



Village of
BELLPORT

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
WITH INDEPENDENT AUDITOR'S REPORT

May 31, 2025

INCORPORATED VILLAGE OF BELLPORT
TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Required Supplementary Information	
Management's Discussion and Analysis (MD&A)	4
Financial Statements:	
Statement of Net Position	19
Statement of Activities	20
Balance Sheet – Governmental Funds	21
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position	22
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	23
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-wide Statement of Activities	24
Statement of Net Position – Proprietary Fund – Golf Fund	25
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Fund – Golf Fund	26
Statement of Cash Flows – Proprietary Fund – Golf Fund	27
Notes to Financial Statements	28
Required Supplementary Information Other than MD&A	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	60
Schedule of the Village's Proportionate Share of the Net Pension Asset/(Liability)	63
Schedule of Village Pension Contributions	64
Schedule of Changes in the Village's Total OPEB Liability and Related Ratios	65
Other Information	
Schedule of Revenues, Expenses, and Changes in Net Position – Budget and Actual – Proprietary Fund – Golf Fund	66
Schedule of Project Expenditures and Financing Resources – Capital Projects Fund	67



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 ("the Village") as of and for the year ended May 31, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the financial statements, "Change in Accounting Principle" Note, the Village has adopted the provisions of GASB Statement No. 101, *Compensated Absences*, as of June 30, 2025. Our opinion is not modified with respect to this new accounting principle.

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 18 and 60 through 65, 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 66 through 67 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

Port Jefferson Station, New York

November 24, 2025

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

The Incorporated Village of Bellport’s (“the Village”) discussion and analysis of financial performance provides an overall review of the Village’s financial activities for the fiscal year ended May 31, 2025 in comparison with the year ended May 31, 2024, 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 2025, are as follows:

- The Village’s total net position for its governmental activities, as reflected in the government-wide financial statements, increased by \$933,398. This was due to an excess of revenues over expenses based on the economic resources measurement focus and the accrual basis of accounting. The resulting total net position at May 31, 2025, was \$4,549,635.
- For the fiscal year ended May 31, 2025, the Village implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The implementation of this statement resulted in compensated absences increasing and total net position decreasing by \$81,984 in governmental activities, and by \$97,664 in business-type activities (golf fund).
- The Village’s total net position for its business-type activities (golf fund), as reflected in the government-wide financial statements, increased by \$501,129. This was due to an excess of revenues over expenses, based on the economic resources measurement focus and the accrual basis of accounting. The resulting total net position at May 31, 2025, was \$1,434,738.
- The general fund’s total fund balance, as reflected in the fund financial statements, decreased by \$1,114,874. This was due to an excess of expenditures and other financing uses over revenues and other financing sources based on the current financial resources measurement focus and the modified accrual basis of accounting. The resulting fund balance at May 31, 2025, was \$1,261,602.
- The Village’s 2024-2025 property tax levy of \$3,427,432 was a 7.75% increase over the 2023-2024 tax levy. The Village’s property tax cap was 3.01%. The Village’s 7.75% increase was approved by the Board of Trustees (“the Board”) in an override vote as required 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 (RSI), 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)



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 (governmental activities) 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, debt service, and depreciation. The business-type activities of the Village are related to the golf course operation.

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

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.

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, subscription 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.

The Village adopts an annual budget for the general fund. A budgetary comparison statement has been provided for the general fund within the RSI to demonstrate compliance with the budget.

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.

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

3. FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

A. Net Position

The Village's total governmental activities net position increased \$933,398 and the business-type activities net position increased by \$501,129, between fiscal years 2025 and 2024. In addition, due to a change in accounting principle, an additional decrease of \$81,984 in governmental activities, and an additional decrease of \$97,664 in business-type activities is reflected in the ending net position. The impact of the change in accounting principle was not required to be restated in the MD&A. 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:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	\$ 4,225,563	\$ 5,512,013	\$ 4,426,348	\$ 4,357,762	\$ 8,651,911	\$ 9,869,775
Capital Assets, Net	10,659,920	10,319,432	2,649,334	2,745,682	13,309,254	13,065,114
Total Assets	14,885,483	15,831,445	7,075,682	7,103,444	21,961,165	22,934,889
Deferred Outflows of Resources						
	670,822	1,060,493	357,672	477,939	1,028,494	1,538,432
Liabilities						
Current and Other Liabilities	354,287	2,187,878	1,581,761	1,859,686	1,936,048	4,047,564
Long-Term Liabilities	2,279,893	2,354,852	1,091,615	973,517	3,371,508	3,328,369
Total OPEB Liability	4,671,335	5,243,668	2,064,966	2,009,172	6,736,301	7,252,840
Net Pension Liability - Proportionate Share	587,536	520,571	143,445	97,635	730,981	618,206
Total Liabilities	7,893,051	10,306,969	4,881,787	4,940,010	12,774,838	15,246,979
Deferred Inflows of Resources						
	3,113,619	2,886,748	1,116,829	1,610,100	4,230,448	4,496,848
Net Position						
Net Investment in Capital Assets	8,610,866	6,673,473	1,751,741	1,849,742	10,362,607	8,523,215
Restricted	214,542	259,635	-	-	214,542	259,635
Unrestricted (deficit)	(4,275,773)	(3,234,887)	(317,003)	(818,469)	(4,592,776)	(4,053,356)
Total Net Position	\$ 4,549,635	\$ 3,698,221	\$ 1,434,738	\$ 1,031,273	\$ 5,984,373	\$ 4,729,494

Discussions on changes in the totals for each classification, are as follows:

The decrease in current and other assets is mainly due to decreases in cash, amounts due from state and federal, and accounts receivable (business-type activities), offset by an increase in leases receivable.

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

The increase in capital assets, net is due to capital assets additions in excess of depreciation/amortization expense. The "Capital Assets" Note 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 decrease in current and other liabilities is primarily due to the repayment of the bond anticipation notes payable, and a decrease in accounts payable.

The increase in long-term liabilities is due to the issuance of newly financed equipment purchases (installment debt), lease liabilities, subscription liability, and an increase in compensated absences which is offset by the repayment of the current maturity of the long-term indebtedness. In addition, the long-term liabilities reflect a \$179,648 increase in the compensated absences liability as of June 1, 2024, as a result of the implementation of GASB Statement No 101, *Compensated Absences*.

Total OPEB liability decreased based on the actuarial valuation of the plan. The "Postemployment Healthcare Benefits" Note provides additional information.

Net pension liability – proportionate share represents the District's share of the New York State and Local Employees' Retirement System's (ERS) net pension liability at the measurement date. The net change in the net pension liability – proportionate share is the result of an increase in the proportionate share for the ERS, which was due to the net result of several factors, including increases in benefits earned by active employees, cost-of-living adjustments, and an increase in the number of retirees, resulting in larger benefit payments. The "Pension Plans – New York State" Note 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 decreased from the prior year due to the use of reserves for capital projects, offset by transfers into the reserves.

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. The unrestricted (deficit) amount also reflects a decrease of \$179,648 as of June 1, 2024, as a result of the change in the compensated absences liability due to the implementation of GASB Statement No. 101.

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

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, 2025 and 2024, is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services, Fees, Permits & Fines	\$ 1,647,295	\$ 1,520,540	\$ 3,224,187	\$ 3,064,056	\$ 4,871,482	\$ 4,584,596
Capital Grants	861,823	245,410	-	-	861,823	245,410
General Revenues						
Property Taxes	3,432,265	3,182,787	-	-	3,432,265	3,182,787
State Sources	93,760	92,285	-	-	93,760	92,285
Other	512,281	474,879	63,889	-	576,170	474,879
Total Revenues	<u>6,547,424</u>	<u>5,515,901</u>	<u>3,288,076</u>	<u>3,064,056</u>	<u>9,835,500</u>	<u>8,579,957</u>
Expenses						
General Government Support	1,606,201	1,552,429			1,606,201	\$ 1,552,429
Public Safety	636,269	543,512	-	-	636,269	543,512
Transportation	65,069	58,256	-	-	65,069	58,256
Culture & Recreation	734,406	751,369	-	-	734,406	751,369
Home & Community Services	1,746,166	1,799,521	-	-	1,746,166	1,799,521
Debt Service - Interest	81,843	121,842	-	-	81,843	121,842
Depreciation - Unallocated	744,072	608,331	-	-	744,072	608,331
Golf Course			2,786,947	2,319,010	2,786,947	2,319,010
Total Expenses	<u>5,614,026</u>	<u>5,435,260</u>	<u>2,786,947</u>	<u>2,319,010</u>	<u>8,400,973</u>	<u>7,754,270</u>
Changes in Net Position						
Before Operating Transfers	933,398	80,641	501,129	745,046	1,434,527	825,687
Operating Transfers	-	150,158	-	(150,158)	-	-
Total Changes in Net Position	<u>\$ 933,398</u>	<u>\$ 230,799</u>	<u>\$ 501,129</u>	<u>\$ 594,888</u>	<u>\$ 1,434,527</u>	<u>\$ 825,687</u>
Net Position - Beginning of Year, as Previously Reported	\$ 3,698,221		\$ 1,031,273		\$ 4,729,494	
Change in Accounting Principle	<u>(81,984)</u>		<u>(97,664)</u>		<u>(179,648)</u>	
Net Position - Beginning of Year, as Restated	<u>3,616,237</u>		<u>933,609</u>		<u>4,549,846</u>	
Net Position - End of Year	<u>\$ 4,549,635</u>		<u>\$ 1,434,738</u>		<u>\$ 5,984,373</u>	

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

Governmental Activities

The Village's governmental activities net position increased by \$933,398 before change in accounting principle and \$230,799, for the years ended May 31, 2025 and 2024, respectively.

The governmental activities' 2025 revenues increased by \$1,031,523 or 18.70% compared to fiscal 2024, primarily due to the following changes:

- In the current year, capital grants included revenues from New York State's Consolidated Local Street and Highway Improvement Program (CHIPS), a grant from the Dormitory Authority of the State of New York (DASNY) for the purchase of a public safety truck, PSEG solar rebates, and grants related to the Ho Hum/Marina Basin capital project. However, the Village did not recognize similar revenue in the prior year.
- Real property taxes were increased to fund increases in appropriations in the 2024-2025 budget.

The governmental activities expenses for the year increased by \$178,766 or 3.29% compared to the fiscal 2024, mainly due to the following changes:

- Depreciation – unallocated increased as the current year included a loss on disposal of \$117,210 compared to \$1,551 in the prior year, as a result of the removal of various vehicles and equipment.

Business-Type Activities

The business-type activities net position increased by \$501,129 before change in accounting principle and \$594,888 for the years ended May 31, 2025 and 2024, respectively.

