



**INCORPORATED VILLAGE OF GREENPORT**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION WITH  
INDEPENDENT AUDITOR'S REPORTS**

May 31, 2024

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

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

### Report on the Audit of the Financial Statements

#### *Adverse and Unmodified Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Incorporated Village of Greenport (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.

#### *Summary of Opinions*

Opinion Unit	Type of Opinion	Opinion Unit	Type of Opinion
Governmental Activities	<i>Adverse</i>	Housing Authority Fund	<i>Unmodified</i>
General Fund	<i>Unmodified</i>	Proprietary Funds	<i>Unmodified</i>
Community Development Agency Fund	<i>Unmodified</i>		
Capital Projects Fund	<i>Unmodified</i>		

#### *Adverse Opinion on Governmental Activities*

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to the Adverse Opinion on Governmental Activities" section of our report, the financial statements referred to above do not present fairly the financial position of the governmental activities of the Incorporated Village of Greenport, as of May 31, 2024, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Unmodified Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Incorporated Village of Greenport, as of May 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Electric fund, a proprietary fund, which statements reflect total assets and revenues constituting 56% and 63%, respectively, of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Electric Fund, is based solely on the report of the other auditors.

### ***Basis for Adverse and Unmodified Opinions***

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. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Incorporated Village of Greenport, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

#### ***Matter Giving Rise to the Adverse Opinion on Governmental Activities***

The Village did not evaluate lease agreements to comply with the requirements of GASB Statement No. 87, *Leases*. Accounting principles generally accepted in the United States of America require that state and local governments record both a capital asset and the related liability, as well as leases receivable and deferred inflows of resources. The amount by which these departures would affect assets, liabilities, deferred inflows of resources, net position, revenue, and expenses of the governmental activities has not been determined.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, and schedule of revenues, expenditures, and changes in fund balance – budget and actual – general fund, pages 4 through 17 and 54 through 62, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2025 on our consideration of the Incorporated Village of Greenport's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Incorporated Village of Greenport's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Incorporated Village of Greenport's internal control over financial reporting and compliance.

*Cullen & Danowski, LLP*

Port Jefferson Station, New York  
March 13, 2025

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

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

**1. FINANCIAL HIGHLIGHTS**

Key financial highlights for fiscal year 2024 are as follows:

- The Village’s total net position for its governmental activities, as reflected in the government-wide financial statements, decreased by \$388,834 to \$5,469,445, as expenses exceeded revenues and other items using the economic resources measurement focus and the accrual basis of accounting. The total net position for its business-type activities, as reflected in the government-wide financial statements, decreased by \$268,648 to \$17,900,595.
- The general fund’s total fund balance, as reflected in the fund financial statements, decreased by \$105,777 to \$5,181,327 as of May 31, 2024, as expenditures and other financing uses exceeded revenues and other financing sources using the current financial resources measurement focus and the modified accrual basis of accounting.
- The Village’s 2023-2024 property tax levy of \$1,322,940 was a 19.71% increase over the 2022-2023 levy. The 2023-2024 tax levy was more than the tax cap of 5.86%.
- On June 6, 2023, the Village issued serial bonds in the amount of \$1,350,000 in order to purchase a new ladder truck and apparatus. As of May 31, 2024, the Village has fully expended the amount of the bond.

**2. OVERVIEW OF THE FINANCIAL STATEMENTS**

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



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

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**A. Government-Wide Financial Statements**

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

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

The Statement of Net Position

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

The Statement of Activities

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

Both of the government-wide financial statements distinguish between functions of the Village that are principally supported by taxes and those that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities and functions of the Village include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services, and debt service. The business-type activities of the Village are the electric fund, sewer fund, and water fund activities.

**B. Fund Financial Statements**

The fund financial statements provide more detailed information about the Village's funds, not the Village as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the Village are reported in the governmental funds and the proprietary funds.

Governmental Funds

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

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

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

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the Village's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains four governmental funds – the general fund, community development fund, capital projects fund, and housing authority fund. Information is presented in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances.

Proprietary Funds

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

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

**A. Net Position**

The Village's total governmental activities net position decreased by \$388,834 and the business-type activities net position decreased by \$268,648 between fiscal year 2024 and 2023. These changes are due to expenses and other items exceeding revenues using the economic resources measurement focus and the accrual basis of accounting for the governmental activities and expenses in excess of revenues and other items using the economic resources measurement focus and the accrual basis of accounting for the business-type activities. A summary of the Village's Statements of Net Position follows:



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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and Other Assets	\$ 7,790,465	\$ 8,348,780	\$ 7,046,884	\$ 7,575,257	\$ 14,837,349	\$ 15,924,037
Capital Assets, Net	14,627,966	13,479,124	21,930,741	21,917,819	36,558,707	35,396,943
Total Assets	22,418,431	21,827,904	28,977,625	29,493,076	51,396,056	51,320,980
<b>Deferred Outflows of Resources</b>	819,435	1,025,974	391,739	501,988	1,211,174	1,527,962
<b>Liabilities</b>						
Current and Other Liabilities	2,300,505	2,467,155	363,833	681,888	2,664,338	3,149,043
Long-Term Liabilities	4,770,414	3,928,111	4,152,653	4,449,194	8,923,067	8,377,305
Total OPEB Liability	3,830,009	3,642,316	6,152,638	5,851,123	9,982,647	9,493,439
Net Pension Liability - Proportionate Share LOSAP	411,966	637,475	503,514	779,137	915,480	1,416,612
	4,916,833	4,819,041			4,916,833	4,819,041
Total Liabilities	16,229,727	15,494,098	11,172,638	11,761,342	27,402,365	27,255,440
<b>Deferred Inflows of Resources</b>	1,538,694	1,501,501	296,131	64,479	1,834,825	1,565,980
<b>Net Position</b>						
Net Investment in Capital Assets	11,068,875	10,833,518	17,835,832	13,150,711	28,904,707	23,984,229
Restricted	4,194,831	4,008,017			4,194,831	4,008,017
Unrestricted (Deficit)	(9,794,261)	(8,983,256)	64,763	5,018,532	(9,729,498)	(3,964,724)
Total Net Position	\$ 5,469,445	\$ 5,858,279	\$ 17,900,595	\$ 18,169,243	\$ 23,370,040	\$ 24,027,522

The decrease in current and other assets is primarily due to a net decrease in cash balances.

The increase in capital assets, net is due to capital assets additions in excess of depreciation expense. The accompanying Notes to Financial Statements, Note 6 "Capital Assets" provides additional information.

Deferred outflows of resources is comprised of the actuarial adjustments of the New York State and Local Employees' Retirement System and the Public Employees' Group Life Insurance Plan, collectively known as the NYSLRS and Length of Service Award Program (LOSAP) plans that will be amortized in future years, LOSAP benefits and administrative expenses paid after the actuarial measurement date, and contributions to the NYSLRS subsequent to the measurement dates.

The decrease in current and other liabilities is mostly due to decreases in accrued liabilities, collections in advance, and retainage payable.

The increase in long-term liabilities is principally due to current year borrowings, offset by the repayment of the current maturity of bond indebtedness. The accompanying Notes to Financial Statements, Note 9 "Long-term Liabilities" provides additional information.

Total OPEB liability increased based on the actuarial valuation of the plan. The accompanying Notes to Financial Statements, Note 14 "Postemployment Healthcare Benefits", provides additional information.

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

Net pension liabilities – proportionate share represents the Village's share of the NYSLRS' net pension liability at the measurement date of the respective year. The decrease in net pension liabilities is primarily due to the net change in the market value of the NYSLRS' pension plan assets being in excess of the net change in each plan's total pension liabilities at their current year measurement dates. The accompanying Notes to Financial Statements, Note 11 "Pension Plans – New York State" provides additional information.

LOSAP liability increased based on results of the current year's actuarial valuation. The accompanying Notes to Financial Statements, Note 13 "Pension Plan – Length of Service Award Program", provides additional information.

Deferred inflows of resources represents actuarial adjustments of the NYSLRS and LOSAP plans that will be amortized in future years.

The net investment in capital assets reflects the Village's investment in capital assets at cost, net of accumulated depreciation and related outstanding debt.

The restricted net position amount relates to the Village's amount of assets restricted for LOSAP and the capital reserve. Total restricted net position decreased due to use of the capital reserves, which was offset by a decrease in LOSAP assets.

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

## **B. Changes in Net Position**

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 3,414,399	\$ 3,582,421	\$ 5,933,049	\$ 5,913,727	\$ 9,347,448	\$ 9,496,148
Operating Grants & Contributions	1,361,267	1,288,211			1,361,267	1,288,211
Capital Grants & Contributions	48,446	41,066	208,856	2,304,484	257,302	2,345,550
General Revenues						
Property Taxes	1,375,930	1,158,152			1,375,930	1,158,152
State Sources	159,053	430,753			159,053	430,753
Other	497,650	328,970	212,909	188,322	710,559	517,292
Total Revenues	6,856,745	6,829,573	6,354,814	8,406,533	13,211,559	15,236,106

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>Expenses</b>						
General Support	\$ 859,849	\$ 763,381	\$	\$	\$ 859,849	\$ 763,381
Public Safety	1,888,749	1,704,107			1,888,749	1,704,107
Health		3,050			-	3,050
Transportation & Maintenance	1,371,171	1,144,971			1,371,171	1,144,971
Economic Opportunity	159,541	144,906			159,541	144,906
Culture & Recreation	1,470,374	1,401,145			1,470,374	1,401,145
Home & Community Services	1,526,050	1,413,812			1,526,050	1,413,812
Debt Service	88,445	76,867			88,445	76,867
Electric			3,839,433	3,549,921	3,839,433	3,549,921
Water			684,831	574,129	684,831	574,129
Sewer			1,980,598	1,653,467	1,980,598	1,653,467
Total Expenses	<u>7,364,179</u>	<u>6,652,239</u>	<u>6,504,862</u>	<u>5,777,517</u>	<u>13,869,041</u>	<u>12,429,756</u>
Increase/(Decrease) in Net Position						
Before Operating Transfers	(507,434)	177,334	(150,048)	2,629,016	(657,482)	2,806,350
Operating Transfers	<u>118,600</u>	<u>118,600</u>	<u>(118,600)</u>	<u>(118,600)</u>	<u>-</u>	<u>-</u>
Changes in Net Position	<u>\$ (388,834)</u>	<u>\$ 295,934</u>	<u>\$ (268,648)</u>	<u>\$ 2,510,416</u>	<u>\$ (657,482)</u>	<u>\$ 2,806,350</u>

**Governmental Activities**

The governmental activities net position decreased by \$388,834 and increased by \$295,934 for the years ended May 31, 2024 and 2023, respectively.

The Village's revenues increased when compared to the prior year, primarily due to the following changes:

- Real property taxes increased to fund increases in appropriations in the voter-approved 2023-2024 budget.
- Other revenue increased mainly due to increases in interest income due to higher interest rates.
- State sources decreased due to fewer grants received in the current year.
- Charges for services decreased due to a decrease in parking violations, marina, campground, and recreation center activity.

The Village's expenses increased when compared to the prior year, primarily due to the following changes:

- Public safety, transportation and maintenance, and home and community services fluctuated based on the impact of allocations of the net change in actuarially determined expenses for NYSLRS and OPEB costs.

**Business-Type Activities**

The business-type activities net position decreased by \$268,648 and increased by \$2,510,416 for the years ended May 31, 2024 and 2023, respectively.

The business-type activities revenues decreased when compared to the prior year, primarily due to the following changes:

- Capital grants and contributions decreased as the Village received fewer contributions to aid construction.

