

(I.) (Continued)

c. The following policies relate to GASB No. 54:

1. **Assigned fund balance** – The department heads are responsible for all of the purchasing activities of the Village and therefore, is designated as having the authority to assign amounts intended to be used for a specific purpose. (At year end, open purchase orders will therefore be designated as a component of the assigned fund balance.)

The Board has the authority to assign fund balance for the purpose of tax reduction on an annual basis.

2. **Spending policy** – Resources will generally be spent from Budgetary Appropriations first. Utilization of reserve funds will be determined based on the legal appropriation of such funds which require either the Village Board and/or Village voter approval. Furthermore, assigned amounts will be considered expended when the transaction for which the assignment was made does occur.
3. **Order of fund balance** – The Village’s policy is to apply expenditures against nonspendable fund balance, restricted fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year.

For all funds, nonspendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Special revenue fund balances are classified as assigned, and any remaining fund balance amounts other than the General Fund are classified as restricted.

In the General Fund, assigned fund balance is determined before the remaining amounts which are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

It is possible for the funds to have negative unassigned fund balance when nonspendable amounts plus the restricted fund balances for specific purposes amounts exceed the positive fund balance.

D. Revenues, Expenditures/Expenses

1. Revenues

Real property taxes are levied annually no later than May 15 and become a lien on June 1. Taxes are collected during the period June 1 to October 31. The Village and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. The County assumes enforcement responsibility for all taxes levied in the Village. Unpaid Village taxes and water and sewer bills are turned over to the County for enforcement. Any such taxes remaining unpaid at year end are re-levied as county taxes in the subsequent year.

(I.) (Continued)

a. **Internal balances** – amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental columns of the Statement of Net Position, except for the net residual amounts due between governmental funds.

b. **Internal activities** – amounts reported as interfund transfers in the fund financial statements are eliminated in the Government-Wide Statement of Activities.

F. Use of Estimates

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

G. New Accounting Standards

The Village has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At May 31, 2023, the Village implemented the following new standards issued by GASB:

GASB has issued Statement 87, *Leases*.

GASB has issued Statement No. 92, *Omnibus 2020, Paragraphs 6, 7, 8, 9, 10, 12*.

GASB has issued Statement No. 93, *Replacement of Interbank Offered Rates, Paragraphs 11b, 13 and 14*.

GASB has issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

H. Future Changes in Accounting Standards

GASB has issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which will be effective for reporting periods beginning after June 15, 2022.

GASB has issued Statement No. 96, *Subscription Based Information Technology*, which will be effective for reporting periods beginning after June 15, 2022.

GASB has issued Statement No. 99, *Omnibus 2022 (leases, PPPs, and SBITAs)*, which will be effective for reporting periods beginning after June 15, 2022.

GASB has issued Statement No. 99, *Omnibus 2022 (financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement 53)*, which will be effective for reporting periods beginning after June 15, 2023.

GASB has issued Statement No. 100, *Accounting for Changes and Error Corrections-an Amendment of GASB Statement No. 62*, which will be effective for reporting periods beginning after June 15, 2023.

(I.) (Continued)

GASB has issued Statement No. 101, *Compensated Absences*, which will be effective for reporting periods beginning after December 15, 2023.

The Village is currently reviewing these statements and plans on adoption as required.

II. **Changes in Accounting Principles**

- A. For the year ended May 31, 2023, the Village implemented GASB Statement No. 87, *Leases*. The implementation of the statement changes the reporting for leases.
- B. For the year ended May 31, 2023, the Village changed their financial reporting for the water and sewer operations from proprietary funds to governmental special revenue funds. The reason for this change is the Village's ability to relevel uncollected water and sewer charges as a tax levy and the ability to implement a capital charge on the users of those transactions. In addition, this would aid the Village in their budget practice and monitoring of those funds.
- C. The Village's fund balance/net position has been restated as follows:

| | <u>Government-Wide Statements</u> | <u>Water Fund</u> | <u>Sewer Fund</u> | <u>Total Governmental Funds</u> |
|---|--|------------------------------|------------------------------|--|
| Net position beginning of year, as previously stated | \$ 17,697,303 | \$ 4,191,102 | \$ 6,234,793 | \$ 2,021,171 |
| Capital project related items (net) | (49,346) | 1,184 | (36,720) | (13,810) |
| Capital related items | 204,006 | (4,457,824) | (8,284,476) | - |
| Debt items | - | 1,056,763 | 2,239,610 | - |
| OPEB | - | 102,408 | 68,134 | - |
| Pension asset | - | (99,891) | (62,768) | - |
| Compensated absences | - | 143,258 | 168,833 | - |
| Deferred outflows | - | (244,905) | (134,443) | - |
| Deferred inflows | - | 378,674 | 211,971 | - |
| Water fund | - | - | - | 1,070,769 |
| Sewer fund | - | - | - | 404,934 |
| Fund balance/net position beginning of year, as restated | <u>\$ 17,851,963</u> | <u>\$ 1,070,769</u> | <u>\$ 404,934</u> | <u>\$ 3,483,064</u> |

III. **Stewardship, Compliance and Accountability:**

By its nature as a local government unit, the Village is subject to various federal, state and local laws and contractual regulations. An analysis of the Village's compliance with significant laws and regulations and demonstration of its stewardship over Village resources follows.

A. **Budgetary Data**

- 1. **Budget Policies** - The budget policies are as follows:

(III.) (Continued)

- a. No later than March 31, the budget officer submits a tentative budget to the Village Clerk for submission to the Village Board for the fiscal year commencing the following June 1. The tentative budget includes proposed expenditures and the proposed means of financing them.
- b. After public hearings are conducted to obtain taxpayer comments, no later than May 1, the Village Board adopts the budget.
- c. All modifications of the budget must be approved by the Village Board. (However, the Supervisor is authorized to transfer certain budgeted amounts within departments.)
- d. Budgetary controls are established for the capital projects fund through resolutions authorizing individual projects which remain in effect for the life of the project.
- e. The general fund, water fund and sewer fund reported overspent budget lines. This was a result of budget reallocations not being completed.

2. **Budget Basis of Accounting**

Budget(s) are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

3. **Revenue Restrictions**

The Village has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources are those revenues raised for the special district special revenue funds.

B. Deposit and Investment Laws and Regulations

The Village's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

New York State Law governs the Village's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States 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 the State and its municipalities and Districts.

C. Deficit Fund Balance – Capital Projects Fund

The Capital Projects Fund had a deficit fund balance of \$228,465 at May 31, 2023, which is a result of expenses exceeding revenues.

