



INCORPORATED VILLAGE OF GREENPORT

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

May 31, 2025

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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

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 ("the Village"), as of and for the year ended May 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Incorporated Village of Greenport, as of May 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 audit opinions.

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 56 through 64, 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 June 23, 2026 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

June 23, 2026

INCORPORATED VILLAGE OF GREENPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Incorporated Village of Greenport's ("the Village") discussion and analysis of the financial performance provides an overall review of the Village's financial activities for the year ended May 31, 2025, in comparison with the year ended May 31, 2024, with emphasis on the current year. This should be read in conjunction with the financial statements, notes to financial statements, and required supplementary information, which immediately follow this section.

1. FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2025 are as follows:

- The Village's total net position for its governmental activities, as reflected in the government-wide financial statements, increased by \$180,014 to \$5,649,459, as revenues and other items exceeded expenses 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 \$627,820 to \$17,272,775.
- The general fund's total fund balance, as reflected in the fund financial statements, increased by \$446,154 to \$5,627,481 as of May 31, 2025, as revenues and other financing sources exceeded expenditures using the current financial resources measurement focus and the modified accrual basis of accounting.
- The Village's 2024-2025 property tax levy of \$1,387,696 was a 4.75% increase over the 2023-2024 levy. The 2024-2025 tax levy was equal to the tax cap of 4.75%.
- On August 1, 2024, the Village issued serial bonds in the amount of \$3,500,000 and bond anticipation notes in the amount of \$3,000,000, for improvements to roads and sidewalks, bulkhead and ferry access road. As of May 31, 2025, the Village has had unexpended proceeds of \$5,047,206.

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 (RSI). 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)

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)

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 funds 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.

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

Proprietary Funds

The Village maintains one type of proprietary fund, 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 increased by \$180,014 and the business-type activities net position decreased by \$627,820 between fiscal year 2025 and 2024. These changes are due to revenues and other items exceeding expenses using the economic resources measurement focus and the accrual basis of accounting for the governmental activities and expenses and other items in excess of revenues 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	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	\$ 15,738,038	\$ 7,790,465	\$ 7,827,345	\$ 7,046,884	\$ 23,565,383	\$ 14,837,349
Capital Assets, Net	15,364,794	14,627,966	21,696,596	21,930,741	37,061,390	36,558,707
Total Assets	31,102,832	22,418,431	29,523,941	28,977,625	60,626,773	51,396,056
Deferred Outflows of Resources	431,904	819,435	292,973	391,739	724,877	1,211,174
Liabilities						
Current and Other Liabilities	8,648,845	2,300,505	841,753	363,833	9,490,598	2,664,338
Long-Term Liabilities	6,718,045	4,770,414	5,279,665	4,152,653	11,997,710	8,923,067
Total OPEB Liability	3,564,460	3,830,009	5,725,245	6,152,638	9,289,705	9,982,647
Net Pension Liability - Proportionate Share LOSAP	504,646	411,966	663,516	503,514	1,168,162	915,480
	4,783,680	4,916,833			4,783,680	4,916,833
Total Liabilities	24,219,676	16,229,727	12,510,179	11,172,638	36,729,855	27,402,365
Deferred Inflows of Resources	1,665,601	1,538,694	33,960	296,131	1,699,561	1,834,825
Net Position						
Net Investment in Capital Assets	11,795,706	11,068,875	16,479,372	17,835,832	28,275,078	28,904,707
Restricted	4,472,022	4,194,831	2,231,996	2,382,805	6,704,018	6,577,636
Unrestricted (Deficit)	(10,618,269)	(9,794,261)	(1,438,593)	(2,318,042)	(12,056,862)	(12,112,303)
Total Net Position	\$ 5,649,459	\$ 5,469,445	\$ 17,272,775	\$ 17,900,595	\$ 22,922,234	\$ 23,370,040

The increase in current and other assets is primarily due to a net increase in cash balances and the new lease receivable.

The increase in capital assets, net is due to capital assets additions in excess of depreciation expense. The "Capital Assets" Note 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 increase in current and other liabilities is mostly due to increases in bond anticipation notes.

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 "Long-term Liabilities" Note provides additional information.

Total OPEB liability decreased based on the actuarial valuation of the plan. The accompanying "Postemployment Healthcare Benefits" Note 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 increase in net pension liabilities is primarily due to the net change in each plan's total pension liabilities being in excess of the market value of the NYSLRS' pension plan assets at their current year measurement dates. The accompanying "Pension Plans – New York State" Note provides additional information.

LOSAP liability decreased based on results of the current year's actuarial valuation. The accompanying "Pension Plan – Length of Service Award Program" Note provides additional information.

Deferred inflows of resources represents actuarial adjustments of the NYSLRS and LOSAP plans that will be amortized in future years, as well as the amount of long-term leases receivable that will be amortized and recognized as lease revenues over the term of the leases.

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 an increase in LOSAP assets and funding of the capital reserve.

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, 2025 and May 31, 2024.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	\$ 3,419,196	\$ 3,414,399	\$ 6,300,518	\$ 5,933,049	\$ 9,719,714	\$ 9,347,448
Operating Grants & Contributions	1,464,043	1,361,267			1,464,043	1,361,267
Capital Grants & Contributions	2,877	48,446		208,856	2,877	257,302
General Revenues						
Property Taxes	1,441,227	1,375,930			1,441,227	1,375,930
State Sources	134,168	159,053			134,168	159,053
Other	858,526	497,650	163,098	212,909	1,021,624	710,559
Total Revenues	7,320,037	6,856,745	6,463,616	6,354,814	13,783,653	13,211,559

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Expenses						
General Support	\$ 1,002,229	\$ 859,849	\$	\$	\$ 1,002,229	\$ 859,849
Public Safety	1,828,060	1,888,749			1,828,060	1,888,749
Health					-	-
Transportation & Maintenance	1,088,295	1,371,171			1,088,295	1,371,171
Economic Opportunity	146,445	159,541			146,445	159,541
Culture & Recreation	1,496,499	1,470,374			1,496,499	1,470,374
Home & Community Services	1,645,830	1,526,050			1,645,830	1,526,050
Debt Service	51,265	88,445			51,265	88,445
Electric			4,261,616	3,839,433	4,261,616	3,839,433
Water			744,112	684,831	744,112	684,831
Sewer			1,967,108	1,980,598	1,967,108	1,980,598
Total Expenses	<u>7,258,623</u>	<u>7,364,179</u>	<u>6,972,836</u>	<u>6,504,862</u>	<u>14,231,459</u>	<u>13,869,041</u>
Increase/(Decrease) in Net Position						
Before Operating Transfers	61,414	(507,434)	(509,220)	(150,048)	(447,806)	(657,482)
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>\$ 180,014</u>	<u>\$ (388,834)</u>	<u>\$ (627,820)</u>	<u>\$ (268,648)</u>	<u>\$ (447,806)</u>	<u>\$ (657,482)</u>

Governmental Activities

The governmental activities net position increased by \$180,014 and decreased by \$388,834 for the years ended May 31, 2025 and 2024, respectively.

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

- Other revenue increased mainly due to increases in investment earnings from the LOSAP plan.
- Operating grants and contributions increased due to an increase in housing assistance payments.

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

- Transportation and maintenance had more repairs and projects in the prior year.

Business-Type Activities

The business-type activities net position decreased by \$627,820 and \$268,648 for the years ended May 31, 2025 and 2024, respectively.

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

- Charges for services increased due to an increase in rates. In addition, supplemental power costs were up significantly due to the much colder winter of 2024-2025 compared to the prior year.

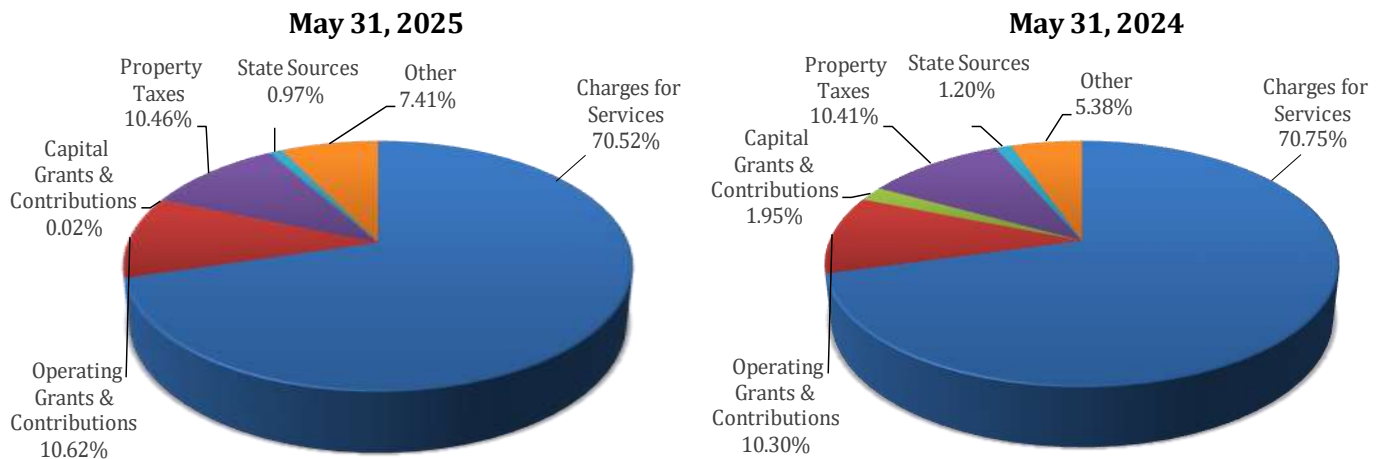
INCORPORATED VILLAGE OF GREENPORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