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

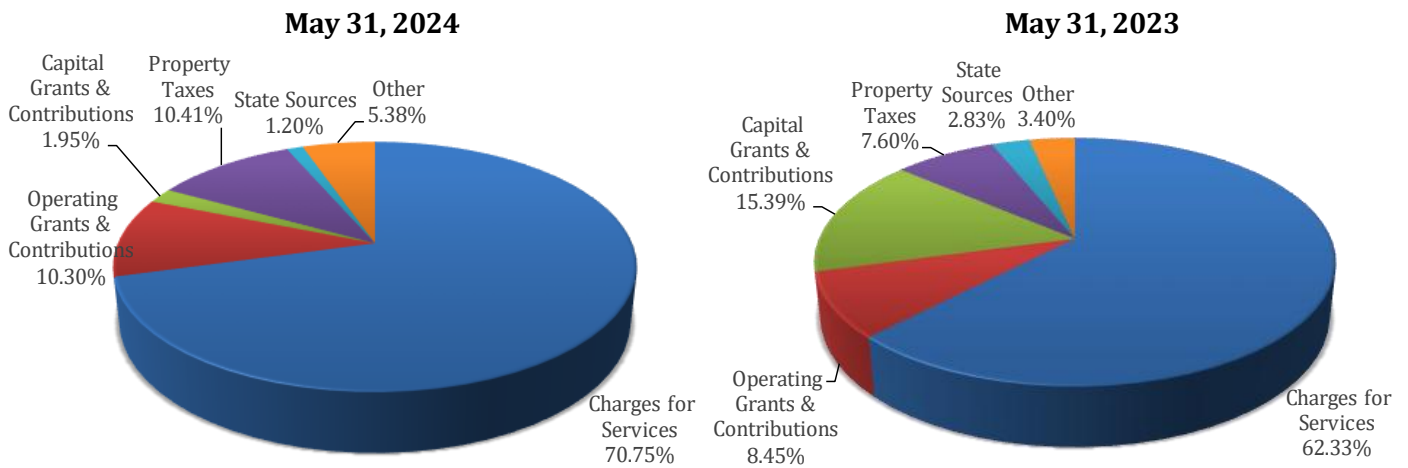
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The business-type activities expenses increased when compared to the prior year, primarily due to the following changes:

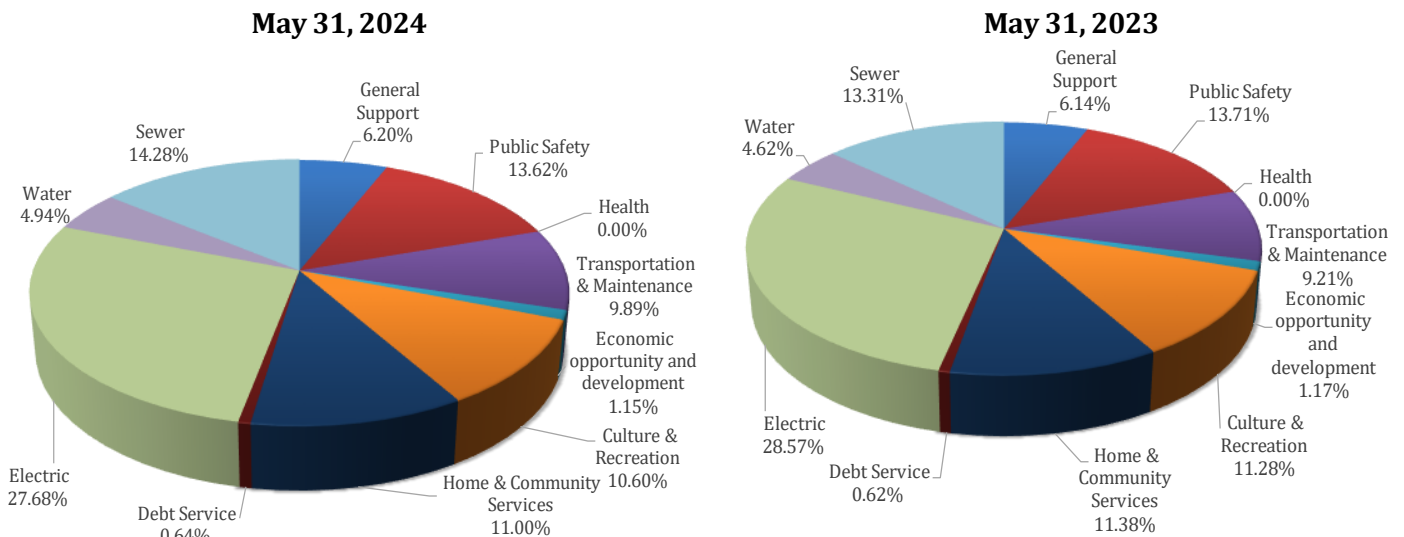
- Depreciation expense increased as the Mirco Grid project is in operation for the current fiscal year and sewer costs increased due to repair and maintenance costs.

As indicated on the pie charts for the primary government that follow, charges for services (the majority of which was from the electric, water, and sewer funds) is the largest component of revenues recognized, comprising 70.75% and 62.33% of the total for 2024 and 2023, respectively. Property taxes account for 10.41% and 7.60% of the total revenues for 2024 and 2023, respectively. Electric is the largest category of expenses incurred comprising 27.68% and 28.57% of the total for the years ended 2024 and 2023, respectively; sewer is the second largest category of expenses comprising 14.28% and 13.31% of the total for the years 2024 and 2023, respectively.

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



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



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

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

At May 31, 2024, the Village's governmental funds reported a combined fund balance of \$5,533,927, which is a decrease of \$367,846 from the prior year balance. This decrease is due to an excess of expenditures and other financing uses over revenues and other financing sources using the current financial resources measurement focus and the modified accrual basis of accounting. A summary of the change in the components of fund balance by fund is as follows:

	2024	2023	Changes	Percentage Change
<u>General Fund</u>				
Restricted:				
Capital reserve	\$ 730,007	\$ 830,698	\$ (100,691)	(12.12)%
Length of service award program	3,464,824	3,177,319	287,505	9.05 %
Assigned:				
Unappropriated Fund Balance	200,912	73,088	127,824	174.89 %
Unassigned: Fund Balance	785,584	1,205,999	(420,415)	(34.86)%
	<u>5,181,327</u>	<u>5,287,104</u>	<u>(105,777)</u>	<u>(2.00)%</u>
 <u>Community Development Fund</u>				
Assigned: Unappropriated Fund Balance	47,548	81,564	(34,016)	(41.70)%
 <u>Capital Projects Fund</u>				
Assigned: Unappropriated Fund Balance	245,801	456,423	(210,622)	(46.15)%
 <u>Housing Authority Fund</u>				
Assigned: Unappropriated Fund Balance	59,251	76,682	(17,431)	(22.73)%
 Total Fund Balance	<u>\$ 5,533,927</u>	<u>\$ 5,901,773</u>	<u>\$ (367,846)</u>	<u>(6.23)%</u>

**A. General Fund**

The net change in the general fund-fund balance is a decrease of \$105,777, compared to a decrease of \$151,379 in 2023, as expenditures and other financing uses of \$5,605,576 exceeded revenues and other financing sources of \$5,499,799.

The following is a summary of the major changes that resulted in revenues and other financing sources increasing over the prior year:

	2024	2023	Increase (Decrease)	Percentage Change
Real Property Taxes	\$ 1,375,930	\$ 1,158,152	\$ 217,778	18.80 %
Other Tax Items	9,940	16,414	(6,474)	(39.44)%
Other Local Revenue	3,836,276	3,795,415	40,861	1.08 %
State Sources	159,053	430,753	(271,700)	(63.08)%
Other Financing Sources	118,600	118,600	-	0.00 %
	<u>\$ 5,499,799</u>	<u>\$ 5,519,334</u>	<u>\$ (19,535)</u>	<u>(0.35)%</u>

- Real property taxes increased to fund increases in appropriations in the voter-approved 2023-2024 budget.

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

- State sources decreased due to fewer grants received in the current year.

The following is a summary of the major changes that resulted in expenditures and other financing uses decreasing from the prior year:

	2024	2023	Increase (Decrease)	Percentage Change
General Support	\$ 773,408	\$ 683,246	\$ 90,162	13.20 %
Public Safety	1,113,291	1,245,224	(131,933)	(10.60)%
Transportation	773,429	711,994	61,435	8.63 %
Culture and Recreation	1,055,302	1,075,280	(19,978)	(1.86)%
Home and Community Services	219,561	183,058	36,503	19.94 %
Employee Benefits	799,444	693,599	105,845	15.26 %
Debt Service	501,141	511,886	(10,745)	(2.10)%
Other Financing Uses	387,800	566,426	(178,626)	(31.54)%
	<u>\$ 5,623,376</u>	<u>\$ 5,670,713</u>	<u>\$ (47,337)</u>	(0.83)%

- Other financing uses decreased as transfers out decreased in the current year. In the prior year, the general fund transferred ARPA funds to the capital projects fund for various projects around the Village.
- Public safety decreased due to a decrease in local pension plan employee benefits.
- Employee benefits increased due to higher health insurance rates and an increase in the NYSLRS contribution rate.
- General support increased primarily due to additional legal fees and increased salaries.

The following is a summary of the Village's general fund restricted fund balance activity:

	Balance @ May 31, 2023	Interest	Funding	Use of Reserve	Balance @ May 31, 2024
Capital reserve	\$ 830,698	\$ 6,983	\$ 142,326	\$ (250,000)	\$ 730,007
Length of service award program	3,177,319	144,369	143,136	-	3,464,824
	<u>\$ 4,008,017</u>	<u>\$ 151,352</u>	<u>\$ 285,462</u>	<u>\$ (250,000)</u>	<u>\$ 4,194,831</u>

## **B. Community Development Fund**

The community development fund is used to account for supportive housing program funds received from rental properties. The fund balance decreased by \$34,016 due to the current year expenditures and other financing uses exceeding revenues.

## **C. Capital Projects Fund**

The capital projects fund is used to account for financial resources earmarked for specific capital projects. The fund balance decreased by \$210,622, mainly due to the current year expenditures exceeding revenues and other financing sources.

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

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**D. Housing Authority**

The housing authority fund is used to account for federal money received from HUD pursuant to Section 8 Programs, which enables low income families to obtain adequate housing. The fund balance decreased by \$17,431 due to expenditures exceeding revenues.

**E. Proprietary Funds**

The Village's proprietary funds statements provide the same information found in the government-wide financial statements, but in more detail.

Electric Fund

The net change in the electric fund's net position is an increase of \$124,839, compared to \$2,479,303 in 2023.

Water Fund

The net change in the water fund's net position is a decrease of \$89,140, compared to \$11,508 in 2023.

Sewer Fund

The net change in the sewer fund's net position is a decrease of \$304,347, compared to an increase of \$42,621 in 2023.

**5. GENERAL FUND BUDGETARY HIGHLIGHTS**

**A. 2023-2024 Budget**

The Village's general fund adopted budget for the year ended May 31, 2024 was \$5,450,815. This amount was increased by budget revisions of \$75,000, appropriated-unassigned fund balance of \$779,942, appropriated reserves of \$547,000 and encumbrances of \$73,088, for a final budget of \$6,925,845.

The final budget was funded through a combination of estimated taxes and other revenues, the majority of this funding source was \$1,375,930 in estimated property taxes. The Village's 2023-2024 tax levy exceeded the property tax cap.

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

The general fund's unassigned fund balance is the component of total fund balance that is the residual of current and prior years' excess revenues and other financing sources over expenditures and other financing uses, net of transfers to reserves, and encumbrances. The change in this balance demonstrated through a comparison of the actual revenues and other financing sources, and expenditures and other financing uses for the year compared to budget follows:

Opening, Unassigned Fund Balance	\$ 1,205,999
Fund Balance Appropriated for Budget Revision	(779,942)
Revenues and Other Financing Sources Under Budget	(26,016)
Expenditures, Other Financing Uses, and Encumbrances Over Budget	1,119,357
Unused Appropriated Reserves	(547,000)
Net Change in Restricted Fund Balance	<u>(186,814)</u>
Closing, Unassigned Fund Balance	<u><u>\$ 785,584</u></u>

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

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Opening, Unassigned Fund Balance

The \$1,205,999 shown in the table is the portion of the Village's May 31, 2023 fund balance reported as unassigned.

Fund Balance Appropriated for Budget Revision

The Village increased appropriations by \$779,942, funded by unassigned fund balance. This decreases the unassigned portion of the general fund fund balance.

Revenues and Other Financing Sources Under Budget

The 2023-2024 final budget for revenues and other financing sources was \$5,525,815. Actual revenues and other financing sources received for the year were \$5,499,799. The amount of actual revenues and other financing sources less than estimated or budgeted revenues and other financing sources was \$26,016, which contributes directly to the change to the general fund unassigned fund balance from May 31, 2023 to May 31, 2024. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Expenditures, Other Financing Uses, and Encumbrances Under Budget

The 2023-2024 final budget for expenditures and other financing uses was \$6,925,845. Actual expenditures and outstanding encumbrances as of May 31, 2024 totaled \$5,806,488. The final budget variance was \$1,119,357, which contributes to the change to the general fund unassigned fund balance from May 31, 2023 to May 31, 2024. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Unused Appropriated Reserves

The Village adjusted the budget for use of the capital reserve. The full transfer to the capital projects fund did not occur in the current year, as such, \$547,000 was returned to the capital reserve and is available for future use.

