

**RENEWAL ISSUE**

**BOND ANTICIPATION NOTES**

*In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax on individuals. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.*

*The Notes will NOT be designated "qualified tax-exempt obligations" pursuant to Section 265(b) (3) of the Code.*



**\$12,461,000**  
**VILLAGE OF ENDICOTT**  
**BROOME COUNTY, NEW YORK**

**GENERAL OBLIGATIONS**

**\$12,461,000 Bond Anticipation Notes, 2025 (Renewals)**  
**(referred to herein as the "Notes")**

**Dated: August 21, 2025**

**Due: August 21, 2026**

The Notes are general obligations of the Village of Endicott, Broome County, New York (the "Village") all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See "NATURE OF THE OBLIGATION" and "TAX LEVY LIMITATION LAW" herein.

The Notes will not be subject to redemption prior to maturity. Interest on the Notes will be calculated on a 30-day month and a 360-day year basis and will be payable at maturity.

At the option of the purchaser(s), the Notes will be issued in (i) registered form registered in the name of the successful bidder(s) or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC").

If the Notes are issued registered in the name of the purchaser, a single note certificate will be issued for those Notes of an issue bearing the same rate of interest in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Village.

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof, except for a necessary odd denomination which is or includes \$6,000. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the Village to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Village will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York City. It is anticipated that the Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or at such place as may be agreed upon with the purchaser(s), on or about August 21, 2025.

**ELECTRONIC BIDS for the Notes must be submitted on Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via [www.fiscaladvisorsauction.com](http://www.fiscaladvisorsauction.com), on August 11, 2025 by no later than 11:00 A.M. ET. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. No phone bids will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the Village, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale for the Notes.**

August \_\_, 2025

THE VILLAGE DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S), AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE VILLAGE WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS RELATED TO THE NOTES AS DEFINED IN THE RULE. SEE "APPENDIX-C, MATERIAL EVENT NOTICES" HEREIN.

**VILLAGE OF ENDICOTT  
BROOME COUNTY, NEW YORK**

**VILLAGE BOARD**

NICHOLAS BURLINGAME

Mayor

TIM WRIGHT, JR.

Deputy Mayor

**TRUSTEES**

PATRICK DORNER  
MACHELLE SPINELLI  
ANNA MARION

\* \* \* \* \*

ANTHONY BATES

Village Manager &  
Clerk / Treasurer

JANICE ORLANDO

Deputy Clerk-Treasurer

ROBERT H. MCKERTICH, ESQ.

Village Attorney

**MUNICIPAL ADVISOR**



Fiscal Advisors & Marketing, Inc.  
250 South Clinton Street, Suite 502  
Syracuse, New York 13202  
(315) 752-0051

**BOND COUNSEL**



Orrick, Herrington & Sutcliffe LLP  
51 West 52<sup>nd</sup> Street  
New York, New York 10019  
(212) 506-5151

No dealer, broker, salesman or other person has been authorized by the Village of Endicott to give any information or to make any representations other than those contained in this Official Statement; and if given or made, such other information or representations must not be relied upon as having been authorized by the Village of Endicott. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Notes by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Village of Endicott from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Village of Endicott since the date thereof.

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PREPARED WITH THE ASSISTANCE OF



Fiscal Advisors & Marketing, Inc.  
250 South Clinton Street, Suite 502  
Syracuse, New York 13202  
Phone: (315) 752-0051  
[www.fiscaladvisors.com](http://www.fiscaladvisors.com)

**OFFICIAL STATEMENT**  
**of the**  
**VILLAGE OF ENDICOTT**  
**BROOME COUNTY, NEW YORK**

**Relating to**  
**\$12,461,000 Bond Anticipation Notes, 2025 (Renewals)**

This Official Statement, which includes the cover page and appendices, has been prepared by the Village of Endicott, Broome County, New York (the “Village,” “County,” and “State,” respectively), in connection with the sale by the Village of its aggregate principal amount of \$12,461,000 Bond Anticipation Notes, 2025 (Renewals) (referred to herein as the “Notes”).

The factors affecting the Village's financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Village's tax base, revenues, and expenditures, this Official Statement should be read in its entirety.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Village contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the and Notes and the proceedings of the Village relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

**THE NOTES**

**Description of the Notes**

The Notes are general obligations of the Village, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State of New York (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the Village is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See “NATURE OF THE OBLIGATION” and “TAX LEVY LIMITATION LAW” herein.

The Notes are dated August 21, 2025 and will mature, without the option of prior redemption, on August 21, 2026. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) at the option of the purchaser(s), as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as the securities depository for the Notes. Under this option, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See “BOOK-ENTRY-ONLY SYSTEM” herein; or (ii) registered in the name of the purchaser with principal and interest payable in Federal Funds at the office of the Village Clerk, in Endicott, New York.

**No Optional Redemption**

The Notes shall not be subject to redemption prior to maturity.

## Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State including among others, the Village Law, the Local Finance Law and bond resolutions adopted by the Board of Trustees of the Village authorizing the issuance of serial bonds for the following projects:

<b>Purpose</b>	<b>Authorization Date</b>	<b>Amount Authorized</b>	<b>Amount Outstanding</b>	<b>Principal Paydown</b>	<b>New Money</b>	<b>Amount of Notes</b>
Streetscape, Gateway, Parking Projects	01/04/21	\$ 2,600,000	\$ 2,135,000	\$ 254,000	\$ -	\$ 1,881,000
Water Meter Replacement	09/08/22	4,150,000	4,019,000	135,000	-	3,884,000
Hayes Avenue Pump Station	09/08/22	800,000	795,000	6,000	-	789,000
Water Line	09/08/22	400,000	396,000	4,000	-	392,000
New Well	09/08/22	7,300,000	3,991,000	31,000	-	3,960,000
New Storage Building	09/08/22	325,000	308,000	17,000	-	291,000
Heavy Equipment	09/08/22	1,325,000	1,325,000	61,000	-	1,264,000
		<b>Total:</b>	<b>\$ 12,969,000</b>	<b>\$ 508,000</b>	<b>\$ -</b>	<b>\$ 12,461,000</b>

The proceeds of the Notes together with \$508,000 available funds of the Village will redeem and renew, in part, \$12,969,000 bond anticipation notes maturing on August 22, 2025.

## NATURE OF THE OBLIGATION

Each of the Notes when duly issued and paid for will constitute a contract between the Village and the holder thereof.

Holders of any series of notes or bonds of the Village may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the Village and will contain a pledge of the faith and credit of the Village for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Village has power and statutory authorization to levy ad valorem taxes on all real property within the Village subject to such taxation by the Village, subject to applicable statutory limitations.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay “interest on or principal of indebtedness theretofore contracted” prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the Village is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the Village’s power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See “Tax Information - Tax Levy Limitation Law,” herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State’s highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the City’s faith and credit is both a commitment to pay and a commitment of the City’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the City’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit” are used and they are not tautological. That is what the words say and this is what the courts have held they mean... So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way.” Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in Quirk, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

## **BOOK-ENTRY-ONLY SYSTEM**

The Depository Trust Company (“DTC”), Jersey City, New Jersey, will act as securities depository for the Notes, if so requested. The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each Note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants

acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's Money Market Instruments (MMI) Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Village. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The Village may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE VILLAGE CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE VILLAGE WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE VILLAGE MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

## **Certificated Notes**

If the book-entry form is initially chosen by the purchaser of the Notes, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Village and discharging its responsibilities with respect thereto under applicable law, or the Village may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in registered form in denominations of \$5,000 or integral multiples thereof, except for a necessary odd denomination which is or includes \$6,000. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the Village. The Notes will remain non-callable.

## **THE VILLAGE**

### **General Information**

The Village of Endicott is located in upstate New York in the geographical location known as the Southern Tier. It is situated in the Town of Union, Broome County, approximately five miles west of the City of Binghamton and part of the metropolitan area of that City running along with Susquehanna River Valley through the Villages of Johnson City and Endicott and the unincorporated areas of Endwell and Vestal. Major expressways in and around the Village include State Highways 17, 88 and 434 as well as Interstate Expressway #81, which extends from the Canadian border through Pennsylvania. The Village encompasses 3.1 square miles of land area and has a 2023 estimated population of 13,221. It is primarily residential in nature with two shopping districts located within its boundaries.

The Village owns and operates a George F. Johnson Memorial Library. The Village owns and operates the Tri-Cities Airport, a public-use general aviation facility which accommodates private and corporate aircraft located three miles southwest of the Village's central business district. The Village also owns the En-Joie Public Golf Club which is the site of the PGA Champions Tour "Dick's Sporting Goods" Open Golf Tournament. The Village has an agreement with Broome County, effective January 1, 2006 through December 31, 2026, to maintain and operate the En-Joie Public Golf Club.

The Village's Municipal Light Department furnishes electric power to approximately one-third of the Village. Electric power for the remaining portion of the Village is furnished by New York State Electric and Gas Corporation.

Village residents may be employed in any of the following businesses in the area. IBM, Lockheed Martin, The Raymond Corporation, BAE Systems, Rockwell Collins, Nelson Holdings Corporation, Imperium 3 and New York State Electric and Gas Corporation. In addition to these businesses, Village residents may be employed locally in the education or healthcare sector. Binghamton University is located in a neighboring municipality and is a major employer of the area. Also, SUNY Broome, a local community college is a place of employment of Village residents as well as numerous public school systems such as Union-Endicott, Maine-Endwell, Johnson City, Vestal, and Binghamton, all of which are in close proximity to the Village. Other larger employers of the area are in the healthcare sector which includes Lourdes Hospital and UHS Services and the multiple medical offices of both Lourdes and UHS. The Center for Advanced Microelectronic Manufacturing (CAMM) is a partnership between Binghamton University, Cornell University and the Flex Tech Alliance.

### *Recent Economic Developments*

The former IBM and Huron Campus was recently sold to Phoenix Investors development group. The largest employer at the former Huron Campus includes BAE Systems which has over 1,200 employees and is currently growing their workforce.

In December 2021 the Village was awarded a \$10 million Downtown Revitalization Initiative Grant by the Governor's Office. This award will be used to fund both public and private sector projects in the Village of Endicott Innovation District. This downtown district is currently receiving an additional \$12 million in public and private improvement projects which will include new housing and mixed-use facilities, the rehabilitation of former school buildings into affordable housing and office spaces, the investment in current businesses on Washington Avenue and various public improvement projects such as streetscape renovations, parking lot improvements and new gateway identifiers.



In 2018, As part of the Greater Binghamton Fund Strategic Investment Plan, the Village was awarded grant funding in the amount of \$3.7 million, which along with an investment of \$5 million from the Village will create a total investment of \$6.2 million for three downtown revitalization projects. These projects include Washington Avenue Streetscape, Ideal Alley, and Gateway Improvements. The funds will also support innovative and creative projects, including mixed-use and mixed-income developments, private retail and commercial development, and smart growth technologies will be implemented through infrastructure and streetscape improvements. This project has been awarded was substantially completed in 2024.

In October 2021 it was announced that American Horizons Group, LLC had plans to develop a 21-acre site at 105 Skye Island Drive in the Village, contiguous with the existing Skye View Heights 55+ rental community also owned by American Horizons Group. The new development would be called “Altura at Skye View Heights” and was proposed as a four-story, 160,000-square-foot senior residential housing community for ages 50+, and would feature over 64 one-bedroom units and 56 two-bedroom units. While the project was approved in 2021, construction did not commence. The Skye View Heights development is currently for sale by the current owner, which will impact plans for the proposed development project as the sale includes the area of land where Altura at Skye View Heights was proposed to be constructed. The Altura at Skye View Heights development could proceed with a new owner, though any changes to the development would require the submission of a new site plan and a future developer would need to re-apply to receive any potential tax benefits as the PILOT agreement for the proposed project has since expired.

#### *Water Department and Wastewater Treatment Plant*

It is the responsibility of the Endicott Municipal Water Department to provide safe, sanitary, quality water that is free from harmful or objectionable taste, color, odor, and turbidity in the most cost-efficient manner possible. Present water use is 5 to 7 million gallons per day at an average cost of \$3.95 per 1,000 gallons. The Water Treatment Plant serves approximately 46,000 customers and there are approximately 950 fire hydrants and 165 miles of water main. There are 13 storage tanks which store more than 6.5 million gallons of water. Owned and operated by the Village, the 10 MGD (million gallons daily) sewage treatment plant serves 35,000 residents in the Village, Town of Union and the Town of Vestal. Located on the banks of the Nanticoke Creek and the Susquehanna River, the plant features primary/secondary wastewater treatment, in-vessel bio-solids composting and industrial waste treatment. The Water Department has connections to neighboring Johnson City and Vestal Water Systems to help supplement the Village’s system and for emergency backup purposes.

#### *Pollution Issues*

Approximately 377 homes and businesses stretching over 320 acres in the Village are being vented for industrial toxic substances by IBM Corporation who may be responsible for at least a part of the contamination. Property owners claimed that a 1979 documented leak of 4,100 gallons of liquid cleaning agents used in IBM’s circuit board assembly operation was at least partially to blame. Some home and business owners in the affected area claimed that this spill negatively affected the value and salability of their properties and filed suit against the IBM Corporation. Older news articles indicated that IBM offered to settle these suits for \$10,000 or 8% of value of property whichever is larger. The assessed taxable values of the Village were negatively impacted by declining market values of these properties. In 2015, an out-of-court settlement was reached. Today, the contaminated space is over 90% cleaned up, and the remediation efforts have been successful according to reports provided by IBM.

Source: Village officials.

#### **Larger Employers**

The following are the larger employers within or in close proximity to the Village.

<u>Employer</u>	<u>Employees</u>	<u>Type</u>
BAE Systems	1,200	Mission Systems
Union-Endicott Central School District	750	Education
Ideal Senior Living Center	300	Nursing Home

Source: Village officials and Broome County Industrial Development Agency ([www.bcida.com](http://www.bcida.com)).

## Banking Facilities

The following commercial banks are located in the Village:

JPMorgan Chase Bank, N.A.  
Citizens One  
Manufacturers & Traders Trust Company  
NBT Bank (National Bank & Trust of Norwich)  
KeyBank, N.A.

Source: Village officials.

## Population Trends

<u>Year</u>	<u>Village of Endicott</u>	<u>Broome County</u>	<u>New York State</u>
1970	16,556	221,815	18,236,882
1980	14,457	213,648	17,558,072
1990	13,531	212,160	17,990,455
2000	13,038	200,536	18,976,457
2010	13,392	200,600	19,378,102
2020	13,667	198,683	20,201,249
2023 (estimated)	13,211	196,077	19,571,216

Source: U.S. Census Bureau, Population Estimates Program (PEP).

## Selected Wealth and Income Indicators

Per capita income statistics are available for the Village, County and State. Listed below are select figures from the 2006-2010, 2006-2010 and 2019-2023 American Community Survey data.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2019-2023</u>
Village of:						
Endicott	\$ 20,712	\$ 23,235	\$ 28,110	\$ 42,470	\$ 49,711	\$ 54,514
County of:						
Broome	24,314	29,721	35,116	57,545	69,596	83,422
State of:						
New York	30,948	40,898	49,520	67,405	87,270	105,060

Note: 2020-2024 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2006-2010, 2016-2020 and 2019-2023 American Community Survey 5yr data.

## Unemployment Rates

Unemployment statistics are not available for the Village as such. The smallest area for which such statistics are available (which includes the Village) is the County of Broome. The information set forth below with respect to the County and the State of New York is included for informational purposes only. It should not be inferred from the inclusion of such data in this Official Statement that the County and State is necessarily representative of the Village, or vice versa.

	<u>Annual Average</u>						
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Broome County	4.8%	4.5%	8.3%	5.3%	3.9%	3.9%	4.0%
New York State	4.1	3.9	9.8	7.1	4.3	4.1	4.3

	<u>2025 Monthly Figures</u>						
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>
Broome County	3.6%	3.8%	3.4%	2.7%	2.7%	3.0%	N/A
New York State	4.6	4.3	4.1	3.7	3.5	3.8	N/A

Note: Unemployment rates for July 2025 are not available as of the date of this Official Statement.

Source: State of New York, Department of Labor. (Note: Figures not seasonally adjusted).

## Financial Organization

The Village Treasurer is the Chief Fiscal Officer and the accounting officer. It is the Village Treasurer's duty to receive, disburse and account for all financial transactions. The Mayor is the budget officer of the Village.

## Form of Village Government

The Chief Executive Officer of the Village is the Mayor who is elected for a term of four years and is eligible to succeed himself. They are also a member of the Board of Trustees. The legislative and administrative body of the Village is the Board of Trustees, composed of the Mayor and four Trustees. Pursuant to a referendum held in November 2006, the number of trustees was reduced to five members on January 1, 2008, and four members effective January 1, 2009. Trustees are elected for a term of two years. Each term is staggered so that every year two Trustees run for election. There is no limitation as to the number of terms which may be served by members of the Board of Trustees.

The Village Manager is the Chief Administrative Officer of the Village and responsible to the Mayor and Village Board for the efficient administration of all affairs of the Village and management supervision over all departments, offices and agencies of the Village. The Village Manager, who is also the Village Treasurer, is the Chief Fiscal Officer serving a five-year term, retroactively starting January 1, 2021.

## Budgetary Procedures

The Chief Fiscal Officer prepares the proposed budget each year, pursuant to the laws of the State of New York, and a public hearing is held thereon. Subsequent to the public hearing revisions, if any, are made and the budget is then adopted by the Village Board of Trustees as its final budget for the coming fiscal year. The budget is not subject to referendum.

## Investment Policy

Pursuant to the statutes of the State of New York, the Village is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the Village; (6) obligations of a New York public corporation which are made lawful investments by the Village pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of Village moneys held in certain reserve funds established pursuant to law, obligations issued by the Village. These statutes further require that all bank deposits, in excess of the amount insured under

the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

Consistent with the above statutory limitations, it is the Village's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America or (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America. In the case of obligations of the United States government, the Village may purchase such obligations pursuant to a written repurchase agreement that requires the purchased securities to be delivered to a third-party custodian with regular valuation.

## **State Aid**

The Village receives financial assistance from the State. In its General Fund budget for the 2025-26 fiscal year, approximately 5.0% of the operating revenues of the Village are expected to be received from the State as State aid. If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Village, in any year, the Village may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, if the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Village, may be affected by a delay in the payment of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Village. No assurance can be given that present State aid levels will be maintained in the future. In view of the State's continuing budget problems, future State aid reductions are likely. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Village requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

## **Employees**

The Village currently employs approximately 140 full-time employees. The following is a breakdown of employee representation by collective bargaining agents which represent them and the dates of expiration of their agreements (not all employees are represented by collective bargaining agents):

<u>Employees Represented</u>	<u>Union Representation</u>	<u>Contract Expiration Date</u>
29	AFSCME Local 826	May 31, 2027
29	Police Benevolent Association	May 31, 2027
23	Firefighters' Local 1280	May 31, 2024 <sup>(1)</sup>
19	Teamsters Local 693	December 31, 2028
14	CSEA – Clerical	May 31, 2028
9	CSEA – Supervisors	May 31, 2028
6	CSEA – Endicott Light Employees	May 31, 2027

<sup>(1)</sup> Currently under negotiations.

Source: Village officials.

## **Status and Financing of Employee Pension Benefits**

Substantially all employees of the Village are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS"; with ERS, the "Retirement Systems"). The ERS is generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement Systems offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally had vested after ten years of credited service; however, this was changed to five years as of April 9, 2022. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems.

The ERS is non-contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

The PFRS is non-contributory with respect to members hired prior to January 8, 2010 (Tier 1, 2 & 3); members hired from January 9, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

For both ERS & PFRS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw a pension from 5 years to 10 years, which has since been changed to 5 years as of April 9, 2022.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police & firefighters at 15% of non-overtime wages.

For both ERS & PFRS, Tier 6 provides for:

- Increase contribution rates of between 3% and 6% base on annual wage.
- Increase in the retirement age from 62 years to 63 years.
- A readjustment of the pension multiplier.
- A change in the period for final average salary calculation from 3 years to 5 years, which has since been changed back to 3 years.

The Village has made retirement contributions to the Retirement Systems as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
2020-21	\$ 502,055	\$ 1,081,393	\$ 1,583,448
2021-22	766,790	1,423,594	2,190,384
2022-23	572,234	1,395,885	1,968,119
2023-24	674,293	1,408,294	2,082,587
2024-25 (Actual)	826,769	1,711,440	2,538,209
2025-26 (Budget)	957,957	2,011,267	2,969,224

Source: Village officials.

The Village amortized its 2011-12, 2012-13, 2014-15 and 2015-16 contribution of its PFRS retirement obligation as a result of the increased contribution rates. Contribution increases were anticipated and budgeted for during the development of the annual budgets. The Village has not amortized its ERS pension payments. The Village has not found it necessary to amortize or smooth any pension payments since the 2016-17 fiscal year nor does it intend to do so for the foreseeable future.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. In 2023, the Village offered a local retirement incentive in which six employees elected to participate. The estimated cost of the incentive was \$110,000, with estimated savings of \$300,000.

