

**Incorporated Village of Garden City, New York**

Financial Statements and  
Supplementary Information

Year Ended May 31, 2024



# Incorporated Village of Garden City, New York

## Table of Contents

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	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	20
Statement of Activities	21
Fund Financial Statements	
Balance Sheet - Governmental Funds	23
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	24
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	25
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General and Library Funds	27
Proprietary Funds	
Statement of Net Position	29
Statement of Revenues, Expenses and Changes in Net Position	30
Statement of Cash Flows	31
Fiduciary Fund	
Statement of Fiduciary Net Position	32
Statement of Changes in Fiduciary Net Position	33
Notes to Financial Statements	34
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Changes in the Village's Total OPEB Liability and Related Ratios	64
New York State and Local Employees' Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability (Asset)	66
Schedule of Contributions	66
New York State and Local Police and Fire Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability	68
Schedule of Contributions	68
Combining and Individual Fund Financial Statements and Schedules	
General Fund	
Schedule of Revenues and Other Financing Sources Compared to Budget	70
Schedule of Expenditures and Other Financing Uses Compared to Budget	72
Library Fund	
Comparative Balance Sheet	75
Combining Schedules of Revenues, Expenditures and Changes in Fund Balance	76
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	78

**Incorporated Village of Garden City, New York**

**Table of Contents (Concluded)**

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	<u>Page No.</u>
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	80
Schedule of Findings and Questioned Costs	82
Summary Schedule of Prior Audit Findings	83

## Independent Auditors' Report

**The Honorable Mayor and Board of Trustees  
of the Incorporated Village of Garden City, New York**

### Report on the Audit of the Financial Statements

#### ***Opinions***

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village, as of May 31, 2024, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Library Fund, 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 ("GAAS") 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, 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.

## ***Auditors' 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 auditors' 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 GAAS 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 GAAS 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 the schedules included under Required Supplementary Information in the accompanying table of contents 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.

### **Supplementary Information**

Our audit for the year ended May 31, 2024 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules for the year ended May 31, 2024 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended May 31, 2024 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2024.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2023 (not presented herein), and have issued our report thereon dated December 11, 2023 which contained unmodified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended May 31, 2023 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2023 financial statements. The information was subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2023.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2024 on our consideration of the Village'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 Village'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 Village's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

December 5, 2024

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# Incorporated Village of Garden City, New York

## Management's Discussion and Analysis (MD&A) May 31, 2024

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As management of the Incorporated Village of Garden City, New York ("Village"), we offer readers of the financial statements this narrative overview and analysis of the financial activities for the year ended May 31, 2024. We encourage readers to consider the information presented here in conjunction with the Village's financial statements.

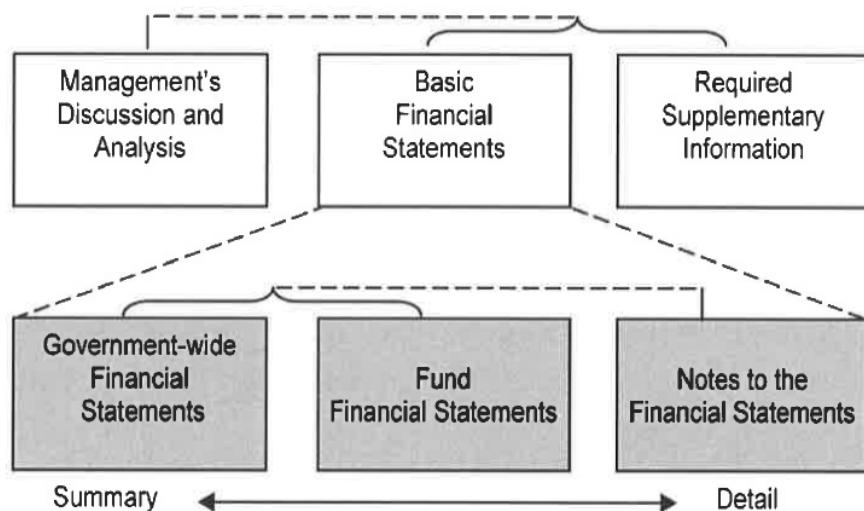
### FINANCIAL HIGHLIGHTS

- The combined liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$40,657,979 (net position) at May 31, 2024. The Village's combined net position continues to be greatly impacted due to the implementation of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)"*. This statement addresses accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. Since there are no mechanisms that exists under current New York State Law for New York municipalities to pre-fund these obligations in an irrevocable trust, entities must report their *total* OPEB liability (as opposed to the *net* OPEB liability that had been reported under a prior standard). For the year ending May 31, 2024, the Village's OPEB liability of \$101,210,979 and \$4,537,963 for governmental and business-type activities, respectively, are reflected as a liability on the government-wide Statement of Net Position and thus, negatively impacts the total net position calculation. More detailed information about the Village's OPEB liabilities is presented in Note 3.E in the notes to the financial statements.
- The Village's total combined net position increased by \$21,568,492 of which \$13,727,165 was related to an increase in the governmental activities net position and \$7,841,327 was related to an increase in the business-type activities net position.
- As of May 31, 2024, the Village's governmental funds reported combined ending fund balances of \$47,614,529. Of this amount, \$1,212,420 is not in spendable form or is required to remain intact. The remaining \$46,402,109 or approximately 97% of total fund balances is in spendable form with various levels of spending constraint: restricted, assigned, or unassigned making them available for spending at the Village's discretion (see Note 3.H).
- At year end, the Village's total fund balance for the General Fund was \$28,144,485, an increase of \$889,684 from the prior year. The assigned and unassigned fund balance for the General Fund was \$24,382,136.
- The Village's total bonded debt was \$46,940,000 (exclusive of premiums), of which \$31,810,322 relates to governmental activities and \$15,129,678 relates to business-type activities. There was an increase in bonded debt in the amount of \$9,610,000, a result of principal payments made on existing debt of \$3,960,000 and new debt issued of \$13,570,000 during the fiscal year ended May 31, 2024. In addition, the Village issued BANs totaling \$43,583,696 during the fiscal year related to business-type activities.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

### COMPONENTS OF THE ANNUAL FINANCIAL REPORT



### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business. The intent of the government-wide financial statements is to give the reader a long-term view of the Village's financial condition.

The Statement of Net Position presents financial information on all the Village's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. This combines and consolidates the Village's current financial resources with capital assets and long-term obligations. The purpose of this statement is to give the reader an understanding of the Village's total net worth. Over time, increases or decreases in the Village's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Village's property tax base and the condition of the Village's buildings, roads, drainage and other assets to assess the overall health of the Village.

The Statement of Activities presents information showing how the Village's net position changed during the most recent year. Revenues and expenses are reported by activity to give the reader an understanding of how each of the Village's activities is being supported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods. This method is known as the accrual basis of accounting and is different from the modified accrual basis of accounting used in the Village's fund financial statements. Both of the government-wide financial statements distinguish functions of the Village that are principally supported by

taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The Village's government-wide financial statements include both the governmental and business-type activities of the Village itself (known as the primary government) and of its legally separate nonmajor component unit for which the Village is financially accountable. Financial information for the component unit has been blended with that of the primary government.

*Governmental Activities* - The Village's basic services are reported here, including: general government support; public safety; transportation; economic assistance and opportunity; culture and recreation and home and community services. Property taxes, mortgage taxes, franchise fees, fines, and state and federal grants finance these activities. The Village also charges fees to customers to help it cover the cost of certain services it provides. In addition, the activities of the Garden City Public Library, although a legally separate entity, are included in the governmental activities since the Library functions for all practical purposes as a department of the Village.

*Business-Type Activities* – The Village charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Village's water, pool and indoor tennis facilities are reported here.

## **Fund Financial Statements**

The fund financial statements focus on current available resources and are organized and operated on the basis of funds, each of which is defined as an accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific or attaining certain objectives in accordance with special regulations, restrictions or limitations. The Village, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### Governmental Funds

The Village's activities are reported in governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financial requirements.

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

The Village maintains three individual major governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Capital Project and Library funds.

The Village adopts an annual appropriated budget for its General and Library funds. A budgetary comparison schedule for the General and Library funds can be found in the section labeled "Required Supplementary Information Other Than Management's Discussion and Analysis."

The governmental fund financial statements can be found in the "Basic Financial Statements" section of this report.

### Proprietary Funds

The Village maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its Water, Pool and Tennis Funds. The Internal Service Fund is used to accumulate and allocate costs internally among the Village's various functions. The Village uses its Internal Service Fund to account for risk management activities. Because these services predominantly benefit governmental rather than business-type activities, they have been included within governmental activities in the government-wide financial statements but are included in a single column in the proprietary fund financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Pool, Tennis and Internal Service Funds since all are considered to be major funds of the Village. The proprietary fund financial statements can be found in the "Basic Financial Statements" section of this report.

### Fiduciary Funds

All of the Village's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these activities from the Village's other financial statements because the Village cannot use these assets to finance its operations. The Village is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The fiduciary fund financial statement can be found in the "Basic Financial Statements" section of this report.

### **Notes to the Financial Statements**

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

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Village following the notes to the financial statements.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$40,657,979 at the close of the most recent year.

Our analysis below focuses on the net position and changes in net position of the Village as a whole.

**Condensed Statement of Net Position  
as of May 31, 2024 and 2023**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and other assets	\$ 64,266,389	\$ 58,903,177	\$ 30,692,465	\$ 35,761,417	\$ 94,958,854	\$ 94,664,594
Capital assets	69,067,425	66,388,354	86,542,945	72,642,757	155,610,370	139,031,111
<b>Total Assets</b>	<b>133,333,814</b>	<b>125,291,531</b>	<b>117,235,410</b>	<b>108,404,174</b>	<b>250,569,224</b>	<b>233,695,705</b>
<b>Deferred Outflows or Resources</b>	<b>17,814,305</b>	<b>12,815,393</b>	<b>838,050</b>	<b>738,265</b>	<b>18,652,355</b>	<b>13,553,658</b>
<b>Liabilities</b>						
Current and other liabilities	8,403,125	10,000,040	51,008,045	52,381,002	59,411,170	62,381,042
Long-term liabilities	160,934,209	160,663,581	20,862,970	18,488,959	181,797,179	179,152,540
<b>Total Liabilities</b>	<b>169,337,334</b>	<b>170,663,621</b>	<b>71,871,015</b>	<b>70,869,961</b>	<b>241,208,349</b>	<b>241,533,582</b>
<b>Deferred Inflows of Resources</b>	<b>65,576,805</b>	<b>64,936,488</b>	<b>3,094,404</b>	<b>3,005,764</b>	<b>68,671,209</b>	<b>67,942,252</b>
<b>Net Position</b>						
Net investment in capital assets	42,272,266	44,346,289	31,738,217	18,646,763	74,010,483	62,993,052
Restricted	197,188	210,897	-	-	197,188	210,897
Unrestricted	(126,235,474)	(142,050,371)	11,369,824	16,619,951	(114,865,650)	(125,430,420)
<b>Total Net Position</b>	<b>\$ (83,766,020)</b>	<b>\$ (97,493,185)</b>	<b>\$ 43,108,041</b>	<b>\$ 35,266,714</b>	<b>\$ (40,657,979)</b>	<b>\$ (62,226,471)</b>

Total assets and deferred outflows of resources of the Village's governmental activities, as of May 31, 2024 were \$151,148,119, an increase of \$13,041,195. Total liabilities and deferred inflows of resources as of May 31, 2024 were \$234,914,139, a decrease of \$685,970. This resulted in a net position deficit balance of \$83,766,020 for 2024, an increase in Net Position of \$13,727,165.

The deficit balance of unrestricted net position does not necessarily indicate fiscal stress. The deficit balance in unrestricted net position arose primarily due to long-term liabilities which include other postemployment benefits, compensated absences, claims and judgments, tax certiorari costs and the proportionate share of the net pension liability that will be funded through future budgetary appropriations or charges for services when they become payable in future periods.

The Village's increase in net position is primarily attributed to changes in long-term retirement system obligations under GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and OPEB Liability requirements of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")"*.

Of the Village's governmental activities net position balance, \$42,272,266 was the net investment in capital assets, \$155,807 was restricted for debt service payments and \$41,381 was restricted for public safety, leaving a deficit of \$126,235,474 in the unrestricted net position category.

The largest portion of the governmental activities net position, \$42,272,266 reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment, and infrastructure); less any related debt used to acquire those assets that are still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves will not be used to liquidate these liabilities.

Total assets and deferred outflows of resources of the Village's business-type activities, as of May 31, 2024, were \$118,073,460, an increase of \$8,931,021. Total liabilities and deferred inflows of resources as of May 31, 2024 were \$74,965,419, an increase of \$1,089,694. This resulted in a net position balance of \$43,108,041 for 2024, an increase of \$7,841,327.

Of the Village's business-type activities net position balance, \$31,738,217 was the net investment in capital assets, leaving a balance of \$11,369,824 as the unrestricted net position category.

Our analysis below separately considers the operations of governmental and business-type activities.