Net Change in Restricted Fund Balance

The \$186,814 shown in the table above represents a decrease in the Village's share of LOSAP assets of \$287,505 and a decrease in capital reserve of \$100,691.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the unassigned fund balance at May 31, 2024 was \$785,584. This is a decrease of \$420,415 from the unassigned fund balance from the prior year.



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

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

**A. Capital Assets**

The Village had invested in a broad range of capital assets as indicated in the table below. Total capital assets (net of accumulated depreciation) of the Village's governmental and business-type activities was \$36,558,707 as of May 31, 2024. The net increase of \$1,161,764 in capital assets is primarily due to capital assets additions in excess of depreciation expense for the year ended May 31, 2024. A summary of the Village's capital assets net of accumulated depreciation at May 31, 2024 and 2023 is as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Capital assets not being depreciated:						
Land	\$ 2,687,935	\$ 2,687,935	\$ 22,750	\$ 22,750	\$ 2,710,685	\$ 2,710,685
Construction in progress				5,064,256	-	5,064,256
Capital assets being depreciated:						
Vehicles	3,739,517	2,080,617			3,739,517	2,080,617
Infrastructure	11,255,716	11,201,245	3,858,730	3,854,243	15,114,446	15,055,488
Buildings and structures			4,948,969	4,873,823	4,948,969	4,873,823
Buildings and grounds improvements	5,967,953	5,766,045	949,351	942,445	6,917,304	6,708,490
Machinery and equipment	8,786,017	8,714,388			8,786,017	8,714,388
Distribution, transmission, and other operational equipment			28,457,442	22,704,195	28,457,442	22,704,195
Accumulated depreciation	(17,809,172)	(16,971,106)	(16,306,501)	(15,543,893)	(34,115,673)	(32,514,999)
	<u>\$14,627,966</u>	<u>\$13,479,124</u>	<u>\$21,930,741</u>	<u>\$21,917,819</u>	<u>\$36,558,707</u>	<u>\$35,396,943</u>

**B. Debt Administration**

At May 31, 2024, the Village had total debt outstanding of \$7,654,000. This is an increase of \$735,800 over May 31, 2023, as a result of the issuance of a new bond, offset by principal repayments of outstanding bonds. A summary of the outstanding bonded debt at May 31, 2024 and 2023, is as follows:

Issue Date	Maturity Date	Governmental Activities		Business-Type Activities		Total Primary Government	
		2024	2023	2024	2023	2024	2023
<b>Bonds Payable</b>							
6/2012	8/2023	\$	\$ 240,000	\$	\$	\$	240,000
1/2014	4/2042	210,000	250,000			210,000	250,000
8/2017	8/2027	350,000	430,000			350,000	430,000
8/2018	8/2039	540,000	565,000			540,000	565,000
6/2023	6/2038	1,350,000				1,350,000	
12/2013	12/2043			1,184,000	1,243,200	1,184,000	1,243,200
1/2014	4/2042			2,190,000	2,275,000	2,190,000	2,275,000
10/2021	10/2041	1,109,091	1,160,606	720,909	754,394	1,830,000	1,915,000
		<u>\$ 3,559,091</u>	<u>\$ 2,645,606</u>	<u>\$ 4,094,909</u>	<u>\$ 4,272,594</u>	<u>\$ 7,654,000</u>	<u>\$ 6,918,200</u>

Included in the bonds payable table, the Village has a New York State Environmental Facilities Corporation Clean Water Statutory Installment Bond (EFC) in the business-type activities, related to the reconstruction of the wastewater treatment plant and portions of the sanitary sewer collection system. At May 31, 2024, the balance of the outstanding loan payable was \$1,184,000.

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

**C. Other Long-Term Liabilities**

Included in the Village's long-term liabilities are the estimated amounts due for compensated absences, which are based on employment contracts, total OPEB liability, net pension liability – proportionate share, and the LOSAP proportionate share, which are based on actuarial valuations. These liabilities are summarized as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Compensated absences	\$ 50,038	\$ 94,213	\$ 57,744	\$ 176,600	\$ 107,782	\$ 270,813
Total OPEB liability	3,830,009	3,642,316	6,152,638	5,851,123	9,982,647	9,493,439
Net pension liability - proportionate share	411,966	637,475	503,514	779,137	915,480	1,416,612
Unearned revenues	1,161,285	1,188,292			1,161,285	1,188,292
LOSAP	4,916,833	4,819,041			4,916,833	4,819,041
	<u>\$10,370,131</u>	<u>\$ 10,381,337</u>	<u>\$ 6,713,896</u>	<u>\$ 6,806,860</u>	<u>\$17,084,027</u>	<u>\$17,188,197</u>

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

**A. Subsequent Year's Budget**

The Board of Trustees (Board) approved a \$5,667,865 general fund budget for the year ending May 31, 2025. This is an increase of \$217,050, or 3.98% over the previous year's budget. The Village estimated revenues other than property taxes at a \$151,745 increase over the prior year's estimate. The property tax levy of \$1,388,245 increased \$65,305 or 4.94% over the 2023-2024 tax levy.

**B. Future Budgets**

Factors to consider that could influence future budgets:

- Uncertainty with state aid complicates long-range planning.
- Rise in employee cost centers of employee salaries and health benefits, as well as contributions to pension programs.
- Changing circumstances of unforeseen events and risks including natural disasters and global pandemics.
- Impact of external factors such as market trends, economic conditions, and regulatory changes.
- The combination of high inflation and high-interest rates can impact all lines of the budget.
- Social and demographic changes with population, age distribution, and personal income can have significant and lasting effects.
- Legal and intergovernmental factors constraining tax increases, forbidding particular revenue sources, and mandating some services.

**C. Tax Cap**

New York State law limits the increase in the property tax levy of local governments to the lesser of 2% or the rate of inflation. There are additional statutory adjustments in the law. Local governments may override the tax levy limit by first passing a local law that allows for the tax levy limit to be exceeded. The override requires a 60% vote of the total voting power of the governing board. Based on the law, the Village's tax levy cap was 4.75%. The Village's 2023-2024 property tax increase of 4.94% exceeded the tax cap and was approved by 100% of the Board.

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

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**8. CONTACTING THE VILLAGE**

This financial report is designed to provide the reader with a general overview of the Village's finances and to demonstrate the Village's accountability for the funds it receives. Requests for additional information can be directed to:

Adam Brautigam  
Deputy Treasurer  
Incorporated Village of Greenport  
236 Third Street  
Greenport, New York 11944

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

	Governmental Activities	Business-type Activities	Total Primary Government
<b>ASSETS</b>			
Cash and Cash Equivalents			
Unrestricted	\$ 3,542,861	\$ 3,764,283	\$ 7,307,144
Restricted	636,307	2,382,805	3,019,112
Receivables			
Taxes receivable	145,611		145,611
Accounts receivable	23,380	580,262	603,642
Internal balances	(22,518)	22,518	-
Prepays		583	583
Inventories		296,433	296,433
Length of service award program	3,464,824		3,464,824
Capital assets not being depreciated	2,687,935	22,750	2,710,685
Capital assets being depreciated, net	11,940,031	21,907,991	33,848,022
	<u>22,418,431</u>	<u>28,977,625</u>	<u>51,396,056</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions - NYSLRS	320,513	391,739	712,252
Pensions - Length of service award program	498,922		498,922
	<u>819,435</u>	<u>391,739</u>	<u>1,211,174</u>
<b>LIABILITIES</b>			
Payables			
Accounts payable	141,129	175,337	316,466
Accrued liabilities	43,967	5,861	49,828
Due to retirement systems	23,437	28,645	52,082
Customer deposits		153,990	153,990
Other liabilities	473,575		473,575
Unearned credits			
Collections in advance	1,618,397		1,618,397
Long-term liabilities			
Due and payable within one year			
Bonds payable	271,515	118,485	390,000
Compensated absences payable	3,259	57,744	61,003
Unearned revenue	27,007		27,007
Total other postemployment benefits liability	429,332	689,691	1,119,023
EFC payable		59,200	59,200
Due and payable after one year			
Bonds payable	3,287,576	2,792,424	6,080,000
Compensated absences payable	46,779		46,779
Unearned revenue	1,134,278		1,134,278
Total other postemployment benefits liability	3,400,677	5,462,947	8,863,624
EFC payable		1,124,800	1,124,800
Net pension liabilities - proportionate share	411,966	503,514	915,480
Length of service award program liability	4,916,833		4,916,833
	<u>16,229,727</u>	<u>11,172,638</u>	<u>27,402,365</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions - NYSLRS	242,289	296,131	538,420
Pensions - Length of service award program	1,296,405		1,296,405
	<u>1,538,694</u>	<u>296,131</u>	<u>1,834,825</u>
<b>NET POSITION</b>			
Net investment in capital assets	11,068,875	17,835,832	28,904,707
Restricted			
Capital	730,007		730,007
Length of service award program	3,464,824		3,464,824
Unrestricted (Deficit)	(9,794,261)	64,763	(9,729,498)
	<u>\$ 5,469,445</u>	<u>\$ 17,900,595</u>	<u>\$ 23,370,040</u>

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-type Activities	Total Primary Government
<b>PROGRAMS/FUNCTIONS</b>							
<b>Governmental Activities</b>							
General government support	\$ 859,849	\$ 2,504,633	\$	\$	\$ 1,644,784	\$	\$ 1,644,784
Public safety	1,888,749	846,774			(1,041,975)		(1,041,975)
Transportation	1,371,171			48,446	(1,322,725)		(1,322,725)
Economic opportunity and development	159,541				(159,541)		(159,541)
Culture and recreation	1,470,374	62,992	35,368		(1,372,014)		(1,372,014)
Home and community services	1,526,050		1,325,899		(200,151)		(200,151)
Debt service - interest	88,445				(88,445)		(88,445)
Total Programs and Functions	<u>\$ 7,364,179</u>	<u>\$ 3,414,399</u>	<u>\$ 1,361,267</u>	<u>\$ 48,446</u>	<u>(2,540,067)</u>	<u>-</u>	<u>(2,540,067)</u>
<b>Business-type Activities</b>							
Electric	\$ 3,839,433	\$ 3,770,577	\$	\$ 208,856		140,000	140,000
Water	684,831	575,263				(109,568)	(109,568)
Sewer	1,980,598	1,587,209				(393,389)	(393,389)
Total Programs and Functions	<u>\$ 6,504,862</u>	<u>\$ 5,933,049</u>	<u>\$ -</u>	<u>\$ 208,856</u>	<u>-</u>	<u>(362,957)</u>	<u>(362,957)</u>
<b>GENERAL REVENUES</b>							
Real property taxes					1,375,930		1,375,930
Other tax items					9,940		9,940
Use of money and property					221,388	141,509	362,897
Licenses and permits					67,176		67,176
Other general revenues					126,631		126,631
Sale of property and compensation for loss					924		924
Miscellaneous					71,591	71,400	142,991
State sources					159,053		159,053
Total General Revenues					<u>2,032,633</u>	<u>212,909</u>	<u>2,245,542</u>
Change in Net Position Before Other Items					(507,434)	(150,048)	(657,482)
<b>OTHER ITEMS</b>							
Operating transfers					118,600	(118,600)	-
Change in Net Position					(388,834)	(268,648)	(657,482)
Total Net Position - Beginning of year					<u>5,858,279</u>	<u>18,169,243</u>	<u>24,027,522</u>
Total Net Position - End of year					<u>\$ 5,469,445</u>	<u>\$ 17,900,595</u>	<u>\$ 23,370,040</u>

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

	General	Community Development	Capital Projects	March 31, 2024 Housing Authority	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents					
Unrestricted	\$ 3,068,960	\$ 48,378	\$ 247,500	\$ 178,023	\$ 3,542,861
Restricted	636,307				636,307
Receivables					
Taxes receivable	145,611				145,611
Accounts receivable	16,022			7,358	23,380
Due from other funds	6,939	11,830			18,769
Length of service award program	3,464,824				3,464,824
 Total Assets	 <u>\$ 7,338,663</u>	 <u>\$ 60,208</u>	 <u>\$ 247,500</u>	 <u>\$ 185,381</u>	 <u>\$ 7,831,752</u>
<b>LIABILITIES</b>					
Payables					
Accounts payable	\$ 124,961	\$ 12,660	\$ 1,699	\$ 1,809	\$ 141,129
Due to other funds	29,457			11,830	41,287
Due to retirement systems	23,437				23,437
Other liabilities	473,575				473,575
Unearned credits					
Collections in advance	1,505,906			112,491	1,618,397
 Total Liabilities	 <u>2,157,336</u>	 <u>12,660</u>	 <u>1,699</u>	 <u>126,130</u>	 <u>2,297,825</u>
<b>FUND BALANCES</b>					
Restricted:					
Capital	730,007				730,007
Length of service award program	3,464,824				3,464,824
Assigned: Unappropriated fund balance	200,912	47,548	245,801	59,251	553,512
Unassigned: Fund balance	785,584				785,584
 Total Fund Balances	 <u>5,181,327</u>	 <u>47,548</u>	 <u>245,801</u>	 <u>59,251</u>	 <u>5,533,927</u>
 Total Liabilities and Fund Balances	 <u>\$ 7,338,663</u>	 <u>\$ 60,208</u>	 <u>\$ 247,500</u>	 <u>\$ 185,381</u>	 <u>\$ 7,831,752</u>

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

Total Governmental Fund Balances	\$ 5,533,927
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Amounts reported for governmental activities in the Statement of Net Position are different because:

The costs of building and acquiring capital assets financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the Village as a whole, and their original costs are depreciated annually over their useful lives.

