



Village of  
BELLPORT

FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
WITH INDEPENDENT AUDITOR'S REPORT

May 31, 2024

**INCORPORATED VILLAGE OF BELLPORT**  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees  
Incorporated Village of Bellport  
Bellport, New York

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Incorporated Village of Bellport (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the Incorporated Village of Bellport, as of May 31, 2024, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the Incorporated Village of Bellport, 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 qualified and unmodified audit opinions.

### **Change in Accounting Principle**

As described in Note 2 to the financial statements, "Change in Accounting Principle", the Village has adopted the provisions of GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, as of May 31, 2024. Our opinion is not modified with respect to this matter.

### **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 Incorporated Village of Bellport'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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, 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 Incorporated Village of Bellport 's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Incorporated Village of Bellport '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, schedule of revenues, expenditures, and changes in fund balance – budget and actual – general fund, schedule of the Village's proportionate share of the net pension asset/(liability), schedule of Village pension contributions, and schedule of changes in the Village's total OPEB liability and related ratios on pages 4 through 17 and 57 through 62, respectively, 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.

### **Other Information**

The other information on pages 63 through 64 is presented for purposes of additional analysis and is not part of the basic financial statements. Management is responsible for the other information. The other information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any other form of assurance thereon.

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

*Cullen & Danowski, LLP*

December 23, 2024

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The Incorporated Village of Bellport's (Village) discussion and analysis of financial performance provides an overall review of the Village's financial activities for the fiscal year ended May 31, 2024 in comparison with the year ended May 31, 2023, with emphasis on the current year. This should be read in conjunction with the financial statements, notes to financial statements, and required supplementary information, which immediately follow this section.

**1. FINANCIAL HIGHLIGHTS**

Key financial highlights for fiscal year 2024, are as follows:

- The Village's total net position for its governmental activities, as reflected in the government-wide financial statements, increased by \$230,799. This was due to an excess of revenues, including an operating transfer in of \$150,158, over expenses based on the economic resources measurement focus and the accrual basis of accounting. The resulting total net position at May 31, 2024, was \$3,698,221.
- For the fiscal year ended May 31, 2024, the Village implemented Governmental Accounting Standards Board (GASB) Statement No. 94, Public-Private and Public-Public Partnerships and availability Payment Arrangements. The implementation of this statement included a restatement of accounts receivable and deferred inflows of resources, decreasing both by \$57,176. There was no impact on total net position.
- The Village's total net position for its business-type activities (golf fund), as reflected in the government-wide financial statements, increased by \$594,888. This was due to an excess of revenues over expenses, including an operating transfer out of \$150,158, based on the economic resources measurement focus and the accrual basis of accounting. The resulting total net position at May 31, 2024, was \$1,031,273.
- The general fund's total fund balance, as reflected in the fund financial statements, increased by \$651,472. This was due to an excess of revenues and other financing sources over expenditures based on the current financial resources measurement focus and the modified accrual basis of accounting. The resulting fund balance at May 31, 2024, was \$2,376,476.
- The Village's 2023-2024 property tax levy of \$3,181,028 was a 6.67% increase over the 2022-2023 tax levy. The Village's property tax cap was 3.40%. The Village's 6.67% increase was approved by the Board of Trustees (Board) in an override vote as provided by law.

**2. OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts – Management's Discussion and Analysis (MD&A), the financial statements, required supplementary information, and other information. The financial statements consist of government-wide financial statements, fund financial statements, and notes to financial statements. A graphic display of the relationship of these statements follows:



**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

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**A. Government-Wide Financial Statements**

The government-wide financial statements are organized to provide an understanding of the fiscal performance of the Village, as a whole, in a manner similar to a private sector business. There are two government-wide financial statements - the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the Village's finances.

These statements utilize the economic resources measurement focus and the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

The Statement of Net Position

The Statement of Net Position presents information on all of the Village's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. To assess the overall health of the Village, one needs to consider additional nonfinancial factors such as changes in the Village's property tax base and the condition of the Village's infrastructure, equipment, buildings and other capital assets.

The Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net position are recorded at the time the underlying financial event occurs. Revenues are recognized in the period when they are earned and expenses are recognized in the period when the liability is incurred. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish between functions of the Village that are principally supported by taxes and those that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government support, public safety, transportation, culture and recreation, home and community services, employee benefits, debt service, and depreciation. The business-type activities of the Village are related to the golf course operation.

**B. Fund Financial Statements**

The fund financial statements provide more detailed information about the Village's funds, not the Village as a whole. 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 also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the Village are reported in the governmental and proprietary funds.

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

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Governmental Funds

The governmental funds statements utilize the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period when they become measurable and available. It recognizes expenditures in the period when the Village incurs the liability, except for certain expenditures such as debt service on general long-term indebtedness, lease liabilities, compensated absences, pension costs, and other postemployment benefits (OPEB), which are recognized as expenditures to the extent the related liabilities mature each period.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental fund financial statements focus on shorter-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the Village's operations and the services it provides.

Because the focus of governmental funds is narrower than that of 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, the reader may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains two individual governmental funds: general fund and capital projects fund, each of which is considered to be a major fund and is presented separately in the fund financial statements.

Proprietary Funds

The Village maintains one type of proprietary fund – enterprise fund. Enterprise funds report the same information as the business-type activities in the government-wide financial statements only in more detail. The Village uses an enterprise fund to account for its golf fund, which is considered to be a major fund of the Village. The proprietary fund utilizes the economic resources measurement focus and the accrual basis of accounting.

**3. FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE**

**A. Net Position**

The May 2023 governmental activities, current and other assets, and deferred inflows of resources were increased by \$588,310 to reflect lease information that was not available at May 31, 2023. This restatement did not impact the total net position. The May 2023 business-type activities, current and other assets, and deferred inflows of resources were decreased by \$57,176 as a result of the implementation of GASB No. 94. There was no impact on total net position.

The Village's total governmental activities net position increased \$230,799 and the business-type activities net position increased by \$594,888, between fiscal years 2024 and 2023, including the operating transfers in and out of \$150,158. The increases are due to revenues in excess of expenses based on the economic resources measurement focus and the accrual basis of accounting. A summary of the Village's Statements of Net Position follows:



**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	Restated 2023	2024	Restated 2023	2024	Restated 2023
<b>Assets</b>						
Current and Other Assets	\$ 5,512,013	\$ 5,040,533	\$ 4,357,762	\$ 3,584,030	\$ 9,869,775	\$ 8,624,563
Capital Assets, Net	10,319,432	10,020,198	2,745,682	2,091,636	13,065,114	12,111,834
Total Assets	15,831,445	15,060,731	7,103,444	5,675,666	22,934,889	20,736,397
<b>Deferred Outflows of Resources</b>	1,060,493	1,440,594	477,939	628,199	1,538,432	2,068,793
<b>Liabilities</b>						
Current and Other Liabilities	2,187,878	2,054,031	1,859,686	1,378,557	4,047,564	3,432,588
Long-Term Liabilities	2,354,852	2,221,318	973,517	368,980	3,328,369	2,590,298
Total OPEB Liability	5,243,668	5,434,939	2,009,172	2,141,764	7,252,840	7,576,703
Net Pension Liability - Proportionate Share	520,571	774,357	97,635	127,447	618,206	901,804
Total Liabilities	10,306,969	10,484,645	4,940,010	4,016,748	15,246,979	14,501,393
<b>Deferred Inflows of Resources</b>	2,886,748	2,549,258	1,610,100	1,850,732	4,496,848	4,399,990
<b>Net Position</b>						
Net Investment in						
Capital Assets	6,673,473	6,737,548	1,849,742	1,781,556	8,523,215	8,519,104
Restricted	259,635	66,470	-	-	259,635	66,470
Unrestricted (deficit)	(3,234,887)	(3,336,596)	(818,469)	(1,345,171)	(4,053,356)	(4,681,767)
Total Net Position	\$ 3,698,221	\$ 3,467,422	\$ 1,031,273	\$ 436,385	\$ 4,729,494	\$ 3,903,807

Discussions on changes in each classification of the primary government, are as follows:

The increase in current and other assets is mainly due to increases in cash and lease receivable, offset by decreases in accounts receivable and amounts due from state and federal.

The increase in capital assets, net is due to capital assets additions in excess of depreciation/amortization expense. The accompanying Notes to Financial Statements, Note 10 "Capital Assets," provides additional information.

Deferred outflows of resources represent contributions to the pension plan subsequent to the measurement date and actuarial adjustments of the pension and OPEB plans that will be amortized in future years.

The increase in current and other liabilities is primarily due to increases in accounts payable, accrued liabilities, and collections in advance, offset by a decrease in other liabilities.

The increase in long-term liabilities is due to the issuance of newly financed equipment purchases (installment debt) and lease liabilities, which is offset by the repayment of the current maturity of the long-term indebtedness and a decrease in compensated absences payable.

Total OPEB liability decreased based on the actuarial valuation of the plan. The accompanying Notes to Financial Statements, Note 19 "Postemployment Healthcare Benefits," provides additional information.

Net pension liabilities – proportionate share represents the Village's share of the ERS' collective net pension liability, at the measurement date of the respective year. The decrease is due to the shift from net pension

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

assets in the prior year, to net pension liability in the current year. The accompanying Notes to Financial Statements Note 17 "Pension Plans – New York State," provides additional information.

Deferred inflows of resources represent actuarial adjustments of the pension and OPEB plans that will be amortized in future years, as well as amounts related to service concession agreements and leases receivable.

The net investment in capital assets reflects the Village's investment at cost in capital assets such as land, construction work in progress, buildings, site improvements, machinery and equipment, infrastructure, and leased equipment, net of accumulated depreciation/amortization, and related debt.

The restricted amount relates to the Village's reserves. This balance increased over the prior year as a result of additional funds being restricted for future debt service.

The unrestricted (deficit) amount relates to the balance of the Village's net position. This balance does not include the Village's reserves, which are classified as restricted. Additionally, certain unfunded liabilities will have the effect of reducing the Village's unrestricted net position. One such unfunded liability is the total OPEB liability. In accordance with state guidelines, the Village is only permitted to fund OPEB on a "pay as you go" basis, and is not permitted to accumulate funds for the OPEB liability.

**B. Changes in Net Position**

The results of operations, as a whole, are reported in the Statement of Activities in a programmatic format in the accompanying financial statements. A summary of this statement for the years ended May 31, 2024 and 2023, is as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program Revenues						
Charges for Services,						
Fees, Permits & Fines	\$1,520,540	\$1,517,589	\$3,064,056	\$2,911,724	\$4,584,596	\$4,429,313
Capital Grants	245,410	439,753		4,564	245,410	444,317
General Revenues						
Property Taxes	3,182,787	2,979,747	-	-	3,182,787	2,979,747
State Sources	92,285	109,231	-	-	92,285	109,231
Other	474,879	394,385	-	-	474,879	394,385
Total Revenues	5,515,901	5,440,705	3,064,056	2,916,288	8,579,957	8,356,993
<b>Expenses</b>						
General Government Support	\$1,552,429	\$1,611,562	\$ -	\$ -	\$1,552,429	\$1,611,562
Public Safety	543,512	520,945	-	-	543,512	520,945
Transportation	58,256	92,189	-	-	58,256	92,189
Culture & Recreation	751,369	737,904	-	-	751,369	737,904
Home & Community Services	1,799,521	1,828,591	-	-	1,799,521	1,828,591
Debt Service - Interest	121,842	110,433	-	-	121,842	110,433
Depreciation - Unallocated	608,331	704,125	-	-	608,331	704,125
Golf Course			2,319,010	2,336,947	2,319,010	2,336,947
Total Expenses	5,435,260	5,605,749	2,319,010	2,336,947	7,754,270	7,942,696
Changes in Net Position						
Before Operating Transfers	80,641	(165,044)	745,046	579,341	825,687	414,297
Operating transfers	150,158	276,141	(150,158)	(276,141)	-	-
Total Changes in Net Position	\$ 230,799	\$ 111,097	\$ 594,888	\$ 303,200	\$ 825,687	\$ 414,297

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

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Governmental Activities

The Village's governmental activities net position increased by \$230,799 and \$111,097 for the years ended May 31, 2024 and 2023, respectively.

The governmental activities' 2024 revenues and operating transfer in decreased by \$50,787 or 0.89% compared to fiscal 2023, primarily due to the following changes:

- In the prior year, capital grants included FEMA grant revenue; however, the Village did not recognize similar revenue in the current year.
- The operating transfer from the enterprise fund for administrative fees was less than the prior year as the Village made changes to its administrative fee allocation.
- Real property taxes were increased to fund increases in appropriations in the 2023-2024 budget.
- Other revenue increased chiefly as a result of higher interest earnings.

The governmental activities expenses for the year decreased by \$170,489 or 3.04% compared to the fiscal 2023, mainly due to the following changes:

- Depreciation – unallocated decreased as the prior year included a loss on disposal, as a result of the removal of the various vehicles and equipment.

Business-Type Activities

The business-type activities net position increased by \$594,888 and \$303,200 for the years ended May 31, 2024 and 2023, respectively.

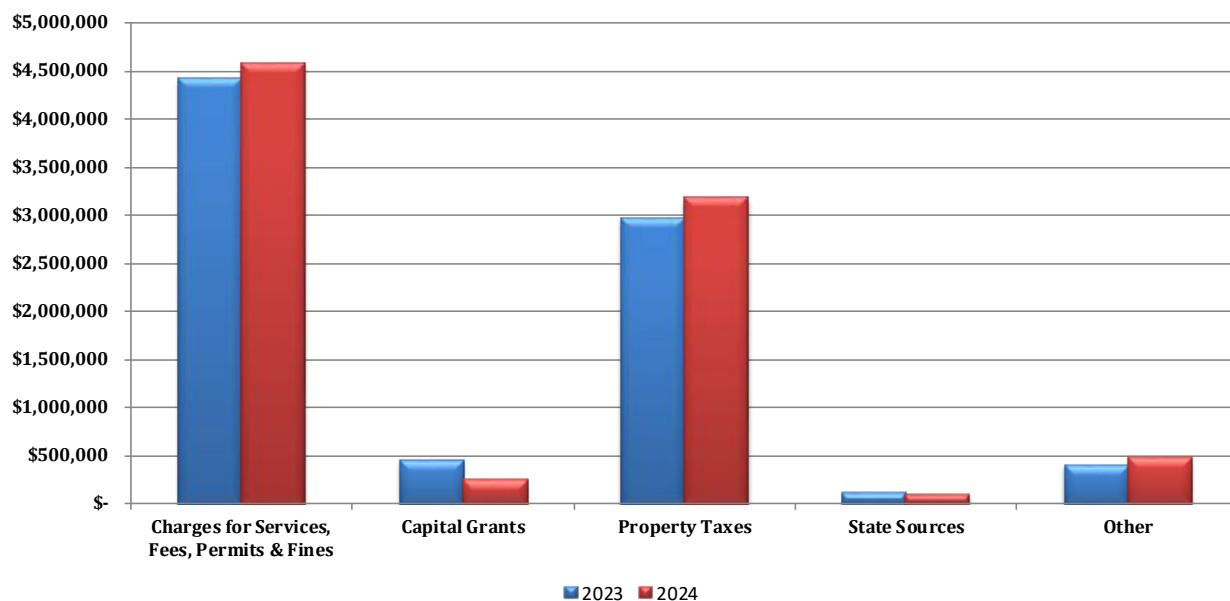
The business-type activities' 2024 revenues increased by \$147,768 or 5.07% compared to the fiscal year 2023. This increase was primarily due to an increase in golf memberships, as a result of new members, initiation fees, greens fees, and tournaments.