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

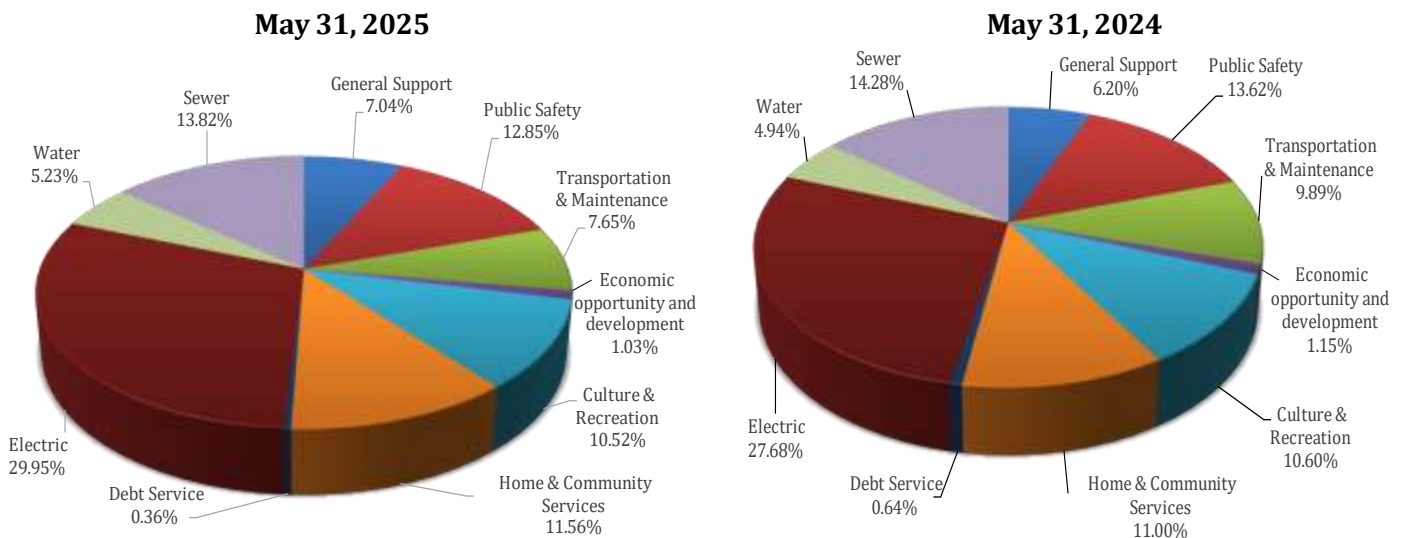
- Depreciation expense increased due to a full year of depreciation on the Micro Grid project.

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 70.52% and 70.75% of the total for 2025 and 2024, respectively. Operating grants & contributions account for 10.62% of the total revenues for 2025 while property taxes accounted for 10.41% of the total revenues for 2024. Electric is the largest category of expenses incurred comprising 29.95% and 27.68% of the total for the years ended 2025 and 2024, respectively; sewer is the second largest category of expenses comprising 13.82% and 14.28% of the total for the years 2025 and 2024, 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, 2025, the Village's governmental funds reported a combined fund balance of \$6,728,970, which is an increase of \$1,195,043 over the prior year balance. This increase is due to an excess of revenues and other financing sources over expenditures 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:

	2025	2024	Changes	Percentage Change
<u>General Fund</u>				
Restricted:				
Capital reserve	\$ 741,023	\$ 730,007	\$ 11,016	1.51 %
Length of service award program	3,730,999	3,464,824	266,175	7.68 %
Assigned:				
Unappropriated Fund Balance	229,398	200,912	28,486	14.18 %
Unassigned: Fund Balance	926,061	785,584	140,477	17.88 %
	<u>5,627,481</u>	<u>5,181,327</u>	<u>446,154</u>	8.61 %
<u>Community Development Fund</u>				
Assigned: Unappropriated Fund Balance	<u>38,496</u>	<u>47,548</u>	<u>(9,052)</u>	(19.04)%
<u>Capital Projects Fund</u>				
Restricted: Unspent bond proceeds	2,047,206		2,047,206	N/A
Assigned: Unappropriated Fund Balance		245,801	(245,801)	(100.00)%
Unassigned: Fund balance (deficit)	<u>(1,078,532)</u>		<u>(1,078,532)</u>	N/A
	<u>968,674</u>	<u>245,801</u>	<u>722,873</u>	294.09 %
<u>Housing Authority Fund</u>				
Assigned: Unappropriated Fund Balance	<u>94,319</u>	<u>59,251</u>	<u>35,068</u>	59.19 %
Total Fund Balance	<u>\$ 6,728,970</u>	<u>\$ 5,533,927</u>	<u>\$ 1,195,043</u>	21.59 %

A. General Fund

The net change in the general fund-fund balance is an increase of \$446,154, compared to a decrease of \$105,777 in 2024, as revenues and other financing sources of \$5,930,982 exceeded expenditures of \$5,484,828.

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

	2025	2024	Increase (Decrease)	Percentage Change
Real Property Taxes	\$ 1,441,227	\$ 1,375,930	\$ 65,297	4.75 %
Other Tax Items	14,984	9,940	5,044	50.74 %
Other Local Revenue	4,222,003	3,836,276	385,727	10.05 %
State Sources	134,168	159,053	(24,885)	(15.65)%
Other Financing Sources	<u>118,600</u>	<u>118,600</u>	<u>-</u>	0.00 %
	<u>\$ 5,930,982</u>	<u>\$ 5,499,799</u>	<u>\$ 431,183</u>	7.84 %

- Other local revenue increased mainly due to a significant increase in investment earnings from the LOSAP program.

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

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

	2025	2024	Increase (Decrease)	Percentage Change
General Support	\$ 917,005	\$ 773,408	\$ 143,597	18.57 %
Public Safety	1,165,908	1,113,291	52,617	4.73 %
Transportation	877,620	773,429	104,191	13.47 %
Culture and Recreation	1,068,069	1,055,302	12,767	1.21 %
Home and Community Services	243,852	219,561	24,291	11.06 %
Employee Benefits	831,870	799,444	32,426	4.06 %
Debt Service	380,504	501,141	(120,637)	(24.07)%
Other Financing Uses	-	387,800	(387,800)	(100.00)%
	<u>\$ 5,484,828</u>	<u>\$ 5,623,376</u>	<u>\$ (138,548)</u>	(2.46)%

- Other financing uses decreased as transfers decreased in the current year. In the prior year, the general fund transferred ARPA (American Rescue Plan Act) funds to the capital projects fund for various projects around the Village.
- Debt service decreased due to lower bond principal payments required, as the Village continued to pay down its outstanding debt.
- General support increased due to increased legal fees, bond issuance costs, and the purchase of a dump truck.

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

	Balance May 31, 2024	Interest	Funding	Use of Reserve	Balance May 31, 2025
Capital reserve	\$ 730,007	\$ 1,507	\$ 9,509		\$ 741,023
Length of service award program	3,464,824	112,825	290,000	(136,650)	3,730,999
	<u>\$ 4,194,831</u>	<u>\$ 114,332</u>	<u>\$ 299,509</u>	<u>\$ (136,650)</u>	<u>\$ 4,472,022</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 \$9,052 due to the current year expenditures 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 increased by \$722,873, mainly due to the current year revenues and other financing sources exceeding expenditures.

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

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 increased by \$35,068 due to revenues exceeding expenditures.

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 a decrease of \$170,798, compared to an increase of \$124,839 in 2024.

Water Fund

The net change in the water fund's net position is a decrease of \$205,415, compared to \$89,140 in 2024.

Sewer Fund

The net change in the sewer fund's net position is a decrease of \$251,607, compared to \$304,347 in 2024.

5. GENERAL FUND BUDGETARY HIGHLIGHTS

A. 2024-2025 Budget

The Village's general fund adopted budget for the year ended May 31, 2025 was \$5,717,865. This amount was increased by budget revisions of \$146,931, and encumbrances of \$200,912, for a final budget of \$6,065,708.

The final budget was funded through a combination of estimated taxes and other revenues, the majority of this funding source was \$1,441,254 in estimated property taxes and \$1,843,960 in estimated departmental income. The Village's 2024-2025 tax levy did not exceed 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, 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 for the year compared to budget follows:

Opening, Unassigned Fund Balance	\$ 785,584
Fund Balance Appropriated for Budget Revision	(146,931)
Revenues and Other Financing Sources Over Budget	213,117
Expenditures and Encumbrances Under Budget	351,482
Net Change in Restricted Fund Balance	<u>(277,191)</u>
Closing, Unassigned Fund Balance	<u>\$ 926,061</u>

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

Opening, Unassigned Fund Balance

The \$785,584 shown in the table is the portion of the Village's May 31, 2024 fund balance reported as unassigned.

Fund Balance Appropriated for Budget Revision

The Village increased appropriations by \$146,931, funded by unassigned fund balance. This decreases the unassigned portion of the general fund fund balance.

Revenues and Other Financing Sources Under Budget

The 2024-2025 final budget for revenues and other financing sources was \$5,717,865. Actual revenues and other financing sources received for the year were \$5,930,982. The amount of actual revenues and other financing sources less than estimated or budgeted revenues and other financing sources was \$213,117, which contributes directly to the change to the general fund unassigned fund balance from May 31, 2024 to May 31, 2025. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Expenditures and Encumbrances Under Budget

The 2024-2025 final budget for expenditures was \$6,065,708. Actual expenditures and outstanding encumbrances as of May 31, 2025 totaled \$5,714,226. The final budget variance was \$351,482, which contributes to the change to the general fund unassigned fund balance from May 31, 2024 to May 31, 2025. The accompanying Required Supplementary Information, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, provides additional information.