#### Changes in Net Position

For the years ended May 31, 2024 and 2023

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
<b>REVENUES</b>						
Program Revenues						
Charges for services	\$ 7,071,991	\$ 6,795,628	\$ 10,067,478	\$ 9,913,631	\$ 17,139,469	\$ 16,709,259
Operating grants and contributions	377,270	86,797	-	-	377,270	86,797
Capital grants and contributions	2,365,004	2,410,571	6,435,000	8,076,650	8,800,004	10,487,221
General Revenues						
Real property taxes	53,301,682	53,310,033	-	-	53,301,682	53,310,033
Other real property taxes	1,241,812	1,108,227	-	-	1,241,812	1,108,227
Non-property taxes	1,023,665	1,122,821	-	-	1,023,665	1,122,821
Unrestricted use of money and	2,329,756	1,199,381	843,805	505,382	3,173,561	1,704,763
Sale of property and compensation for loss	141,222	811,360	-	-	141,222	811,360
Unrestricted state aid	842,738	1,217,547	-	-	842,738	1,217,547
Miscellaneous	1,132,693	45,521	-	-	1,132,693	45,521
Total Revenues	<u>69,827,833</u>	<u>68,107,886</u>	<u>17,346,283</u>	<u>18,495,663</u>	<u>87,174,116</u>	<u>86,603,549</u>
<b>PROGRAM EXPENSES</b>						
General government support	14,117,848	15,592,214	-	-	14,117,848	15,592,214
Public safety	16,628,146	18,923,519	-	-	16,628,146	18,923,519
Transportation	5,577,277	5,484,861	-	-	5,577,277	5,484,861
Economic opportunity and development	73,779	53,595	-	-	73,779	53,595
Culture and recreation	10,784,740	11,556,682	-	-	10,784,740	11,556,682
Home and community services	7,421,383	7,866,083	-	-	7,421,383	7,866,083
Interest on debt	697,495	774,958	-	-	697,495	774,958
Pool	-	-	1,560,873	1,099,536	1,560,873	1,099,536
Tennis	-	-	371,781	195,957	371,781	195,957
Water	-	-	8,372,302	5,709,773	8,372,302	5,709,773
Total Expenses	<u>55,300,668</u>	<u>60,251,912</u>	<u>10,304,956</u>	<u>7,005,266</u>	<u>65,605,624</u>	<u>67,257,178</u>
Change in Net Position						
Before Transfers	14,527,165	7,855,974	7,041,327	11,490,397	21,568,492	19,346,371
Transfers in (out)	<u>(800,000)</u>	<u>(1,012,393)</u>	<u>800,000</u>	<u>1,012,393</u>	<u>-</u>	<u>-</u>
Change in Net Position	13,727,165	6,843,581	7,841,327	12,502,790	21,568,492	19,346,371
<b>NET POSITION</b>						
Beginning of Year	<u>(97,493,185)</u>	<u>(104,336,766)</u>	<u>35,266,714</u>	<u>22,763,924</u>	<u>(62,226,471)</u>	<u>(81,572,842)</u>
End of Year	<u>\$ (83,766,020)</u>	<u>\$ (97,493,185)</u>	<u>\$ 43,108,041</u>	<u>\$ 35,266,714</u>	<u>\$ (40,657,979)</u>	<u>\$ (62,226,471)</u>

During the year ended May 31, 2024, government-wide revenues increased from the prior year by \$570,567 while government-wide expenses decreased from the prior year by \$1,651,554.

The key elements of the change in government-wide revenues as compared to the prior year are as follows:

- There was an increase in miscellaneous revenues in the amount of \$1,087,172 primarily due to reimbursement by the MTA Community Benefit Fund for the Merrillon Ave Project (\$814,000), LIRR reimbursement for depreciation of roads due to Third Track Project (\$120,000), and a PSEG rebate related to the Village Hall HVAC project (\$127,390).
- Increase in unrestricted use of money in the amount of \$1,468,798 resulting from interest rate increases and investments. This was partially offset by lower state aid received in the amount of \$374,809, mostly from mortgage taxes.
- Decrease mostly in the Water Fund capital grants and contributions in the amount of \$1,687,217.

The key elements of the change in government-wide expenses as compared to the prior year are as follows:

- Decrease in public safety expenses of \$2,295,373 primarily due to a decrease in OPEB (\$2,426,000) and compensated absences (\$658,786), offset by increases in salary related costs (\$436,791).
- Decrease in general government support expenses of \$1,474,366 primarily due to decreases in OPEB (\$2,301,398), offset by increases in termination payouts (\$602,223) and increase in depreciation expense (\$437,789).
- Decrease in home and community services expenses of \$444,700 primarily due to changes in the OPEB liability (\$709,319), partially offset by increases in contractual services (\$135,030) and salary related costs (\$87,909).
- Increase in Water Fund expenses of \$2,662,529 primarily due to changes in the OPEB liability (\$997,633), increase in depreciation expense (\$516,098), and increase interest expense (\$378,569).

The following illustrates the total cost of services, program revenues by function and the net cost of services for the Village's governmental activities.

**Net Expense of Services**

**Governmental Activities**

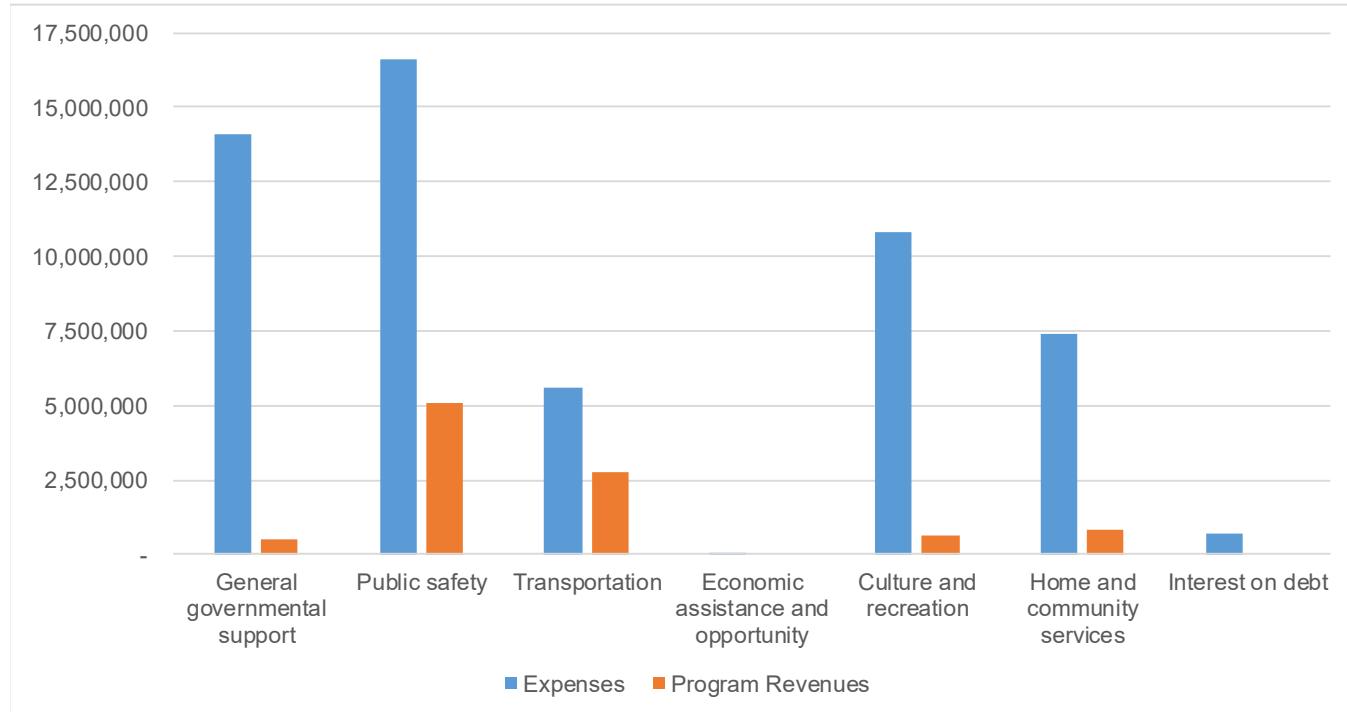
**For the years ended May 31, 2024 and 2023**

	Total Expense of Services		Program Revenues		Net Expense of Services	
	2024	2023	2024	2023	2024	2023
General governmental support	\$ 14,117,848	\$ 15,592,214	\$ 493,089	\$ 1,113,245	\$ (13,624,759)	\$ (14,478,969)
Public safety	16,628,146	18,923,519	5,087,204	4,675,815	(11,540,942)	(14,247,704)
Transportation	5,577,277	5,484,861	2,768,304	1,645,572	(2,808,973)	(3,839,289)
Economic assistance and opportunity	73,779	53,595	-	-	(73,779)	(53,595)
Culture and recreation	10,784,740	11,556,682	648,963	1,060,114	(10,135,777)	(10,496,568)
Home and community services	7,421,383	7,866,083	816,705	798,250	(6,604,678)	(7,067,833)
Interest on debt	697,495	774,958	-	-	(697,495)	(774,958)
	<u>\$ 55,300,668</u>	<u>\$ 60,251,912</u>	<u>\$ 9,814,265</u>	<u>\$ 9,292,996</u>	<u>\$ (45,486,403)</u>	<u>\$ (50,958,916)</u>

The cost of the governmental activities in the current fiscal year was \$55,300,668. The net cost of these services after being subsidized by program revenues of \$9,814,265 was \$45,486,403.

## Expenses and Program Revenues

### Governmental Activities



The following illustrates the total cost of services, program revenues by fund and the net cost of services for the Village's business-type activities.

### Net Expense of Services \*

#### Business-Type Activities

For the years ended May 31, 2024 and 2023

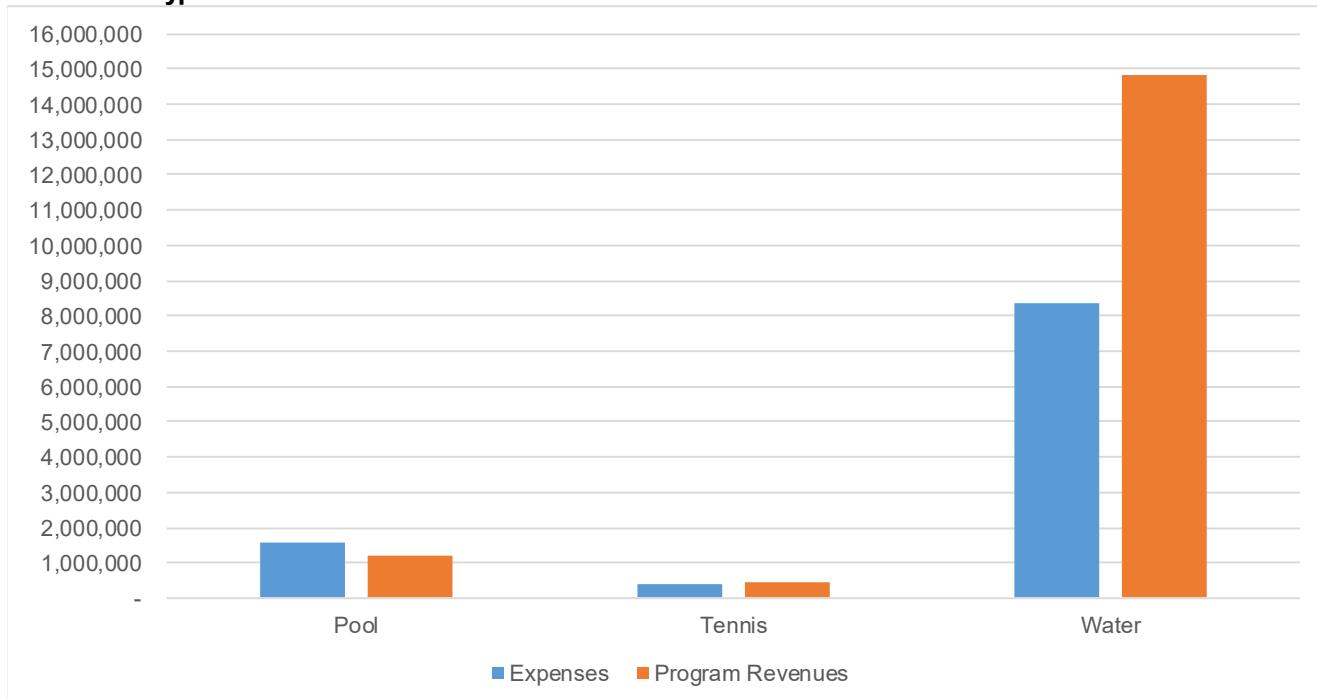
	Total Expense of Services		Program Revenues		Net Expense of Services	
	2024	2023	2024	2023	2024	2023
Pool	\$ 1,560,873	\$ 1,099,536	\$ 1,206,767	\$ 1,226,979	\$ (354,106)	\$ 127,443
Tennis	371,781	195,957	476,436	512,169	104,655	316,212
Water	8,372,302	5,709,773	14,819,275	16,251,133	6,446,973	10,541,360
	<u>\$ 10,304,956</u>	<u>\$ 7,005,266</u>	<u>\$ 16,502,478</u>	<u>\$ 17,990,281</u>	<u>\$ 6,197,522</u>	<u>\$ 10,985,015</u>

\* Presented net of the portion of the Internal Service Fund change in net position that was allocated back to the business-type activities for years ended May 31, 2024 and 2023 in the amounts of \$41,244 and \$8,575, respectively. The cumulative amount of the Internal Service Fund's net position that is allocated to the business-type activities as of May 31, 2024 is \$193,534.

The cost of the business-type activities in the current fiscal year was \$10,304,956. The net cost of these services after being subsidized by program revenues of \$16,502,478 was \$6,197,522.