The business-type activities' 2024 expenses and operating transfers out increased by \$143,920 or 4.13% compared to fiscal year 2023. This decrease is due to a reduction in the operating transfer out to the general fund for administrative costs.

As indicated on the graphs that follow, charges for services, fees, permits and fines, and property taxes are the largest components of revenues recognized (i.e., 90.5% and 88.7% of the total for the years 2024 and 2023, respectively). Home and community services and the golf course are the largest categories of expenses incurred (i.e., 53.1% and 52.3% of the total for the years 2024 and 2023, respectively).

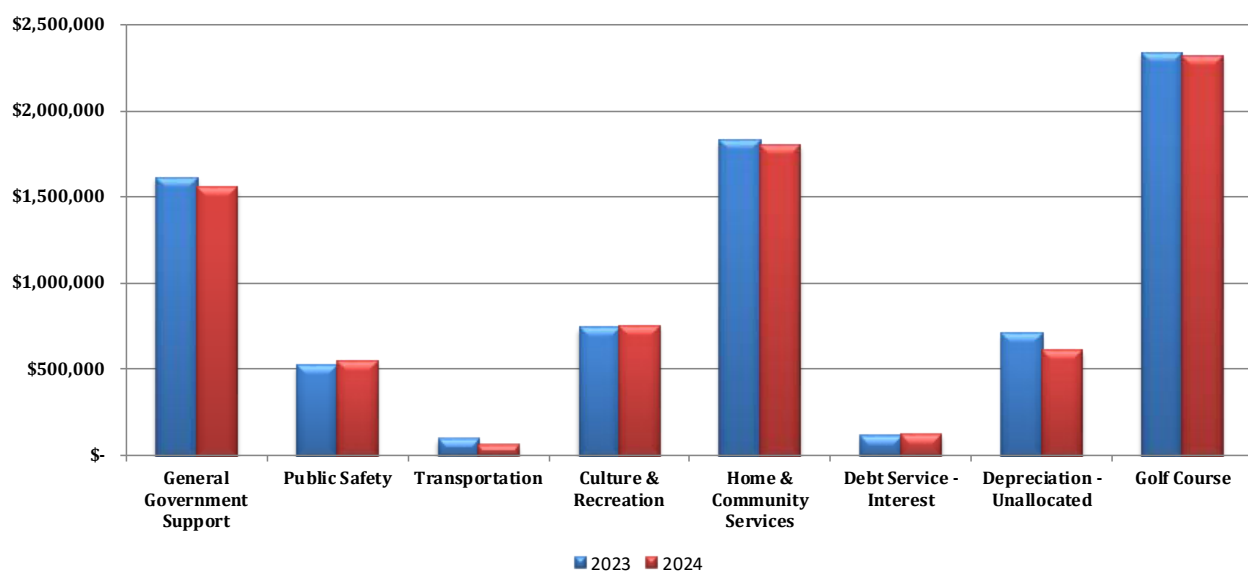
**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

A graphic display of the distribution of revenues of the primary government for the two years follows:



	Charges for Services, Fees, Permits & Fines	Capital Grants	Property Taxes	State Sources	Other
2023	53.0%	5.3%	35.7%	1.3%	4.7%
2024	53.4%	2.9%	37.1%	1.1%	5.5%

A graphic display of the distribution of expenses of the primary government for the two years follows:



	General Government Support	Public Safety	Transportation	Culture & Recreation	Home & Community Services	Debt Service - Interest	Depreciation - Unallocated	Golf Course
2023	20.3%	6.6%	1.2%	9.3%	22.9%	1.4%	8.9%	29.4%
2024	20.0%	7.0%	0.8%	9.7%	23.2%	1.6%	7.8%	29.9%

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

**4. FINANCIAL ANALYSIS OF THE VILLAGE'S FUND BALANCES**

As noted earlier, the Village uses fund accounting to maintain control over resources and to ensure and demonstrate compliance with finance-related legal requirements. The Village's governmental funds utilize the current financial resources measurement focus and the modified accrual basis of accounting.

At May 31, 2024, the Village's governmental funds reported a combined fund balance of \$1,532,758, which is an increase of \$979,940 over the prior year. This increase is due to an excess of revenues and other financing sources over expenditures and other financing uses using the current financial resources measurement focus and the modified accrual basis of accounting. A summary of the change in fund balance by fund, is as follows:

	2024	2023	Increase (Decrease)	Percentage
<b>General Fund</b>				
Nonspendable: Prepaids	\$ 58,278	\$ 55,129	\$ 3,149	5.71 %
Restricted: Debt service	167,713	66,470	101,243	152.31 %
Assigned:				
Appropriated fund balance	40,000	-	40,000	N/A
Unappropriated:				
Repair of docks	33,690	33,690	-	0.00 %
Employee liability	-	22,440	(22,440)	(100.00)%
Senior program	666	-	666	N/A
Tennis court repairs	30,000	30,000	-	0.00 %
Encumbrances	91,236	43,053	48,183	111.92 %
Unassigned: Fund balance	1,954,893	1,474,222	480,671	32.61 %
Total General Fund	<u>2,376,476</u>	<u>1,725,004</u>	<u>651,472</u>	37.77 %
<b>Capital Projects Fund</b>				
Restricted:				
Capital	91,922	-	91,922	N/A
Unspent debt proceeds	126,620	291,577	(164,957)	(56.57)%
Unassigned: Fund balance (deficit)	<u>(1,062,260)</u>	<u>(1,463,763)</u>	<u>401,503</u>	27.43 %
Total Capital Projects Fund	<u>(843,718)</u>	<u>(1,172,186)</u>	<u>328,468</u>	28.02 %
 Total Fund Balance	 <u>\$ 1,532,758</u>	 <u>\$ 552,818</u>	 <u>\$ 979,940</u>	 177.26 %

**A. General Fund**

The net change in the general fund – fund balance is an increase of \$651,472, as a result of revenues and other financing sources of \$5,961,218 in excess of expenditures of \$5,309,746. In the prior year, fund balance increased by \$381,801.

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

The following is a summary of the major changes that resulted in revenues and other financing sources decreasing by \$631,911 or 9.58% from the prior year:

	2024	2023	Increase (Decrease)	Percentage Change
Real Property Taxes	\$ 3,182,787	\$ 2,979,747	\$ 203,040	6.81 %
Other Tax Items	19,766	20,836	(1,070)	(5.14)%
Nonproperty Taxes	123,480	135,959	(12,479)	(9.18)%
Other Local Revenue	1,852,173	1,755,179	96,994	5.53 %
State Sources	210,269	211,833	(1,564)	(0.74)%
Federal Sources	151,002	73,392	77,610	105.75 %
Other Financing Sources	421,741	1,416,183	(994,442)	(70.22)%
	<u>\$ 5,961,218</u>	<u>\$ 6,593,129</u>	<u>\$ (631,911)</u>	(9.58)%

- Other financing sources decreased as, in the prior year, the Village transferred from the capital projects fund funds received from FEMA related to the dock project that were previously financed from bond anticipation notes and general fund appropriations until reimbursements were received from FEMA. In addition, the Village transferred more from the golf fund in the prior year for administrative costs to support the golf fund activities.
- Real property taxes were increased to fund increases in appropriations in the 2023-2024 budget.
- Other local revenue increased primarily as a result of higher interest earnings in the current fiscal year.

The following is a summary of the major changes that resulted in expenditures decreasing by \$901,582 or 14.52% over the prior year:

	2024	2023	Increase (Decrease)	Percentage Change
General Support	\$ 1,244,922	\$ 1,248,190	\$ (3,268)	(0.26)%
Public Safety	346,706	332,033	14,673	4.42 %
Transportation	131,403	257,054	(125,651)	(48.88)%
Culture and Recreation	576,061	567,768	8,293	1.46 %
Home and Community Services	1,487,622	1,321,283	166,339	12.59 %
Employee Benefits	1,095,414	1,026,318	69,096	6.73 %
Debt Service	427,618	344,289	83,329	24.20 %
Other Financing Uses	-	1,114,393	(1,114,393)	(100.00)%
	<u>\$ 5,309,746</u>	<u>\$ 6,211,328</u>	<u>\$ (901,582)</u>	(14.52)%

- Other financing uses decreased as the Village transferred funds to the capital projects fund for the repayment of the bond anticipation notes in the prior year. The Village did not make a similar transfer in the current year.
- Transportation decreased due to a reduction in square miles paved as compared to the prior year.
- Home and community services increased as the Village purchased a sanitation truck in the current year.

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

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**B. Capital Projects Fund**

The capital projects fund is used to account for financial resources earmarked for specific capital projects. The fund balance deficit decreased by \$328,468, as revenues and other financing sources of \$1,133,873 exceeded expenditures and other financing uses of \$805,405. The deficit fund balance in this fund will be funded when additional federal disaster recovery funds are recognized and as BANs are turned into permanent financing, and additional funding is provided by the general fund.

**C. Proprietary Fund**

The Village's proprietary fund statements provide the same information found in the government-wide financial statements but in more detail. The net change in the golf fund's net position is an increase of \$594,888, compared to a \$303,200 increase in 2023, as revenues of \$3,064,056 exceeded expenses of \$2,469,168.

Operating revenues increased by \$152,332 or 5.23% over the prior fiscal year. The increases were primarily in golf memberships, initiation fees, golf tournaments, and greens fees. Operating expenses decreased by \$24,129 or 1.04% from the prior fiscal year. This decrease is due to a reduction in the operating transfer out to the general fund for administrative costs, offset by a decrease in employee benefit expenses.

**5. GENERAL FUND BUDGETARY HIGHLIGHTS**

**A. 2023-2024 Budget**

The Village's general fund adopted budget for the year ended May 31, 2024, was \$5,689,478. This amount was increased by encumbrances carried forward from the prior year in the amount of \$43,053 and budget revisions in the amount of \$116,384 for a total final budget of \$5,848,915.

The final budget was funded through estimated revenues. The majority of this funding source was \$3,181,028 in estimated real property taxes, \$150,158 in operating transfers in, and \$1,280,508 in departmental income.

**B. Change in General Fund's Unassigned Fund Balance (Budget to Actual)**

The general fund's unassigned fund balance is the component of total fund balance that is the residual of current and prior years' excess revenues and other financing sources over expenditures, net of transfers to reserves, appropriations to fund the subsequent year's budget, amounts assigned for repair of docks, employee liability, and tennis court repairs, encumbrances, and amounts classified as nonspendable. The change in this balance demonstrated through a comparison of the actual revenues and other financing sources and expenditures and other financing uses for the year compared to budget follows:

Opening, Unassigned Fund Balance	\$ 1,474,222
Revenues and Other Financing Sources Over Budget	177,796
Expenditures and Encumbrances Under Budget	447,933
Change in Nonspendable Fund Balance	(3,149)
Allocation to Reserves	(101,243)
Change in Assigned Fund Balance	(666)
Appropriated for the 2024-25 Budget	<u>(40,000)</u>
Closing, Unassigned Fund Balance	<u><u>\$ 1,954,893</u></u>

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

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Opening, Unassigned Fund Balance

The \$1,474,222 shown in the table is the portion of the Village's May 31, 2023 fund balance that was retained as unassigned.

Revenues and Other Financing Sources Over Budget

The 2023-2024 final budget for revenues and other financing sources was \$5,783,422. Actual revenues and other financing sources recognized for the year were \$5,961,218. The excess of actual revenues and other financing sources over estimated or budgeted revenues and other financing sources was \$177,796, which contributes directly to the change to the general fund unassigned fund balance from May 31, 2023 to May 31, 2024. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Expenditures and Encumbrances Under Budget

The 2023-2024 final budget for expenditures including prior year open encumbrances as of May 31, 2023 and budget revisions was \$5,848,915. Actual expenditures were \$5,309,746 and outstanding encumbrances were \$91,236. Combined, the expenditures plus encumbrances for 2023-2024 were \$5,400,982. The final budget was under expended by \$447,933, which contributes directly to the change to the general fund unassigned fund balance from May 31, 2023 to May 31, 2024. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Change in Nonspendable Fund Balance

Nonspendable consists of various prepaid items including workers' compensation insurance premiums and health insurance premiums. The resulting balance sheet asset cannot be spent because it is not in spendable form, meaning it will not be converted to cash. Accordingly, an equal amount of fund balance is classified as nonspendable. The increase in nonspendable fund balance decreases unassigned fund balance.

Allocation to Reserves

Monies transferred into authorized reserves do not affect the total fund balance unless, and until these monies are actually expended. The transfers do, however, reduce the Village's discretion regarding the use of these transferred monies, and thus, reduce the unassigned fund balance by the amount of the transfers.

Change in Assigned Fund Balance

The Village has chosen to assign \$666 of its available May 31, 2024 fund balance for the senior program. As such, the unassigned portion of the May 31, 2024, fund balance must be reduced by this amount.

Appropriated Fund Balance

The Village has chosen to use \$40,000 of the available May 31, 2024 unassigned fund balance to partially fund the 2024-25 approved operating budget. As such, the May 31, 2024 unassigned fund balance must be reduced by this amount.

Closing, Unassigned Fund Balance

Based upon the summary of changes shown on the previous table, the unassigned fund balance at May 31, 2024, was \$1,955,559.