Net Change in Restricted Fund Balance

The \$277,191 shown in the table above represents an increase in the Village's share of LOSAP assets of \$266,175 and an increase in capital reserve of \$11,016.

Closing, Unassigned Fund Balance

Based upon the summary changes shown in the above table, the unassigned fund balance at May 31, 2025 was \$926,061. This is an increase of \$140,477 over the unassigned fund balance from the prior year.

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

6. CAPITAL ASSETS, DEBT ADMINISTRATION, AND 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 \$37,061,390 at May 31, 2025. The net increase of \$3,424,763 in capital assets is primarily due to capital assets additions in excess of depreciation expense for the year ended May 31, 2025. A summary of the Village's capital assets net of accumulated depreciation at May 31, 2025 and 2024 is as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Capital assets not being depreciated:						
Land	\$ 2,687,935	\$	\$ 22,750	\$ 22,750	\$ 2,710,685	\$ 22,750
Construction in progress	1,161,154				1,161,154	-
Capital assets being depreciated:						
Vehicles	3,888,517	3,739,517			3,888,517	3,739,517
Infrastructure	11,506,247	11,255,716	3,858,730	3,858,730	15,364,977	15,114,446
Buildings and structures			4,948,969	4,948,969	4,948,969	4,948,969
Buildings and grounds improvements	5,967,953	5,967,953	1,455,819	949,351	7,423,772	6,917,304
Machinery and equipment	8,820,870	8,786,017			8,820,870	8,786,017
Distribution, transmission, and other operational equipment			28,566,942	28,457,442	28,566,942	28,457,442
Accumulated depreciation	(18,667,882)	(17,809,172)	(17,156,614)	(16,306,501)	(35,824,496)	(34,115,673)
	<u>\$15,364,794</u>	<u>\$11,940,031</u>	<u>\$21,696,596</u>	<u>\$21,930,741</u>	<u>\$37,061,390</u>	<u>\$33,870,772</u>

B. Debt Administration

At May 31, 2025, the Village had total debt outstanding of \$5,487,576. This is an increase of \$1,928,485 over May 31, 2024, 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, 2025 and 2024, is as follows:

Issue Date	Maturity Date	Governmental Activities		Business-Type Activities		Total Primary Government	
		2025	2024	2025	2024	2025	2024
Bonds Payable							
1/2014	4/2042	\$ 165,000	\$ 210,000	\$	\$	\$ 165,000	\$ 210,000
8/2017	8/2027	265,000	350,000			265,000	350,000
8/2018	8/2039	515,000	540,000			515,000	540,000
6/2023	6/2038	1,285,000	1,350,000			1,285,000	1,350,000
12/2013	12/2043			1,124,800	1,184,000	1,124,800	1,184,000
1/2014	4/2042			2,105,000	2,190,000	2,105,000	2,190,000
10/2021	10/2041	1,057,576	1,109,091	687,424	720,909	1,745,000	1,830,000
8/1/24	8/1/2049	2,200,000		1,300,000		3,500,000	
		<u>\$ 5,487,576</u>	<u>\$ 3,559,091</u>	<u>\$ 5,217,224</u>	<u>\$ 4,094,909</u>	<u>\$ 10,704,800</u>	<u>\$ 7,654,000</u>

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

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, 2025, the balance of the outstanding loan payable was \$1,124,800.

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	
	2025	2024	2025	2024	2025	2024
Compensated absences	\$ 56,198	\$ 50,038	\$ 62,441	\$ 57,744	\$ 118,639	\$ 107,782
Total OPEB liability	3,564,460	3,830,009	5,725,245	6,152,638	9,289,705	9,982,647
Net pension liability - proportionate share	504,646	411,966	663,516	503,514	1,168,162	915,480
Unearned revenues	1,134,278	1,161,285			1,134,278	1,161,285
LOSAP	4,783,680	4,916,833			4,783,680	4,916,833
	<u>\$10,043,262</u>	<u>\$ 10,370,131</u>	<u>\$ 6,451,202</u>	<u>\$ 6,713,896</u>	<u>\$16,494,464</u>	<u>\$17,084,027</u>

7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

A. Subsequent Year's Budget

The Board of Trustees approved a \$6,254,744 general fund budget for the year ending May 31, 2025. This is an increase of \$536,879, or 9.39% over the previous year's budget. The Village estimated revenues other than property taxes at a \$496,861 increase over the prior year's estimate. The property tax levy of \$1,481,272 increased \$40,018 or 2.78% over the 2024-2025 tax levy.

B. Future Budgets

Factors to consider that could influence future budgets:

- Uncertainty with state and federal 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.

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

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 of 2.78% was equal to the tax cap and did not require an override vote.

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

INCORPORATED VILLAGE OF GREENPORT
Statement of Net Position
May 31, 2025

	Governmental Activities	Business-type Activities	Total Primary Government
ASSETS			
Cash and Cash Equivalents			
Unrestricted	\$ 8,639,908	\$ 4,912,741	\$ 13,552,649
Restricted	2,788,229	2,231,996	5,020,225
Receivables			
Accounts receivable	25,800	378,316	404,116
Taxes receivable	185,434		185,434
Due from state and federal	11,530		11,530
Leases receivable	385,041		385,041
Internal balances	(28,903)	28,903	-
Prepays		583	583
Inventories		274,806	274,806
Length of service award program	3,730,999		3,730,999
Capital assets not being depreciated	3,849,089	22,750	3,871,839
Capital assets being depreciated, net	11,515,705	21,673,846	33,189,551
	<u>31,102,832</u>	<u>29,523,941</u>	<u>60,626,773</u>
Total Assets			
DEFERRED OUTFLOWS OF RESOURCES			
Pensions - NYSLRS	222,824	292,973	515,797
Pensions - Length of service award program	209,080	-	209,080
	<u>431,904</u>	<u>292,973</u>	<u>724,877</u>
Total Deferred Outflows of Resources			
LIABILITIES			
Payables			
Accounts payable	267,979	383,941	651,920
Accrued liabilities	24,818	50,110	74,928
Due to retirement systems	10,934	14,376	25,310
Customer deposits		393,326	393,326
Other liabilities	636,719		636,719
Notes Payable			
Bond anticipation notes	6,200,000		6,200,000
Unearned credits			
Collections in advance	1,508,395		1,508,395
Long-term liabilities			
Due and payable within one year			
Bonds payable, net	292,599	129,056	421,655
Compensated absences payable		62,441	62,441
Unearned revenue	27,007		27,007
Total other postemployment benefits liability	1,078,000	402,483	1,480,483
EFC payable		59,200	59,200
Due and payable after one year			
Bonds payable, net	5,234,970	3,963,368	9,198,338
Compensated absences payable	56,198		56,198
Unearned revenue	1,107,271		1,107,271
Total other postemployment benefits liability	2,486,460	5,322,762	7,809,222
EFC payable		1,065,600	1,065,600
Net pension liabilities - proportionate share	504,646	663,516	1,168,162
Length of service award program liability	4,783,680		4,783,680
	<u>24,219,676</u>	<u>12,510,179</u>	<u>36,729,855</u>
Total Liabilities			
DEFERRED INFLOWS OF RESOURCES			
Deferred lease	385,041		385,041
Pensions - NYSLRS	25,829	33,960	59,789
Pensions - Length of service award program	1,254,731		1,254,731
	<u>1,665,601</u>	<u>33,960</u>	<u>1,699,561</u>
Total Deferred Inflows of Resources			
NET POSITION			
Net investment in capital assets	11,795,706	16,479,372	28,275,078
Restricted			
Proprietary		2,231,996	2,231,996
Capital	741,023		741,023
Length of service award program	3,730,999		3,730,999
Unrestricted (Deficit)	(10,618,269)	(1,438,593)	(12,056,862)
	<u>\$ 5,649,459</u>	<u>\$ 17,272,775</u>	<u>\$ 22,922,234</u>
Total Net Position			

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

		Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for	Operating	Capital	Governmental	Total
	Expenses	Services	Grants & Contributions	Grants & Contributions	Activities	Primary Government
PROGRAMS/FUNCTIONS						
Governmental Activities						
General government support	\$ 1,002,229	\$ 2,474,053	\$	\$	\$ 1,471,824	\$ 1,471,824
Public safety	1,828,060	874,424			(953,636)	(953,636)
Transportation	1,088,295			2,877	(1,085,418)	(1,085,418)
Economic opportunity and development	146,445				(146,445)	(146,445)
Culture and recreation	1,496,499	70,719			(1,425,780)	(1,425,780)
Home and community services	1,645,830		1,464,043		(181,787)	(181,787)
Debt service - interest	51,265				(51,265)	(51,265)
Total Programs and Functions	<u>\$ 7,258,623</u>	<u>\$ 3,419,196</u>	<u>\$ 1,464,043</u>	<u>\$ 2,877</u>	<u>(2,372,507)</u>	<u>(2,372,507)</u>
Business-type Activities						
Electric	\$ 4,261,616	\$ 4,117,980	\$	\$	(143,636)	(143,636)
Water	744,112	524,433			(219,679)	(219,679)
Sewer	1,967,108	1,658,105			(309,003)	(309,003)
Total Programs and Functions	<u>\$ 6,972,836</u>	<u>\$ 6,300,518</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(672,318)</u>	<u>(672,318)</u>
GENERAL REVENUES						
Real property taxes					1,441,227	1,441,227
Other tax items					14,984	14,984
Use of money and property					533,723	122,047
Licenses and permits					56,433	56,433
Other general revenues					141,594	141,594
Sale of property and compensation for loss					10,500	10,500
Miscellaneous					101,292	41,051
State sources					134,168	134,168
Total General Revenues					<u>2,433,921</u>	<u>163,098</u>
Change in Net Position Before Other Items					61,414	(509,220)
OTHER ITEMS						
Operating transfers					118,600	(118,600)
Change in Net Position					180,014	(627,820)
Total Net Position - Beginning of year					<u>5,469,445</u>	<u>17,900,595</u>
Total Net Position - End of year					<u>\$ 5,649,459</u>	<u>\$ 17,272,775</u>
						<u>\$ 22,922,234</u>