IV. Detail Notes on All Funds and Account Groups:

A. Cash and Cash Equivalents

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. While the Village does not have a specific policy for custodial credit risk, New York State statutes govern the Village's investment policies, as discussed previously in these notes.

The Village's aggregate bank balances (disclosed in the financial statements), included balances not covered by depository insurance at year end, collateralized as follows:

| | |
|---|-------------------------|
| Uncollateralized | \$ - |
| Collateralized within Trust Department or Agent | 2,467,276 |
| Total | <u>2,467,276</u> |

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes. Restricted cash as of year end included \$2,087,826 within the governmental funds.

B. Receivables

Receivables at May 31, 2023 consisted of the following, which are stated at net realizable value. Village management has deemed the amounts to be fully collectible:

| <u>Description</u> | <u>Capital</u> | | | | <u>Total</u> |
|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|
| | <u>General Fund</u> | <u>Projects Fund</u> | <u>Sewer Fund</u> | <u>Water Fund</u> | |
| Accounts Receivable | \$ 10,321 | \$ - | \$ 206,012 | \$ 336,545 | \$ 552,878 |
| Leases Receivable | 488,104 | - | - | - | 488,104 |
| Total Accounts Receivable | \$ 498,425 | \$ - | \$ 206,012 | \$ 336,545 | \$ 1,040,982 |
| Due From Other Governments | 23,494 | - | - | 20 | 23,514 |
| Due from State and Federal | 23,707 | 440,180 | - | - | 463,887 |
| Total Receivables | <u>\$ 545,626</u> | <u>\$ 440,180</u> | <u>\$ 206,012</u> | <u>\$ 336,565</u> | <u>\$ 1,528,383</u> |

C. Interfund Receivables, Payables, Revenues and Expenditures

Interfund receivables, payables, revenues and expenditures at May 31, 2023 were as follows:

| | <u>Interfund</u> | | | |
|--------------|--------------------------|--------------------------|-------------------------|-------------------------|
| | <u>Receivables</u> | <u>Payables</u> | <u>Revenues</u> | <u>Expenditures</u> |
| General Fund | \$ 72,628 | \$ 106,155 | \$ - | \$ 85,162 |
| Sewer Fund | 15,900 | 65,000 | - | - |
| Water Fund | 454,485 | - | - | - |
| Capital Fund | 83,000 | 454,858 | 85,162 | - |
| Total | <u>\$ 626,013</u> | <u>\$ 626,013</u> | <u>\$ 85,162</u> | <u>\$ 85,162</u> |

(IV.) (Continued)

Interfund receivables and payables between governmental activities are eliminated on the Statement of Net Position. The Village typically loans resources between funds for the purpose of mitigating the effects of transient cash flow issues. All interfund payables are not necessarily expected to be repaid within one year.

Transfers are used to support capital project related items.

D. Changes In Capital Assets and Lease Assets

1. Capital Assets

A summary of changes in capital assets follows:

| <u>Type</u> | <u>**Balance **</u> <u>6/1/2022</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>5/31/2023</u> |
|--|--|--------------------------|--------------------------|------------------------------------|
| <u>Governmental Activities:</u> | | | | |
| <u>Capital Assets that are not Depreciated -</u> | | | | |
| Land | \$ 1,786,909 | \$ - | \$ - | \$ 1,786,909 |
| Work in progress | 1,304,006 | 489,094 | 604,589 | 1,188,511 |
| <i>Total Nondepreciable</i> | <u>\$ 3,090,915</u> | <u>\$ 489,094</u> | <u>\$ 604,589</u> | <u>\$ 2,975,420</u> |
| <u>Capital Assets that are Depreciated -</u> | | | | |
| Buildings and Improvements | \$ 14,050,245 | \$ - | \$ - | \$ 14,050,245 |
| Machinery and equipment | 8,630,665 | 168,813 | - | 8,799,478 |
| Infrastructure | 13,024,791 | 585,492 | - | 13,610,283 |
| <i>Total Depreciated Assets</i> | <u>\$ 35,705,701</u> | <u>\$ 754,305</u> | <u>\$ -</u> | <u>\$ 36,460,006</u> |
| <u>Less Accumulated Depreciation -</u> | | | | |
| Buildings and Improvements | \$ 9,518,854 | \$ 429,111 | \$ - | \$ 9,947,965 |
| Machinery and equipment | 4,840,185 | 294,690 | - | 5,134,875 |
| Infrastructure | 4,173,302 | 291,736 | - | 4,465,038 |
| <i>Total Accumulated Depreciation</i> | <u>\$ 18,532,341</u> | <u>\$ 1,015,537</u> | <u>\$ -</u> | <u>\$ 19,547,878</u> |
| <i>Total Capital Assets Depreciated, Net of Accumulated Depreciation</i> | <u>\$ 17,173,360</u> | <u>\$ (261,232)</u> | <u>\$ -</u> | <u>\$ 16,912,128</u> |
| Total Capital Assets | <u><u>\$ 20,264,275</u></u> | <u><u>\$ 227,862</u></u> | <u><u>\$ 604,589</u></u> | <u><u>\$ 19,887,548</u></u> |

** As a result of minor restatements the opening balance of the capital assets was increased \$204,006.

(IV.) (Continued)

2. Lease Assets

A summary of changes in lease assets follows:

| <u>Type</u> | <u>Balance</u> <u>6/1/2022</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>5/31/2023</u> |
|--|-----------------------------------|------------------|------------------|------------------------------------|
| <u>Lease Assets:</u> | | | | |
| Equipment | \$ 20,731 | \$ 15,347 | \$ - | \$ 36,078 |
| <i>Total Lease Assets</i> | <u>\$ 20,731</u> | <u>\$ 15,347</u> | <u>\$ -</u> | <u>\$ 36,078</u> |
| <u>Less Accumulated Amortization:</u> | | | | |
| Equipment | \$ - | \$ 7,367 | \$ - | \$ 7,367 |
| <i>Total Accumulated Amortization</i> | <u>\$ -</u> | <u>\$ 7,367</u> | <u>\$ -</u> | <u>\$ 7,367</u> |
| <i>Total Lease Assets, Net</i> | <u>\$ 20,731</u> | <u>\$ 7,980</u> | <u>\$ -</u> | <u>\$ 28,711</u> |

3. Other capital assets (net of depreciation and amortization):

| | |
|-----------------------------------|----------------------|
| Depreciated Capital Assets (net) | \$ 16,912,128 |
| Amortized Lease Assets (net) | 28,711 |
| Total Other Capital Assets | <u>\$ 16,940,839</u> |