## Expenses and Program Revenues

### Business-Type Activities



### Revenue by Source

#### Governmental Activities

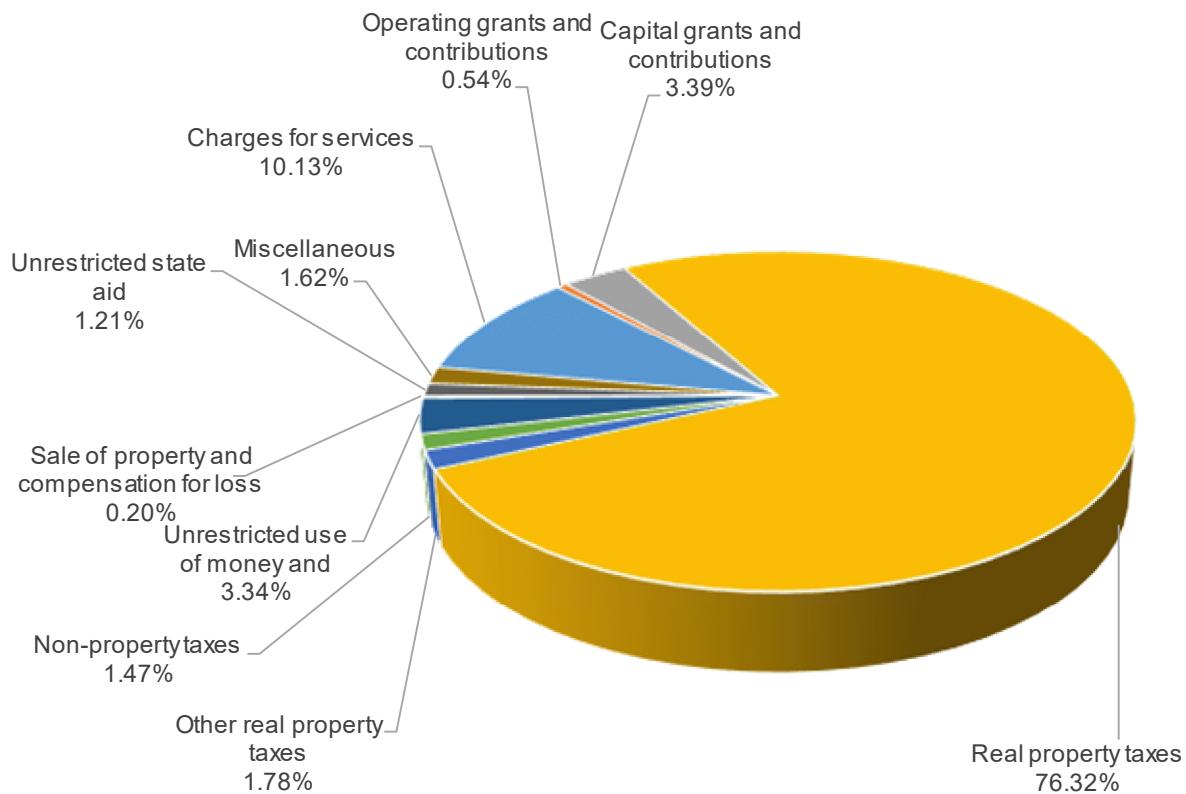
For years ended May 31, 2024 and 2023

	2024	2023
<b>Program Revenues</b>		
Charges for services	\$ 7,071,991	\$ 6,795,628
Operating grants and contributions	377,270	86,797
Capital grants and contributions	2,365,004	2,410,571
<b>General Revenues</b>		
Real property taxes	53,301,682	53,310,033
Other real property taxes	1,241,812	1,108,227
Non-property taxes	1,023,665	1,122,821
Unrestricted use of money and	2,329,756	1,199,381
<b>Sale of property and</b>		
compensation for loss	141,222	811,360
Unrestricted state aid	842,738	1,217,547
Miscellaneous	<u>1,132,693</u>	<u>45,521</u>
	<u><u>\$ 69,827,833</u></u>	<u><u>\$ 68,107,886</u></u>

## Revenue by Source

Governmental Activities

For the year ended May 31, 2024



## FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

### Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, spendable fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

At May 31, 2024, the Village's governmental funds reported total ending fund balance of \$47,614,529, an increase of \$6,432,515 in comparison to the prior year. The category breakdown is as follows:

- Nonspendable fund balance - \$1,212,420 (inherently nonspendable) includes the portion of net resources that cannot be spent because they are not in spendable form, cannot be converted to cash in the current period or are legally or contractually required to remain intact.
- Restricted fund balance - \$9,815,539 (externally enforceable limitations on use) includes amounts subject to limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments.

- Assigned fund balance - \$15,821,756 (limitation resulting from intended use) consists of amounts where the intended specific purpose is established by the Village Board of Trustees, but do not meet the criteria to be classified as restricted or committed.
- Unassigned fund balance - \$20,764,814 (residual net resources) is the remaining fund balance in the General Fund in excess of nonspendable, restricted and assigned fund balance.

## General Fund

The General Fund is the chief operating fund of the Village. At the end of the current year, the total fund balance of the General Fund was \$28,144,485, an increase of \$889,684 from the prior year. Of this amount, \$1,212,420 is not in spendable form (inventory of material and supplies) and the remaining \$26,932,065 is in spendable form as follows: \$155,807 is restricted for debt service payments, \$2,352,741 is restricted for future employee benefit accrued liability payments, \$41,381 has been restricted for public safety; \$2,804,451 has been assigned by the Village Board for the subsequent year's budget, \$812,871 has been assigned for purchase orders by the Treasurer; and the remaining \$20,764,814 represents spendable, unassigned fund balance.

The key elements of the fund balance increase of \$889,684 are as follows:

- Actual revenues and other financing sources were higher than the final budget by \$2,091,479. This was primarily due to higher interest received in the amount of \$1,413,637 resulting from higher than anticipated interest rates and investments in NYCLASS; refund of prior year expenditures of \$1,084,641 as a result of MTA LIRR reimbursement for Merrillon Avenue project; higher state and federal aid received in the amount of \$426,000 from FEMA, NYSERDA and DOT grants. This was offset by public works service having a negative budget variance of \$1,066,434 due to deferring of Business District Paving project.
- Actual expenditures and other financing uses were less than the final budget by \$4,706,984, of which \$812,871 is reserved for encumbrances to be spent in the next fiscal year. General government support expenditures were under budget by \$1,996,089, primarily a result of unused contingency (\$596,893), lower personal services expenses (\$327,691) as a result of open positions throughout the year, judgments and claims (\$229,771), and lower than anticipated legal fees (\$185,184). Also impacting was a decrease in other expenditures (\$639,185). Public safety expenditures were under budget by \$992,585, due to lower than expected salary related expenses in the police and safety inspection departments (\$567,618) as a result of open positions and unanticipated retirements. There was also a decrease in other expenditures (\$418,228). Transportation expenditures were under budget by \$389,671 primarily due to less snow removal costs of \$174,253 as a result of a mild winter. Culture and recreation expenditures were under budget by \$582,829 primarily due to less salary costs in the recreation department of \$259,017 as a result of key positions remaining open for most of the year, as well as lower contractual services (\$119,841). In addition, there were lower employee benefits (\$446,657) resulting from the open positions in all departments.
- Overall, there was an increase of actual revenues and other financing sources from the prior year in the amount of \$815,074. Actual revenues increased due to interest income (\$956,482) and fines & forfeitures (\$1,114,099), partially offset by a decrease in safety inspection fees (\$644,137) and decrease in sale of property (\$629,628).
- Overall, actual expenditures and other financing uses increased from the prior year by \$2,281,172, primarily a result of an increase in hospital and medical insurance (\$863,780) and increases in pension costs (\$750,162).

## **Capital Projects Fund**

At the end of the current year, the Capital Projects Fund had a total fund balance of \$19,237,209, an increase of \$5,452,932 from the prior year. The fund balance increase in the Capital Projects Fund from the prior year is mainly the result of new bond issuance during the fiscal year over the amount of capital outlay for ongoing projects.

## **Library Fund**

At the end of the current year, the total fund balance of the Library Fund, a blended component unit of the Village, was \$232,835, an increase of \$89,899 from the prior year. Of this amount \$157,835 has been assigned for the subsequent year's budget, \$59,324 has been assigned for purchases on order, and \$15,676 is available for other library purposes.

The Library Fund recognized increased revenues and other financing sources in the amount of \$477,731 compared to prior year while expenditures and other financing uses increased by \$130,959. The overall increase in library expenditures was primarily related to increases in employee benefits (\$116,982).

## **Proprietary Funds**

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

The Pool Fund's net position at year end was \$1,157,557. This net position increased from the prior year by \$511,123 due to an \$800,000 transfer in from the General Fund that helped offset a \$304,338 operating loss (primarily due to depreciation costs of \$288,952). The Pool Fund generated slightly less operating revenues of \$20,212 compared with the prior fiscal year. The Pool Fund's total operating expenses increased by \$469,665 mainly due to the changes in the OPEB liability and related deferred inflows of resources and deferred outflows of resources (\$301,413), increase in part time help of \$101,696 due to an increase in minimum wage, and increase in Maintenance of Plant of \$47,526.

The Tennis Fund's net position at year end was \$897,098, an increase of \$134,773 from the prior year. The Tennis Fund generated less membership and guest fees (\$35,733). Compared to the prior year, operating expenses increased by \$176,639 mostly due to a change in the OPEB liability (\$201,722) partially offset by a decrease in pension costs of \$15,914.

The Water Fund's net position at year end was \$40,859,852, an increase of \$7,154,187 from the prior year. The Water Fund recognized an increase in operating revenues in the amount of \$209,792 primarily due to an increase in other revenues related to water line reimbursement of \$251,000 from 555 Stewart Avenue. Overall operating expenses increased by \$2,316,629 mostly due to the OPEB adjustment (\$997,633), increased depreciation (\$516,098), and increased transmission and distribution costs (\$302,976).

The Internal Service Fund's net position at year end was \$4,761,944, an increase of \$623,860 from the prior year. Operating revenues increased by \$488,216 primarily as result of the decrease in the amount recognized related to the accrual of estimated claims of workers' compensation and liability cases and insurance recoveries (\$524,592). Operating expenses increased by \$167,957 primarily due to increases to various third-party insurance premiums.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The Village appropriated expenditures in the original General Fund budget in excess of estimated revenues in the amount of \$4,570,253, by designating unreserved fund balance from the prior year in the amount of \$4,050,519 and reappropriating prior year encumbrances in the amount of \$519,734. Over the course of the year, the Board of Trustees revised the budget as needed so that expenditures do not exceed appropriations. In the General Fund, various transfers between appropriations, as well as additional expenditures appropriated from fund balance, were approved for this purpose. The amount of appropriated fund balance was increased by \$1,338,526 from the original budget. The increase in appropriated fund balance was primarily to provide funding for termination payouts from the reserve for accrued time for employees who left Village service (\$1,300,473).

Please see the "General Fund" section for more details on the comparison of final budgets to actual expenditures.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

The Village's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of May 31, 2024 amounts to \$69,067,425 and \$86,542,945 respectively. This investment in capital assets includes land, buildings, improvements, machinery and equipment, roads, curbs, sidewalks, drainage, sewer and water systems, and construction in progress.

During the fiscal year ended May 31, 2024, the Village's major capital expenditures were as follows:

Water Mains	\$7,172,959
Water Well Treatments (AOP Systems)	6,847,235
Roads, Curbs & Sidewalk Repairs	3,969,849
Building Improvements	2,751,924
Vehicles & Equipment	1,423,092
Sewer Repairs	1,070,718
Recreation Facilities	522,384

### **Capital Assets - Net of Accumulated Depreciation**

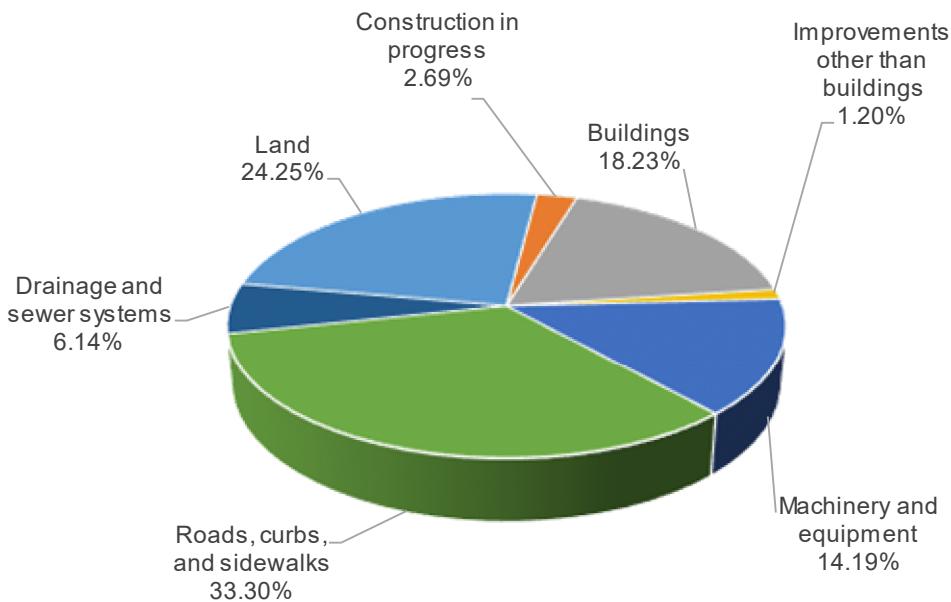
As of May 31, 2024 and 2023

	Governmental Activities		Business-Type Activities	
	2024	2023	2024	2023
Land	\$ 16,748,023	\$ 16,748,023	\$ 69,212	\$ 69,212
Construction in progress	1,859,987	1,064,023	12,539,953	29,608,907
Buildings	12,588,405	12,777,763	44,541,475	20,575,550
Improvements other than buildings	831,967	936,494	25,605,705	18,847,697
Machinery and equipment	9,800,065	9,838,239	3,786,600	3,541,391
Infrastructure:				
Roads, curbs, and sidewalks	22,996,709	21,288,711	-	-
Drainage and sewer systems	4,242,269	3,735,101	-	-
Total net capital assets	<u>\$ 69,067,425</u>	<u>\$ 66,388,354</u>	<u>\$ 86,542,945</u>	<u>\$ 72,642,757</u>

## **Capital Assets - Net of Accumulated Depreciation**

Governmental Activities

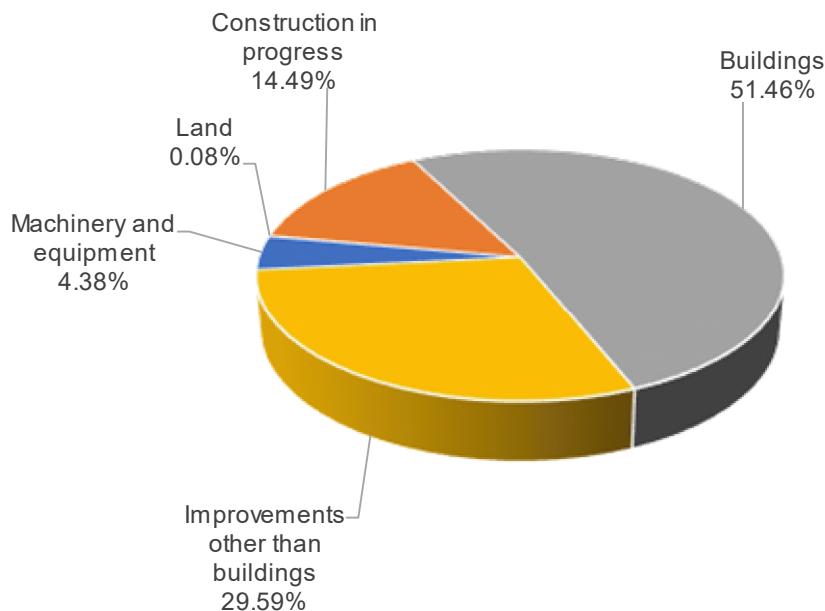
As of May 31, 2024



## **Capital Assets - Net of Accumulated Depreciation**

Business-Type Activities

As of May 31, 2024



The Village has five-year capital improvement plans for the governmental and business-type activities. The five-year plans allow for the continued improvements to infrastructure, buildings and equipment while remaining consistent with the Village's debt service requirements. Annually, the Village Board of Trustees reviews, updates, and amends the capital plan.

Additional information on the Village's capital assets can be found in Note 3.B to the financial statements.