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS and PFRS rates (2020 to 2026) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2020	14.6%	23.5%
2021	14.6	24.4
2022	16.2	28.3
2023	11.6	27.0
2024	13.1	27.8
2025	15.2	31.2
2026	16.5	33.7

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to both ERS and PFRS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

Stable Rate Pension Contribution Option. The 2013-14 Adopted State Budget included a provision that authorized local governments, including the Village, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS and PFRS. For 2014 and 2015 the rate is 12.0% for ERS and 20% for PFRS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The investment of monies and assumptions underlying same, of the Retirement Systems covering the Village’s employees is not subject to the direction of the Village. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the Retirement Systems (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the Village which could affect other budgetary matters. Concerned investors should contact the Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

### **Other Post-Employment Benefits**

GASB Statement No. 45 (“GASB 45”) of the Governmental Accounting Standards Board (“GASB”) requires state and local Healthcare Benefits. School districts and boards of cooperative educational services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits or increasing health care contributions received or paid by retirees below the level of benefits or contributions afforded to or required from active employees since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

OPEB. Other Post-Employment Benefits (“OPEB”) refers to “other post-employment benefits,” meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

**GASB 75.** GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the year ending December 31, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The Village adopted the provisions of Statement No. 75 for the year ending December 31, 2018.

**Summary of Changes from the Last Valuation.** The Village contracted with an actuarial firm to calculate its actuarial valuation under GASB 75. The following outlines the changes to the Total OPEB Liability during the 2021 and 2022 fiscal years, by source.

	Balance ending May 31:	2020	2021
<u>Changes for the year:</u>		<u>\$ 58,944,093</u>	<u>\$ 41,819,840</u>
Service cost		1,227,962	754,941
Interest		1,053,840	1,597,068
Changes of benefit terms		531,361	-
Differences between expected and actual experience		(15,046,826)	(107,534)
Changes in assumptions or other inputs		(2,941,746)	14,290,550
Benefit payments		<u>(1,948,844)</u>	<u>(1,852,884)</u>
Net Changes		<u>\$ (17,124,253)</u>	<u>\$ 14,682,141</u>
	<b>Balance ending at May 31:</b>	<b>2021</b>	<b>2022</b>
		<u><b>\$ 41,819,840</b></u>	<u><b>\$ 56,501,981</b></u>

Source: Audited financial reports of the Village. The above table is not audited. The actuarial valuation report for the fiscal year ended May 31, 2023 and 2024 are not available as of the date of this Official Statement. For additional information regarding the Village's OPEB liability, see "APPENDIX - C" attached hereto.

The Village's unfunded actuarial accrued OPEB liability could have a material adverse impact upon the Village's finances and could force the Village to reduce services, raise taxes or both.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The Village has reserved \$0 towards its OPEB liability. The Village funds this liability on a pay-as-you-go basis.

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

## Financial Statements

The Village retains an independent Certified Public Accounting firm to audit the financial affairs of the Village. The financial affairs of the Village are also subject to periodic audit by the State Comptroller. The last completed audit report covered the fiscal year ending May 31, 2024 and is attached hereto as "APPENDIX – C". Summary financial information of the Village may be found in the Appendices to this Official Statement.

The Village complies with the Uniform System of Accounts as prescribed for villages in New York State. Except for the accounting for fixed assets, this system conforms to generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

Cwynar & Company, the independent auditor for the Village, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Cwynar & Company also has not performed any procedures relating to this Official Statement.

## New York State Comptroller Reports of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Village has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

The State Comptroller's office released its most recent audit report of the Village on November 24, 2021. The purpose of the audit was to determine whether Village officials ensured that non-payroll disbursements were appropriate, adequately supported and audited for the period June 1, 2019 through February 28, 2021.

### Key Findings:

- Village officials did not establish adequate procedures to ensure all disbursements are for appropriate purposes, adequately supported or properly audited.
- Key financial duties were not adequately segregated.
- Bank reconciliations were not performed correctly or in a timely manner.
- Claims were not properly audited.
- Of the \$23.1 million in non-payroll disbursements made during the audit period, disbursements totaling \$287,210 were examined and were found to be supported and appropriate.

### Key Recommendations:

- Segregate financial duties or establish mitigating controls.
- Complete bank reconciliations accurately and in a timely manner.
- Properly audit all claims.

The Village provided a complete response to the State Comptroller's office on November 10, 2021. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

The State Comptroller's office is currently conducting an audit of the Village, with a focus on payroll operations. As of the date of this Official Statement, no reports have been published.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein, nor incorporation thereof herein.

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## The State Comptroller's Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State's school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System ("FSMS") to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State's school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district's ST-3 report filed with the State Education Department annually, and each municipality's annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in "significant fiscal stress", in "moderate fiscal stress," as "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the 2018-19 through 2022-23 fiscal years of the Village are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2024	--	Not Filed*
2023	--	Not Filed*
2022	--	Not Filed*
2021	No Designation	1.7
2020	No Designation	9.6

\* The FSMS and resulting fiscal stress designations rely on data from annual financial reports submitted by local governments to the Office of the State Comptroller (OSC). For the fiscal year ended May 31, 2022, 2023 and 2024, the Village did not file its annual financial reports for FSMS purposes as of the date their score was to be calculated, and therefore a fiscal stress score could not be calculated and a stress designation of "Not Filed" was given.

The Fiscal Scores for the fiscal year ended May 31, 2025 have not been released by the State Comptroller's office as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein, nor incorporation thereof.

## Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which the Notes are to be issued is the Local Finance Law.

The procedure for the validation of the Notes provided in Title 6 of Article 2 of the Local Finance Law will be complied with prior to the sale date.

No principal or interest upon any obligation of the Village is past due.

The fiscal year of the Village is June 1<sup>st</sup> to May 31<sup>st</sup>.

Except for as shown under "STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness", the Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Village.

## TAX INFORMATION

### Taxable Assessed Valuations

<u>Fiscal Year Ending May 31:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Assessed Valuation	\$ 20,630,220	\$ 20,509,852	\$ 20,331,816	\$ 19,584,180	\$ 19,474,202
New York State Equalization Rate	4.25%	4.11%	4.02%	3.61%	3.46%
Total Taxable Full Valuation	\$ 485,416,941	\$ 499,023,163	\$ 505,766,567	\$ 542,498,061	\$ 562,838,208

Source: Village officials.

### Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending May 31:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Village	\$ 414.56	\$ 422.68	\$ 430.96	\$ 445.67	\$ 458.55

Source: Village officials.

### Tax Collection Procedure

Tax payments are due on June 1 to and including June 30 in each year without penalty. Penalties for tax delinquencies are imposed at the rate of 5% for the first month delinquent and an additional 1% for each month or fraction thereof thereafter. At the beginning of November settlement is made by the Treasurer with the Village Board and unpaid taxes are returned to Broome County by November 15 for enforcement. The County remits to the Village the amount of uncollected taxes, and then administers the delinquent collections, so that the Village receives its entire levy in the same fiscal year.

Source: Village officials.

### Tax Levy and Tax Collection Record

<u>Fiscal Year Ending May 31:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total Tax Levy	\$ 8,552,490	\$ 8,669,184	\$ 8,762,170	\$ 8,728,394	\$ 8,929,934
Amount Uncollected <sup>(1)</sup>	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

<sup>(1)</sup> See "Tax Collection Procedure" herein.

Source: Village officials.

## Ten Largest Taxpayers – 2024 Assessment Roll for 2024-25 Village Tax Roll

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Phoenix Investors, LLC <sup>(1)</sup>	Industrial	\$838,321
NYSEG	Utility	769,652
Feinberg & Feinstein	Commercial	243,600
Cotrnc Realty LLC	Nursing/Skilled Care	241,920
602 Partners LLC	Apartments	144,954
Norfolk Southern	Railroad	99,132
Nino and Graziella LLC	Apartments	96,480
DDL Associates	Apartments	85,300
JNFERA LLC	Apartments	76,000
Bachelor Brothers	Apartments	75,700

The top ten taxpayers listed above have a total assessed valuation of \$2,738,019 which represents 14.1% of the Village tax base for the 2023-24 fiscal year.

<sup>(1)</sup> Phoenix LLC, listed above, sought a reduction in their assessment by 40% which has been approved, and such reduction has been incorporated into the Village's 2023-24 financials.

Note: As of the date of this Official Statement, the Village currently does not have any other pending or outstanding tax certioraris that are known or expected to have a material impact on the Village.

Source: Village officials.

## Sales Tax

The following table sets forth a comparison of the budgeted and actual total sales tax collected during each of the five fiscal years and the budgeted amount for the current fiscal year:

<u>Fiscal Year</u>	<u>Budgeted Amount</u>	<u>Actual</u>	<u>Actual as % of Budgeted</u>
2020-21	\$ 2,980,500	\$ 3,462,644	116.18%
2021-22	3,334,300	4,321,924	129.62%
2022-23	3,848,700	4,476,280	116.31%
2023-24	4,181,100	4,716,235	112.80%
2024-25	4,395,000	4,970,280	113.09%
2025-26 (Budgeted)	4,585,000	-	-

Source: Village officials.

## Constitutional Tax Margin

Computation of Constitutional Tax Margin for fiscal years ending May 31:

<u>Fiscal Year Ending May 31:</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Five Year Average Full Valuation.....	\$ 490,673,742	\$ 502,348,812	\$ 519,108,588
Tax Limit - (2%).....	9,813,475	10,046,976	10,382,172
Total Additions.....	1,531,358	1,934,455	2,574,557
Total Taxing Power.....	\$ 11,344,833	\$ 11,981,431	\$ 12,956,729
Total Levy for General Village Purposes.....	8,762,170	8,728,394	8,929,934
Constitutional Tax Margin.....	<u>\$ 2,582,663</u>	<u>\$ 3,253,037</u>	<u>\$ 4,026,795</u>

Source: Village officials.

## **Assessment Information**

Real property in the Village is assessed by the Town of Union.

Veterans' and senior citizens' exemptions are offered to those who qualify.

The assessment roll of the Village is constituted approximately as follows: 50% Commercial and 50% Residential.

The estimated total village property tax for an average residence valued at \$100,000 is \$1,700 per year.

## **TAX LEVY LIMITATION LAW**

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (as amended, the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the Tax Levy Limitation Law (June 24, 2011).

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

## **STATUS OF INDEBTEDNESS**

### **Constitutional Requirements**

The New York State Constitution limits the power of the Village (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the City and its indebtedness (including the Notes), include the following provisions:

**Purpose and Pledge.** Subject to certain enumerated exceptions, the Village shall not give or loan any money or property to or in aid of any individual, private corporation or private undertaking or give or loan its credit to or in aid of any foreign or public corporation. The Village may contract indebtedness only for a Village purpose and shall pledge its faith and credit for the payment of the principal of any interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; no installment may be more than fifty per centum in excess of the smallest prior installment, unless substantially level or declining debt service is utilized. The Village is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its bonds.

Debt Limit. The Village has the power to contract indebtedness for any Village purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real property of the Village and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

Pursuant to Article VIII of the State Constitution and Title 8 and 9 of Article 2 of the Local Finance Law, the debt limit of the Village is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

### **Statutory Procedure**

In general, the State Legislature has authorized the power and procedure for the Village to borrow and incur indebtedness by the enactment of the Local Finance Law subject, of course, to the provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the Village Law and the General Municipal Law.

Pursuant to the Local Finance Law and Village Law, the Village authorizes the issuance of bonds by the adoption of a bond resolution approved by at least two-thirds of the members of the Board of Trustees, the finance board of the Village. Customarily, the Board of Trustees has delegated to the Village Treasurer, as chief fiscal officer of the Village, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that when a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the Village is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations, and
- (3) An action contesting such validity, is commenced within twenty days after the date of such publication, or,

Such obligations are authorized in violation of the provisions of the Constitution.

The Village generally issues its obligations after the time period specified in 3, above has expired with no action filed that has contested validity. It is a procedure that is recommended by Bond Counsel and followed by the Village, but it is not an absolute legal requirement.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto. The Village has authorized bonds for a variety of Village objects or purposes.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such bonds outstanding, commencing no later than two years from the date of the first of such bonds and provided that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein.)

In general, the Local Finance Law contains provisions providing the Village with power to issue certain other short-term general obligation indebtedness including revenue and tax anticipation notes and budget, deficiency and capital notes (see "Details of Outstanding Indebtedness" herein).

**Debt Outstanding End of Fiscal Year**

<u>Fiscal Years Ending May 31:</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Bonds	\$ 1,370,000	\$ 1,245,000	\$ 1,080,000	\$ 2,997,000	\$ 2,715,000
Bonds – NYSEFC <sup>(1)</sup>	6,023,842	5,635,799	5,236,622	4,826,327	10,679,852
Bond Anticipation Notes	2,523,000	4,971,000	11,494,000	18,378,000	20,064,000
NYS EFC Loan Advance <sup>(1)</sup>	5,636,017	5,585,017	5,781,083	5,665,083	0
Capital Lease Obligations <sup>(2)</sup>	<u>53,226</u>	<u>123,747</u>	<u>258,948</u>	<u>599,455</u>	<u>484,586</u>
Totals	<u>\$ 15,606,085</u>	<u>\$ 17,560,563</u>	<u>\$ 23,850,653</u>	<u>\$ 32,465,865</u>	<u>\$ 33,943,438</u>

<sup>(1)</sup> Represents long-term financing through the Environmental Facilities Corporation (“EFC”) for wastewater and water quality improvement projects of the Village. See “New York State Environmental Facilities Corporation Financings” herein.

<sup>(2)</sup> Does not constitute general obligation debt of the Village. Such lease purchase obligations do however count towards the debt limit of the Village See “Other Obligations” herein.

**Details of Outstanding Indebtedness**

The following table sets forth the indebtedness of the Village as of August 5, 2025:

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount Outstanding</u>
<u>Bonds</u>	2025-2043	\$ 2,715,000
<u>Bonds – NYS EFC</u>	2025-2054	10,679,852
<u>Bond Anticipation Notes</u>		
Various Projects	August 22, 2025	12,969,000 <sup>(1)</sup>
Various Projects	April 17, 2026	<u>7,095,000</u>
Total Indebtedness		<u>\$ 33,458,852</u>

<sup>(1)</sup> To be redeemed and renewed, in part, at maturity with the proceeds of the Notes together with \$508,000 available funds of the Village.

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## Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin prepared and shown as of August 5, 2025:

Five-Year Average Full Valuation .....	\$ 519,108,588
Debt Limit – 7% thereof .....	36,337,601

### Inclusions <sup>(1)</sup>:

Bonds.....	\$ 2,715,000	
Bonds – NYS EFC <sup>(2)</sup> .....	10,679,852	
Bond Anticipation Notes .....	<u>20,064,000</u>	
Total Inclusions .....		<u>\$ 33,458,852</u>

### Exclusions:

Appropriations <sup>(3)</sup> .....	\$ 882,461	
Sewer Debt <sup>(4)</sup> .....	0	
Water Debt <sup>(5)</sup> .....	<u>12,550,000</u>	
Total Exclusions .....		<u>\$ 13,432,461</u>

Total Net Indebtedness .....	<u>\$ 20,026,391</u>
Net Debt-Contracting Margin .....	<u>16,311,210</u>
The percent of debt contracting power exhausted is .....	55.11%

- (1) Does not include lease purchase financings which do count towards the debt limit of the Village. The Village remains within its debt limit after accounting for such obligations. See also “Other Obligations” herein.
- (2) Includes bonds issued through EFC that qualify for various interest subsidies. (See “New York State Environmental Facilities Corporation Financings” herein for additional details).
- (3) Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.
- (4) Sewer Debt is excluded pursuant to section 124.10 of the Local Finance Law. The Village currently has \$11,029,852 in sewer related debt outstanding above which could be excluded through the filing of a Sewer Exclusion Certificate with the State Comptroller’s office.
- (5) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Note: The issuance of the Notes will not increase the net-indebtedness of the Village.

## Bonded Debt Service

A schedule of Bonded Debt Service may be found in “APPENDIX – B” to this Official Statement.

## Cash Flow Borrowings

The Village has not issued revenue anticipation notes or tax anticipation notes, nor budget or deficiency notes in the recent past and has no plans to borrow such notes in the foreseeable future.

## New York State Environmental Facilities Corporation Financings

The Village has entered into various agreements with the New York State Environmental Facilities Corporation (“EFC”) to receive long-term market rate financing as well as long-term interest free financing to finance the costs associated with capital projects.

On August 15, 2024, the Village entered into an agreement with EFC for Project No. C7-6212-03-00 for the issuance of E.F.C. Clean Water Statutory Installment Bond – 2024 in the amount of \$6,446,888 to finance the costs associated with the Chesapeake Bay Watershed Improvement Project.

On January 24, 2019, the Village entered into an agreement with EFC for CWSEF Project No. C7-6212-02-00 for the issuance of E.F.C. Clean Water Statutory Installment Bond – 2019 in the amount of \$2,466,526 to finance the costs associated with the Chesapeake Bay Watershed Improvement Project and to be repaid over 30 years at 0.00% interest.

## Other Obligations

The Village has entered into various capital leases for the purchase of equipment, machinery and apparatus.

The following is a schedule of future payments as of the date of this Official Statement:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 248,647	\$ 33,598
2027	114,023	16,336
2028	<u>121,916</u>	<u>8,443</u>
Total Payments	<u>\$ 484,586</u>	<u>\$ 58,377</u>

Source: Village officials. Table itself is not audited.

Note: The above obligations are subject to appropriation but do not involve a pledge of faith and credit of the Village, and therefore do not technically constitute indebtedness of the Village. Such obligations do however count towards the debt limit of the Village. The Village remains within its debt limit after taking into account the outstanding balance of such obligations.

## Estimate of Obligations to be Issued

The Village has the following projects with a balance of the authorization unissued for as outlined below:

<u>Authorization Date</u>	<u>Purpose of Issue</u>	<u>Amount Authorized</u>	<u>Borrowed to Date</u>	<u>Amount of the Notes (New Money)</u>	<u>Remaining Amount Authorized &amp; Unissued</u>
November 15, 2021	Water System & Infrastructure Improvements	\$ 7,310,218	\$ 4,000,000	\$ -	\$ 3,310,218
November 15, 2021	Sewer System & Infrastructure Improvements	775,000	-	-	775,000
September 8, 2022	Development of New Well Site <sup>(1)</sup>	7,300,000	-	-	7,300,000
September 8, 2022	Well No. 32 Emerging Contaminants Water System Improvements (Ranney Well)	18,473,853	-	-	18,473,853
March 13, 2018 & June 19, 2023	Wastewater Treatment Plant Improvements	9,300,000	-	-	9,300,000
February 1, 2024 & February 19, 2024	Various Improvements along Washington Avenue, Ideal Alley and Endicott Gateway	8,000,000	7,600,000	-	400,000
June 3, 2024	Wastewater Treatment Plant Upgrades	23,500,000	-	-	23,500,000
March 3, 2025	Construction of New Water Tanks	1,300,000	-	1,300,000	-
March 3, 2025	Fire Department Roof	180,000	-	180,000	-
September 8, 2022 & March 3, 2025	Construction of a Pole Barn	600,000	325,000	275,000	-
March 3, 2025	Reconstruction of Visitor Center Roof	120,000	-	120,000	-
Totals:		<u>\$ 76,859,071</u>	<u>\$ 11,925,000</u>	<u>\$ 1,875,000</u>	<u>\$ 63,059,071</u>

<sup>(1)</sup> The Village is planning on issuing additional water department debt for the development of a new well source at an estimated cost of approximately \$7.3 million. The Village has been awarded a Water Infrastructure Improvement (“WIIA”) grant through the New York State Environmental Facilities Corporation which will cover up to \$4.8 million of the project cost of the new well source. A portion of the project cost might be shared between the Village and the Town of Union and the County as well.

Other than as outlined in the table above, the Village has no other projects authorized and issued for at this time, however, the Village is contemplating issuing \$600,000 of Water Department debt during the 2025-26 fiscal year to replace a 500,000 gallon water storage tank.



## Estimated Overlapping Indebtedness

In addition to the Village, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the Village. The following table includes the total outstanding principal amount of debt issued by the respective municipalities.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> <sup>(1)</sup>	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>Village Share</u>	<u>Net Overlapping Indebtedness</u>
County of:						
Broome	6/30/2025 <sup>(2)</sup>	\$ 156,285,930	\$ - <sup>(3)</sup>	\$ 156,285,930	4.37%	\$ 6,829,695
Town of:						
Union	6/28/2025 <sup>(2)</sup>	12,422,600	822,500 <sup>(3)</sup>	11,600,100	16.36%	1,897,776
School District:						
Union-Endicott	6/2/2025 <sup>(2)</sup>	50,891,000	44,682,298 <sup>(4)</sup>	6,208,702	33.90%	2,104,750
					Total:	<u>\$ 10,832,221</u>

- (1) Outstanding bonds and bond anticipation notes of the respective municipality. Not adjusted to include subsequent issuances, if any, from the date of the status of indebtedness stated in the table above for each respective municipality.
- (2) Gross indebtedness, exclusions, and net-indebtedness sourced from available annual financial information & operating data filings and/or official statements of the respective municipality.
- (3) Water debt, sewer debt and budgeted appropriations as applicable to the respective municipality. Water Indebtedness excluded pursuant to Article VIII, Section 5B of the New York State Constitution. Sewer Indebtedness excluded pursuant to Article VIII, Section 5E of the New York State Constitution, as further prescribed under section 124.10 of the Local Finance Law. Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.
- (4) Amount excluded represents State building aid on existing bonded indebtedness estimated to be received by the district pursuant to the Provisions of Chapter 760 of the Laws of New York State of 1963.