4. Depreciation/amortization expense for the period was charged to functions/programs as follows:

| <u>Governmental Activities:</u> | <u>Depreciation</u> | <u>Amortization</u> | <u>Total</u> |
|---------------------------------|---------------------|---------------------|---------------------|
| General Government | \$ 68,460 | \$ 7,367 | \$ 75,827 |
| Public Safety | 89,219 | - | 89,219 |
| Transportation | 95,074 | - | 95,074 |
| Culture and Recreation | 1,026 | - | 1,026 |
| Home and Community Services | 761,758 | - | 761,758 |
| Total | <u>\$ 1,015,537</u> | <u>\$ 7,367</u> | <u>\$ 1,022,904</u> |

E. Deferred Inflows/Outflows of Resources

The following is a summary of the deferred inflows/outflows of resources:

| | <u>Deferred</u> <u>Outflows</u> | <u>Deferred</u> <u>Inflows</u> |
|--------------|------------------------------------|-----------------------------------|
| Pension | \$ 2,011,185 | \$ 284,521 |
| OPEB | 20,981 | 76,413 |
| Leases | - | 488,104 |
| Total | <u>\$ 2,032,166</u> | <u>\$ 849,038</u> |

(IV.) (Continued)

F. Long-Term Debt

At May 31, 2023 the total outstanding obligations of the Village aggregated \$7,780,605 as follows:

1. Serial Bonds

The Village, borrows money in order to acquire land, high cost equipment, to construct buildings and improvements, and for infrastructure development and maintenance. 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 supported by the full faith and credit debt of the Village. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

2. Interest Reconciliation

A summary of the long-term interest expense as of May 31, 2023 is as follows:

| <u>Governmental Activities:</u> | |
|--|--------------------------------|
| Interest Paid | \$ 90,838 |
| Less: Interest Accrued in the Prior Year | (7,946) |
| Plus: Interest Accrued in the Current Year | 3,071 |
| Total Long-Term Interest Expense | <u><u>\$ 85,963</u></u> |

3. Other Long-Term Obligations

In addition to long-term bonded debt the Village had the following other obligations:

Installment Purchase Debt - represents the remaining installments due on the purchases of vehicles and equipment used by Village operations.

Retainage Liability – represents the value of retainage payable on capital projects.

Lease Liability – represents the value of future lease principal payments.

Compensated Absences - represents the value of earned and unused vacation leave and compensatory time.

OPEB Liability - represents health insurance benefits provided to employees upon retirement.

Net Pension Liability – represents Village’s portion of NYS and Local Retirement System liability.

(IV.) (Continued)

4. Summary of Debt

The following is a summary of obligations outstanding at May 31, 2023:

| | <u>Balance</u> <u>6/1/2022</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>5/31/2023</u> | <u>Due Within</u> <u>One Year</u> |
|------------------------------------|-----------------------------------|---------------------|-------------------|------------------------------------|--------------------------------------|
| Serial Bonds | \$ 3,934,000 | \$ - | \$ 466,550 | \$ 3,467,450 | \$ 414,550 |
| Installment Purchase Debt | 131,952 | - | 46,722 | 85,230 | 48,839 |
| Lease Liability | 20,731 | 15,347 | 6,989 | 29,089 | 10,243 |
| Total Obligations | \$ 4,086,683 | \$ 15,347 | \$ 520,261 | \$ 3,581,769 | \$ 473,632 |
| Retainage Payable | - | 8,260 | - | 8,260 | 8,260 |
| Net Pension Liability | 177,851 | 2,805,411 | - | 2,983,262 | - |
| Compensated Absences | 747,222 | - | 185,164 | 562,058 | 140,515 |
| OPEB | 344,501 | 300,755 | - | 645,256 | - |
| Total Long-Term Obligations | \$ 5,356,257 | \$ 3,129,773 | \$ 705,425 | \$ 7,780,605 | \$ 622,407 |

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

5. Debt Maturity Schedule

The following is a statement of bonds with corresponding maturity schedules:

| <u>Description</u> | <u>Original</u> <u>Amount</u> | <u>Issue</u> <u>Date</u> | <u>Final</u> <u>Maturity</u> | <u>Interest</u> <u>Rate</u> | <u>Amount</u> <u>Outstanding</u> <u>5/31/2023</u> |
|--|----------------------------------|-----------------------------|---------------------------------|--------------------------------|---|
| Serial Bonds - | | | | | |
| Public Improvements | \$ 845,000 | 2011 | 2025 | 3.00%-4.50% | \$ 155,000 |
| Public Improvements | \$ 644,000 | 2016 | 2025 | 0.70%-2.30% | 115,000 |
| Public Improvements | \$ 668,000 | 2016 | 2026 | 1.75%-2.25% | 215,000 |
| Public Improvements | \$ 405,000 | 2012 | 2027 | 3.50%-4.00 | 140,000 |
| EFC Bonds | \$ 1,133,561 | 2012 | 2038 | 0.00% | 672,000 |
| EFC Bonds | \$ 847,873 | 2016 | 2041 | 0.00% | 615,450 |
| Public Improvements | \$ 295,000 | 2021 | 2049 | 2.89% | 280,000 |
| Public Improvements | \$ 422,000 | 2021 | 2027 | 1.20%-1.25% | 345,000 |
| Public Improvements | \$ 975,000 | 2020 | 2050 | 3.99% | 930,000 |
| Total Serial Bonds | | | | | \$ 3,467,450 |
| Installment Purchase Debt - | | | | | |
| AFD Argo/Trailer | \$ 45,475 | 2019 | 2026 | 3.79% | \$ 19,169 |
| 2020 Tahoe | \$ 54,759 | 2020 | 2025 | 6.65% | 14,121 |
| 2021 Durango #1 | \$ 52,007 | 2021 | 2026 | 7.17% | 25,970 |
| 2021 Durango #2 | \$ 52,007 | 2021 | 2026 | 7.17% | 25,970 |
| Total Installment Purchase Debt | | | | | \$ 85,230 |
| Lease Liability - | | | | | |
| Envelope Machine | \$ 9,530 | 2022 | 2026 | 4.54% | \$ 7,227 |
| Copier | \$ 11,201 | 2022 | 2025 | 4.54% | 7,987 |
| Copier | \$ 15,347 | 2022 | 2026 | 4.54% | 13,875 |
| Total Lease Liability | | | | | \$ 29,089 |
| Total Obligations | | | | | \$ 3,581,769 |

(IV.) (Continued)