Original cost of capital assets	\$ 32,437,138	
Less: Accumulated depreciation	<u>(17,809,172)</u>	14,627,966

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

Deferred outflows of resources - NYSLRS	320,513	
Deferred outflows of resources - LOSAP	498,922	
Net pension liabilities - NYSLRS	(411,966)	
Total LOSAP liability	(4,916,833)	
Deferred inflows of resources - NYSLRS	(242,289)	
Deferred inflows of resources - LOSAP	<u>(1,296,405)</u>	(6,048,058)

Total other postemployment benefits liability related to providing benefits in retirement are not current financial resources or liabilities and are not reported in the funds.

Total other postemployment benefits liability	(3,830,009)
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:

Accrued interest on debt	(43,967)	
Bonds payable	(3,559,091)	
Compensated absences payable	(50,038)	
Unearned revenue	<u>(1,161,285)</u>	(4,814,381)

Total Net Position of Governmental Activities	\$ <u>5,469,445</u>
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**INCORPORATED VILLAGE OF GREENPORT**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balances - Governmental Funds**  
For the Year Ended May 31, 2024

	General	Community Development	Capital Projects	March 31, 2024 Housing Authority	Total Governmental Funds
<b>REVENUES</b>					
Real property taxes	\$ 1,375,930	\$	\$	\$	\$ 1,375,930
Other real property tax items	9,940				9,940
Departmental income	1,507,501	62,992			1,570,493
Intergovernmental charges	846,774				846,774
Rental of real property	973,192				973,192
Use of money and property	220,585	171	631	1	221,388
Licenses and permits	67,176				67,176
Fines and forfeitures	23,940				23,940
Sale of property					
and compensation for loss	924				924
Miscellaneous	58,711	3,808		6,591	69,110
Interfund revenues	126,631				126,631
State aid	159,053		48,446		207,499
Federal aid				1,325,899	1,325,899
<b>Total Revenues</b>	<b>5,370,357</b>	<b>66,971</b>	<b>49,077</b>	<b>1,332,491</b>	<b>6,818,896</b>
<b>EXPENDITURES</b>					
General support	774,096				774,096
Public safety	1,113,291				1,113,291
Transportation and street maintenance	773,429		1,834,398		2,607,827
Economic opportunity and development		83,187			83,187
Culture and recreation	1,055,302		163,101		1,218,403
Home and community services	219,561			1,308,551	1,528,112
Employee benefits	798,756			41,371	840,127
Debt service					
Principal	436,515				436,515
Interest	64,626				64,626
<b>Total Expenditures</b>	<b>5,235,576</b>	<b>83,187</b>	<b>1,997,499</b>	<b>1,349,922</b>	<b>8,666,184</b>
Excess/(Deficiency) of Revenues over Expenditures	134,781	(16,216)	(1,948,422)	(17,431)	(1,847,288)
<b>OTHER FINANCING SOURCES AND (USES)</b>					
Proceeds from issuance of bonds			1,350,000		1,350,000
Premium on obligations	10,842				10,842
Operating transfers in	118,600		387,800		506,400
Operating transfers out	(370,000)	(17,800)			(387,800)
<b>Total Other financing sources and (uses)</b>	<b>(240,558)</b>	<b>(17,800)</b>	<b>1,737,800</b>	<b>-</b>	<b>1,479,442</b>
<b>Net Change in Fund Balance</b>	<b>(105,777)</b>	<b>(34,016)</b>	<b>(210,622)</b>	<b>(17,431)</b>	<b>(367,846)</b>
Fund Balances - Beginning of year	5,287,104	81,564	456,423	76,682	5,901,773
Fund Balances - End of year	\$ 5,181,327	\$ 47,548	\$ 245,801	\$ 59,251	\$ 5,533,927



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

Net Change in Fund Balance \$ (367,846)

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

Long-Term Revenue and Expense Differences

In the Statement of Activities, certain operating revenues are measured by the amounts earned during the year. In the governmental funds, however, revenues for these items are measured by the amount of financial resources provided (essentially the amounts actually received). \$ 27,007

Certain expenditures in the governmental funds requiring the use of current financial resources (amounts paid) may exceed the amounts incurred during the year, resulting in a reduction of the long-term liability and an increase in the net position.

Decrease in compensated absences	44,175	
		71,182

Capital Related Differences

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

Capital outlays and other additions	1,986,908	
Depreciation expense	(838,066)	
		1,148,842

Long-Term Debt Transaction Differences

Proceeds from the issuance of bonds are other financing sources in the governmental funds, but increase long-term liabilities in the Statement of Net Position and do not affect the Statement of Activities. (1,350,000)

Repayment of long-term debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.

Bond payable	436,515	
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Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as interest accrues, regardless of when it is due. This is the amount by which accrued interest increased from May 31, 2023 to May 31, 2024.

	(23,819)	
		(937,304)

Pension and Other Postemployment Benefits Differences

The change in the proportionate share of the collective pension expense of the state retirement plans, length of service award program, and the change in other postemployment benefits expense reported in the Statement of Activities do not affect current financial resources and, therefore, are not reported in the governmental funds.

State employees' retirement system	(54,229)	
Length of service award program	(61,786)	
Other postemployment benefits	(187,693)	
		(303,708)

Change in Net Position of Governmental Activities		\$ <u><u>(388,834)</u></u>
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**INCORPORATED VILLAGE OF GREENPORT**

**Statement of Net Position -**

**Proprietary Funds**

May 31, 2024

	Electric	Water	Sewer	Total
<b>ASSETS</b>				
Cash				
Unrestricted	\$ 1,551,812	\$ 1,067,565	\$ 1,144,906	\$ 3,764,283
Restricted	2,196,953		185,852	2,382,805
Receivables				
Accounts receivable	318,887	66,618	194,757	580,262
Due from other funds	-	23,386	19,751	43,137
Prepaid items			583	583
Inventories	199,745	55,249	41,439	296,433
Capital assets not being depreciated	500		22,250	22,750
Capital assets being depreciated, net	11,928,925	744,356	9,234,710	21,907,991
 Total Assets	 16,196,822	 1,957,174	 10,844,248	 28,998,244
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pensions - NYSLRS	249,288	35,613	106,838	391,739
 <b>LIABILITIES</b>				
Payables				
Accounts payable	169,719	866	4,752	175,337
Accrued liabilities	-	137	5,724	5,861
Due to other funds	14,234	1,935	4,450	20,619
Due to retirement system	18,229	2,604	7,812	28,645
Customer deposits	116,450		37,540	153,990
Long-term liabilities				
Due and payable within one year				
Bonds payable	85,000		33,485	118,485
Compensated absences payable	31,957	6,503	19,284	57,744
EFC payable			59,200	59,200
Total other postemployment benefits liability	373,008	67,141	249,542	689,691
Due and payable after one year				
Bonds payable	2,105,000		687,424	2,792,424
EFC payable			1,124,800	1,124,800
Total other postemployment benefits liability	2,954,541	531,818	1,976,588	5,462,947
Net pension liabilities - proportionate share	320,418	45,774	137,322	503,514
 Total Liabilities	 6,188,556	 656,778	 4,347,923	 11,193,257
 <b>DEFERRED INFLOWS OF RESOURCES</b>				
Pensions - NYSLRS	188,447	26,921	80,763	296,131
 <b>NET POSITION</b>				
Net investment in capital assets	9,739,425	744,356	7,352,051	17,835,832
Restricted	2,196,953		185,852	2,382,805
Unrestricted (deficit)	(1,867,271)	564,732	(1,015,503)	(2,318,042)
 Total Net Position	 \$ 10,069,107	 \$ 1,309,088	 \$ 6,522,400	 \$ 17,900,595

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

	Electric	Water	Sewer	Total
<b>OPERATING REVENUES</b>				
<b>Charges for services:</b>				
Charges for services	\$ 3,770,577	\$ 575,263	\$ 1,587,209	\$ 5,933,049
Total Operating Revenues	3,770,577	575,263	1,587,209	5,933,049
<b>OPERATING EXPENSES</b>				
Administration	1,649,661	212,758	22,000	1,884,419
Electrical	1,686,047			1,686,047
Purification		359,835		359,835
Home and community service			1,167,793	1,167,793
Benefits	-	87,150	452,415	539,565
Depreciation	414,060	25,088	323,460	762,608
Total Operating Expenses	3,749,768	684,831	1,965,668	6,400,267
Net Operating Income	20,809	(109,568)	(378,459)	(467,218)
<b>NON-OPERATING REVENUES AND (EXPENSES)</b>				
Interest on investments	72,839	29,376	39,294	141,509
Capital contributions to governmental funds	(88,000)	(12,240)	(18,360)	(118,600)
Sales tax revenue			26,984	26,984
Miscellaneous		3,292	41,124	44,416
Federal aid	208,856			208,856
Interest expense	(89,665)		(14,930)	(104,595)
Total Net Non-Operating Revenues	104,030	20,428	74,112	198,570
Change in Net Position	124,839	(89,140)	(304,347)	(268,648)
Total Net Position - Beginning of year	9,944,268	1,398,228	6,826,747	18,169,243
Total Net Position - End of year	\$ 10,069,107	\$ 1,309,088	\$ 6,522,400	\$ 17,900,595

**INCORPORATED VILLAGE OF GREENPORT**

**Statement of Cash Flows**

**Proprietary Funds**

For the Year Ended May 31, 2024

	Electric	Water	Sewer	Total
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 3,832,734	\$ 544,442	\$ 1,618,614	\$ 5,995,790
Payments to suppliers and service providers	(2,641,398)	(381,015)	(1,058,898)	(4,081,311)
Payments to employees for salaries and benefits	(756,259)	(260,894)	(605,577)	(1,622,730)
Net Cash Provided by (Used in) Operating Activities	435,077	(97,467)	(45,861)	291,749
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(665,171)	(62,223)	(48,136)	(775,530)
Contributions to Village of Greenport	(88,000)	(12,240)	(18,360)	(118,600)
Sales tax revenues			26,984	26,984
Principal payments - bonds	(85,000)		(92,685)	(177,685)
Contributions in aid of construction	208,856			208,856
Interest paid on capital debt	(89,665)		(14,930)	(104,595)
Net Cash Used in Capital and Related Financing Activities	(718,980)	(74,463)	(147,127)	(940,570)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Interest income	72,839	29,376	39,294	141,509
Net Cash Provided by Investing Activities	72,839	29,376	39,294	141,509
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Other activities	-	3,292	92,041	95,333
Net Decrease in Cash	(211,064)	(139,262)	(61,653)	(411,979)
Cash - Beginning of year	3,959,829	1,206,827	1,392,411	6,559,067
Cash - End of year	\$ 3,748,765	\$ 1,067,565	\$ 1,330,758	\$ 6,147,088
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO</b>				
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
Income (loss) from operations	\$ 20,809	\$ (109,568)	\$ (378,459)	\$ (467,218)
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities				
Depreciation	414,060	25,088	323,460	762,608
Uncollectible revenues	1,008			1,008
(Increase) Decrease in:				
Accounts receivable	62,157	(30,821)	14,750	46,086
Due from other funds	26,911	5,366	21,055	53,332
Inventory	9,582			9,582
Net pension asset			82,673	82,673
Deferred outflows of resources - Pensions	70,159	10,022	73,531	153,712
Increase (Decrease) in:				
Accounts payable and accrued expenses	(249,158)	(8,199)	(59,129)	(316,486)
Accrued postemployment health benefits	163,069	29,354	109,091	301,514
Customer deposits	(3,701)			(3,701)
Due to other funds		1,935	4,450	6,385
Due to retirement system		533	227	760
Bonds payable			(92,685)	(92,685)
Compensated absences payable	(51,838)	(17,179)	(49,839)	(118,856)
Net pension liability - proportionate share	(175,396)	(25,057)	136,272	(64,181)
Deferred inflows of resources	147,415	21,059	(231,258)	(62,784)
Net Cash Provided by (Used in) Operating Activities	\$ 435,077	\$ (97,467)	\$ (45,861)	\$ 291,749

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

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Financial Reporting Entity**

The Village is governed by Village law and other general laws of the State of New York. The Board (Board) is the legislative body responsible for overall operations; the Mayor serves as chief executive officer and the Treasurer serves as chief fiscal officer.