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

	General	Community Development	Capital Projects	March 31, 2025 Housing Authority	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents					
Unrestricted	\$ 3,227,312	\$ 32,712	\$ 5,288,761	\$ 91,123	\$ 8,639,908
Restricted	741,023		2,047,206		2,788,229
Receivables					
Accounts receivable	8,149	798		16,853	25,800
Taxes receivable	185,434				185,434
Due from state and federal	11,530				11,530
Leases receivable	385,041				385,041
Due from other funds	78,568	11,830			90,398
Length of service award program	3,730,999				3,730,999
Total Assets	<u>\$ 8,368,056</u>	<u>\$ 45,340</u>	<u>\$ 7,335,967</u>	<u>\$ 107,976</u>	<u>\$ 15,857,339</u>
LIABILITIES					
Payables					
Accounts payable	\$ 170,583	\$ 6,844	\$ 88,725	\$ 1,827	\$ 267,979
Due to other funds	28,903		78,568	11,830	119,301
Due to retirement systems	10,934				10,934
Other liabilities	636,719				636,719
Notes Payable					
Bond anticipation notes			6,200,000		6,200,000
Unearned credits					
Collections in advance	1,508,395			-	1,508,395
Total Liabilities	<u>2,355,534</u>	<u>6,844</u>	<u>6,367,293</u>	<u>13,657</u>	<u>8,743,328</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred lease	385,041				385,041
FUND BALANCES					
Restricted:					
Capital	741,023				741,023
Length of service award program	3,730,999				3,730,999
Unspent bond proceeds			2,047,206		2,047,206
Assigned: Unappropriated fund balance	229,398	38,496		94,319	362,213
Unassigned: Fund balance (deficit)	926,061		(1,078,532)		(152,471)
Total Fund Balances	<u>5,627,481</u>	<u>38,496</u>	<u>968,674</u>	<u>94,319</u>	<u>6,728,970</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,368,056</u>	<u>\$ 45,340</u>	<u>\$ 7,335,967</u>	<u>\$ 107,976</u>	<u>\$ 15,857,339</u>

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

Total Governmental Fund Balances	\$ 6,728,970
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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	\$ 34,032,676	
Less: Accumulated depreciation	<u>(18,667,882)</u>	
		15,364,794

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	222,824	
Deferred outflows of resources - LOSAP	209,080	
Net pension liabilities - NYSLRS	(504,646)	
Total LOSAP liability	(4,783,680)	
Deferred inflows of resources - NYSLRS	(25,829)	
Deferred inflows of resources - LOSAP	<u>(1,254,731)</u>	
		(6,136,982)

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	(3,564,460)
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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	(24,818)	
Bonds payable	(5,527,569)	
Compensated absences payable	(56,198)	
Unearned revenue	<u>(1,134,278)</u>	
		<u>(6,742,863)</u>

Total Net Position of Governmental Activities	\$ <u>5,649,459</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, 2025

	General	Community Development	Capital Projects	March 31, 2025 Housing Authority	Total Governmental Funds
REVENUES					
Real property taxes	\$ 1,441,227	\$	\$	\$	\$ 1,441,227
Other real property tax items	14,984				14,984
Departmental income	1,467,287	70,719			1,538,006
Intergovernmental charges	874,424				874,424
Rental of real property	994,426				994,426
Use of money and property	533,197	12	512	2	533,723
Licenses and permits	56,433				56,433
Fines and forfeitures	12,340				12,340
Sale of property and compensation for loss	10,500				10,500
Miscellaneous	53,234	6,361		14,690	74,285
Interfund revenues	141,594				141,594
State aid	134,168		2,877		137,045
Federal aid				1,464,043	1,464,043
Total Revenues	5,733,814	77,092	3,389	1,478,735	7,293,030
EXPENDITURES					
General support	917,005				917,005
Public safety	1,165,908				1,165,908
Health	1,929				1,929
Transportation and street maintenance	875,691		1,362,216		2,237,907
Economic opportunity and development		86,144			86,144
Culture and recreation	1,068,069		118,300		1,186,369
Home and community services	243,852			1,401,978	1,645,830
Employee benefits	831,870			41,689	873,559
Debt service					
Principal	271,515				271,515
Interest	108,989				108,989
Total Expenditures	5,484,828	86,144	1,480,516	1,443,667	8,495,155
Excess/(Deficiency) of Revenues over Expenditures	248,986	(9,052)	(1,477,127)	35,068	(1,202,125)
OTHER FINANCING SOURCES AND (USES)					
Proceeds from issuance of bonds			2,200,000		2,200,000
Premium on obligations	78,568				78,568
Operating transfers in	118,600				118,600
Total Other financing sources and (uses)	197,168	-	2,200,000	-	2,397,168
Net Change in Fund Balance	446,154	(9,052)	722,873	35,068	1,195,043
Fund Balances - Beginning of year	5,181,327	47,548	245,801	59,251	5,533,927
Fund Balances - End of year	\$ 5,627,481	\$ 38,496	\$ 968,674	\$ 94,319	\$ 6,728,970

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

Net Change in Fund Balance		\$ 1,195,043
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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 operating expenses do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds, but are expensed in the Statement of Activities.

Increase in compensated absences

(6,160)

20,847

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

1,595,538

Depreciation expense

(858,710)

736,828

Long-Term Debt Transaction Differences

Proceeds and premium 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.

(2,278,568)

The amortization of the deferred premium decreases interest expense in the Statement of Activities.

38,575

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

271,515

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 decreased from May 31, 2024 to May 31, 2025.

19,149

(1,949,329)

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

26,091

Length of service award program

(115,015)

Other postemployment benefits

265,549

176,625

Change in Net Position of Governmental Activities

\$ 180,014

INCORPORATED VILLAGE OF GREENPORT
Statement of Net Position -
Proprietary Funds
May 31, 2025

	Electric	Water	Sewer	Total
ASSETS				
Cash				
Unrestricted	\$ 1,454,316	\$ 875,259	\$ 2,583,166	\$ 4,912,741
Restricted	2,046,144		185,852	2,231,996
Receivables				
Accounts receivable	263,144	30,014	85,158	378,316
Due from other funds		23,386	19,751	43,137
Prepaid items			583	583
Inventories	178,118	55,249	41,439	274,806
Capital assets not being depreciated	500		22,250	22,750
Capital assets being depreciated, net	11,975,661	776,437	8,921,748	21,673,846
Total Assets	15,917,883	1,760,345	11,859,947	29,538,175
DEFERRED OUTFLOWS OF RESOURCES				
Pensions - NYSLRS	139,265	38,685	115,023	292,973
LIABILITIES				
Payables				
Accounts payable	218,989	35,994	128,958	383,941
Accrued liabilities		137	49,973	50,110
Due to other funds	14,234			14,234
Due to retirement system	6,834	1,898	5,644	14,376
Customer deposits	355,786		37,540	393,326
Long-term liabilities				
Due and payable within one year				
Bonds payable	90,000		39,056	129,056
Compensated absences payable	30,190	7,850	24,401	62,441
EFC payable			59,200	59,200
Total other postemployment benefits liability	113,295	61,312	227,876	402,483
Due and payable after one year				
Bonds payable	2,015,000		1,948,368	3,963,368
EFC payable			1,065,600	1,065,600
Total other postemployment benefits liability	2,982,964	496,070	1,843,728	5,322,762
Net pension liabilities - proportionate share	315,404	87,612	260,500	663,516
Total Liabilities	6,142,696	690,873	5,690,844	12,524,413
DEFERRED INFLOWS OF RESOURCES				
Pensions - NYSLRS	16,143	4,484	13,333	33,960
NET POSITION				
Net investment in capital assets	9,871,161	776,437	5,831,774	16,479,372
Restricted	2,046,144		185,852	2,231,996
Unrestricted	(2,018,996)	327,236	253,167	(1,438,593)
Total Net Position	\$ 9,898,309	\$ 1,103,673	\$ 6,270,793	\$ 17,272,775

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

	Electric	Water	Sewer	Total
OPERATING REVENUES				
Charges for services:				
Charges for services	\$ 4,117,980	\$ 524,433	\$ 1,658,105	\$ 6,300,518
Total Operating Revenues	4,117,980	524,433	1,658,105	6,300,518
OPERATING EXPENSES				
Administration	1,283,274	219,354	27,775	1,530,403
Electrical	2,136,432			2,136,432
Purification		435,030		435,030
Home and community service			1,312,022	1,312,022
Benefits	251,476	56,105	255,840	563,421
Depreciation	503,528	33,623	312,962	850,113
Total Operating Expenses	4,174,710	744,112	1,908,599	6,827,421
Net Operating Income	(56,730)	(219,679)	(250,494)	(526,903)
NON-OPERATING REVENUES AND (EXPENSES)				
Interest on investments	60,838	25,055	36,154	122,047
Capital contributions to governmental funds	(88,000)	(12,240)	(18,360)	(118,600)
Miscellaneous		1,449	39,602	41,051
Interest expense	(86,906)		(58,509)	(145,415)
Total Net Non-Operating Revenues	(114,068)	14,264	(1,113)	(100,917)
Change in Net Position	(170,798)	(205,415)	(251,607)	(627,820)
Total Net Position - Beginning of year	10,069,107	1,309,088	6,522,400	17,900,595
Total Net Position - End of year	\$ 9,898,309	\$ 1,103,673	\$ 6,270,793	\$ 17,272,775