## Debt Ratios

The following table sets forth certain ratios relating to the Village's indebtedness prepared as of August 5, 2025:

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 20,026,391	\$ 1,515.89	3.56%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	30,858,612	2,335.83	5.48

- (a) The 2023 estimated population of the Village is 13,211. (See "THE VILLAGE - Population Trends" herein.)
- (b) The Village's full value of taxable real estate for its 2024-25 tax roll is \$562,838,208. (See "TAX INFORMATION - Taxable Assessed Valuations" herein.)
- (c) See "Debt Statement Summary" herein for the calculation of Net Indebtedness.
- (d) The Village's applicable share of Net Overlapping Indebtedness is estimated to be \$10,832,221. (See "Estimated Overlapping Indebtedness" herein.)

## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

**General Municipal Law Contract Creditors' Provision.** Each Note when duly issued and paid for will constitute a contract between the Village and the holder thereof. Under current law, provision is made for contract creditors of the Village to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the Village upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of and interest on the Notes.

**Execution/Attachment of Municipal Property.** As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the Village may not be enforced by levy and execution against property owned by the Village.

**Authority to File for Municipal Bankruptcy.** The Federal Bankruptcy Code allows public bodies, such as the Village, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Notes should the Village be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Notes to receive interest and principal from the Village could be adversely affected by the restructuring of the Village's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the Village (including the Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the Village under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors, and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

**State Debt Moratorium Law.** There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such city of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law described below enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Village.

**Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law.** The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in the county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the

terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder.” Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a “material change in circumstances” the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the “FRB”) is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The Village has not requested FRB assistance, nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

**Constitutional Non-Appropriation Provision.** There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: “If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness.” This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service, but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See “General Municipal Law Contract Creditors’ Provision” herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

**Default Litigation.** In prior years, certain events and legislation affecting a holder’s remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See “Nature of Obligation” and “State Debt Moratorium Law” herein.

**No Past Due Debt.** No principal of or interest on Village indebtedness is past due. The Village has never defaulted in the payment of the principal of and interest on any indebtedness.

## **MARKET AND RISK FACTORS**

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential investment risk.

The financial and economic condition of the Village as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Village’s control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Village to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes could be adversely affected.

The Village is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the Village, in any year, the Village may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Village. In some years, the Village has received delayed payments of State aid which resulted from the State’s delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations.

There are a number of general factors which could have a detrimental effect on the ability of the Village to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the Village. Unforeseen developments could also result in substantial increases in Village expenditures, thus placing strain on the Village’s financial condition. These factors may have an effect on the market price of the Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the Village. Any such future legislation would have an adverse effect on the market value of the Notes (See “TAX MATTERS” herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Village and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Village and hence upon the market price of the Notes. See “TAX LEVY LIMITATION LAW” herein.

## **Cybersecurity**

The Village, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Village faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Village digital networks and systems and the costs of remedying any such damage could be substantial. The Village does have a cyber insurance policy in place to help mitigate the costs of an occurrence of such event.

## **TAX MATTERS**

In the opinion of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in “APPENDIX – D”.

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Notes”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel is of the further opinion that the amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer’s election under Internal Revenue Notice 94-84. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the “IRS”) is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the “original issue discount”). The Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross

income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Notes if the taxpayer elects original issue discount treatment.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The Village has covenanted to comply with certain restrictions designed to ensure that interest on the Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Notes.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Notes or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes may otherwise affect an owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the Village, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Village has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the Village or the owners regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the Village legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the Notes, and may cause the Village or the owners to incur significant expense.

Payments on the Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Notes may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

## LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as "APPENDIX - D".

## LITIGATION

The Village, like any municipality, may be subject to a number of lawsuits in the ordinary conduct of its affairs. The Village does not anticipate that any current, pending or threatened litigation, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the Village.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Village, threatened against or affecting the Village to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the Village taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the Village.

## CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), the Village will enter into an Undertaking to provide notice of certain Material Events, the description of which is attached hereto as "APPENDIX – C".

### Continuing Disclosure Compliance History

Except as noted below, the Village is in compliance in all material respects within the last five years with all previous undertakings made pursuant to Rule 15c2-12.

- The Village failed to file within a timely manner its audited financial statement ("Audit") for the fiscal year ending May 31, 2020. The 2020 Audit was dated February 25, 2021 and was not filed to the Electronic Municipal Market Access Website ("EMMA") until July 27, 2021. A material event notice disclosing such failure to file was filed with EMMA on July 27, 2021.
- The Village's unaudited annual financial report update document ("AUD") for fiscal year ended May 31, 2022 was not complete as of November 30, 2022. The AUD is required to be filed in place of audited financial statements if such audit is not complete by the end of the sixth month following the end of any such succeeding fiscal year. In addition, the 2022 AUD and Audit were still not complete as of May 31, 2023. The Village's 2022 Audit was completed on August 9, 2023 and was filed to EMMA on October 4, 2023. A material event notice disclosing such failure to file was filed with EMMA on July 25, 2023.
- The Village's AUD for the fiscal year ended May 31, 2023 was not complete as of November 30, 2023. A material event notice disclosing such failure to file was posted to EMMA on April 5, 2024. The Village's 2023 Audit was not complete as of fiscal year ended May 31, 2024. The Village's 2023 Audit was completed on July 17, 2024 and was filed to EMMA on July 17, 2024. A material event notice disclosing such failure to file was filed with EMMA on July 17, 2024.
- The Village's AUD for the fiscal year ended May 31, 2024 was not complete as of November 30, 2024. A material event notice disclosing such failure was posted to EMMA on March 20, 2024. A material event notice disclosing such failure to file was filed with EMMA on March 20, 2025.

## **RATINGS**

The Notes are NOT rated. Pending approval of the Village, the purchaser of the Notes may choose to have a rating completed after the sale at the expense of the purchaser, including any fees to be incurred by the Village, as such rating action may result in a material event notification to be posted to EMMA and/or the provision of a supplement to the final Official Statement.

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its rating of "A" with a Stable outlook to the Village's outstanding general obligation bonds. This rating reflects only the view of S&P and any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38<sup>th</sup> Floor, New York, New York 10041, Phone: (212) 438-2118.

Moody's Ratings ("Moody's") has assigned their issuer rating of "A2" to the Village. In addition, Moody's has assigned their short-term rating of "MIG 1" to the Village's currently outstanding bond anticipation notes. These ratings reflect only the view of Moody's and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, NY 10007, Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the outstanding bonds may have an adverse effect on the market price of the outstanding bonds or the Notes.

## **MUNICIPAL ADVISOR**

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the Village on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Village and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Village or the information set forth in this Official Statement or any other information available to the Village with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Village to Fiscal Advisors are partially contingent on the successful closing of the Notes.

## **CUSIP IDENTIFICATION NUMBERS**

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the Village provided, however; the Village assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

## **MISCELLANEOUS**

So far as any statements made in this Official Statement involve matters of opinion or estimates in good faith, no assurance can be given that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Notes.

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Village management's beliefs as well as assumptions made by, and information currently available to, the Village's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Village's files with the repositories. When used in Village documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.



To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

Orrick, Herrington & Sutcliffe LLP, New York, New York Bond Counsel to the Village, expressed no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the Village for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Notes, the Village will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the Village.

The Official Statement is submitted only in connection with the sale of the Notes by the Village and may not be reproduced or used in whole or in part for any other purpose.

The Village hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at [www.fiscaladvisors.com](http://www.fiscaladvisors.com). Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Village nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the Village disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the Village also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The Village's contact information is as follows: Anthony Bates, Village Manager and Treasurer, Village of Endicott, 1009 East Main Street, Endicott, New York 13760, Phone (607) 757-5337, Email: [voetreasurer@endicottny.com](mailto:voetreasurer@endicottny.com).

This Official Statement has been duly executed and delivered by the Village Manager and Treasurer of the Village of Endicott, Broome County, New York.

**VILLAGE OF ENDICOTT**

**Dated: August 5, 2025**

**ANTHONY BATES  
VILLAGE MANAGER  
AND TREASURER**

**GENERAL FUND**

**Balance Sheets**

Fiscal Years Ending May 31:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>ASSETS</u></b>					
Cash & Cash Equivalents	\$ 2,217,910	\$ 4,057,959	\$ 5,897,168	\$ 5,925,111	\$ 3,751,711
State and Federal Aid	113,325	33,834	33,834	-	-
Due from Other Governments	496,798	728,192	722,486	230,150	131,902
Taxes Receivable	-	-	6,515	1,539	-
Other Receivables	589,678	672,534	804,499	142,923	415,139
Due from Other Funds	773,701	-	80,138	200,318	1,508,205
Inventories	30,391	30,391	30,391	30,391	-
Prepaid Expenses	-	-	-	-	31,580
Restricted Cash	-	-	1,198,178	1,060,510	221,221
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 4,221,803</u>	<u>\$ 5,522,910</u>	<u>\$ 8,773,209</u>	<u>\$ 7,590,942</u>	<u>\$ 6,059,758</u>
<b><u>LIABILITIES AND FUND EQUITY</u></b>					
Accounts Payable	\$ 395,135	\$ 279,532	\$ 1,653,429	\$ 2,209,047	\$ 625,483
Accrued Liabilities	166,323	165,302	165,302	165,302	235,236
Due to Other Governments	6,853	6,981	7,875	7,919	9,579
Due to Other Funds	1,988	398,816	1,440,803	298,867	-
Notes Payable	-	-	-	-	-
Other Liabilities	25,324	78,114	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	<u>\$ 595,623</u>	<u>\$ 928,745</u>	<u>\$ 3,267,409</u>	<u>\$ 2,681,135</u>	<u>\$ 870,298</u>
<b><u>FUND EQUITY</u></b>					
Nonspendable	\$ 30,391	\$ 30,391	\$ 30,391	\$ 30,391	\$ 31,580
Restricted	-	-	1,198,178	1,060,510	221,221
Assigned	165,000	-	-	-	-
Unassigned	3,430,789	4,563,774	4,277,231	3,818,906	4,936,659
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUND EQUITY	<u>\$ 3,626,180</u>	<u>\$ 4,594,165</u>	<u>\$ 5,505,800</u>	<u>\$ 4,909,807</u>	<u>\$ 5,189,460</u>
 TOTAL LIABILITIES & FUND EQUITY	 <u>\$ 4,221,803</u>	 <u>\$ 5,522,910</u>	 <u>\$ 8,773,209</u>	 <u>\$ 7,590,942</u>	 <u>\$ 6,059,758</u>

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance**

Fiscal Years Ending May 31:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>REVENUES</b>					
Real Property Taxes	\$ 8,369,282	\$ 8,557,754	\$ 8,792,328	\$ 9,108,519	\$ 8,943,678
Real Property Tax Items	93,991	88,310	-	-	-
Non-Property Tax Items	3,690,211	3,917,640	4,602,574	4,750,321	4,978,862
Departmental Income	1,430,693	1,492,535	2,025,862	1,898,125	2,187,686
Intergovernmental Charges	1,703	9,915	-	-	-
Use of Money & Property	34,515	31,531	34,190	71,937	268,501
Gift & Donations	-	-	2,344	-	1,000
Licenses and Permits	18,996	22,431	-	-	-
Fines and Forfeitures	88,421	78,937	-	-	-
Sale of Property and	-	-	-	-	-
Compensation for Loss	6,150	105,295	46,260	8,860	186,571
Miscellaneous	824,971	538,540	755,394	808,721	556,507
Interfund Revenues	297,131	401,359	-	-	-
Revenues from State Sources	254,822	235,451	985,019	1,179,829	822,316
Revenues from Federal Sources	83,484	32,066	34,750	-	-
Total Revenues	<u>\$ 15,194,370</u>	<u>\$ 15,511,764</u>	<u>\$ 17,278,721</u>	<u>\$ 17,826,312</u>	<u>\$ 17,945,121</u>
<b>EXPENDITURES</b>					
General Government Support	\$ 1,196,041	\$ 1,097,172	\$ 1,039,752	\$ 1,210,119	\$ 1,253,363
Public Safety	5,546,619	5,604,807	6,019,173	6,470,376	6,593,262
Transportation	1,539,267	1,556,358	1,338,596	1,528,892	1,481,466
Airport	-	-	109,605	109,493	78,572
Culture and Recreation	144,745	113,084	158,385	321,520	255,722
Home and Community Services	512,654	560,862	519,630	604,216	565,929
Employee Benefits	5,456,294	5,219,006	5,931,597	6,765,874	5,766,897
Debt Service	3,190,766	362,490	232,538	118,759	112,806
Capital Outlay	-	-	1,017,810	1,293,056	1,014,612
Total Expenditures	<u>\$ 17,586,386</u>	<u>\$ 14,513,779</u>	<u>\$ 16,367,086</u>	<u>\$ 18,422,305</u>	<u>\$ 17,122,629</u>
Excess of Revenues Over (Under)					
Expenditures	<u>(2,392,016)</u>	<u>997,985</u>	<u>911,635</u>	<u>(595,993)</u>	<u>822,492</u>
Other Financing Sources (Uses):					
Operating Transfers In	2,818,045	-	-	-	-
Operating Transfers Out	<u>-</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>(542,839)</u>
Total Other Financing	<u>2,818,045</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>(542,839)</u>
Excess of Revenues and Other					
Sources Over (Under) Expenditures					
and Other Uses	<u>426,029</u>	<u>967,985</u>	<u>911,635</u>	<u>(595,993)</u>	<u>279,653</u>
<b>FUND BALANCE</b>					
Fund Balance - Beginning of Year	2,881,250	3,626,180	4,594,165	5,505,800	4,909,807
Prior Period Adjustments (net)	<u>318,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 3,626,180</u>	<u>\$ 4,594,165</u>	<u>\$ 5,505,800</u>	<u>\$ 4,909,807</u>	<u>\$ 5,189,460</u>

Source: Audited financial statements of the Village. This Appendix is not itself audited.

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Fiscal Years Ending May 31:	<b>2024</b>		<b>2025</b>	<b>2026</b>
	Adopted <u>Budget</u>	Audited <u>Actual</u>	Adopted <u>Budget</u>	Adopted <u>Budget</u>
<b><u>REVENUES</u></b>				
Real Property Taxes	\$ 8,728,394	\$ 8,943,678	\$ 8,929,934	\$ 9,172,758
Real Property Tax Items	123,252	-	127,098	151,073
Non-Property Tax Items	4,302,100	4,978,862	4,690,000	4,860,700
Departmental Income	2,129,700	2,187,686	1,932,200	2,044,200
Intergovernmental Charges	10,400	-	10,400	10,400
Use of Money & Property	174,000	268,501	209,000	234,000
Gift & Donations	-	1,000	-	-
Licenses and Permits	35,950	-	36,450	36,450
Fines and Forfeitures	125,000	-	140,000	140,000
Sale of Property and Compensation for Loss	86,000	186,571	127,000	118,000
Miscellaneous	440,000	556,507	525,000	745,000
Interfund Revenues	392,424	-	392,424	407,424
Revenues from State Sources	897,430	822,316	937,430	944,180
Revenues from Federal Sources	45,000	-	-	-
Total Revenues	<u>\$ 17,489,650</u>	<u>\$ 17,945,121</u>	<u>\$ 18,056,936</u>	<u>\$ 18,864,185</u>
<b><u>EXPENDITURES</u></b>				
General Government Support	\$ 1,148,401	\$ 1,253,363	\$ 1,194,426	\$ 1,150,226
Public Safety	6,664,600	6,593,262	6,868,600	7,027,050
Transportation	2,168,450	1,481,466	2,326,050	2,459,250
Airport	207,850	78,572	199,100	170,300
Culture and Recreation	309,400	255,722	341,050	316,250
Home and Community Services	458,600	565,929	428,600	428,200
Employee Benefits	5,941,870	5,766,897	5,828,220	6,658,875
Debt Service	590,479	112,806	970,890	1,029,034
Capital Outlay	-	1,014,612	-	-
Total Expenditures	<u>\$ 17,489,650</u>	<u>\$ 17,122,629</u>	<u>\$ 18,156,936</u>	<u>\$ 19,239,185</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>822,492</u>	<u>(100,000)</u>	<u>(375,000)</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	225,000
Operating Transfers Out	-	(542,839)	-	-
Total Other Financing	<u>-</u>	<u>(542,839)</u>	<u>-</u>	<u>225,000</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>-</u>	<u>279,653</u>	<u>(100,000)</u>	<u>(150,000)</u>
<b><u>FUND BALANCE</u></b>				
Fund Balance - Beginning of Year	-	4,909,807	100,000	150,000
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 5,189,460</u>	<u>\$ -</u>	<u>\$ -</u>

Source: 2023-24 audited financial statement and 2024-25 and 2025-26 adopted budgets of the Village. This Appendix is not itself audited.

**CHANGES IN FUND EQUITY**

Fiscal Years Ending May 31:	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>WATER FUND</u></b>					
Fund Equity - Beginning of Year	\$ 2,315,750	\$ 2,139,553	\$ 1,695,054	\$ 457,442	\$ 12,520
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	3,689,832	3,738,713	3,174,164	3,839,964	4,798,952
Expenditures & Other Uses	3,866,029	4,183,212	4,411,776	4,284,886	4,583,198
Fund Equity - End of Year	\$ 2,139,553	\$ 1,695,054	\$ 457,442	\$ 12,520	\$ 228,274
<b><u>SEWER FUND</u></b>					
Fund Equity - Beginning of Year	\$ 2,870,433	\$ 3,111,256	\$ 3,673,014	\$ 2,836,377	\$ 2,191,215
Prior Period Adjustments (net)	-	(1)	-	-	-
Revenues & Other Sources	3,805,659	4,258,911	3,138,235	3,521,439	4,208,391
Expenditures & Other Uses	3,564,836	3,697,152	3,974,872	4,166,601	4,399,369
Fund Equity - End of Year	\$ 3,111,256	\$ 3,673,014	\$ 2,836,377	\$ 2,191,215	\$ 2,000,237
<b><u>PARKING AUTHORITY FUND</u></b>					
Fund Equity - Beginning of Year	\$ 1,315	\$ (5,768)	\$ (20,443)	\$ (31,435)	\$ (45,796)
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	9,725	3,414	6,377	2,976	65,168
Expenditures & Other Uses	16,808	18,089	17,369	17,337	15,142
Fund Equity - End of Year	\$ (5,768)	\$ (20,443)	\$ (31,435)	\$ (45,796)	\$ 4,230
<b><u>DEBT SERVICE FUND</u></b>					
Fund Equity - Beginning of Year	\$ 61,128	\$ 82,906	\$ 93,957	\$ 93,957	\$ 93,955
Prior Period Adjustments (net)	-	-	-	(2)	-
Revenues & Other Sources	21,778	11,051	-	-	39,994
Expenditures & Other Uses	-	-	-	-	-
Fund Equity - End of Year	\$ 82,906	\$ 93,957	\$ 93,957	\$ 93,955	\$ 133,949
<b><u>CAPITAL PROJECTS FUND</u></b>					
Fund Equity - Beginning of Year	\$ 6,100,595	\$ 5,929,533	\$ 1,924,422	\$ (4,921,209)	\$ (13,953,275)
Prior Period Adjustments (net)	-	-	(798,020)	(5,562,556)	-
Revenues & Other Sources	5,806,941	1,809,583	3,077,065	1,430,462	3,672,621
Expenditures & Other Uses	5,978,003	5,814,694	9,124,676	4,899,972	2,741,356
Fund Equity - End of Year	\$ 5,929,533	\$ 1,924,422	\$ (4,921,209)	\$ (13,953,275)	\$ (13,022,010)

Source: Audited financial statements of the Village. This Appendix is not itself audited.