6. The following table summarizes the Village's future debt service requirements as of May 31, 2023:

| <u>Year</u> | <u>Serial Bonds</u> | | <u>Installment Purchase Debt</u> | | <u>Leases</u> | |
|--------------|---------------------|-------------------|----------------------------------|-----------------|------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 2024 | \$ 414,550 | \$ 69,085 | \$ 48,839 | \$ 3,969 | \$ 10,243 | \$ 1,109 |
| 2025 | 429,550 | 60,018 | 36,391 | 1,752 | 10,718 | 634 |
| 2026 | 294,550 | 50,145 | - | - | 8,128 | 170 |
| 2027 | 234,550 | 45,097 | - | - | - | - |
| 2028 | 104,550 | 41,284 | - | - | - | - |
| 2029-33 | 547,750 | 188,123 | - | - | - | - |
| 2034-38 | 577,750 | 153,964 | - | - | - | - |
| 2039-43 | 414,200 | 113,224 | - | - | - | - |
| 2044-48 | 320,000 | 61,937 | - | - | - | - |
| 2049-50 | 130,000 | 7,416 | - | - | - | - |
| Total | \$ 3,467,450 | \$ 790,293 | \$ 85,230 | \$ 5,721 | \$ 29,089 | \$ 1,913 |

G. Fund Balances/Net Position

1. Fund Balances

a. Nonspendable

The Village has the following nonspendable funds:

Nonspendable - The Village has prepaid various items and the cash is no longer available therefore those funds are nonspendable. In addition, the Village has received cemetery funds that must remain intact and any earnings used for the purpose of the cemetery.

b. Restricted

Currently, New York State laws still use the terminology reserves. The Village currently utilizes the following reserves which are classified as restricted funds:

Capital Reserves - established for the purpose of funding future capital construction costs. These reserves are accounted for in the General Fund, Water Fund and Sewer Fund.

General Reserve - established to finance all or part of the cost of a specific object or purpose or class of objects or purposes.

(IV.) (Continued)

Reserve For Debt - In accordance with General Municipal Law, Section 6-1, the Village has established a reserve to provide funding for the outstanding balance due on serial bonds and bond anticipation notes which were issued for various building and reconstruction projects. This reserve is recorded in the Debt Service Fund and may be reduced each year until the serial bonds and bond anticipation notes are paid in full.

Special Districts – Village special districts fund balance is considered restricted as the revenues are raised by a specific taxing jurisdiction and can only be expended for that purpose. The Village has following as special districts.

Water Fund Cemetery Fund
Sewer Fund

c. **Assigned**

The Village has the following assigned funds:

General Fund – 1. Appropriated for Taxes

d. **Unassigned**

Unassigned funds include the residual classification for the Village’s General Fund and all spendable amounts not contained in other classifications.

The following table summarizes the Village’s fund balance according to the descriptions above:

| FUND BALANCE: | General Fund | Capital Projects Fund | Sewer Fund | Water Fund | Non-Major Funds | Total |
|---------------------------|-------------------------|--------------------------------------|-----------------------|-----------------------|----------------------------|---------------------|
| Nonspendable - | | | | | | |
| Permanent | \$ - | \$ - | \$ - | \$ - | \$ 416,387 | \$ 416,387 |
| Prepaid items | 15,506 | - | 4,806 | 9,032 | - | 29,344 |
| Total Nonspendable | \$ 15,506 | \$ - | \$ 4,806 | \$ 9,032 | \$ 416,387 | \$ 445,731 |
| Restricted - | | | | | | |
| Capital reserves | \$ 186,076 | \$ - | \$ 72,788 | \$ 51,934 | \$ - | \$ 310,798 |
| General reserve | 1,027 | - | - | - | - | 1,027 |
| Reserve for debt | - | - | - | 53,620 | - | 53,620 |
| Water | - | - | - | 1,056,173 | - | 1,056,173 |
| Sewer | - | - | 332,947 | - | - | 332,947 |
| Cemetery | - | - | - | - | 333,261 | 333,261 |
| Total Restricted | \$ 187,103 | \$ - | \$ 405,735 | \$ 1,161,727 | \$ 333,261 | \$ 2,087,826 |
| Assigned - | | | | | | |
| Appropriated for taxes | \$ 222,402 | \$ - | \$ - | \$ - | \$ - | \$ 222,402 |
| Total Assigned | \$ 222,402 | \$ - | \$ - | \$ - | \$ - | \$ 222,402 |
| Unassigned | \$ 689,139 | \$ (228,465) | \$ - | \$ - | \$ - | \$ 460,674 |
| TOTAL FUND BALANCE | \$ 1,114,150 | \$ (228,465) | \$ 410,541 | \$ 1,170,759 | \$ 749,648 | \$ 3,216,633 |

(IV.) (Continued)

2. **Net Position - Restricted for Other Purposes**

Represents those amounts which have been restricted by enabling legislation or Board Resolutions.

| | | |
|---|-----------|------------------|
| General Reserve | \$ | 1,027 |
| Sewer Fund | | 332,947 |
| Water Fund | | 1,056,173 |
| Cemetery Fund | | 333,261 |
| Total Net Position - Restricted for Other Purposes | \$ | 1,723,408 |

V. **General Information and Pension Plans:**

A. **General Information About Pension Plan**

1. **Plan Description**

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

2. **Benefits Provided**

The System provides retirement benefits as well as death and disability benefits.

(V.) (Continued)

Tier 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

Tier 3, 4, 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4, and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3, 4 and 5 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of wages earned in the three highest consecutive years. For Tier 3, 4, and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

(V.) (Continued)

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age of Tier 6 is 63 and ERS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with five or more years of service can retire as early as 55 with reduced benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

Special Plans

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to, sheriffs, and correction officers.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 ERS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5, and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

(V.) (Continued)

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

3. Contributions

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (ERS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly, used in computing the employers' contributions based on salaries paid during the Systems' financial year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

| <u>Due Date</u> | | <u>ERS</u> | | <u>PFRS</u> |
|-----------------|----|------------|----|-------------|
| 2023 | \$ | 191,446 | \$ | 248,693 |
| 2022 | \$ | 254,408 | \$ | 281,233 |
| 2023 | \$ | 231,126 | \$ | 248,697 |

This law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System's fiscal years when the local employer opts to participate in the program.

(V.) (Continued)

B. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At May 31, 2023, the Village reported a net pension liability of \$1,056,249 for its proportionate share of the ERS's net pension liability and a net pension liability of \$1,927,013 for its proportionate share of the PFRS's net pension liability. The net pension liability was measured as of March 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At May 31, 2023, the Village's proportion was 0.0049256 percent for ERS and 0.0349700 percent for PFRS.