INCORPORATED VILLAGE OF GREENPORT
Statement of Cash Flows
Proprietary Funds
For the Year Ended May 31, 2025

	Electric	Water	Sewer	Total
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 4,173,723	\$ 561,037	\$ 1,767,325	\$ 6,502,085
Payments to suppliers and service providers	(3,101,169)	(454,231)	(946,985)	(4,502,385)
Payments to employees for salaries and benefits	(656,527)	(247,672)	(588,282)	(1,492,481)
Net Cash Provided by (Used in) Operating Activities	416,027	(140,866)	232,058	507,219
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(550,264)	(65,704)		(615,968)
Proceeds from bond issuance			1,324,447	1,324,447
Contributions to Village of Greenport	(88,000)	(12,240)	(18,360)	(118,600)
Principal payments - bonds			(92,685)	(92,685)
Interest paid on capital debt	(86,906)		(58,509)	(145,415)
Net Cash Provided by (Used in) Capital and Related Activities	(725,170)	(77,944)	1,154,893	351,779
CASH FLOW FROM INVESTING ACTIVITIES				
Interest income	60,838	25,055	36,154	122,047
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES				
Other activities	-	1,449	15,155	16,604
Net Increase / (Decrease) in Cash	(248,305)	(192,306)	1,438,260	997,649
Cash - Beginning of year	3,748,765	1,067,565	1,330,758	6,147,088
Cash - End of year	\$ 3,500,460	\$ 875,259	\$ 2,769,018	\$ 7,144,737
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Loss from operations	\$ (56,730)	\$ (219,679)	\$ (250,494)	\$ (526,903)
Adjustments to reconcile change in net position to net cash provided by operating activities				
Depreciation	503,528	33,623	312,962	850,113
(Increase) Decrease in:				
Accounts receivable	55,743	36,604	109,599	201,946
Inventory	21,627			21,627
Deferred outflows of resources - Pensions	110,023	(3,072)	(8,185)	98,766
Increase (Decrease) in:				
Accounts payable and accrued expenses	49,270	35,128	168,455	252,853
Accrued postemployment health benefits	(231,290)	(41,577)	(154,526)	(427,393)
Customer deposits	239,336			239,336
Due to other funds		(1,935)	(4,450)	(6,385)
Due to retirement system	(11,395)	(706)	(2,168)	(14,269)
Bonds payable	(85,000)			(85,000)
Compensated absences payable	(1,767)	1,347	5,117	4,697
Net pension liability - proportionate share	(5,014)	41,838	123,178	160,002
Deferred inflows of resources	(172,304)	(22,437)	(67,430)	(262,171)
Net Cash Provided by Operating Activities	\$ 416,027	\$ (140,866)	\$ 232,058	\$ 507,219

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

The Village is governed by Village law and other general laws of the State of New York. The Board of Trustees ("the 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)

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

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

obligations) are reported. The current financial resources measurement focus reports more narrowly on assets, liabilities, and deferred resources that are relevant to near-term liquidity, along with net changes resulting from transactions of the period. Consequently, capital assets and the unmatured portion of long-term debt and certain other liabilities the Village would not expect to liquidate currently with expendable available 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 15th and become a lien on June 1st. 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)

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. Leases Receivable

The Village leases the use of the west pier to the North Ferry and two site lease agreements for telecommunication facilities with Verizon wireless and Dish Wireless, LLC. A lease receivable is measured and recorded at the present value of lease payments expected to be received by the Village during the lease term using an implicit discount rate, net of any provision for estimated uncollectible amounts. As lease payments are received from the lessee, they are first allocated to the amortization of the discount on the lease receivable and recognized as interest revenue, and then to lease receivable.

I. Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand, demand deposits, and short-term investments with maturity dates 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.

J. 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:

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

	<u>Electric Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Gross receivables	\$ 588,144	\$ 36,527	\$ 61,847
Less: allowance for uncollectibles	<u>325,000</u>	<u>6,513</u>	<u>34,480</u>
Net receivables	<u><u>\$ 263,144</u></u>	<u><u>\$ 30,014</u></u>	<u><u>\$ 27,367</u></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.

K. Inventories and Prepaid Items

Purchases of inventoriable 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, 2025.

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

L. 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.

M. 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 costs 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.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

N. 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.

O. Short Term Debt

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

P. 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. 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.

Q. 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.

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

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

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

R. 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.

S. 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.

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.

T. Deferred Inflows of Resources

Deferred inflows of resources represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Village has three items that qualify for reporting in this category. The first item is related to the long-term leases receivable for property that the Village leases to third parties. The second and third items are 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 and the Village's contributions to the NYSLRS subsequent to the measurement date.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

U. Equity Classifications

Government-Wide and Proprietary Statements

In the government-wide and proprietary funds statements there are 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.

Restricted – Unspent Bond Proceeds

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

Assigned – Consists of amounts that are subject to a purpose constraint that represents an intended use established by the Board. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual, positive amount of fund balance. Assigned fund balance also includes encumbrances not classified as restricted at the end of the fiscal year.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

Effective for the Year Ending	Statement
May 31, 2026	GASB No. 102 – <i>Certain Risk Disclosures</i>
May 31, 2027	GASB No. 103 – <i>Financial Reporting Model Improvements</i>
May 31, 2027	GASB No. 104 – <i>Disclosure of Certain Capital Assets</i>
May 31, 2028	GASB No. 105 – <i>Subsequent Events</i>

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.

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

GASB State No. 105 was issued to improve financial reporting related to subsequent events by clarifying the subsequent events time frame and the subsequent events that constitute recognized and nonrecognized events, and by specifying the information items that are required to be disclosed about subsequent events.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 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.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 2025, the general fund's adopted budget was increased for the following:

Original Budget	\$ 5,717,865
Encumbrances	200,912
Additional expenditures funded by prior year surplus	<u>146,931</u>
Final Budget	<u><u>\$ 6,065,708</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, health, culture and recreation, home and community, and employee benefits. The general fund budget in total was not over expended.

D. Capital Projects Fund Deficit

The capital projects fund has an unassigned fund balance deficit of \$1,078,532. This will be funded when the Village obtains permanent financing for its current construction projects.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 Global Ratings. The investments are highly liquid and are considered to be cash equivalents. All NYCLASS portfolio holdings are collateralized in accordance with GML §10.

The Village's investments in NYCLASS consisted of repurchase agreements, U.S. Treasury Securities, and collateralized bank deposits, with various interest rates and due dates. The dollar weighted average days to maturity (WAM) of NYCLASS at May 31, 2025, was 46 days and the weighted average life (WAL) was 77 days. The Village has reported \$1,231,415 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.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 2025, are as follows:

	Balance May 31, 2024	Additions	Reductions	Balance May 31, 2025
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,687,935	\$		\$ 2,687,935
Construction in Progress	-	1,161,154		1,161,154
	<u>2,687,935</u>	<u>1,161,154</u>	<u>-</u>	<u>3,849,089</u>
Capital assets being depreciated:				
Buildings	5,967,953			5,967,953
Machinery and equipment	8,786,017	34,853		8,820,870
Infrastructure	11,255,716	250,531		11,506,247
Vehicles	3,739,517	149,000		3,888,517
Total capital assets being depreciated	<u>29,749,203</u>	<u>434,384</u>	<u>-</u>	<u>30,183,587</u>
Accumulated depreciation	<u>17,809,172</u>	<u>858,710</u>	<u>-</u>	<u>18,667,882</u>
Capital assets, net	<u>\$ 11,940,031</u>	<u>\$ 736,828</u>	<u>\$ -</u>	<u>\$ 15,364,794</u>
	Balance May 31, 2024	Additions	Reductions	Balance May 31, 2025
Business-type activities combined:				
Capital assets not being depreciated:				
Land	\$ 22,750	\$	\$	\$ 22,750
Capital assets being depreciated:				
Buildings	3,858,730			3,858,730
Machinery and equipment	4,948,969			4,948,969
Vehicles	949,351	506,468		1,455,819
Distribution, transmission and other operational equipment	28,457,442	109,500		28,566,942
Total capital assets being depreciated	<u>38,214,492</u>	<u>615,968</u>	<u>-</u>	<u>38,830,460</u>
Accumulated depreciation	<u>16,306,501</u>	<u>850,113</u>	<u>-</u>	<u>17,156,614</u>
Capital assets, net	<u>\$ 21,930,741</u>	<u>\$ (234,145)</u>	<u>\$ -</u>	<u>\$ 21,696,596</u>

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

	Governmental Activities	Business-Type Activities
General support	\$ 37,464	\$ 850,113
Public safety	246,407	
Transportation	344,544	
Culture and recreation	187,280	
Home and community services	43,015	
	<u>\$ 858,710</u>	<u>\$ 850,113</u>

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

7. LEASES RECEIVABLE

The Village entered into a license agreement with North Ferry Co., Inc. for restricted use of the south side of the West Pier at Mitchell Park Marina. The agreement provides for an original five-year term with three automatic five-year renewal terms, for a total potential term of twenty years. As of May 31, 2025, the present value of the lease receivable and the corresponding deferred inflows of resources, measured using an implicit interest rate of 2.015%, was \$3,676. During the year ended May 31, 2025, the Village recognized lease revenue and lease interest in the amount of \$3,603 and \$147, respectively.