#### Debt Administration

At the end of the current year, the Village had total long-term bonded debt outstanding of \$31,810,322 and \$15,129,678 for its governmental and business-type activities, respectively. In addition, the Village issued Bond Anticipation Notes (BANs) for the Water Fund in the amount of \$43,583,696. The entire debt is backed by the full faith and credit of the Village. For the year ended May 31, 2023, the Village had total long-term bonded debt outstanding of \$25,129,033 and \$12,200,967 for its governmental and business-type activities, respectively and outstanding BANs for the Water Fund were \$46,778,000.

The above does not include premiums related to general obligation bonds in the amount of \$694,394 and \$139,132 for the governmental activities and business-type activities, respectively, as of May 31, 2024 and \$807,111 and \$167,563 as of May 31, 2023.

During the current fiscal year, the Village's bonded debt increased by \$9,610,000. During fiscal year 2023-24 the Village issued new bonds of \$13,570,000 and redeemed \$3,960,000 of existing bonds.

Moody's Investment Services maintained the Village's credit rating at "Aaa" during the year ended May 31, 2024.

#### Debt Limit

The Village has the power to contract indebtedness for any Village purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed 7.00% of the average full valuation of taxable real estate of the Village, and is subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service.

The constitutional method for determining full valuation is calculated by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Board of Equalization and Assessment. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five. The percentage of debt contracting power exhausted as of May 31, 2024 was 6.30%.

Additional information on the Village's debt activity can be found in Note 3.D to the financial statements.

#### Property Tax

The Village has adopted a budget for the 2024-25 fiscal year, which factors in inflation and other adjustments to revenues and expenditures as well as prior year positive fund balances. The 2024-25 budget includes a 2% increase in real property tax revenues.

New York State enacted Chapter 97, Laws of 2011 Real Property Tax Levy Cap and Mandate Relief Provisions, which includes a property tax cap for municipalities. Beginning in 2012 no local government is authorized to increase its property tax levy by more than the sum of 2% or the rate of inflation (whichever is less), and the Tax Base Growth Factor. Local governments can exceed the tax levy limit by a 60% vote of the governing body and annually adopting a local law. There are permitted exceptions and adjustments. The Village did not exceed the allowable tax levy cap, inclusive of allowable exclusion in the 2024-25 budget.

## Tax Assessment Trends

Assessment reductions resulting from tax certiorari actions continue to erode the Village tax base, however, settlements have decreased in the last couple of years. The Village anticipates that this trend will continue for the year ending May 31, 2024.

## **CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the finances of the Village, and to demonstrate our accountability with the money we receive. If you have any questions about this report or need additional financial information, contact the Incorporated Village of Garden City, Village Treasurer, Finance Department, Garden City, New York.

**Incorporated Village of Garden City, New York**

**Statement of Net Position**  
**May 31, 2024**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and equivalents	\$ 37,051,224	\$ 19,841,153	\$ 56,892,377
Restricted cash	1,602,741	-	1,602,741
Investments	22,480,031	6,972,533	29,452,564
Receivables			
Taxes	1,180,441	-	1,180,441
Accounts	374,658	1,359,917	1,734,575
State and Federal aid	364,874	2,340,000	2,704,874
Inventories	1,212,420	178,862	1,391,282
Capital assets			
Not being depreciated	18,608,010	12,609,165	31,217,175
Being depreciated, net	50,459,415	73,933,780	124,393,195
<b>Total Assets</b>	<b>133,333,814</b>	<b>117,235,410</b>	<b>250,569,224</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related	12,478,015	598,789	13,076,804
OPEB related	5,336,290	239,261	5,575,551
<b>Total Deferred Outflows of Resources</b>	<b>17,814,305</b>	<b>838,050</b>	<b>18,652,355</b>
<b>LIABILITIES</b>			
Accounts payable	2,824,087	6,249,765	9,073,852
Accrued interest payable	273,077	672,141	945,218
Accrued liabilities	991,863	83,407	1,075,270
Due to retirement system	771,969	38,200	810,169
Deposits payable	2,349,111	-	2,349,111
Bond anticipation notes payable	-	43,882,226	43,882,226
Unearned revenues	999,484	275,840	1,275,324
Internal balances	193,534	(193,534)	-
Non-current liabilities			
Due within one year	8,288,794	1,308,385	9,597,179
Due in more than one year	152,645,415	19,554,585	172,200,000
<b>Total Liabilities</b>	<b>169,337,334</b>	<b>71,871,015</b>	<b>241,208,349</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related	5,930,321	420,053	6,350,374
OPEB related	59,646,484	2,674,351	62,320,835
<b>Total Deferred Inflows of Resources</b>	<b>65,576,805</b>	<b>3,094,404</b>	<b>68,671,209</b>
<b>NET POSITION</b>			
Net investment in capital assets	42,272,266	31,738,217	74,010,483
Restricted			
Debt service	155,807	-	155,807
Civil practice law and rules	41,381	-	41,381
Unrestricted	(126,235,474)	11,369,824	(114,865,650)
<b>Total Net Position</b>	<b>\$ (83,766,020)</b>	<b>\$ 43,108,041</b>	<b>\$ (40,657,979)</b>

The notes to financial statements are an integral part of this statement.

**Incorporated Village of Garden City, New York**

**Statement of Activities**  
**Year Ended May 31, 2024**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 14,117,848	\$ 36,919	\$ -	\$ 456,170
Public safety	16,628,146	5,056,206	30,998	-
Transportation	5,577,277	946,970	-	1,821,334
Economic opportunity and development	73,779	-	-	-
Culture and recreation	10,784,740	640,852	8,111	-
Home and community services	7,421,383	391,044	338,161	87,500
Interest	697,495	-	-	-
<b>Total Governmental Activities</b>	<b>55,300,668</b>	<b>7,071,991</b>	<b>377,270</b>	<b>2,365,004</b>
Business-type activities				
Pool	1,560,873	1,206,767	-	-
Tennis	371,781	476,436	-	-
Water	8,372,302	8,384,275	-	6,435,000
<b>Total Business-Type Activities</b>	<b>10,304,956</b>	<b>10,067,478</b>	<b>-</b>	<b>6,435,000</b>
<b>Total</b>	<b>\$ 65,605,624</b>	<b>\$ 17,139,469</b>	<b>\$ 377,270</b>	<b>\$ 8,800,004</b>
General revenues				
Real property taxes				
Other tax items				
Interest and penalties on real property taxes				
Payments in lieu of taxes				
Other tax payments				
Non-property taxes				
Franchise fees				
County sales tax				
Utilities gross receipts tax				
Unrestricted use of money and property				
Sale of property and compensation for loss				
Unrestricted State aid				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
<b>NET POSITION</b>				
Beginning of Year				
End of Year				

The notes to financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	
\$ (13,624,759)	\$ -	\$ (13,624,759)	
(11,540,942)	-	(11,540,942)	
(2,808,973)	-	(2,808,973)	
(73,779)	-	(73,779)	
(10,135,777)	-	(10,135,777)	
(6,604,678)	-	(6,604,678)	
(697,495)	-	(697,495)	
<u>(45,486,403)</u>	<u>-</u>	<u>(45,486,403)</u>	
 - (354,106)		(354,106)	
 - 104,655		104,655	
<u>- 6,446,973</u>		<u>6,446,973</u>	
 - 6,197,522		6,197,522	
<u>(45,486,403)</u>	<u>6,197,522</u>	<u>(39,288,881)</u>	
 53,301,682		53,301,682	
159,699	-	159,699	
825,709	-	825,709	
256,404	-	256,404	
 333,118		333,118	
61,395	-	61,395	
629,152	-	629,152	
2,329,756	843,805	3,173,561	
141,222	-	141,222	
842,738	-	842,738	
1,132,693	-	1,132,693	
(800,000)	800,000	-	
<u>59,213,568</u>	<u>1,643,805</u>	<u>60,857,373</u>	
 13,727,165		21,568,492	
 (97,493,185)		(35,266,714)	
<u>\$ (83,766,020)</u>	<u>\$ 43,108,041</u>	<u>\$ (40,657,979)</u>	

**Incorporated Village of Garden City, New York**

Balance Sheet  
Governmental Funds  
May 31, 2024

	General	Capital Projects	Library	Total Governmental Funds
<b>ASSETS</b>				
Cash and equivalents	\$ 16,126,941	\$ 19,093,262	\$ 482,892	\$ 35,703,095
Restricted cash	1,602,741	-	-	1,602,741
Investments	14,555,378	1,700,000	-	16,255,378
Taxes receivable	1,180,441	-	-	1,180,441
Receivables				
Accounts	374,658	-	-	374,658
State and Federal aid	364,874	-	-	364,874
	739,532	-	-	739,532
Inventories	1,212,420	-	-	1,212,420
<b>Total Assets</b>	<b>\$ 35,417,453</b>	<b>\$ 20,793,262</b>	<b>\$ 482,892</b>	<b>\$ 56,693,607</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 1,164,106	\$ 1,556,053	\$ 103,928	\$ 2,824,087
Accrued liabilities	932,728	-	59,135	991,863
Due to retirement systems	734,023	-	37,946	771,969
Deposits payable	2,349,111	-	-	2,349,111
Unearned revenues	950,436	-	49,048	999,484
<b>Total Liabilities</b>	<b>6,130,404</b>	<b>1,556,053</b>	<b>250,057</b>	<b>7,936,514</b>
Deferred inflows of resources				
Deferred tax revenues	1,142,564	-	-	1,142,564
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>7,272,968</b>	<b>1,556,053</b>	<b>250,057</b>	<b>9,079,078</b>
Fund balances				
Nonspendable	1,212,420	-	-	1,212,420
Restricted	2,549,929	7,265,610	-	9,815,539
Assigned	3,617,322	11,971,599	232,835	15,821,756
Unassigned	20,764,814	-	-	20,764,814
<b>Total Fund Balances</b>	<b>28,144,485</b>	<b>19,237,209</b>	<b>232,835</b>	<b>47,614,529</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 35,417,453</b>	<b>\$ 20,793,262</b>	<b>\$ 482,892</b>	<b>\$ 56,693,607</b>

The notes to financial statements are an integral part of this statement.

# Incorporated Village of Garden City, New York

Reconciliation of Governmental Funds Balance Sheet to  
the Government-Wide Statement of Net Position  
May 31, 2024

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Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Total Fund Balances - Governmental Funds	\$ 47,614,529
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets - non-depreciable	18,608,010
Capital assets - depreciable	171,460,503
Accumulated depreciation	(121,001,088)
	<hr/>
	69,067,425

Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.

Deferred outflows - pension related	12,478,015
Deferred outflows - OPEB related	5,336,290
Deferred inflows - pension related	(5,930,321)
Deferred inflows - OPEB related	(59,646,484)
	<hr/>
	(47,762,500)

Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.

Real property taxes	<hr/>
	1,142,564

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

Accrued interest payable	(273,077)
General obligation bonds payable	(31,810,322)
Compensated absences	(9,477,488)
Net pension liability	(14,930,188)
Total OPEB liability	(101,210,979)
	<hr/>
	(157,702,054)

Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Premium on general obligation bonds	<hr/>
	(694,394)

The Internal Service Fund is used to account for risk retention activities and the charges to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.

4,568,410
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Net Position of Governmental Activities
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\$ (83,766,020)
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The notes to financial statements are an integral part of this statement.

**Incorporated Village of Garden City, New York**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended May 31, 2024**

	<u>General</u>	<u>Capital Projects</u>	<u>Library</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Real property taxes	\$ 53,269,801	\$ -	\$ -	\$ 53,269,801
Other tax items	1,241,812	-	-	1,241,812
Non-property taxes	1,023,665	-	-	1,023,665
Departmental income	2,968,847	-	-	2,968,847
Intergovernmental revenues	435	-	27,870	28,305
Use of money and property	2,044,877	-	45,938	2,090,815
Licenses and permits	467,767	-	-	467,767
Fines and forfeitures	2,943,265	-	7,091	2,950,356
Sale of property and compensation for loss	678,944	-	-	678,944
State aid	1,904,358	-	8,111	1,912,469
Federal aid	791,513	-	-	791,513
Miscellaneous	1,129,710	-	24,430	1,154,140
<b>Total Revenues</b>	<b>68,464,994</b>	<b>-</b>	<b>113,440</b>	<b>68,578,434</b>
<b>EXPENDITURES</b>				
Current				
General government support	11,405,605	-	-	11,405,605
Public safety	13,715,431	-	-	13,715,431
Transportation	3,132,710	-	-	3,132,710
Economic opportunity and development	73,779	-	-	73,779
Culture and recreation	4,985,611	-	2,637,014	7,622,625
Home and community services	5,839,456	-	-	5,839,456
Employee benefits	14,574,342	-	951,043	15,525,385
Capital outlay	-	10,803,461	-	10,803,461
Debt service				
Principal	3,043,612	-	-	3,043,612
Interest	812,066	-	-	812,066
<b>Total Expenditures</b>	<b>57,582,612</b>	<b>10,803,461</b>	<b>3,588,057</b>	<b>71,974,130</b>
Excess (Deficiency) of Revenues Over Expenditures	10,882,382	(10,803,461)	(3,474,617)	(3,395,696)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	9,724,901	-	9,724,901
Issuance premium	1,911	901,399	-	903,310
Transfers in	41,125	5,671,218	3,564,516	9,276,859
Transfers out	(10,035,734)	(41,125)	-	(10,076,859)
<b>Total Other Financing Sources (Uses)</b>	<b>(9,992,698)</b>	<b>16,256,393</b>	<b>3,564,516</b>	<b>9,828,211</b>
<b>Net Change in Fund Balances</b>	<b>889,684</b>	<b>5,452,932</b>	<b>89,899</b>	<b>6,432,515</b>
<b>FUND BALANCES</b>				
Beginning of Year	27,254,801	13,784,277	142,936	41,182,014
End of Year	<b>\$ 28,144,485</b>	<b>\$ 19,237,209</b>	<b>\$ 232,835</b>	<b>\$ 47,614,529</b>

The notes to financial statements are an integral part of this statement.

# Incorporated Village of Garden City, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended May 31, 2024

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Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net Change in Fund Balances - Total Governmental Funds	\$ 6,432,515
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	10,320,523
Depreciation expense	(7,641,452)
	<hr/>
	2,679,071

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Real property taxes	<hr/>
	31,881

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

General obligation bonds issued	(9,724,901)
Principal paid on general obligation bonds	3,043,612
Issuance premium	(1,911)
	<hr/>
	(6,683,200)

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

Accrued interest	(57)
Compensated absences	384,852
Tax certiorari payable	600,000
Changes in pension liabilities and related deferred outflows and inflows of resources	(1,620,186)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	11,205,045
Amortization of issuance premium	114,628
	<hr/>
	10,684,282

The Internal Service Fund is used by management to charge the costs of insurance activities to the individual funds. The net revenue of this fund is reported with governmental activities.