**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

**6. CAPITAL ASSETS, DEBT ADMINISTRATION, AND OTHER LONG-TERM LIABILITIES**

**A. Capital Assets**

At May 31, 2024, the Village had invested in a broad range of capital assets, as indicated in the following table. The net increase in governmental activities capital assets is due to capital assets additions of \$907,563 in excess of depreciation/amortization expense of \$606,778 and loss on disposal of \$1,551. The net increase in business-type activities capital assets is due to capital asset additions of \$894,592 in excess of depreciation/amortization expense of \$240,546. A summary of the Village's capital assets, net of accumulated depreciation at May 31, 2024 and 2023, is as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<u>Capital assets not being depreciated</u>						
Land	\$ 164,278	\$ 164,278	\$ 18,300	\$ 18,300	\$ 182,578	\$ 182,578
Construction work in progress	58,440	28,343	-	-	58,440	28,343
<u>Capital assets being depreciated</u>						
Buildings	2,565,702	2,677,316	871,272	913,368	3,436,974	3,590,684
Building and land improvements	705,011	748,916	295,634	260,044	1,000,645	1,008,960
Infrastructure	5,602,609	5,757,451	394,175	414,288	5,996,784	6,171,739
Machinery and equipment	1,223,392	643,894	437,967	448,808	1,661,359	1,092,702
Leased equipment	-	-	728,334	36,828	728,334	36,828
	<u>\$10,319,432</u>	<u>\$10,020,198</u>	<u>\$ 2,745,682</u>	<u>\$ 2,091,636</u>	<u>\$13,065,114</u>	<u>\$12,111,834</u>

**B. Debt Administration**

Historically, the Village has issued serial bonds and other forms of debt to fund various capital projects and equipment acquisitions. The Village's long-term indebtedness at May 31<sup>st</sup> is summarized as follows:

Maturity	Interest Rate	Governmental Activities		Business-Type Activities		Total Primary Government	
		2024	2023	2024	2023	2024	2023
<b>Bonds</b>							
2032	2.19%	\$ 117,526	\$ 129,897	\$ -	\$ -	\$ 117,526	\$ 129,897
2037	2.00%	1,670,000	1,770,000	-	-	1,670,000	1,770,000
2032	2.19%	-	-	167,474	185,103	167,474	185,103
		<u>\$1,787,526</u>	<u>\$1,899,897</u>	<u>\$ 167,474</u>	<u>\$ 185,103</u>	<u>\$1,955,000</u>	<u>\$2,085,000</u>
<b>Installment Purchase Debt</b>							
2025	2.45%	\$ 46,690	\$ 92,263	\$ -	\$ -	\$ 46,690	\$ 92,263
2027	2.00%	26,738	36,078	-	-	26,738	36,078
2027	5.35%	285,434	-	-	-	285,434	-
2027	4.45%	30,386	-	-	-	30,386	-
2024	0.00%	-	-	26,252	78,756	26,252	78,756
		<u>\$ 389,248</u>	<u>\$ 128,341</u>	<u>\$ 26,252</u>	<u>\$ 78,756</u>	<u>\$ 415,500</u>	<u>\$ 207,097</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

Maturity	Interest Rate	Governmental Activities		Business-Type Activities		Total Primary Government	
		2024	2023	2024	2023	2024	2023
Lease Liabilities							
2024	0.00%	\$ -	\$ -	\$ -	\$ 46,221	\$ -	\$ 46,221
2027	2.33%	-	-	46,958	-	46,958	-
2027	2.79%	-	-	135,939	-	135,939	-
2029	6.42%	-	-	384,296	-	384,296	-
2029	2.31%	-	-	89,095	-	89,095	-
2028	2.35%	-	-	45,925	-	45,925	-
		\$ -	\$ -	\$ 702,213	\$ 46,221	\$ 702,213	\$ 46,221

**C. Other Long-Term Liabilities**

Included in the Village's long-term liabilities are the estimated amounts due for compensated absences, which are based on employee contracts or Village policies, and total OPEB liability and net pension liability – proportionate share, which are based on actuarial valuations.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Compensated absences payable	\$ 124,698	\$ 135,728	\$ 77,578	\$ 58,900	\$ 202,276	\$ 194,628
Total OPEB liability	5,243,668	5,434,939	2,009,172	2,141,764	7,252,840	7,576,703
Net pension liability - proportionate share	<u>520,571</u>	<u>774,357</u>	<u>97,635</u>	<u>127,447</u>	<u>618,206</u>	<u>901,804</u>
	<u>\$5,888,937</u>	<u>\$6,345,024</u>	<u>\$2,184,385</u>	<u>\$2,328,111</u>	<u>\$8,073,322</u>	<u>\$ 8,673,135</u>

**7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

**A. Subsequent Year's Budget**

The Board, on April 22, 2024, approved a \$6,063,196 general fund budget for the year ending May 31, 2025, which is an increase of \$333,718 or 5.87% over the previous year's budget. The Village estimated revenues other than property taxes at a \$47,314 increase over the prior year's estimate. The Village has chosen to use appropriated fund balance towards the 2024-2025 budget in the amount of \$40,000, which is an increase over the prior year. The property tax levy of \$3,427,432 increased \$246,404 or 7.75% over the 2023-2024 tax levy.

**B. Future Budgets**

Significant increases in costs of health insurance and the property tax cap will greatly impact the Village's future budgets.

**INCORPORATED VILLAGE OF BELLPORT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
(Continued)

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**C. Tax Cap**

New York law limits the increase in the property tax levy of local governments to the lesser of 2% or the rate of inflation. There are additional statutory adjustments in the law. Local governments may override the tax levy limit by first passing a local law that allows for the tax levy limit to be exceeded. The override vote requires a 60% vote of the total voting power of the governing board. Based on the law, the Village's tax levy cap for 2024-2025 is 3.01%. The Village's increase of 7.75% in the 2024-2025 levy, which exceeded the tax cap, was approved by the Board.

**8. CONTACTING THE VILLAGE**

This financial report is designed to provide the Village's readers with a general overview of the Village's finances and to demonstrate the Village's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the Village Clerk at the following:

Ms. Mary Pontieri - Village Clerk  
Incorporated Village of Bellport  
29 Bellport Lane  
Bellport, New York 11713

**INCORPORATED VILLAGE OF BELLPORT**  
**Statement of Net Position**  
May 31, 2024

	Governmental Activities	Business-type Activities	Total Primary Government
<b>ASSETS</b>			
Cash and cash equivalents			
Unrestricted	\$ 2,607,744	\$ 3,086,741	\$ 5,694,485
Restricted	320,550		320,550
Receivables			
Accounts receivable	65,974	649,310	715,284
Accounts receivable, non-current		543,500	543,500
Due from state and federal	1,330,368		1,330,368
Due from other governments	1,475		1,475
Leases receivable	1,127,624		1,127,624
Prepays	58,278	19,783	78,061
Inventory		58,428	58,428
Capital assets			
Not being depreciated	222,718	18,300	241,018
Being depreciated, net of accumulated depreciation/amortization	10,096,714	2,727,382	12,824,096
Total Assets	15,831,445	7,103,444	22,934,889
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension	440,401	82,587	522,988
Other postemployment benefits	620,092	395,352	1,015,444
Total Deferred Outflows of Resources	1,060,493	477,939	1,538,432
<b>LIABILITIES</b>			
Payables			
Accounts payable	678,153	165,354	843,507
Accrued liabilities	114,955	19,267	134,222
Internal balances	(264,469)	264,469	-
Due to other governments	174	13,798	13,972
Due to employees' retirement system	29,060	5,438	34,498
Other liabilities	15,533		15,533
Notes Payable			
Bond anticipation	1,491,417		1,491,417
Unearned credits			
Collections in advance	123,055	1,391,360	1,514,415
Long-term liabilities			
Due and payable within one year			
Bonds payable, net	125,512	20,567	146,079
Installment purchase debt payable	127,444	26,252	153,696
Lease liabilities		135,024	135,024
Compensated absences payable	7,434		7,434
Total other postemployment benefits liability	208,946	69,237	278,183
Due and payable after one year			
Bonds payable, net	1,707,960	146,907	1,854,867
Installment purchase debt payable	261,804		261,804
Lease liabilities		567,189	567,189
Compensated absences payable	124,698	77,578	202,276
Total other postemployment benefits liability	5,034,722	1,939,935	6,974,657
Net pension liability - proportionate share	520,571	97,635	618,206
Total Liabilities	10,306,969	4,940,010	15,246,979
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred service concession arrangement		796,638	796,638
Deferred leases	1,127,624		1,127,624
Pension	287,131	53,852	340,983
Other postemployment benefits	1,471,993	759,610	2,231,603
Total Deferred Inflows of Resources	2,886,748	1,610,100	4,496,848
<b>NET POSITION</b>			
Net investment in capital assets	6,673,473	1,849,742	8,523,215
Restricted:			
Debt	167,713		167,713
Capital	91,922		91,922
Unrestricted (Deficit)	(3,234,887)	(818,469)	(4,053,356)
Total Net Position	\$ 3,698,221	\$ 1,031,273	\$ 4,729,494

**INCORPORATED VILLAGE OF BELLPORT**  
**Statement of Activities**  
For the Year Ended May 31, 2024

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for	Capital	Governmental	Business-type	Total
	Expenses	Services, Fees, Permits & Fines	Grants	Activities	Activities	Primary Government
<b>FUNCTIONS/PROGRAMS</b>						
<b>Governmental Activities</b>						
General government support	\$ 1,552,429	\$ 7,750	\$	\$ (1,544,679)	\$	\$ (1,544,679)
Public safety	543,512	402,794		(140,718)		(140,718)
Transportation	58,256		67,330	9,074		9,074
Culture and recreation	751,369	529,980	176,061	(45,328)		(45,328)
Home and community services	1,799,521	580,016	2,019	(1,217,486)		(1,217,486)
Debt service - interest	121,842			(121,842)		(121,842)
Depreciation/amortization and (gain) /loss on disposal - unallocated	608,331			(608,331)		(608,331)
Total Functions and Programs	<u>\$ 5,435,260</u>	<u>\$ 1,520,540</u>	<u>\$ 245,410</u>	<u>(3,669,310)</u>	<u>-</u>	<u>(3,669,310)</u>
<b>Business-type Activities</b>						
Golf course	<u>\$ 2,319,010</u>	<u>\$ 3,064,056</u>	<u>\$</u>	<u>-</u>	<u>745,046</u>	<u>745,046</u>
<b>GENERAL REVENUES</b>						
Real property taxes				3,182,787		3,182,787
Other real property tax items				19,766		19,766
Nonproperty taxes				123,480		123,480
Use of money and property				236,881		236,881
Minor sales and compensation for loss				65,562		65,562
Miscellaneous				29,190		29,190
State sources - unrestricted				92,285		92,285
Total General Revenues				<u>3,749,951</u>	<u>-</u>	<u>3,749,951</u>
Change in Net Position Before Other Items				80,641	745,046	825,687
<b>OTHER ITEMS</b>						
Operating transfers				<u>150,158</u>	<u>(150,158)</u>	<u>-</u>
Change in Net Position				230,799	594,888	825,687
Total Net Position - Beginning of Year				<u>3,467,422</u>	<u>436,385</u>	<u>3,903,807</u>
Total Net Position - End of Year				<u>\$ 3,698,221</u>	<u>\$ 1,031,273</u>	<u>\$ 4,729,494</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**Balance Sheet - Governmental Funds**  
May 31, 2024

	General	Capital Projects	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents			
Unrestricted	\$ 2,473,191	\$ 134,553	\$ 2,607,744
Restricted	167,713	152,837	320,550
Receivables			
Accounts receivable	65,974		65,974
Due from other funds	459,799		459,799
Due from state and federal	35,427	1,294,941	1,330,368
Due from other governments	1,475		1,475
Leases receivable	1,127,624		1,127,624
Prepays	58,278		58,278
	<u>58,278</u>	<u></u>	<u>58,278</u>
Total Assets	<u>\$ 4,389,481</u>	<u>\$ 1,582,331</u>	<u>\$ 5,971,812</u>
<b>LIABILITIES</b>			
Payables			
Accounts payable	\$ 619,713	\$ 58,440	\$ 678,153
Accrued liabilities	96,068		96,068
Due to other funds		195,330	195,330
Due to other governments	174		174
Due to employees' retirement system	29,060		29,060
Other liabilities	15,533		15,533
Notes Payable			
Bond anticipation		1,491,417	1,491,417
Unearned credits			
Collections in advance	123,055		123,055
	<u>123,055</u>	<u></u>	<u>123,055</u>
Total Liabilities	<u>883,603</u>	<u>1,745,187</u>	<u>2,628,790</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned revenues	1,778	680,862	682,640
Deferred leases	1,127,624		1,127,624
	<u>1,129,402</u>	<u>680,862</u>	<u>1,810,264</u>
<b>FUND BALANCES (DEFICIT)</b>			
Nonspendable: Prepays	58,278		58,278
Restricted:			
Debt	167,713		167,713
Capital		91,922	91,922
Unspent debt proceeds		126,620	126,620
Assigned:			
Appropriated fund balance	40,000		40,000
Unappropriated fund balance			
Repair of docks	33,690		33,690
Senior program	666		666
Tennis court repairs	30,000		30,000
Other purposes	91,236		91,236
Unassigned: Fund balance (Deficit)	1,954,893	(1,062,260)	892,633
	<u>2,376,476</u>	<u>(843,718)</u>	<u>1,532,758</u>
Total Fund Balances (Deficit)	<u>2,376,476</u>	<u>(843,718)</u>	<u>1,532,758</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,389,481</u>	<u>\$ 1,582,331</u>	<u>\$ 5,971,812</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
May 31, 2024

Total Governmental Fund Balances	\$ 1,532,758
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Amounts reported for governmental activities in the Statement of Net Position are different because:

The costs of building, acquiring, or the right-to-use capital assets financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the balance sheet. However, the Statement of Net Position includes those capital assets among the assets of the Village as a whole, and their original costs are expensed annually over their useful lives.

Original cost or present value of capital assets	\$ 18,701,291	
Less: Accumulated depreciation/amortization	<u>(8,381,859)</u>	
		10,319,432

Proportionate share of long-term liabilities, as well as deferred outflows and inflows associated with participation in the state retirement system are not current financial resources or liabilities and are not reported in the funds.

Deferred outflows of resources	440,401	
Net pension liability - employees' retirement system	(520,571)	
Deferred inflows of resources	<u>(287,131)</u>	
		(367,301)

Total other postemployment benefits liability, as well as deferred outflows and inflows related to providing benefits in retirement are not current financial resources or liabilities and are not reported in the funds.

Deferred outflows of resources	620,092	
Total other postemployment benefits liability	(5,243,668)	
Deferred inflows of resources	<u>(1,471,993)</u>	
		(6,095,569)

Some of the Village's revenues will be collected after the year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the governmental funds, but are not deferred on the Statement of Net Position.

682,640

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Accrued interest on debt	(18,887)	
Bonds payable, net	(1,833,472)	
Installment purchase debt payable	(389,248)	
Compensated absences payable	<u>(132,132)</u>	
		<u>(2,373,739)</u>

Total Government-wide Net Position	\$ <u>3,698,221</u>
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**INCORPORATED VILLAGE OF BELLPORT**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - Governmental Funds**  
For the Year Ended May 31, 2024

	General	Capital Projects	Total Governmental Funds
<b>REVENUES</b>			
Real property taxes	\$ 3,182,787	\$	\$ 3,182,787
Other real property tax items	19,766		19,766
Nonproperty taxes	123,480		123,480
Departmental income	1,500,460		1,500,460
Use of money and property	236,881		236,881
Licenses and permits	3,500		3,500
Fines and forfeitures	16,580		16,580
Minor sales and compensation for loss	65,562		65,562
Miscellaneous	29,190		29,190
State aid	210,269	50,000	260,269
Federal aid	151,002	641,158	792,160
	<u>5,539,477</u>	<u>691,158</u>	<u>6,230,635</u>
Total Revenues			
	<u>5,539,477</u>	<u>691,158</u>	<u>6,230,635</u>
<b>EXPENDITURES</b>			
General support	1,244,922		1,244,922
Public safety	346,706	80,015	426,721
Transportation	131,403	362,700	494,103
Culture and recreation	576,061	91,107	667,168
Home and community services	1,487,622		1,487,622
Employee benefits	1,095,414		1,095,414
Debt service			
Principal	294,179		294,179
Interest	133,439		133,439
	<u>5,309,746</u>	<u>533,822</u>	<u>5,843,568</u>
Total Expenditures			
	<u>5,309,746</u>	<u>533,822</u>	<u>5,843,568</u>
Excess of Revenues Over Expenses	<u>229,731</u>	<u>157,336</u>	<u>387,067</u>
<b>OTHER FINANCING SOURCES AND (USES)</b>			
Proceeds of debt		442,715	442,715
Operating transfers in	421,741		421,741
Operating transfers (out)	<u></u>	<u>(271,583)</u>	<u>(271,583)</u>
Total Other Sources	<u>421,741</u>	<u>171,132</u>	<u>592,873</u>
Net Changes in Fund Balances	651,472	328,468	979,940
Fund Balances (Deficit) -			
Beginning of Year	<u>1,725,004</u>	<u>(1,172,186)</u>	<u>552,818</u>
End of Year	<u>\$ 2,376,476</u>	<u>\$ (843,718)</u>	<u>\$ 1,532,758</u>



**INCORPORATED VILLAGE OF BELLPORT**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and**  
**Changes in Fund Balances to the Statement of Activities**  
For the Year Ended May 31, 2024

Net Change in Fund Balances	\$ 979,940
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Amounts reported for governmental activities in the Statement of Activities are different because:

Long-Term Revenue and Expense Differences

Certain revenues are recognized in the governmental funds when they provide current financial resources. However, these revenues were recognized in the Statement of Activities in prior years when they were earned.	\$ (714,734)
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Certain expenditures in the governmental funds requiring the use of current financial resources (amounts paid) may exceed the amounts incurred during the year, resulting in a reduction of the long-term liability and an increase in the net position.