The basic services that the Village provides are general support, water, sewer, electric, public safety, health, transportation, economic opportunity and development, culture and recreation, and home and community services.

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

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

**B. Basis of Presentation**

**Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities present information about the overall financial activities of the Village. Eliminations have been made to minimize the double counting of interfund transactions. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities that rely to a significant extent on fees and charges for support. Program specific grants and contributions include revenues arising from mandatory and voluntary nonexchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program.

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

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

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Fund Financial Statements

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

***Governmental Funds:***

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

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

***Community Development Fund*** – is used to account for community development block grants and supportive housing program funds received from the U.S. Department of Housing and Urban Development (HUD).

***Capital Projects Fund*** – is used to account for the financial resources used for the acquisition, construction, renovation, or major repair of capital facilities and other capital assets.

***Housing Authority Fund*** – is used to account for federal money received from HUD pursuant to Section 8 Programs, which enable low income families to obtain adequate housing.

***Proprietary Funds:***

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

***Electric Fund*** - is self-supporting through charges to customers in the Village's franchise area based on electric usage. The Electric Fund is subject to regulation by NYPA with respect to wholesale power purchased, rate structure, accounting, and other matters.

***Water Fund*** - is an enterprise fund of the Village. This fund is self-supporting through charges to residents based on water usage.

***Sewer Fund*** - is an enterprise fund of the Village. This fund is self-supporting through charges to residents based on sewer usage.

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

Measurement focus describes what type of information is reported, and is either the economic resources measurement focus or the current financial resources measurement focus. The economic resources measurement focus reports all assets, liabilities, and deferred resources related to a given activity, as well as transactions of the period that affect net position. For example, all assets, whether financial (e.g., cash and receivables) or capital (e.g., property and equipment) and liabilities (including long-term debt and obligations) are reported. The current financial resources measurement focus reports more narrowly on assets, liabilities, and deferred resources that are relevant to near-term liquidity, along with net changes

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

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resulting from transactions of the period. Consequently, capital assets and the unmatured portion of long-term debt and certain other liabilities the Village would not expect to liquidate currently with expendable available financial resources (e.g., compensated absences for employees still in active service) would not be reported.

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

The government-wide and proprietary funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the Village gives or receives value without directly receiving or giving equal value in exchange, include real property taxes, state aid, grants, and donations. On an accrual basis, revenue from real property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from state aid is recognized in the fiscal year it is apportioned by the state. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

**D. Property Taxes**

Real property taxes are levied no later than May 15<sup>th</sup> and become a lien on June 1<sup>st</sup>. The Village collects its own taxes. Taxes are collected during the month of June without penalty. A 5% penalty is assessed on taxes paid after July 1, and an additional 1% is assessed each month on taxes paid after July. Unpaid Village taxes can be collected through tax sales.

**E. Restricted Resources**

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

**F. Interfund Transactions**

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

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

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In the government-wide statements, eliminations have been made for all interfund receivables and payables among the funds. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”.

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

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

**G. Use of Estimates**

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

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

Cash and cash equivalents consist of cash on hand, bank deposits, and investments with an original maturity date of 90 days or less from the date of acquisition.

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

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

**I. Receivables**

Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. The allowance for doubtful accounts is as follows:

	<u>Electric Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Gross receivables	\$ 508,759	\$ 73,130	\$ 229,237
Less: allowance for uncollectibles	<u>189,872</u>	<u>6,512</u>	<u>34,480</u>
Net receivables	<u>\$ 318,887</u>	<u>\$ 66,618</u>	<u>\$ 194,757</u>

Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received. An account receivable is considered to be past due if any portion of the receivable balance is outstanding for more than twenty days. Interest is charged on accounts receivable that are outstanding for more than twenty days at 1.50% per month and is recognized as it is charged.



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

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**J. Inventories and Prepaid Items**

Purchases of inventorable items in the general fund are recorded as expenditures at the time of purchase, and are considered immaterial in amount, and accounted for on the consumption method. Inventory of the Electric, Sewer and Water Funds consists of components, parts, and tools held for consumption. Inventory of the Electric Fund is valued at the lower of cost or market, with cost determined using a rolling average unit cost method. Inventory materials recovered and returned to stock in construction, maintenance, or the retirement of operating property are valued at current replacement prices. Each year, the inventory is reviewed for obsolescence, and an adjustment is made to record the affected inventory item at its fair value. There were no obsolete inventory items identified in these funds as of May 31, 2024.

Prepaid items represent payments made by the District for which benefits extend beyond year end. These payments to vendors reflect costs applicable to future accounting periods and are recorded as assets on the Statement of Net Position in the Sewer Fund.

**K. Restricted Length of Service Award Program Investments**

The Village sponsors a separate LOSAP plan for volunteer firefighters. LOSAP obligations are actuarially determined and reported on the accrual basis of accounting in the government-wide statement of net position. The service award program assets are restricted for the purpose of providing benefits to the participants of the plan.

**L. Capital Assets**

Capital assets are reflected in the government-wide financial statements and proprietary funds. Capital assets are reported at actual cost. Assets are capitalized if they cost more than \$1,000, have an estimated useful life in excess of one year, and are used to carry out day-to-day government services. In the governmental activities, all capital assets, except land and construction in progress, are depreciated on a straight-line basis over their useful lives ranging from five to fifty years. In the business-type activities, all capital assets, except land and construction in progress, are depreciated on a straight-line basis over their useful lives ranging from five to one hundred years.

The government-wide financial statements report capital assets which are reported at actual cost, when the information is available, or at estimated historical cost based on professional third-party information. Donated assets are reported at acquisition value at the date of donation.

**M. Deferred Outflows of Resources**

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

**N. Collections in Advance**

Collections in advance arise when resources are received by the Village before it has a legal claim to them, as when grants monies are received prior to the incurrence of qualifying expenditures or when charges for services monies are received in advance from payers prior to the services being rendered by the Village.

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

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These amounts are recorded as liabilities in the financial statements. The liabilities are removed and revenues are recognized in subsequent periods when the Village has legal claim to the resources.

**O. Employee Benefits – Compensated Absences**

Compensated absences consist of unpaid accumulated vacation and sick leave.

Vacation eligibility and accumulation is specified in collective bargaining agreements and in individual employment contracts. Some earned benefits may be forfeited if not taken within varying time periods.

Sick leave eligibility and accumulation is specified in collective bargaining agreements and in individual employment contracts. Upon retirement, resignation or death, employees or their beneficiaries may be eligible to receive the value of unused accumulated sick leave.

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

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

**P. Other Benefits**

Eligible Village employees participate in the ERS.

Village employees may choose to participate in the Village's elective deferred compensation plan established under Internal Revenue Code §457. The Village makes no contributions into this plan.

The Village provides individual and family health insurance coverage for active employees pursuant to collective bargaining agreements and individual employment contracts.

In addition to providing these benefits, the Village provides individual, family or surviving spouse health insurance coverage for eligible retired employees. Collective bargaining agreements and individual employment contracts determine if Village employees are eligible for these benefits if they reach normal retirement age while working for the Village. Healthcare benefits are provided through plans whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing health insurance by recording its share of insurance premiums as an expenditure in the general fund as the liabilities for premiums mature (come due for payment). In the government-wide statements, the cost of postemployment health insurance coverage is recognized on the economic resources measurement focus and the accrual basis of accounting in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Q. Long-Term Debt**

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

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

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

**R. Deferred Inflows of Resources**

Deferred inflows of resources represents an acquisition of net assets that applies to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. The Village has two items that qualify for reporting in this category. The first item is related to NYSLRS and LOSAP reported in the Statement of Net Position, and consists of the Village's proportionate share of changes in the collective total and net pension liabilities not included in collective pension expense. The second item is related to OPEB and represents changes in the total OPEB liability not included in the OPEB expense.

**S. Equity Classifications**

Government-Wide and Proprietary Statements

In the government-wide and proprietary funds statements there can be three classes of net position:

*Net investment in capital assets* – Consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction, or improvement of those assets, net of any unexpended proceeds.

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

*Unrestricted* – Reports all other amounts that do not meet the definition of the above two classifications.

Fund Statements

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

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

*Capital – Fire Apparatus*

The Village is required to accumulate unused fire contract revenue for future fire department equipment.

*Restricted for Length of Service Award Program*

The Village's proportionate share of Length of Service Award Program assets is restricted for providing benefits to participants in the Village of Greenport Fire Department, Service Award Program, a defined benefit pension plan. The assets are held in trust and accounted for in the general fund.

*Assigned* – Consists of amounts that are subject to a purpose constraint that represents an intended use established by the Board. The purpose of the assignment must be narrower than the purpose of the

**INCORPORATED VILLAGE OF GREENPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
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general fund, and in funds other than the general fund, assigned fund balance represents the residual, positive amount of fund balance. Assigned fund balance also includes encumbrances not classified as restricted at the end of the fiscal year.

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

**Fund Balance Policy**

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

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

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

**2. FUTURE ACCOUNTING STANDARDS**

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

<b>Effective for the Year Ending</b>	<b>Statement</b>
May 31, 2025	GASB No. 101 – <i>Compensated Absences</i>
May 31, 2026	GASB No. 102 – <i>Certain Risk Disclosures</i>
May 31, 2027	GASB No. 103 – <i>Financial Reporting Model Improvements</i>

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

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

GASB Statement No. 103 was issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues.

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**NOTES TO FINANCIAL STATEMENTS**  
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**3. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENT-WIDE STATEMENTS AND THE GOVERNMENTAL FUND STATEMENTS**

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

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

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

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

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

Long-Term Revenue and Expense Differences

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

Capital Related Differences

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

Long-Term Debt Transaction Differences

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

Pension and Other Postemployment Benefits Differences

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

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

**4. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgets**

The Village's administration prepares a proposed budget for approval by the Board for the general fund and proprietary funds. The budget is adopted annually on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations are established by adoption of the budget, are recorded at the program line item level, and constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized for the current year can be funded by the planned use of specific reserves, and can be increased by budget amendments approved by the Board, as a result of selected new revenue sources not included in the original budget and appropriations of fund balance. Supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists which was not determined at the time the budget was adopted. During the year ended May 31, 2024, the general fund's adopted budget was increased for the following:

Original Budget	\$ 5,450,815
Encumbrances	73,088
Downtown revitalization and Mitchell Park bathroom project funded by grants	75,000
Increased operational costs funded by appropriated-unassigned fund balance	779,942
Ladder truck and ambulance funded capital reserves	<u>547,000</u>
Final Budget	<u><u>\$ 6,925,845</u></u>

**B. Encumbrances**

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

**C. Over Expenditure of Certain Appropriations**

Certain general fund appropriations were over expended. These were in the following appropriation categories of the budget: general government support, public safety, culture and recreation, home and community, and employee benefits. The general fund budget in total was not over expended.