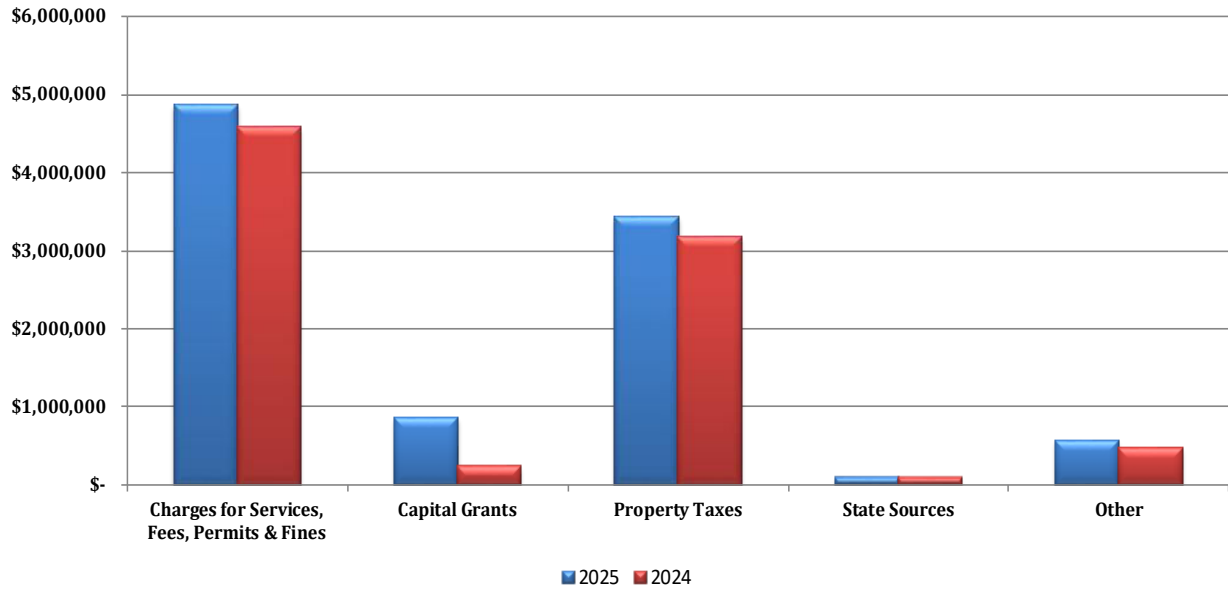
The business-type activities' 2025 revenues increased by \$224,020 or 7.31% compared to the fiscal year 2024. This increase was primarily due to an increase in golf memberships, as a result of new members, initiation fees, and greens fees.

The business-type activities' 2025 expenses increased by \$467,937 or 20.18% compared to fiscal year 2024. This increase is due to increases in the Pro Shop operating costs and employee benefits 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., 84.4% and 90.5% of the total for the years 2025 and 2024, respectively). Home and community services and the golf course are the largest categories of expenses incurred (i.e., 53.9% and 53.1% of the total for the years 2025 and 2024, respectively).

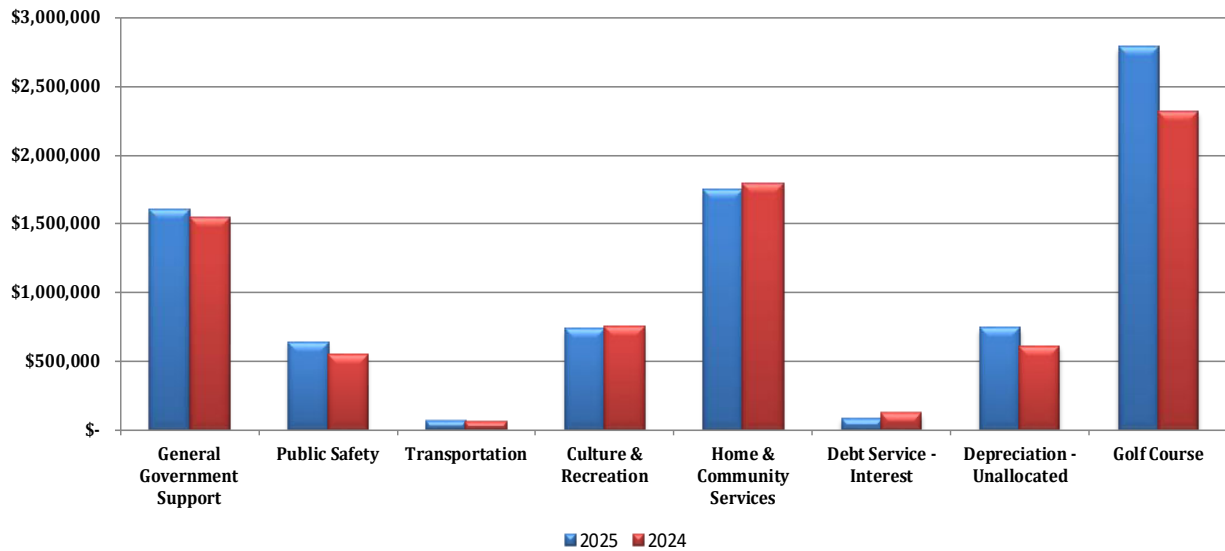
INCORPORATED VILLAGE OF BELLPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

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



	Charges for Services, Fees, Permits & Fines	Capital Grants	Property Taxes	State Sources	Other
2025	49.5%	8.8%	34.9%	1.0%	5.8%
2024	53.4%	2.9%	37.1%	1.1%	5.5%

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



	General Government Support	Public Safety	Transportation	Culture & Recreation	Home & Community Services	Debt Service - Interest	Depreciation - Unallocated	Golf Course
2025	19.1%	7.6%	0.8%	8.7%	20.7%	1.0%	8.9%	33.2%
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, 2025, the Village's governmental funds reported a combined fund balance of \$1,768,948, which is an increase of \$236,190 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:

	<u>2025</u>	<u>2024</u>	<u>Increase (Decrease)</u>	<u>Percentage</u>
General Fund				
Nonspendable: Prepaids	\$ 60,717	\$ 58,278	\$ 2,439	4.19 %
Restricted: Debt service	214,542	167,713	46,829	27.92 %
Assigned:				
Appropriated fund balance	-	40,000	(40,000)	(100.00)%
Unappropriated:				
Repair of docks	33,690	33,690	-	0.00 %
Employee liability	40,000	-	40,000	N/A
Senior program	926	666	260	39.04 %
Tennis court repairs	30,000	30,000	-	0.00 %
Encumbrances	39,690	91,236	(51,546)	(56.50)%
Unassigned: Fund balance	<u>842,037</u>	<u>1,954,893</u>	<u>(1,112,856)</u>	(56.93)%
Total General Fund	<u>1,261,602</u>	<u>2,376,476</u>	<u>(1,114,874)</u>	(46.91)%
Capital Projects Fund				
Restricted:				
Capital	-	91,922	(91,922)	(100.00)%
Unspent debt proceeds	-	126,620	(126,620)	(100.00)%
Assigned:				
Unappropriated:				
Other Purpose	507,346	-	507,346	N/A
Unassigned: Fund balance (deficit)	<u>-</u>	<u>(1,062,260)</u>	<u>1,062,260</u>	100.00 %
Total Capital Projects Fund	<u>507,346</u>	<u>(843,718)</u>	<u>1,351,064</u>	(160.13)%
Total Fund Balance	<u>\$ 1,768,948</u>	<u>\$ 1,532,758</u>	<u>\$ 236,190</u>	15.41 %

A. General Fund

The net change in the general fund – fund balance is a decrease of \$1,114,874, compared to a net increase of \$651,472 in 2024. This resulted from expenditures and other financing uses in excess of revenues and other financing sources.

The following is a summary of the major changes that resulted in revenues and other financing sources increasing by \$240,221 or 4.03% compared to the prior year:

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

	2025	2024	Increase (Decrease)	Percentage Change
Real Property Taxes	\$ 3,423,748	\$ 3,182,787	\$ 240,961	7.57 %
Other Tax Items	26,918	19,766	7,152	36.18 %
Nonproperty Taxes	123,673	123,480	193	0.16 %
Other Local Revenue	1,966,818	1,852,173	114,645	6.19 %
State Sources	523,870	210,269	313,601	149.14 %
Federal Sources	86,817	151,002	(64,185)	(42.51)%
Other Financing Sources	49,595	421,741	(372,146)	(88.24)%
	<u>\$ 6,201,439</u>	<u>\$ 5,961,218</u>	<u>\$ 240,221</u>	4.03 %

- State sources increased as the Village received revenue from New York State's CHIPS in the current year, along with revenue from a grant from the DASNY to purchase a public safety truck.
- Real property taxes were increased to fund increases in appropriations in the 2024-2025 budget.
- Other local revenue increased primarily as a result of higher department incomes and interest earnings in the current fiscal year.
- Other financing sources decreased as, in the prior year, the Village transferred from the capital projects fund amounts 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 the current year, the Village transferred \$49,595 from capital projects fund residual funds back to general fund related to Brown's Lane project and computer equipment projects.

The following is a summary of the major changes that resulted in expenditures and other financing uses increasing by \$2,006,567 or 37.79% compared to the prior year:

	2025	2024	Increase (Decrease)	Percentage Change
General Support	\$ 1,374,847	\$ 1,244,922	\$ 129,925	10.44 %
Public Safety	424,463	346,706	77,757	22.43 %
Transportation	412,334	131,403	280,931	213.79 %
Culture and Recreation	610,116	576,061	34,055	5.91 %
Home and Community Services	1,310,293	1,487,622	(177,329)	(11.92)%
Employee Benefits	1,131,578	1,095,414	36,164	3.30 %
Debt Service	361,534	427,618	(66,084)	(15.45)%
Other Financing Uses	1,691,148	-	1,691,148	N/A
	<u>\$ 7,316,313</u>	<u>\$ 5,309,746</u>	<u>\$ 2,006,567</u>	37.79 %

- Other financing uses increased as the Village transferred funds to the capital projects fund for the repayment of the bond anticipation notes in the current year. The Village did not make a similar transfer in the current year.
- Transportation increased due to a new paving project in the current year.
- Home and community services decreased as the Village purchased a sanitation truck in the prior year, and no such purchase was made in the current year.

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

B. Capital Projects Fund

The capital projects fund – fund balance net increase is primarily the result of general fund budgeted transfers exceeding capital expenditures.

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 \$501,129, compared to a \$594,888 increase in 2024, as revenues of \$3,288,076 exceeded expenses of \$2,786,947.