Decrease in compensated absences payable	8,537	
		(706,197)

Capital Related Differences

Capital outlays to purchase, build, or the right-to-use capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized and shown in the Statement of Net Position and allocated over their useful lives as annual depreciation/amortization expense in the Statement of Activities. This is the amount by which capital outlays and other additions exceeded loss on disposal of assets and depreciation/amortization expense in the period.

Capital outlays and other additions	907,563	
Loss on disposal of assets	(1,551)	
Depreciation/amortization expense	(606,778)	
		299,234

Long-Term Debt Transaction Differences

Proceeds from the issuance of debt are other financing sources in the governmental funds, but increase long-term liabilities in the Statement of Net Position and do not affect the Statement of Activities.	(442,715)
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The amortization of the deferred premiums on bonds decreases interest expense in the Statement of Activities.	6,465
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Repayment of long-term debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.

Bond payable	112,371
Installment purchase debt	181,808

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which accrued interest decreased from May 31, 2023 to May 31, 2024.	5,132	
		(136,939)

Pension and Other Postemployment Benefits Differences

The change in the proportionate share of the collective pension expense of the state retirement plan and the change in other postemployment benefits expense reported in the Statement of Activities did not affect current financial resources and, therefore, are not reported in the governmental funds.

Employees' retirement system	(94,294)	
Other postemployment benefits	(110,945)	
		(205,239)

Change in Net Position of Governmental Activities	\$ 230,799
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**INCORPORATED VILLAGE OF BELLPORT**  
**Statement of Net Position - Proprietary Fund - Golf Fund**  
May 31, 2024

**ASSETS**

Cash: Unrestricted	\$ 3,086,741
Receivables	
Accounts receivable	649,310
Accounts receivable, non-current	543,500
Prepays	19,783
Inventory	58,428
Capital assets	
Not being depreciated/amortized	18,300
Being depreciated/amortized, net of accumulated depreciation	<u>2,727,382</u>
 Total Assets	 <u>7,103,444</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Pension	82,587
Other postemployment benefits	<u>395,352</u>
 Total Deferred Outflows of Resources	 <u>477,939</u>

**LIABILITIES**

Payables	
Accounts payable	165,354
Accrued liabilities	19,267
Due to other funds	264,469
Due to other governments	13,798
Due to employees' retirement system	5,438
Unearned credits	
Collections in advance	1,391,360
Long-term liabilities	
Due and payable within one year	
Bonds payable	20,567
Installment debt payable	26,252
Lease liabilities	135,024
Total other postemployment benefits liability	69,237
Due and payable after one year	
Bonds payable	146,907
Lease liabilities	567,189
Compensated absences payable	77,578
Total other postemployment benefits liability	1,939,935
Net pension liability - proportionate share	<u>97,635</u>
 Total Liabilities	 <u>4,940,010</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred service concession arrangement	796,638
Pension	53,852
Other postemployment benefits	<u>759,610</u>
 Total Deferred Inflows of Resources	 <u>1,610,100</u>

**NET POSITION**

Net investment in capital assets	1,849,742
Unrestricted (deficit)	<u>(818,469)</u>
 Total Net Position	 <u><u>\$ 1,031,273</u></u>

**INCORPORATED VILLAGE OF BELLPORT**  
**Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund - Golf Fund**  
For the Year Ended May 31, 2024

**OPERATING REVENUES**

Charges for Services:	
Golf memberships	\$ 1,735,558
Golf carts	350,337
Golf rental income	282,448
Greens fees	233,066
Golf tournaments	86,360
Pro shop	155,883
Other services	<u>220,404</u>
Total Operating Revenues	<u>3,064,056</u>

**OPERATING EXPENSES**

Golf course	1,410,559
Pro shop	504,721
Employee benefits	194,517
Depreciation/amortization	240,546
Gain on disposal of leased assets	<u>(46,220)</u>
Total Operating Expenses	<u>2,304,123</u>
Income from Operations	759,933

**NON-OPERATING REVENUES AND (EXPENSES)**

Debt service, interest	(14,887)
Operating transfers out	<u>(150,158)</u>
Total Non-operating Expenses	<u>(165,045)</u>
Change in Net Position	594,888
Total Net Position - Beginning of Year	<u>436,385</u>
Total Net Position - End of Year	<u><u>\$ 1,031,273</u></u>

**INCORPORATED VILLAGE OF BELLPORT**  
**Statement of Cash Flows - Proprietary Fund - Golf Fund**  
For the Year Ended May 31, 2024

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 3,085,191
Payments to suppliers and service providers	(1,421,002)
Payments to employees for salaries and benefits	(523,084)
Other operating receipts (due to other funds)	<u>264,469</u>

Net Cash Provided by Operating Activities	<u>1,405,574</u>
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**CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES**

Transfers to other funds	<u>(150,158)</u>
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**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Acquisition and construction of capital assets	(98,394)
Principal paid on debt	(164,118)
Interest paid on debt	<u>(14,970)</u>

Net Cash Used in Capital and Related Financing Activities	<u>(277,482)</u>
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Net Increase in Cash	977,934
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Cash at Beginning of Year	<u>2,108,807</u>
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Cash at End of Year	<u><u>\$ 3,086,741</u></u>
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**RECONCILIATION OF OPERATING INCOME TO  
NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 759,933
Adjustments to reconcile operating income net cash provided by operating activities:	
Depreciation/amortization expense	240,546
Gain on disposal	(46,220)
(Increase) Decrease in:	
Accounts receivable	(27,179)
Accounts receivable, non-current	287,884
Prepays	3,497
Inventory	(2,824)
Deferred outflows of resources	150,260
Increase (Decrease) in:	
Accounts payable	148,710
Accrued liabilities	1,444
Due to other funds	264,469
Due to other governments	4,330
Due to employees' retirement system	1,406
Collections in advance	60,852
Compensated absences payable	18,678
Total other postemployment benefits liability	(132,592)
Net pension liability - proportionate share	(29,812)
Deferred service concession arrangement receipt	(298,422)
Pension	44,741
Other postemployment benefits	<u>(44,127)</u>

Net Cash Provided by Operating Activities	<u><u>\$ 1,405,574</u></u>
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**NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES**

Intangible right-to-use lease assets obtained from lease liabilities	<u><u>\$ 796,198</u></u>
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**INCORPORATED VILLAGE OF BELLPORT  
NOTES TO FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Incorporated Village of Bellport (Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting principles and policies used by the Village are as follows:

**A. Financial Reporting Entity**

The Village was incorporated in 1910 as a municipal government by the State of New York. The Village is vested with such powers and responsibilities inherent in the operation of a municipal government including the adoption of rules and regulations to govern its affairs. The Village is governed by its rules and regulations, New York State Village law, and other general laws of New York State and various local laws. The Board is the legislative body responsible for overall operations. The Board consists of the Mayor and four trustees elected at large to serve a four-year term. Terms are limited for the Mayor and Trustees to twelve consecutive years. After twelve years there is a four-year waiting period before a person can serve as either the Mayor or as a Trustee. The total number of years a person can serve the Village is limited to twenty-five years. The Mayor serves as Chief Executive Officer and the Treasurer serves as Chief Fiscal Officer. The Mayor, with the approval of the Board, appoints a Village Clerk and Village Treasurer to serve a two-year term. The Village Clerk serves as the tax collector. The Village provides the following basic services: Highway, Sanitation, Village Justice Court, Building and Zoning, and other general services.

All governmental activities and functions performed for the Village are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The reporting entity is the primary government, the Village, as well as component units and other organizational entities determined to be includable in the Village's financial reporting entity, based on the nature and significance of their relationship with the Village and criteria set forth by GASB. These criteria include legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, there are no other entities that would be included in the Village's reporting entity.

**B. Basis of Presentation**

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities present information about the overall financial activities of the Village. Eliminations have been made to minimize the double counting of interfund transactions. Governmental activities generally are financed through taxes, state aid, and other exchange and nonexchange transactions, while capital grants reflect capital specific grants. Business activities reflect exchange and nonexchange transactions of the golf fund.

The Statement of Net Position presents the financial position of the Village at fiscal year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental and business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Employee benefits are generally allocated to functional areas in proportion to the payroll expended for those areas. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, fees, permits and fines, and (b) grants that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including real property taxes, utilities gross receipts tax, franchise fees, State aid revenue sharing, and mortgage tax, are presented as general revenues.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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Fund Financial Statements

The fund financial statements provide information about the Village's funds. Separate statements for each fund type (governmental and proprietary) are presented. The Village's financial statements present the following fund types:

***Governmental Funds*** - are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources, and the related liabilities are accounted for through governmental funds. The emphasis of governmental fund financial statements is on major funds as defined by GASB, each displayed in a separate column. The following are the Village's major governmental funds:

***General Fund*** - is the general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund.

***Capital Projects Fund*** - is used to account for the financial resources used for the acquisition, construction, renovation, or major repair of capital facilities and other capital assets, such as equipment, other than those financed by proprietary funds.

***Proprietary Funds*** - are used to account for the business-type operations of a government. Proprietary funds are supported primarily with fees and charges for services. The following is the Village's proprietary fund:

***Golf Fund*** - the golf fund is an enterprise fund of the Village. This fund is self-supporting through membership fees and user charges.

**C. Measurement Focus and Basis of Accounting**

Measurement focus describes what type of information is reported, and is either the economic resources measurement focus or the current financial resources measurement focus. The economic resources measurement focus reports all assets, liabilities, and deferred resources related to a given activity, as well as transactions of the period that affect net position. For example, all assets, whether financial (e.g., cash and receivables) or capital (e.g., property and equipment) and liabilities (including long-term debt and obligations) are reported. The current financial resources measurement focus reports more narrowly on assets, liabilities, and deferred resources that are relevant to near-term liquidity, along with net changes resulting from transactions of the period. Consequently, capital assets and the unmatured portion of long-term debt and certain other liabilities the Village would not expect to liquidate currently with expendable available resources (e.g., compensated absences for employees still in active service) would not be reported.

Basis of accounting describes when changes are recognized, and is either the accrual basis of accounting or the modified accrual basis of accounting. The accrual basis of accounting recognizes changes in net position when the underlying event occurs, regardless of the timing of related cash flows. The modified accrual basis of accounting recognizes changes only at the point they affect near-term liquidity.

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash transaction takes place. Nonexchange transactions, in which the Village gives or receives value without directly receiving or giving equal value in exchange, include real property taxes, state aid, grants, and donations. On an accrual basis, revenue from real property taxes is recognized in the fiscal year for which they are levied. Revenue

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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from state aid is recognized in the fiscal year it is apportioned by the state. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements has been satisfied.

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when 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. For this purpose, the Village considers revenues to be available if they are collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, pension costs, and OPEB, which are recognized as expenditures to the extent they have matured. Capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

**D. Real Property Taxes**

The Village's real property taxes and special assessments are levied on May 15 of each fiscal year. Taxes are levied based upon the taxable value of all real property located within the Village. Taxes are recorded as a receivable, and are due in an annual installment on June 1. Payments must be received on or before July 1. Penalties are imposed, thereafter, at the rate of 5% for the first month and 1% per subsequent month. Unpaid taxes become a lien during March of the ensuing year. Current year delinquent property taxes not collected by the second Wednesday of March of the ensuing year could be placed on tax sale.

**E. Restricted Resources**

When an expense is incurred for purposes for which both restricted and unrestricted net resources are available, the Village's policy concerning which to apply first varies with the intended use, and with associated legal requirements, many of which are described elsewhere in these Notes to Financial Statements.

**F. Interfund Transactions**

The operations of the Village include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The Village typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include transfers to provide financing or other services. This includes the transfer of unrestricted general fund revenues to finance various programs that the Village must account for in other funds in accordance with budgetary authorizations.

In the government-wide statements, eliminations have been made for all interfund receivables and payables among the funds, with the exception of those between governmental and proprietary fund.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables are netted on the accompanying governmental funds balance sheet when it is the Village's practice to settle these amounts at a net balance based upon the right of legal offset.

A detailed disclosure by individual fund for interfund receivables, payables, transfers in, and transfers out is provided subsequently in these Notes to Financial Statements.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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**G. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingencies at the date of the financial statements and the reported revenues and expenses/expenditures during the reporting period. Accordingly, actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including compensated absences, pension costs, OPEB, potential contingent liabilities, and useful lives of capital assets.

**H. Cash and Cash Equivalents/Investments**

Cash and cash equivalents consist of cash on hand, bank deposits, and investments with an original maturity date of three months or less from the date of acquisition.

Investments are recorded at fair value based on quoted market prices.

Certain cash balances are restricted by various legal and contractual obligations, such as legal reserves and debt agreements.

**I. Receivables**

Receivables are shown net of allowance for uncollectible amounts, if any. However, no allowance for uncollectible amounts has been provided since it is believed that such allowance would not be material.

**J. Lease Receivable**

The Village leases land to cell service providers for cell towers. A lease receivable is measured and recorded at the present value of lease payments expected to be received by the Village during the lease term using an implicit discount rate, net of any provisions for estimated uncollectible amounts. As lease payments are received from the lessee, they are first allocated to the amortization of the discount on the lease receivable and recognized as interest revenue, and then to lease receivable.

**K. Inventory and Prepaids**

Proprietary fund inventory consists, principally, of athletic apparel and equipment to be sold by the golf course pro shop. Inventory is valued at the lower-of-cost or market, utilizing the first-in, first-out method, and is expensed when sold.

Purchases of inventorable items in the governmental funds are recorded as expenditures at the time of purchase, and are considered immaterial in amount.

Prepaids represent payments made by the Village for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. These items are reported as assets on the Statement of Net Position and the Balance Sheet using the consumption method. A current asset for the prepaid item is recorded at the time of purchase and an expense/expenditure is reported in the year the goods or services are consumed.



**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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A portion of fund balance has been classified as nonspendable to indicate that prepaids do not constitute available spendable resources.