**APPENDIX - B**  
**Village of Endicott**

**BONDED INDEBTEDNESS**

Fiscal Year Ending May 31st	Principal	Interest	Total
2026	\$ 922,461	\$ 210,882	\$ 1,133,343
2027	931,559	184,215	1,115,774
2028	930,657	156,801	1,087,458
2029	939,738	128,321	1,068,059
2030	918,853	97,425	1,016,278
2031	937,951	67,226	1,005,177
2032	522,049	37,400	559,449
2033	496,147	28,000	524,147
2034	335,245	21,300	356,545
2035	339,343	19,100	358,443
2036	343,441	16,900	360,341
2037	352,540	14,600	367,140
2038	341,638	12,500	354,138
2039	345,736	10,700	356,436
2040	349,834	8,900	358,734
2041	358,932	7,000	365,932
2042	363,030	5,000	368,030
2043	367,128	3,000	370,128
2044	371,226	1,000	372,226
2045	325,324	-	325,324
2046	329,422	-	329,422
2047	333,520	-	333,520
2048	337,620	-	337,620
2049	341,718	-	341,718
2050	246,020	-	246,020
2051	248,984	-	248,984
2052	251,948	-	251,948
2053	254,912	-	254,912
2054	257,876	-	257,876
<b>TOTALS</b>	<b>\$ 13,394,852</b>	<b>\$ 1,030,270</b>	<b>\$ 14,425,122</b>

**APPENDIX - B1**  
**Village of Endicott**

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending May 31st	2011			2022		
	EFC - Refunding			Refunding of 2009 & 2014 Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 360,000	\$ 111,832	\$ 471,832	\$ 145,000	\$ 27,150	\$ 172,150
2027	375,000	95,552	470,552	130,000	22,800	152,800
2028	385,000	77,901	462,901	130,000	18,900	148,900
2029	395,000	59,421	454,421	120,000	15,000	135,000
2030	410,000	40,125	450,125	70,000	10,200	80,200
2031	425,000	19,826	444,826	65,000	7,400	72,400
2032	-	-	-	60,000	4,800	64,800
2033	-	-	-	60,000	2,400	62,400
TOTALS	\$ 2,350,000	\$ 404,658	\$ 2,754,658	\$ 780,000	\$ 108,650	\$ 888,650

Fiscal Year Ending May 31st	2019			2023		
	EFC Clean Water			EFC Clean Water		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 72,579	\$ -	\$ 72,579	\$ 170,000	\$ 71,900	\$ 241,900
2027	73,713	-	73,713	175,000	65,863	240,863
2028	74,847	-	74,847	160,000	60,000	220,000
2029	75,981	-	75,981	165,000	53,900	218,900
2030	77,115	-	77,115	175,000	47,100	222,100
2031	78,249	-	78,249	180,000	40,000	220,000
2032	79,383	-	79,383	190,000	32,600	222,600
2033	80,517	-	80,517	160,000	25,600	185,600
2034	81,651	-	81,651	55,000	21,300	76,300
2035	82,785	-	82,785	55,000	19,100	74,100
2036	83,919	-	83,919	55,000	16,900	71,900
2037	85,053	-	85,053	60,000	14,600	74,600
2038	86,187	-	86,187	45,000	12,500	57,500
2039	87,321	-	87,321	45,000	10,700	55,700
2040	88,455	-	88,455	45,000	8,900	53,900
2041	89,589	-	89,589	50,000	7,000	57,000
2042	90,723	-	90,723	50,000	5,000	55,000
2043	91,857	-	91,857	50,000	3,000	53,000
2044	92,991	-	92,991	50,000	1,000	51,000
2045	94,125	-	94,125	-	-	-
2046	95,259	-	95,259	-	-	-
2047	96,393	-	96,393	-	-	-
2048	97,528	-	97,528	-	-	-
2049	98,662	-	98,662	-	-	-
TOTALS	\$ 2,054,882	\$ -	\$ 2,054,882	\$ 1,935,000	\$ 516,963	\$ 2,451,963

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending May 31st	2024 EFC Clean Water		
	Principal	Interest	Total
2026	\$ 174,882	\$ -	\$ 174,882
2027	177,846	-	177,846
2028	180,810	-	180,810
2029	183,757	-	183,757
2030	186,738	-	186,738
2031	189,702	-	189,702
2032	192,666	-	192,666
2033	195,630	-	195,630
2034	198,594	-	198,594
2035	201,558	-	201,558
2036	204,522	-	204,522
2037	207,487	-	207,487
2038	210,451	-	210,451
2039	213,415	-	213,415
2040	216,379	-	216,379
2041	219,343	-	219,343
2042	222,307	-	222,307
2043	225,271	-	225,271
2044	228,235	-	228,235
2045	231,199	-	231,199
2046	234,163	-	234,163
2047	237,127	-	237,127
2048	240,092	-	240,092
2049	243,056	-	243,056
2050	246,020	-	246,020
2051	248,984	-	248,984
2052	251,948	-	251,948
2053	254,912	-	254,912
2054	257,876	-	257,876
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TOTALS	\$ 6,274,970	\$ -	\$ 6,274,970



## MATERIAL EVENT NOTICES

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the “Rule”), promulgated by the Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, the Village has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Note is outstanding, to the Electronic Municipal Market Access (“EMMA”) system of the Municipal Securities Rulemaking Board (“MSRB”) or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Note:

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Notes
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the Village
- (m) the consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a “financial obligation” (as defined by the Rule) of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Village, any of which affect noteholders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Village, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no “debt service reserves” will be established for the Notes.

With respect to event (d) the Village does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Village in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Village, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Village.

With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The Village reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the Village no longer remains an obligated person with respect to the Note within the meaning of the Rule. The Issuer acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Note). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Village’s obligations under its material event notices undertaking and any failure by the Village to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes to recover monetary damages.

The Village reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Village; provided that the Village agrees that any such modification will be done in a manner consistent with the Rule.

An “Undertaking to Provide Notice of Material Events” to this effect shall be provided to the purchaser at closing.

Please see the heading titled “CONTINUING DISCLOSURE – Historical Compliance” within the Official Statement for an overview of the Village’s past disclosure compliance.

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**FORM OF BOND COUNSEL’S OPINION**

August 21, 2025

Village of Endicott,  
County of Broome,  
State of New York

Re: Village of Endicott, Broome County, New York  
\$12,461,000 Bond Anticipation Notes, 2025 (Renewals)

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of \$12,461,000 Bond Anticipation Notes, 2025 (Renewals) (the "Obligation"), of the Village of Endicott, Broome County, New York (the "Obligor"), dated August 21, 2025, numbered 1, of the denomination of \$12,461,000, bearing interest at the rate of \_\_\_% per annum, payable at maturity, and maturing on August 21, 2026.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the "Code");
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the "Arbitrage Certificate"); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligation, including the form of the Obligation. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Obligation included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligation) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligation has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligation to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligation and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligation has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation for factual information which, in the judgment of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligation, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/s/ ORRICK, HERRINGTON & SUTCLIFFE LLP

**VILLAGE OF ENDICOTT  
BROOME COUNTY, NEW YORK**

**AUDITED FINANCIAL STATEMENTS**

**For the Year Ended May 31, 2024**

Such Audited Financial Statements and opinion were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.

The Village's independent auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Village's independent auditor also has not performed any procedures relating to this Official Statement.

**VILLAGE OF ENDICOTT**  
NEW YORK STATE

**ANNUAL FINANCIAL REPORT**

**May 31, 2024**

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

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# Cwynar & Company

**Certified Public Accountants, PLLC**

Assurance | Accounting | Bookkeeping | Tax

43-45 South Broad Street  
Norwich, New York 13815  
607.334.3838 voice  
www.cwynar.com

## INDEPENDENT AUDITORS' REPORT

April 16, 2025

Village of Endicott  
Endicott, New York

Mayor and Trustees

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Endicott, New York State (the "Village"), as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of George F. Johnson Memorial Library, which is a discretely presented component unit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



**Summary of Opinions**

<b>Opinion Unit</b>	<b>Type of Opinion</b>
Governmental Activities	Qualified
Business-Type Activities	Qualified
Aggregate Discretely Presented Component Units	Disclaimer
General Fund	Unmodified
Water Fund	Unmodified
Sewer Fund	Unmodified
Capital Projects Fund	Unmodified
Enterprise Fund - Electric	Qualified
Aggregate Remaining Fund Information	Qualified

**Basis for Qualified Opinion on Governmental Activities and Business-Type Activities**

The Statement of Net Position does not include updated values for fixed assets or updated values for Other Post Employment Benefits (OPEB) and the Statement of Activities does not include adjustments related to that updated activity. Management has not obtained an updated report for OPEB as required for compliance with Governmental Accounting Standards Board (GASB) Statement No. 75. The amount by which this departure would affect the assets, net position, revenues, and expenses of the government-wide financial statement has not been determined.

**Qualified Opinions on the Governmental Activities, Business-Type Activities, Major Funds, and Aggregate Remaining Fund Information**

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the Endicott Village, as of May 31, 2024, 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 Disclaimer of Opinion on Discretely Presented Component Unit**

The financial statements of George F. Johnson Memorial Library have not been audited, and we were not engaged to audit the George F. Johnson Memorial Library financial statements as part of the audit of the Village's basic financial statements. George F. Johnson Memorial Library's financial activities are included in the Village's basic financial statements as a discretely presented component unit and represent 100% of the assets, net position and revenue of the Village's discretely presented component unit.

**Disclaimer of Opinion**

Because of the significance of the matters described in the "Basis for Disclaimer of Opinion on Discretely Presented Component Unit" paragraph, we have not been able to obtain sufficient audit evidence to provide a basis for an audit opinion on the financial statements of the discretely presented component unit of the Endicott Village. Accordingly, we do not express an opinion on these financial statements.

### **Emphasis of Matters**

#### *Adoption of New Accounting Pronouncements*

During the year ended May 31, 2024, the Village adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. As a result of the implementation of this standard, the Village reported a restatement for a change in accounting principle (see Note 2). Our auditors' opinion was not modified with respect to the restatement.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, OPEB, and pension plan information are presented to supplement the basic financial statements. Such information, 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**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Endicott, New York's basic financial statements. A separate report required for compliance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is not a required part of the basic financial statements, and therefore not included.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated **April 16, 2025**, on our consideration of the Village of Endicott, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Endicott, New York's internal control over financial reporting and compliance.



Norwich, New York  
April 16, 2025

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## **Management's Discussion and Analysis**

**VILLAGE OF ENDICOTT**  
NEW YORK STATE

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**YEAR ENDED MAY 31, 2024**

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This section of the Endicott Village's (the Village) Annual Financial Report presents a narrative overview and analysis of the financial activities of the Village for the year ended May 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information in the financial statements. Certain amounts presented as 2023 have been reclassified to conform to the presentation in the 2024 basic financial statements.

**FINANCIAL HIGHLIGHTS**

The Village has approximately \$13.5 million of Liabilities and Deferred Inflows in excess of Assets and Deferred Outflows. The Village this year recognized the effects of recognition of Other Post Employment Benefits which is an approximately \$41.8 million liability.

The Village's general fund accounts for the day to day operations. In fiscal year ending May 31, 2024 the general fund had an ending fund balance of \$5.1 million after recognition of a \$822 thousand operating surplus. The special revenue funds for Water and Sewer had a combined fund balance of \$2.2 million with a \$444 thousand operating profit.

The Village borrowed an additional \$20 million in short-term debt to refinance outstanding short-term debt. The Village used these proceeds for capital projects and to pay down \$12 million in outstanding principal.

The Village's total long-term debt issues totaled \$7.8 million of which \$708 thousand is due in the coming year. During the year the Village paid \$185,000 of interest.

Other post employment benefits is stated at the beginning of the year balance of \$41.8 million, therefore, no activity was recorded in these financial statements.

**USING THIS ANNUAL REPORT**

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

**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.

The Statement of Net Position

The Statement of Net Position presents information on all of the Village's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Increases and decreases in net position may serve as useful indicators of whether the financial position of the Village is improving or deteriorating, respectively.

The Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net positions are recorded at the time the underlying financial event occurs. Therefore, revenues and expenses are reported on the statement for some items that will result in cash flow in future fiscal periods.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**YEAR ENDED MAY 31, 2024**

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Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions 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 public safety, public works, transportation and commerce, human welfare and neighborhood development, community health, culture and recreation, general administration and finance, and general Village responsibilities. The business-type activities of the Village include electricity operations.

The government-wide financial statements include only the Village itself (known as the primary government). Financial information for any related component unit, such as the village library, is reported separately from the financial information presented for the primary government.

### **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 can be divided into the following categories: governmental funds, a proprietary enterprise type fund, and a component unit fund.

#### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements – i.e., most of the Village's basic services are reported in governmental funds. These statements, however, focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the Village's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains several individual governmental funds organized according to their type (special revenue, debt service, and capital project funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annually appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds are generally used to account for services for which the Village charges customers – either outside customers, or internal units or departments of the Village. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The Village maintains an Electric Fund which is an Enterprise type of proprietary fund.

The Village has elected to report the financial statements of George F. Johnson Memorial Library as a component unit. The financial position and activities of the library that provide services directly to citizens have been presented in the Statement of Net Position and the Statement of Activities under the component unit column. The components unit has been discretely presented in the Village's financial statements,

**VILLAGE OF ENDICOTT**  
NEW YORK STATE

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**YEAR ENDED MAY 31, 2024**

because its nature and significance to the Village cause them to have an effect on the fiscal condition of the Village.

**Notes to the Basic Financial Statements**

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

**Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the Village's adopted budget and progress on capital projects. Budgetary comparison statements have been provided for the General and Capital Project Funds to demonstrate compliance with the adopted budgets.

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

**Net Position**

The Village's total net position which serves as a useful indicator of the government's overall financial position. A summary of the Village's Statement of Net Position at May 31, 2024 and 2023 is as follows

<b>Net Position</b>						
<b>In thousands of dollars (000s)</b>						
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Assets:</b>						
Current and other assets.....	\$ 20,311	\$ 16,671	\$ 1,534	\$ 1,210	\$ 21,845	\$ 17,881
Restricted assets.....	358	2,041	863	1,745	1,221	3,786
Capital assets.....	52,230	51,734	5,006	4,553	57,236	56,287
Total assets.....	72,899	70,446	7,403	7,508	80,302	77,954
<b>Deferred Outflows</b>	9,807	9,703	656	709	10,463	10,412
<b>Liabilities:</b>						
Current liabilities.....	28,468	22,003	554	729	29,022	22,732
Noncurrent liabilities.....	57,247	61,913	3,854	3,961	61,101	65,874
Total liabilities.....	85,715	83,916	4,408	4,690	90,123	88,606
<b>Deferred Inflows</b>	13,001	10,122	1,095	869	14,096	10,991
<b>Net Position:</b>						
Invested in capital assets,						
net of related debt.....	36,129	31,520	5,006	4,553	41,135	36,073
Restricted.....	673	836	863	-	1,536	836
Unrestricted (deficit).....	(52,811)	(46,245)	(3,314)	(1,896)	(56,125)	(48,141)
Total net position.....	<u>\$ (16,009)</u>	<u>\$ (13,889)</u>	<u>\$ 2,555</u>	<u>\$ 2,657</u>	<u>\$ (13,454)</u>	<u>\$ (11,232)</u>

**VILLAGE OF ENDICOTT**  
NEW YORK STATE

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**YEAR ENDED MAY 31, 2024**

The Village's statement of net position discloses their net investment in capital assets. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Please note that the investment in its capital assets is reported net of related debt. Restricted net position is obligated to be used for specific purposes based on a grant or a contract. Unrestricted deficit in net position indicates that the Village has unfunded, long-term contractual obligations for employee post-employment benefits (basically employee health insurance). The Village currently funds retired employee health insurance and some other benefits, commonly called "pay as you go."

**Changes in Net Position**

The statement of activities presents information showing how the Village's net position changed during the most recent fiscal year. A summary of the Village's Statement of Activities for the years ending May 31, 2024 and 2023 is as follows:

**Condensed Statement of Activities**  
In thousands of dollars (000s)

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Expenses:</b>						
General government support.....	\$ 1,801	\$ 1,346	\$ -	\$ -	\$ 1,801	\$ 1,346
Public safety.....	13,481	9,886	-	-	13,481	9,886
Transportation.....	3,590	3,516	-	-	3,590	3,516
Culture & recreation.....	387	289	-	-	387	289
Home & community service.....	2,201	704	-	-	2,201	704
Home & community - Water.....	4,079	4,085	-	-	4,079	4,085
Home & community - Sewer.....	3,623	3,281	-	-	3,623	3,281
Interest on long-term debt.....	644	215	-	-	644	215
Electricity.....	-	-	3,875	3,195	3,875	3,195
Total Expenses.....	29,806	23,322	3,875	3,195	33,681	26,517
<b>Program Revenues:</b>						
Charges for services.....	11,022	9,828	3,590	3,301	14,612	13,129
Operating grants.....	-	107	-	-	-	107
Capital grants.....	584	1,775	-	-	584	1,775
<b>General Revenues:</b>						
Property taxes.....	8,944	8,646	-	-	8,944	8,646
Nonproperty taxes.....	4,979	3,918	-	-	4,979	3,918
Use of money & property.....	493	32	50	-	543	32
Gifts & donations.....	2	5	-	-	2	5
Sale of property & compensation for loss...	228	123	133	319	361	442
State sources.....	826	548	-	-	826	548
Federal sources.....	-	11	-	-	-	11
Miscellaneous.....	604	349	-	-	604	349
Total Revenues.....	27,682	25,342	3,773	3,620	31,455	28,962
<b>Change in Net Position</b>	<b>\$ (2,124)</b>	<b>\$ 2,020</b>	<b>\$ (102)</b>	<b>\$ 425</b>	<b>\$ (2,226)</b>	<b>\$ 2,445</b>

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

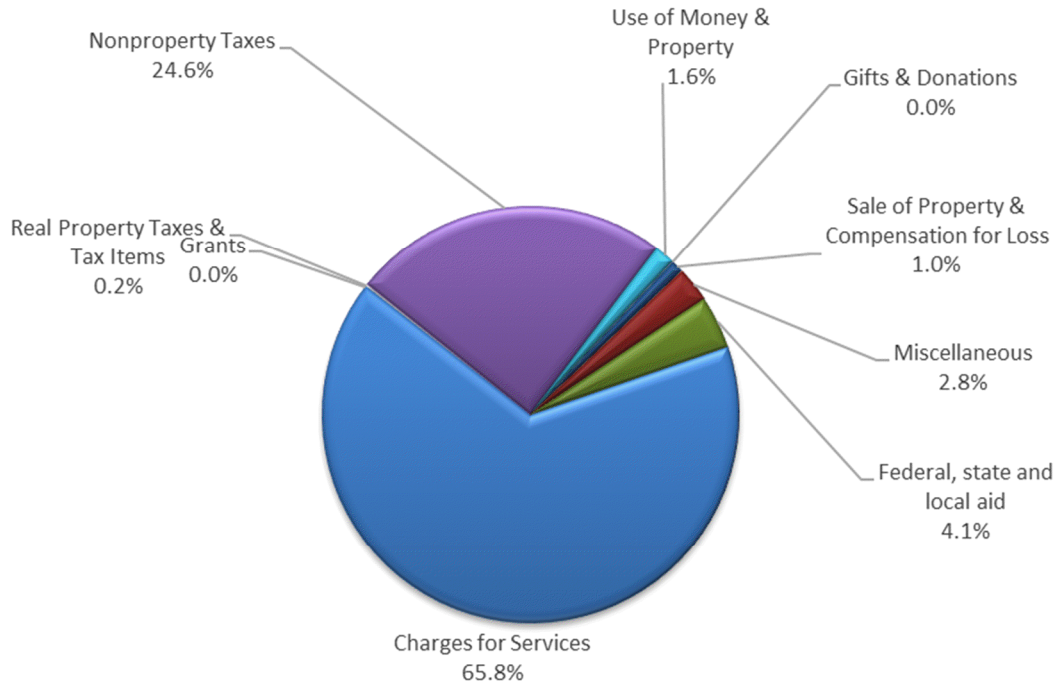
VILLAGE OF ENDICOTT  
NEW YORK STATE

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED MAY 31, 2024

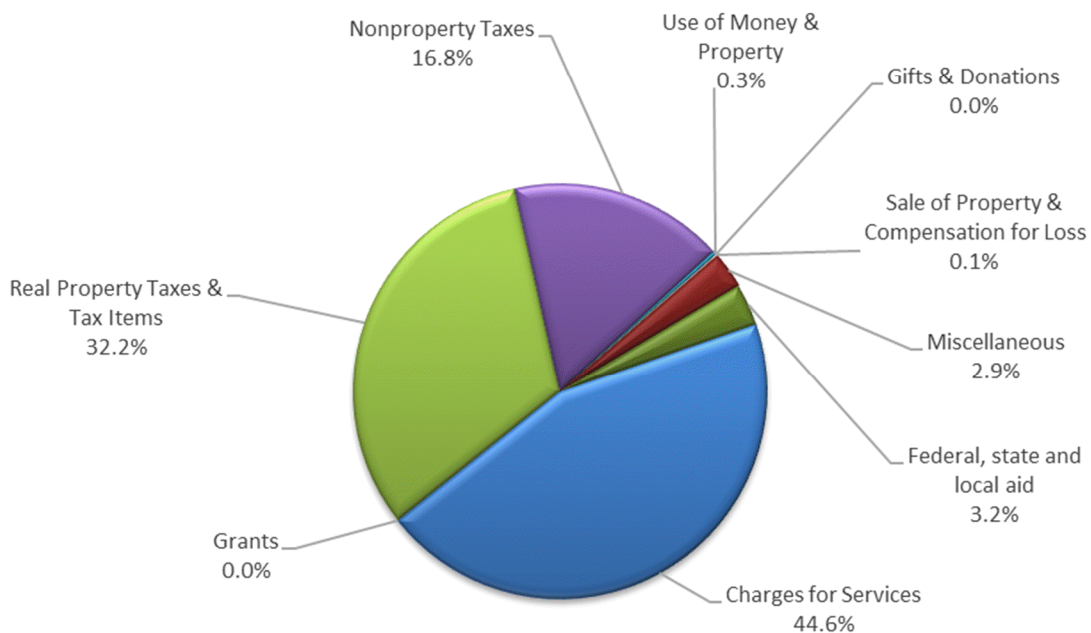
Current and Prior-Year Revenues

The charts illustrate revenues by type. Charges for services includes Water, Sewer, and Electric funds. These are the largest revenue type, followed by Real Property taxes. Non-property tax includes the village share of sales taxes collected.

