULTURE AND RECREATION**

Recreation	1,309,308	1,322,492	1,316,450	6,042	1,304,853
Public library	661,500	664,000	664,000	-	643,500
Handicapped	7,381	7,750	7,750	-	7,381
	1,978,189	1,994,242	1,988,200	6,042	1,955,734

**HOME AND COMMUNITY SERVICES**

Part-time videotaping	4,000	4,000	2,469	1,531	2,634
Planning board	300	300	295	5	295
Disposal fees	125,000	125,000	111,358	13,642	106,037
Recycling and refuse collection	1,182,000	1,182,000	1,181,017	983	1,125,170
Shade trees	95,000	95,000	76,612	18,388	100,964
Sewer district	340,830	340,830	148,716	192,114	234,724
	1,747,130	1,747,130	1,520,467	226,663	1,569,824

**EMPLOYEE BENEFITS**

State retirement	475,500	503,146	503,146	-	404,458
State retirement - Police	1,524,200	1,529,346	1,529,346	-	1,393,428
Social security	730,424	719,529	662,881	56,648	664,967
Workers' compensation benefits	260,000	260,000	250,906	9,094	241,147
Unemployment insurance	10,000	10,000	5,551	4,449	6,117
Disability insurance	2,000	2,000	1,524	476	1,268
Health and dental insurance	3,552,881	3,520,088	3,376,369	143,719	3,037,661
Other benefits	1,500	1,500	1,336	164	500
	6,556,505	6,545,609	6,331,059	214,550	5,749,546

(Continued)

**Village of Rye Brook, New York**

General Fund

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

Year Ended May 31, 2024

(With Comparative Actuals for 2023)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2023 Actual
<b>DEBT SERVICE</b>					
Principal					
Serial bonds	\$ 480,000	\$ 480,000	\$ 480,000	\$ -	\$ 630,000
Interest					
Serial bonds	450,894	450,894	450,894	-	472,607
Bond anticipation notes	60,125	60,125	60,125	-	12,263
	511,019	511,019	511,019	-	484,870
	991,019	991,019	991,019	-	1,114,870
<b>TOTAL EXPENDITURES</b>	23,985,057	24,015,499	23,035,661	979,838	22,506,178
<b>OTHER FINANCING USES</b>					
Transfers out					
Capital Projects Fund	1,857,899	2,767,962	2,767,962	-	1,581,175
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 25,842,956</u>	<u>\$ 26,783,461</u>	<u>\$ 25,803,623</u>	<u>\$ 979,838</u>	<u>\$ 24,087,353</u>

See independent auditor's report.

**Village of Rye Brook, New York**

Capital Projects Fund  
Comparative Balance Sheet  
May 31,

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and equivalents	\$ 2,047,123	\$ 3,251,373
Investments	391,087	371,272
Receivables		
State and Federal aid	13,250	-
Due from other funds	<u>72,000</u>	<u>-</u>
Total Assets	<u>\$ 2,523,460</u>	<u>\$ 3,622,645</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 493,992	\$ 771,823
Due to other funds	1,723	16,535
Bond anticipation notes payable	<u>1,180,727</u>	<u>1,767,427</u>
Total Liabilities	1,676,442	2,555,785
Fund balance		
Restricted	<u>847,018</u>	<u>1,066,860</u>
Total Liabilities and Fund Balance	<u>\$ 2,523,460</u>	<u>\$ 3,622,645</u>

See independent auditors' report.

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**Village of Rye Brook, New York**

## Capital Projects Fund

Comparative Statement of Revenues, Expenditures and Changes  
in Fund Balance

Years Ended May 31,

	2024	2023
<b>REVENUES</b>		
State aid	\$ 156,544	\$ 281,785
Federal aid	75,950	34,986
Miscellaneous	12,000	-
	244,494	316,771
<b>EXPENDITURES</b>		
Capital outlay	3,212,974	2,541,493
Deficiency of Revenues Over Expenditures	(2,968,480)	(2,224,722)
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers in	2,767,962	1,581,175
Transfers out	(19,324)	(20,076)
Total Other Financing Sources	2,748,638	1,561,099
Net Change in Fund Balance	(219,842)	(663,623)
<b>FUND BALANCE</b>		
Beginning of Year	1,066,860	1,730,483
End of Year	\$ 847,018	\$ 1,066,860

See independent auditors' report.