For the year ended May 31, 2023 the Village recognized pension expense of \$407,636 and \$543,941 for ERS and PFRS, respectively. At May 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | | <u>Deferred Inflows of Resources</u> | |
|---|---|---------------------|--|-------------------|
| | <u>ERS</u> | <u>PFRS</u> | <u>ERS</u> | <u>PFRS</u> |
| Differences between expected and actual experience | \$ 112,499 | \$ 188,346 | \$ 29,663 | \$ - |
| Changes of assumptions | 512,983 | 939,028 | 5,669 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 3,407 | 6,205 | - |
| Changes in proportion and differences between the District's contributions and proportionate share of contributions | 95,819 | 79,972 | 8,089 | 234,895 |
| Subtotal | \$ 721,301 | \$ 1,210,753 | \$ 49,626 | \$ 234,895 |
| Village's contributions subsequent to the measurement date | 34,518 | 44,613 | - | - |
| Grand Total | \$ 755,819 | \$ 1,255,366 | \$ 49,626 | \$ 234,895 |

The Village reported \$79,131 as deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended May 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

| <u>Year</u> | <u>ERS</u> | <u>PFRS</u> |
|--------------|-------------------|-------------------|
| 2024 | \$ 173,314 | \$ 166,268 |
| 2025 | (30,286) | (83,417) |
| 2026 | 235,699 | 542,197 |
| 2027 | 292,948 | 327,246 |
| 2028 | - | 23,564 |
| Total | \$ 671,675 | \$ 975,858 |

(V.) (Continued)

1. **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:

| | <u>ERS</u> | <u>PFRS</u> |
|----------------|-------------------|--------------------|
| Interest rate | 5.90% | 7.00% |
| Salary scale | 4.40% | 5.00% |
| Inflation rate | 2.90% | 2.90% |
| COLA's | 1.50% | 1.50% |

Annuitant mortality rates are based on Society of Actuaries Scale MP-2014 System's experience with adjustments for mortality improvements based on MP-2021.

The long term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by each the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

| <u>Asset Type</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--------------------------|--|
| Domestic equity | 4.30% |
| International equity | 6.85% |
| Private equity | 7.50% |
| Real estate | 4.60% |
| Opportunistic portfolios | 5.38% |
| Real assets | 5.84% |
| Credit | 5.43% |

The real rate of return is net of the long-term inflation assumption of 2.50%

(V.) (Continued)

2. **Discount Rate**

The discount rate used to calculate the total pension liability was 5.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

3. **Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption**

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

| | 1% Decrease (4.90%) | Current Assumption (5.90%) | 1% Increase (6.90%) |
|---|--------------------------------|---|--------------------------------|
| <u>ERS</u> | | | |
| Employer's proportionate share of the net pension asset (liability) | \$ (2,552,502) | \$ (1,056,249) | \$ 194,044 |
| <u>PFRS</u> | | | |
| Employer's proportionate share of the net pension asset (liability) | \$ (4,016,949) | \$ (1,927,013) | \$ (196,421) |

4. **Pension Plan Fiduciary Net Position**

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

| | (In Thousands) | |
|--|------------------------|-----------------------|
| | <u>ERS</u> | <u>PFRS</u> |
| Employers' total pension liability | \$ 232,627,259 | \$ 43,835,333 |
| Plan net position | 211,183,223 | 38,324,863 |
| Employers' net pension asset/(liability) | <u>\$ (21,444,036)</u> | <u>\$ (5,510,470)</u> |
| Ratio of plan net position to the employers' total pension asset/(liability) | 90.78% | 87.43% |

VI. Postemployment Benefits

A. General Information About the OPEB Plan

Plan Description – The Village’s defined benefit OPEB plan, provides OPEB for all permanent full-time general and public safety employees of the Village. The plan is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided – The Village provides healthcare and life insurance benefits for retirees and their dependents. 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, 2023, the following employees were covered by the benefit terms:

| | |
|--|-----------|
| Inactive employees or beneficiaries currently receiving benefit payments | 4 |
| Active Employees | 36 |
| Total | 40 |

B. Total OPEB Liability

The Village’s total OPEB liability of \$645,256 was measured as of May 31, 2023 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the May 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|--|---|
| Inflation | 2.44% |
| Salary Increases | 3.53% effective May 31, 2023 |
| Discount Rate | 4.06% effective May 31, 2023 |
| Healthcare Cost Trend Rates | 5.50% for 2022, decreasing to an ultimate rate of 4.00% after 2070 |
| Retirees' Share of Benefit-Related Costs | Unit members eligible for accumulated unused sick days conversion are assumed to have the maximum allowed sick days at retirement to convert into medical coverage. 100% of all active employees are currently enrolled in the OPEB plan and are eligible for a Village contribution in retirement are assumed to continue coverage into retirement |

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, Headcount-Weighted, without separate Contingent Survivor mortality, fully generational using Scale MP-2000.

(VI.) (Continued)

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

| | | |
|--|-----------|-----------------------|
| Balance at May 31, 2022 | \$ | <u>344,501</u> |
| <u>Changes for the Year -</u> | | |
| Service cost | \$ | 4,136 |
| Interest | | 8,021 |
| Changes of benefit terms | | 379,222 |
| Differences between expected and actual experience | | (46,853) |
| Changes in assumptions or other inputs | | (33,558) |
| Benefit payments | | (10,213) |
| Net Changes | \$ | <u>300,755</u> |
| Balance at May 31, 2023 | \$ | <u>645,256</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 (3.06 percent) or 1-percentage-point higher (5.06 percent) than the current discount rate:

| | 1% Decrease | Discount | 1% Increase |
|----------------------|-----------------------|-----------------------|-----------------------|
| | <u>(3.06%)</u> | Rate | <u>(5.06%)</u> |
| | | <u>(4.06%)</u> | |
| Total OPEB Liability | \$ 687,109 | \$ 645,256 | \$ 607,116 |

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 (4.50 to 3.00 percent) or 1-percentage-point higher (6.50 to 5.00 percent) than the current healthcare cost trend rate:

| | 1% Decrease | Healthcare | 1% Increase |
|----------------------|--------------------------|--------------------------|--------------------------|
| | <u>(4.50%</u> | Cost Trend Rates | <u>(6.50%</u> |
| | <u>Decreasing</u> | <u>(5.50%</u> | <u>(6.50%</u> |
| | <u>to 3.00%)</u> | <u>Decreasing</u> | <u>Decreasing</u> |
| | | <u>to 4.00%)</u> | <u>to 5.00%)</u> |
| Total OPEB Liability | \$ 598,391 | \$ 645,256 | \$ 698,523 |