Sources of Revenue for Fiscal Year 2024



Sources of Revenue for Fiscal Year 2023





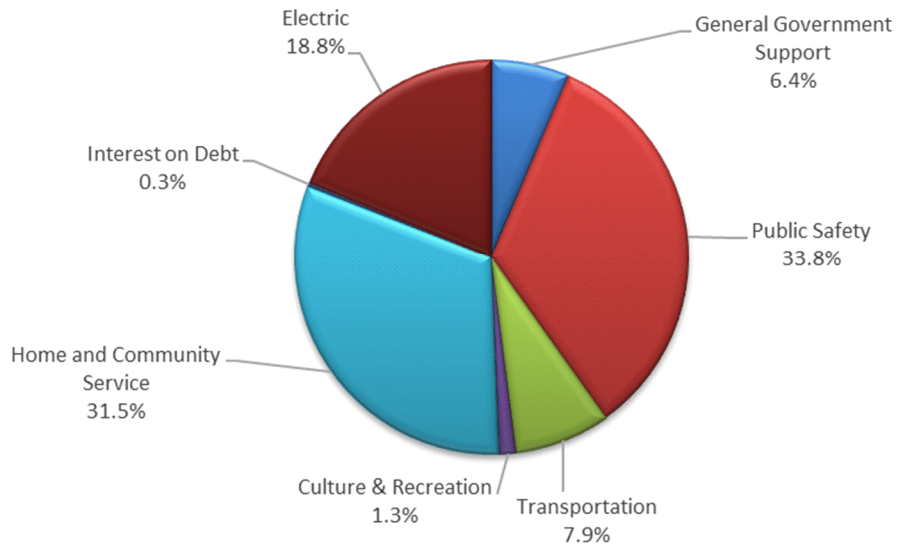
VILLAGE OF ENDICOTT  
NEW YORK STATE

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED MAY 31, 2024

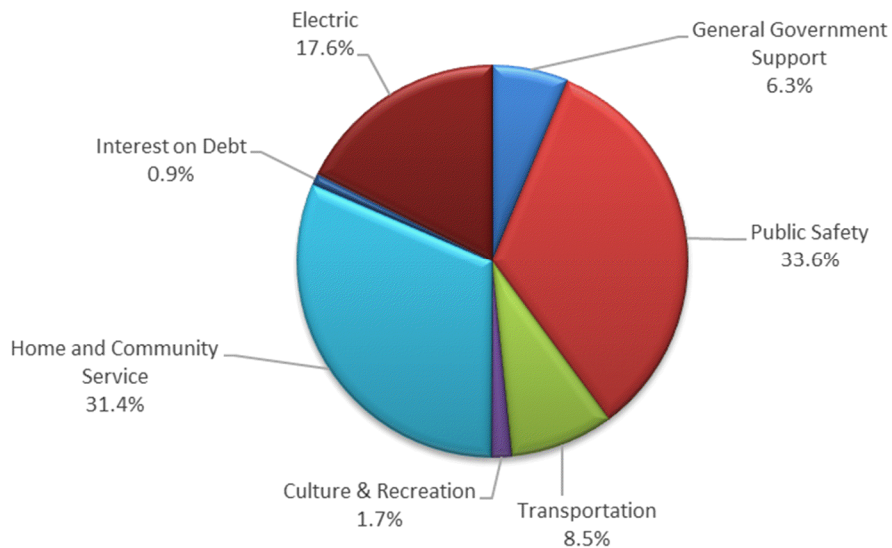
**Current and Prior-Year Expenses**

The charts illustrate expenses by the functional area. Public Safety is the largest area followed closely by Water and Sewer funds (included in Home and Community) and Electric fund. Transportation is the general cost of maintaining the roadways.

**Expenses for Fiscal Year 2024**



**Expenses for Fiscal Year 2023**



MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
YEAR ENDED MAY 31, 2024

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**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

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

**Governmental Funds**

The focus of the Village's governmental funds statements is to provide information on near-term inflows, outflows, and balances of resources available for future spending. Such information is useful in assessing the Village's financing requirements. Unassigned and assigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the Village include the General Fund, Water Fund, Sewer Fund, Special Revenue Funds, Debt Service Fund, Capital Project Funds, and the Library Fund.

At the end of the current fiscal year, the Village governmental funds reported combined deficit fund balances of \$5.5 million, however a \$13 million deficit in the Capital Project Fund will be converted to long-term debt or partially offset by one-time grant revenues.

The General Fund is the chief operating fund of the Village. As a measure of liquidity, both assigned fund balance and total fund balance can be compared to total fund expenditures. Fund balance available is \$5.2 million which is over 20% of total expenditures.

The capital project fund balance is a deficit of \$13 million, the fund accounts for expenditures for specific projects utilizing any grant income received and short term borrowings. The Village is in the middle of various capital projects, upon completion each project will be closed. The capital project's fund balance does not reflect any expected principal indebtedness forgiveness grant to be recognized, if any, when the project is eventually closed.

**General Fund Budgetary Highlights**

During the year, the Village revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and 3) increases in appropriations that become necessary to maintain services.

**VILLAGE OF ENDICOTT**  
NEW YORK STATE

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**YEAR ENDED MAY 31, 2024**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The Village's capital assets increased slightly from the prior year to \$52.2 million (net of accumulated depreciation). Capital assets include land, buildings and improvements, machinery and equipment, park facilities, roads, streets, bridges, and intangible assets.

**Capital Assets, Net of Depreciation**  
In thousands of dollars (000s)

	<b>Governmental</b>		<b>Business-Type</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Land.....	\$ 1,972	\$ 1,857	\$ 41	\$ 41
Construction in progress.....	4,745	2,774	-	-
Buildings.....	3,044	1,645	781	781
Improvements.....	102	1,135	-	-
Infrastructure - Roadway.....	29,466	31,049	-	-
Infrastructure - Electricity.....	-	-	3,404	3,404
Infrastructure - Sewage.....	3,810	3,898	-	-
Infrastructure - Water.....	4,544	4,665	-	-
Equipment.....	4,547	4,070	302	302
	<u>\$ 52,230</u>	<u>\$ 51,093</u>	<u>\$ 4,528</u>	<u>\$ 4,528</u>

For government-wide financial statement presentation, all depreciable capital assets were depreciated from the acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures.

**Debt Administration**

Debt includes all bonds, installment purchase loans, and bond anticipation notes. Below is a summary of that debt:

**Outstanding Long-Term Debt**  
In thousands of dollars (000s)

	<b>Governmental</b>		
	<b>2024</b>	<b>2023</b>	<b>Percentage Change</b>
General obligation bonds.....	\$ 5,697	\$ 4,120	
State agency bonds.....	2,126	2,197	
Interest-free state agency loans.....	5,665	5,781	
Bond anticipation notes.....	18,378	11,494	
	<u>\$ 31,866</u>	<u>\$ 23,592</u>	<u>35.1%</u>

At the end of the year, the Village had commercial paper debt outstanding of \$24 million. Of this total amount, \$5.6 million is general obligation serial bonds backed by the full faith and credit of the Village. Bond anticipation notes amounted to a total of \$18.4 million. Government agency loans totaled \$7.8 million.

The Village's constitutional debt limit imposes a limit on the amount of general obligation bonds the Village can have outstanding at any given time. That limit is 7% of the five-year average full assessed value of

**VILLAGE OF ENDICOTT**  
NEW YORK STATE

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
**YEAR ENDED MAY 31, 2024**

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property in the Village – approximately \$482 million in value as of the close of the year. As of May 31, 2024, the Village had \$5 million in authorized, outstanding property tax-supported general obligation bonds at par, which is equal to approximately 23.7% of the debt limit.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Amounts available for appropriation in the general fund balance are \$5.5 million. Expenditures and property taxes are expected to increase in the upcoming year. The Village will use the increases in revenue to finance programs we currently offer and the expected impact of inflation on these costs. The largest increments are retirement system contributions, health insurance costs, and increased wages and cost of living adjustment based on agreements reached with department unions. The Village has added no major new programs or initiatives to the 2023 budget.

The Village will continue to work hard to maintain a reduced level of spending in 2023 after making major cuts in the years prior. The following economic factors were considered in the Village's 2023 annual budget.

- Population of the Village is approximately 13,500. As of the census of 2010, there were 13,392 people, 6,058 households, and 2,994 families residing in the Village. The population density was 4,198.1 people per square mile.
- Average area unemployment rate is 4.7%, which is above the state average of 4.0%. However, the rate is down from prior years.
- The median income for a family was \$56,571.
- The Mayor and Village Trustees approved a budget of \$16.8 million, which is an approximately 2% increase over the prior year.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Below is an address for questions about this report or requests for additional financial information.

Treasurer  
Village of Endicott  
1009 East Main Street  
Endicott, New York 13760

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## **Basic Financial Statements**

**VILLAGE OF ENDICOTT**  
**NEW YORK STATE**  
**STATEMENT OF NET POSITION**  
**MAY 31, 2024**

	Primary Government (PG)			
	Governmental	Business Type		Component
	Activities	Activities	Total - (PG)	Units (CU)
<b>ASSETS</b>				
Current assets:				
Cash & cash equivalents.....	\$ 18,581,441	\$ 1,020,567	\$ 19,602,008	\$ 1,646,604
Receivables (net, where applicable, of allowance for uncollectables)				
Other governments.....	131,902	-	131,902	-
Other receivables.....	1,559,751	219,827	1,779,578	-
Internal balances.....	6,632	29,390	36,022	-
Inventory.....	31,580	264,535	296,115	-
Total Current Assets.....	20,311,306	1,534,319	21,845,625	1,646,604
Restricted assets:				
Cash & cash equivalents.....	357,519	862,552	1,220,071	-
Total Restricted Assets.....	357,519	862,552	1,220,071	-
Noncurrent assets:				
Capital assets:				
Not being depreciated.....	6,716,597	96,199	6,812,796	-
Being depreciated, net of accumulated depreciation.....	45,513,570	4,909,337	50,422,907	8,278
Total Non-current Assets.....	52,230,167	5,005,536	57,235,703	8,278
Total Assets.....	72,898,992	7,402,407	80,301,399	1,654,882
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pensions.....	6,311,185	361,322	6,672,507	191,288
OPEB.....	3,496,112	294,273	3,790,385	-
Total Deferred Outflows of Resources.....	\$ 9,807,297	\$ 655,595	\$ 10,462,892	\$ 191,288

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements

**VILLAGE OF ENDICOTT**  
**NEW YORK STATE**  
**STATEMENT OF NET POSITION**  
**MAY 31, 2024**

	Primary Government (PG)			
	Governmental	Business Type		Component
	Activities	Activities	Total	Units (CU)
LIABILITIES AND DEFERRED INFLOWS				
Current liabilities:				
Accounts payable.....	\$ 1,848,550	\$ 392,203	\$ 2,240,753	\$ 378,448
Accrued liabilities.....	204,083	22,155	226,238	11,149
Interest payable.....	464,544	455	464,999	-
Due to other governments.....	9,579	-	9,579	-
Overpayments & collections in advance.....	-	32,378	32,378	-
Internal balances.....	29,390	-	29,390	6,632
Due to employees retirement fund.....	1,869,135	107,171	1,976,306	77,042
Bond anticipation notes payable.....	24,043,083	-	24,043,083	-
Current portion of long-term bonds payable.....	-	-	-	-
Total Current Liabilities.....	28,468,364	554,362	29,022,726	473,271
Long-term liabilities, net of current portion				
Bonds payable.....	7,823,327	-	7,823,327	-
Compensated absences.....	2,292,582	123,923	2,416,505	61,962
Other post-employment benefits.....	38,573,086	3,246,754	41,819,840	-
Net pension liability.....	8,557,614	483,763	9,041,377	256,110
Total long-term liabilities.....	57,246,609	3,854,440	61,101,049	318,072
Total Liabilities.....	85,714,973	4,408,802	90,123,775	791,343
DEFERRED INFLOWS OF RESOURCES				
Pensions.....	3,298,989	277,942	3,576,931	147,146
OPEB.....	9,701,555	816,594	10,518,149	-
Total Deferred Inflows of Resources.....	13,000,544	1,094,536	14,095,080	147,146
NET POSITION				
Investment in capital assets, net of related debt.....	36,129,161	5,005,536	41,134,697	8,278
Restricted for:				
Debt service.....	93,955	-	93,955	-
Capital.....	221,221	-	221,221	-
Other restrictions.....	357,519	862,552	1,220,071	-
Unrestricted (deficit).....	(52,811,084)	(3,313,424)	(56,124,508)	899,403
Total Net Position.....	\$ (16,009,228)	\$ 2,554,664	\$ (13,454,564)	\$ 907,681

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION  
MAY 31, 2024**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants	Capital Grants	Primary Government (PG)			Component Unit (CU)	
					Governmental Activities	Business-type Activities	Total - (PG)		
FUNCTIONS/PROGRAMS EXPENDITURES									
Governmental Activities:									
General government support.....	\$ 1,800,656	\$ 462,871	\$ -	\$ -	\$ (1,337,785)	\$ -	\$ (1,337,785)	\$ -	
Public safety.....	13,481,375	137,237	-	247,732	(13,096,406)	-	(13,096,406)	-	
Transportation.....	3,589,570	1,495,116	-	294,361	(1,800,093)	-	(1,800,093)	-	
Culture & recreation.....	387,427	41,279	-	-	(346,148)	-	(346,148)	-	
Home & community service.....	2,201,330	56,395	-	41,912	(2,103,023)	-	(2,103,023)	-	
Home & community - Water.....	4,079,298	4,685,269	-	-	605,971	-	605,971	-	
Home & community - Sewer.....	3,623,277	4,144,232	-	-	520,955	-	520,955	-	
Interest on long-term debt.....	643,673	-	-	-	(643,673)	-	(643,673)	-	
Total Governmental Activities.....	29,806,606	11,022,399	-	584,005	(18,200,202)	-	(18,200,202)	-	
Business-Type Activity:									
Electricity.....	3,875,081	3,589,996	-	-	-	(285,085)	(285,085)	-	
Total Primary Government (PG).....	33,681,687	14,612,395	-	584,005	(18,200,202)	(285,085)	(18,485,287)	-	
Component Unit	1,278,871	68,706	(324)	-				(1,210,489)	
GENERAL REVENUES									
Taxes:									
Real property taxes & tax items.....					8,943,678	-	8,943,678	-	
Non-property taxes.....					4,978,862	-	4,978,862	-	
Use of money & property.....					492,509	49,520	542,029	36,350	
Gifts & donations.....					2,000	-	2,000	26,815	
Miscellaneous.....					-	-	-	-	
Sale of property & compensation for loss.....					228,431	132,890	361,321	-	
State Sources.....					825,904	-	825,904	12,609	
Federal Sources.....					-	-	-	-	
Unrestricted local aid.....					603,639	-	603,639	1,122,497	
Total General Revenues.....					16,075,023	182,410	16,257,433	1,198,271	
Change in Net Position.....					(2,125,179)	(102,675)	(2,227,854)	(12,218)	
Total Net Position - Beginning of year.....					(13,889,049)	2,657,339	(11,231,710)	919,899	
Other changes in net position.....					5,000	-	5,000	-	
Total Net Position - End of year.....					\$ (16,009,228)	\$ 2,554,664	\$ (13,454,564)	\$ 907,681	

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements



**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**BALANCE SHEET – GOVERNMENTAL FUNDS  
MAY 31, 2024**

	General	Water	Sewer	Parking Authority	Debt Service	Capital Projects	Total Governmental Funds
<b>ASSETS</b>							
Cash & cash equivalents.....	3,751,711	217,126	1,986,766	2,966	-	12,436,836	18,395,405
Receivables							
State & federal aid.....	-	-	-	-	-	-	-
Due from other governments.....	131,902	-	-	-	-	-	131,902
Taxes receivable.....	-	-	-	-	-	-	-
Other receivables.....	415,139	683,659	460,953	-	-	-	1,559,751
Due from other funds.....	1,508,205	-	-	1,403	72,820	-	1,582,428
Due from component units.....	-	-	-	-	-	-	-
Inventory.....	-	-	-	-	-	-	-
Prepaid expenses.....	31,580	-	-	-	-	-	31,580
Restricted cash.....	221,221	-	-	-	61,129	261,205	543,555
Total Assets.....	<u>6,059,758</u>	<u>900,785</u>	<u>2,447,719</u>	<u>4,369</u>	<u>133,949</u>	<u>12,698,041</u>	<u>22,244,621</u>
<b>LIABILITIES</b>							
Accounts payable.....	625,483	11,890	4,264	139	-	1,136,840	1,778,616
Accrued liabilities.....	235,236	20,773	18,008	-	-	-	274,017
Due to other governments.....	9,579	-	-	-	-	-	9,579
Due to other funds.....	-	639,848	425,210	-	-	540,128	1,605,186
Due to component units.....	-	-	-	-	-	-	-
Due to proprietary funds.....	-	-	-	-	-	-	-
Bond anticipation note payable.....	-	-	-	-	-	24,043,083	24,043,083
Total Liabilities.....	<u>870,298</u>	<u>672,511</u>	<u>447,482</u>	<u>139</u>	<u>-</u>	<u>25,720,051</u>	<u>27,710,481</u>
<b>FUND BALANCES</b>							
Nonspendable.....	31,580	-	-	-	-	-	31,580
Restricted for:							
Debt.....	-	-	-	-	93,957	-	93,957
Capital.....	221,221	-	-	-	-	-	221,221
Assigned:							
Appropriated.....	-	-	-	-	-	-	-
Unappropriated.....	-	228,274	2,000,237	-	-	-	2,228,511
Unassigned.....	4,936,659	-	-	4,230	39,992	(13,022,010)	(8,041,129)
Total Fund Balances.....	<u>5,189,460</u>	<u>228,274</u>	<u>2,000,237</u>	<u>4,230</u>	<u>133,949</u>	<u>(13,022,010)</u>	<u>(5,465,860)</u>
Total Liabilities and Fund Balances.....	<u>6,059,758</u>	<u>900,785</u>	<u>2,447,719</u>	<u>4,369</u>	<u>133,949</u>	<u>12,698,041</u>	<u>22,244,621</u>

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED MAY 31, 2024**

	General	Water	Sewer	Parking Authority	Debt Service	Capital Projects	Total Governmental Funds
<b>REVENUES</b>							
Real property taxes.....	\$ 8,943,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,943,678
Non-property tax items.....	4,978,862	-	-	-	-	-	4,978,862
Departmental income.....	2,187,686	4,768,593	4,144,232	-	-	-	11,100,511
Use of money & property.....	268,501	778	51,880	-	-	229,040	550,199
Gifts & donations.....	1,000	-	-	-	-	1,000	2,000
Sale of property & compensation for loss.....	186,571	29,581	12,279	-	-	-	228,431
Miscellaneous local sources.....	556,507	-	-	-	-	68,043	624,550
State sources.....	822,316	-	-	-	-	115,848	938,164
Federal sources.....	-	-	-	-	-	294,361	294,361
Total Revenues.....	17,945,121	4,798,952	4,208,391	-	-	708,292	27,660,756
<b>EXPENDITURES</b>							
General government support.....	1,253,363	-	5,607	-	-	-	1,258,970
Public safety - Law enforcement.....	4,066,856	-	-	-	-	28,418	4,095,274
Public safety - Fire protection.....	2,519,766	-	-	-	-	-	2,519,766
Public safety - Other services.....	6,640	-	-	-	-	-	6,640
Transportation.....	1,481,466	-	-	15,142	-	-	1,496,608
Airport.....	78,572	-	-	-	-	-	78,572
Culture & recreation.....	255,722	-	-	-	-	-	255,722
Home & community service.....	565,929	3,053,803	2,637,483	-	-	-	6,257,215
Employee benefits.....	5,766,897	752,151	748,158	-	-	-	7,267,206
Debt Service							
Principal.....	89,850	-	470,445	-	-	-	560,295
Interest.....	22,956	-	34,635	-	-	355,801	413,392
Capital outlay.....	1,014,612	495,211	365,416	-	-	2,357,137	4,232,376
Total Expenditures.....	17,122,629	4,301,165	4,261,744	15,142	-	2,741,356	28,442,036
Excess (Deficiency) of Revenues Over Expenditures.....	822,492	497,787	(53,353)	(15,142)	-	(2,033,064)	(781,280)
<b>OTHER FINANCING SOURCES AND USES</b>							
Proceeds from debt.....	-	-	-	-	-	2,067,000	2,067,000
Premium on obligations.....	-	-	-	-	39,994	-	39,994
Operating transfers in.....	-	-	-	65,168	-	897,329	962,497
Operating transfers (out).....	(542,839)	(282,033)	(137,625)	-	-	-	(962,497)
Total Other Sources (Uses).....	(542,839)	(282,033)	(137,625)	65,168	39,994	2,964,329	2,106,994
Excess (Deficiency) of Revenues & Other Sources Over Expenditures & Other (Uses).....	279,653	215,754	(190,978)	50,026	39,994	931,265	1,325,714
<b>Fund Balances - Beginning of year.....</b>	<b>4,909,807</b>	<b>12,520</b>	<b>2,191,215</b>	<b>(45,796)</b>	<b>93,955</b>	<b>(13,953,275)</b>	<b>(6,791,574)</b>
<b>Fund Balances - End of year.....</b>	<b>\$ 5,189,460</b>	<b>\$ 228,274</b>	<b>\$ 2,000,237</b>	<b>\$ 4,230</b>	<b>\$ 133,949</b>	<b>\$ (13,022,010)</b>	<b>\$ (5,465,860)</b>

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
SHEET TO THE STATEMENT OF NET POSITION  
MAY 31, 2024**

**Amounts reported for governmental activities in the statement of net position are different due to the following:**

Total fund balances of governmental funds..... \$ (5,465,860)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown as assets in the statement of net position, and depreciation is allocated over their useful lives.