**INCORPORATED VILLAGE OF GREENPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**5. DEPOSITS WITH FINANCIAL INSTITUTIONS**

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

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

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

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

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

**Investment pool:**

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

The District's investments in NYCLASS consisted of repurchase agreements, U.S. Treasury Securities, and collateralized bank deposits, with various interest rates and due dates. The dollar weighted average days to maturity (WAM) of NYCLASS at May 31, 2024, was 38 days and the weighted average life (WAL) was 72 days. The Village has reported \$1,176,092 in the general fund as cash.

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

**6. CAPITAL ASSETS**

**A. Changes**

The capital assets and accumulated depreciation of the governmental activities and the business-type activities for the year ended May 31, 2024, are as follows:

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**NOTES TO FINANCIAL STATEMENTS**  
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	Balance May 31, 2023	Additions	Reductions	Balance May 31, 2024
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 2,687,935	\$	\$	\$ 2,687,935
Capital assets being depreciated:				
Buildings	5,766,045	201,908		5,967,953
Machinery and equipment	8,714,388	71,629		8,786,017
Infrastructure	11,201,245	54,471		11,255,716
Vehicles	2,080,617	1,658,900		3,739,517
Total capital assets being depreciated	27,762,295	1,986,908	-	29,749,203
Accumulated depreciation	16,971,106	838,066		17,809,172
Capital assets, net	<u>\$ 13,479,124</u>	<u>\$ 1,148,842</u>	<u>\$ -</u>	<u>\$ 14,627,966</u>

	Balance May 31, 2023	Additions	Reductions	Balance May 31, 2024
<b>Business-type activities combined:</b>				
Capital assets not being depreciated:				
Land	\$ 22,750	\$	\$	\$ 22,750
Construction in progress	5,064,256		(5,064,256)	-
Total capital assets not being depreciated	5,087,006	-	(5,064,256)	22,750
Capital assets being depreciated:				
Buildings	3,854,243	4,487		3,858,730
Machinery and equipment	4,873,823	75,146		4,948,969
Vehicles	942,445	6,906		949,351
Distribution, transmission and other operational equipment	22,704,195	5,753,247		28,457,442
Total capital assets being depreciated	32,374,706	5,839,786	-	38,214,492
Accumulated depreciation	15,543,893	762,608		16,306,501
Capital assets, net	<u>\$ 21,917,819</u>	<u>\$ 5,077,178</u>	<u>\$ (5,064,256)</u>	<u>\$ 21,930,741</u>

Depreciation expense was allocated as direct expense to programs of the primary government as follows:

	Governmental Activities	Business-Type Activities
General support	\$ 40,876	\$
Public safety	227,672	
Transportation	342,699	762,608
Culture and recreation	183,725	
Home and community services	43,094	
	<u>\$ 838,066</u>	<u>\$ 762,608</u>



**INCORPORATED VILLAGE OF GREENPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**B. Impairment Losses**

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

**7. INTERFUND TRANSACTIONS**

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

	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
General Fund	\$ 6,939	\$ 29,457	\$ 118,600	\$ 370,000
Community Development	11,830			17,800
Capital Projects Fund			387,800	
Housing Authority		11,830		
Total Governmental Funds	18,769	41,287	506,400	387,800
Electric Fund		14,234		88,000
Water Fund	23,386	1,935		18,360
Sewer Fund	19,751	4,450		12,240
Total Proprietary Funds	43,137	20,619	-	118,600
Total Governmental and Proprietary Funds	\$ 61,906	\$ 61,906	\$ 506,400	\$ 506,400

Transfers to the capital projects fund were used for various projects around the Village.

**8. COLLECTIONS IN ADVANCE**

As of May 31, 2024, collections in advance in the general fund consisted of:

Building and Planning Escrow	\$ 15,958
Marina and Campground Deposits	351,698
American Rescue Plan Act Funding	497,413
Advanced Deposits from Residents	640,837
	<u>\$ 1,505,906</u>

**9. LONG-TERM LIABILITIES**

**A. Changes**

The following tables summarize the changes in governmental and business-type activities in long-term liabilities, excluding pension, for the year ended May 31, 2024:

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**NOTES TO FINANCIAL STATEMENTS**  
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	Balance May 31, 2023	Additions	Reductions	Balance May 31, 2024	Amounts Due Within One Year
Governmental activities:					
Bonds payable	\$ 2,645,606	\$ 1,350,000	\$ (436,515)	\$ 3,559,091	\$ 271,515
Other long-term liabilities:					
Compensated absences	94,213		(44,175)	50,038	3,259
Unearned revenue	1,188,292		(27,007)	1,161,285	27,007
Total OPEB liability	3,642,316		187,693	3,830,009	429,332
	<u>\$ 7,570,427</u>	<u>\$ 1,350,000</u>	<u>\$ (320,004)</u>	<u>\$ 8,600,423</u>	<u>\$ 731,113</u>
	Balance May 31, 2023	Additions	Reductions	Balance May 31, 2024	Amounts Due Within One Year
Business-type activities:					
Bonds payable	\$ 3,029,394	\$	\$ (118,485)	\$ 2,910,909	\$ 118,485
EFC Payable - Sewer Fund	1,243,200		(59,200)	1,184,000	59,200
	4,272,594	-	(177,685)	4,094,909	177,685
Other long-term liabilities:					
Compensated absences	176,600		(118,856)	57,744	57,744
Total OPEB liability	5,851,123	301,515		6,152,638	689,691
	<u>\$ 10,300,317</u>	<u>\$ 301,515</u>	<u>\$ (296,541)</u>	<u>\$ 10,305,291</u>	<u>\$ 925,120</u>

The general fund has typically been used to liquidate long-term liabilities for the governmental activities. The proprietary funds (electric, water, and sewer) have typically been used to liquidate long-term liabilities for the business-type activities.

Additions and reductions to compensated absences are shown net since it is impractical to separately determine these amounts. The maturity of compensated absences is not determinable.

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

**INCORPORATED VILLAGE OF GREENPORT**  
**NOTES TO FINANCIAL STATEMENTS**  
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**B. Bonds Payable**

The following is a summary of general obligation bonds currently outstanding:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at May 31, 2024
Governmental activities:				
2014 Public Improvement Serial Bond	1/2014	4/2042	2.25 - 4.25%	\$ 210,000
2017 Public Improvement Serial Bond	8/2017	8/2027	2.13 - 2.75%	350,000
2018 Public Improvement Serial Bond	8/2018	8/2039	3.50 - 3.75%	540,000
2021 Public Improvement Serial Bond	10/2021	10/2041	2.00 - 2.25%	1,109,091
2023 Public Improvement Serial Bond	6/2023	6/2038	2.70 - 3.60%	1,350,000
				<u>\$ 3,559,091</u>
Business-type activities:				
EFC Payable - Sewer Fund	12/2013	12/2043	0.00%	\$ 1,184,000
2014 Public Improvement Serial Bond - Electric Fund	1/2014	4/2042	2.25 - 4.25%	2,190,000
2021 Public Improvement Serial Bond	10/2021	10/2041	2.00 - 2.25%	720,909
				<u>\$ 4,094,909</u>

As indicated above, the Village has a New York State Environmental Facilities Corporation Clean Water Statutory Installment Bond (EFC) related to the reconstructions of the wastewater treatment plant and portions of the sanitary sewer collection system.

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

Year Ending May 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 271,515	\$ 91,424	\$ 177,685	\$ 88,089
2026	281,515	85,111	182,685	85,014
2027	294,545	77,405	184,655	81,453
2028	294,545	69,328	189,655	77,753
2029	194,545	60,966	194,655	73,853
2030 - 2034	916,970	231,767	1,044,030	305,602
2035 - 2039	1,135,606	101,740	1,155,394	181,598
2040 - 2044	169,850	13,979	966,150	35,433
Total	<u>\$ 3,559,091</u>	<u>\$ 731,720</u>	<u>\$ 4,094,909</u>	<u>\$ 928,795</u>

**INCORPORATED VILLAGE OF GREENPORT**  
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**C. Long-Term Debt Interest**

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Interest paid	\$ 64,626	\$ 104,595
Less: Interest accrued in the prior year	(20,148)	
Add: Interest accrued in the current year	<u>43,967</u>	
Total interest expense on long-term debt	<u>\$ 88,445</u>	<u>\$ 104,595</u>

**10. REMEDIES UPON DEFAULT IN BOND PAYMENTS**

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

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

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

**A. New York State and Local Employees' Retirement System**

Plan Description

The Village participates in the New York State and Local Employees' Retirement System (ERS) and the Public Employees' Group Life Insurance Plan, collectively known as the NYSLRS. This is a cost-sharing multiple employer, defined benefit, public employee retirement systems. The NYSLRS provides retirement, disability, and death benefits to plan members and beneficiaries related to years of service and final average salary.

Provisions and Administration

Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). The net position of the ERS is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the NYSLRS. As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as the trustee of the Fund and is the administrative head of the ERS. Once a public

**INCORPORATED VILLAGE OF GREENPORT**  
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employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The ERS is included in the State's financial report as a pension trust fund. That report may be found on the NYS Comptroller's website at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, NY 12244.

Funding Policy

The NYSLRS is noncontributory except for employees who joined after July 27, 1976 with less than ten years of credited service, who contribute 3% of their salary, or joined on or after January 1, 2010 (ERS) and before April 1, 2012, who contribute 3% of their salary throughout active membership. For employees hired on or after April 1, 2012, employee contribution rates are dependent upon salaries and range from 3% to 6% of salary throughout active membership. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions for the fiscal year ending March 31st, and employer contributions are either paid by the prior December 15th less a 1% discount, or by the prior February 1st. The Village paid 100% of the required contributions as billed for the current year. The Village's average contribution rate was 11.80% of covered payroll for the ERS' fiscal year ended March 31, 2024.

The Village's share of the required contributions, based on covered payroll for the current year ended May 31, 2024, was \$248,522 for the ERS at an average contribution rate of 9.56%.

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

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

Measurement date	March 31, 2024
Village's proportionate share of the net pension liability	\$ (915,480)
Village's portion of the Plan's net pension liability	0.0062176%
Change in proportion since the prior measurement date	(0.0003885)

For the year ended May 31, 2024, the Village recognized a pension expense of \$379,486. At May 31, 2024, the Village reported deferred outflows and inflows of resources related to pensions from the following sources:

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**NOTES TO FINANCIAL STATEMENTS**  
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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 294,875	\$ 24,963
Changes of assumptions	346,122	
Net difference between projected and actual earnings on pension plan investments		447,207
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	19,173	66,250
Village contributions subsequent to the measurement date	52,082	
Total	<u>\$ 712,252</u>	<u>\$ 538,420</u>

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

Year Ending May 31,	ERS
2025	\$ (179,935)
2026	152,612
2027	254,169
2028	<u>(105,096)</u>
	<u>\$ 121,750</u>

**Actuarial Assumptions**

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

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

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 system experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021, applied on a generational basis.

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

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

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

**Discount Rate**

The discount rate used to measure the total pension liability was 5.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon the assumptions, the 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.

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

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

ERS	1% Decrease 4.90 %	Current Assumption 5.90 %	1% Increase 6.90 %
Village's proportionate share of the net pension asset/(liability)	\$ (2,878,361)	\$ (915,480)	\$ 723,934

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

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Pension Plan Fiduciary Net Position

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

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

Payables to the Pension Plan

Employer contributions are paid annually based on the NYSLRS' fiscal year, which ends on March 31st. Accrued retirement contributions as of May 31, 2024, represent the projected employer contribution for the period of April 1, 2024 through May 31, 2024, based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2024 amounted to \$52,082 of employer contributions. Employee contributions are remitted monthly.

**12. PENSION PLAN – DEFERRED COMPENSATION PLAN**

The Village has established a deferred compensation plan in accordance with Internal Revenue Code §457 for all employees. The Village makes no contributions into this Plan.

**13. PENSION PLAN – LENGTH OF SERVICE AWARD PROGRAM**

A defined benefit service awards program for the active members of the Village of Greenport Fire Department was established effective January 1, 1994. The program was established pursuant to Article 11-A of the New York State General Municipal Law. The program provides municipally-funded, deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. The LOSAP is a single employer defined benefit plan established as a grantor/rabbi trust and, as such, the assets are subject to the claims of the Village's general creditors.

The Village accounts for LOSAP assets as restricted investments in the General Fund. Benefit payments are recognized as an expenditure within the General Fund at the time they are due and payable. LOSAP contributions represent the reclassification of unrestricted General Fund assets to the rabbi/grantor trust (restricted investments).