Operating revenues increased by \$160,131 or 5.23% over the prior fiscal year. The increases were primarily in golf memberships, initiation fees, and greens fees. Operating expenses increased by \$445,610 or 19.34% over the prior fiscal year. This is due to an increase in the Pro Shop operating costs, employee benefits costs, and depreciation expense.

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2024-2025 Budget

The Village's general fund adopted budget for the year ended May 31, 2025, was \$6,023,196. This amount was increased by encumbrances carried forward from the prior year in the amount of \$91,236 and budget revisions in the amount of \$1,768,926 for a total final budget of \$7,883,358.

The final budget was funded through estimated revenues and appropriated fund balance. The majority of this funding source was \$3,427,432 in estimated real property taxes, \$1,381,791 in departmental income, and \$1,768,926 in transfers from fund balance.

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 and other financing uses, net of transfers to reserves, appropriations to fund the subsequent year's budget, amounts assigned for repair of docks, employee liability, senior program, 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	\$ 1,954,893
Fund Balance Appropriated for Budget Revision	(1,768,926)
Revenues and Other Financing Sources Over Budget	178,243
Expenditures and Encumbrances Under Budget	527,355
Change in Nonspendable Fund Balance	(2,439)
Allocation to Reserves	(46,829)
Change in Assigned Fund Balance	(260)
Closing, Unassigned Fund Balance	<u>\$ 842,037</u>

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

Opening, Unassigned Fund Balance

The \$1,954,893 shown in the table is the portion of the Village's May 31, 2024 fund balance that was retained as unassigned.

Fund Balance Appropriated for Budget Revision

The Village increased appropriations by \$1,768,926, which was funded by unassigned fund balances. The increase was needed to fund the repayment of the BANs and contingent expenditures, which decreases the unassigned portion of the general fund's fund balance.

Revenues and Other Financing Sources Over Budget

The 2024-2025 final budget for revenues and other financing sources was \$6,023,196. Actual revenues and other financing sources recognized for the year were \$6,201,439. The excess of actual revenues and other financing sources over estimated or budgeted revenues and other financing sources was \$178,243, which contributes directly to the change to the general fund unassigned fund balance from May 31, 2024 to May 31, 2025. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Expenditures, Other Financing Uses, and Encumbrances Under Budget

The 2024-2025 final budget for expenditures, other financing uses, and encumbrances under budget including prior year open encumbrances as of May 31, 2024 and budget revisions was \$7,883,358. Actual expenditures, other financing uses, and encumbrances under budget were \$7,316,313 and outstanding encumbrances were \$39,690. Combined, the expenditures, other financing uses, and encumbrances under budget plus encumbrances for 2024-2025 were \$7,356,003. The final budget was under expended by \$527,355, which contributes directly to the change to the general fund unassigned fund balance from May 31, 2024 to May 31, 2025. 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 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 \$260 of its available May 31, 2025, fund balance for the senior program. As such, the unassigned portion of the May 31, 2025, fund balance must be reduced by this amount.

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

Closing, Unassigned Fund Balance

Based upon the summary of changes shown on the previous table, the unassigned fund balance at May 31, 2025 was \$842,037.

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

A. Capital Assets

At May 31, 2025, 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 \$1,084,560 in excess of depreciation/amortization expense of \$626,862 and loss on disposal of \$117,210. The net decrease in business-type activities capital assets is due to depreciation/amortization expense of \$327,943 in excess of capital additions of \$231,595 recorded for the year ended May 31, 2025. A summary of the Village's capital assets, net of accumulated depreciation/amortization at May 31, 2025 and 2024, is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<u>Capital assets not being depreciated</u>						
Land	\$ 164,278	\$ 164,278	\$ 18,300	\$ 18,300	\$ 182,578	\$ 182,578
Construction work in progress	254,481	58,440	8,625	-	263,106	58,440
<u>Capital assets being depreciated</u>						
Buildings	2,412,304	2,565,702	839,167	871,272	3,251,471	3,436,974
Building and land improvements	652,561	705,011	262,903	295,634	915,464	1,000,645
Infrastructure	5,780,684	5,602,609	374,062	394,175	6,154,746	5,996,784
Machinery and equipment	1,355,327	1,223,392	397,272	437,967	1,752,599	1,661,359
Leased equipment	-	-	749,005	728,334	749,005	728,334
Subscription assets	40,285	-	-	-	40,285	-
	<u>\$ 10,659,920</u>	<u>\$ 10,319,432</u>	<u>\$ 2,649,334</u>	<u>\$ 2,745,682</u>	<u>\$ 13,309,254</u>	<u>\$ 13,065,114</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 31st is summarized, as follows:

Maturity	Interest Rate	Governmental Activities		Business-Type Activities		Total	
		2025	2024	2025	2024	2025	2024
Bonds							
2032	2.19%	\$ 103,093	\$ 117,526	\$ -	\$ -	\$ 103,093	\$ 117,526
2037	2.00%	1,565,000	1,670,000	-	-	1,565,000	1,670,000
2032	2.19%	-	-	146,907	167,474	146,907	167,474
		<u>\$1,668,093</u>	<u>\$1,787,526</u>	<u>\$ 146,907</u>	<u>\$ 167,474</u>	<u>\$1,815,000</u>	<u>\$1,955,000</u>

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

Maturity	Interest Rate	Governmental Activities		Business-Type Activities		Total	
		2025	2024	2025	2024	2025	2024
Installment Purchase Debt							
2025	2.45%	\$ -	\$ 46,690	\$ -	\$ -	\$ -	\$ 46,690
2027	2.00%	17,032	26,738	-	-	17,032	26,738
2027	5.35%	219,550	285,434	-	-	219,550	285,434
2029	4.45%	25,222	30,386	-	-	25,222	30,386
2024	0.00%	-	-	-	26,252	-	26,252
		<u>\$ 261,804</u>	<u>\$ 389,248</u>	<u>\$ -</u>	<u>\$ 26,252</u>	<u>\$ 261,804</u>	<u>\$ 415,500</u>
Lease Liabilities							
2027	2.33%	\$ -	\$ -	\$ 31,215	\$ 46,958	\$ 31,215	\$ 46,958
2027	2.79%	-	-	96,472	135,939	96,472	135,939
2029	6.42%	-	-	334,018	384,296	334,018	384,296
2029	2.31%	-	-	71,142	89,095	71,142	89,095
2028	2.35%	-	-	34,340	45,925	34,340	45,925
2028	3.07%	-	-	35,189	-	35,189	-
2028	2.37%	-	-	148,310	-	148,310	-
		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 750,686</u>	<u>\$ 702,213</u>	<u>\$ 750,686</u>	<u>\$ 702,213</u>
Subscription Liabilities							
2029	2.64%	<u>\$ 40,356</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,356</u>	<u>\$ -</u>

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. The compensated absences liability, at May 31, 2025, includes the effect of the implementation of GASB Statement No. 101. A summary of the outstanding other long-term liabilities at May 31, 2025 and 2024, is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Compensated absences payable	\$ 269,772	\$ 132,132	\$ 194,022	\$ 77,578	\$ 463,794	\$ 209,710
Total OPEB liability	4,671,335	5,243,668	2,064,966	2,009,172	6,736,301	7,252,840
Net pension liability - proportionate share	587,536	520,571	143,445	97,635	730,981	618,206
	<u>\$5,528,643</u>	<u>\$5,896,371</u>	<u>\$2,402,433</u>	<u>\$2,184,385</u>	<u>\$7,931,076</u>	<u>\$ 8,080,756</u>

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

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

A. Subsequent Year's Budget

The Board, on April 28, 2025, approved a \$6,139,256 general fund budget for the year ending May 31, 2026, which is an increase of \$76,060 or 1.25% over the previous year's budget. The Village estimated revenues other than property taxes at a \$160,577 decrease from the prior year's estimate. The property tax levy of \$3,704,069 increased \$276,637 or 8.07% over the 2024-2025 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.

C. Tax Cap

New York law limits the annual increase in the property tax levy of local governments to the lesser of 2% or the rate of inflation plus additional statutory adjustments to the tax levy limit. Local governments may override the tax levy limit (tax cap) 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 cap for 2025-2026 is 4.01%. The Village's increase of 8.07% in the 2025-2026 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, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current			
Cash and cash equivalents			
Unrestricted	\$ 1,657,435	\$ 3,355,387	\$ 5,012,822
Restricted	214,542		214,542
Receivables			
Accounts receivable	71,454	442,491	513,945
Accounts receivable - service concession arrangement		265,414	265,414
Taxes receivable	12,268		12,268
Due from state and federal	941,092		941,092
Leases receivable	144,626		144,626
Prepays	60,717	22,636	83,353
Inventory		62,334	62,334
Non-current			
Receivables			
Accounts receivable, service concession arrangement, net of current portion		278,086	278,086
Leases receivable, net of current portion	1,123,429		1,123,429
Capital assets			
Not being depreciated	418,759	26,925	445,684
Being depreciated, net of accumulated depreciation/amortization	10,241,161	2,622,409	12,863,570
Total Assets	<u>14,885,483</u>	<u>7,075,682</u>	<u>21,961,165</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension	276,767	67,572	344,339
Other postemployment benefits	394,055	290,100	684,155
Total Deferred Outflows of Resources	<u>670,822</u>	<u>357,672</u>	<u>1,028,494</u>
LIABILITIES			
Payables			
Accounts payable	159,417	30,367	189,784
Accrued liabilities	94,283	18,217	112,500
Internal balances	(20,945)	20,945	-
Due to other governments	441	15,734	16,175
Due to employees' retirement system	31,531	7,698	39,229
Other liabilities	1,421		1,421
Unearned credits			
Collections in advance	88,139	1,488,800	1,576,939
Long-term liabilities			
Due and payable within one year			
Bonds payable, net	125,118	20,567	145,685
Installment purchase debt payable	84,892		84,892
Lease liabilities		191,305	191,305
Subscription liabilities	9,236		9,236
Total other postemployment benefits liability	283,730	75,122	358,852
Due and payable after one year			
Bonds payable, net	1,582,843	126,340	1,709,183
Installment purchase debt payable	176,912		176,912
Lease liabilities		559,381	559,381
Subscription liabilities	31,120		31,120
Compensated absences payable	269,772	194,022	463,794
Total other postemployment benefits liability	4,387,605	1,989,844	6,377,449
Net pension liability - proportionate share	587,536	143,445	730,981
Total Liabilities	<u>7,893,051</u>	<u>4,881,787</u>	<u>12,774,838</u>
DEFERRED INFLOWS OF RESOURCES			
Service concession arrangement		543,500	543,500
Leases	1,268,055		1,268,055
Pension	18,776	4,583	23,359
Other postemployment benefits	1,826,788	568,746	2,395,534
Total Deferred Inflows of Resources	<u>3,113,619</u>	<u>1,116,829</u>	<u>4,230,448</u>
NET POSITION			
Net investment in capital assets	8,610,866	1,751,741	10,362,607
Restricted: Debt	214,542		214,542
Unrestricted (Deficit)	(4,275,773)	(317,003)	(4,592,776)
Total Net Position	<u>\$ 4,549,635</u>	<u>\$ 1,434,738</u>	<u>\$ 5,984,373</u>