Net capital assets recorded in statement of net position..... 52,230,167

Other post-employment benefits are paid over several years, and are not due and payable for current year expenditures, and therefore are not reported in the funds.

OPEB liability..... (38,573,086)

Deferred outflows..... 3,496,112

Deferred inflows..... (9,701,555)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds:

Serial bonds..... (7,823,327)

Accrued interest on long-term debt..... (464,544)

Proportionate share of long-term asset and liability associated with participation in state retirement systems are not current financial resources or obligations and are not reported in governmental funds:

Net pension liability..... (8,557,614)

Deferred outflows..... 6,311,185

Deferred inflows..... (3,298,989)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Accrued pension..... (1,869,135)

Compensated absences..... (2,292,582)

Net position of governmental activities..... \$ (16,009,228)

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2024**

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<b>Net changes in fund balance for total Governmental Funds.....</b>	<b>\$ 1,325,714</b>
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Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown as assets in the statement of net position and then expensed over their useful lives as depreciation expenses in the statement of activities.

Capital asset additions.....	4,413,115
Depreciation expense.....	(3,916,940)

Changes in proportionate share of net pension asset/liability reported in the statement of activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the government funds.

Police & firemen's retirement system.....	(1,239,240)
Employees' retirement system.....	(408,315)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Repayment of bond principal.....	560,295
Proceeds from debt.....	(2,067,000)

Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in Compensated Absences.....	(562,527)
Change in accrued interest expense.....	(230,281)

<b>Change in Net Position - Governmental Activities.....</b>	<b>\$ (2,125,179)</b>
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See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**PROPRIETARY FUND STATEMENT OF NET POSITION  
MAY 31, 2024**

**ASSETS**

Current assets:

Cash & cash equivalents.....	\$ 1,020,567
Receivables:	
Receivables (less allowance for uncollectable amounts of \$69,539).....	219,827
Due from other funds.....	43,687
Inventories.....	264,535
Restricted cash & cash equivalents.....	862,552
Total Current Assets.....	<u>2,411,168</u>

Non-current assets:

Capital assets:

Capital assets not depreciated.....	96,199
Capital assets depreciated, net.....	4,909,337
Total Non-Current Assets.....	<u>5,005,536</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Pension plan.....	361,322
OPEB.....	294,273
Total deferred outflows of resources.....	<u>655,595</u>

Total Assets & Deferred Outflows of Resources.....	<u>8,072,299</u>
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**LIABILITIES**

Current liabilities:

Accounts payable.....	357,768
Customer deposits.....	32,378
Accrued liabilities.....	55,159
Due to other governments.....	1,886
Due to other funds.....	14,297
Due to state retirement system.....	107,171
Total Current Liabilities.....	<u>568,659</u>

Long-term liabilities, net of current portion

Compensated absences.....	123,923
Other post-employment benefits.....	3,246,754
Net pension liability.....	483,763
Total Long-Term Liabilities.....	<u>3,854,440</u>

Total Liabilities.....	<u>4,423,099</u>
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**DEFERRED INFLOWS OF RESOURCES**

Pensions.....	277,942
OPEB.....	816,594
Total Deferred Inflows of Resources.....	<u>1,094,536</u>

**NET POSITION**

Investment in capital assets, net of related debt.....	5,005,536
Restricted for:	
Capital.....	862,552
Unrestricted (deficit).....	(2,450,872)
Total Net Position.....	<u>\$ 2,554,664</u>

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements



**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**PROPRIETARY FUND STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED MAY 31, 2024**

**OPERATING REVENUES**

Charges for services.....	\$ 3,588,670
Other fees.....	1,326
Total operating revenues.....	<u>3,589,996</u>

**OPERATING EXPENSES**

Personal services.....	990,447
Purchased utility.....	1,557,680
Contractual services.....	170,156
Materials & supplies.....	146,493
Repairs & maintenance.....	56,953
Insurance claims & expenses.....	54,162
Occupancy.....	30,178
Employee benefits.....	579,652
Depreciation.....	289,360
Total operating expenses.....	<u>3,875,081</u>
Operating income (loss).....	<u>(285,085)</u>

**NON-OPERATING INCOME & (EXPENSE)**

Interest income.....	49,520
Gain on disposition of property.....	132,890
Total non-operating income & (expense).....	<u>182,410</u>
Income before transfers.....	(102,675)
Transfers from (to) other funds.....	<u>-</u>
<b>CHANGE IN NET POSITION.....</b>	<b>(102,675)</b>
<b>NET POSITION - Beginning.....</b>	<b><u>2,657,339</u></b>
<b>NET POSITION - Ending.....</b>	<b><u>\$ 2,554,664</u></b>

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements

**VILLAGE OF ENDICOTT  
PROPRIETARY FUND STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED MAY 31, 2024**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash received from customers.....	\$ 3,952,518
Cash payments to employees for wages.....	(1,020,141)
Cash payments to employees for benefits.....	(525,350)
Cash payments to suppliers for goods & services.....	(2,534,821)
Other operating revenues.....	1,326
Net cash provided (used) by operating activities.....	(126,468)

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Capital asset expenditures.....	(742,236)
Proceeds from sale of capital assets.....	220,946
Cash payments to other funds.....	-
Net cash used for non-capital financing activities.....	(521,290)

**CASH FLOWS FROM CAPITAL INVESTING ACTIVITIES**

Interest income.....	49,520
Net cash used for investing activities.....	49,520
Net increase in cash & cash equivalents.....	(598,238)
Cash & cash equivalents—beginning of the year.....	2,481,357
Cash & cash equivalents—end of the year.....	<u>\$ 1,883,119</u>

**RECONCILIATION OF OPERATING INCOME TO  
NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating Income (loss).....	\$ (466,401)
Adjustments:	
Depreciation.....	289,360
Net change in assets & liabilities:	
Accounts receivable.....	122
Inventory.....	6,412
Payables & accruals.....	44,039
Net cash provided (used) by operating activities.....	<u>\$ (126,468)</u>

See Independent Auditors' Report  
See Accompanying Notes to the Financial Statements



**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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**(1) THE FINANCIAL REPORTING ENTITY**

Endicott is a Village incorporated in 1906 and as such is governed by New York State village and municipal law. The Board of Trustees Village is the legislative body responsible for the overall operations which includes a mayor and four trustees. As required by generally accepted accounting principles, the accompanying financial statements present the Village of Endicott (the Village or primary government) and its funds.

The Village of Endicott was originally made up of two distinct villages: Union Village (now the historic business district at the intersection of NYS Route 26 and NYS Route 17C), incorporated in 1892, and Endicott (whose center was along Washington Avenue and North Street), which was incorporated in 1906. Union was a market town along the Susquehanna River settled in the 1790s, serving the farming area between Binghamton and Owego. Endicott, on the other hand, was originally a company town constructed for and by the Endicott Johnson Corporation, which grew to become the largest shoe company in the world by World War I. Growing out of a large tract of farmland, Endicott was known as a boomtown, and as a result acquired the nickname "The Magic City." As the two villages had grown so much that there was no longer any physical distinction between them, Union Village was merged into Endicott in 1921.

The Village defines its reporting entity in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement Nos. 39 and 61, which defines the primary government and potential component units and establishes the criteria for which potential component units are included in the reporting entity. Based on the criteria under these Statements, the Village has one component unit required to be included in the reporting entity.

The George F. Johnson Memorial Library (GFJ) is included in the financial statements as a discretely presented component unit. GFJ provides educational services to Village residents. GFJ is fiscally dependent on the Town of Union for its allocation of funds from tax assessments. Financial statements may be obtained from the Executive Director, 1001 Park Street, Endicott, NY 13760.

As a government agency, the Village is exempt from both federal income taxes and New York State franchise taxes.

**(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all the non-fiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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

**(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds, however, report only assets and liabilities and cannot be said to have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenues are available if they are generally collected within 90 days of the end of the current fiscal period. It is the Village's policy to submit reimbursement and claim requests for federal and state grant revenues within 30 days of the end of the program cycle and payment is generally received within the first or second quarter of the following fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to vacation, sick leave, claims, and judgments, are recorded only when payment is due.

Property taxes, other local taxes, grants and subventions, licenses, and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are measurable and available only when the Village receives cash.

The Village reports the following major **Governmental Funds** that account for activities primarily supported by taxes, grants, and similar revenue sources. These funds use the current financial resources measurement focus and the modified accrual basis of accounting. This means revenues are recognized when they become available and measurable, and expenditures are recorded when the related liability is incurred:

- **General Fund:** This is the Village's primary operating fund. It accounts for all financial transactions that are not required to be accounted for in another fund.
- **Special Revenue Funds -** Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Village's special revenue funds include:
  - **Parking Authority:** This fund accounts for the proceeds of specific revenue from parking fees. These funds are used to pay for the operating costs of maintaining and servicing parking areas.
  - **Capital Projects Funds:** These funds are used to account for the financial resources used for acquisition, construction, or major repair of capital facilities, other than those financed by proprietary funds and equipment purchases financed in whole or in part from the proceeds of obligations. An individual capital projects fund should be established for each authorized project.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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- **Debt Service Fund:** This fund accounts for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.
- **Water Funds:** These funds account for revenue sources and expenditures related to providing water services to the citizens.
- **Sewer Funds:** These funds account for revenue sources and expenditures related to providing sewer and sewage services to the citizens.

The Village reports using one Proprietary Fund that is used to account for activities that operate similarly to private businesses, where services are provided to the public for a fee. Revenues are recognized when earned, and expenses are recognized when incurred, regardless of when cash transactions occur.:

- **Electric Fund:** These funds account for revenue sources and expenditures related to providing electric services to the citizens.

The village reports a Component Unit which is a legally separate organization for which the elected officials of the primary government are financially accountable.

- **George F. Johnson Memorial Library (GFJ):** GFJ is legally separate from the Village and governed by an independent board of trustees. GFJ receives the majority of funding from the Town of Union. GFJ shares resources with the Village and GFJ employees are paid under the Village payroll but are not included in the expenses of the primary government. GFJ is presented as a discretely presented component unit.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Village has elected not to follow subsequent private-sector guidance.

In general, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are charges to other Village departments from the General, Water, Sewer, and Refuse Funds. These charges have not been eliminated because elimination would distort the direct costs and program revenues reported in the statement of activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the Village's proprietary funds are charges for customer services for water and sewer services. Operating expenses for proprietary funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use unrestricted resources first, then restricted resources as they are needed.

**(c) Budgetary Data**

The Village adopts annual budgets for all governmental funds on a substantially modified accrual basis of accounting except for capital project funds and debt service funds, which substantially adopt project-length budgets.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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The budget of the Village is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be provided during the year, (2) the estimated resources (inflows) available for appropriation, and (3) the estimated charges to appropriations. The budget represents a process through which policy decisions are deliberated, implemented, and controlled. The Village Charter prohibits expending funds for which there is no legal appropriation.

The Village's general budgetary procedures detail the budget timeline. A summary of the key budgetary steps is summarized as follows:

No later than March 1, the budget officer submits a tentative budget to the board of trustees for the fiscal year commencing the following June 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds of the Village. After public hearings are conducted to obtain taxpayer comments, the board of trustees adopts the Village budget. The board of trustees must approve all budget revisions that alter appropriations of any department or fund. Unencumbered budgetary appropriations lapse at the close of each year. Budgetary controls are established for the capital projects fund through resolutions authorizing individual projects that remain in effect for the life of the project.

**(d) 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 providing cash flow. These Interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditure and revenues to provide financing or other services. In the Village-wide statements, the amounts reported on the Statement of Net Position for Interfund receivables and payables represent amounts due between different fund types (governmental activities or proprietary and fiduciary funds). Eliminations have been made for all Interfund receivables and payables between the funds, except for those due from or to the fiduciary funds. The governmental funds report all Interfund transactions as originally recorded. Interfund receivables and payables may be 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.

**(e) Deposits and Investments**

The Village considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

State statutes require that collateral be pledged for demand deposits, time deposits, and certificates of deposit at 100% of all deposits not covered by federal depository insurance. Obligations that may be pledged as collateral are obligations of the United States Treasury and its agencies, obligations of the state and its municipalities, Village debt, irrevocable letters of credit, and surety bonds issued by the state-authorized insurance companies.

**(f) Restricted Assets**

Certain assets are classified as restricted assets because their use is completely restricted according to the capital project, bond instrument, grant agreement, or other legal document. These funds are offset by a "restriction of fund balance" in the fund financial statements to indicate that they are not available for appropriation.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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**(g) Property Taxes**

Property taxes are levied annually, no later than May 31, and become a tax lien on January 1. Collection of real property taxes starts June 1 and continues until November 1. Unpaid taxes are subsequently enforced by Broome County, in which the Village is located. The County pays an amount representing uncollected real property taxes transmitted to the County for enforcement to the Village no later than April of the same fiscal year.

**(h) Deferred Revenue**

Deferred revenue on the general fund balance sheet represents deferred inflow of resources from net taxes receivable, less the amount collected within the first sixty (60) days of the subsequent year.

**(i) Other Receivables**

Other receivables in the special revenue fund consist of residential and industrial water and sewer charges receivable. Residential water and sewer charges are levied quarterly. Industrial charges are levied monthly.

**(j) Allowances for Doubtful Accounts**

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

**(k) Inventory**

Inventory recorded in the proprietary funds, if any, primarily consist of construction materials and maintenance supplies. Generally, proprietary funds value inventory at cost or average cost and expense supply inventory as it is consumed. This is referred to as the consumption method of inventory accounting. The governmental fund types use the purchase method to account for other supply inventories, which are not material. The Funds that reports an inventory of unconsumed supplies as an asset include the Light Fund supplies and General Fund airport fuel.

**(l) Capital Assets**

Capital assets, which include land, facilities and improvements, machinery and equipment, infrastructure assets, and intangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year – see the chart below. Intangible assets have a capitalization threshold of \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Capital outlay is recorded as expenditures of the General Fund and other governmental funds and as assets in the government-wide financial statements to the extent the Village's capitalization threshold is met. Interest incurred during the construction phase of the capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds of tax-exempt debt over the same period. Amortization of assets acquired under capital leases is included in depreciation and amortization. Facilities and improvements, infrastructure, machinery and equipment, easements, and intangible assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives: Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of two years.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

General infrastructure assets acquired prior to May 31, 2010 consist of the road network and water and sewer system assets that were acquired or that subsequently received substantial improvements and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Infrastructure.....	\$ 20,000	Straight - Line	30
Buildings.....	15,000	Straight - Line	50
Improvements.....	15,000	Straight - Line	25
Vehicles.....	10,000	Straight - Line	6
Furniture and equipment...	1,000	Straight - Line	12
Computer equipment.....	1,000	Straight - Line	5
Intangible assets.....	50,000	Straight - Line	Varies with type

Capital assets that are not depreciated include land and construction in progress.

**(m) Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. Examples of situations that qualify for reporting Deferred Outflows of Resources are as follows:

- A deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension asset or liability and difference during the measurement period between the Village's contributions and its proportion share of total contributions to the pension systems not included in pension expense.
- Contribution to the pension systems (PFRS and ERS Systems) subsequent to the measurement date.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Examples of situations that qualify for reporting Deferred Inflows of Resources are as follows:

- Unavailable revenue such as property taxes collected for a future period.
- Pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension asset or liability and difference during the measurement period between the Village's contributions and its proportion share of total contributions to the pension systems not included in pension expense.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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**(n) Accrued Vacation and Sick Leave Pay**

The vacation policy of the Village provides employees with vacation days annually depending on their contract and years of service. Upon resignation or retirement, employees are paid for some or all unused vacation leave. Employees are granted sick leave based on the individual employee's contract and they are allowed to accumulate sick leave depending on contract coverage. Sick leave is forfeited if an employee leaves the Village prior to retirement. Employees are granted up to three (3) days personal leave each year depending on their contracts, coverage, and hiring date. On May 31 of each year, the employee forfeits all unused personal leave.

The Village accrues for all salary-related items in the government-wide and proprietary fund financial statements for which they are liable to make a payment directly and incrementally associated with payments made for compensated absences on termination.

**(o) Long-Term Obligations, Bond Issuance Costs, Premiums, and Discounts**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

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

**(p) Fund Equity**

**Government-Wide and Business-Type Net Position**

In the government-wide and proprietary fund financial statements, Net Position are classified in the following categories:

- *Invested in Capital Assets, Net of Related Debt* – This category groups all capital assets, including infrastructure, into one component of Net Position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents the amount of Net Position which is not restricted for any project or other purpose. A deficit will require future funding.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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**Governmental Fund Balance**

As prescribed by Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, governmental funds report fund balance in one of five classifications that comprise a hierarchy based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. The five fund balance classifications are as follows:

- *Non-spendable* – includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The not in spendable form criterion includes items that are not expected to be converted to cash, such as prepaid amounts, as well as certain long-term receivables that would otherwise be classified as unassigned.
- *Restricted* – includes amounts that can only be used for specific purposes due to constraints imposed by external resource providers, by the Village's Charter, or by enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- *Committed* – includes amounts that can only be used for specific purposes pursuant to a formal action of the Village's highest level of decision-making authority, legislation passed by the Board of Supervisors and signed by the Mayor. Commitments may be changed or lifted only by the Village taking the same formal action that imposed the constraint originally.
- *Assigned* – includes amounts that are not classified as non-spendable, restricted, or committed, but are intended to be used by the Village for specific purposes. Intent is expressed by legislation or by action of a body or official to which legislation has delegated the authority to assign amounts to be used for specific purposes.
- *Unassigned* – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification in one of the other four fund balance categories.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of unassigned, assigned, committed, and then restricted.

**(q) Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**(r) 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 reservations of fund balance 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.



**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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**(s) Reclassifications**

Certain amounts presented as 2023 Summarized Comparative Financial Information in the basic financial statements have been reclassified for comparative purposes to conform to the presentation in the 2024 basic financial statements.

**(t) Effects of New Pronouncements**

GASB has issued Statement No. 87, *Leases* as delayed is effective for reporting periods beginning after June 15, 2021. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

The Village will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

**(3) CASH DEPOSITS**

The Village considers all highly-liquid debt instruments with original maturities of three months or less to be cash equivalents.

At year end the carrying value of the Village's deposits with banks was #VALUE!. Of these balances, \$500,000 was covered by FDIC insurance, the balance is covered by deposit collateral. Under the law, banks holding public deposits in excess of amounts insured by FDIC must pledge collateral equal to 100% of such limit. Obligations that may be pledged as collateral are obligations of the United States Treasury and its agencies, obligations of the state and its municipalities, school Village debt, irrevocable letters of credit, and surety bonds issued by the state authorized insurance companies. Collateral is held in the pledging bank's trust department or agent in the Village's name.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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**(4) RECEIVABLES**

Receivables are shown net with uncollectable amounts recognized under the allowance method in the enterprise fund (Electric Fund). The allowance for uncollectable accounts was #VALUE! for 2024.

**Accounts Receivable**

In the financial statements, the accounts receivable amount is #VALUE! and is represented in various funds for purposes of recording receipts resulting from operations. It is anticipated that a significant amount of the balance will be collected within one year of the financial statement date. The Village records unbilled receivables for water, sewer and tipping revenues related to unbilled amounts based upon usage from the last reading date of the last month of the fiscal year. Unbilled receivables totaled \$1,089,400 which is included in the receivable amount above.

**State and Federal Receivable**

In the financial statements, the federal and state receivable amount is #VALUE!. The Village participates in a number of grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The Village believes, based upon its review of current activity and prior experience, the amount of disallowances resulting from these audits, if any, will not be significant to the Village's financial position or results of operations. Expenditures disallowed by completed audits relating to operating programs have been reflected as adjustments to revenues in the year the expenditure was determined to be unallowable, since such amounts have been immaterial in nature.

**Due from Other Governments**

The amount due from other governments are predominately from a neighboring municipality for wastewater treatment services, and various amounts due from local Villages or the County.