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

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**A. Program Description**

Participation, Vesting and Service Credit

Active volunteer firefighters who have reached the age of 18 and who have completed one year of firefighting service are eligible to participate in the program. Participants acquire a non-forfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age while an active volunteer. The program's entitlement age is 65. An active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points. Points are granted for the performance of certain firefighter activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of active volunteer firefighting service rendered prior to the establishment of this program. Participants who become unable to earn 50 points per year due to an injury sustained while performing a line of duty activity covered by the Volunteer Firefighters Benefit Law will be credited with five points for each full month during which they are disabled.

Program assets are required to be held in trust by Article 11-A, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The Village Board created a Service Award Program Trust Fund through the adoption of a Trust Document, a copy of which is available from the Village Attorney. The Village Board is the program trustee.

Authority to invest program assets is vested in the program trustee. Program assets are invested in accordance with a statutory prudent person rule and in accordance with the written investment policy statement adopted by the Village Board.

Benefits

A participant's Service Award benefit is paid as a ten-year certain and continuous monthly payment life annuity. The amount payable each month equals \$20 multiplied by the total number of years of Service Credit earned by the participant under the Point System. The maximum number of years of Service Credit a participant may earn under the program is 20 years. Currently, there are no other forms of payment of a volunteer's earned Service Award under the Program.

Except in the case of pre-Entitlement Age death or total and permanent disablement, a participant's Service Award will not be paid until he or she attains the Entitlement Age. Volunteers who continue to be active after attaining the Entitlement Age and who may have commenced receiving a Service Award have the opportunity to earn Service Credit and thereby increase their Service Award payments.

The program provides death and disability benefits equal to the actuarial value of the participant's earned service award at the time of death or disablement (the minimum death benefit payable is \$10,000 if the participant was an active volunteer at death). The program does not provide extra line-of-duty death or disability benefits. All death and disability benefits are "self-insured" and are paid from the program trust fund.

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

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**B. Benefits**

At the December 31, 2023 measurement date, the following participants were covered by the benefit terms:

Inactive participants currently receiving benefit payments	53
Inactive participants entitled to but not yet receiving benefit payments	25
Active participants	<u>62</u>
Total	<u><u>140</u></u>

Contributions

New York State General Municipal Law §219(d) requires the Village Board to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Village Board.

Trust Assets

Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Village. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73. The underlying assets are reported at fair value based on quoted market prices and include the following:

	<u>Level 1</u>
RBC Insured Deposits	\$ 84,158
Alternative and other equities	397,185
US Equities	512,187
International equities	356,168
US Mid Cap equities	173,490
Taxable fixed income	396,025
US Government Fixed Income	1,332,554
Mixed assets	<u>213,057</u>
	<u><u>\$ 3,464,824</u></u>

**C. Measurement of Total Service Award Program Liability**

The total pension liability at the December 31, 2023 measurement date was determined using an actuarial valuation as of December 31, 2023.

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

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Actuarial Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Discount rate	4.00%
Inflation	2.25%
Salary scale	None assumed

Mortality rates were based on the RP-2014 Male Mortality Table without projection for mortality improvement.

Changes of Benefit Terms

Effective January 1, 2019 the program was amended to increase the maximum number of years of service credit a participant may earn from 30 to 40.

Discount Rate

The discount rate used to measure the total pension liability was 4.00% (the discount rate used at the prior year's measurement date of December 31, 2022 was 4.31%). This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2023. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Service's, AA by Fitch, or AA by Standard & Poor's Rating Services.

**D. Proportionate Share of Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended May 31, 2024, the Village reported a liability of \$4,916,833 for its proportionate share of the total pension liability, measured as of December 31, 2023. The proportionate share of total pension liability for the year ended May 31, 2023 was \$4,819,041, measured as of December 31, 2022.

Balance at May 31, 2023	<u>\$ 4,819,041</u>
Service cost	92,986
Interest on total pension liability	205,819
Changes of assumptions or other inputs	164,798
Differences between expected and actual experience	(92,541)
Benefit payments	<u>(273,270)</u>
Net increase in total pension liability	<u>97,792</u>
Balance at May 31, 2024	<u><u>\$ 4,916,833</u></u>

Pension Expense

For the year ended May 31, 2024, the Village recognized pension expense (credit) of \$368,727.

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

Deferred Outflows of Resources and Deferred Inflows of Resources

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 21,431	\$ 100,566
Changes of assumptions or other inputs	355,324	1,195,839
Benefit payments and administrative expenses subsequent to the measurement date	<u>122,167</u>	
Total	<u>\$ 498,922</u>	<u>\$ 1,296,405</u>

The \$122,167 reported as deferred outflows of resources related to pensions resulting from Village transactions subsequent to the measurement date and will be recognized as a reduction of the total pension liability in the year ending May 31, 2025.

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

<u>Year Ending May 31,</u>	
2025	\$ 65,982
2026	(171,666)
2027	(171,666)
2028	(171,666)
2029	(171,666)
Thereafter	<u>(298,968)</u>
	<u>\$ (919,650)</u>

Sensitivity of the Total Pension Liability to Changes in the Discount Rate

The following presents the total pension liability of the Village as of the December 31, 2023 measurement date, calculated using the discount rate of 4.00%, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.00%) or 1-percentage point higher (5.00%) than the current rate:

	1% Decrease 3.00%	Current Assumption 4.00%	1% Increase 5.00%
Village's proportionate share of the total pension liability	<u>\$ (5,511,452)</u>	<u>\$ (4,916,833)</u>	<u>\$ (4,414,070)</u>

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

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**14. POSTEMPLOYMENT HEALTHCARE BENEFITS**

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

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

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

*Employees Covered by Benefit Terms* – At May 31, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	29
Active employees	32
Surviving beneficiaries	<u>2</u>
	<u><u>63</u></u>

**B. Total OPEB Liability**

The Village's total OPEB liability of \$9,982,646 was measured as of May 31, 2023, and was determined by an actuarial valuation as of May 31, 2024. Update procedures were used to roll forward the total OPEB liability to the measurement date.

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

Inflation	3.00%
Salary increases	3.00% average, including inflation
Discount rate	3.70%
Healthcare cost trend rates	4.70% decreasing to an ultimate rate of 4.20% in 2034

The discount rate was based on the S&P Municipal Bond 20-Year tax exempt municipal bond yield as of May 31, 2024.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

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

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

Balance at May 31, 2023	<u>\$ 9,493,439</u>
Changes for the year	
Service cost	327,838
Interest on total OPEB liability	340,835
Changes in benefit terms	
Differences between expected and actual experience	943,094
Changes in assumptions or other inputs	(44,419)
Benefit payments	<u>(1,078,140)</u>
	<u>489,208</u>
Balance at May 31, 2024	<u><u>\$ 9,982,647</u></u>

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* – The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.70%) or 1 percentage point higher (4.70%) than the current discount rate:

	1% Decrease 2.70%	Discount Rate 3.70%	1% Increase 4.70%
OPEB			
Total OPEB liability	<u>\$ (11,640,160)</u>	<u>\$ (9,982,647)</u>	<u>\$ (8,658,239)</u>

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates* – The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (3.70%) or 1 percentage point higher (5.70%) than the current healthcare cost trend rate:

	1% Decrease 3.70% decreasing to 3.20%	Healthcare Cost Trend Rates 4.70% decreasing to 4.20%	1% Increase 5.70% decreasing to 5.20%
OPEB			
Total OPEB liability	<u>\$ (8,492,167)</u>	<u>\$ (9,982,647)</u>	<u>\$ (11,856,410)</u>

**15. COMMITMENTS AND CONTINGENCIES**

**A. Encumbrances**

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

Assigned: Unappropriated Fund Balance	
General Fund	
General Government Support	\$ 3,060
Public Safety	45,055
Transportation	150,778
Home and Community	<u>2,019</u>
	<u><u>\$ 200,912</u></u>

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

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**B. Risk Financing and Related Insurance**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; errors and omissions; and natural disasters, etc. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage as compared to the prior year, and settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

**C. Certiorari Proceedings**

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

**D. Grants**

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

**E. Litigation**

The Village is involved in lawsuits arising from the normal conduct of its affairs. The Village believes that the outcome of any matters will not have a material effect on these financial statements.

**16. SUBSEQUENT EVENTS**

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

**A. Issuance of Bonds**

On August 1, 2024, the Village issued serial bonds in the amount of \$3,500,000, which are due August 1, 2049 and bear interest at stated rates ranging from 2.80% to 4.15%.

**B. Issuance of Bond Anticipation Notes**

On August 1, 2024 the Village issued bond anticipation notes in the amount of \$3,000,000, which are due August 1, 2025 with an interest rate of 4.50%.

On February 5, 2025, the Village issued bond anticipation notes in the amount of \$3,200,000, which are due February 5, 2026 and bear interest at a stated rate of 4.0%.

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

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
<b>REVENUES</b>				
Real Property Taxes				
Real property taxes	\$ 1,322,940	\$ 1,322,940	\$ 1,322,940	\$ -
Business improvement district	52,990	52,990	52,990	-
Total Real Property Taxes	1,375,930	1,375,930	1,375,930	-
Other Real Property Taxes				
Tax penalty water & sewer	1,300	1,300	1,734	434
Interest and penalties on real property taxes	8,000	8,000	8,206	206
Total Other Real Property Taxes	9,300	9,300	9,940	640
Departmental Income				
Charges for tax advertisements	400	400	216	(184)
Village Clerk fee collection	7,500	7,500	4,050	(3,450)
Public health fee collection	5,000	5,000	3,987	(1,013)
Marina	1,100,000	1,100,000	972,443	(127,557)
McCann Campground	230,000	230,000	199,765	(30,235)
Carousel	225,000	225,000	215,845	(9,155)
Camera obscura	200	200	220	20
Friends of Mitchell Park		15,000	15,000	-
Road fees	2,500	2,500		(2,500)
Pumpout boat fees	8,000	8,000	1,263	(6,737)
Mooring fees	45,000	45,000	44,600	(400)
Baymen's Dock fees	7,800	7,800	8,400	600
Recreation center	55,000	55,000	41,712	(13,288)
Other	2,000	2,000		(2,000)
Total Departmental Income	1,688,400	1,703,400	1,507,501	(195,899)
Intergovernmental Charges				
Fire protection services	852,708	852,708	846,774	(5,934)
Use of Money and Property				
Interest and earnings	48,000	48,000	76,216	28,216
Investment earnings - LOSAP			144,369	144,369
Rental of real property	941,450	941,450	973,192	31,742
Total Use of Money and Property	989,450	989,450	1,193,777	204,327
Licenses and Permits				
Business and occupational licenses	1,000	1,000	1,139	139
Building permits	50,000	50,000	66,037	16,037
Total Licenses and Permits	51,000	51,000	67,176	16,176
Fines and Forfeitures				
Parking violations	80,000	80,000	18,835	(61,165)
Justice court fines and fees	18,000	18,000	5,105	(12,895)
Total Fines and Forfeitures	98,000	98,000	23,940	(74,060)
Sale of Property and Compensation for Loss				
Insurance recoveries			924	924
Miscellaneous				
Arts & culture donation	17,500	17,500	35,368	17,868
Rent - railroad dock	24,000	24,000	13,080	(10,920)
Other	7,500	7,500	10,263	2,763
Total Miscellaneous	49,000	49,000	58,711	9,711



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

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
<b>REVENUES</b>				
Interfund Revenues				
Community development reimburse	\$ 134,000	\$ 134,000	\$ 126,631	\$ (7,369)
State Aid				
Revenue sharing	29,427	29,427	29,427	-
Mortgage tax	55,000	55,000	50,804	(4,196)
Other		60,000	78,822	18,822
Total State Aid	84,427	144,427	159,053	14,626
Total Revenues	5,332,215	5,407,215	5,370,357	(36,858)
<b>OTHER FINANCING SOURCES</b>				
Premium on Obligation	-	-	10,842	10,842
Operating Transfers In	118,600	118,600	118,600	-
Total Other Financing Sources	118,600	118,600	129,442	10,842
Total Revenues and Other Sources	5,450,815	5,525,815	5,499,799	\$ (26,016)
<b>APPROPRIATED FUND BALANCE</b>				
Prior Years' Surplus		779,942		
Prior Year's Encumbrances	73,088	73,088		
Appropriated Reserves		547,000		
Total Appropriated Fund Balance	73,088	1,400,030		
Total Revenues, Other Sources, and Appropriated Fund Balance	\$ 5,523,903	\$ 6,925,845		