(VI.) (Continued)

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

For the year ended May 31, 2023, the Village recognized OPEB expense of \$390,462. At May 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual experience | \$ 10,449 | \$ 43,354 |
| Changes of assumptions | 7,951 | 33,059 |
| Contributions after measurement date | 2,581 | - |
| Total | \$ 20,981 | \$ 76,413 |

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

| <u>Year</u> | |
|--------------|--------------------|
| 2024 | \$ (1,566) |
| 2025 | (3,447) |
| 2026 | (9,137) |
| 2027 | (9,137) |
| 2028 | (9,137) |
| Thereafter | (25,589) |
| Total | \$ (58,013) |

VII. Risk Management

A. General Information

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

B. Workers' Compensation

The Village is a member of the Orleans County Workers' Compensation Self-Insurance Plan (the Plan). Current membership of the Plan includes participants from various municipal entities. The Plan is administered by Orleans County and utilizes a third party administrator who is responsible for processing claims, estimating liabilities and providing actuarial services. The Plan participants are charged an annual assessment which is allocated in light of comparative experience and relative exposure based on the estimated total liability of the participating members actuarially computed each year.

(VII.) (Continued)

The Plan purchases, on an annual basis, stop-loss insurance to limit exposure for claims paid.

The Plan establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses. However, because actual claims costs depend on complex factors, the process used in computing claims liabilities does not necessarily result in an exact amount. Such claims are based on the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and claims that have been incurred but not reported. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. During the year ended May 31, 2023, the Village incurred premiums or contribution expenditures totaling \$57,078. The most recent report indicates the plan is underfunded.

VIII. Commitments and Contingencies

A. Litigation

The Village has one pending discrimination claim which is being handled by the insurance carrier and the outcome cannot be determined at this time.

B. Grants

The Village participates in a number of Federal and New York State grant and assistance programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Village expects such amounts, if any, to be immaterial.

IX. Tax Abatement

The County of Orleans enters into various property tax and sales tax abatement programs for the purpose of Economic Development. As a result, the Village property tax revenue was reduced \$8,100. The Village received payment in lieu of tax (PILOT) payments totaling \$29,448 to help offset the property tax reduction.

X. Subsequent Events

The following events occurred subsequent to May 31, 2023 and prior to the issuance of the audited financial statements:

- A. The Village acquired a Bond Anticipation Note dated April 17, 2024 and maturing on April 17, 2025, with a principal amount of \$3,000,000 bearing interest at a rate of 4.23% per annum registered to Greene County Commercial Bank.
- B. The Village entered into a lease agreement as Lessee for one (1) 2023 Dodge Durango Police Vehicle on September 21, 2023. The total equipment cost was \$62,873 with an interest rate of 6.29% per annum. The Village will make a total of three (3) annual payments that will sum to \$69,778.

Required Supplemental Information
VILLAGE OF ALBION, NEW YORK
Schedule of Changes in Village's Total OPEB Liability and Related Ratio
(Unaudited)
For the Year Ended May 31, 2023

| | TOTAL OPEB LIABILITY | | | | |
|---|-----------------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> |
| Service cost | \$ 4,136 | \$ 3,917 | \$ 4,730 | \$ 3,718 | \$ 3,740 |
| Interest | 8,021 | 7,743 | 5,677 | 10,288 | 10,387 |
| Changes in benefit terms | 379,222 | - | - | - | - |
| Differences between expected and actual experiences | (46,853) | 18,940 | 6,394 | (20,077) | (13,164) |
| Changes of assumptions or other inputs | (33,558) | 8,083 | (14,357) | 45,322 | 475 |
| Benefit payments | (10,213) | (5,570) | (4,649) | (2,576) | (2,552) |
| Net Change in Total OPEB Liability | \$ 300,755 | \$ 33,113 | \$ (2,205) | \$ 36,675 | \$ (1,114) |
| Total OPEB Liability - Beginning | \$ 344,501 | \$ 311,388 | \$ 313,593 | \$ 276,918 | \$ 278,032 |
| Total OPEB Liability - Ending | \$ 645,256 | \$ 344,501 | \$ 311,388 | \$ 313,593 | \$ 276,918 |
| Covered Employee Payroll | \$ 2,329,518 | \$ 2,451,817 | \$ 2,370,279 | \$ 2,160,554 | \$ 2,106,554 |
| Total OPEB Liability as a Percentage of Covered Employee Payroll | 27.70% | 14.05% | 13.14% | 14.51% | 13.15% |

10 years of historical information is not available and will be reported each year going forward

Required Supplemental Information
VILLAGE OF ALBION, NEW YORK
Schedule of the Village's Proportionate Share of the Net Pension Liability
(Unaudited)
For the Year Ended May 31, 2023

| NYSERS Pension Plan | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|-------------|
| | <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> | <u>2014</u> |
| Proportion of the net pension liability (assets) | 0.0049256% | 0.0049463% | 0.0045059% | 0.0046483% | 0.0047111% | 0.0051749% | 0.0051252% | 0.0051593% | 0.0054228% | 0.0054228% |
| Proportionate share of the net pension liability (assets) | \$ 1,056,249 | \$ (404,341) | \$ 4,487 | \$ 1,230,889 | \$ 333,796 | \$ 167,019 | \$ 481,573 | \$ 828,080 | \$ 183,197 | \$ 245,050 |
| Covered-employee payroll | \$ 1,689,866 | \$ 1,666,420 | \$ 1,666,663 | \$ 1,628,509 | \$ 1,642,528 | \$ 1,540,251 | \$ 1,551,699 | \$ 1,576,553 | U/A | U/A |
| Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll | 62.505% | -24.264% | 0.269% | 75.584% | 20.322% | 10.844% | 31.035% | 52.525% | U/A | U/A |
| Plan fiduciary net position as a percentage of the total pension liability | 90.78% | 103.65% | 99.95% | 86.44% | 96.30% | 98.20% | 94.70% | 90.70% | 97.90% | 97.20% |
| NYSPPRS Pension Plan | | | | | | | | | | |
| | <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> | <u>2014</u> |
| Proportion of the net pension liability (assets) | 0.0349700% | 0.0313094% | 0.0323278% | 0.0301129% | 0.0307141% | 0.0271093% | 0.0269233% | 0.0308051% | 0.0266478% | 0.0266478% |
| Proportionate share of the net pension liability (assets) | \$ 1,927,013 | \$ 177,851 | \$ 561,300 | \$ 1,609,517 | \$ 515,095 | \$ 274,009 | \$ 558,027 | \$ 912,072 | \$ 73,351 | \$ 110,937 |
| Covered-employee payroll | \$ 1,170,552 | \$ 1,131,067 | \$ 1,124,368 | \$ 1,015,900 | \$ 999,488 | \$ 960,413 | \$ 860,048 | \$ 840,233 | U/A | U/A |
| Proportionate share of the net pension liability (assets) as a percentage of its covered-employee payroll | 164.624% | 15.724% | 49.921% | 158.433% | 51.536% | 28.530% | 64.883% | 108.550% | U/A | U/A |
| Plan fiduciary net position as a percentage of the total pension liability | 87.43% | 98.66% | 95.79% | 84.90% | 95.10% | 96.93% | 93.50% | 90.20% | 99.00% | 101.50% |