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

**(5) CAPITAL ASSETS**

Capital asset activity for the Village for the year ended May 31, 2024, was as follows:

	Beginning Balance	Additions	Retirements / Reclassifications	Ending Balance
<b>Governmental activities:</b>				
<b>Capital assets that are not depreciated:</b>				
Land.....	1,856,571	114,968	-	1,971,539
Construction in progress.....	2,773,596	2,758,285	786,823	4,745,058
Total non-depreciable historical cost.....	4,630,167	2,873,253	786,823	6,716,597
<b>Capital assets that are depreciated:</b>				
Buildings.....	16,496,194	1,506,347	-	18,002,541
Improvements.....	6,775,731	-	719,524	6,056,207
Infrastructure - Roadway.....	46,972,388	-	-	46,972,388
Infrastructure - Sewage.....	11,700,635	-	-	11,700,635
Infrastructure - Water.....	18,817,229	-	-	18,817,229
Vehicles & Equipment.....	16,787,413	2,529,017	-	19,316,430
Total depreciable historical cost.....	117,549,590	4,035,364	719,524	120,865,430
<b>Less accumulated depreciation:</b>				
Buildings.....	14,851,547	107,362	-	14,958,909
Improvements.....	5,641,106	313,326	-	5,954,432
Infrastructure - Roadway.....	15,923,066	1,583,003	-	17,506,069
Infrastructure - Sewage.....	7,803,065	87,451	-	7,890,516
Infrastructure - Water.....	14,151,965	120,857	-	14,272,822
Vehicles & Equipment.....	12,717,672	1,704,941	(346,499)	14,769,112
Total accumulated depreciation.....	71,088,421	3,916,940	(346,499)	75,351,860
Total depreciable and non depreciable historical cost, net.....	<u>\$ 51,091,336</u>			<u>\$ 52,230,167</u>

**Depreciation expense was charged to  
governmental functions as follows:**

General government support.....	117,501
Public safety.....	951,821
Transportation.....	950,547
Culture & recreation.....	105,760
Home & Community - Infrastructure.....	1,791,311
	<u>\$ 3,916,940</u>

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

	Beginning Balance	Additions	Retirements / Reclassifications	Ending Balance
<b>Business-type Activities:</b>				
<b>Capital assets that are not depreciated:</b>				
Land.....	\$ 40,535	\$ -	\$ -	\$ 40,535
Construction in progress.....	-	55,664	-	55,664
Total non-depreciable historical cost.....	40,535	55,664	-	96,199
<b>Capital assets that are depreciated:</b>				
Buildings.....	1,257,492	-	111,535	1,145,957
Equipment.....	2,215,609	1,241,744	1,057,783	2,399,570
Infrastructure.....	5,816,946	1,160,261	417,755	6,559,452
Total depreciable historical cost.....	9,290,047	2,402,005	1,587,073	10,104,979
<b>Less accumulated depreciation:</b>				
Buildings.....	476,914	18,019	-	494,933
Equipment.....	1,914,061	110,780	1,057,783	967,058
Infrastructure.....	2,412,829	160,561	(1,160,261)	3,733,651
Total accumulated depreciation.....	4,803,804	289,360	(102,478)	5,195,642
Total depreciable & non-depreciable historical cost, net.....	<u>\$ 4,526,778</u>			<u>\$ 5,005,536</u>
<b>Depreciation expense was charged to business-type functions as follows:</b>				
Electric.....		<u>\$ 289,360</u>		

**(6) SALES TAX AND COLLECTION**

Broome County imposes a 4% sales tax on sales within the County. The County imposed tax is administered and collected by the State Tax Commission in the same manner as that relating to the State imposed 4% (June 1, 2005) sales and compensating use tax. The County turns a portion of sales tax collected to local municipalities, including the Village.

Net collections, meaning monies collected after deducting expenses of administration and collections and amounts refunded or to be refunded, but inclusive of any applicable penalties and interest, are paid by the State to the County, respectively. In 2024, payments from the County to the Village aggregated #VALUE!.

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**(7) PENSION PLAN OBLIGATIONS**

The Village participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement Systems (PFRS). These Systems are cost-sharing, multiple-employer retirement systems. The New York State Retirement and Social Security Law (NYSRSSL) governs obligations of employers and employees to contribute and benefit to employees. The Systems offer a wide range of plans and benefits that are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits, and optional methods of benefit payments. All benefits generally vest after ten (10) years of credited service.

The NYSRSSL provides that all participating employers of the systems are jointly and severally liable for any actuarial unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Systems. The Systems are non-contributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten (10) years of employment, after which contributions are no longer required. Employee contributions are deducted by the Village from employees' salaries and are sent directly to the Systems.

The actuarial cost method used by the Systems to determine the annual contribution from employees through March 31, 1990 was the aggregate cost method. Under this method, employers funded the excess of the actuarial liabilities over the actuarial assets as a level percentage of salary over the current members' future working lifetimes.

Historical trend information showing the progress in accumulating sufficient assets to pay benefits when due is presented in the March 31, 2021 annual financial reports of the system. Detailed information concerning the system may be found in the annual reports. Contact New York State Office of the State Comptroller or visit the website [www.osc.state.ny.us/pension](http://www.osc.state.ny.us/pension)

**Plan Description**

The Village participates in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as New York State and Local Retirement System (the System). These are cost-sharing, multiple-employer defined benefit retirement systems. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a state statute. The Village also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the state's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**Funding Policy**

The Systems are noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten (10) years of membership, and employees who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) who generally contribute 3.0 to 3.5% of their salary for their entire length of service. In addition, employee contribution rates under ERS tier VI vary based on a sliding salary scale. Generally, Tier V and VI members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

Contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

<u>Contributions</u>	<u>ERS</u>	<u>PFRS</u>
2024	\$ 674,293	\$ 1,337,076
2023	566,352	1,282,586
2022	766,789	1,457,384

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

At May 31, 2024, the Village reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for each of the Systems. The net pension asset/(liability) was measured as of April 1, 2023 for ERS and PFRS. The total pension asset/(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 Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and PFRS Systems in reports provided to the Village.

	<u>ERS</u>	<u>PFRS</u>
Actuarial valuation date.....	4/1/2023	4/1/2023
Net pension liability (asset).....	2,845,665	6,451,822
Village's portion of the Plan's total net pension liability (asset).....	0.0193266%	0.1360333%

For the year ended May 31, 2024, the Village's recognized pension expense was \$674,293 for ERS and the actuarial value \$1,337,076 for PFRS.

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

At May 31, 2024 the Village's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	ERS	PFRS	ERS	PFRS
Differences between expected & actual experience.....	916,586	1,987,720	77,594	0
Changes of assumptions.....	1,075,882	2,433,633	0	0
Net difference between projected & actual earnings on pension plan investments.....	0	0	1,390,092	1,751,358
Changes in proportion and differences between the Village's contributions & proportionate share of contributions.....	132,955	317,019	167,266	337,767
Village's contributions subsequent to the measurement date.....	-	-	-	-
	<u>2,125,423</u>	<u>4,738,372</u>	<u>1,634,952</u>	<u>2,089,125</u>

Village contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended May 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ending:	ERS	PFRS
March 31, 2025 .....	(539,531)	(460,513)
March 31, 2026 .....	527,124	1,940,560
March 31, 2027 .....	807,297	1,081,422
March 30, 2028 .....	(304,419)	(189,450)
March 30, 2029 .....	-	277,228

**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:

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

	ERS	PFRS
Measurement date.....	3/31/2024	3/31/2024
Actuarial valuation date.....	4/1/2023	4/1/2023
Inflation rate.....	2.9%	2.9%
Salary increases.....	4.4%	6.2%
Investment rate of return (net of investment expense, including inflation).....	5.9%	5.9%
Cost-of-living adjustments.....	1.5%	1.5%

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014. The actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

The long term 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 returns net of investment expense 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 each the target asset allocation percentage and by adding expected inflation.

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Asset Class	Target Allocation	Long-term expected real rate of return
Domestic equities.....	32.0%	4.05%
International equities.....	15.0%	6.30%
Private equity.....	10.0%	6.75%
Real estate.....	9.0%	4.95%
Opportunistic portfolio.....	3.0%	4.50%
Credit.....	4.0%	3.63%
Real assets.....	3.0%	5.95%
Fixed income.....	23.0%	0.00%
Cash.....	1.0%	0.50%
	100.0%	

**Discount Rate**

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' 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.



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**NOTES TO THE FINANCIAL STATEMENTS**

**Sensitivity of the proportionate share of the net pension liability to changes in the discount rate assumption**

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate, 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 or 1-percentage point higher than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
ERS net pension liability (asset).....	\$ 4,032,496	\$ 2,845,665	\$ (6,250,034)
PFRS net pension liability (asset).....	\$ 8,114,073	\$ 6,451,822	\$ (5,383,046)

**Pension Plan Fiduciary Net Position**

The components of the current-year net pension asset/(liability) of the employers as of the respective valuation dates were as follows:

	(Dollars in Thousands)		
	ERS	PFRS	Total
Employers' total pension liability.....	\$ 240,696,851	\$ 46,137,717	\$ 286,834,568
Fiduciary net position.....	\$ 225,972,801	\$ 41,392,895	\$ 267,365,696
Employers' net pension liability.....	\$ 14,724,050	\$ 4,744,822	\$ 19,468,872
Ratio of fiduciary net position to the employers' total pension liability.....	93.88%	89.72%	93.21%

**(8) POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**Management did not update the Other Post Employment Benefits (OPEB) actuarial report for the year ended May 31, 2022.** The information and liabilities disclosed in the financial statements are the liabilities that existed at June 1, 2021 which is the beginning of the fiscal year. Management will update the OPEB liability in future years.

**Plan Description**

The Village Retiree Benefit Plan (the Plan) is a single-employer defined benefit Plan administered by the Village. The Plan provides medical benefits to eligible retirees and their spouses. The Village assigns the authority to establish and amend benefit provisions to the Village Board in conjunction with provisions provided in various union agreements. The Plan does not issue a stand-alone financial report. The Plan accumulates no assets in a trust that meets the criteria in paragraph 4 of Statement 75.

**Benefits Provided**

The Village provides post-retirement health care benefits to retirees based upon various union agreements. Eligibility mirrors the eligibility provisions of the New York State Employee Retirement

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

System (NYSERS) and New York State Police and Fire Retirement System (NYSPFRS). During the year, expenditures of #VALUE! were recognized for post-retirement health care premiums.

**Total OPEB Liability**

The current year liability was not determined. The Village's total OPEB liability of #VALUE! was measured as of March 1, 2021 and was determined by an actuarial valuation as of that date. The results for fiscal year ending May 31, 2021 were developed to comply with Statement of Governmental Accounting Standards Number 75 (GASB 75).

**Actuarial Assumptions and Other Inputs**

The total OPEB liability in the May 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Interest rate	1.81%
Salary increases	3.22%
Discount rate	1.81% Based on Fidelity Municipal Go AA 20-yr Bond
Healthcare cost trend rates	5.20% for 2020, decreasing to an ultimate rate of 4.18% for years after 2070
Village share of benefit related costs	Ranges from 75% - 89% depending on the union agreement

Mortality rates were based on the MP-2019 mortality improvement scale.

**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% lower (0.81%) or 1% higher (2.81%) than the current discount rate:

	Discount Rate		
	Baseline Rate		
	1% Decrease	2.50%	1% Increase
Total OPEB Liability	\$ 48,534,426	\$ 41,819,840	\$ 36,480,413

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend 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 healthcare cost trend rates that are 1% lower (4.2% to 3.18%) or 1% higher (6.2% to 5.18%) than the current healthcare cost trend rates:

	Healthcare Cost Trend Rates		
	Baseline Rate		
	1% Decrease	4.00 - 4.08%	1% Increase
Total OPEB Liability	\$ 35,636,805	\$ 41,819,840	\$ 49,682,482

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

**Changes to the Total OPEB Liability**

	May 31, 2021
Total OPEB Liability at Beginning of Year.....	\$ 58,944,093
Changes for the year:	
Service Cost.....	1,227,962
Interest.....	1,053,840
Change in Benefit terms.....	531,361
Difference between expected and actual experience.....	(15,046,826)
Changes in assumptions or other inputs.....	(2,941,746)
Benefit payments.....	(1,948,844)
Balance at the End of the year.....	<u>\$ 41,819,840</u>

**Total OPEB Expense**

	Fiscal Year Ending May 31, 2021
Service Cost.....	\$ 1,227,962
Interest.....	1,053,840
Amortization of Deferred Charges	
Amortization of changes of assumptions or other inputs.....	(6,310,870)
Plan changes.....	531,361
Expected return on investments.....	4,270,637
Total OPEB Expense.....	<u>\$ 772,930</u>

**Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB**

At May 31, 2021, the Village reported deferred outflows and inflows of resources related to OPEB from the following sources:

**Deferred Outflows:**

Changes of assumptions of other inputs	\$ 3,297,820
Net contributions subsequent to the measurement date	492,565
	<u>\$ 3,790,385</u>

**Deferred Inflows:**

Difference between expected and actual experience	\$ 8,802,131
Changes of assumptions of other inputs	1,716,018
	<u>\$ 10,518,149</u>

**Projected Deferred Outflows and Inflows of Resources:**

Fiscal year ending:

May 31, 2022.....	3,729,670
May 31, 2023.....	2,998,094
Thereafter.....	-
	<u>6,727,764</u>

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

**(9) GENERAL OBLIGATION INDEBTEDNESS**

**Revenue Anticipation Notes and Tax Anticipation Notes**

Also known as “RANs” for governmental funds. They are notes issued in anticipation of the receipt of revenues. They are recorded as a liability of the fund that will actually receive the proceeds from the issuance of the notes. The revenue and tax anticipation notes represent a liability that will be extinguished by the use of expendable available resources of the fund.

**Bond Anticipation Notes**

Also called “BANs,” they are notes issued in anticipation of proceeds from the subsequent sale of bonds. It is recorded as a current liability of the fund that will actually receive the proceeds from the issuance of the bonds. Such notes may be classified as part of the General Long-Term Debt Account Group when (1) the intention is to refinance the debt on a long-term basis and (2) the intention can be substantiated through a post balance-sheet issuance of long-term debt or by an acceptable financing agreement. State law requires that bond anticipation notes issued for capital purposes be converted to long-term financing within five years after the original issue date.

The following is a detailed schedule of the bond anticipation notes outstanding:

Description of Issue	Date of Maturity	Purpose of Issue	Interest Rate	Balance
BAN issued 4-18-24	4/18/2025	Various Projects	5.25%	5,000,000
BAN issued 8-23-23	8/23/2024	Various Projects	4.25%	13,378,000
				<u>\$ 18,378,000</u>

**Bond Anticipation Notes – Loan Advance from New York State Environmental Facilities Corporation**

The Village entered into agreements with the New York State Environmental Facilities Corporation (EFC) to receive short-term market rate financing and short-term, interest-free financing to finance the costs associated with capital projects. The following is a detailed schedule of the EFC loan advance bond anticipation notes outstanding:

Description	Maturity	Project	Interest Rate	Amount
EFC Advance issued 8-24-23	8/24/2024	Sewage system	0.00%	<u>\$ 5,665,083</u>

Description	Maturity	Project	Interest Rate	Amount
EFC Direct Loan	10/24/2048	Sewage system	0.00%	<u>\$ 2,126,327</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

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**Serial Bonds**

A bond is a written promise to pay a specified sum of money at a specified date or dates in the future, the maturity dates, together with periodic interest at a specified rate. Serial Bonds are those whose principal is repaid in periodic installments over the life of the issue. In 2024 the village paid principal of \$485,000 and interest of \$145,655 on all outstanding serial bonds.

At May 31, 2024, the total outstanding serial bonds are as follows:

Description	Maturity	Project	Interest Rate	Amount
EFC Direct Bond Series 2021B	5/15/2031	Sewage system	3.25%	2,700,000
Serial Bond issued 4-5-2022	1/15/2033	Various Projects	3.35%	930,000
Serial Bond issued 8-15-2023	1/15/2044	Various Projects	3.30%	2,067,000
				<u>\$ 5,697,000</u>

**Debt Limit**

At May 31, 2024, the total outstanding indebtedness represented approximately 23.7% of its debt limit. The Village is permitted by the New York State Constitution to issue indebtedness up to 7% of the most recent five-year average full valuation of taxable real property. Certain indebtedness is excluded for this limit. In the fiscal year, the five-year average full valuation was \$482 million allowing the Village to incur debt up to \$33.7 million. Total debt of the Village subject to this limit is \$8.2 million.

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

**Changes in Long-Term Debt**

The changes in the Village's indebtedness during the year are summarized as follows:

	Beginning Balance	Additions	Payments/ Maturities	End of Year Balance	Amounts Due Within One Year
<b>General obligation debt:</b>					
EFC Direct Loan 2018.....	\$ 2,196,622	\$ -	\$ 70,295	\$ 2,126,327	\$ 71,445
EFC Direct Bond Series 2021B.....	3,040,000	-	340,000	2,700,000	350,000
2022 Public Improvement Serial Bond.....	1,080,000	-	150,000	930,000	150,000
Serial Bond issued 8-15-2023.....	-	2,067,000	-	2,067,000	132,000
BAN issued 4-18-24.....	-	5,000,000	-	5,000,000	-
BAN issued 8-23-23.....	11,494,000	1,884,000	-	13,378,000	222,000
EFC Advance issued 8-24-23.....	5,781,083	-	116,000	5,665,083	116,000
	23,591,705	8,951,000	676,295	31,866,410	1,041,445
<b>Other obligations:</b>					
Compensated absences.....	2,292,582	687,775	1,250,302	1,730,055	519,017
Other post-employment benefits.....	44,778,529	4,525,459	4,525,459	44,778,529	4,842,241
Net Pension Liability ERS.....	1,742,843	265,979	674,294	1,334,528	667,264
Net Pension Liability PFRS.....	3,802,575	476,374	1,408,294	2,870,655	1,435,328
	<u>\$ 76,208,234</u>	<u>\$ 14,906,587</u>	<u>\$ 8,534,644</u>	<u>\$ 82,580,177</u>	<u>\$ 8,505,294</u>

**Maturity of Long-Term Debt**

The following is a summary of maturing debt service requirements:

**Maturity Schedule**

Year ending May 31:	Serial Bonds			EFC Bonds		
	Payment	Interest	Principal	Payment	Interest	Principal
2025	\$ 381,861	\$ 99,861	\$ 282,000	\$ 508,563	\$ 87,118	\$ 421,445
2026	409,875	94,875	315,000	508,404	75,825	432,579
2027	389,575	84,575	305,000	512,922	64,209	448,713
2028	364,550	74,550	290,000	511,956	52,109	459,847
2029	357,200	72,200	285,000	510,668	39,687	470,981
2030 - 2034	1,221,600	206,600	1,015,000	1,272,569	40,654	1,231,915
2035 - 2039	339,000	79,000	260,000	425,265	-	425,265
2040 - 2044	274,800	29,800	245,000	453,615	-	453,615
2045 - 2049	-	-	-	481,967	-	481,967
	<u>\$ 3,738,461</u>	<u>\$ 741,461</u>	<u>\$ 2,997,000</u>	<u>\$ 5,185,930</u>	<u>\$ 359,603</u>	<u>\$ 4,826,327</u>

**VILLAGE OF ENDICOTT  
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**NOTES TO THE FINANCIAL STATEMENTS**

**(10) INTERFUND BALANCES AND ACTIVITY**

At May 31, 2024, the Village had the following activity and balances due to and from other funds:

	Receivable	Payable	Transfer in	Transfer out
Governmental funds:				
General fund.....	\$ 1,508,205	\$ -	\$ -	\$ 542,839
Water fund.....	-	639,848	-	282,033
Sewer fund.....	-	425,210	-	137,625
Parking Authority fund.....	1,403	-	65,168	-
Debt Service fund.....	72,820	-	-	-
Capital Projects fund.....	-	540,128	897,329	-
Proprietary funds:				
Electric fund.....	29,390	-	-	-
Component units:				
Library fund.....	-	6,632	-	-
	<u>\$ 1,611,818</u>	<u>\$ 1,611,818</u>	<u>\$ 962,497</u>	<u>\$ 962,497</u>

**(11) FUND BALANCE DETAIL**

At May 31, 2024, non-spendable, restricted, assigned, and unassigned fund balance in the governmental funds were as follows:

	General	Water	Sewer	Parking Authority	Debt Service	Capital Projects	Total Governmental Funds
Nonspendable:							
Inventory.....	\$ 31,580	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,580
Restricted:							
Debt service.....	-	-	-	-	93,957	-	93,957
Capital projects.....	221,221	-	-	-	-	-	221,221
Assigned:							
Appropriated for next year's budget.....	-	-	-	-	-	-	-
Unappropriated remaining fund balance...	-	228,274	2,000,237	-	-	-	2,228,511
Unassigned.....	4,936,659	-	-	4,230	39,992	(13,022,010)	(8,041,129)
Total fund balance.....	<u>\$ 5,189,460</u>	<u>\$ 228,274</u>	<u>\$ 2,000,237</u>	<u>\$ 4,230</u>	<u>\$ 133,949</u>	<u>\$ (13,022,010)</u>	<u>\$ (5,465,860)</u>

**(12) CLAIMS, JUDGMENTS, AND CONTINGENT LIABILITIES**

At May 31, 2024, the Village was a defendant to various law suits. In the opinion of the Village's management and the Village attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Village's financial position.

**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

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**(13) RISK MANAGEMENT**

**General**

The Village purchases a variety of insurance policies, including but not limited to all risks property and specific liability policies. The policy limits are established in order to maximize potential recovery via insurance in the event of loss. Policy limits may range based on exposure to loss, and policies are subject to a range of deductibles.

Insurance requirements are established with contractors and consultants that do business with the Village based on the scope of services and nature of the project(s). Contractors and consultants are generally required to maintain certain types of insurance coverage including but not limited to general liability, automobile liability, workers' compensation and professional liability. There has not been any material change to insurance coverage from the previous year.