**L. Capital Assets**

The government-wide financial statements report both capital and intangible assets, such as right-to-use leased assets. Capital assets are reported at actual cost, when the information is available, or at estimated historical cost based on professional third-party information. Donated assets are reported at acquisition value at the date of donation. Intangible assets are reported based on the estimated lease liabilities calculated in accordance with GASB standards.

All capital and intangible assets, except land and construction in progress, are depreciated/amortized on a straight-line basis over their estimated useful lives, as follows:

	Capital Threshold	Estimated Useful Life
Buildings	\$ 5,000	15-50 years
Buildings and land improvements	5,000	15-50 years
Infrastructure	5,000	20-30 years
Machinery and equipment	5,000	5-30 years
Leased equipment and fixtures	5,000	Duration of lease

**M. Deferred Outflows of Resources**

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net assets that applies to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time. The Village has two items that qualify for reporting in this category. The first is related to pensions and consists of the Village's proportionate share of changes in the collective net pension asset or liability not included in collective pension expense and the Village's contributions to the pension system subsequent to the measurement date. The second item is related to OPEB and represents the change in total OPEB liability not included in OPEB expense.

**N. Short-Term Debt**

The Village may issue bond anticipation notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date, seven years if originally issued during calendar year 2015 through, and including, 2021. These notes, or renewal thereof, may not extend more than two years beyond the original date of issue, unless a portion is redeemed within two years and within each twelve-month period thereafter.

**O. Collections in Advance**

Collections in advance arise when resources are received by the Village before it has a legal claim to them, as when charges for services monies are received in advance from payers prior to the services being rendered by the Village, such as summer tennis fees and golf memberships. These amounts are recorded as liabilities in the financial statements. The liabilities are removed and revenues are recognized in subsequent periods when the Village has legal claim to the resources.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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**P. Employee Benefits - Compensated Absences**

Compensated absences consist of unpaid accumulated vacation and sick leave.

Vacation eligibility and accumulation is specified in the Village's labor contracts or Village policies. Some earned benefits may be forfeited if not taken within varying time periods. Employees are compensated for unused accumulated vacation leave through paid time off or cash payment upon retirement, termination, or death.

Sick leave eligibility and accumulation is specified in the Village's labor contracts or Village policies. Upon retirement, resignation, or death, employees may contractually receive a payment based on unused accumulated sick leave.

The liability for compensated absences has been calculated using the vesting method and an accrual for that liability is included in the government-wide and proprietary fund financial statements. The compensated absences liability is calculated based on the pay rates in effect at the end of the year.

In the governmental fund financial statements, a liability is reported only for payments due for unused compensated absences for those employees that have obligated themselves to separate from service with the Village by May 31<sup>st</sup>.

**Q. Employee Benefits - Other Benefits**

Eligible Village employees participate in the ERS.

Village employees may choose to participate in the Village's elective deferred compensation plan established under Internal Revenue Code §457.

The Village provides individual or family health insurance coverage for active employees pursuant to the Village's labor contracts and policies.

In addition to providing pension benefits, the Village provides individual, family, or surviving spouse postemployment health insurance coverage for eligible retired employees. The Village's personnel manual, individual employment agreements, and collective bargaining agreements determine if Village employees are eligible for these benefits if they reach normal retirement age while working for the Village. Healthcare benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing post-retirement benefits is shared between the Village and the retired employee. The Village recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the general fund as the liabilities for premiums mature (come due for payment). In the government-wide statements and proprietary statements, the cost of postemployment health insurance coverage is recognized on the economic resources measurement focus and the accrual basis of accounting.

**R. Long-Term Debt**

The Village borrows money in order to acquire or the right-to-use land or equipment, construct buildings, or make improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government. The repayment of principal and interest will be in the general fund and proprietary fund.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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In the fund financial statements, governmental funds recognize bond premiums during the current period, with the face amount of debt issued as other financing sources. Premiums received on long-term debt issuances are reported as other financing sources. Further, the unmatured principal of general long-term debt does not require current appropriation and expenditure of governmental fund financial resources.

In the government-wide and proprietary fund financial statements, premiums received on long-term debt issuances are netted with bonds payable and amortized over the life of the bonds.

**S. Deferred Inflows of Resources**

Deferred inflows of resources represents an acquisition of net assets that applies to a future reporting period and so will not be recognized as an inflow of resources (revenue/expense credit) until that time. The Village has five items that qualify for reporting in this category. First is unavailable revenues reported in the governmental funds when potential revenues do not meet the availability criterion for recognition in the current period. This includes receivables of certain federal and state grants. In subsequent periods, when the availability criterion is met, unavailable revenues are reclassified as revenues. In the government-wide financial statements, unavailable revenues are treated as revenues. The second item is deferred amounts related to leases receivable. Revenue from these leases is recognized in a systematic manner over the term of the lease. The third is related to deferred service concession arrangement receipts, in the proprietary fund, which will be amortized over the life of the underlying agreements. The fourth item is related to the ERS reported in the Statement of Net Position and consists of the Village's proportionate share of changes in the collective net pension liability not included in collective pension expense. The fifth item is related to OPEB reported in the government-wide Statement of Net Position and represents the change in the total OPEB liability not included in OPEB expense.

**T. Equity Classifications**

Government-Wide and Proprietary Fund Statements

In the government-wide and proprietary fund statements there are three classes of net position:

*Net investment capital assets* – Consists of net capital and intangible assets (cost less accumulated depreciation/amortization) reduced by outstanding balances of related debt obligations from the acquisition, construction, and improvements of, and right-to-use those assets, net of unexpended proceeds.

*Restricted* – Reports net position when constraints placed on the assets or deferred outflows of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted* – Reports the balance of net position that does not meet the definition of the above two classifications.

Fund Statements

The fund statements report fund balance classifications according to the relative strength of spending constraints placed on the purpose for which resources can be used, as follows:

*Nonspendable* – Consists of amounts that are inherently nonspendable in the current period either because of their form or because they must be maintained intact. Nonspendable fund balance consists of prepaids, which is recorded in the general fund.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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*Restricted* – Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation. The Village has established the following restricted fund balances:

*Restricted for Debt*

Unexpended balances of proceeds of borrowings for capital projects, interest, and earnings from investing proceeds of obligations, and premiums and accrued interest on long-term borrowings are recorded in the general fund and held until appropriated for debt payments. These restricted amounts are accounted for in the general fund.

*Restricted – Unspent Debt Proceeds*

Unspent long-term debt proceeds are recorded as restricted fund balance because they are subject to external constraints contained in the debt agreement. These restricted funds are accounted for in the capital projects fund.

*Assigned* – Consists of amounts that are subject to a purpose constraint that represents an intended use established by the Board. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual, positive amount of fund balance. Assigned fund balance may include an amount appropriated to partially fund the subsequent year's budget, as well as encumbrances not classified as restricted at the end of the fiscal year. Assigned fund balance also includes the following assignments:

*Repair of Docks*

The Village has established a repair of docks assignment. This is used to pay the cost of repairs of capital improvements or equipment and is accounted for in the general fund.

*Employee Liability*

The Village has established an employee liability assignment. This is used to for the payment of accrued employee benefits primarily based in unused and unpaid sick leave, personal leave, and vacation leave, which is accounted for in the general fund. At May 31, 2024, the Village used the remaining balance to fund the current year's payments of unused and unpaid sick leave.

*Tennis Court Repairs*

The Village has established a tennis court repair assignment. This is used to pay the cost of repairs of to the Village's tennis courts and is accounted for in the general fund.

*Unassigned* – Represents the residual classification for the Village's general fund and could report a surplus or deficit. In funds other than the general fund, the unassigned classification is used to report a deficit fund balance resulting from the overspending of available resources.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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Fund Balance Classification

Any portion of the fund balance may be applied or transferred for a specific purpose either by voter approval if required by law or by formal action of the Board if voter approval is not required. Amendments or modifications to the applied or transferred fund balance must also be approved by formal action of the Board.

The Board shall delegate the authority to assign fund balance, for encumbrance purposes, to the person(s) to whom it has delegated the authority to sign purchase orders.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, assigned, or unassigned) the expenditure is to be spent first from the restricted fund balance to the extent appropriated by the budget or any Board approved budget revision, then from the assigned fund balance to the extent appropriated by the Board, and then from the unassigned fund balance.

**2. CHANGE IN ACCOUNTING PRINCIPLE**

For the year ended May 31, 2024, the Village implemented GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. GASB Statement No. 94 was issued to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPP). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset for a period of time in an exchange or exchange-like transaction. In addition, the Statement provides guidance for accounting and financial reporting of available for payment arrangements (APA). An APA is an arrangement in which government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating and underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

**3. FUTURE ACCOUNTING STANDARDS**

The GASB Statements are issued to set GAAP for state and local governments. The following is not an all-inclusive list of GASB statements issued, but statements that the Village feels may have a future impact on these financial statements. The Village will evaluate the impact of these pronouncements and implement them, as applicable, if material.

<b>Effective for the Year Ending</b>	<b>Statement</b>
May 31, 2025	GASB No. 101 – <i>Compensated Absences</i>
May 31, 2025	GASB No. 102 – <i>Certain Risk Disclosures</i>
May 31, 2026	GASB No. 103 – <i>Financial Reporting Model Improvements</i>

GASB Statement No. 101 was issued to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and amending previously required disclosures.

GASB Statement No. 102 was issued to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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GASB Statement No. 103 was 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. This Statement also addresses certain application issues.

**4. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENT-WIDE STATEMENTS AND THE GOVERNMENTAL FUND STATEMENTS**

Due to the differences in the measurement focus and basis of accounting used in the government-wide statements and the governmental fund statements, certain financial transactions are treated differently. The financial statements contain a full reconciliation of these items.

**A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities**

Total fund balances of the Village's governmental funds differ from net position of governmental activities reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the governmental funds Balance Sheet, as applied to the reporting of capital assets and deferred outflows of resources, and long-term assets and liabilities, and deferred inflows of resources.

**B. Statement of Revenues, Expenditures, and Changes in Fund Balances vs. Statement of Activities**

Differences between the Statement of Revenues, Expenditures, and Changes in Fund Balances and the Statement of Activities fall into any of four broad categories.

Long-Term Revenue and Expense Differences

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available," whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a current financial resources measurement focus and the modified accrual basis, whereas the economic resources measurement focus and the accrual basis of accounting is used on the Statement of Activities, thereby affecting expenses such as compensated absences.

Capital Related Differences

Capital related differences include the difference between proceeds from the sale of capital assets reported on fund statements and the gain or loss on the sale/disposal of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the acquisition or financing of capital items in the fund statements and depreciation/amortization expense on those items as recorded in the Statement of Activities.

Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because the issuance of long-term debt provides current financial resources to governmental funds, but is recorded as a liability in the Statement of Net Position. In addition, both interest and principal payments are recorded as expenditures in the fund statements when due and payable, whereas interest expense is recorded in the Statement of Activities as it accrues, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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Pension and Other Postemployment Benefits Differences

Pension differences occur as a result of recognizing pension costs using the current financial resources measurement focus and the modified accrual basis of accounting, whereby an expenditure is recognized based on the contractually required contribution as calculated by the plan, versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the Village's proportionate share of the collective pension expense of the plan.

OPEB differences occur as a result of recognizing OPEB costs using the current financial resources measurement focus and the modified accrual basis of accounting, whereby an expenditure is recognized for health insurance premiums and OPEB costs as they mature (come due for payment), versus the economic resources measurement focus and the accrual basis of accounting, whereby an expense is recognized related to the future cost of benefits in retirement over the term of employment.

**5. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

The Village's management submits a proposed budget for approval by the Board for the general and golf funds, the only funds with a legally adopted budget. Budgets are adopted annually on a basis consistent with GAAP. The tentative budget includes proposed expenditures and the proposed means of financing for the general fund. A public hearing is held on the tentative budget by April 15<sup>th</sup>. After completion of the budget hearing, the Board may further change the tentative budget. Such budget, as so revised, shall be adopted by resolution no later than May 1<sup>st</sup>. All subsequent modifications of the budget must be approved by the Board.

Appropriations are established by the adoption of the budget, are recorded at the program line item level, and constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations authorized for the year may be increased by the amount of encumbrances carried forward from the prior year. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year can be funded by the planned use of specific reserves, and can be increased by budget amendments approved by the Board as a result of selected new revenue sources not included in the original budget (when permitted by law) and appropriation of fund balances. These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. The following supplemental appropriations occurred during the year:

General Fund

Contingent expenditures funded by ARPA Grant	\$ 93,944
Payment of unused sick leave funded by EBALR	<u>22,440</u>
	<u><u>\$ 116,384</u></u>

Golf Fund

Contingent expenses funded by unrestricted net position	<u><u>\$ 55,000</u></u>
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Budgets are adopted on a basis consistent with GAAP.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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Budgets are established and used for individual capital projects based on authorized funding. The maximum project amount authorized is based upon the estimated cost of the project. These budgets do not lapse and are carried over to the subsequent fiscal years until the completion of the projects.

**B. Encumbrances**

Encumbrance accounting is used for budget control and monitoring purposes and is reported as a part of the governmental funds. Under this method, purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve applicable appropriations. Outstanding encumbrances as of year end are presented as assigned fund balance, unless classified as restricted, and do not represent expenditures or liabilities. These commitments will be honored in the subsequent period. Related expenditures are recognized at that time, as the liability is incurred or the commitment is paid.

**C. Over Expenditure of Certain Appropriations**

Certain general fund appropriations were over expended. These were in the following appropriation categories of the budget: general support (clerk), and home and community services (refuse collection and disposal). The general fund budget in total was not over expended.

**D. Capital Projects Fund**

The capital projects fund had a deficit fund balance of \$843,718. This will be funded when the Village recognizes revenue from federal and state disaster recovery grants and obtains permanent financing for its current construction projects.

**6. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

The Village's investment policies are governed by state statutes and Village policy. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the state. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its localities. Collateral is required for demand and time deposits, and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its Agencies and obligations of New York State and its municipalities.

Custodial credit risk is the risk that in the event of a bank failure the Village may be unable to recover deposits or collateral securities that are in possession of an outside agency. GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits as follows:

- A. Uncollateralized,
- B. Collateralized by securities held by the pledging financial institution, or
- C. Collateralized by securities held by the pledging financial institution's trust department or agent but not in the Village's name.

The Village's aggregate bank balances were covered by FDIC insurance or fully collateralized by securities and letters of credit pledged on the Village's behalf at year end in the Village's name.

The Village did not have any investments at year end or during the year, except as discussed in the note below. Consequently, the Village was not exposed to any material credit risk, interest rate risk, or concentration of credit risk.



**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

Investment pool:

The Village participates in the New York Cooperative Liquid Assets Securities System (NYCLASS), a multi-municipal cooperative investment pool agreement pursuant to GML Articles 3-A and 5-G, whereby it holds a portion of the investments in cooperation with other participants. NYCLASS is rated AAAM by S&P Global Ratings. The investments are highly liquid and are considered to be cash equivalents. All NYCLASS portfolio holdings are collateralized in accordance with GML §10.