INCORPORATED VILLAGE OF BELLPORT
Statement of Activities
For the Year Ended May 31, 2025

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services, Fees, Permits & Fines	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS						
Governmental Activities						
General government support	\$ 1,606,201	\$ 13,250	\$	\$ (1,592,951)	\$	\$ (1,592,951)
Public safety	636,269	437,759		(198,510)		(198,510)
Transportation	65,069		413,571	348,502		348,502
Culture and recreation	734,406	578,360	448,252	292,206		292,206
Home and community services	1,746,166	617,926		(1,128,240)		(1,128,240)
Debt service - interest	81,843			(81,843)		(81,843)
Depreciation/amortization and (gain)/loss on disposal - unallocated	744,072			(744,072)		(744,072)
Total Functions and Programs	\$ 5,614,026	\$ 1,647,295	\$ 861,823	(3,104,908)	-	(3,104,908)
Business-Type Activities						
Golf course	\$ 2,786,947	\$ 3,224,187	\$	-	437,240	437,240
GENERAL REVENUES						
Real property taxes				3,432,265		3,432,265
Other real property tax items				26,918		26,918
Nonproperty taxes				123,673		123,673
Use of money and property				286,910	63,889	350,799
Minor sales and compensation for loss				54,551		54,551
Miscellaneous				20,229		20,229
State sources - unrestricted				93,760		93,760
Total General Revenues				4,038,306	63,889	4,102,195
Change in Net Position				933,398	501,129	1,434,527
Total Net Position - Beginning of Year, as Previously Reported				3,698,221	1,031,273	4,729,494
Change in Accounting Principle				(81,984)	(97,664)	(179,648)
Total Net Position - Beginning of Year, as Restated				3,616,237	933,609	4,549,846
Total Net Position - End of Year				\$ 4,549,635	\$ 1,434,738	\$ 5,984,373

INCORPORATED VILLAGE OF BELLPORT
Balance Sheet - Governmental Funds
May 31, 2025

	General	Capital Projects	Total Governmental Funds
ASSETS			
Cash and cash equivalents			
Unrestricted	\$ 1,317,979	\$ 339,456	\$ 1,657,435
Restricted	214,542		214,542
Receivables			
Accounts receivable	71,454		71,454
Taxes receivable	12,268		12,268
Due from other funds	194,134	302,791	496,925
Due from state and federal	35,964	905,128	941,092
Leases receivable	144,626		144,626
Leases receivable, non-current	1,123,429		1,123,429
Prepays	60,717		60,717
	\$ 3,175,113	\$ 1,547,375	\$ 4,722,488
LIABILITIES			
Payables			
Accounts payable	\$ 120,484	\$ 38,933	\$ 159,417
Accrued liabilities	92,132		92,132
Due to other funds	302,791	173,189	475,980
Due to other governments	441		441
Due to employees' retirement system	31,531		31,531
Other liabilities	1,421		1,421
Unearned credits			
Collections in advance	88,139		88,139
	636,939	212,122	849,061
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues	8,517	827,907	836,424
Deferred leases	1,268,055		1,268,055
	1,276,572	827,907	2,104,479
FUND BALANCES			
Nonspendable: Prepays	60,717		60,717
Restricted: Debt	214,542		214,542
Assigned:			
Unappropriated fund balance			
Repair of docks	33,690		33,690
Employee liability	40,000		40,000
Senior program	926		926
Tennis court repairs	30,000		30,000
Capital		507,346	507,346
Other purposes	39,690		39,690
Unassigned: Fund balance	842,037		842,037
	1,261,602	507,346	1,768,948
	\$ 3,175,113	\$ 1,547,375	\$ 4,722,488

INCORPORATED VILLAGE OF BELLPORT
Reconciliation of the Governmental Funds Balance Sheet
to the Government-wide Statement of Net Position
May 31, 2025

Total Governmental Fund Balances		\$ 1,768,948
Amounts reported for governmental activities in the Statement of Net Position are different because:		
<p>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.</p>		
Original cost or present value of capital and intangible assets	\$ 19,461,452	
Less: Accumulated depreciation/amortization	<u>(8,801,532)</u>	10,659,920
<p>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.</p>		
Deferred outflows of resources	276,767	
Net pension liability - employees' retirement system	(587,536)	
Deferred inflows of resources	<u>(18,776)</u>	(329,545)
<p>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.</p>		
Deferred outflows of resources	394,055	
Total other postemployment benefits liability	(4,671,335)	
Deferred inflows of resources	<u>(1,826,788)</u>	(6,104,068)
<p>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.</p>		
		836,424
<p>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:</p>		
Accrued interest on debt	(2,151)	
Bonds payable, net	(1,707,961)	
Installment purchase debt payable	(261,804)	
Subscription liabilities	(40,356)	
Compensated absences payable	<u>(269,772)</u>	(2,282,044)
Total Government-wide Net Position		<u><u>\$ 4,549,635</u></u>

INCORPORATED VILLAGE OF BELLPORT
Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
For the Year Ended May 31, 2025

	General	Capital Projects	Total Governmental Funds
REVENUES			
Real property taxes	\$ 3,423,748	\$	\$ 3,423,748
Other real property tax items	26,918		26,918
Nonproperty taxes	123,673		123,673
Departmental income	1,587,818		1,587,818
Use of money and property	286,910		286,910
Licenses and permits	5,100		5,100
Fines and forfeitures	12,210		12,210
Minor sales and compensation for loss	54,551		54,551
Miscellaneous	20,229	150,000	170,229
State aid	523,870		523,870
Federal aid	86,817	91,796	178,613
	<u>6,151,844</u>	<u>241,796</u>	<u>6,393,640</u>
Total Revenues			
EXPENDITURES			
General support	1,374,847	72,931	1,447,778
Public safety	424,463		424,463
Transportation	412,334		412,334
Culture and recreation	610,116	509,710	1,119,826
Home and community services	1,310,293		1,310,293
Employee benefits	1,131,578		1,131,578
Debt service			
Principal	256,877		256,877
Interest	104,657		104,657
	<u>5,625,165</u>	<u>582,641</u>	<u>6,207,806</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over Expenses	<u>526,679</u>	<u>(340,845)</u>	<u>185,834</u>
OTHER FINANCING SOURCES AND (USES)			
Proceeds of debt		50,356	50,356
Operating transfers (in)	49,595	1,691,148	1,740,743
Operating transfers (out)	<u>(1,691,148)</u>	<u>(49,595)</u>	<u>(1,740,743)</u>
	<u>(1,641,553)</u>	<u>1,691,909</u>	<u>50,356</u>
Total Other Sources			
Net Changes in Fund Balances	(1,114,874)	1,351,064	236,190
Fund Balances (Deficit) - Beginning of Year	<u>2,376,476</u>	<u>(843,718)</u>	<u>1,532,758</u>
End of Year	<u>\$ 1,261,602</u>	<u>\$ 507,346</u>	<u>\$ 1,768,948</u>

INCORPORATED VILLAGE OF BELLPORT
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Government-wide Statement of Activities
For the Year Ended May 31, 2025

Net Change in Fund Balances \$ 236,190

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

Long-Term Revenue and Expense Differences

In the Statement of Activities, certain operating revenues are measured by the amounts earned during the year. In the governmental funds, however, revenues for these items are measured by the amount of financial resources provided (essentially, the amounts actually received). \$ 153,784

Certain operating expenses do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds, but are expensed in the Statement of Activities.

Increase in compensated absences payable (55,656)
98,128

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 1,084,560
Loss on disposal of assets (117,210)
Depreciation/amortization expense (626,862)
340,488

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. (50,356)

The amortization of the deferred premiums on bonds decreases interest expense in the Statement of Activities. 6,078

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 119,433
Installment purchase debt 127,444
Subscription liabilities 10,000

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, 2024 to May 31, 2025. 16,736
229,335

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 37,756
Other postemployment benefits (8,499)
29,257

Change in Net Position of Governmental Activities \$ 933,398

INCORPORATED VILLAGE OF BELLPORT
Statement of Net Position - Proprietary Fund - Golf Fund
May 31, 2025

ASSETS

Current

Cash: Unrestricted	\$ 3,355,387
Receivables	
Accounts receivable	442,491
Accounts receivable - service concession arrangement	265,414
Prepays	22,636
Inventory	62,334

Non-current

Receivables	
Accounts receivable, service concession arrangement, net of current portion	278,086
Capital assets	
Not being depreciated/amortized	26,925
Being depreciated/amortized, net of accumulated depreciation/amortization	<u>2,622,409</u>

Total Assets 7,075,682

DEFERRED OUTFLOWS OF RESOURCES

Pension	67,572
Other postemployment benefits	<u>290,100</u>

Total Deferred Outflows of Resources 357,672

LIABILITIES

Payables

Accounts payable	30,367
Accrued liabilities	18,217
Due to other funds	20,945
Due to other governments	15,734
Due to employees' retirement system	7,698

Unearned credits

Collections in advance	1,488,800
------------------------	-----------

Long-term liabilities

Due and payable within one year	
Bonds payable	20,567
Lease liabilities	191,305
Total other postemployment benefits liability	75,122
Due and payable after one year	
Bonds payable	126,340
Lease liabilities	559,381
Compensated absences payable	194,022
Total other postemployment benefits liability	1,989,844
Net pension liability - proportionate share	<u>143,445</u>

Total Liabilities 4,881,787

DEFERRED INFLOWS OF RESOURCES

Service concession arrangement	543,500
Pension	4,583
Other postemployment benefits	<u>568,746</u>

Total Deferred Inflows of Resources 1,116,829

NET POSITION

Net investment in capital assets	1,751,741
Unrestricted (deficit)	<u>(317,003)</u>

Total Net Position \$ 1,434,738

INCORPORATED VILLAGE OF BELLPORT
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund - Golf Fund
For the Year Ended May 31, 2025

OPERATING REVENUES

Charges for Services:	
Golf memberships	\$ 1,834,457
Golf carts	374,452
Golf rental income	305,903
Greens fees	251,823
Golf tournaments	66,447
Pro shop	165,155
Other services	<u>225,950</u>
Total Operating Revenues	<u>3,224,187</u>