<hr/>	582,616
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Change in Net Position of Governmental Activities	\$ 13,727,165
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The notes to financial statements are an integral part of this statement.

**Incorporated Village of Garden City, New York**

**Statement of Revenues, Expenditures and Changes**

in Fund Balances - Budget and Actual

General and Library Funds

Year Ended May 31, 2024

<b>General Fund</b>					
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	
<b>REVENUES</b>					
Real property taxes	\$ 53,343,508	\$ 53,343,508	\$ 53,269,801	\$ (73,707)	
Other tax items	1,206,941	1,206,941	1,241,812	34,871	
Non-property taxes	1,138,395	1,138,395	1,023,665	(114,730)	
Departmental income	4,374,650	4,374,650	2,968,847	(1,405,803)	
Intergovernmental revenues	490	490	435	(55)	
Use of money and property	608,820	608,820	2,044,877	1,436,057	
Licenses and permits	516,330	516,330	467,767	(48,563)	
Fines and forfeitures	1,664,000	2,478,141	2,943,265	465,124	
Sale of property and compensation for loss	300,500	300,500	678,944	378,444	
State aid	1,947,449	1,947,449	1,904,358	(43,091)	
Federal aid	1,500	457,670	791,513	333,843	
Miscellaneous	40,700	43,657	1,129,710	1,086,053	
<b>Total Revenues</b>	<b>65,143,283</b>	<b>66,416,551</b>	<b>68,464,994</b>	<b>2,048,443</b>	
<b>EXPENDITURES</b>					
Current					
General government support	12,532,971	13,401,694	11,405,605	1,996,089	
Public safety	14,640,668	14,708,016	13,715,431	992,585	
Transportation	3,433,413	3,522,381	3,132,710	389,671	
Economic opportunity and development	72,000	84,552	73,779	10,773	
Culture and recreation	5,564,083	5,568,440	4,985,611	582,829	
Home and community services	6,074,185	6,114,256	5,839,456	274,800	
Employee benefits	15,020,999	15,020,999	14,574,342	446,657	
Debt service					
Principal	3,043,612	3,043,612	3,043,612	-	
Interest	812,066	812,066	812,066	-	
<b>Total Expenditures</b>	<b>61,193,997</b>	<b>62,276,016</b>	<b>57,582,612</b>	<b>4,693,404</b>	
Excess (Deficiency) of Revenues Over Expenditures	3,949,286	4,140,535	10,882,382	6,741,847	
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance premium	-	-	1,911	1,911	
Transfers in	-	-	41,125	41,125	
Transfers out	(8,519,539)	(10,049,314)	(10,035,734)	13,580	
<b>Total Other Financing Sources (Uses)</b>	<b>(8,519,539)</b>	<b>(10,049,314)</b>	<b>(9,992,698)</b>	<b>56,616</b>	
Net Change in Fund Balances	(4,570,253)	(5,908,779)	889,684	6,798,463	
<b>FUND BALANCES</b>					
Beginning of Year	4,570,253	5,908,779	27,254,801	21,346,022	
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,144,485</u>	<u>\$ 28,144,485</u>	

The notes to financial statements are an integral part of this statement.

Library Fund				
Original Budget	Final Budget	Actual	Variance with Final Budget	
\$	\$	\$	\$	
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
27,870	27,870	27,870	-	-
16,000	16,000	45,938	29,938	
9,000	9,000	7,091	(1,909)	
6,400	7,600	8,111	511	
13,500	26,228	24,430	(1,798)	
<u>72,770</u>	<u>86,698</u>	<u>113,440</u>	<u>26,742</u>	
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
2,743,831	2,753,339	2,637,014	116,325	
929,838	947,838	951,043	(3,205)	
-	-	-	-	-
<u>3,673,669</u>	<u>3,701,177</u>	<u>3,588,057</u>	<u>113,120</u>	
<u>(3,600,899)</u>	<u>(3,614,479)</u>	<u>(3,474,617)</u>	<u>139,862</u>	
-	-	-	-	-
3,564,516	3,578,096	3,564,516	(13,580)	
-	-	-	-	-
<u>3,564,516</u>	<u>3,578,096</u>	<u>3,564,516</u>	<u>(13,580)</u>	
(36,383)	(36,383)	89,899	126,282	
<u>36,383</u>	<u>36,383</u>	<u>142,936</u>	<u>106,553</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,835</u>	<u>\$ 232,835</u>	

**Incorporated Village of Garden City, New York**

Statement of Net Position  
 Proprietary Funds  
 May 31, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Pool	Tennis	Water	Total	
<b>ASSETS</b>					
Current assets					
Cash and equivalents	\$ 787,241	\$ 592,658	\$ 18,461,254	\$ 19,841,153	\$ 1,348,129
Investments	1,423,539	508,407	5,040,587	6,972,533	6,224,653
Accounts receivable	1,676	40	1,358,201	1,359,917	-
State and Federal aid	-	-	2,340,000	2,340,000	-
Inventories	-	-	178,862	178,862	-
Total Current Assets	<u>2,212,456</u>	<u>1,101,105</u>	<u>27,378,904</u>	<u>30,692,465</u>	<u>7,572,782</u>
Noncurrent assets					
Capital assets					
Not being depreciated	-	-	12,609,165	12,609,165	-
Being depreciated, net	1,638,173	267,711	72,027,896	73,933,780	-
Total Noncurrent Assets	<u>1,638,173</u>	<u>267,711</u>	<u>84,637,061</u>	<u>86,542,945</u>	<u>-</u>
Total Assets	<u>3,850,629</u>	<u>1,368,816</u>	<u>112,015,965</u>	<u>117,235,410</u>	<u>7,572,782</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension related	80,879	45,675	472,235	598,789	-
OPEB related	16,291	9,658	213,312	239,261	-
Total Deferred Outflows of Resources	<u>97,170</u>	<u>55,333</u>	<u>685,547</u>	<u>838,050</u>	<u>-</u>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	27,686	11,835	6,210,244	6,249,765	-
Accrued interest payable	17,963	1,622	652,556	672,141	-
Accrued liabilities	21,690	6,506	55,211	83,407	-
Bond anticipation notes	-	-	43,882,226	43,882,226	-
Due to retirement systems	3,432	2,966	31,802	38,200	-
Unearned revenues	275,840	-	-	275,840	-
Total Current Liabilities	<u>346,611</u>	<u>22,929</u>	<u>50,832,039</u>	<u>51,201,579</u>	<u>-</u>
Noncurrent liabilities					
Due within one year					
General obligation bonds payable	289,078	17,607	749,248	1,055,933	-
Compensated absences	1,800	1,900	24,300	28,000	-
Other postemployment benefit liabilities	17,422	847	206,183	224,452	-
Claims and judgments payable	-	-	-	-	276,920
Due in more than one year					
General obligation bonds payable	1,480,589	84,816	12,647,472	14,212,877	-
Compensated absences	15,832	17,522	218,662	252,016	-
Claims and judgments payable	-	-	-	-	2,533,918
Net pension liability	107,232	59,134	609,815	776,181	-
Other postemployment benefit liabilities	291,556	182,338	3,839,617	4,313,511	-
Total Noncurrent Liabilities	<u>2,203,509</u>	<u>364,164</u>	<u>18,295,297</u>	<u>20,862,970</u>	<u>2,810,838</u>
Total Liabilities	<u>2,550,120</u>	<u>387,093</u>	<u>69,127,336</u>	<u>72,064,549</u>	<u>2,810,838</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension related	58,032	32,002	330,019	420,053	-
OPEB related	182,090	107,956	2,384,305	2,674,351	-
Total Deferred Inflows of Resources	<u>240,122</u>	<u>139,958</u>	<u>2,714,324</u>	<u>3,094,404</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	(131,494)	165,288	31,704,423	31,738,217	-
Unrestricted	1,289,051	731,810	9,155,429	11,176,290	4,761,944
Total Net Position	<u>\$ 1,157,557</u>	<u>\$ 897,098</u>	<u>\$ 40,859,852</u>	<u>42,914,507</u>	<u>\$ 4,761,944</u>
Adjustment to reflect the consolidation of internal service fund activity related to enterprise funds				193,534	
Net position of business-type activities				<u>\$ 43,108,041</u>	

The notes to financial statements are an integral part of this statement.

**Incorporated Village of Garden City, New York**

**Statement of Revenues, Expenses and Changes in Net Position**

**Proprietary Funds**

**Year Ended May 31, 2024**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Pool	Tennis	Water	Total	
<b>OPERATING REVENUES</b>					
Charges for services					
Water sales	\$ -	\$ -	\$ 6,672,825	\$ 6,672,825	\$ -
Public fire protection	-	-	1,080,371	1,080,371	-
Water services for other governments	-	-	224,152	224,152	-
Intergovernmental sales	-	-	153,836	153,836	-
Membership and guest fees	1,126,907	475,043	-	1,601,950	-
Other	79,860	1,393	253,091	334,344	958,824
Premiums charged for risk retention					
General Fund	-	-	-	-	3,547,000
Library Fund	-	-	-	-	154,000
Enterprise funds	-	-	-	-	262,000
Total Operating Revenues	<u>1,206,767</u>	<u>476,436</u>	<u>8,384,275</u>	<u>10,067,478</u>	<u>4,921,824</u>
<b>OPERATING EXPENSES</b>					
Pumping	-	-	1,481,947	1,481,947	-
Transmission and distribution services	-	-	768,058	768,058	-
Purification	-	-	1,594,003	1,594,003	-
Other	1,053,712	277,838	1,238,549	2,570,099	-
Administrative and general	168,441	63,556	503,108	735,105	13,499
Depreciation	288,952	25,877	1,592,644	1,907,473	-
Excess insurance	-	-	-	-	1,826,965
Claims and judgments	-	-	-	-	984,751
Workers' compensation	-	-	-	-	1,788,868
Total Operating Expenses	<u>1,511,105</u>	<u>367,271</u>	<u>7,178,309</u>	<u>9,056,685</u>	<u>4,614,083</u>
Income (Loss) from Operations	<u>(304,338)</u>	<u>109,165</u>	<u>1,205,966</u>	<u>1,010,793</u>	<u>307,741</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Interest income	65,229	30,118	748,458	843,805	316,119
State Aid	-	-	6,435,000	6,435,000	-
Interest expense	(49,768)	(4,510)	(1,235,237)	(1,289,515)	-
Total Non-Operating Revenues	<u>15,461</u>	<u>25,608</u>	<u>5,948,221</u>	<u>5,989,290</u>	<u>316,119</u>
Income Before Transfers	<u>(288,877)</u>	<u>134,773</u>	<u>7,154,187</u>	<u>7,000,083</u>	<u>623,860</u>
Transfers In	<u>800,000</u>	<u>-</u>	<u>-</u>	<u>800,000</u>	<u>-</u>
Change in Net Position	<u>511,123</u>	<u>134,773</u>	<u>7,154,187</u>	<u>7,800,083</u>	<u>623,860</u>
<b>NET POSITION</b>					
Beginning of Year	<u>646,434</u>	<u>762,325</u>	<u>33,705,665</u>	<u>35,114,424</u>	<u>4,138,084</u>
End of Year	<u>\$ 1,157,557</u>	<u>\$ 897,098</u>	<u>\$ 40,859,852</u>	<u>\$ 42,914,507</u>	<u>\$ 4,761,944</u>
Change in Net Position				<u>\$ 7,800,083</u>	
Adjustment to reflect the consolidation of internal service fund activity related to enterprise funds				<u>41,244</u>	
Change in Net Position of Business-type Activities				<u>\$ 7,841,327</u>	

The notes to financial statements are an integral part of this statement.

Incorporated Village of Garden City, New York

Statement of Cash Flows

Proprietary Funds

Year Ended May 31, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Pool	Tennis	Water	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from charges for services	\$ 1,217,369	\$ 467,851	\$ 10,725,919	\$ 12,411,139	\$ 4,921,824
Cash payments for goods or services	(320,178)	(117,933)	(2,569,888)	(3,007,999)	-
Cash payments to employees and for benefits	(928,941)	(229,499)	(2,474,426)	(3,632,866)	-
Cash payments for claims and related services	-	-	-	-	(4,700,911)
Net Cash From Operating Activities	(31,750)	120,419	5,681,605	5,770,274	220,913
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Transfers in	800,000	-	-	800,000	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital grants	-	-	6,435,000	6,435,000	-
Bond anticipation notes issued	-	-	2,600,000	2,600,000	-
General obligation bonds issued	-	-	3,845,099	3,845,099	-
Premium issued	-	-	777,855	777,855	-
Principal paid on general obligation bonds	(284,982)	(16,821)	(614,585)	(916,388)	-
Principal paid on bond anticipation notes	-	-	(5,794,304)	(5,794,304)	-
Interest paid on indebtedness	(58,901)	(5,706)	(2,174,410)	(2,239,017)	-
Acquisition and construction of capital assets	-	(33,447)	(14,753,620)	(14,787,067)	-
Net Cash From Capital and Related Financing Activities	(343,883)	(55,974)	(9,678,965)	(10,078,822)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of investments	(1,423,539)	(508,407)	(5,040,587)	(6,972,533)	(4,190,274)
Interest income	65,229	30,118	748,458	843,805	316,119
Net Change From Investing Activities	(1,358,310)	(478,289)	(4,292,129)	(6,128,728)	(3,874,155)
Net Change in Cash and Equivalents	(933,943)	(413,844)	(8,289,489)	(9,637,276)	(3,653,242)
<b>CASH AND EQUIVALENTS</b>					
Beginning of Year	1,721,184	1,006,502	26,750,743	29,478,429	5,001,371
End of Year	\$ 787,241	\$ 592,658	\$ 18,461,254	\$ 19,841,153	\$ 1,348,129
<b>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>					
Income (loss) from operations	\$ (304,338)	\$ 109,165	\$ 1,205,966	\$ 1,010,793	\$ 307,741
Adjustments to reconcile income (loss) from operations to net cash from operating activities					
Depreciation	288,952	25,877	1,592,644	1,907,473	-
Changes in operating assets and liabilities					
Accounts receivable	(1,376)	-	(79,177)	(80,553)	-
State and Federal aid	-	-	2,420,821	2,420,821	-
Inventories	-	-	63,941	63,941	-
Deferred outflows of resources	5,006	8,550	99,971	113,527	-
Accounts payable	77	(2,589)	963,926	961,414	-
Accrued liabilities	548	566	11,647	12,761	-
Due to retirement systems	981	515	6,149	7,645	-
Unearned revenues	11,978	(8,585)	-	3,393	-
Compensated absences	(523)	(1,052)	35,030	33,455	-
Claims and judgments payable					(86,828)
Net pension liabilities	(55,937)	(41,380)	(284,445)	(381,762)	-
Other postemployment benefit liabilities payable	(9,725)	5,551	(173,788)	(177,962)	-
Deferred inflows of resources	32,607	23,801	(181,080)	(124,672)	-
Net Cash from Operating Activities	\$ (31,750)	\$ 120,419	\$ 5,681,605	\$ 5,770,274	\$ 220,913
<b>NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Amortization of bond premiums	\$ (6,565)	\$ (916)	\$ (249,374)	\$ (256,855)	\$ -

The notes to financial statements are an integral part of this statement.