The Village's investments in NYCLASS consisted of repurchase agreements, U.S. Treasury Securities, and collateralized bank deposits, with various interest rates and due dates. These investments are included in cash, as follows:

Fund	Carrying Amount
General fund	\$ 2,105,786

Securities, other than repurchase agreements, are valued at the most recent market bid price as obtained from one or more market makers for such securities. Repurchase agreements are recorded at cost, which approximates fair value. The lead participant Lead Participant of NYCLASS is the Village of Rhinebeck. Additional information concerning NYCLASS, including the annual report, can be found on its website at [www.newyorkclass.org](http://www.newyorkclass.org).

**7. ACCOUNTS RECEIVABLE**

Accounts receivable at May 31, 2024, consisted of:

**Governmental Activities**

General Fund

Gross tax receipts	\$ 12,862
Franchise tax	10,871
Cell tower lease	13,927
Interest	2,448
Insurance recoveries	10,394
Tennis memberships	14,900
Other	572
	<u>\$ 65,974</u>

Village management expects these amounts to be fully collectible.

**8. DUE FROM STATE AND FEDERAL**

Due from state and federal at May 31, 2024, consisted of:

**Governmental Activities**

General Fund

NYS - CHIPS	\$ 2,989
NYS - mortgage tax	18,367
Community development - grant	14,071
	<u>35,427</u>

Capital Projects Fund

FEMA - municipal dock	1,294,941
	<u>\$ 1,330,368</u>

Village management expects these amounts to be fully collectible.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**9. DUE FROM OTHER GOVERNMENTS**

Due from other governments at May 31, 2024, consisted of:

**Governmental Activities**

General Fund

New York State - May court fees      \$      1,475

Village management expects these amounts to be fully collectible.

**10. CAPITAL ASSETS**

**A. Changes**

Reclassifications were made to the May 31, 2023 accumulated depreciation to correct an error of posting amounts to the wrong asset classification. Total accumulated depreciation/amortization remained the same.

Capital assets and accumulated depreciation/amortization of the governmental activities and business-type activities for the year ended May 31, 2024, were as follows:

	Balance May 31, 2023	Additions	Reductions	Balance May 31, 2024
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 164,278	\$	\$	\$ 164,278
Construction work in progress	28,343	58,440	(28,343)	58,440
Total capital assets not being depreciated	192,621	58,440	(28,343)	222,718
Capital assets being depreciated				
Buildings	4,093,053	16,400	(1,743)	4,107,710
Buildings and land improvements	1,100,437	9,670		1,110,107
Infrastructure	9,881,665	139,507		10,021,172
Machinery and equipment	2,690,710	711,889	(163,015)	3,239,584
Total capital assets being depreciated	17,765,865	877,466	(164,758)	18,478,573
Less accumulated depreciation for:				
Buildings	1,415,737	127,123	(852)	1,542,008
Buildings and land improvements	351,521	53,575		405,096
Infrastructure	4,124,214	294,349		4,418,563
Machinery and equipment	2,046,816	131,731	(162,355)	2,016,192
Total accumulated depreciation	7,938,288	606,778	(163,207)	8,381,859
Total capital assets being depreciated, net	9,827,577	270,688	(1,551)	10,096,714
Capital assets, net	\$ 10,020,198	\$ 329,128	\$ (29,894)	\$ 10,319,432

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

	Balance May 31, 2023	Additions	Reductions	Balance May 31, 2024
<b>Business-type activities:</b>				
Capital assets not being depreciated/amortized				
Land	\$ 18,300	\$	\$	\$ 18,300
Capital assets being depreciated/amortized				
Buildings	2,246,733			2,246,733
Site improvements	603,787	66,394	(3,439)	666,742
Infrastructure	603,033			603,033
Machinery and equipment	1,052,462	31,500		1,083,962
Leased equipment	91,233	796,698	(91,233)	796,698
Total capital assets being depreciated/amortized	4,597,248	894,592	(94,672)	5,397,168
Less accumulated depreciation/amortization for:				
Buildings	1,333,365	42,096		1,375,461
Site improvements	343,743	30,804	(3,439)	371,108
Infrastructure	188,745	20,113		208,858
Machinery and equipment	603,654	42,341		645,995
Leased equipment	54,405	105,192	(91,233)	68,364
Total accumulated depreciation/amortization	2,523,912	240,546	(94,672)	2,669,786
Total capital assets being depreciated/amortized, net	2,073,336	654,046	-	2,727,382
Capital assets, net	\$ 2,091,636	\$ 654,046	\$ -	\$ 2,745,682

Depreciation/amortization expense is recorded on a straight-line basis over the estimated useful lives, in years, of the respective assets.

**B. Lease Assets**

The Village has entered into a lease arrangement for various equipment that is subject to GASB Statement No. 87. The lease terms range from 48 months to 69 months with an interest rates of 2.31% to 6.42%. The leases are included in leased equipment as shown on the previous table. The Village has not provided any residual value guarantees related to these leased assets.

**C. Impairment Losses**

The Village evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Village's policy is to record an impairment loss in the period when the Village determines that the carrying amount of the asset will not be recoverable. At May 31, 2024, the Village has not recorded any such impairment losses.

**11. LEASES RECEIVABLE**

The Village entered into an agreement to lease land to a cell tower company. Under the agreement, the Village receives monthly installments in each fiscal year covered by the agreement (June to May). The lease agreement commenced on June 23, 2008, and was amended on June 23, 2018. The Lessee has the option to extend the lease for five additional 10-year terms with an ultimate maturity date of June 23, 2068. The Village is not reasonably certain that the renewal options will be extended. As of May 31, 2024, the lease receivable and deferred inflows of resources, measured using an implicit interest rates ranging between 2.015% and 3.16%, were \$1,127,624.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

During the year ended May 31, 2024, the Village recognized lease revenue and lease interest of \$133,321 and \$30,025, respectively.

**12. INTERFUND TRANSACTIONS**

Interfund balances and activities at May 31, 2024, were as follows:

	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
General Fund	\$ 459,799	\$	\$ 421,741	\$
Capital Projects Fund		195,330		271,583
Total Governmental Funds	459,799	195,330	421,741	271,583
Golf Fund		264,469		150,158
Total	\$ 459,799	\$ 459,799	\$ 421,741	\$ 421,741

All interfund balances are expected to be repaid within one year. The Village transfers from the golf fund to the general fund in accordance with the annual budget for administrative costs. The transfer from the capital projects fund to the general fund represents the return of unexpended amounts on capital projects originally funded by general fund appropriations and temporary financing through BANs.

**13. COLLECTIONS IN ADVANCE**

As of May 31, 2024, collections in advance in the general fund consisted of tennis fees of \$63,805 and kid's camp fees of \$59,250, while collections in advance in the proprietary fund consisted of prorated annual membership fees, golf tournaments, and gift cards of \$1,391,360.

**14. SHORT-TERM DEBT**

Short-term debt activity for the year is summarized below:

	Issue Date	Maturity	Interest Rate	Balance May 31, 2023	Issued	Redeemed	Balance May 31, 2024
<b>Governmental Activities</b>							
Improvements to Municipal Dock - 2020	2/23/23	7/22/24	5.32%	\$ 1,491,417	\$ -	\$ -	\$ 1,491,417

The Village obtained approval to extend the original maturity date of the BANs from 2/23/24 to 7/22/24 at the same interest rate of 5.32%.

Interest on short-term debt for the governmental activities was composed of:

Interest paid	\$ 84,853
Less interest accrued in the prior year	(20,868)
Plus interest accrued in the current year	16,530
Total interest expense on short-term debt	\$ 80,515

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**15. LONG-TERM LIABILITIES**

**A. Changes**

Long-term liability balances and activities for the governmental and business-type activities, excluding pension liabilities, for the year are summarized below:

	Balance			Balance	Amounts
	May 31, 2023	Additions	Reductions	May 31, 2024	Due Within One Year
<b>Governmental Activities:</b>					
Long-term debt:					
Bonds payable	\$ 1,899,897	\$	\$ (112,371)	\$ 1,787,526	\$ 119,433
Premium on obligation	52,411		(6,465)	45,946	6,079
Installment purchase debt	128,341	442,715	(181,808)	389,248	127,444
	2,080,649	442,715	(300,644)	2,222,720	252,956
Other long-term liabilities:					
Compensated absences	140,669		(8,537)	132,132	7,434
Total OPEB liability	5,434,939		(191,271)	5,243,668	208,946
	<u>\$ 7,656,257</u>	<u>\$ 442,715</u>	<u>\$ (500,452)</u>	<u>\$ 7,598,520</u>	<u>\$ 469,336</u>
<b>Business-Type Activities:</b>					
Long-term debt:					
Bonds payable	\$ 185,103	\$	\$ (17,629)	\$ 167,474	\$ 20,567
Installment purchase debt	78,756		(52,504)	26,252	26,252
Lease liabilities	46,221	796,198	(140,206)	702,213	135,024
	310,080	796,198	(210,339)	895,939	181,843
Other long-term liabilities:					
Compensated absences	58,900	18,678		77,578	
Total OPEB liability	2,141,764		(132,592)	2,009,172	69,237
	<u>\$ 2,510,744</u>	<u>\$ 814,876</u>	<u>\$ (342,931)</u>	<u>\$ 2,982,689</u>	<u>\$ 251,080</u>

The general fund has typically been used to liquidate long-term liabilities for the governmental activities. The proprietary fund (golf fund) has typically been used to liquidate long-term liabilities for the business-type activities.

Additions and reductions to compensated absences are shown net since it is impractical to separately determine these amounts.

For total OPEB liability, please see section titled "Postemployment Healthcare Benefits" for additional information.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**B. Bonds Payable**

Bonds payable is comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at May 31, 2024
<b>Governmental Activities:</b>				
Public improvement				
Garbage truck	2016	7/15/32	2.19%	\$ 117,526
Village improvements	2021	10/15/37	2.00%	1,670,000
				<u>\$ 1,787,526</u>
<b>Business-type Activities:</b>				
Golf course renovation				
Serial bond - bulk head	2016	7/15/32	2.190%	<u>\$ 167,474</u>

The following is a summary of debt service requirements for serial bonds:

Year Ending May 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 119,433	\$ 34,766	\$ 20,567	\$ 3,442
2026	119,433	32,350	20,567	2,992
2027	124,433	29,884	20,567	2,542
2028	124,433	27,368	20,567	2,091
2029	129,433	24,801	20,567	1,641
2030-2034	645,361	84,435	64,639	2,188
2035-2038	525,000	21,350		
	<u>\$ 1,787,526</u>	<u>\$ 254,954</u>	<u>\$ 167,474</u>	<u>\$ 14,896</u>

**C. Deferred Premium on Obligation**

On May 25, 2021, the Village issued serial bonds in the amount of \$1,971,200 and, as part of the issuance, the Village received \$66,470 in premiums. The bond issuance premiums are being amortized as a component of interest expense on a weighted-average basis over the remaining life of the bonds, as follows:

Year Ending May 31,	Deferred Premium
2025	\$ 6,079
2026	5,685
2027	5,281
2028	4,867
2029	4,444
2030-2034	15,579
2035-2038	4,011
	<u>\$ 45,946</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**D. Installment Purchase Debt Payable**

Installment purchase debt payable is comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at May 31, 2024
<b>Governmental Activities:</b>				
Work Boat & Sanitation Truck	2020	1/1/25	2.45%	\$ 46,690
Senior Van	2022	2/28/27	2.00%	26,738
Caterpillar Payloaders	2023	9/1/27	5.35%	285,434
Ford F-150	2023	9/1/29	4.45%	30,386
				<u>\$ 389,248</u>
<b>Business-type Activities:</b>				
Avant 760 Loader with attachments	2022	11/1/24	0.000%	<u>\$ 26,252</u>

The following is a summary of debt service requirements for installment purchase debt payable:

Year Ending May 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 127,444	\$ 18,511	\$ 26,252	
2026	84,892	13,230		
2027	85,704	8,895		
2028	82,925	4,629		
2029	6,166	244		
2030	2,117	20		
	<u>\$ 389,248</u>	<u>\$ 45,529</u>	<u>\$ 26,252</u>	<u>\$ -</u>

**E. Lease Liabilities**

Lease liabilities are comprised of the following:

Description	Commencement Date	Final Maturity	Interest Rate	Outstanding at May 31, 2024
<b>Business-type Activities:</b>				
Toro Workman	5/15/2023	5/14/2027	2.33%	\$ 46,958
Greenmaster	10/15/2023	10/14/2027	2.79%	135,939
Golf Carts	3/1/2024	11/30/2029	6.42%	384,296
John Deere	3/11/2024	3/10/2029	2.31%	89,095
Workman HDX	3/26/2024	3/25/2028	2.35%	45,925
				<u>\$ 702,213</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

The following is a summary of debt service requirements for lease liabilities:

Year Ending May 31,	Business-Type Activities		
	Principal	Interest	Total
2025	\$ 135,024	\$ 31,702	\$ 166,726
2026	140,429	26,297	166,726
2027	144,710	20,627	165,337
2028	104,301	15,166	119,467
2029	79,205	10,606	89,811
2030	98,544	3,206	101,750
	<u>\$ 702,213</u>	<u>\$ 107,604</u>	<u>\$ 809,817</u>

**F. Interest Expense**

Interest on long-term debt for the year was composed of the following:

	Governmental Activities	Business-Type Activities
Interest paid	\$ 48,586	\$ 14,970
Less interest accrued in the prior year	(3,151)	(1,458)
Plus interest accrued in the current year	2,357	1,375
Less amortization of deferred premiums	(6,465)	
Total interest expense on long-term debt	<u>\$ 41,327</u>	<u>\$ 14,887</u>

**G. Unissued Debt**

On January 25, 2021, the Village authorized the issuance of \$600,000 in bonds for the Brown's Lane bulkhead project and \$500,000 for the Rock dock repair. As of May 31, 2024, debt in the amount of \$1,000,000 has been issued to provide funding for the projects, and \$100,000 remains unissued.

**16. REMEDIES UPON DEFAULT IN BOND AND NOTES PAYMENTS**

The bonds and notes are general obligation contracts between the Village and the owners for which the faith and credit of the Village are pledged and remedies for enforcement of payment are not expressly included in the Village's contract with such owners. Upon default in the payment of principal of or interest on the bonds or notes at the suit of the owner, a court has the power, in proper and appropriate proceedings, to render judgment against the Village. A court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the Village to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy.

Section 99-b of the State Finance Law provides for a covenant between New York State and the purchasers and the holders and owners from time to time of the bonds and notes issued by villages in New York State. In the event a holder or owner of any bond or note issued by a village for village purposes shall file with the Office of the New York State Comptroller (OSC), a verified statement describing such bond or note and alleging default in the payment thereof or the interest thereon or both. The OSC shall thereafter deduct and withhold from the next succeeding allotment, apportionment or payment of such state aid or assistance due to such village such amount thereof as may be required to pay the principal of and interest on such bonds and notes of such village then in default. In the event such state aid or assistance initially so withheld shall be insufficient to pay said amounts in full, the OSC shall similarly deduct and withhold from each succeeding allotment, apportionment or payment of such state aid or assistance due such village such amount or amounts thereof as may be required to cure such default.