# **Village of Rye Brook, New York**

Capital Projects Fund  
Project Length Schedule  
Inception of Project Through May 31, 2024

Project	Authorization	Expenditures and Transfers to Date	Unexpended Balance
Laser Fiche Project	\$ 359,365	\$ 359,365	\$ -
Equipment - PEG Grant	167,073	137,645	29,428
Sanitary Sewer Improvement - 2018	2,101,100	2,101,100	-
Public Works/Parks Facility Building Construction	14,985,000	14,362,423	622,577
AJP Community Center - Walkway Repairs	42,000	42,000	-
Aerial Fire Truck	1,028,477	1,023,627	4,850
IT Server Upgrade, PC's	69,204	69,204	-
Replace (2) Police Vehicles - 2021	102,200	102,200	-
AJP Community Center - Landscaping	12,000	12,000	-
Police Vehicles - 2022	134,000	134,000	-
Stationary License Plate Reader	38,235	26,496	11,739
Replace Fencing - King Street Athletic Field	30,000	30,000	-
Sewer Jet Truck	266,125	266,125	-
Disaster Recovery - Police/Village Hall	26,000	-	26,000
Replace Police Desktops and Laptops	25,000	25,000	-
Police Vehicles - 2023	188,281	105,247	83,034
Police Holding Cell Door	34,200	34,200	-
Metro Regional Radio System	500,000	479,838	20,162
Fire Department - Upgrade Portable Radios	20,000	967	19,033
Road Resurfacing - 2023	1,110,587	1,110,587	-
Large Trucks and Salters - 2023	266,462	263,669	2,793
Highway Dump Truck - 2023	108,773	108,663	110
Bucket Truck	65,000	65,000	-
AJP Community Center - Walkway and Boiler 2023	250,250	199,541	50,709
AJP Community Center - HVAC Equipment 2023	100,000	-	100,000
AJP Community Center - Roof Repair/Replacement 2023	82,075	82,075	-
Replace John Deere Cutting Mower	75,000	75,000	-
Replace Pickup Truck - 2023	75,000	75,000	-
Regrade Infield - Pine Ridge Park	25,000	25,000	-
Sanitary Sewer Improvement - 2023	544,558	544,558	-
Online Permit and Inspection Software	14,200	14,200	-
Replace Village Staff Vehicle	34,000	34,000	-
Village Hall Building Repairs 2024	12,000	-	12,000
EV Charging Stations/Installation	110,000	-	110,000
DPW Building Garage Door Repair	12,000	12,000	-
Police Vehicle Replacement	63,250	-	63,250
Police Body Worn Camera Replacement	100,039	-	100,039
Police Document Scanning Services	34,093	-	34,093
Replacement Tablets - Police Vehicles	32,987	-	32,987
Replace Firehouse Alert System	25,000	25,000	-
Replace Transfer Switch - Generac 150	15,950	15,950	-
Firehouse Exit Door - Stain and Paint	13,750	13,750	-
Replace 2001 Spartan Engine/Pumper (Specs)	12,000	-	12,000
Road Resurfacing 2024	620,665	9,168	611,497
Replacement Leaf Loader	150,000	149,811	189
Drainage Improvement Lincoln-Lawridg	101,000	101,000	-
Replace General Foreman Truck- Ram 1500	52,633	52,633	-
New Community Event Signs (2)	18,000	-	18,000
Hillandale Road Drainage Line Replacement	65,350	1,926	63,424
Wing Plows (2) -Mid-size Truck	48,000	48,000	-
Resurfacing Basketball Courts - Pine Ridge Park	35,000	35,000	-
Sanitary Sewer Rlng- Manhole Rehabilitation	583,914	255,723	328,191
NRCS Recovery Buyout	28,597,896	75,950	28,521,946
<b>TOTALS</b>	<b>\$ 53,582,692</b>	<b>\$ 22,704,641</b>	<b>\$ 30,878,051</b>

See independent auditors' report.

Total Revenues	Fund Balance (Deficit) at May 31, 2024	Bond Anticipation Notes Out- standing at May 31, 2024
\$ 359,365	\$ -	\$ -
167,073	29,428	-
1,612,850	(488,250)	488,250
14,985,000	622,577	-
42,000	-	-
820,000	(203,627)	208,477
69,204	-	-
102,200	-	-
12,000	-	-
134,000	-	-
38,235	11,739	-
30,000	-	-
266,125	-	-
26,000	26,000	-
25,000	-	-
108,281	3,034	80,000
34,200	-	-
479,838	-	-
20,000	19,033	-
1,110,587	-	-
62,662	(201,007)	203,800
28,573	(80,090)	80,200
65,000	-	-
200,250	709	-
50,000	50,000	-
82,075	-	-
15,000	(60,000)	60,000
15,000	(60,000)	60,000
25,000	-	-
544,558	-	-
14,200	-	-
34,000	-	-
12,000	12,000	-
110,000	110,000	-
12,000	-	-
63,250	63,250	-
100,039	100,039	-
34,093	34,093	-
32,987	32,987	-
25,000	-	-
15,950	-	-
13,750	-	-
12,000	12,000	-
540,666	531,498	-
150,000	189	-
101,000	-	-
52,633	-	-
18,000	18,000	-
65,350	63,424	-
48,000	-	-
35,000	-	-
455,715	199,992	-
75,950	-	-
<u>\$ 23,551,659</u>	<u>\$ 847,018</u>	<u>\$ 1,180,727</u>