**Note to Required Supplementary Information**

Budget Basis of Accounting

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

See Paragraph on Required Supplementary Information Included in Auditor's Report

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

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
<b>EXPENDITURES</b>					
General Government Support					
Legislative Board					
Contractual services	\$ 2,505	\$ 2,505	\$ 2,632	\$	\$ (127)
Board of Trustees					
Personal services	13,920	13,920	13,920		-
Contractual services	38,674	39,887	44,767		(4,880)
Traffic Violations					
Personal services	75,000	75,000	39,831		35,169
Contractual services	12,465	13,585	5,628		7,957
Mayor					
Personal services	9,000	9,000	9,052		(52)
Contractual services	58,495	58,495	58,692		(197)
Auditor					
Contractual services	15,525	15,525	15,750		(225)
Treasurer					
Personal services	53,000	53,000	50,561		2,439
Equipment	2,000	2,000	1,838		162
Contractual services	7,502	7,502	7,780		(278)
Tax Advertising					
Contractual services	680	680	680		-
Clerk					
Personal services	62,000	62,000	66,284		(4,284)
Equipment	2,000	2,000	2,184		(184)
Contractual services	4,002	4,002	4,873		(871)
Law					
Contractual services	101,500	151,500	198,106		(46,606)
Elections					
Contractual services	6,000	6,000	6,000		-
Operation of buildings					
Contractual services	61,747	66,476	45,281		21,195
Communications	9,282	9,282	7,975		1,307
Contractual services	20,000	22,900	6,896	3,060	12,944
Data Processing					
Contractual services	19,000	39,000	41,194		(2,194)
Unallocated Insurance					
Contractual services	123,500	123,500	129,187		(5,687)
Municipal Association Dues					
Contractual services	1,500	1,500	1,297		203
Contingent					
Contractual services	15,000	15,000	13,000		2,000
MTA Payroll Taxes					
Contractual services	4,000	4,000	688		3,312
Total General Government Support	718,297	798,259	774,096	3,060	21,103
Public Safety					
Fire Protection					
Personal services	19,940	19,940	4,419		15,521
Equipment	179,573	203,544	151,127	27,792	24,625
Contractual services	1,109,328	1,169,927	853,473	16,973	299,481
Safety Inspections					
Personal services	77,000	77,000	59,552		17,448
Contractual services	18,002	44,939	44,720	290	(71)
Total Public Safety	1,403,843	1,515,350	1,113,291	45,055	357,004
Health					
Registrar of Vital Statistics					
Personal services	5,400	5,400	-		5,400

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

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual
<b>EXPENDITURES</b>					
Transportation					
Street maintenance					
Personal services	\$ 484,750	\$ 484,750	\$ 449,977	\$	\$ 34,773
Equipment	28,508	28,508	12,007		16,501
Contractual services	238,325	427,825	270,619	150,778	6,428
Street Lighting					
Contractual services	58,000	58,000	40,826		17,174
Total Transportation	809,583	999,083	773,429	150,778	74,876
Culture and Recreation					
Parks and Recreation Administration					
Personal services	21,100	21,100	24,574		(3,474)
Contractual services	67,414	67,584	65,522		2,062
Parks					
Personal services	21,600	21,600	5,557		16,043
Contractual services	60,002	60,002	53,419		6,583
Recreation Center					
Personal services	145,500	145,500	193,110		(47,610)
Contractual services	26,800	27,074	33,590		(6,516)
McCann Trailer Park					
Personal services	3,000	3,000	3,227		(227)
Contractual services	54,000	54,000	58,078		(4,078)
Mitchell Marina					
Personal services	179,100	179,100	240,330		(61,230)
Contractual services	177,293	214,447	160,324		54,123
Docks					
Contractual services	8,100	56,200	58,270		(2,070)
Ice Rink					
Personal services	-	-	382		(382)
Contractual services	100	100	455		(355)
Arts & Culture					
Personal services	101,000	101,000	125,154		(24,154)
Equipment	26,871	26,871	24,510		2,361
Contractual services	500	500	500		-
Historian					
Contractual services	7,750	7,750	6,436		1,314
Celebrations					
Contractual services	3,500	3,500	1,864		1,636
Total Culture and Recreation	903,630	989,328	1,055,302	-	(65,974)
Home and Community Services					
Zoning					
Personal services	8,950	8,950	3,479		5,471
Contractual services	15,002	15,002	4,097		10,905
Planning					
Personal services	8,950	8,950	3,450		5,500
Contractual services	30,003	30,003	21,897		8,106
Research					
Contractual services	19,000	19,000	30,734		(11,734)
Sanitation					
Contractual services	2,000	2,000	283	1,694	23
Community Beautification					
Personal services	8,950	8,950	6,461		2,489
Contractual services	12,000	30,275	30,275		-
Community Development					
Personal services	109,653	109,653	74,621		35,032
Contractual services	43,999	43,999	43,448	325	226
Cemeteries					
Salaries	1,000	1,000	816		184
Total Home and Community Services	259,507	277,782	219,561	2,019	56,202

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

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual
<b>EXPENDITURES</b>					
Employee Benefits					
State retirement	\$ 120,000	\$ 120,000	\$ 112,769	\$	\$ 7,231
Social security and Medicare	89,000	89,000	104,918		(15,918)
Workers' compensation	10,000	10,000	5,000		5,000
Unemployment insurance	3,500	3,500	3,822		(322)
Hospital and medical insurance	700,000	700,000	572,247		127,753
Total Employee Benefits	922,500	922,500	798,756	-	123,744
Debt Service					
Principal	436,516	436,516	436,515		1
Interest	64,627	64,627	64,626		1
Total Debt Service	501,143	501,143	501,141	-	2
Total Expenditures	5,523,903	6,008,845	5,235,576	200,912	572,357
<b>OTHER FINANCING USES</b>					
Operating transfer out		917,000	370,000		547,000
Total Expenditures and Other Uses	<u>\$ 5,523,903</u>	<u>\$ 6,925,845</u>	<u>5,605,576</u>	<u>\$ 200,912</u>	<u>\$ 1,119,357</u>
Net Change in Fund Balance			(105,777)		
Fund Balance - Beginning of Year			5,287,104		
Fund Balance - End of Year			<u>\$ 5,181,327</u>		

**Note to Required Supplementary Information**

Budget Basis of Accounting

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

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

	<i><b>Employees' Retirement System</b></i>								
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Village's proportion of the net pension asset/(liability)	0.0062176%	0.0066061%	0.0067423%	0.0070311%	0.0063396%	0.0068380%	0.0066802%	0.0066666%	0.0065355%
Village's proportionate share of the net pension asset/(liability)	\$ (915,480)	\$ (1,416,612)	\$ 551,152	\$ (7,001)	\$ (1,678,762)	\$ (484,492)	\$ (215,600)	\$ (626,410)	\$ (1,048,963)
Village's covered payroll	\$ 2,468,248	\$ 2,121,348	\$ 2,042,648	\$ 1,997,861	\$ 2,061,856	\$ 2,133,264	\$ 1,987,602	\$ 1,843,135	\$ 1,697,221
Village's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	37.09 %	66.78 %	26.98 %	0.35 %	81.42 %	22.71 %	10.85 %	33.99 %	61.80 %
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

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

**Note to Required Supplementary Information**

The amounts presented for each year were determined as of March 31st.

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

***Employees' Retirement System***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 248,522	\$ 207,833	\$ 303,383	\$ 263,215	\$ 261,059	\$ 266,939	\$ 268,408	\$ 255,662	\$ 273,582	\$ 286,427
Contributions in relation to the contractually required contribution	<u>248,522</u>	<u>207,833</u>	<u>303,383</u>	<u>263,215</u>	<u>261,059</u>	<u>266,939</u>	<u>268,408</u>	<u>255,662</u>	<u>273,582</u>	<u>286,427</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	\$ 2,598,854	\$ 2,135,409	\$ 2,065,573	\$ 1,997,861	\$ 2,061,856	\$ 2,133,264	\$ 1,987,602	\$ 1,843,135	\$ 1,697,221	\$ 1,763,872
Contributions as a percentage of covered payroll	10%	10%	15%	13%	13%	13%	14%	14%	16%	16%

**INCORPORATED VILLAGE OF GREENPORT**  
**Schedule of the Village's Proportionate Share of the Length of Service Award Program Liability**  
Last Seven Years

Measurement date as of December 31,	2023	2022	2021	2020	2019	2018	2017
Total pension liability							
Service cost	\$ 92,986	\$ 182,646	\$ 187,194	\$ 94,420	\$ 91,867	\$ 96,642	\$ 95,223
Interest	205,819	138,068	122,431	166,803	175,804	150,619	162,867
Change of benefit terms	-	-	-	-	-	271,020	-
Changes of assumptions and other inputs	164,798	(1,336,566)	(248,306)	975,832	236,681	(302,374)	318,970
Differences between expected and actual experience	(92,541)	(23,121)	(6,725)	107,151	(5,137)	60,737	6,021
Benefit payments	(273,270)	(246,199)	(213,474)	(206,700)	(223,082)	(193,940)	(222,120)
Net change in total pension liability	97,792	(1,285,172)	(158,880)	1,137,506	276,133	82,704	360,961
Total pension liability, beginning	4,819,041	6,104,213	6,263,093	5,125,587	4,849,454	4,766,750	4,405,789
Total pension liability, ending	<u>\$ 4,916,833</u>	<u>\$ 4,819,041</u>	<u>\$ 6,104,213</u>	<u>\$ 6,263,093</u>	<u>\$ 5,125,587</u>	<u>\$ 4,849,454</u>	<u>\$ 4,766,750</u>
Covered payroll	None	None	None	None	None	None	None
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Discount rate	4.00%	4.31%	2.24%	1.93%	3.26%		

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

**Notes to Required Supplementary Information**

Trust Assets

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73 to pay related benefits.

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB liability						
Service cost	\$ 327,838	\$ 327,838	\$ 313,616	\$ 440,584	\$ 440,584	\$ 359,863
Interest on total OPEB liability	340,835	295,199	282,298	271,239	271,239	277,380
Changes in benefit terms	-	-	-	(42,708)	-	-
Differences between expected and actual experience	943,094	1,021,930	5,050	812,981	(263,909)	844,081
Changes of assumptions or other inputs	(44,419)	(959,215)	856,774	(965,218)	762,027	795,542
Benefit payments	<u>(1,078,140)</u>	<u>(1,078,142)</u>	<u>(1,020,275)</u>	<u>-</u>	<u>(965,218)</u>	<u>(996,164)</u>
Net change in total OPEB liability	489,208	(392,390)	437,463	516,878	244,723	1,280,702
Total OPEB liability, beginning	<u>9,493,439</u>	<u>9,885,829</u>	<u>9,448,366</u>	<u>8,931,488</u>	<u>8,931,488</u>	<u>7,650,786</u>
Total OPEB liability, ending	<u><u>\$ 9,982,647</u></u>	<u><u>\$ 9,493,439</u></u>	<u><u>\$ 9,885,829</u></u>	<u><u>\$ 9,448,366</u></u>	<u><u>\$ 9,176,211</u></u>	<u><u>\$ 8,931,488</u></u>
Covered employee payroll	\$ 2,019,270	\$ 1,979,676	\$ 1,979,676	\$ 1,952,686	\$ 1,965,336	\$ 1,926,802
Total OPEB liability as a percentage of covered employee payroll	494.37%	479.55%	499.37%	483.87%	466.90%	463.54%
Discount rate	3.70%	3.67%	2.50%	2.50%	2.50%	
Healthcare trend rate	4.70% - 4.20% through 2029	4.70% - 4.20% through 2029	4.90% - 4.30% through 2029	4.90% - 4.30% through 2029		

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

**Notes to Required Supplementary Information**

**Trust Assets**

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

The amounts presented for each year were determined as of the measurement date of the plan.





**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***

To the Board of Trustees  
Incorporated Village of Greenport  
Greenport, 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, and each major fund of the Incorporated Village of Greenport (Village), as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated March 13, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Incorporated Village of Greenport'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 Incorporated Village of Greenport's internal control. Accordingly, we do not express an opinion on the effectiveness of the Incorporated Village of Greenport's internal control.

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

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

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

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

## **Purpose of this Report**

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

*Cullen & Danowski, LLP*

Port Jefferson Station, New York  
March 13, 2025