OPERATING EXPENSES

Golf course	1,446,261
Pro shop	714,941
Employee benefits	260,588
Depreciation/amortization	<u>327,943</u>
Total Operating Expenses	<u>2,749,733</u>
Income from Operations	474,454

NON-OPERATING REVENUES AND (EXPENSES)

Interest income	63,889
Debt service, interest	<u>(37,214)</u>
Total Non-Operating Expenses	<u>26,675</u>
Change in Net Position	<u>501,129</u>
Total Net Position - Beginning of Year, as Previously Reported	1,031,273
Change in Accounting Principle	<u>(97,664)</u>
Total Net Position - Beginning of Year, as Restated	<u>933,609</u>
Total Net Position - End of Year	<u><u>\$ 1,434,738</u></u>

INCORPORATED VILLAGE OF BELLPORT
Statement of Cash Flows - Proprietary Fund - Golf Fund
For the Year Ended May 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 3,275,308
Payments to suppliers and service providers	(1,825,042)
Payments to employees for salaries and benefits	(734,661)
Other operating receipts (due to other funds)	<u>(243,524)</u>
Net Cash Provided by Operating Activities	<u>472,081</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition and construction of capital assets	(19,181)
Principal paid on debt	(210,760)
Interest income	63,889
Interest paid on debt	<u>(37,383)</u>

Net Cash Used in Capital and Related Financing Activities (203,435)

Net Increase in Cash 268,646

Cash and Cash Equivalents at Beginning of Year 3,086,741

Cash and Cash Equivalents at End of Year \$ 3,355,387

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating income	\$ 474,454
Adjustments to reconcile operating income net cash provided by operating activities:	
Depreciation/amortization expense	327,943
(Increase) Decrease in:	
Accounts receivable	(46,319)
Accounts receivable, service concession arrangement, current portion	(12,276)
Accounts receivable, service concession arrangement, net of current portion	265,414
Prepays	(2,853)
Inventory	(3,906)
Deferred outflows of resources	120,267
Increase (Decrease) in:	
Accounts payable	(134,987)
Accrued liabilities	(881)
Due to other funds	(243,524)
Due to other governments	1,936
Due to employees' retirement system	2,260
Collections in advance	97,440
Compensated absences payable	18,780
Total other postemployment benefits liability	55,794
Net pension liability - proportionate share	45,810
Deferred service concession arrangement receipt	(253,138)
Pension	(49,269)
Other postemployment benefits	<u>(190,864)</u>

Net Cash Provided by Operating Activities \$ 472,081

NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

Intangible right-to-use lease assets obtained from lease liabilities	<u>\$ 212,414</u>
--	-------------------

**INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Incorporated Village of Bellport (“the 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 of Trustees (“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 are generally 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)

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, major repair of capital facilities and other capital and intangible 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)

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, lease liabilities, subscription liabilities, 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 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 the governmental and proprietary funds.

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)

G. Use of Estimates

The preparation of financial statements in conformity with GAAP 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 and intangible assets.

H. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank deposits, and investments with an original maturity date of 90 days 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 recorded when the transaction takes place, and the respective revenues are recognized as earned in the government-wide financial statements, and when available in the fund financial statements. 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 inventoriable 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)

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

L. Capital and Intangible Assets

The government-wide financial statements report both capital and intangible assets, such as right-to-use leased assets and subscription-based information technology 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 and subscription liabilities calculated in accordance with GASB standards.

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

	<u>Capital Threshold</u>	<u>Estimated Useful Life</u>
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
Subscription assets	N/A	Over the term of the agreement

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.

No new short-term debt was issued during the year ended May 31, 2025.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

In the government-wide financial statements and proprietary fund, the Village recognizes a liability for compensated absences, including vacation and sick leave, when employees have earned the right to the leave and it is more likely than not that the leave will be used for time off or otherwise paid in cash, or settled through other means. The Village utilizes historical data of past usage patterns to estimate the expected usage and payment of compensated absences. The liability is measured at the employee's pay rate at the reporting date, including salary-related payments, such as social security and Medicare taxes.

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 31st.

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 postemployment 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

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 as set forth by GASB.

R. Long-Term Debt

The Village borrows money in order to acquire the right-to-use intangible assets, land or equipment, construct buildings, make improvements, or acquire the right-to-use intangible assets. This enables the cost of these capital and intangible assets to be borne by the present and future taxpayers receiving the benefit of the capital and intangible 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.

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. Lease Liabilities

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term; the intangible right-to-use lease asset is initially measured at the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease liability is reduced by the principal portion of lease payments made and the intangible lease asset is amortized on a straight-line basis over the lease term.

T. Subscription-Based Information Technology Arrangements (SBITA)

A SBITA is a contract that conveys control of the right-to-use another party's information technology software, alone or in combination with tangible capital assets, for a period of time in an exchange or exchange-like transaction. At the commencement of the subscription term, the Village initially measures the subscription liability at the present value of expected subscription payments over the subscription term, discounted using an interest rate the vendor charges or at the Village's incremental borrowing rate if the vendor rate cannot be determined. Subsequently, the SBITA liability is reduced by the principal portion of the payments made. The SBITA asset is measured as the initial subscription liability plus any direct implementation costs that are eligible for capitalization, minus any incentives received from the vendor. The subscription asset is amortized over the subscription term.

U. 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

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

V. 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, improvements of, and the right-to-use those assets.

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.

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.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Senior Program

The Village has established a senior program assignment. This is used to pay the costs for the senior program and is accounted for in the general fund.

Tennis Court Repairs

The Village has established a tennis court repair assignment. This is used to pay the cost of repairs 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.

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.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

2. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended May 31, 2025, the Village implemented GASB Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used, but not yet paid in cash or settled through noncash means. This liability would include leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash, or settled through noncash means. The implementation of this statement resulted in compensated absences increasing and total net position decreasing by \$81,984 in governmental activities, and \$97,664 in business-type activities.

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.

Effective for the Year Ending	Statement
May 31, 2026	GASB No. 102 – <i>Certain Risk Disclosures</i>
May 31, 2027	GASB No. 103 – <i>Financial Reporting Model Improvements</i>
May 31, 2027	GASB No. 104 – <i>Disclosure of Certain Capital Assets</i>

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

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.

GASB Statement No. 104 requires certain types of capital assets to be disclosed separately in the capital assets note disclosure such as leased assets, intangible right-to-use assets, and assets held for sale.

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, long-term assets and liabilities, and deferred inflows of resources.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

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.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 15th. 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 1st. 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 prior years' surplus	\$ 132,178
Transfer to the capital projects fund funded by prior years' surplus	<u>1,636,748</u>
	<u>\$ 1,768,926</u>

Budgets are adopted on a basis consistent with GAAP, and 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. Unrestricted Net Position Deficit

As of May 31, 2025, the governmental activities reported an unrestricted net position deficit of \$4,275,773 and the business-type activities reported an unrestricted net position deficit of \$317,003. This deficit is primarily the result of unfunded liabilities such as the Village recognizing its proportionate share of the net pension liabilities and total OPEB liabilities on the statement of net position. The accumulated effect of these required recognitions, coupled with the limitations from the state on funding the OPEB liabilities on a "pay

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

as you go” basis, has resulted in a negative unrestricted net position. The Village remains committed to its employees and retirees by continuing to make all required contributions to the pension plans and including these amounts in its annual budget to cover its share of the costs of postemployment health insurance coverage.

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.

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:

<u>Fund</u>	<u>Carrying Amount</u>
General fund	<u>\$ 1,004,568</u>
Proprietary fund - golf	<u>\$ 2,663,889</u>

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

7. ACCOUNTS RECEIVABLE

Accounts receivable at May 31, 2025, consisted of:

Governmental Activities

General Fund

Gross tax receipts	\$ 13,118
Franchise tax	11,000
Cell tower lease	14,354
Interest	2,647
Tennis memberships	16,716
Other	<u>13,619</u>
	<u>\$ 71,454</u>

Business-Type Activities

Proprietary Fund - Golf

Country Club - rent	\$ 399,113
Country Club - insurance	31,235
Peter's on the Green - utilities	11,043
Golf dues	<u>1,100</u>
	<u>\$ 442,491</u>

Village management expects these amounts to be fully collectible.

8. 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 \$504,500 at May 31, 2025. Total installment payments recognized under this agreement were \$252,506 for the business-type activities for the year ended May 31, 2025.

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 these installment payments is estimated to be \$39,000 at May 31, 2025. Total installment payments received under this agreement were \$18,000 for the business-type activities for the year ended May 31, 2025.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

The Village reports a receivable and deferred inflow of resources in the amount of \$543,500 at May 31, 2025, pursuant to these service concession arrangements. Of the \$543,500 accounts receivable, \$265,414 is presented as a current asset, and the remaining amount of \$278,086 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:

Year Ending May 31,	Business-Type Activities
2026	\$ 265,414
2027	278,086
	\$ 543,500

9. DUE FROM STATE AND FEDERAL

Due from state and federal at May 31, 2025, consisted of:

Governmental Activities

General Fund

NYS - mortgage tax	\$ 19,780
Court fee	345
Community development - grant	15,839
	35,964

Capital Projects Fund

HUD - Ho Hum	224,266
FEMA - municipal dock	680,862
	905,128
	\$ 941,092

Village management expects these amounts to be fully collectible.