**Incorporated Village of Garden City, New York**

Statement of Fiduciary Net Position  
Fiduciary Fund  
May 31, 2024

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	Custodial Fund
<b>ASSETS</b>	
Cash and equivalents	<u>\$ 268,348</u>
<b>LIABILITIES</b>	
Building fees and other deposits	<u>50,202</u>
<b>NET POSITION</b>	
Restricted	<u>\$ 218,146</u>

The notes to financial statements are an integral part of this statement.

**Incorporated Village of Garden City, New York**

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended May 31, 2024

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	Custodial Fund
<b>ADDITIONS</b>	
Miscellaneous	\$ 2,270,261
<b>DEDUCTIONS</b>	
Payments to third parties	<u>2,267,331</u>
Net change in fiduciary net position	2,930
<b>NET POSITION</b>	
Beginning of Year	<u>215,216</u>
End of Year	<u>\$ 218,146</u>

The notes to financial statements are an integral part of this statement.

# **Incorporated Village of Garden City, New York**

## **Notes to Financial Statements**

**May 31, 2024**

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### **Note 1 - Summary of Significant Accounting Policies**

The Incorporated Village of Garden City, New York ("Village") was established in 1919, and is governed by New York State Village Law and other general municipal laws of the State of New York and various local laws. The Village Board of Trustees is the legislative body responsible for overall operations and consists of the Mayor and seven trustees elected for two-year terms. The Mayor serves as the Chief Executive Officer and the Treasurer serves as the Chief Financial Officer. The Village provides a full range of municipal services including police, fire, sewer, water, sanitation, street maintenance, building, zoning, parks, recreation, library and general and administrative services.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Village's significant accounting policies are described below:

#### **A. Financial Reporting Entity**

The financial reporting entity consists of a) the primary government, which is the Village, b) organizations for which the Village is financially accountable and c) other organizations for which the nature and significance of their relationship with the Village are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following blended component unit is included in the Village's reporting entity because of its operational or financial relationship with the Village. Blended component units, though legally separate entities, are in substance, part of the Village's operations. The blended component unit serves or benefits the Village almost exclusively. Financial information from this component unit is combined with that of the Village. The following represents the Village's blended component unit.

The Garden City Public Library ("Library") was established by the Village for the benefit of its residents and granted a charter by the State Board of Regents as provided in Article 5 of the Education Law of the State of New York. Although the Library is a separate legal entity, the Village appoints Library trustees, raises taxes and finances the Library's operations through the transfer of funds to the Library, has title to real property used by the Library and issues all Library indebtedness which is supported by the full faith and credit of the Village.

#### **B. Government-Wide Financial Statements**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole, except for interfund services provided and used. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

# **Incorporated Village of Garden City, New York**

## **Notes to Financial Statements (Continued)**

**May 31, 2024**

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

The Statement of Net Position presents the financial position of the Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Village does not allocate indirect expenses to functions in the Statement of Activities.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the Village's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Funds (Pool Fund, Tennis Fund and Water Fund) and Internal Service Fund are charges to customers for services. Operating expenses for the Enterprise Funds and the Internal Service Fund include the cost of services, administrative expenses and benefit costs. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### **C. Fund Financial Statements**

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Proprietary and fiduciary funds are reported by type. The Village has elected to treat each governmental and proprietary fund as a major fund as provided by the provisions of GASB Statement No. 34, "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*". Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### **Fund Categories**

- a. **Governmental Funds** - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following represents the Village's major governmental funds:

General Fund - The General Fund constitutes the primary operating fund of the Village and is used to account for and report all financial resources not accounted for and reported in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

Special Revenue Fund - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The major special revenue fund of the Village is the Library Fund. The Library Fund is used to account for and report all activity of the Garden City Public Library, serving as a center of information and providing community programming for the area.

- b. **Proprietary Funds** - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

The Village reports the following major proprietary funds:

Pool Fund - The Pool Fund is used to account for operations at the Village's swimming pool.

Tennis Fund - The Tennis Fund is used to account for operations at the Village's tennis bubble.

Water Fund - The Water Fund is used to account for operations related to water billings.

Internal Service Fund - The Internal Service Fund is used to account for the Village's workers' compensation benefits and general liability claims.

- c. **Fiduciary Funds (Not Included in Government-Wide Statements)** - The Fiduciary Funds are used to account for assets held by the Village on behalf of others. The

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

Custodial Fund is used to account for justice court activity and deposits due back to third parties.

#### **D. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the Proprietary and Fiduciary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenue when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A sixty day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, certain claims and judgments, tax certiorari, net pension liabilities and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

#### **E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances**

##### **Cash and Equivalents, Investments and Risk Disclosure**

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The Village's deposits and investment policies are governed by State statutes. The Village has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Village has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and Village subdivisions.

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The Village follows the provisions of GASB Statement No. 72, *"Fair Value Measurement and Application"*, which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The Village participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is register with the Securities and Exchange Commission ("SEC") and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issued separately available audited financial statement with a year end of June 30<sup>th</sup>.

The Village's position in the pool in the amount of \$29,452,564 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17<sup>th</sup> Street, Suite 1850, Denver, CO 80202.

CLASS is rated AAA by Standard and Poor's Rating Service. Local government investment cooperatives in this rating category meet the highest standard for credit quality, conservative investment policies, and safety of principal. CLASS invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

**Restricted Cash** - Restricted cash in the General Fund of \$1,602,741 is for the Employee Benefit Accrued Liability reserve.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### **Risk Disclosure**

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the Village does not invest in any long-term investment obligations.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2024.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Village does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Village's investment policy limits the amount on deposit at each of its banking institutions.

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property and are levied on June 1<sup>st</sup>. Village taxes are payable in two equal installments without penalty, on July 1<sup>st</sup> and December 31<sup>st</sup>. Current year delinquent property taxes not collected by March 31<sup>st</sup> are placed on tax sale.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the Village. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

**Inventories** - Inventories in the General and Water funds are recorded at cost on average cost basis and consist of materials and supplies. The cost is recorded as inventory at the time individual inventory items are purchased. The Village uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by nonspendable fund balance, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$500 through March 27, 2018 and \$2,500 subsequent to March 27, 2018 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

is the price that would be paid to acquire an asset with equivalent service potential on the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant and equipment of the Village are depreciated using the straight-line method over the following estimated useful lives.

Class	Life in Years
Buildings	20-50
Improvements Other Than Buildings	10-30
Machinery and Equipment	3-25
Infrastructure:	
Roads, curbs and sidewalks	20
Drainage systems	20
Sewer systems	50
Water mains	100

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or revenue from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported \$950,436 for monies received in advance for the Village's recreation programs and American Rescue Plan Act funds in the General Fund and \$49,048 for donations received in advance in the Library Fund. In addition, the Village has reported \$275,840 in the Pool Fund for monies relating to advance collections. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element 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.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

The Village has reported deferred inflows of resources of \$1,142,564 for real property taxes not expected to be collected within the first sixty days of the subsequent fiscal year in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

The Village has also reported deferred outflows of resources and deferred inflows of resources related to its pension and other postemployment benefit liabilities in the government-wide financial statement for governmental activities. These amounts are detailed in the discussion of the Village's pension and other postemployment benefit liabilities in Note 3E.

**Long-Term Liabilities** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. General obligation bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses.

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

**Net Pension Liability** - The net pension liability represents the Village's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68"*.

**Other Postemployment Benefit Liability ("OPEB")** - In addition to providing pension benefits, the Village provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"*.

**Net Position** - Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

*Restricted* net position consists of restricted assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the Village includes restricted for debt service and civil practice law and rules.

*Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted net position to have been deleted before unrestricted net position is applied.

**Fund Balances** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Village is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Trustees is the highest level of decision making authority for the Village that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Trustees.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Board of Trustees for amounts assigned for balancing the subsequent year's budget or delegated to the Village Treasurer for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining

# **Incorporated Village of Garden City, New York**

## **Notes to Financial Statements (Continued)**

**May 31, 2024**

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order: committed, assigned and unassigned.

#### **F. Encumbrances**

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

#### **G. Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

#### **H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 5, 2024.

### **Note 2 - Stewardship, Compliance and Accountability**

#### **A. Budgetary Data**

The Village generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) Approximately four months prior to May 31<sup>st</sup>, the Village Treasurer will submit a proposed operating budget for the General Fund for the fiscal year commencing June 1<sup>st</sup>. The operating budget includes proposed expenditures and the means of financing them.

# **Incorporated Village of Garden City, New York**

## **Notes to Financial Statements (Continued)**

**May 31, 2024**

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### **Note 2 - Stewardship, Compliance and Accountability (Continued)**

- b) Public hearings are conducted to obtain the public's comments on the proposed budget. On or before May 1<sup>st</sup>, the proposed budget is officially adopted by the Board of Trustees and tax rates are established.
- c) Revenues are budgeted by source. Expenditures are budgeted by department and character (personal services, equipment and capital outlay, contractual expenditures, etc.) which constitutes the legal level of control. Expenditures and encumbrances may not exceed appropriations at this level. All budget revisions at this level are subject to final approval of the Board of Trustees. Within these control levels, the Village Treasurer is authorized to make transfer appropriations without Board approval.
- d) Appropriations lapse at the close of the year to the extent that they have not been expended or encumbered. Activities of all funds, except the Capital Projects Fund, are appropriated through this annual budget process and controlled through the purchase requisition system. The Capital Projects Fund is approved through resolutions authorizing individual projects which remain in effect for the life of the project.
- e) The budget for the General and Public Library funds are legally adopted each year. Budgets are adopted on a basis of accounting consistent with generally accepted accounting principles. In the event that actual revenues received exceed budgeted amounts, additional budgetary appropriations may be made. The Capital Projects Fund is budgeted on a project or grant basis.

Budgeted amounts are as originally adopted, or as amended by the Board of Trustees.

### **B. Property Tax Limitations**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village and the Tax Base Growth Factor, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2024 fiscal year was \$144,260,247 which exceeded the actual levy, after exclusions of \$8,672,051 by \$82,294,688.

In addition to this constitutional tax limitation, Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limit on the amount of real property taxes a local government may levy. The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period

# Incorporated Village of Garden City, New York

Notes to Financial Statements (Continued)  
May 31, 2024

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## **Note 2 - Stewardship, Compliance and Accountability (Continued)**

ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board of Trustees may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

## **D. New Accounting Pronouncements**

GASB Statement No. 96, “*Subscription-Based Information Technology Arrangements (SBITA’s)*”, established a single model for SBITA accounting based on the concept that SBITA’s are a financing of a “right-to-use” underlying asset. This statement requires a subscriber to recognize a subscription liability and an intangible right-to-use subscription asset. The requirements of GASB Statement No. 96 are effective for the Village’s fiscal year ended May 31, 2024. The Village has completed its evaluation of the financial impact of GASB Statement No. 96 and determined that the implementation of this standard was not required as it did not have a material impact on its financial statements.

## **Note 3 - Detailed Notes on All Funds**

### **A. Taxes Receivable**

Taxes receivable at May 31, 2024 consisted of the following:

Tax Sale Certificates	<u>\$ 1,180,441</u>
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Taxes receivable in the fund financial statements are offset by deferred tax revenues of \$1,142,564 which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

### **B. Capital Assets**

Changes in the Village’s capital assets are as follows:

Class	Balance June 1, 2023	Additions	Deletions	Balance May 31, 2024
<b>Governmental Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 16,748,023	\$ -	\$ -	\$ 16,748,023
Construction-in-progress	1,064,023	1,478,795	682,831	1,859,987
Total Capital Assets, not being depreciated	<u>\$ 17,812,046</u>	<u>\$ 1,478,795</u>	<u>\$ 682,831</u>	<u>\$ 18,608,010</u>

**Incorporated Village of Garden City, New York**

Notes to Financial Statements (Continued)

May 31, 2024

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**Note 3 - Detailed Notes on All Funds (Continued)**

Class	Balance June 1, 2023	Additions	Deletions	Balance May 31, 2024
Capital Assets, being depreciated:				
Buildings	\$ 46,955,376	\$ 2,358,657	\$ -	\$ 49,314,033
Improvements other than buildings	8,758,736	98,166	84,747	8,772,155
Machinery and equipment	34,013,024	2,405,895	996,645	35,422,274
Infrastructure:				
Roads, curbs and sidewalks	60,601,691	3,861,510	-	64,463,201
Drainage and sewer systems	12,688,509	800,331	-	13,488,840
Total Capital Assets, being depreciated	163,017,336	9,524,559	1,081,392	171,460,503
Less Accumulated Depreciation for:				
Buildings	34,177,613	2,548,015	-	36,725,628
Improvements other than buildings	7,822,242	202,693	84,747	7,940,188
Machinery and equipment	24,174,785	2,444,069	996,645	25,622,209
Infrastructure:				
Roads, curbs and sidewalks	39,312,980	2,153,512	-	41,466,492
Drainage and sewer systems	8,953,408	293,163	-	9,246,571
Total Accumulated Depreciation	114,441,028	7,641,452	1,081,392	121,001,088
Total Capital Assets, being depreciated, net	\$ 48,576,308	\$ 1,883,107	\$ -	\$ 50,459,415
Governmental Activities Capital Assets, net	\$ 66,388,354	\$ 3,361,902	\$ 682,831	\$ 69,067,425