**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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**17. PENSION PLANS – NEW YORK STATE**

**A. General Information**

The Village participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer, defined benefit, public employee retirement system. The ERS provides retirement, disability, withdrawal, and death benefits to plan members and beneficiaries related to years of service and final average salary.

**B. Provisions and Administration**

Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). The net position of the ERS is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the ERS. As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as the trustee of the Fund and administrative head of the ERS. Once a public employer elects to participate in the ERS, 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 (GLIP), which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. The report, including information with regard to benefits provided may be found on the NYS Comptroller's website at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, NY 12244.

**C. Funding Policy**

Plan members who joined the system before July 27, 1976, are not required to make contributions. Those joining on or after July 27, 1976, and before January 1, 2010, with less than ten years of credited services are required to contribute 3% of their salary. Those joining on or after January 1, 2010 and before April 1, 2012, are required to contribute 3% of their salary throughout active membership. Those joining on or after April 1, 2012, are required to contribute between 3% and 6% dependent on their salary throughout active membership. Employers are required to contribute at an actuarially determined rate based on covered salaries paid. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the ERS' fiscal year ended March 31<sup>st</sup>, and employer contributions are either paid by the prior December 15<sup>th</sup> less a 1% discount or by the prior February 1<sup>st</sup>. The Village paid 100% of the required contributions as billed by the ERS for the current year. The Village's average contribution rate was 11.51% of covered payroll for the ERS' fiscal year ended March 31, 2024.

The Village's share of the required contributions, based on covered payroll for the Village's year ended May 31, 2024 was \$177,069 at an average contribution rate of 11.38%.

**D. Pension Asset/(Liability), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At May 31, 2024, the Village reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for ERS. The net pension asset/(liability) was measured as of March 31, 2024. The total pension liability used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The Village's proportion of the net pension asset/(liability) was based on a projection of the Village's long-term share of contributions to the system relative to the projected contributions of all

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

participating members, actuarially determined. This information was provided by the ERS in reports provided to the Village.

Measurement date	March 31, 2024
Village's proportionate share of the net pension liability	\$ (618,206)
Village's portion of the Plan's net pension liability	0.0041986%
Change in proportion since the prior measurement date	(0.0000068)

For the year ended May 31, 2024, the Village recognized a pension expense of \$295,280 for ERS. At May 31, 2024, the Village reported deferred outflows and inflows of resources related to pensions from the following sources:

	Governmental		Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 167,676	\$ 14,195	\$ 31,448	\$ 2,662
Changes of assumptions	196,816		36,914	
Net difference between projected and actual earnings on pension plan investments		254,296		47,694
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	46,849	18,640	8,787	3,496
Village contributions subsequent to the measurement date	29,060		5,438	
Total	<u>\$ 440,401</u>	<u>\$ 287,131</u>	<u>\$ 82,587</u>	<u>\$ 53,852</u>

Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending May 31, 2025. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense, as follows:

Year Ending May 31,	Governmental	Business-Type
2025	\$ (77,629)	\$ (14,560)
2026	108,670	20,381
2027	148,236	27,802
2028	<u>(55,067)</u>	<u>(10,326)</u>
	<u>\$ 124,210</u>	<u>\$ 23,297</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Measurement date	March 31, 2024
Actuarial valuation date	April 1, 2023
Inflation	2.90%
Salary increases	4.40%
Investment rate of return (net of investment expense, including inflation)	5.90%
Cost of living adjustments	1.50%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 system experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021. The previous actuarial valuation as of April 1, 2020 used the same assumptions for the measurement of total pension liability. The actuarial assumptions were 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.

The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized as follows:

	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Measurement date		March 31, 2024
Asset class		
Domestic equity	32.0%	4.00%
International equity	15.0%	6.65%
Real estate equity	9.0%	4.60%
Private equity	10.0%	7.25%
Alternative investments	10.0%	5.25-5.79%
Fixed income	23.0%	1.50%
Cash	1.0%	0.25%
	<u>100.0%</u>	

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

Discount Rate

The discount rate used to calculate the total pension liability was 5.90%. The projection of cash flows used to determine the discount rate assumed 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 the assumptions, the ERS' 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.

Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption

The following presents the Village's proportionate share of the net pension asset/(liability) calculated using the discount rate of 5.90%, as well as what the Village's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1 percentage point lower (4.90%) or 1 percentage point higher (6.90%) than the current rate:

	1% Decrease 4.90%	Current Assumption 5.90%	1% Increase 6.90%
Village's proportionate share of the net pension asset / (liability)	<u>\$ (1,943,703)</u>	<u>\$ (618,206)</u>	<u>\$ 488,859</u>

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the measurement date is as follows:

Measurement date	March 31, 2024
	<b>(Dollars in thousands)</b>
Employers' total pension liability	\$ (240,696,851)
Plan fiduciary net position	<u>225,972,801</u>
Employers' net pension liability	<u>\$ (14,724,050)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	93.88%

Payables to the Pension Plan

Employer contributions are paid annually based on the system's fiscal year, which ends on March 31st. Accrued retirement contributions as of May 31, 2024, represent the projected employer contribution for the period of April 1, 2024 through May 31, 2024 based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2024 amounted to \$34,498 of employer contributions. Employee contributions are remitted monthly.

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

**18. PENSION PLANS – OTHER**

The Village has established a deferred compensation plan in accordance with Internal Revenue Code §457 for all employees. The Village makes no contributions into this Plan. The amount deferred by eligible employees for the year ended May 31, 2024 totaled \$21,560.

**19. POSTEMPLOYMENT HEALTHCARE BENEFITS**

**A. General Information about the OPEB Plan**

*Plan Description* - The Village provides OPEB for eligible retired employees of the Village. The benefits provided to employees upon retirement are based on provisions in the Village's labor contracts or Village policies. The plan is a single-employer defined benefit OPEB plan administered through the New York State Health Insurance Program – Empire Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

*Benefits Provided* – The Village provides healthcare benefits and Medicare Part B reimbursements for eligible retirees. The benefit terms are dependent on which contract each employee falls under. The specifics of each contract are on file at the Village offices and are available upon request.

*Employees Covered by Benefit Terms* – At June 1, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	12
Inactive employees entitled to but not yet receiving benefits	-
Active employees	19
	<u>31</u>

**B. Total OPEB Liability**

The Village's total OPEB liability of \$7,252,840 was measured as of May 31, 2024, and was determined by an actuarial valuation as of June 1, 2022. Update procedures were used to roll forward the total OPEB liability to the measurement date.

*Actuarial Assumptions and Other Inputs* – The total OPEB liability, as of the measurement date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% average, including inflation
Discount rate	4.13%
Healthcare cost trend rates	6.00% decreasing to an ultimate rate of 5.00% by 2026
Retirees' share of benefit-related costs	0.00% of projected health insurance premiums for retirees

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

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

Unisex pre-retirement mortality rates (combined accidental and all other death rates) and post-retirement mortality rates for healthy participants (sex distinct for non-police employees and retirees) using projection scale MP 2020.

The demographic (mortality, retirement, disability, and other termination of employment) assumptions, the rates developed in the report, "Development of Recommended Actuarial Assumptions" were utilized for the New York/SUNY GASB Statement No. 75 Valuation prepared by the AON Hewitt dated August 2022.

**C. Changes in the Total OPEB Liability**

	Governmental Activities	Business-Type Activities	Total Primary Government
Balance at May 31, 2023	\$ 5,434,939	\$ 2,141,764	\$ 7,576,703
Changes for the year			
Service cost	174,438	20,175	194,613
Interest on total OPEB liability	202,065	78,084	280,149
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	(358,828)	(161,614)	(520,442)
Benefit payments	(208,946)	(69,237)	(278,183)
	<u>(191,271)</u>	<u>(132,592)</u>	<u>(323,863)</u>
Balance at May 31, 2024	<u>\$ 5,243,668</u>	<u>\$ 2,009,172</u>	<u>\$ 7,252,840</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.67% in 2023 to 4.13% in 2024.

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* – 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:

	1% Decrease 3.13 %	Discount Rate 4.13 %	1% Increase 5.13 %
Governmental Activities			
Total OPEB liability	<u>\$ (6,117,118)</u>	<u>\$ (5,243,668)</u>	<u>\$ (4,549,902)</u>
Business-Type Activities			
Total OPEB liability	<u>\$ (2,343,845)</u>	<u>\$ (2,009,172)</u>	<u>\$ (1,743,348)</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* – 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 (5.00% to 4.00%) or 1 percentage point higher (7.00% to 6.00%) than the current healthcare cost trend rate:

	1% Decrease 5.00% decreasing to 4.00%	Healthcare Cost Trend Rates 6.00% decreasing to 5.00%	1% Increase 7.00% decreasing to 6.00%
<b>Governmental Activities</b>			
Total OPEB liability	<u>\$ (4,667,943)</u>	<u>\$ (5,243,668)</u>	<u>\$ (6,239,393)</u>
	1% Decrease 5.00% decreasing to 4.00%	Healthcare Cost Trend Rates 6.00% decreasing to 5.00%	1% Increase 7.00% decreasing to 6.00%
<b>Business-Type Activities</b>			
Total OPEB liability	<u>\$ (1,788,577)</u>	<u>\$ (2,009,172)</u>	<u>\$ (2,390,695)</u>

**D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended May 31, 2024, the Village recognized OPEB expense of \$319,891 and \$33,740 for the governmental activities and business-type activities, respectively. At May 31, 2024, the Village reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Differences between expected and actual experience	\$ 200,014	\$ 133,624	\$ 333,638	\$ 41,946	\$ 48,351	\$ 90,297
Changes of assumptions	420,078	261,728	681,806	1,430,047	711,259	2,141,306
	<u>\$ 620,092</u>	<u>\$ 395,352</u>	<u>\$ 1,015,444</u>	<u>\$ 1,471,993</u>	<u>\$ 759,610</u>	<u>\$ 2,231,603</u>

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

Year Ending May 31,	Governmental Activities	Business-Type Activities	Total Primary Government
2025	\$ (56,612)	\$ (64,519)	\$ (121,131)
2026	(68,515)	(68,880)	(137,395)
2027	(217,165)	(82,203)	(299,368)
2028	(251,595)	(91,095)	(342,690)
2029	(144,582)	(57,561)	(202,143)
Thereafter	(113,432)	-	(113,432)
	<u>\$ (851,901)</u>	<u>\$ (364,258)</u>	<u>\$ (1,216,159)</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**20. DEFERRED INFLOWS OF RESOURCES**

In the governmental fund financial statements, deferred inflows of resources, consisted of the following:

General Fund:	
Leases	\$ 1,127,624
State Grant - CHIPS	1,778
Capital Projects Fund:	
FEMA - municipal dock	<u>680,862</u>
Total	<u>\$ 1,810,264</u>

**21. ASSIGNED APPROPRIATED FUND BALANCE**

The amount of \$40,000 has been appropriated to reduce taxes for the year ending May 31, 2025.

**22. COMMITMENTS AND CONTINGENCIES**

**A. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

**B. Certiorari Proceedings**

From time to time, the Village is involved in certiorari proceedings under which taxpayers seek reduction in the assessed value of property upon which taxes are measured. A reduction in assessed valuation may result in a refund of real property taxes previously paid by the claimant. It is not possible to estimate the amount of refunds, if any; the Village may be required to make for taxes collected through May 31, 2024, which could affect future operating budgets of the Village.

**C. Litigation**

Certain legal actions are pending against the Village and are being handled by the Village's insurance carrier. The Village believes any exposure to the Village outside its insurance protection would not be material.

**D. Service Concession Arrangements**

The Village has a concessionaire agreement with South Country Caters, Inc. to operate the facilities located at the Bellport Country Club. The concessionaire agreement is for 25 years and expires May 31, 2027. South Country Caters, Inc. will pay the Village installment payments over the course of the arrangement. The lease has an interest rate of 2.327%. The present value of these installment payments is estimated to be \$739,638 at May 31, 2024. Total installment payments recognized under this agreement were \$246,676 for the business-type activities for the year ended May 31, 2024.

The Village has a concessionaire agreement with Peter's on the Green to operate the Grill Room located at the Bellport Country Club. The concessionaire agreement is for 10 years and expires December 2027. Peter's on the Green will pay the Village installment payments over the course of the arrangement. The present value of



**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

these installment payments is estimated to be \$57,000 at May 31, 2024. Total installment payments received under this agreement were \$17,000 for the business-type activities for the year ended May 31, 2024.

The Village reports a receivable and deferred inflow of resources in the amount of \$796,638 at May 31, 2024, pursuant to these service concession arrangements. Of the \$796,638 accounts receivable, \$253,138 is presented as a current asset and the remaining amount of \$543,500 is shown as a non-current asset in the Statement of Net Position of the business-type activities.

Future minimum installments to be received under these service concession arrangements are as follows:

<u>Year Ending May 31,</u>	<u>Business-Type Activities</u>
2025	\$ 253,138
2026	265,414
2027	<u>278,086</u>
	<u>\$ 796,638</u>

**E. Grants**

The Village has received grants, which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior audits, the Village's administration believes disallowances, if any, would be immaterial.

**F. Encumbrances**

All encumbrances are classified as restricted and assigned fund balance. At May 31, 2024, the Village encumbered the following funds:

Restricted

Capital Projects Fund

Engineering services	\$ 5,729
Special recreational facilities	<u>91,922</u>
	<u>97,651</u>

Assigned, Unappropriated Fund Balance

General Fund

General government support	66,200
Transportation	7,626
Culture and recreation	12,010
Home and community services	<u>5,400</u>
	<u>91,236</u>

Enterprise Fund

Golf Fund

Golf course	27,926
Pro shop	<u>1,287</u>
	<u>29,213</u>
	<u>\$ 218,100</u>

**INCORPORATED VILLAGE OF BELLPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
(Continued)

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**G. Other Commitments**

In March 2015, the Village entered into an agreement with Parkland Golf Management, Inc. ("Parkland") to maintain and repair the Bellport Golf Club and its curtilage at the Bellport Country Club. Parkland shall be responsible for all appropriate and necessary costs and expenses in connection with the maintenance and repair of the golf course including mowing, aerification, fertilization, interseeding, bunker maintenance, irrigation, pest management, trash and debris removal, tree maintenance and grounds maintenance. The terms of the initial agreement was for the period March 1, 2015 through February 29, 2016 with the option to extend the term for either an additional 5 years or an additional 10 years. In March 2016, the Village extended the agreement an additional 5 years expiring February 2021. In October 2020, the Village extended the agreement an additional 10 years. The annual fee for the first year will be \$901,937 increasing 1% each year through 2031 minus credits each year as agreed upon by the two parties. Total expenses under this agreement were \$922,367 for the year ended May 31, 2024, and are included within the golf course operating expenses of the proprietary fund.

**23. RESTATEMENT**

**A. Change in Accounting Principle**

The May 2023 governmental activities current and other assets and deferred inflows of resources were decreased by \$57,176 as a result of the implementation of GASB No. 94. There was no impact on total net position.

**B. Correction of an Error**

The May 2023 governmental activities current and other assets and deferred inflows of resources were increased by \$588,310 to reflect lease information that was not available at May 31, 2023. The restatement did not impact total net position.