The Village entered into a lease agreement with DISH Wireless, LLC approximately 200 square feet of space, together with related antenna, cabling, utility, and telecommunications equipment rights, at 75 Washington Avenue, Greenport, New York. The lease provides for an initial term of sixty months commencing on the earlier of the first day of the month following commencement of Tenant's installation or twelve months after full execution of the agreement. The lease automatically renews for up to four additional sixty-month renewal terms. As of May 31, 2025, the present value of the lease receivable and the corresponding deferred inflows of resources, measured using an implicit interest rate of 2.157%, was \$69,354. During the year ended May 31, 2025, the Village recognized lease revenue and lease interest in the amount of \$35,664 and \$1,915, respectively.

The Village entered into an agreement with Verizon Wireless to lease premises located at Washington Avenue, Greenport, New York. The original lease dated January 24, 2002 was amended to provide that the lease expired on December 31, 2022 and was extended for an initial five-year term beginning January 1, 2023, with four additional automatic five-year renewal terms. As of May 31, 2025, the present value of the lease receivable and the corresponding deferred inflows of resources, measured using an implicit interest rate of 2.682%, was \$312,011. During the year ended May 31, 2025, the Village recognized lease revenue and lease interest in the amount of \$108,919 and \$9,968, respectively.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

8. INTERFUND TRANSACTIONS

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

	Interfund			
	Receivable	Payable	Transfers In	Transfers Out
General Fund	\$ 78,568	\$ 28,903	\$ 118,600	\$
Community Development	11,830			
Capital Projects Fund		78,568		
Housing Authority		11,830		
Total Governmental Funds	90,398	119,301	118,600	-
Electric Fund		14,234		88,000
Water Fund	23,386			18,360
Sewer Fund	19,751			12,240
Total Proprietary Funds	43,137	14,234	-	118,600
Total Governmental and Proprietary Funds	<u>\$ 133,535</u>	<u>\$ 133,535</u>	<u>\$ 118,600</u>	<u>\$ 118,600</u>

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

9. COLLECTIONS IN ADVANCE

As of May 31, 2025, collections in advance in the general fund consisted of:

Marina and Campground Deposits	\$ 370,146
American Rescue Plan Act Funding	497,413
Advanced Deposits from Residents	640,836
	<u>\$ 1,508,395</u>

10. SHORT-TERM DEBT

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

	Maturity	Stated Interest Rate	Balance May 31, 2024	Issued	Redeemed	Balance May 31, 2025
BAN	2/5/2026	4.00%	\$	\$ 3,200,000	\$	\$ 3,200,000
BAN	8/1/2025	4.50%		3,000,000		3,000,000
			<u>\$ -</u>	<u>\$ 6,200,000</u>	<u>\$ -</u>	<u>\$ 6,200,000</u>

The BANs were issued to provide cash for the Village's capital projects.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

11. 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, 2025:

	Balance May 31, 2024	Additions	Reductions	Balance May 31, 2025	Amounts Due Within One Year
Governmental activities:					
Bonds payable	\$ 3,559,091	\$ 2,200,000	\$ (271,515)	\$ 5,487,576	\$ 290,944
Add: Premium on obligation	-	78,568	(38,575)	39,993	1,655
Other long-term liabilities:					
Compensated absences	50,038	6,160		56,198	-
Unearned revenue	1,161,285		(27,007)	1,134,278	27,007
Total OPEB liability	3,830,009		(265,549)	3,564,460	1,078,000
	<u>\$ 8,600,423</u>	<u>\$ 2,284,728</u>	<u>\$ (602,646)</u>	<u>\$ 10,282,505</u>	<u>\$ 1,397,606</u>

	Balance May 31, 2024	Additions	Reductions	Balance May 31, 2025	Amounts Due Within One Year
Business-type activities:					
Bonds payable	\$ 2,910,909	\$ 1,300,000	\$ (118,485)	\$ 4,092,424	\$ 129,056
EFC Payable - Sewer Fund	1,184,000		(59,200)	1,124,800	59,200
	4,094,909	1,300,000	(177,685)	5,217,224	188,256
Other long-term liabilities:					
Compensated absences	57,744	4,697		62,441	62,441
Total OPEB liability	6,152,638		(427,393)	5,725,245	402,483
	<u>\$ 10,305,291</u>	<u>\$ 1,304,697</u>	<u>\$ (605,078)</u>	<u>\$ 11,004,910</u>	<u>\$ 653,180</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. The maturity of compensated absences is not determinable.

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

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 2025
Governmental activities:				
2014 Public Improvement Serial Bond	1/2014	4/2042	2.25 - 4.25%	\$ 165,000
2017 Public Improvement Serial Bond	8/2017	8/2027	2.13 - 2.75%	265,000
2018 Public Improvement Serial Bond	8/2018	8/2039	3.50 - 3.75%	515,000
2021 Public Improvement Serial Bond	10/2021	10/2041	2.00 - 2.25%	1,057,576
2023 Public Improvement Serial Bond	6/2023	6/2038	2.70 - 3.60%	1,285,000
2024 Public Improvements Serial Bond	8/2024	8/2049	4.50%	2,200,000
				<u>\$ 5,487,576</u>
Business-type activities:				
EFC Payable - Sewer Fund	12/2013	12/2043	0.00%	\$ 1,124,800
2014 Public Improvement Serial Bond - Electric Fund	1/2014	4/2042	2.25 - 4.25%	2,105,000
2021 Public Improvement Serial Bond	10/2021	10/2041	2.00 - 2.25%	687,424
2024 Public Improvements Serial Bond	8/2024	8/2049	4.50%	1,300,000
				<u>\$ 5,217,224</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
2026	\$ 290,944	\$ 216,922	\$ 188,256	\$ 162,903
2027	351,116	163,857	218,084	132,562
2028	351,116	153,557	223,084	127,524
2029	254,259	142,869	229,941	122,250
2030	235,433	135,090	238,767	116,741
2031 - 2035	1,300,030	564,335	1,275,968	493,907
2036 - 2040	1,390,078	353,383	1,490,922	317,360
2041 - 2045	673,455	192,862	973,345	124,243
2046 - 2050	641,145	66,000	378,857	39,000
Total	<u>\$ 5,487,576</u>	<u>\$ 1,988,875</u>	<u>\$ 5,217,224</u>	<u>\$ 1,636,490</u>

C. Remedies Upon Default in Bonds and Notes Payments

The bonds and notes are general obligation contracts between the Village and the owners for which the faith and credit of the Village are pledged and remedies for enforcement of payment are not expressly included in the Village's contract with such owners. Upon default in the payment of principal of or interest on the bonds and notes at the suit of the owner, a court has the power, in proper and appropriate proceedings, to render judgment against the Village. A court also has the power, in proper and appropriate proceedings, to order

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

payment of a judgment on such bonds and notes 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 or notes issued by villages in New York State. In the event a holder or owner of any bond or note 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 and notes of such village then in default. In the event such state aid or assistance initially so withheld shall be insufficient to pay said amounts in full, the OSC shall similarly deduct and withhold from each succeeding allotment, apportionment or payment of such state aid or assistance due such village such amount or amounts thereof as may be required to cure such default.

D. Premiums on Obligations

The Village issued serial bonds on August 1, 2024 and received premiums on obligations of \$41,372. This premium is being amortized as a component of interest expense on the straight-line basis over the life of the serial bond in the government-wide statements as follows:

Year Ending June 30,	Amortization of Premium
2026	\$ 1,655
2027	1,655
2028	1,655
2029	1,655
2030	1,655
2031-2035	8,274
2036-2040	8,274
2041-2045	8,274
2046-2050	6,896
Total	<u>\$ 39,993</u>

E. Long-Term Debt Interest

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

	Governmental Activities	Business-Type Activities
Interest paid	\$ 108,989	\$ 145,415
Less: Interest accrued in the prior year	(43,967)	
Plus: Interest accrued in the current year	24,818	
Less: Amortization of bond premium	<u>(38,575)</u>	
Total interest expense on long-term debt	<u>\$ 51,265</u>	<u>\$ 145,415</u>

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Authorized and Unissued Debt

On March 27, 2025, the Board approved a bond issue in the amount of \$1,000,000 for the acquisition of a fire boat. As of May 31, 2025, no debt has been issued.

12. 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 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 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 11.46% of covered payroll for the ERS' fiscal year ended March 31, 2025.

The Village's share of the required contributions, based on covered payroll for the current year ended May 31, 2025, was \$314,607 for the ERS at an average contribution rate of 11.35%.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

At May 31, 2025, the Village reported the following asset/(liability) for its proportionate share of the net pension asset/(liability) for the system. The net pension asset/(liability) was measured as of March 31, 2025. The total pension liability used to calculate the net pension asset/(liability) was determined by an actuarial valuation. The Village's proportion of the net pension asset/(liability) was based on a projection of the Village's long-term share of contributions to the system relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS in reports provided to the Village.

Measurement date	March 31, 2025
Village's proportionate share of the net pension liability	\$ (1,168,162)
Village's portion of the Plan's net pension liability	0.0068131%
Change in proportion since the prior measurement date	0.0005955

For the year ended May 31, 2025, the Village recognized a pension expense of \$258,344. At May 31, 2025, 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	\$ 289,946	\$ 13,677
Changes of assumptions	48,990	
Net difference between projected and actual earnings on pension plan investments	91,651	
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	59,900	46,112
Village contributions subsequent to the measurement date	25,310	
Total	<u>\$ 515,797</u>	<u>\$ 59,789</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, 2026. 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
2026	\$ 193,359
2027	303,588
2028	(90,392)
2029	24,143
	<u>\$ 430,698</u>

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Actuarial Assumptions

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

Measurement date	March 31, 2025
Actuarial valuation date	April 1, 2024
Inflation	2.90%
Salary increases	4.30%
Investment rate of return (net of investment expense, including inflation)	5.90%
Cost of living adjustments	1.50%

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.