Depreciation expense was charged to the Village's functions as follows:

General Government Support	\$ 1,305,293
Public Safety	974,527
Transportation	2,175,945
Culture and Recreation	2,311,816
Home and Community services	873,871
<b>Total Depreciation Expense - Governmental Activities</b>	<b>\$ 7,641,452</b>

# Incorporated Village of Garden City, New York

Notes to Financial Statements (Continued)  
May 31, 2024

## Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance June 1, 2023	Additions	Deletions	Balance May 31, 2024
<b>Business-Type Activities:</b>				
Capital Assets, not being depreciated:				
Land	\$ 69,212	\$ -	\$ -	\$ 69,212
Construction-in-progress	29,608,907	15,145,019	32,213,973	12,539,953
Total Capital Assets, not being depreciated	\$ 29,678,119	\$ 15,145,019	\$ 32,213,973	\$ 12,609,165
Capital Assets, being depreciated:				
Buildings	\$ 30,271,906	\$ 24,843,730	\$ -	\$ 55,115,636
Improvements other than buildings	27,959,331	7,403,690	-	35,363,021
Machinery and equipment	17,459,514	629,195	-	18,088,709
Total Capital Assets, being depreciated	75,690,751	32,876,615	-	108,567,366
Less Accumulated Depreciation for:				
Buildings	9,696,356	877,805	-	10,574,161
Improvements other than buildings	9,111,634	645,682	-	9,757,316
Machinery and equipment	13,918,123	383,986	-	14,302,109
Total Accumulated Depreciation	32,726,113	1,907,473	-	34,633,586
Total Capital Assets, being depreciated, net	\$ 42,964,638	\$ 30,969,142	\$ -	\$ 73,933,780
Business-Type Activities Capital Assets, net	\$ 72,642,757	\$ 46,114,161	\$ 32,213,973	\$ 86,542,945

Depreciation expense was charged to the Village's functions and programs as follows:

Culture and recreation - pool and tennis activities	\$ 314,829
Home and community services - water services	1,592,644
Total depreciation expense - business-type activities	<u>\$ 1,907,473</u>

## **C. Accrued Liabilities**

Accrued liabilities at May 31, 2024 were as follows:

	Fund					Total	
	Governmental Activities		Business-Type Activities				
	General	Library	Pool	Tennis	Water		
Payroll and Employee Benefits	\$ 932,728	\$ 59,135	\$ 21,690	\$ 6,506	\$ 55,211	\$ 1,075,270	

# Incorporated Village of Garden City, New York

Notes to Financial Statements (Continued)  
May 31, 2024

## Note 3 - Detailed Notes on All Funds (Continued)

### D. Short-Term Capital Borrowings

The schedule below details the changes in short-term capital borrowings:

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance June 1, 2023	Issued	Redemptions	Balance May 31, 2024
<u>Business-type Activities - Water Fund</u>							
Improvements to Wells	2/20/2020	2/14/2025	4.000 %	\$ 46,778,000	\$ 2,600,000	\$ 5,794,304	\$ 43,583,696
Unamortized premium	n/a	n/a	n/a	<u>526,954</u>	<u>421,454</u>	<u>649,878</u>	<u>298,530</u>
				<u><u>\$ 47,304,954</u></u>	<u><u>\$ 3,021,454</u></u>	<u><u>\$ 6,444,182</u></u>	<u><u>\$ 43,882,226</u></u>

Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within seven years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expense of \$1,910,404 was recorded in the Water Fund and in the government-wide financial statements for business-type activities.

### E. Long-Term Liabilities

The following table summarizes changes in the Village's long-term liabilities for the year ended May 31, 2024:

	Balance June 1, 2023	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2024	Due Within One-Year
<b>Governmental Activities:</b>					
General obligation bonds payable	\$ 25,129,033	\$ 9,724,901	\$ 3,043,612	\$ 31,810,322	\$ 3,174,067
Unamortized premium on bonds	<u>807,111</u>	<u>1,911</u>	<u>114,628</u>	<u>694,394</u>	<u>-</u>
	<u><u>25,936,144</u></u>	<u><u>9,726,812</u></u>	<u><u>3,158,240</u></u>	<u><u>32,504,716</u></u>	<u><u>3,174,067</u></u>
<b>Other Non-current Liabilities:</b>					
Compensated absences	9,862,340	601,148	986,000	9,477,488	948,000
Claims and judgments payable	2,897,666	-	86,828	2,810,838	276,920
Tax certiorari payable	600,000	-	600,000	-	-
Net pension liability - ERS	9,073,416	-	3,028,580	6,044,836	-
Net pension liability - PFRS	9,673,305	-	787,953	8,885,352	-
Other postemployment benefit liability	<u>102,620,710</u>	<u>2,480,076</u>	<u>3,889,807</u>	<u>101,210,979</u>	<u>3,889,807</u>
<b>Total Other Non-Current Liabilities</b>	<b><u>134,727,437</u></b>	<b><u>3,081,224</u></b>	<b><u>9,379,168</u></b>	<b><u>128,429,493</u></b>	<b><u>5,114,727</u></b>
<b>Governmental Activities Long-Term Liabilities</b>					
	<u><u>\$ 160,663,581</u></u>	<u><u>\$ 12,808,036</u></u>	<u><u>\$ 12,537,408</u></u>	<u><u>\$ 160,934,209</u></u>	<u><u>\$ 8,288,794</u></u>

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued) May 31, 2024

### Note 3 - Detailed Notes on All Funds (Continued)

	Balance June 1, 2023	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2024	Due Within One-Year
<b>Business-Type Activities:</b>					
General obligation bonds payable	\$ 12,200,967	\$ 3,845,099	\$ 916,388	\$ 15,129,678	\$ 1,055,933
Unamortized premium on bonds	167,563	-	28,431	139,132	-
	<u>12,368,530</u>	<u>3,845,099</u>	<u>944,819</u>	<u>15,268,810</u>	<u>1,055,933</u>
<b>Other Non-current Liabilities:</b>					
Compensated absences	246,561	58,455	25,000	280,016	28,000
Net pension liability - ERS	1,157,943	-	381,762	776,181	-
Other postemployment benefit obligations liability	4,715,925	46,490	224,452	4,537,963	224,452
<b>Total Other Non-Current Liabilities</b>	<b>6,120,429</b>	<b>104,945</b>	<b>631,214</b>	<b>5,594,160</b>	<b>252,452</b>
<b>Business - Type Activities</b>					
Long-Term Liabilities	\$ 18,488,959	\$ 3,950,044	\$ 1,576,033	\$ 20,862,970	\$ 1,308,385

The Village's liability for general obligation bonds payable, compensated absences, net pension liability and other postemployment benefit obligations payable will be liquidated through future budgetary appropriation in the governmental or proprietary fund that gave rise to the liability. The liability for claims and judgments payable will be liquidated through the Internal Service Fund or General Fund, depending on the nature of the case.

### **General Obligation Bonds Payable**

General obligation bonds payable at May 31, 2024 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Governmental Activities	Business-Type Activities			Total
						Pool Fund	Tennis Fund	Water Fund	
2012 Public Improvement Serial Bonds	2012	\$ 6,010,000	2027	2.375-2.625 %	\$ 180,000	\$ 570,000	\$ -	\$ -	\$ 750,000
2015 Public Improvement Serial Bonds, Series A	2015	3,090,000	2025	2.000-2.375	420,000	-	-	-	420,000
2015 Public Improvement Serial Bonds, Series B	2015	3,500,000	2025	2.000	940,000	-	-	-	940,000
2015 Water System Improvement Serial Bonds, Series C	2015	2,365,535	2031	2.000-2.750	-	-	-	1,215,000	1,215,000
2016 Public Improvement Serial Bonds	2016	9,235,000	2033	3.000	4,175,427	515,788	-	1,033,785	5,725,000
2018 Public Improvement Serial Bonds, Series A	2018	12,735,000	2034	2.250-5.000	9,134,301	640,699	-	-	9,775,000
2018 Public Improvement Serial Bonds, Series B	2018	6,000,000	2049	2.250-5.000	-	-	-	5,360,000	5,360,000
2020 Public Improvement Serial Bonds, Series A	2020	5,100,000	2029	5.000	2,997,689	-	97,311	-	3,095,000
2021 Public Improvement Serial Bonds, Series A	2021	6,360,000	2044	1.000-5.000	4,104,889	-	-	1,695,111	5,800,000
2021 Public Improvement Refunding Serial Bonds, Series B	2021	1,480,000	2025	5.000	133,115	-	-	156,885	290,000
2024 Public Improvement Serial Bonds	2024	13,570,000	2044	4.000-5.000	9,724,901	-	-	3,845,099	13,570,000
		<u>\$ 31,810,322</u>			<u>\$ 1,726,487</u>	<u>\$ 97,311</u>	<u>\$ 13,305,880</u>	<u>\$ 46,940,000</u>	

Interest expenditures/expense of \$1,218,406 was recorded in the fund financial statements, as detailed below. Interest expense of \$697,495 and \$406,340 was recorded in the government-wide financial statements for governmental activities and business-type activities, respectively.

Fund	Amount
<b>Governmental Funds -</b>	
General	\$ 812,066
<b>Proprietary Funds:</b>	
Pool	49,768
Tennis	4,510
Water	352,062
	<u>\$ 1,218,406</u>

# Incorporated Village of Garden City, New York

Notes to Financial Statements (Continued)  
May 31, 2024

## Note 3 - Detailed Notes on All Funds (Continued)

### **Payments to Maturity**

The annual requirements to amortize all bonded debt outstanding as of May 31, 2024, including interest payments of \$13,649,415 are as follows:

Year Ending May 31,	Governmental Activities			Business-Type Activities			
	General Obligation Bonds Payable		Principal	Pool Fund		Tennis Fund	
	Principal	Interest		Interest	Principal	Interest	Principal
2025	\$ 3,174,067	\$ 1,120,141	\$ 289,078	\$ 50,565	\$ 17,607	\$ 4,866	
2026	2,723,319	995,367	293,052	41,814	18,550	3,985	
2027	2,347,261	886,954	297,026	32,653	19,336	3,058	
2028	2,392,313	789,850	110,794	24,098	20,437	2,091	
2029	2,479,640	699,628	113,906	21,103	21,381	1,069	
2030-2034	9,561,611	2,325,044	555,119	52,599	-	-	
2035-2039	4,721,740	1,117,727	67,512	1,013	-	-	
2040-2044	4,410,371	453,079	-	-	-	-	
2045-2049	-	-	-	-	-	-	
	<u>\$ 31,810,322</u>	<u>\$ 8,387,790</u>	<u>\$ 1,726,487</u>	<u>\$ 223,845</u>	<u>\$ 97,311</u>	<u>\$ 15,069</u>	
<b>Business-Type Activities</b>							
<b>Water Fund</b>							
Year Ending May 31,	General Obligation Bonds Payable		Business-Type Activities				
	Bonds Payable		Total		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 749,248	\$ 450,648	\$ 1,055,933	\$ 506,079	\$ 4,230,000	\$ 1,626,220	
2026	615,079	419,649	926,681	465,448	3,650,000	1,460,815	
2027	636,377	395,449	952,739	431,160	3,300,000	1,318,114	
2028	661,456	372,432	792,687	398,621	3,185,000	1,188,471	
2029	685,073	350,271	820,360	372,443	3,300,000	1,072,071	
2030-2034	3,028,270	1,402,653	3,583,389	1,455,252	13,145,000	3,780,296	
2035-2039	2,550,748	973,942	2,618,260	974,955	7,340,000	2,092,682	
2040-2044	2,974,629	531,580	2,974,629	531,580	7,385,000	984,659	
2045-2049	1,405,000	126,087	1,405,000	126,087	1,405,000	126,087	
	<u>\$ 13,305,880</u>	<u>\$ 5,022,711</u>	<u>\$ 15,129,678</u>	<u>\$ 5,261,625</u>	<u>\$ 46,940,000</u>	<u>\$ 13,649,415</u>	

The above general obligation bonds are direct borrowings of the Village for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the Village.

### **Legal Debt Margin**

The Village is subject to legal limitations on the amount of debt that it may issue. The Village's legal debt margin is 7% of the most recent full valuation of taxable real property.

### **Compensated Absences**

Village employees are granted vacation and sick leave and earn compensatory absences in varying amounts, the terms of which must comply with the current collective bargaining agreements. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation, personal leave and sick leave at various rates subject to certain maximum limitations.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

Estimated vacation, sick leave and compensatory absences accumulated by governmental fund type employees have been recorded in the Statement of Net Position. Vested vacation, personal leave and sick leave accumulated by business-type employees have been recorded in proprietary funds as a liability and expense. Payment of vacation time and sick leave is dependent upon many factors, therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation, sick leave and compensatory absences when such payments become due. As of May 31, 2024, the value of the Village's accumulated vacation time and sick leave for governmental and business-type activities was \$9,477,488 and \$280,016, respectively, of which \$2,352,741, including \$750,000 appropriated for use in the May 31, 2025 adopted budget, was included in the restricted fund balance of the General Fund.