10. 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, 2025, the lease receivable and deferred inflows of resources, measured using implicit interest rates ranging between 2.015% and 3.16%, were \$1,268,055. During the year ended May 31, 2025, the Village recognized lease revenue and lease interest of \$141,693 and \$28,571, respectively.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

11. CAPITAL ASSETS

A. Changes

Capital assets and accumulated depreciation/amortization of the governmental activities and business-type activities for the year ended May 31, 2025, were as follows:

	Balance May 31, 2024	Additions	Reductions	Balance May 31, 2025
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 164,278	\$	\$	\$ 164,278
Construction work in progress	58,440	254,481	(58,440)	254,481
Total capital assets not being depreciated	<u>222,718</u>	<u>254,481</u>	<u>(58,440)</u>	<u>418,759</u>
Capital assets being depreciated/amortized				
Buildings	4,107,710	92,254	(319,923)	3,880,041
Buildings and land improvements	1,110,107			1,110,107
Infrastructure	10,021,172	480,544		10,501,716
Machinery and equipment	3,239,584	265,365	(4,476)	3,500,473
Subscription assets	-	50,356		50,356
Total capital assets being depreciated/amortized	<u>18,478,573</u>	<u>888,519</u>	<u>(324,399)</u>	<u>19,042,693</u>
Less accumulated depreciation/amortization for:				
Buildings	1,542,008	128,466	(202,737)	1,467,737
Buildings and land improvements	405,096	52,450		457,546
Infrastructure	4,418,563	302,469		4,721,032
Machinery and equipment	2,016,192	133,406	(4,452)	2,145,146
Subscription assets	-	10,071		10,071
Total accumulated depreciation/amortization	<u>8,381,859</u>	<u>626,862</u>	<u>(207,189)</u>	<u>8,801,532</u>
Total capital assets being depreciated/amortized, net	<u>10,096,714</u>	<u>261,657</u>	<u>(117,210)</u>	<u>10,241,161</u>
Capital assets, net	<u>\$ 10,319,432</u>	<u>\$ 516,138</u>	<u>\$ (175,650)</u>	<u>\$ 10,659,920</u>

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS

(Continued)

	Balance May 31, 2024	Additions	Reductions	Balance May 31, 2025
Business-Type activities:				
Capital assets not being depreciated				
Land	\$ 18,300	\$	\$	\$ 18,300
Construction work in progress	-	8,625		8,625
Total capital assets not being depreciated	<u>18,300</u>	<u>8,625</u>	<u>-</u>	<u>26,925</u>
Capital assets being depreciated/amortized				
Buildings	2,246,733	10,056		2,256,789
Site improvements	666,742			666,742
Infrastructure	603,033			603,033
Machinery and equipment	1,083,962			1,083,962
Leased equipment	796,698	212,914		1,009,612
Total capital assets being depreciated/amortized	<u>5,397,168</u>	<u>222,970</u>	<u>-</u>	<u>5,620,138</u>
Less accumulated depreciation/amortization for:				
Buildings	1,375,461	42,161		1,417,622
Site improvements	371,108	32,731		403,839
Infrastructure	208,858	20,113		228,971
Machinery and equipment	645,995	40,695		686,690
Leased equipment	68,364	192,243		260,607
Total accumulated depreciation/amortization	<u>2,669,786</u>	<u>327,943</u>	<u>-</u>	<u>2,997,729</u>
Total capital assets being depreciated/amortized, net	<u>2,727,382</u>	<u>(104,973)</u>	<u>-</u>	<u>2,622,409</u>
Capital assets, net	<u>\$ 2,745,682</u>	<u>\$ (96,348)</u>	<u>\$ -</u>	<u>\$ 2,649,334</u>

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

B. Leased Assets

The Village has entered into lease arrangements for various equipment whose lease terms range from 48 months to 69 months with an interest rate 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. Subscription Assets

The Village has entered into a subscription-based information technology arrangement, which includes a software subscription that is subject to GASB. The term of this arrangement is 5 years with discount rates at 2.64%. This arrangement is included in subscription assets as shown in the previous table. There are no residual value guarantees in the arrangement provisions. The Village is not aware of any impairments for subscription assets.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. 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, 2025, the Village has not recorded any such impairment losses.

12. INTERFUND TRANSACTIONS

Interfund balances and activities at May 31, 2025, were as follows:

	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
General Fund	\$ 194,134	\$ 302,791	\$ 49,595	\$ 1,691,148
Capital Projects Fund	302,791	173,189	1,691,148	49,595
Total Governmental Funds	496,925	475,980	1,740,743	1,740,743
Golf Fund	-	20,945	-	-
Total	\$ 496,925	\$ 496,925	\$ 1,740,743	\$ 1,740,743

All interfund balances are expected to be repaid within one year. 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.

13. COLLECTIONS IN ADVANCE

As of May 31, 2025, collections in advance in the general fund consisted of tennis fees of \$48,405, kid's camp fees of \$32,874, and tennis clinic fees of \$6,860, while collections in advance in the proprietary fund consisted of prorated annual membership fees, golf tournaments, and gift cards of \$1,488,800.

14. SHORT-TERM DEBT

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

	Issue Date	Maturity	Interest Rate	Balance May 31, 2024	Issued	Redeemed	Balance May 31, 2025
Governmental Activities							
Improvements to Municipal Dock - 2020	2/23/23	1/3/25	5.32%	\$ 1,491,417	\$ -	\$ 1,491,417	\$ -
				\$ 1,491,417	-	\$ 1,491,417	-

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

Interest paid	\$ 51,380
Less interest accrued in the prior year	(16,530)
Total interest expense on short-term debt	\$ 34,850

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

15. LONG-TERM LIABILITIES

A. Changes

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

	*Balance			Balance	Amounts
	May 31, 2024	Additions	Reductions	May 31, 2025	Due Within
Governmental Activities:					One Year
Long-term debt:					
Bonds payable	\$ 1,787,526	\$	\$ (119,433)	\$ 1,668,093	\$ 119,433
Premium on obligation	45,946		(6,078)	39,868	5,685
	1,833,472	-	(125,511)	1,707,961	125,118
Installment purchase debt	389,248		(127,444)	261,804	84,892
Subscription liabilities	-	50,356	(10,000)	40,356	9,236
	2,222,720	50,356	(262,955)	2,010,121	219,246
Other long-term liabilities:					
Compensated absences*	214,116	55,656		269,772	-
Total OPEB liability	5,243,668		(572,333)	4,671,335	283,730
	<u>\$ 7,680,504</u>	<u>\$ 106,012</u>	<u>\$ (835,288)</u>	<u>\$ 6,951,228</u>	<u>\$ 502,976</u>
	*Balance			Balance	Amounts
	May 31, 2024	Additions	Reductions	May 31, 2025	Due Within
Business-Type Activities:					One Year
Long-term debt:					
Bonds payable	\$ 167,474	\$	\$ (20,567)	\$ 146,907	\$ 20,567
Installment purchase debt	26,252		(26,252)	-	-
Lease liabilities	702,213	212,414	(163,941)	750,686	191,305
	895,939	212,414	(210,760)	897,593	211,872
Other long-term liabilities:					
Compensated absences*	175,242	18,780		194,022	-
Total OPEB liability	2,009,172	55,794		2,064,966	75,122
	<u>\$ 3,080,353</u>	<u>\$ 286,988</u>	<u>\$ (210,760)</u>	<u>\$ 3,156,581</u>	<u>\$ 286,994</u>

* The balance of compensated absences of \$132,132 in governmental activities and \$77,578 in business-type activities, as previously reported, was increased by \$81,984 and \$97,664 to present the cumulative effect of GASB Statement No. 101.

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.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Additions and reductions to compensated absences are shown net. The maturity of compensated absences is not determinable.

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

B. Bonds Payable

Bonds payable is comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at May 31, 2025
Governmental Activities:				
Public improvement				
Garbage truck	2016	7/15/2032	2.19%	\$ 103,093
Village improvements	2021	10/15/2037	2.00%	<u>1,565,000</u>
				<u>\$ 1,668,093</u>
Business-Type Activities:				
Golf course renovation				
Serial bond - bulk head	2016	7/15/2032	2.19%	<u>\$ 146,907</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
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	129,433	22,185	20,567	1,190
2031-2035	640,928	71,500	44,072	997
2036-2038	400,000	12,100		
Total	<u>\$ 1,668,093</u>	<u>\$ 220,188</u>	<u>\$ 146,907</u>	<u>\$ 11,453</u>

C. Remedies Upon Default in Bond Payments

The bonds 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 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 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.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 issued by villages in New York State. In the event a holder or owner of any bond 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 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 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.

D. 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
2026	\$ 5,685
2027	5,281
2028	4,867
2029	4,444
2030	4,012
2031-2035	13,305
2036-2038	<u>2,274</u>
Total	<u>\$ 39,868</u>

E. Installment Purchase Debt Payable

Installment purchase debt payable is comprised of the following:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at May 31, 2025
Governmental Activities:				
Senior Van	2022	2/28/2027	2.00%	\$ 17,032
Caterpillar Payloaders	2023	9/1/2027	5.35%	219,550
Ford F-150	2023	9/1/2029	4.45%	<u>25,222</u>
				<u>\$ 261,804</u>

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Year Ending May 31,	Governmental Activities	
	Principal	Interest
2026	\$ 84,892	\$ 13,230
2027	85,704	8,895
2028	82,925	4,629
2029	6,166	244
2030	2,117	20
	<u>\$ 261,804</u>	<u>\$ 27,018</u>

F. Lease Liabilities

Lease liabilities is comprised of the following:

Description	Commencement Date	Final Maturity	Interest Rate	Outstanding at May 31, 2025
Business-Type Activities:				
Toro Workman	5/15/2023	5/14/2027	2.33%	\$ 31,215
Greenmaster	10/15/2023	10/14/2027	2.79%	96,472
Golf Carts	3/1/2024	11/30/2029	6.42%	334,018
John Deere	3/11/2024	3/10/2029	2.31%	71,142
Workman HDX	3/26/2024	3/25/2028	2.35%	34,340
Sand Pro	8/15/2024	8/14/2028	3.07%	35,189
Toro Groundsman	12/20/2024	12/19/2028	2.37%	148,310
				<u>\$ 750,686</u>

The following is a summary of principal and interest requirements for lease liabilities:

Year Ending May 31,	Business-Type Activities		
	Principal	Interest	Total
2026	\$ 191,305	\$ 30,309	\$ 221,614
2027	196,882	23,343	220,225
2028	157,803	16,551	174,354
2029	106,152	10,811	116,963
2030	98,544	3,206	101,750
Total	<u>\$ 750,686</u>	<u>\$ 84,220</u>	<u>\$ 834,906</u>

There were no additional commitments entered into by the Village after May 31, 2025.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

G. Subscription Liabilities

Subscription liabilities is comprised of the following:

Description	Commencement Date	Final Maturity	Interest Rate	Outstanding at May 31, 2025
Governmental Activities:				
ClearGov Software	6/1/2024	5/31/2029	2.64%	<u>\$ 40,356</u>

The following is a summary of principal and interest requirements for subscription liabilities:

Year Ending May 31,	Business-Type Activities		
	Principal	Interest	Total
2026	\$ 9,236	\$ 1,064	\$ 10,300
2027	9,789	820	10,609
2028	10,365	562	10,927
2029	10,966	289	11,255
Total	<u>\$ 40,356</u>	<u>\$ 2,735</u>	<u>\$ 43,091</u>

There were no subscription-based commitments entered into by the Village after May, 31, 2025.