**24. SUBSEQUENT EVENTS**

The Village has evaluated subsequent events through the date of the auditor's report, which is the date the financial statements were available to be issued. No significant events were identified that would require adjustment or disclosure in the financial statements, except for the following:

**Bond Anticipation Notes Payable**

On July 16, 2024, the Village obtained approval to extend the maturity date of the bond anticipation notes from July 22, 2024 to September 5, 2024 at the same interest rate. On September 17, 2024, the Village further extended the maturity date to November 4, 2024. Subsequent to year end, the Village has paid \$614, 040 towards the principal on the BAN.

**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - General Fund**  
For the Year Ended May 31, 2024

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
<b>REVENUES</b>				
Real Property Taxes	\$ 3,181,028	\$ 3,181,028	\$ 3,182,787	\$ 1,759
Other Real Property Tax Items				
Interest and penalties on real property tax items	10,000	10,000	19,766	9,766
Non-Property Tax Items				
Utilities gross receipts tax	60,000	60,000	52,775	(7,225)
Franchise fees	65,000	65,000	70,705	5,705
Total Non-Property Tax Items	125,000	125,000	123,480	(1,520)
Departmental Income				
Treasurer	4,000	4,000	4,250	250
Fire inspection	250	250		(250)
Safety inspection	196,000	196,000	386,214	190,214
Ferry	81,000	81,000	84,482	3,482
Park recreational	86,000	86,000	95,742	9,742
Marina	241,085	241,085	258,541	17,456
Camp	94,000	94,000	91,215	(2,785)
Refuse and garbage	578,173	578,173	580,016	1,843
Total Departmental Income	1,280,508	1,280,508	1,500,460	219,952
Use of Money and Property				
Interest and earnings	10,000	10,000	94,935	84,935
Rental of property	127,650	127,650	141,946	14,296
Total Use of Money & Property	137,650	137,650	236,881	99,231
Licenses and Permits				
License fees	10,000	10,000	3,500	(6,500)
Fines and Forfeitures				
Fines and forfeitures	16,500	16,500	16,580	80
Sales and Compensation for Loss				
Minor sales	27,200	27,200	35,217	8,017
Insurance recoveries	17,000	17,000	12,931	(4,069)
Other compensation for loss			17,414	17,414
Total Minor Sales and Compensation for Loss	44,200	44,200	65,562	21,362
Miscellaneous				
Gifts & donations			3,071	3,071
Other unclassified revenue	26,336	26,336	26,119	(217)
Total Miscellaneous	26,336	26,336	29,190	2,854
State Aid				
Revenue sharing			16,336	16,336
Mortgage tax	65,000	65,000	75,949	10,949
Grants - general	373,098	373,098	(5,767)	(378,865)
Consolidated highway aid	220,000	220,000	123,751	(96,249)
Total State Aid	658,098	658,098	210,269	(447,829)
Federal Aid				
Emergency disaster assistance	50,000	143,944	151,002	7,058
Total Revenues	5,539,320	5,633,264	5,539,477	(93,787)
<b>OTHER FINANCING SOURCES</b>				
Operating transfer in	150,158	150,158	421,741	271,583
Total Revenues and Other Sources	5,689,478	5,783,422	5,961,218	\$ 177,796
<b>APPROPRIATED FUND BALANCE</b>				
Appropriated Reserves		22,440		
Prior Year's Encumbrances	43,053	43,053		
Total Appropriated Fund Balance	43,053	65,493		
Total Revenues, Other Financing Sources, and Appropriated Fund Balance	\$ 5,732,531	\$ 5,848,915		

**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - General Fund (Continued)**  
For the Year Ended May 31, 2024

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
<b>EXPENDITURES</b>					
General Government Support					
Legislative	\$ 21,800	\$ 21,150	\$ 21,150	\$	\$ -
Village Court	17,900	14,623	14,623		-
Executive	9,000	9,000	9,000		-
Auditor	127,000	125,279	41,380	4,500	79,399
Treasurer	202,682	191,053	185,938	3,000	2,115
Assessment	10,000	12,350	12,350		-
Fiscal Agent	20,500	28,705	28,705		-
Clerk	355,916	353,884	374,921		(21,037)
Law	80,000	109,952	109,952		-
Election	3,450	3,450	2,232		1,218
Operation of buildings	287,400	298,924	223,466	58,700	16,758
Unallocated insurance	225,792	208,826	208,827		(1)
Municipal association dues	4,000	4,799	4,799		-
MTA tax	6,500	7,579	7,579		-
Total General Support	1,371,940	1,389,574	1,244,922	66,200	78,452
Public Safety					
Safety inspections	149,308	142,345	141,988		357
Other	197,178	205,386	204,718		668
Total Public Safety	346,486	347,731	346,706	-	1,025
Transportation					
Street maintenance	17,500	12,997	8,815		4,182
CHIPs	220,000	220,000	73,994		146,006
Street lighting	86,000	56,915	48,594	7,626	695
Total Transportation	323,500	289,912	131,403	7,626	150,883
Culture and Recreation					
Parks	4,000	9,246	9,247		(1)
Community Center	215,950	35,939	35,880		59
Special recreation	386,608	469,531	456,131	8,500	4,900
Youth	58,380	58,380	57,442		938
Celebrations	26,500	26,500	17,361	3,510	5,629
Total Culture and Recreation	691,438	599,596	576,061	12,010	11,525
Home and Community Services					
Refuse collection and disposal	555,952	730,552	730,959		(407)
Street cleaning	860,912	815,034	715,121	5,400	94,513
Shade trees	5,000	5,000	3,754		1,246
Senior program	35,000	41,438	37,788		3,650
Total Home and Community Services	1,456,864	1,592,024	1,487,622	5,400	99,002
Employee Benefits					
State retirement	210,000.00	210,000.00	151,700.00	-	58,300
Social security and Medicare	140,000	140,000	137,755		2,245
Workers' compensation	130,000	130,000	108,124		21,876
Unemployment	10,000	10,000	9,980		20
Disability	3,000	3,000	397		2,603
Hospital and medical insurance	662,000	668,633	668,633		-
Other benefits	20,000	20,000	18,825		1,175
Total Employee Benefits	1,175,000	1,181,633	1,095,414	-	86,219

**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - General Fund (Continued)**  
For the Year Ended May 31, 2024

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
<b>EXPENDITURES (Continued)</b>					
Debt Service					
Principal	\$ 245,604	\$ 314,893	\$ 294,179		\$ 20,714
Interest	121,699	133,552	133,439		113
Total Debt Service	<u>367,303</u>	<u>448,445</u>	<u>427,618</u>	<u>-</u>	<u>20,827</u>
 Total Expenditures	 <u>\$ 5,732,531</u>	 <u>\$ 5,848,915</u>	 <u>5,309,746</u>	 <u>\$ 91,236</u>	 <u>\$ 447,933</u>
 Net Change in Fund Balance			651,472		
 Fund Balance - Beginning of Year			<u>1,725,004</u>		
 Fund Balance - End of Year			<u>\$ 2,376,476</u>		

**Note to Required Supplementary Information**

Budget Basis of Accounting

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of the Village's Proportionate Share of the Net Pension Asset/(Liability)**  
Last Ten Fiscal Years

	<i>Employees' Retirement System</i>									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Village's proportion of the net pension asset/(liability)	0.0041986%	0.0042054%	0.0048769%	0.0042865%	0.0040790%	0.0040935%	0.0047682%	0.0047972%	0.0058078%	0.0055426%
Village's proportionate share of the net pension asset/(liability)	\$ (618,206)	\$ (901,804)	\$ 398,665	\$ (4,268)	\$ (1,080,139)	\$ (290,034)	\$ (153,891)	\$ (450,756)	\$ (932,173)	\$ (187,245)
Village's covered payroll	1,489,155	1,536,766	\$ 1,623,342	\$ 1,510,734	\$ 1,454,660	\$ 1,423,769	\$ 1,344,517	\$ 1,378,222	\$ 1,433,003	\$ 1,331,544
Village's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	41.51 %	58.68 %	24.56 %	0.28 %	74.25 %	20.37 %	11.45 %	32.71 %	65.05 %	14.06 %
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%
Discount rate	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%

**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of Village Pension Contributions**  
Last Ten Fiscal Years

	<i>Employees' Retirement System</i>									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 177,069	\$ 159,537	\$ 223,567	\$ 208,131	\$ 192,508	\$ 190,326	\$ 186,375	\$ 195,689	\$ 259,398	\$ 235,571
Contributions in relation to the contractually required contribution	<u>177,069</u>	<u>159,537</u>	<u>223,567</u>	<u>208,131</u>	<u>192,508</u>	<u>190,326</u>	<u>186,375</u>	<u>195,689</u>	<u>259,398</u>	<u>235,571</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	\$ 1,556,195	\$ 1,442,776	\$ 1,469,980	\$ 1,566,184	\$ 1,441,510	\$ 1,492,967	\$ 1,289,887	\$ 1,433,003	\$ 1,331,544	\$ 1,372,905
Contributions as a percentage of covered payroll	11%	11%	15%	13%	13%	13%	14%	14%	19%	17%

**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of Changes in the Village's Total OPEB Liability and Related Ratios**  
Last Six Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability						
Service cost	\$ 194,613	\$ 221,040	\$ 413,949	\$ 408,705	\$ 282,165	\$ 248,491
Interest on total OPEB liability	280,149	255,738	208,289	196,819	243,306	238,334
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	116,712	-	576,296	(259,484)	-
Changes of assumptions or other inputs	(520,442)	(892,981)	(1,423,855)	(543,038)	1,854,865	382,216
Benefit payments	<u>(278,183)</u>	<u>(275,711)</u>	<u>(199,327)</u>	<u>(182,901)</u>	<u>(145,750)</u>	<u>(113,254)</u>
Net change in total OPEB liability	(323,863)	(575,202)	(1,000,944)	455,881	1,975,102	755,787
Total OPEB liability, beginning	<u>7,576,703</u>	<u>8,151,905</u>	<u>9,152,849</u>	<u>8,696,968</u>	<u>6,721,866</u>	<u>5,966,079</u>
Total OPEB liability, ending	<u><u>\$ 7,252,840</u></u>	<u><u>\$ 7,576,703</u></u>	<u><u>\$ 8,151,905</u></u>	<u><u>\$ 9,152,849</u></u>	<u><u>\$ 8,696,968</u></u>	<u><u>\$ 6,721,866</u></u>
Covered employee payroll	\$ 1,212,748	\$ 1,183,169	\$ 1,374,178	\$ 1,340,661	\$ 1,270,884	\$ 1,239,887
Total OPEB liability as a percentage of covered employee payroll	598.05%	640.37%	593.22%	682.71%	684.32%	542.14%
Discount rate	4.13%	3.67%	3.16%	2.20%	2.16%	3.51%
Healthcare trend rates	6.00% to 5.00% by 2026	6.50% to 5.00% by 2026	6.50% to 5.00% by 2024	7.00% to 5.00% by 2024	7.50 to 5.00% by 2024	8.00% to 5.00% by 2024

*An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.*

**Note to Required Supplementary Information**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.



**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
**Budget and Actual - Proprietary Fund - Golf Fund**  
For the Year Ended May 31, 2024

	Original Budget	Final Budget	Actual		Final Budget Variance with Actual
<b>OPERATING REVENUES</b>					
Charges for Services:					
Golf memberships	\$ 1,628,550	\$ 1,628,550	\$ 1,735,558		\$ 107,008
Golf carts	277,000	277,000	350,337		73,337
Golf rental income	277,976	277,976	282,448		4,472
Greens fees	160,000	160,000	233,066		73,066
Golf tournaments	58,000	58,000	86,360		28,360
Pro shop	109,300	109,300	155,883		46,583
Other services	176,775	176,775	220,404		43,629
Total Operating Revenues	\$ 2,687,601	\$ 2,687,601	3,064,056		\$ 376,455
<b>APPROPRIATED FUND BALANCE</b>					
Prior Year's Encumbrances	9,210	9,210			(9,210)
Total Operating Revenues and Appropriated Fund Balance	<u>\$ 2,696,811</u>	<u>\$ 2,696,811</u>	<u>3,064,056</u>		<u>\$ 367,245</u>
				Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
<b>OPERATING EXPENSES</b>					
Golf course	\$ 1,723,830	\$ 1,633,991	1,410,559	\$ 27,926	\$ 195,506
Pro shop	581,802	565,840	504,721	1,287	59,832
Depreciation		55,000	240,546		(185,546)
Employee benefits	216,950	230,451	194,517		35,934
Gain on disposal of assets			(46,220)		46,220
Total Operating Expenses	<u>2,522,582</u>	<u>2,485,282</u>	<u>2,304,123</u>	<u>29,213</u>	<u>151,946</u>
<b>NON-OPERATING REVENUES AND (EXPENSES)</b>					
Debt service, principal	(17,629)				-
Debt service, interest	(6,442)	(6,371)	(14,887)		8,516
Operating transfers out	<u>(150,158)</u>	<u>(150,158)</u>	<u>(150,158)</u>		-
Total Non-operating Expenses	<u>(174,229)</u>	<u>(156,529)</u>	<u>(165,045)</u>	<u>-</u>	<u>8,516</u>
Change in net position	<u>\$ -</u>	<u>\$ 55,000</u>	594,888	<u>\$ 29,213</u>	<u>\$ 223,815</u>
Total Net Position - Beginning of Year			<u>436,385</u>		
Total Net Position - End of Year			<u>\$ 1,031,273</u>		

**INCORPORATED VILLAGE OF BELLPORT**  
**Schedule of Project Expenditures and Financing Resources - Capital Projects Fund**  
May 31, 2024

PROJECT TITLE			Expenditures			Unexpended Balance	Methods of Financing				Fund Balance
	Budget May 31, 2023	Budget May 31, 2024	Prior Years	Current Year	Total		Proceeds of Debt	Federal & State Aid	Local Sources	Total	May 31, 2024
Main pier bulkhead replacement - FEMA	\$ 3,100,793	\$ 3,100,793	\$ 3,022,347	\$ 315	\$ 3,022,662	\$ 78,131	\$ 299,600	\$ 2,433,583	\$ 367,610	\$ 3,100,793	\$ 78,131
Main "Rock" dock project	500,000	500,000	398,757		398,757	101,243	500,000			500,000	101,243
Brown's Lane bulkhead, related road work	500,000	500,000	309,666	63,714	373,380	126,620	500,000			500,000	126,620
HUD Ho Hum/Marina Basin		4,424,000		27,078	27,078	4,396,922	1,624,000	2,800,000		4,424,000	4,396,922
Financed equipment purchases		442,715		442,715	442,715	-	442,715			442,715	-
Totals	<u>\$ 4,100,793</u>	<u>\$ 8,967,508</u>	<u>\$ 3,730,770</u>	<u>\$ 533,822</u>	<u>\$ 4,264,592</u>	<u>\$ 4,702,916</u>	<u>\$ 3,366,315</u>	<u>\$ 5,233,583</u>	<u>\$ 367,610</u>	<u>\$ 8,967,508</u>	4,702,916
							Less:	Federal and state aid revenues not yet realized			(3,453,781)
								Proceeds of debt not yet realized			(1,624,000)
								Local sources not yet realized			(367,610)
								Transfer to the general fund			(101,243)
											<u>\$ (843,718)</u>