**Village of Rye Brook, New York**

Combining Balance Sheet - Sub Funds  
Non-Major Governmental Fund - Special Purpose Fund  
May 31, 2024  
(With Comparative Totals for 2023)

	Recreation Trust	Friends of Rye Brook	Totals	
			2024	2023
<b>ASSETS</b>				
Cash and equivalents	\$ 287,724	\$ 84,811	\$ 372,535	\$ 355,341
Due from other funds	-	-	-	566
Total Assets	<u>\$ 287,724</u>	<u>\$ 84,811</u>	<u>\$ 372,535</u>	<u>\$ 355,907</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ -	\$ 1,440	\$ 1,440	\$ 2,438
Fund balances				
Restricted	<u>287,724</u>	<u>83,371</u>	<u>371,095</u>	<u>353,469</u>
Total Liabilities and Fund Balances	<u>\$ 287,724</u>	<u>\$ 84,811</u>	<u>\$ 372,535</u>	<u>\$ 355,907</u>

See independent auditors' report.



**Village of Rye Brook, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances - Sub Funds  
Non-Major Governmental Fund - Special Purpose Fund  
Year Ended May 31, 2024  
(With Comparative Totals for 2023)

	Recreation Trust	Friends of Rye Brook	Totals	
			2024	2023
<b>REVENUES</b>				
Use of money and property	\$ 6,934	\$ -	\$ 6,934	\$ 3,178
Miscellaneous	-	28,930	28,930	39,214
Total Revenues	6,934	28,930	35,864	42,392
<b>EXPENDITURES</b>				
Current				
Public safety	-	-	-	500
Culture and recreation	-	18,238	18,238	25,314
Total Expenditures	-	18,238	18,238	25,814
Excess of Revenues Over Expenditures	6,934	10,692	17,626	16,578
<b>FUND BALANCES</b>				
Beginning of Year	280,790	72,679	353,469	336,891
End of Year	\$ 287,724	\$ 83,371	\$ 371,095	\$ 353,469

See independent auditors' report.

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**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

**Independent Auditors' Report**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Rye Brook, New York ("Village") as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated October 21, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

October 21, 2024



**Report on Compliance For Each Major Federal Program and Report  
on Internal Control Over Compliance Required by  
the Uniform Guidance**

**Independent Auditors' Report**

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Village of Rye Brook, New York's ("Village") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Village's major federal programs for the year ended May 31, 2024. The Village's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Village complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Village's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Village's federal programs.

## ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Village's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error; as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Village's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Village's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Village's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses,

as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

October 21, 2024

**Village of Rye Brook, New York**Schedule of Expenditures of Federal Awards  
Year Ended May 31, 2024

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal Assistance Listing Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided to Sub- recipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>				
Indirect Program - Passed through National Resource Conservation Service				
Emergency Watershed Protection Program	10.923	NR232C31XXXXC015	\$ -	\$ 75,950
<u>U.S. Department of Justice</u>				
Direct Program				
Bullet Proof Vest Partnership Program	16.607		-	931
<u>U.S. Department of Transportation</u>				
Indirect Program - Passed through New York State Governor's Traffic Safety Committee				
Highway Safety Cluster State and Community Highway Safety	20.600	N/A	-	600
<u>U.S. Department of the Treasury</u>				
Direct Program				
Coronavirus State and Local Fiscal Recovery Funds	21.027		-	729,838
Total Expenditures of Federal Awards			\$ -	\$ 807,319

See independent auditors' report and notes to schedule of expenditures of federal awards.



## Village of Rye Brook, New York

Notes to Schedule of Expenditures of Federal Awards  
May 31, 2024

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### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Village of Rye Brook, New York ("Village") under programs of the federal government for the year ended May 31, 2024. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the financial position, changes in net position or cash flows of the Village.

### **Note 2 - Summary of Significant Accounting Policies**

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

### **Note 3 - Indirect Cost Rate**

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

## Village of Rye Brook, New York

Schedule of Findings and Questioned Costs  
Year Ended May 31, 2024

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### Section I - Summary of Auditors' Results

#### Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?        Yes     X     No
- Significant deficiency(ies) identified?        Yes     X     None reported

Noncompliance material to financial statements noted?

       Yes     X     No

#### Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?        Yes     X     No
- Significant deficiency(ies) identified?        Yes     X     None reported

Type of auditors' report issued on compliance for major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

       Yes     X     No

Identification of major federal programs:

Assistance

Listing Number(s)

Name of Federal Program or Cluster

21.027

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

       Yes     X     No

**Village of Rye Brook, New York**

Schedule of Findings and Questioned Costs (Concluded)  
Year Ended May 31, 2024

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**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None