H. Interest Expense

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

	Governmental Activities	Business-Type Activities
Interest paid	\$ 53,277	\$ 37,383
Less interest accrued in the prior year	(2,357)	(1,375)
Plus interest accrued in the current year	2,151	1,206
Less amortization of deferred premiums	(6,078)	-
Total interest expense on long-term debt	<u>\$ 46,993</u>	<u>\$ 37,214</u>

16. 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.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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 31st, and employer contributions are either paid by the prior December 15th less a 1% discount or by the prior February 1st. The Village paid 100% of the required contributions as billed by the ERS for the current year. The Village's average contribution rate was 13.39% of covered payroll for the ERS' fiscal year ended March 31, 2025.

The Village's share of the required contributions, based on covered payroll for the Village's year ended May 31, 2025 was \$211,534 at an average contribution rate of 12.95%.

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

At May 31, 2025, 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, 2025. 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 participating members, actuarially determined. This information was provided by the ERS in reports provided to the Village.

Measurement date	March 31, 2025
Village's proportionate share of the net pension liability	\$ (730,981)
Village's portion of the Plan's net pension liability	0.0042633%
Change in proportion since the prior measurement date	0.0000647

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

For the year ended May 31, 2025, the Village recognized a pension expense of \$185,005 for ERS. At May 31, 2025, 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	Total	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Differences between expected and actual experience	\$ 145,830	\$ 6,879	\$ 152,709	\$ 35,604	\$ 1,679	\$ 37,283
Changes of assumptions	24,640		24,640	6,016		6,016
Net difference between projected and actual earnings on pension plan investments	46,097		46,097	11,254		11,254
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	28,669	11,897	40,566	7,000	2,904	9,904
Village contributions subsequent to the measurement date	31,531		31,531	7,698		7,698
Total	\$ 276,767	\$ 18,776	\$ 295,543	\$ 67,572	\$ 4,583	\$ 72,155

Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending May 31, 2026. 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	Total
2026	\$ 112,918	\$ 27,570	\$ 140,488
2027	151,443	36,974	188,417
2028	(45,643)	(11,143)	(56,786)
2029	7,742	1,890	9,632
Total	\$ 226,460	\$ 55,291	\$ 281,751

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, 2025
Actuarial valuation date	April 1, 2024
Inflation	2.90%
Salary increases	4.30%
Investment rate of return (net of investment expense, including inflation)	5.90%
Cost of living adjustments	1.50%

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 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:

Measurement date Asset class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	25.0%	3.54%
International equity	14.0%	6.57%
Real estate equity	12.0%	4.95%
Private equity	15.0%	7.25%
Alternative investments	11.0%	5.25-5.55%
Fixed income	22.0%	2.00%
Cash	1.0%	0.25%
	100.0%	

Real rates of return are net of long-term inflation assumptions of 2.9%.

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)	\$ (2,115,552)	\$ (730,981)	\$ 425,136

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 2025
	<i>(Dollars in thousands)</i>
Employers' total pension liability	\$ (247,600,239)
Plan fiduciary net position	<u>230,454,512</u>
Employers' net pension liability	<u>\$ (17,145,727)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	93.08%

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, 2025, represent the projected employer contribution for the period of April 1, 2025 through May 31, 2025 based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2025 amounted to \$39,229 of employer contributions. Employee contributions are remitted monthly.

17. 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, 2025 totaled \$29,450.

18. 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.

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, 2024, 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	<u>19</u>
	<u><u>31</u></u>

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Total OPEB Liability

The Village's total OPEB liability of \$6,736,301 was measured as of May 31, 2025, and was determined by an actuarial valuation as of June 1, 2024. 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%
Discount rate	4.13%
Healthcare cost trend rates	8.00% decreasing to an ultimate rate of 5.00% by 2030
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.

Mortality rates were based on PUB-2010 headcount weighted mortality tables using the Society of Actuaries' Scale MP-2021.

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

C. Changes in the Total OPEB Liability

	Governmental Activities	Business-Type Activities	Total
Balance at May 31, 2024	\$ 5,243,668	\$ 2,009,172	\$ 7,252,840
Changes for the year			
Service cost	157,251	16,937	174,188
Interest on total OPEB liability	188,935	83,324	272,259
Differences between expected and actual experience	(779,401)	(18,742)	(798,143)
Changes in assumptions or other inputs	43,587	45,314	88,901
Benefit payments	(182,705)	(71,039)	(253,744)
	<u>(572,333)</u>	<u>55,794</u>	<u>(516,539)</u>
Balance at May 31, 2025	<u>\$ 4,671,335</u>	<u>\$ 2,064,966</u>	<u>\$ 6,736,301</u>

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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	\$ (5,442,191)	\$ (4,671,335)	\$ (4,059,207)

	1% Decrease 3.13 %	Discount Rate 4.13 %	1% Increase 5.13 %
Business-Type Activities			
Total OPEB liability	\$ (2,405,724)	\$ (2,064,966)	\$ (1,794,375)

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 (7.00% to 4.00%) or 1 percentage point higher (9.00% to 6.00%) than the current healthcare cost trend rate:

	1% Decrease 7.00% decreasing to 4.00%	Healthcare Cost Cost Trend Rates 8.00% decreasing to 5.00%	1% Increase 9.00% decreasing to 6.00%
Governmental Activities			
Total OPEB liability	\$ (4,047,334)	\$ (4,671,335)	\$ (5,468,165)

	1% Decrease 7.00% decreasing to 4.00%	Healthcare Cost Cost Trend Rates 8.00% decreasing to 5.00%	1% Increase 9.00% decreasing to 6.00%
Business-Type Activities			
Total OPEB liability	\$ (1,789,126)	\$ (2,064,966)	\$ (2,417,205)

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

For the year ended May 31, 2025, the Village recognized OPEB expense of \$191,204 and \$41,221 for the governmental activities and business-type activities, respectively. At May 31, 2025, the Village reported deferred outflows and inflows of resources related to OPEB from the following sources:

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Differences between expected and actual experience	\$ 138,658	\$ 91,055	\$ 229,713	\$ 698,840	\$ 46,201	\$ 745,041
Changes of assumptions	255,397	199,045	454,442	1,127,948	522,545	1,650,493
	<u>\$ 394,055</u>	<u>\$ 290,100</u>	<u>\$ 684,155</u>	<u>\$ 1,826,788</u>	<u>\$ 568,746</u>	<u>\$ 2,395,534</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
2026	\$ (166,885)	\$ (63,401)	\$ (230,286)
2027	(315,535)	(76,724)	(392,259)
2028	(349,965)	(85,616)	(435,581)
2029	(242,952)	(52,905)	(295,857)
2030	(186,104)		(186,104)
Thereafter	(171,292)		(171,292)
	<u>\$ (1,432,733)</u>	<u>\$ (278,646)</u>	<u>\$ (1,711,379)</u>

19. DEFERRED INFLOWS OF RESOURCES

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

General Fund:	
Leases	\$ 1,268,055
Tax sale certificate	8,517
	<u>1,276,572</u>
Capital Projects Fund:	
Main pier grants	<u>827,907</u>
Total	<u>\$ 2,104,479</u>

20. 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.

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 2025, 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. 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.

E. Encumbrances

All encumbrances are classified as restricted and assigned fund balance. At May 31, 2025, the Village encumbered the following funds:

Assigned, Unappropriated Fund Balance	
General Fund	
General government support	\$ 9,392
Public safety	1,950
Culture and recreation	24,140
Home and community services	4,208
	<u>39,690</u>
Capital Projects Fund	
Capital projects	<u>38,830</u>
Enterprise Fund	
Golf Fund	
Golf course	22,250
Pro shop	4,379
	<u>26,629</u>
	<u>\$ 105,149</u>

INCORPORATED VILLAGE OF BELLPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. 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 \$930,817 for the year ended May 31, 2025, and are included within the golf course operating expenses of the proprietary fund.

21. 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.

INCORPORATED VILLAGE OF BELLPORT
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended May 31, 2025

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
REVENUES				
Real Property Taxes	\$ 3,427,432	\$ 3,427,432	\$ 3,423,748	\$ (3,684)
Other Real Property Tax Items				
Interest and penalties on real property tax items	15,000	15,000	26,918	11,918
Non-Property Tax Items				
Utilities gross receipts tax	55,000	55,000	59,602	4,602
Franchise fees	66,000	66,000	64,071	(1,929)
Total Non-Property Tax Items	121,000	121,000	123,673	2,673
Departmental Income				
Treasurer	3,500	3,500	4,750	1,250
Fire inspection	250	250	3,400	3,150
Safety inspection	210,000	210,000	425,549	215,549
Ferry	90,950	90,950	97,967	7,017
Park recreational	104,200	104,200	102,141	(2,059)
Marina	272,368	272,368	284,162	11,794
Camp	121,200	121,200	94,090	(27,110)
Refuse and garbage	579,323	579,323	575,759	(3,564)
Total Departmental Income	1,381,791	1,381,791	1,587,818	206,027
Use of Money and Property				
Interest and earnings	73,640	73,640	137,717	64,077
Rental of property	174,375	174,375	149,193	(25,182)
Total Use of Money & Property	248,015	248,015	286,910	38,895
Licenses and Permits				
License fees	3,500	3,500	5,100	1,600
Fines and Forfeitures				
Fines and forfeitures	13,900	13,900	12,210	(1,690)
Sales and Compensation for Loss				
Minor sales	41,222	41,222	37,395	(3,827)
Sale of equipment			15,890	15,890
Insurance recoveries	5,000	5,000	1,218	(3,782)
Other compensation for loss			48	48
Total Minor Sales and Compensation for Loss	46,222	46,222	54,551	8,329
Miscellaneous				
Gifts and donations			500	500
Other unclassified revenue	10,000	10,000	19,729	9,729
Total Miscellaneous	10,000	10,000	20,229	10,229
State Aid				
Revenue sharing	16,336	16,336	16,336	-
Mortgage tax	80,000	80,000	77,424	(2,576)
Grants - general			68,083	68,083
Consolidated highway aid	310,000	310,000	347,266	37,266
Emergency disaster assistance			14,761	14,761
Total State Aid	406,336	406,336	523,870	117,534
Federal Aid				
Emergency disaster assistance	350,000	350,000	86,817	(263,183)
Total Revenues	6,023,196	6,023,196	6,151,844	128,648
OTHER FINANCING SOURCES				
Operating transfer in			49,595	49,595
Total Revenues and Other Sources	6,023,196	6,023,196	6,201,439	\$ 178,243
APPROPRIATED FUND BALANCE				
Appropriated Reserves	-	1,768,926		
Prior Year's Encumbrances	91,236	91,236		
Total Appropriated Fund Balance	91,236	1,860,162		
Total Revenues, Other Financing Sources, and Appropriated Fund Balance	\$ 6,114,432	\$ 7,883,358		