**Self-insurance**

The Village is self-insured for the medical and dental plan. The Village pays for such claims as they become due. These claims liabilities are accounted for in the governmental funds and the applicable enterprise funds. Claims generated by governmental funds expected to be paid subsequent to one year are recorded only in the government-wide financial statements.

**Health and Dental Insurance**

The Village's medical and dental plans under Excellus Blue Cross Blue Shield are fully self-insured. Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported.

**(14) SIGNIFICANT CONTINGENCIES**

The Village is party to numerous legal proceedings, many of which normally occur in governmental operations. Such litigation includes, but is not limited to, claims assessed against the Village for property damage and personal injury, alleged breaches of contract, condemnation proceedings, tax certiorari claims, and other alleged violations of state and federal laws.

The Village receives significant financial assistance from the State and Federal Governments in the form of grants and entitlements, which are generally conditioned upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by state and federal agencies. Any disallowance as a result of these audits could become a liability of the Village. As of May 31, 2024, the Village is unable to estimate what liabilities may result from such audits.



**VILLAGE OF ENDICOTT  
NEW YORK STATE**

**NOTES TO THE FINANCIAL STATEMENTS**

**(15) TAX ABATEMENTS**

The County of Broome, County of Broome Industrial Development Agency and the Town of Union, enter into various property tax abatement programs for the purpose of economic development. The Village property tax revenue was reduced according to the terms of individual agreements. The terms of payment in lieu of tax (PILOT) agreements are as follows:

Parties	American Horizons Group, LLC organized under Article V of the Private Housing Finance Law of the State of New York)
Term	1/1/2016 – 1/1/2039
Exemption	Will pay the Village based on an assessed valuation of \$238,250
Purpose	Benefit to the Village to have low-income housing and it is in the best interest of the Village to promote the development of adequate, safe and sanitary housing accommodations for low-income elderly. Village can exempt taxation of property within the meaning of Section 125(1)(c) of Article V of the Private Housing Finance Law.
Assessment	\$5,777,365 Full Value assessment is 4.25% 245,538
Tax at Full Rate	\$99,296

**(16) SUBSEQUENT EVENTS**

The Village has evaluated subsequent events through the issuance date of the financial statements.

The United States is presently in the aftermath of a national health emergency related to the COVID-19 virus. The overall consequences of the COVID-19 on a national, regional and local level are unknown, but has the potential to result in a significant economic impact. The impact of this situation on the Village and its future results and financial position is not presently determinable.

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## **Required Supplementary Information**

**Endicott Village**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule for the General Fund**  
**For the Year Ended May 31, 2024**

REVENUES	Budget		Actual	Budget Variance
	Original	Revised		
<b>Local Sources</b>				
Real property taxes.....	\$ 8,851,646	\$ 8,851,464	\$ 8,943,678	\$ 92,214
Non-property tax items.....	4,477,100	4,477,100	4,978,862	501,762
Departmental income.....	1,998,550	1,982,600	2,187,686	205,086
Use of money & property.....	174,000	174,000	268,501	94,501
Gifts & donations.....	7,500	7,500	1,000	(6,500)
Sale of property & compensation for loss.....	86,000	86,000	186,571	100,571
Miscellaneous.....	440,000	440,000	556,507	116,507
Local sources.....	392,424	392,424	-	(392,424)
	16,427,220	16,411,088	17,122,805	711,717
State sources.....	897,430	897,430	822,316	(75,114)
Federal sources.....	45,000	45,000	-	(45,000)
	17,369,650	17,353,518	17,945,121	591,603
<b>OTHER FINANCING SOURCES</b>				
Appropriated fund balances.....	-	140,064	-	
	\$ 17,489,650	\$ 17,629,714	\$ 17,945,121	

*See Independent Auditor's Report*

**Endicott Village**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule for the General Fund**  
**For the Year Ended May 31, 2024**

EXPENDITURES	Budget		Actual	Budget Variance
	Original	Revised		
General government support.....	1,225,751.00	1,206,451.00	\$ 1,253,363	\$ (46,912)
Public safety				
Law Enforcement.....	5,100,850.00	5,098,450.00	4,066,856	1,031,594
Fire Protection.....	3,788,800.00	6,785,100.00	2,519,766	4,265,334
Other services.....	18,950.00	17,350.00	6,640	10,710
Transportation.....	2,652,900.00	2,639,400.00	1,481,466	1,157,934
Airport.....	207,100.00	196,300.00	78,572	117,728
Culture & recreation.....	303,400.00	284,600.00	255,722	28,878
Home & community service.....	458,600.00	458,600.00	565,929	(107,329)
Employee benefits.....	2,946,870.00	2,946,370.00	5,766,897	(2,820,527)
Debt service				
Principal.....	414,850.00	414,850.00	89,850	325,000
Interest.....	175,629.00	175,629.00	22,956	152,673
Capital outlay.....	195,950.00	126,487.00	1,014,612	(888,125)
	<u>17,489,650.00</u>	<u>20,349,587.00</u>	<u>17,122,629</u>	<u>3,226,958</u>
OTHER FINANCING SOURCES				
Transfers to other funds.....	-	-	542,839	
	<u>17,489,650.00</u>	<u>20,349,587.00</u>	<u>17,665,468</u>	
Net change in fund balances.....			279,653	
Fund balance - beginning.....			4,909,807	
Fund balance - ending.....			<u>\$ 5,189,460</u>	

*See Independent Auditor's Report*

**Endicott Village**  
**Required Supplementary Information**  
**Schedule of Proportionate Share of the Net Pension Liability –**  
**Employees' Retirement System and Police and Fire Retirement System**  
**For the Year Ended May 31, 2024**

**NYSLRS ERS PENSION PLAN**

	5/31/2024	5/31/2023	5/31/2022	5/31/2021	5/31/2020	5/31/2019	5/31/2018	5/31/2017	5/31/2016
Village's proportion of the net pension liability (asset).....	0.0193266%	0.0183495%	0.0191647%	0.0180350%	0.0173720%	0.0166550%	0.0170801%	0.0032178%	0.0032438%
Village's proportionate share of the net pension liability (asset).....	\$ 2,845,665	\$ 3,934,873	\$ (1,566,633)	\$ 17,958	\$ 4,600,122	\$ 1,180,085	\$ 551,252	\$ 1,590,761	\$ 2,900,482
Village's covered-employee payroll.....	\$ 5,284,899	\$ 5,471,749	\$ 5,203,444	\$ 4,771,265	\$ 4,695,963	\$ 4,890,224	\$ 4,687,208	\$ 4,655,036	\$ 4,676,345
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll.....	53.85%	71.91%	-30.11%	0.38%	97.96%	24.13%	11.76%	34.17%	62.02%
Plan fiduciary net position as a percentage of total pension liability.....	99.95%	99.95%	99.95%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

**NYSLRS PFRS PENSION PLAN**

	5/31/2024	5/31/2023	5/31/2022	5/31/2021	5/31/2020	5/31/2019	5/31/2018	5/31/2017	5/31/2016
Village's proportion of the net pension liability (asset).....	0.1284153%	0.1284153%	0.1284153%	0.1202750%	0.1116610%	0.1133530%	0.1097142%	0.1198419%	0.1436720%
Village's proportionate share of the net pension liability (asset).....	\$ 6,451,822	\$ 7,079,910	\$ 729,456	\$ 2,088,306	\$ 5,968,192	\$ 1,901,008	\$ 1,108,944	\$ 2,483,906	\$ 4,253,827
Village's covered-employee payroll.....	\$ 4,882,142	\$ 5,358,216	\$ 5,285,524	\$ 4,154,590	\$ 4,154,590	\$ 3,972,512	\$ 4,032,420	\$ 3,884,249	\$ 3,806,564
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll.....	132.15%	132.13%	13.80%	50.27%	143.65%	47.85%	27.50%	63.95%	111.75%
Plan fiduciary net position as a percentage of total pension liability.....	95.79%	95.79%	95.79%	95.79%	84.86%	95.09%	96.90%	93.46%	90.20%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

*See Independent Auditor's Report*

**Endicott Village**  
**Required Supplementary Information**  
**Schedule of Pension Contributions –**  
**Employees' Retirement System and Police and Fire Retirement System**  
**For the Year Ended May 31, 2024**

**NYSLRS ERS PENSION PLAN**

	5/31/2024	5/31/2023	5/31/2022	5/31/2021	5/31/2020	5/31/2019	5/31/2018	5/31/2017	5/31/2016
Contractually required contribution.....	674,293	566,352	766,789	502,055	\$ 706,113	\$ 692,585	\$ 713,594	\$ 725,078	\$ 950,771
Contributions in relation to the									
contractually required contribution.....	\$ 674,293	\$ 566,352	\$ 766,789	\$ 502,055	\$ 706,113	\$ 692,585	\$ 713,594	\$ 725,078	\$ 950,771
Contribution deficiency (excess).....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered-employee payroll.....	\$ 5,284,899	\$ 5,471,749	\$ 5,203,444	\$ 4,771,265	\$ 4,695,963	\$ 4,890,224	\$ 4,687,208	\$ 4,655,036	\$ 4,676,345
Contributions as a percentage of									
covered-employee payroll.....	12.76%	10.35%	14.74%	10.52%	15.04%	14.16%	15.22%	15.58%	20.33%

**NYSLRS PFRS PENSION PLAN**

	5/31/2024	5/31/2023	5/31/2022	5/31/2021	5/31/2020	5/31/2019	5/31/2018	5/31/2017	5/31/2016
Contractually required contribution.....	1,337,076	1,282,586	1,457,384	1,081,393	\$ 916,882	\$ 947,415	\$ 955,487	\$ 953,347	\$ 1,100,000
Contributions in relation to the									
contractually required contribution.....	\$ 1,337,076	\$ 1,282,586	\$ 1,457,384	\$ 1,081,393	\$ 916,882	\$ 947,415	\$ 955,487	\$ 953,347	\$ 1,100,000
Contribution deficiency (excess).....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered-employee payroll.....	\$ 4,882,142	\$ 5,358,216	\$ 5,285,524	\$ 4,154,590	\$ 4,154,590	\$ 3,972,512	\$ 4,032,420	\$ 3,860,743	\$ 3,884,249
Contributions as a percentage of									
covered-employee payroll.....	27.39%	23.94%	27.57%	26.03%	22.07%	23.85%	23.70%	24.69%	28.32%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

*See Independent Auditor's Report*

**Endicott Village**  
**Required Supplementary Information**  
**Schedule of Other Postemployment Benefits Liability**  
**For the Year Ended May 31, 2024**

	5/31/2021	5/31/2020
<b>Total OPEB Liability</b>		
Service cost.....	\$ 1,227,962	\$ 754,941
Interest.....	1,053,840	1,597,068
Difference between actual & expected experience.....	(15,046,826)	(107,534)
Changes & assumptions or other inputs.....	(2,941,746)	14,290,550
Changes of benefits terms.....	531,361	-
Expected benefits payments.....	(1,948,844)	(1,852,884)
Net Changes in Total OPEB Liability.....	\$ (17,124,253)	\$ 14,682,141
<b>Total OPEB liability - Beginning of year.....</b>	<b>58,944,093</b>	<b>44,261,952</b>
<b>Total OPEB liability - End of year.....</b>	<b>\$ 41,819,840</b>	<b>\$ 58,944,093</b>
Covered-employee payroll.....	N/A	N/A
Total OPEB liability as a percentage of covered payroll.....	N/A	N/A
Deferred Outflows - Estimated Net Contributions		
Subsequent to the Measurement Date.....	(492,565)	(467,028)
<b>Total OPEB Liability - Net of Deferred Outflows.....</b>	<b>\$ 41,327,275</b>	<b>\$ 58,477,065</b>

*The OPEB Liability for the year ended May 31, 2022 was not determined.*

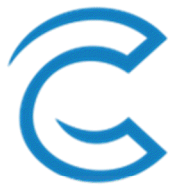
*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.*

*See Independent Auditor's Report*

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## **Governmental Audit Reports**





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43-45 South Broad Street  
Norwich, New York 13815  
607.334.3838 voice  
www.cwynar.com

## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

April 16, 2025

Mayor and Village Trustees  
Village of Endicott  
Endicott, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Endicott Village, State of New York, as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the Endicott Village, State of New York's basic financial statements, and have issued our report thereon dated April 16, 2025.

### Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: Audit findings 2020-1 through 2020-5.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies Audit findings 2020-6 through 2020-11.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS  
(Continued)**

**Compliance and Other Matters**


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

**Village of Endicott's Response to Findings**

The Endicott Village's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Endicott Village's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

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

  
Norwich, New York  
April 16, 2025

**Endicott Village**  
**Schedule of Findings and Questioned Costs**  
**Section II – Financial Statement Findings**  
**For the Year Ended May 31, 2024**

---

**Section I – Summary of Auditor's Results**

Financial Statements:

Type of auditor's report issued.....	Unmodified, Disclaimer for component unit only
Internal control over financial reporting:	
• Material weakness(es) identified?.....	No
• Significant deficiency(ies) identified?.....	Yes
Noncompliance material to financial statements noted.....	No

**Section II – Financials Statement Findings**

The compliance findings relating to the financial statements audit required to be reported are in the schedule of findings and responses.

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

There were no findings relating to the major federal awards as required to be reported in accordance with Section 2 CFR-200.516(9).

**Endicott Village**  
**Schedule of Findings and Questioned Costs**  
**Section II – Financial Statement Findings**  
**For the Year Ended May 31, 2024**

---

**Finding No. 2024-1 Accounting Discipline**

***Condition:***

Review and reconciliation in many areas of the accounting function is not done in a timely manner..

***Cause:***

Understaffed accounting department.

***Effect:***

Accounting tasks such as monthly reconciliations, cross checks, and reviews play a key role in proving the accuracy of accounting data and financial information that comprise interim and year-end financial statements.

***Recommendation:***

We strongly suggest that the Village establish effective review and reconciliation policies and procedures as a customary part of the accounting process.

***Management Response and Corrective Action:***

The Village agrees with this assessment. We have hired qualified individuals.

**Finding No. 2024-2 Unbilled Receivables**

***Condition:***

Unbilled receivables are not identified and recorded as revenue when earned based on meter readings done prior to year-end.

***Cause:***

Lack of a financial closing procedure to identify unbilled receivables.

***Effect:***

This may lead to receivables being understated and revenues not matched to the period earned.

***Recommendation:***

Management should run a report of meter reads done prior to year-end that were billed after year-end and prepare a journal entry to record unbilled receivables.

***Status:***

No changes noted.

***Management Response and Corrective Action:***

We have reviewed the unbilled receivables items and agree that this could lead to receivables being understated or unbalanced compared to the prior year. After review we did not see where this was done but will change our procedure to complete a report and reconciliation of meters that were read prior to year-end but billed after year-end. Those identified as unbilled receivables will then be recorded to our general ledger. This will be addressed and completed by the Village's Principal Account Clerk who is also the supervisor of utility billing.

**Endicott Village  
Schedule of Findings and Questioned Costs  
Section II – Financial Statement Findings  
For the Year Ended May 31, 2024**

---

**Finding No. 2024-3 Journal Entry Support and Review**

***Condition:***

There is no written or electronic record of management review and approval.

***Cause:***

The Village Manager reviews and approves journal entries recorded by the accounting staff. Support generally exists but is not routinely maintained with or cross-referenced to the journal entry.

***Effect:***

Improperly recorded journal entries may not be detected.

***Recommendation:***

Management should begin formally documenting the journal entry review and approval process and ensure supporting documents are retained with or cross-referenced to the journal entry.

***Status:***

No changes noted.

***Management Response and Corrective Action:***

Currently journal entries are reviewed and approved by the Village Manager. While this process is correct, the Village Manager will create a written record of all journal entries that are presented and approved. Supporting documentation is currently supplied with all journal entry requests and this practice will continue. The Village is also in the process of implementing new software where this process will now be recorded electronically.

**Endicott Village**  
**Schedule of Findings and Questioned Costs**  
**Section II – Financial Statement Findings**  
**For the Year Ended May 31, 2024**

---

**Finding No. 2024-4 Reconciliation of Receivables Subledgers for Utility Billings to the General Ledger**

***Condition:***

Receivables balances maintained in the general ledger are not reconciled to accounts receivable reports from utility billing ledgers.

***Cause:***

The billing module posts activity in batches, which requires a reconciliation to ensure accuracy of batch postings, however no such reconciliation procedure is performed.

***Effect:***

Receivables and revenue may be improperly recorded.

***Recommendation:***

Management should implement a monthly reconciliation procedure and adjust for any discrepancies identified.

***Status:***

No changes noted.

***Management Response and Corrective Action:***

The current relationship between the utility billing subledgers and the general ledger requires the daily activity to be posted in batches. This includes the Light Department utility billing which is on a separate system from the other utility billing performed by the Village. The new financial software that the Village will be implementing will be able to address this issue. When all of utility billing can be on the same software it may eliminate the need for daily uploads to the ledger and will address a more seamless way of posting to the ledger. Also, a duty of the new accountant, which will be hired by the Village, will be to address the utility billings on a daily, monthly, and annual basis.

**Endicott Village  
Schedule of Findings and Questioned Costs  
Section II – Financial Statement Findings  
For the Year Ended May 31, 2024**

---

**Finding No. 2024-5 Accounting for Re-levy of Delinquent Utility Accounts to Tax Bills**

***Condition:***

The re-levy takes effect on June 1, but the removal of utility receivable balances is done in May.

***Cause:***

The re-levy receivable is recorded in the general ledger on June 1, however improper accounting results in additional revenue and negative receivables requiring adjustment.

***Effect:***

This action leads to understated utility receivable balances as of May 31.

***Recommendation:***

We recommend the Village wait until June 1 to remove utility balances so that both are recorded in the proper period.

***Status:***

No changes noted.

***Management Response:***

The Village agrees with this recommendation and will work to address this issue regarding the removal of utility balances to accurately record the balances for the correct period. This process is currently conducted by our Principal Account Clerk and Data Entry Office. Upon the new accountant to be hired by the Village, that will be an activity performed by the accountant and Principal Account Clerk.

**Finding No. 2024-6 Completed Capital Projects**

***Condition:***

Fixed asset and depreciation records do not reflect depreciation on completed capital projects.

***Cause:***

Completed capital projects are not included in the list of asset additions provided to the third-party inventory company.

***Effect:***

This can result in understated depreciation expense and misclassification of completed projects as construction in progress.

***Recommendation:***

Management should ensure all completed projects are reported in the annual update.

***Status:***

No changes noted. Inventory reports are not updated routinely or timely.

***Management Response:***

Village Management completes an annual review of fixed-asset inventory that also includes all vehicles and equipment. Annual update sheets are submitted to the Village's contracted appraisal company who then update the Annual Inventory Report. Capital Projects are submitted once fully completed and partial projects are not submitted and therefore not included in the Inventory Report

**Endicott Village**  
**Schedule of Findings and Questioned Costs**  
**Section II – Financial Statement Findings**  
**For the Year Ended May 31, 2024**

---

**Finding No. 2024-7 Negative Cash Balances**

***Condition:***

Overspending of pooled cash accounts by individual funds results in negative cash balances in some funds.

***Cause:***

Lack of period-end procedures to identify and adjust negative balance.

***Effect:***

This results in presenting negative cash balances which should be shown as interfund loans.

***Recommendation:***

Management should review cash balances at the end of the period and reclassify negative balances as interfund loans.

***Status:***

No changes noted.

***Management Response:***

Management understands the issue with showing negative cash balances in pooled accounts but will state that this is not an item which happens regularly within the Village. Accounts are reviewed monthly and if there are any negative cash issues in assigned funds within the pooled account, that issue would be addressed immediately. With the exception of the Capital Fund which regularly shows a negative balance due to the nature of the fund, upon review of this item the Village confirms that no other accounts show a negative balance at any month end.



**Endicott Village  
Schedule of Findings and Questioned Costs  
Section II – Financial Statement Findings  
For the Year Ended May 31, 2024**

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**Finding No. 2024-8 Light Fund General Ledger**

***Condition:***

The Light Fund trial balance is maintained on a different accounting system and is not completely merged with the Village-wide general ledger.

***Cause:***

Lack of period-end procedures to identify record items that are not automatically batch-posted.

***Effect:***

This results in the general ledgers carrying different ending balances for certain accounts.

***Recommendation:***

The Village should implement a period-end procedure to compare Light Fund trial balances to the Village-wide trial balance and adjust for any discrepancies.

***Status:***

No changes noted. In 2023 the Light Fund is part of the accounting database software and not on a standalone system.

***Management Response:***

The accounting for the Light Fund is completed and reviewed by the Principal Account Clerk who is also the supervisor for this activity. The Village is actively working on implementing new financial software in the anticipation that both the Light general ledger and the Village general ledger can now be performed on the same system. Having these activities on separate ledgers does cause some reporting issues, but any issue that may arise is corrected during Light reconciliation procedures. Until this new accounting software is implemented the Light Fund monthly procedure will be adjusted to include the comparison of Light ledger on their system to the ledger for the Light Department on the Village system.

**Endicott Village  
Schedule of Findings and Questioned Costs  
Section IV – Summary Schedule of Prior Audit Findings  
For the Year Ended May 31, 2024**

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**See current Financial Finding for updated status.**