(See Independent Auditors' Report)

Required Supplemental Information
VILLAGE OF ALBION, NEW YORK
Schedule of Village Contributions
(Unaudited)
For the Year Ended May 31, 2023

| NYSERS Pension Plan | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | <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> | <u>2014</u> |
| Contractually required contributions | \$ 191,446 | \$ 254,408 | \$ 231,126 | \$ 234,637 | \$ 222,023 | \$ 232,713 | \$ 241,956 | \$ 301,052 | \$ 314,580 | \$ 301,522 |
| Contributions in relation to the contractually required contribution | <u>(191,446)</u> | <u>(254,408)</u> | <u>(231,126)</u> | <u>(234,637)</u> | <u>(222,023)</u> | <u>(232,713)</u> | <u>(241,956)</u> | <u>(301,052)</u> | <u>(314,580)</u> | <u>(301,522)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered-employee payroll | \$ 1,689,866 | \$ 1,666,420 | \$ 1,666,663 | \$ 1,628,509 | \$ 1,642,528 | \$ 1,540,251 | \$ 1,551,699 | \$ 1,576,553 | U/A | U/A |
| Contributions as a percentage of covered-employee payroll | 11.33% | 15.27% | 13.87% | 14.41% | 13.52% | 15.11% | 15.59% | 19.10% | U/A | U/A |
| NYSFPFRS Pension Plan | | | | | | | | | | |
| | <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> | <u>2014</u> |
| Contractually required contributions | \$ 248,693 | \$ 281,233 | \$ 248,697 | \$ 202,983 | \$ 191,851 | \$ 177,902 | \$ 180,767 | \$ 245,878 | \$ 269,895 | \$ 237,006 |
| Contributions in relation to the contractually required contribution | <u>(248,693)</u> | <u>(281,233)</u> | <u>(248,697)</u> | <u>(202,983)</u> | <u>(191,851)</u> | <u>(177,902)</u> | <u>(180,767)</u> | <u>(245,878)</u> | <u>(269,895)</u> | <u>(237,006)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered-employee payroll | \$ 1,170,552 | \$ 1,131,067 | \$ 1,124,368 | \$ 1,015,900 | \$ 999,488 | \$ 960,413 | \$ 860,048 | \$ 840,233 | U/A | U/A |
| Contributions as a percentage of covered-employee payroll | 21.25% | 24.86% | 22.12% | 19.98% | 19.19% | 18.52% | 21.02% | 29.26% | U/A | U/A |

(See Independent Auditors' Report)

Required Supplemental Information
VILLAGE OF ALBION, NEW YORK

Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (Non GAAP Basis) and Actual - General and Major Special Revenue Fund Types
(Unaudited)

For the Year Ended May 31, 2023

| | GENERAL FUND | | | |
|---|---|-----------------------------|---------------------|--------------------|
| | Original Budget (Incl. Carryover Encumbrances) | Budget (Amended) | Actual | Variance |
| Revenues: | | | | |
| Real property and tax items | \$ 2,886,182 | \$ 2,886,182 | \$ 2,888,800 | \$ 2,618 |
| Non-property taxes | 292,688 | 292,688 | 262,097 | (30,591) |
| Departmental income | 118,550 | 118,550 | 85,312 | (33,238) |
| Intergovernmental charges | 309,985 | 309,985 | 304,809 | (5,176) |
| Use of money and property | 111,000 | 111,000 | 125,705 | 14,705 |
| Licenses and permits | 12,375 | 12,875 | 20,074 | 7,199 |
| Fines and forfeitures | 2,000 | 2,000 | 1,305 | (695) |
| Sale of property and compensation for loss | 3,500 | 43,670 | 63,786 | 20,116 |
| Miscellaneous | 11,000 | 11,000 | 66,167 | 55,167 |
| Interfund revenues | 18,000 | 18,000 | - | (18,000) |
| State and county aid | 159,000 | 572,271 | 574,226 | 1,955 |
| Federal aid | - | 178,141 | 284,848 | 106,707 |
| Total Revenues | \$ 3,924,280 | \$ 4,556,362 | \$ 4,677,129 | \$ 120,767 |
| Expenditures: | | | | |
| Current: | | | | |
| General government support | \$ 701,993 | \$ 926,216 | \$ 875,857 | \$ 50,359 |
| Public safety | 1,467,259 | 1,684,193 | 1,652,417 | 31,776 |
| Health | 3,500 | 168,555 | 1,650 | 166,905 |
| Transportation | 373,189 | 480,398 | 443,977 | 36,421 |
| Economic assistance and development | 7,150 | 297,639 | 299,199 | (1,560) |
| Culture and recreation | 60,605 | 48,726 | 69,971 | (21,245) |
| Home and community services | 301,661 | 284,323 | 393,728 | (109,405) |
| Employee benefits | 919,990 | 793,246 | 751,614 | 41,632 |
| Debt Service: | | | | |
| Debt service - principal | 226,723 | 226,723 | 237,591 | (10,868) |
| Debt service - interest and other charges | 24,210 | 24,210 | 24,423 | (213) |
| Total Expenditures | \$ 4,086,280 | \$ 4,934,229 | \$ 4,750,427 | \$ 183,802 |
| Excess (deficiency) of revenue over expenditures | \$ (162,000) | \$ (377,867) | \$ (73,298) | \$ 304,569 |
| Other Financing Sources and Uses: | | | | |
| Transfers - out | \$ (20,000) | \$ (20,000) | \$ (85,162) | \$ (65,162) |
| Total Other Financing Sources and Uses | \$ (20,000) | \$ (20,000) | \$ (85,162) | \$ (65,162) |
| Net change in fund balances | \$ (182,000) | \$ (397,867) | \$ (158,460) | \$ 239,407 |
| Fund Balance - Beginning | 1,272,610 | 1,272,610 | 1,272,610 | - |
| Fund Balance - Ending | \$ 1,090,610 | \$ 874,743 | \$ 1,114,150 | \$ 239,407 |