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, 2025
Asset class		
Domestic equity	25.0%	3.54%
International equity	14.0%	6.57%
Real estate equity	12.0%	4.95%
Private equity	15.0%	7.25%
Alternative investments	11.0%	5.25-5.55%
Fixed income	22.0%	2.00%
Cash	1.0%	0.25%
	<u>100.0%</u>	

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

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 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 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.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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)	<u>\$ (3,380,809)</u>	<u>\$ (1,168,162)</u>	<u>\$ (679,399)</u>

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:

	<i>(Dollars in Thousands)</i>
Measurement date	March 31, 2025
Employers' total pension liability	\$ (247,600,239)
Plan fiduciary net position	<u>230,454,512</u>
Employers' net pension liability	<u>\$ (17,145,727)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	93.08%

Payables to the Pension Plan

Employer contributions are paid annually based on the NYSLRS' fiscal year, which ends on March 31st. Accrued retirement contributions as of, represent the projected employer contribution for the period of April 1, 2025 through May 31, 2025, based on paid ERS covered wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2025 amounted to \$25,310 of employer contributions. Employee contributions are remitted monthly.

13. 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.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

14. 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).

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.

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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.

B. Benefits

At the December 31, 2024 measurement date, the following participants were covered by the benefit terms:

Inactive participants currently receiving benefit payments	49
Inactive participants entitled to but not yet receiving benefit payments	26
Active participants	<u>58</u>
Total	<u><u>133</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 as set forth by GASB. The underlying assets are reported at fair value based on quoted market prices and include the following:

	<u>Level 1</u>
RBC Insured Deposits	\$ 286,902
Alternative and other equities	430,490
US Large Cap equities	402,187
International equities	420,717
US Mid Cap equities	171,955
Taxable fixed income	528,964
Alternative Fixed Income	75,361
Emerging markets Fixed Income	76,104
US Government Fixed Income	1,152,274
Mixed assets	<u>186,045</u>
	<u><u>\$ 3,730,999</u></u>

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

C. Measurement of Total Service Award Program Liability

The total pension liability at the December 31, 2024 measurement date was determined using an actuarial valuation as of December 31, 2024.

Actuarial Assumptions

The total pension liability in the December 31, 2024 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	4.28%
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, 2024 was 4.28%). 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, 2025, the Village reported a liability of \$4,783,680 for its proportionate share of the total pension liability, measured as of December 31, 2024.

Balance at May 31, 2024	<u>\$ 4,916,833</u>
Service cost	92,463
Interest on total pension liability	195,743
Changes of assumptions or other inputs	(148,630)
Differences between expected and actual experience	(41,309)
Benefit payments	<u>(231,420)</u>
Net increase in total pension liability	<u>(133,153)</u>
Balance at May 31, 2025	<u><u>\$ 4,783,680</u></u>

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

Pension Expense

For the year ended May 31, 2025, the Village recognized pension expense (credit) of \$329,863.

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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 116,073
Changes of assumptions or other inputs	112,482	1,138,658
Benefit payments and administrative expenses subsequent to the measurement date	<u>96,598</u>	
Total	<u>\$ 209,080</u>	<u>\$ 1,254,731</u>

The \$209,080 reported as deferred outflows of resources and \$1,254,731 reported as deferred inflows 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, 2026.

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>	
2026	\$ (204,988)
2027	(204,988)
2028	(204,988)
2029	(204,988)
2030	(184,803)
Thereafter	<u>(137,494)</u>
	<u>\$ (1,142,249)</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, 2024 measurement date, calculated using the discount rate of 4.28%, 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 (3.28%) or 1-percentage point higher (5.28%) than the current rate:

	<u>1% Decrease 3.28%</u>	<u>Current Assumption 4.28%</u>	<u>1% Increase 5.28%</u>
Village's proportionate share of the total pension liability	<u>\$ (5,348,367)</u>	<u>\$ (4,783,680)</u>	<u>\$ (4,305,294)</u>

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

15. 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 as set forth by GASB.

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, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	29
Active employees	34
Surviving beneficiaries	<u>2</u>
	<u><u>65</u></u>

B. Total OPEB Liability

The Village's total OPEB liability of \$9,289,705 was measured as of May 31, 2025, and was determined by an actuarial valuation as of May 31, 2025. 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	4.00%
Salary increases	4.00% average, including inflation
Discount rate	4.00%
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, 2025.

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, 2024	<u>\$ 9,982,647</u>
Changes for the year	
Service cost	327,838
Interest on total OPEB liability	361,724
Changes in benefit terms	-
Differences between expected and actual experience	59,463
Changes in assumptions or other inputs	(363,827)
Benefit payments	<u>(1,078,140)</u>
	<u>(692,942)</u>
Balance at May 31, 2025	<u>\$ 9,289,705</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 (3.00%) or 1 percentage point higher (5.00%) than the current discount rate:

	1% Decrease 3.00%	Discount Rate 4.00%	1% Increase 5.00%
OPEB			
Total OPEB liability	<u>\$ (10,687,720)</u>	<u>\$ (9,289,705)</u>	<u>\$ (8,102,578)</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>\$ (7,881,013)</u>	<u>\$ (9,289,705)</u>	<u>\$ (11,061,870)</u>

16. COMMITMENTS AND CONTINGENCIES

A. Encumbrances

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

Assigned: Unappropriated Fund Balance

General Fund	
General Government Support	\$ 10,041
Public Safety	105,399
Transportation	89,007
Culture and Recreation	24,819
Home and Community	<u>132</u>
	<u>\$ 229,398</u>

INCORPORATED VILLAGE OF GREENPORT
NOTES TO FINANCIAL STATEMENTS
(Continued)

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, 2025, 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.

17. 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:

Issuance of Bond Anticipation Notes

On February 4, 2026, the Village issued bond anticipation notes in the amount of \$2,080,000, which are due November 4, 2026, with an interest rate of 4.00%.

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

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
REVENUES				
Real Property Taxes				
Real property taxes	\$ 1,388,245	\$ 1,388,245	\$ 1,388,218	\$ (27)
Business improvement district	53,009	53,009	53,009	-
Total Real Property Taxes	1,441,254	1,441,254	1,441,227	(27)
Other Real Property Taxes				
Tax penalty water & sewer	1,700	1,700	2,177	477
Interest and penalties on real property taxes	8,000	8,000	12,807	4,807
Total Other Real Property Taxes	9,700	9,700	14,984	5,284
Departmental Income				
Charges for tax advertisements	460	460	96	(364)
Village Clerk fee collection	6,500	6,500	3,137	(3,363)
Public health fee collection	4,000	4,000	4,710	710
Marina	1,150,000	1,150,000	870,476	(279,524)
McCann Campground	230,000	230,000	203,284	(26,716)
Carousel	250,000	250,000	173,118	(76,882)
Camera obscura	200	200	-	(200)
Friends of Mitchell Park		-	28,899	28,899
Zoning fees	500	500	6,400	5,900
Planning board		-	2,750	2,750
Road fees	2,500	2,500	1,200	(1,300)
Pumpout boat fees	8,000	8,000	1,634	(6,366)
Mooring fees	45,000	45,000	44,900	(100)
Baymen's Dock fees	7,800	7,800	7,800	-
Recreation center	50,000	50,000	53,411	3,411
Other	89,000	89,000	65,472	(23,528)
Total Departmental Income	1,843,960	1,843,960	1,467,287	(376,673)
Intergovernmental Charges				
Fire protection services	874,424	874,424	874,424	-
Use of Money and Property				
Interest and earnings	50,000	50,000	65,280	15,280
Investment earnings - LOSAP			467,917	467,917
Rental of real property	941,000	941,000	994,426	53,426
Total Use of Money and Property	991,000	991,000	1,527,623	536,623
Licenses and Permits				
Business and occupational licenses	1,000	1,000	776	(224)
Building permits	55,000	55,000	55,657	657
Total Licenses and Permits	56,000	56,000	56,433	433
Fines and Forfeitures				
Parking violations	80,000	80,000	(15)	(80,015)
Justice court fines and fees	18,000	18,000	12,355	(5,645)
Total Fines and Forfeitures	98,000	98,000	12,340	(85,660)
Sale of Property and Compensation for Loss				
Insurance recoveries			10,500	10,500
Miscellaneous				
Arts & culture donation	18,000	18,000		(18,000)
Rent - railroad dock	24,000	24,000	16,498	(7,502)
Other	7,500	7,500	36,736	29,236
Total Miscellaneous	49,500	49,500	53,234	3,734

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, 2025

	Original Budget	Final Budget	Actual	Final Budget Variance with Actual
REVENUES				
Interfund Revenues				
Community development reimburse	\$ 151,000	\$ 151,000	\$ 141,594	\$ (9,406)
State Aid				
Revenue sharing	29,427	29,427	29,427	-
Mortgage tax	55,000	55,000	39,141	(15,859)
Other			65,600	65,600
Total State Aid	84,427	84,427	134,168	49,741
Total Revenues	5,599,265	5,599,265	5,733,814	134,549
OTHER FINANCING SOURCES				
Premium on Obligation	-	-	78,568	78,568
Operating Transfers In	118,600	118,600	118,600	-
Total Other Financing Sources	118,600	118,600	197,168	78,568
Total Revenues and Other Sources	5,717,865	5,717,865	5,930,982	\$ 213,117
APPROPRIATED FUND BALANCE				
Prior Years' Surplus		146,931		
Prior Year's Encumbrances	200,912	200,912		
Total Appropriated Fund Balance	200,912	347,843		
Total Revenues, Other Financing Sources, and Appropriated Fund Balance	\$ 5,918,777	\$ 6,065,708		