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, 2025

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
EXPENDITURES					
General Government Support					
Legislative	\$ 25,600	\$ 23,205	\$ 23,195	\$	\$ 10
Village Court	21,534	15,240	15,221		19
Executive	10,500	9,608	9,575		33
Auditor	33,900	30,050	25,550		4,500
Treasurer	212,422	216,362	213,562	2,800	-
Assessment	13,500	12,050	12,050		-
Fiscal Agent	23,150	30,625	30,625		-
Clerk	381,713	376,312	376,312		-
Law	94,800	142,695	142,695		-
Election	4,250	2,477	2,477		-
Operation of buildings	285,500	284,149	276,255	6,592	1,302
Unallocated insurance	260,000	239,834	237,602		2,232
Municipal association dues	4,000	4,000	2,625		1,375
MTA tax	8,500	8,593	7,103		1,490
Other Govt Support	75,000				-
Total General Support	<u>1,454,369</u>	<u>1,395,200</u>	<u>1,374,847</u>	<u>9,392</u>	<u>10,961</u>
Public Safety					
Safety inspections	172,222	219,995	213,943	1,950	4,102
Other	223,725	214,487	210,520		3,967
Total Public Safety	<u>395,947</u>	<u>434,482</u>	<u>424,463</u>	<u>1,950</u>	<u>8,069</u>
Transportation					
Street maintenance	115,000	28,361	16,836		11,525
CHIPs	310,000	345,488	345,488		-
Street lighting	86,626	79,161	50,010		29,151
Total Transportation	<u>511,626</u>	<u>453,010</u>	<u>412,334</u>	<u>-</u>	<u>40,676</u>
Culture and Recreation					
Parks	-	1,900	1,900		-
Community Center	36,300	87,103	66,463	20,640	-
Special recreation	465,330	541,911	460,721		81,190
Youth	65,852	65,852	62,721		3,131
Celebrations	24,510	22,910	18,311	3,500	1,099
Total Culture and Recreation	<u>591,992</u>	<u>719,676</u>	<u>610,116</u>	<u>24,140</u>	<u>85,420</u>
Home and Community Services					
Refuse collection and disposal	601,317	589,239	533,248	4,208	51,783
Street cleaning	712,868	798,350	732,185		66,165
Shade trees	3,000	4,936	4,936		-
Senior program	53,500	55,446	39,924		15,522
Total Home and Community Services	<u>1,370,685</u>	<u>1,447,971</u>	<u>1,310,293</u>	<u>4,208</u>	<u>133,470</u>
Employee Benefits					
State retirement	190,000	190,000	180,122		9,878
Social security and Medicare	156,000	156,797	147,979		8,818
Workers' compensation	116,960	116,960	106,561		10,399
Unemployment	8,000	16,661	16,661		-
Disability	3,000	3,000	139		2,861
Hospital and medical insurance	728,000	728,000	666,056		61,944
Other benefits	29,200	29,200	14,060		15,140
Total Employee Benefits	<u>1,231,160</u>	<u>1,240,618</u>	<u>1,131,578</u>	<u>-</u>	<u>109,040</u>

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, 2025

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
EXPENDITURES (Continued)					
Debt Service					
Principal	\$ 357,580	\$ 354,580	\$ 256,877	\$	\$ 97,703
Interest	134,173	134,173	104,657		29,516
Total Debt Service	<u>491,753</u>	<u>488,753</u>	<u>361,534</u>	<u>-</u>	<u>127,219</u>
Total Expenditures	6,047,532	6,179,710	5,625,165	39,690	514,855
OTHER FINANCING USES					
Operating transfers out	66,900	1,703,648	1,691,148		12,500
Total Expenditures and Other Uses	<u>\$ 6,114,432</u>	<u>\$ 7,883,358</u>	<u>7,316,313</u>	<u>\$ 39,690</u>	<u>\$ 527,355</u>
Net Change in Fund Balance			(1,114,874)		
Fund Balance - Beginning of Year			<u>2,376,476</u>		
Fund Balance - End of Year			<u>\$ 1,261,602</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

Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Village's proportion of the net pension asset/(liability)	0.0042633%	0.0041986%	0.0042054%	0.0048769%	0.0042865%	0.0040790%	0.0040935%	0.0047682%	0.0047972%	0.0058078%
Village's proportionate share of the net pension asset/(liability)	\$ (730,981)	\$ (618,206)	\$ (901,804)	\$ 398,665	\$ (4,268)	\$ (1,080,139)	\$ (290,034)	\$ (153,891)	\$ (450,756)	\$ (932,173)
Village's covered payroll	\$ 1,542,387	\$ 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
Village's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	47.39 %	41.51 %	58.68 %	24.56 %	0.28 %	74.25 %	20.37 %	11.45 %	32.71 %	65.05 %
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%
Discount rate	5.90%	5.90%	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

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

Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 211,534	\$ 177,069	\$ 159,537	\$ 223,567	\$ 208,131	\$ 192,508	\$ 190,326	\$ 186,375	\$ 195,689	\$ 259,398
Contributions in relation to the contractually required contribution	<u>211,534</u>	<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>
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	\$ 1,633,172	\$ 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
Contributions as a percentage of covered payroll	13%	11%	11%	15%	13%	13%	13%	14%	14%	19%

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

	2025	2024	2023	2022	2021	2020	2019
Total OPEB liability							
Service cost	\$ 174,188	\$ 194,613	\$ 221,040	\$ 413,949	\$ 408,705	\$ 282,165	\$ 248,491
Interest on total OPEB liability	272,259	280,149	255,738	208,289	196,819	243,306	238,334
Changes in benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(798,143)	-	116,712	-	576,296	(259,484)	-
Changes of assumptions or other inputs	88,901	(520,442)	(892,981)	(1,423,855)	(543,038)	1,854,865	382,216
Benefit payments	(253,744)	(278,183)	(275,711)	(199,327)	(182,901)	(145,750)	(113,254)
Net change in total OPEB liability	(516,539)	(323,863)	(575,202)	(1,000,944)	455,881	1,975,102	755,787
Total OPEB liability, beginning	7,252,840	7,576,703	8,151,905	9,152,849	8,696,968	6,721,866	5,966,079
Total OPEB liability, ending	<u>\$ 6,736,301</u>	<u>\$ 7,252,840</u>	<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>
Covered employee payroll	\$ 1,385,129	\$ 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	486.33%	598.05%	640.37%	593.22%	682.71%	684.32%	542.14%
Discount rate	4.13%	4.13%	3.67%	3.16%	2.20%	2.16%	3.51%
Healthcare trend rates	8.00% to 5.00% by 2030	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 as set forth by GASB 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, 2025

	Original Budget	Final Budget	Actual		Final Budget Variance with Actual
OPERATING REVENUES					
Charges for Services:					
Golf memberships	\$ 1,874,800	\$ 1,874,800	\$ 1,834,457		\$ (40,343)
Golf carts	315,000	315,000	374,452		59,452
Golf rental income	290,806	290,806	305,903		15,097
Greens fees	190,000	190,000	251,823		61,823
Golf tournaments	60,000	60,000	66,447		6,447
Pro shop	126,010	126,010	165,155		39,145
Interest income			63,889		63,889
Other services	212,050	212,050	225,950		13,900
Total Operating Revenues	\$ 3,068,666	\$ 3,068,666	3,288,076		\$ 219,410
APPROPRIATED FUND BALANCE					
Prior Year's Encumbrances	29,213	29,213			(29,213)
Total Operating Revenues and Appropriated Fund Balance	\$ 3,097,879	\$ 3,097,879	3,288,076		\$ 190,197
				Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
OPERATING EXPENSES					
Golf course	\$ 1,580,923	\$ 1,508,413	1,446,261	\$ 22,250	\$ 39,902
Pro shop	795,430	726,959	714,941	4,379	7,639
Depreciation	138,000	327,943	327,943		-
Employee benefits	505,610	422,707	260,588		162,119
Total Operating Expenses	3,019,963	2,986,022	2,749,733	26,629	209,660
NON-OPERATING REVENUES AND (EXPENSES)					
Debt service, principal	(68,642)	(68,642)			68,642
Debt service, interest	(3,443)	(37,384)	(37,214)		170
Total Non-Operating Expenses	(72,085)	(106,026)	(37,214)	-	68,812
Change in Net Position	\$ 5,831	\$ 5,831	501,129	\$ 26,629	\$ 49,349
Total Net Position - Beginning of Year, as Previously Reported			1,031,273		
Change in Accounting Principle			(97,664)		
Total Net Position - Beginning of Year, as Restated			933,609		
Total Net Position - End of Year			\$ 1,434,738		

INCORPORATED VILLAGE OF BELLPORT
Schedule of Project Expenditures and Financing Resources - Capital Projects Fund
 May 31, 2025

PROJECT TITLE	Budget		Expenditures				Unexpended Balance	Proceeds of Debt	Methods of Financing			Fund Balance May 31, 2025	
	May 31, 2024	May 31, 2025	Prior Years	Current Year	Transfer Out	Total			SBITA Lease Proceeds	Federal & State Aid	Local Sources		Total
Main Pier Bulkhead Replacement - FEMA	\$ 3,100,793	\$ 3,100,793	\$ 3,022,661	\$ 14,412	\$	\$ 3,037,073	\$ 63,720	\$ 299,600	\$	\$ 2,433,583	\$ 367,610	\$ 3,100,793	\$ 63,720
Brown's Lane Bulkhead, Related Road Work	500,000	510,849	373,381	90,640	46,828	510,849	-	500,000			10,849	510,849	-
HUD Ho Hum/Marina Basin	4,424,000	4,551,078	27,078	224,265		251,343	4,299,735	1,624,000		2,827,078	100,000	4,551,078	4,299,735
SBITA - Budgeting Software		50,356		50,356		50,356	-		50,356			50,356	-
General Ledger System		35,000				-	35,000				35,000	35,000	35,000
HoHum Solar Panels		180,393		180,393		180,393	-				180,393	180,393	-
Recodification of Code		18,665		5,942		5,942	12,723			14,576	4,089	18,665	12,723
Computer Equipment		19,400		16,633	2,767	19,400	-				19,400	19,400	-
Totals	\$ 8,024,793	\$ 8,466,534	\$ 3,423,120	\$ 582,641	\$ 49,595	\$ 4,055,356	\$ 4,411,178	\$ 2,423,600	\$ 50,356	\$ 5,275,237	\$ 717,341	\$ 8,466,534	4,411,178
										Less: Federal and state aid revenues not yet realized			(3,403,639)
										Planned financing not yet realized			(1,624,000)
										BANs redeemed by GF in excess of local sources			1,123,807
													\$ 507,346