(See Independent Auditors' Report)

Required Supplemental Information
VILLAGE OF ALBION, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (Non GAAP Basis) and Actual - General and Major Special Revenue Fund Types
(Unaudited)
For the Year Ended May 31, 2023

| | WATER FUND | | | |
|---|---|-----------------------------|---------------------|-------------------|
| | Original Budget (Incl. Carryover Encumbrances) | Budget (Amended) | Actual | Variance |
| Revenues: | | | | |
| Departmental income | \$ 1,716,221 | \$ 1,716,222 | \$ 1,503,451 | \$ (212,771) |
| Intergovernmental charges | 1,900 | 1,900 | 2,350 | 450 |
| Use of money and property | 49,150 | 49,150 | 180,130 | 130,980 |
| Licenses and permits | 250 | 250 | 250 | - |
| Miscellaneous | - | 334 | 40,638 | 40,304 |
| State and county aid | - | - | 146,192 | 146,192 |
| Total Revenues | \$ 1,767,521 | \$ 1,767,856 | \$ 1,873,011 | \$ 105,155 |
| Expenditures: | | | | |
| Current: | | | | |
| General government support | \$ 193,736 | \$ 194,936 | \$ 166,470 | \$ 28,466 |
| Transportation | 27,342 | 27,342 | 28,043 | (701) |
| Home and community services | 1,081,583 | 1,189,485 | 1,197,098 | (7,613) |
| Employee benefits | 287,462 | 287,462 | 242,835 | 44,627 |
| Debt Service: | | | | |
| Debt service - principal | 119,600 | 119,600 | 96,120 | 23,480 |
| Debt service - interest and other charges | 87,798 | 87,798 | 42,455 | 45,343 |
| Total Expenditures | \$ 1,797,521 | \$ 1,906,623 | \$ 1,773,021 | \$ 133,602 |
| Excess (deficiency) of revenue over expenditures | \$ (30,000) | \$ (138,767) | \$ 99,990 | \$ 238,757 |
| Other Financing Sources and Uses: | | | | |
| Transfers - out | \$ - | \$ (14,737) | \$ - | \$ 14,737 |
| Total Other Financing Sources and Uses | \$ - | \$ (14,737) | \$ - | \$ 14,737 |
| Net change in fund balances | \$ (30,000) | \$ (153,504) | \$ 99,990 | \$ 253,494 |
| Fund Balance - Beginning (restated) | 1,070,769 | 1,070,769 | 1,070,769 | - |
| Fund Balance - Ending | \$ 1,040,769 | \$ 917,265 | \$ 1,170,759 | \$ 253,494 |

(See Independent Auditors' Report)

Required Supplemental Information
VILLAGE OF ALBION, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget (Non GAAP Basis) and Actual - General and Major Special Revenue Fund Types
(Unaudited)
For the Year Ended May 31, 2023

| | SEWER FUND | | | |
|---|---|-----------------------------|---------------------|------------------|
| | Original Budget (Incl. Carryover Encumbrances) | Budget (Amended) | Actual | Variance |
| Revenues: | | | | |
| Departmental income | \$ 1,127,000 | \$ 1,127,000 | \$ 1,122,596 | \$ (4,404) |
| Intergovernmental charges | 121,978 | 121,978 | 124,531 | 2,553 |
| Use of money and property | 150 | 150 | 341 | 191 |
| Licenses and permits | 250 | 250 | - | (250) |
| Sale of property and compensation for loss | - | 52,000 | 54,927 | 2,927 |
| Miscellaneous | - | 312 | 21,999 | 21,687 |
| Total Revenues | \$ 1,249,378 | \$ 1,301,690 | \$ 1,324,394 | \$ 22,704 |
| Expenditures: | | | | |
| Current: | | | | |
| General government support | \$ 213,945 | \$ 109,982 | \$ 84,067 | \$ 25,915 |
| Transportation | 27,342 | 27,342 | 28,042 | (700) |
| Home and community services | 708,831 | 837,515 | 846,506 | (8,991) |
| Employee benefits | 175,067 | 165,751 | 149,662 | 16,089 |
| Debt Service: | | | | |
| Debt service - principal | 109,550 | 184,550 | 186,550 | (2,000) |
| Debt service - interest and other charges | 14,643 | 23,960 | 23,960 | - |
| Total Expenditures | \$ 1,249,378 | \$ 1,349,100 | \$ 1,318,787 | \$ 30,313 |
| Excess (deficiency) of revenue over expenditures | \$ - | \$ (47,410) | \$ 5,607 | \$ 53,017 |
| Fund Balance - Beginning (restated) | 404,934 | 404,934 | 404,934 | - |
| Fund Balance - Ending | \$ 404,934 | \$ 357,524 | \$ 410,541 | \$ 53,017 |

(See Independent Auditors' Report)

VILLAGE OF ALBION, NEW YORK

Combining Balance Sheet

Nonmajor Governmental Funds

May 31, 2023

| | Cemetery Fund | Permanent Fund | Total Nonmajor Governmental Funds |
|----------------------------|-------------------|-------------------|--|
| Assets | | | |
| Cash and cash equivalents | \$ 333,261 | \$ 416,387 | \$ 749,648 |
| Total Assets | <u>\$ 333,261</u> | <u>\$ 416,387</u> | <u>\$ 749,648</u> |
| Fund Balances | | | |
| Nonspendable | \$ - | \$ 416,387 | \$ 416,387 |
| Restricted | 333,261 | - | 333,261 |
| Total Fund Balances | <u>\$ 333,261</u> | <u>\$ 416,387</u> | <u>\$ 749,648</u> |

VILLAGE OF ALBION, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended May 31, 2023

| | <u>Cemetery Fund</u> | <u>Permanent Fund</u> | <u>Total Non-Major Governmental Funds</u> |
|---|--------------------------|---------------------------|---|
| Revenues: | | | |
| Use of money and property | \$ 1,087 | \$ - | \$ 1,087 |
| Total Revenues | <u>\$ 1,087</u> | <u>\$ -</u> | <u>\$ 1,087</u> |
| Excess (deficiency) of revenue over expenditures | \$ 1,087 | \$ - | \$ 1,087 |
| Fund Balance - Beginning | <u>332,174</u> | <u>416,387</u> | <u>748,561</u> |
| Fund Balance - Ending | <u><u>\$ 333,261</u></u> | <u><u>\$ 416,387</u></u> | <u><u>\$ 749,648</u></u> |

(See Independent Auditors' Report)