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 Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - General Fund (Continued)
For the Year Ended May 31, 2025

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual & Encumbrances
EXPENDITURES					
General Government Support					
Legislative Board					
Contractual services	\$ 46,500	\$ 46,500	\$ 29,174	\$	\$ 17,326
Board of Trustees					
Personal services	13,920	13,920	13,920		-
Contractual services	40,000	40,000	51,019	2,380	(13,399)
Traffic Violations					
Personal services	80,000	80,000	44,442		35,558
Contractual services	11,500	11,500	4,049		7,451
Mayor					
Personal services	9,000	9,000	9,000		-
Contractual services	62,009	62,009	60,820		1,189
Auditor					
Contractual services	16,000	16,000	13,746		2,254
Treasurer					
Personal services	68,000	68,000	59,506		8,494
Equipment	3,000	3,000	2,887	18	95
Contractual services	7,000	33,460	33,409	12	39
Tax Advertising					
Contractual services	680	680	41		639
Clerk					
Personal services	52,000	52,000	76,836		(24,836)
Equipment	3,000	3,000	3,287	32	(319)
Contractual services	6,000	6,000	5,277		723
Law					
Contractual services	185,000	185,000	262,439		(77,439)
Elections					
Contractual services	6,000	6,000	6,000		-
Operation of buildings					
Contractual services	61,300	64,360	60,997	99	3,264
Communications					
Contractual services	45,560	45,560	7,722	7,500	30,338
Data Processing					
Contractual services	30,000	30,000	27,446		2,554
Unallocated Insurance					
Contractual services	145,500	145,500	135,228		10,272
Municipal Association Dues					
Contractual services	1,500	1,500	-		1,500
Contingent					
Contractual services	15,000	15,000	9,760		5,240
MTA Payroll Taxes					
Contractual services	4,000	4,000	-		4,000
Total General Government Support	912,469	941,989	917,005	10,041	14,943
Public Safety					
Fire Protection					
Personal services	19,940	19,940	13,186		6,754
Equipment	182,792	166,407	117,758	41,624	7,025
Contractual services	1,047,423	1,077,765	981,227	63,775	32,763
Safety Inspections					
Personal services	80,000	80,000	49,787		30,213
Contractual services	20,290	20,290	3,950		16,340
Total Public Safety	1,350,445	1,364,402	1,165,908	105,399	93,095
Health					
Registrar of Vital Statistics					
Personal services	-	-	1,929		(1,929)

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, 2025

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual and Encumbrances
EXPENDITURES					
Transportation					
Street maintenance					
Personal services	\$ 528,000	\$ 528,000	\$ 450,614	\$	\$ 77,386
Equipment	35,000	35,000	31,224	950	2,826
Contractual services	436,278	480,623	369,343	88,057	23,223
Street Lighting					
Contractual services	50,000	50,000	24,510		25,490
Total Transportation	1,049,278	1,093,623	875,691	89,007	128,925
Culture and Recreation					
Parks and Recreation Administration					
Personal services	30,000	30,000	5,133		24,867
Contractual services	72,000	72,657	87,182	1,053	(15,578)
Parks					
Personal services	23,000	23,000	8,876		14,124
Contractual services	64,000	77,945	38,981	10,324	28,640
Recreation Center					
Personal services	157,000	157,000	215,507		(58,507)
Contractual services	28,500	28,500	31,509		(3,009)
McCann Trailer Park					
Personal services	3,000	3,000	2,865		135
Contractual services	66,000	66,000	50,137	600	15,263
Mitchell Marina					
Personal services	201,000	201,000	225,111		(24,111)
Contractual services	190,000	235,254	184,397	6,535	44,322
Docks					
Contractual services	13,409	11,509	12,566		(1,057)
Mini Railroad					
Personal services	12,000	12,000	25,561		(13,561)
Contractual services	12,500	12,500	8,518	105	3,877
Ice Rink					
Personal services	-	-	175		(175)
Arts & Culture					
Personal services	101,000	101,000	88,365		12,635
Equipment	26,500	101,970	68,737		33,233
Contractual services	500	500	493	5,900	(5,893)
Historian					
Contractual services	9,250	10,288	9,100	12	1,176
Celebrations					
Contractual services	4,000	5,145	4,856	290	(1)
Total Culture and Recreation	1,013,659	1,149,268	1,068,069	24,819	56,380
Home and Community Services					
Zoning					
Personal services	8,500	8,500	4,824		3,676
Contractual services	15,000	15,000	7,749		7,251
Planning					
Personal services	9,000	9,000	3,681		5,319
Contractual services	30,000	30,000	21,740		8,260
Research					
Contractual services	30,000	30,000	55,954		(25,954)
Sanitation					
Contractual services	3,694	3,694	1,694		2,000
Community Beautification					
Personal services	9,000	9,000	7,473		1,527
Contractual services	20,000	20,000	19,868	132	-
Community Development					
Personal services	121,400	44,900	68,326		(23,426)
Contractual services	44,825	44,825	52,543		(7,718)
Cemeteries					
Salaries	1,000	1,000	-		1,000
Total Home and Community Services	292,419	215,919	243,852	132	(28,065)

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, 2025

	Original Budget	Final Budget	Actual	Year End Encumbrances	Final Budget Variance with Actual and Encumbrances
EXPENDITURES					
Employee Benefits					
State retirement	\$ 120,000	\$ 120,000	\$ 129,900	\$	\$ (9,900)
Social security and Medicare	96,000	96,000	104,515		(8,515)
Workers' compensation	10,000	10,000	4,099		5,901
Unemployment insurance	3,500	3,500	7		3,493
Hospital and medical insurance	690,500	690,500	593,349		97,151
Total Employee Benefits	920,000	920,000	831,870	-	88,130
Debt Service					
Principal	271,516	271,516	271,515		1
Interest	108,991	108,991	108,989		2
Total Debt Service	380,507	380,507	380,504	-	3
Total Expenditures	<u>\$ 5,918,777</u>	<u>\$ 6,065,708</u>	<u>5,484,828</u>	<u>\$ 229,398</u>	<u>\$ 351,482</u>
Net Change in Fund Balance			446,154		
Fund Balance - Beginning of Year			<u>5,181,327</u>		
Fund Balance - End of Year			<u>\$ 5,627,481</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 Ten Years

Employees' Retirement System

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Village's proportion of the net pension asset/(liability)	0.0068131%	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)	\$ (1,168,162)	\$ (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	\$ 2,745,675	\$ 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	42.55 %	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	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 314,607	\$ 248,522	\$ 207,833	\$ 303,383	\$ 263,215	\$ 261,059	\$ 266,939	\$ 268,408	\$ 255,662	\$ 273,582
Contributions in relation to the contractually required contribution	314,607	248,522	207,833	303,383	263,215	261,059	266,939	268,408	255,662	273,582
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	\$ 2,771,269	\$ 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
Contributions as a percentage of covered payroll	11%	10%	10%	15%	13%	13%	13%	14%	14%	16%

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

Measurement date as of December 31,	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability								
Service cost	\$ 92,463	\$ 92,986	\$ 182,646	\$ 187,194	\$ 94,420	\$ 91,867	\$ 96,642	\$ 95,223
Interest	195,743	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	(148,630)	164,798	(1,336,566)	(248,306)	975,832	236,681	(302,374)	318,970
Differences between expected and actual experience	(41,309)	(92,541)	(23,121)	(6,725)	107,151	(5,137)	60,737	6,021
Benefit payments	(231,420)	(273,270)	(246,199)	(213,474)	(206,700)	(223,082)	(193,940)	(222,120)
Net change in total pension liability	(133,153)	97,792	(1,285,172)	(158,880)	1,137,506	276,133	82,704	360,961
Total pension liability, beginning	4,916,833	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>\$ 4,783,680</u>	<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	None
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Discount rate	4.28%	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 as set forth GASB to pay related benefits.

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

	2025	2024	2023	2022	2021	2020	2019
Total OPEB liability							
Service cost	\$ 327,838	\$ 327,838	\$ 327,838	\$ 313,616	\$ 440,584	\$ 440,584	\$ 359,863
Interest on total OPEB liability	361,724	340,835	295,199	282,298	271,239	271,239	277,380
Changes in benefit terms	-	-	-	-	(42,708)	-	-
Differences between expected and actual experience	59,463	943,094	1,021,930	5,050	812,981	(263,909)	844,081
Changes of assumptions or other inputs	(363,827)	(44,419)	(959,215)	856,774	(965,218)	762,027	795,542
Benefit payments	(1,078,140)	(1,078,140)	(1,078,142)	(1,020,275)	-	(965,218)	(996,164)
Net change in total OPEB liability	(692,942)	489,208	(392,390)	437,463	516,878	244,723	1,280,702
Total OPEB liability, beginning	9,982,647	9,493,439	9,885,829	9,448,366	8,931,488	8,931,488	7,650,786
Total OPEB liability, ending	<u>\$ 9,289,705</u>	<u>\$ 9,982,647</u>	<u>\$ 9,493,439</u>	<u>\$ 9,885,829</u>	<u>\$ 9,448,366</u>	<u>\$ 9,176,211</u>	<u>\$ 8,931,488</u>
Covered employee payroll	\$ 2,825,086	\$ 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	328.83%	494.37%	479.55%	499.37%	483.87%	466.90%	463.54%
Discount rate	4.00%	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	4.70% - 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 as set forth by GASB 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 ("the Village"), as of and for the year ended May 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements and have issued our report thereon dated June 23, 2026.

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

June 23, 2026