### **Claims and Judgments Payable**

The Internal Service Funds reflect workers' compensation and general liability claim liabilities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities in the Internal Service Fund is as follows:

	Workers' Compensation		General Liability	
	2024	2023	2024	2023
Balance - Beginning of Year	\$ 395,206	\$ 537,990	\$ 2,502,460	\$ 2,364,598
Provision for Claims and Claims Adjustment Expenses	110,737	4,555	350,932	588,942
Claims and Claims Adjustment Expenses Paid	(135,986)	(147,339)	(412,511)	(451,080)
Balance - End of Year	<u>\$ 369,957</u>	<u>\$ 395,206</u>	<u>\$ 2,440,881</u>	<u>\$ 2,502,460</u>
Due Within One Year	<u>\$ 32,920</u>	<u>\$ 45,254</u>	<u>\$ 244,000</u>	<u>\$ 250,000</u>

The Village began purchasing workers' compensation insurance policies during the fiscal year ended May 31, 2012 in order to minimize costs (the insurance policies will provide coverage for workers' compensation claims occurring after August 1, 2011) and, therefore, there is no provision for insured workers' compensation events in the current or prior fiscal year.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

#### **Pension Plans**

##### *New York State and Local Retirement System*

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

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2024 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	14.8 %
	4 A15	14.8
	5 A15	12.8
	6 A15	9.4
PFRS	2 384D	30.9 %
	5 384D	26.6
	6 384D	21.4

**Incorporated Village of Garden City, New York**

Notes to Financial Statements (Continued)  
May 31, 2024

**Note 3 - Detailed Notes on All Funds (Continued)**

At May 31, 2024, the Village reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<b>ERS</b>	<b>PFRS</b>
Measurement date	March 31, 2024	March 31, 2024
Net pension liability	\$ 6,821,017	\$ 8,885,352
Village's proportion of the net pension liability	0.0463257 %	0.1873431 %
Change in proportion since the prior measurement date	(0.0013862) %	0.0117991 %

The net pension liability was measured as of March 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended May 31, 2024, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$2,598,039 and \$454,697 for ERS in the governmental activities and business-type activities, respectively, and \$3,466,230 for PFRS in governmental activities. Pension expenditures of \$2,038,773 for ERS and \$2,742,041 for PFRS were recorded in the fund financial statements and were charged to the following funds:

<b>Fund</b>	<b>ERS</b>	<b>PFRS</b>
General	\$ 1,480,820	\$ 2,742,041
Library	221,221	-
Enterprise Fund - Pool	45,113	-
Enterprise Fund - Tennis	20,238	-
Enterprise Fund - Water	<u>271,381</u>	<u>-</u>
	<u><b>\$ 2,038,773</b></u>	<u><b>\$ 2,742,041</b></u>

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

	<b>ERS - Governmental Activities</b>		<b>ERS - Business-Type Activities</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,947,037	\$ 164,827	\$ 250,007	\$ 21,164
Changes of assumptions	2,285,417	-	293,456	-
Net difference between projected and actual earnings on pension plan investments	-	2,952,871	-	379,160
Changes in proportion and differences between Village contributions and proportionate share of contributions	133,373	153,652	17,126	19,729
Village contributions subsequent to the measurement date	<u>303,540</u>	<u>-</u>	<u>38,200</u>	<u>-</u>
	<u><b>\$ 4,669,367</b></u>	<u><b>\$ 3,271,350</b></u>	<u><b>\$ 598,789</b></u>	<u><b>\$ 420,053</b></u>

**Incorporated Village of Garden City, New York**

Notes to Financial Statements (Continued)

May 31, 2024

**Note 3 - Detailed Notes on All Funds (Continued)**

	PFRS - Governmental Activities		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,737,458	\$ -	\$ 4,934,502	\$ 185,991
Changes of assumptions	3,351,563	-	5,930,436	-
Net difference between projected and actual earnings on pension plan investments	-	2,411,944	-	5,743,975
Changes in proportion and differences between Village contributions and proportionate share of contributions	1,251,198	247,027	1,401,697	420,408
Village contributions subsequent to the measurement date	468,429	-	810,169	-
	<u>\$ 7,808,648</u>	<u>\$ 2,658,971</u>	<u>\$ 13,076,804</u>	<u>\$ 6,350,374</u>

\$303,540 and \$468,429 reported as deferred outflows of resources related to ERS and PFRS governmental activities, and \$38,200 reported as deferred outflows of resources related to ERS business-type activities, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the plan's year ended March 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	Business-Type Activities		
	Governmental Activities	PFRS	ERS
ERS	PFRS	ERS	
2025	\$ (1,130,615)	\$ (351,168)	\$ (145,176)
2026	1,161,440	2,850,513	149,134
2027	1,731,438	1,692,395	222,324
2028	(667,786)	(39,040)	(85,746)
2029	-	528,548	-
Thereafter	-	-	-
	<u>\$ 1,094,477</u>	<u>\$ 4,681,248</u>	<u>\$ 140,536</u>

The total pension liability for the March 31, 2024 measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

	ERS	PFRS
Measurement date	March 31, 2024	March 31, 2024
Actuarial valuation date	April 1, 2023	April 1, 2023
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	6.2%
Inflation rate	2.9%	2.9%
Cost of living adjustments	1.5%	1.5%

\*Compounded annually, net of pension plan investment expenses, including inflation.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

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

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study completed April 1, 2020.

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table:

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.00 %
International Equity	15	6.65
Private Equity	10	7.25
Real Estate	9	4.60
Opportunistic/ARS Portfolio	3	5.25
Credit	4	5.40
Real Assets	3	5.79
Fixed Income	23	1.50
Cash	1	0.25
		100 %

The real rate of return is net of the long-term inflation assumption of 2.9%.

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

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Governmental Activities proportionate share of the ERS net pension liability (asset)	<u>\$ 19,005,584</u>	<u>\$ 6,044,836</u>	<u>\$ (4,780,076)</u>
Business-Type Activities proportionate share of the ERS net pension liability (asset)	<u>\$ 2,440,392</u>	<u>\$ 776,181</u>	<u>\$ (613,781)</u>
Governmental Activities proportionate share of the PFRS net pension liability (asset)	<u>\$ 20,767,153</u>	<u>\$ 8,885,352</u>	<u>\$ (930,751)</u>

The components of the collective net pension liability as of the March 31, 2024 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 240,696,851,000	\$ 46,137,717,000	\$ 286,834,568,000
Fiduciary net position	<u>225,972,801,000</u>	<u>41,394,895,000</u>	<u>267,367,696,000</u>
Employers' net pension liability	<u>\$ 14,724,050,000</u>	<u>\$ 4,742,822,000</u>	<u>\$ 19,466,872,000</u>
Fiduciary net position as a percentage of total pension liability	<u>93.88%</u>	<u>89.72%</u>	<u>93.21%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31<sup>st</sup>. Retirement contributions as of May 31, 2024 represent the employer contribution for the period of April 1, 2024 through May 31, 2024 based on paid ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly. Accrued retirement contributions to ERS and PFRS governmental activities were \$303,540 and \$468,429 respectively and ERS business-type activities was \$38,200 as of May 31, 2024.

#### *Voluntary Defined Contribution Plan*

The Village can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Village will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

#### **Other Postemployment Benefit Liability (“OPEB”)**

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Village and the retired employee as noted below. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *“Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”*, so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued) May 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

At May 31, 2024, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	227
Inactive employees entitled to but not yet receiving benefit payments	19
Active employees	237
	<hr/>
	483
	<hr/>

The Village's total OPEB liability of \$105,748,942 (\$101,210,979 governmental activities and \$4,537,963 business-type activities) was measured as of May 31, 2024, and was determined by an actuarial valuation as of June 1, 2022 and rolled forward to May 31, 2024.

The total OPEB liability in the June 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.5%, average, including inflation
Discount rate	4.2%
Healthcare cost trend rates	5.6% for Pre-65 and 4.9% for Post-65 for 2024, decreasing at various rates to an ultimate rate of 4.5% for 2030 and later years
Retirees' share of benefit-related costs	Varies from 0% to 50%, depending on applicable retirement year and bargaining unit

The discount rate was based on a review of the yield derived from the 20 Year Municipal GO AA Bond Rate Index.

Mortality rates were in accordance with the SOA RP-2014 Total Dataset. Mortality improvements are projected using SOA Scale MP-2021.

The actuarial assumptions used in the June 1, 2022 valuation were based on the experience of the ERS and PFRS as outlined in Aon's *New York State – Development of Recommended Actuarial Assumptions for Other Postemployment Benefit Plans Actuarial Valuations – Participating Agency Version – August 2022* report.

The Village's change in the total OPEB liability for the year ended May 31, 2024 is as follows:

	Governmental Activities	Business-Type Activities			
		Pool Fund	Tennis Fund	Water Fund	Total
Total OPEB Liability - Beginning of Year	\$ 102,620,710	\$ 318,703	\$ 177,634	\$ 4,219,588	\$ 4,715,925
Service cost	2,955,728	9,278	7,106	52,855	69,239
Interest	3,926,356	12,090	6,912	160,543	179,545
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-
Changes in assumptions or other inputs	(4,402,008)	(13,671)	(7,620)	(181,003)	(202,294)
Benefit payments	<u>(3,889,807)</u>	<u>(17,422)</u>	<u>(847)</u>	<u>(206,183)</u>	<u>(224,452)</u>
Total OPEB Liability - End of Year	<u>\$ 101,210,979</u>	<u>\$ 308,978</u>	<u>\$ 183,185</u>	<u>\$ 4,045,800</u>	<u>\$ 4,537,963</u>

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

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 (3.2%) or 1 percentage point higher (5.2%) than the current discount rate:

	1% Decrease (3.2%)	Current Discount Rate (4.2%)	1% Increase (5.2%)
Total OPEB Liability	\$ 122,434,560	\$ 105,748,942	\$ 92,456,958

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 (decreasing in various amounts to a trend rate of 3.5%) or 1 percentage point higher (increasing in various amounts to a trend rate of 5.5%) than the current healthcare cost trend rates:

	1% Decrease (decreasing in various amounts to a trend rate of 3.5%)	Current Healthcare Cost Trend Rates (decreasing in various amounts to a trend rate of 4.5%)	1% Increase (Increasing in various amounts to a trend rate of 5.5%)
Total OPEB Liability	\$ 90,135,480	\$ 105,748,942	\$ 125,638,598

For the year ended May 31, 2024, the Village recognized OPEB expense of (\$7,779,620) in the government-wide financial statements (\$7,329,063) governmental activities and (\$450,557) business-type activities). At May 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities		Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 5,336,290	\$ 36,406,452	\$ 239,261	\$ 1,632,343
Differences between expected and actual experience	-	23,240,032	-	1,042,008
	<u>\$ 5,336,290</u>	<u>\$ 59,646,484</u>	<u>\$ 239,261</u>	<u>\$ 2,674,351</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Changes of assumptions or other inputs	\$ 5,575,551	\$ 38,038,795		
Differences between expected and actual experience	-	24,282,040		
	<u>\$ 5,575,551</u>	<u>\$ 62,320,835</u>		

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 3 - Detailed Notes on All Funds (Continued)**

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

Year Ended May 31,	Governmental Activities	Business-Type Activities
2025	\$ (17,990,901)	\$ (806,653)
2026	(17,990,903)	(806,653)
2027	(17,447,044)	(782,268)
2028	(881,346)	(39,516)
Thereafter	-	-
	<b><u>\$ (54,310,194)</u></b>	<b><u>\$ (2,435,090)</u></b>

## **F. Revenues and Expenditures**

### **Interfund Transfers**

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without the equivalent flow of assets in return. The interfund transfers reflected below have been reflected as transfers:

Transfers Out	Transfers In				Total
	General Fund	Capital Projects Fund	Library Fund	Enterprise Fund Pool Fund	
General Fund	\$ -	\$ 5,671,218	\$ 3,564,516	\$ 800,000	\$ 10,035,734
Capital Projects Fund	41,125	-	-	-	41,125
	<b><u>\$ 41,125</u></b>	<b><u>\$ 5,671,218</u></b>	<b><u>\$ 3,564,516</u></b>	<b><u>\$ 800,000</u></b>	<b><u>\$ 10,076,859</u></b>

Transfers are used to 1) move funds earmarked in the operating funds to fulfill commitments for Capital Projects, Library and Enterprise funds expenditures and 2) move amounts in the Capital Projects Fund to the General Fund as projects with remaining balances are completed.

## **G. Net Position**

The components of net position are detailed below:

*Net Investment in Capital Assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted for Debt Service* - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

*Restricted for Civil Practice Law and Rules* - the component of net position that reports the funds set aside pursuant to Chapter 8 of the Consolidated Laws of New York.

*Unrestricted* - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

### Note 3 - Detailed Notes on All Funds (Continued)

#### H. Fund Balances

	2024				2023			
	General Fund	Capital Projects Fund	Library Fund	Total	General Fund	Capital Projects Fund	Library Fund	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Nonspendable:</b>								
Inventories	\$ 1,212,420	\$ -	\$ -	\$ 1,212,420	\$ 995,844	\$ -	\$ -	\$ 995,844
<b>Restricted:</b>								
Grantors and donor restrictions	-	-	-	-	-	-	613	613
Debt service	155,807	-	-	155,807	157,937	-	-	157,937
Employee benefit accrued liabilities	1,602,741	-	-	1,602,741	2,102,536	-	-	2,102,536
Employee benefit accrued liabilities - for subsequent year's expenditures	750,000	-	-	750,000	750,000	-	-	750,000
Civil practice law and rules	41,381	-	-	41,381	52,347	-	-	52,347
Capital projects	-	7,265,610	-	7,265,610	-	3,894,079	-	3,894,079
<b>Total Restricted</b>	<b>2,549,929</b>	<b>7,265,610</b>	<b>-</b>	<b>9,815,539</b>	<b>3,062,820</b>	<b>3,894,079</b>	<b>613</b>	<b>6,957,512</b>
<b>Assigned:</b>								
Purchases on order:								
General government support	449,697	-	-	449,697	191,433	-	-	191,433
Public safety	123,632	-	-	123,632	184,184	-	-	184,184
Transportation	112,494	-	-	112,494	44,978	-	-	44,978
Culture and recreation	79,620	-	59,324	138,944	38,630	-	13,968	52,598
Home and community services	47,428	-	-	47,428	60,509	-	-	60,509
	812,871	-	59,324	872,195	519,734	-	13,968	533,702
Subsequent year's expenditures	2,804,451	-	157,835	2,962,286	4,050,519	-	22,415	4,072,934
Capital projects	-	11,971,599	-	11,971,599	-	9,890,198	-	9,890,198
Library purposes	-	-	15,676	15,676	-	-	105,940	105,940
<b>Total Assigned</b>	<b>3,617,322</b>	<b>11,971,599</b>	<b>232,835</b>	<b>15,821,756</b>	<b>4,570,253</b>	<b>9,890,198</b>	<b>142,323</b>	<b>14,602,774</b>
<b>Unassigned</b>	<b>20,764,814</b>	<b>-</b>	<b>-</b>	<b>20,764,814</b>	<b>18,625,884</b>	<b>-</b>	<b>-</b>	<b>18,625,884</b>
<b>Total Fund Balances</b>	<b>\$ 28,144,485</b>	<b>\$ 19,237,209</b>	<b>\$ 232,835</b>	<b>\$ 47,614,529</b>	<b>\$ 27,254,801</b>	<b>\$ 13,784,277</b>	<b>\$ 142,936</b>	<b>\$ 41,182,014</b>

## **Incorporated Village of Garden City, New York**

### **Notes to Financial Statements (Continued)**

**May 31, 2024**

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#### **Note 3 - Detailed Notes on All Funds (Continued)**

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Inventories in the General Fund have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form commodities and the Village anticipates utilizing them in the normal course of operations.

Employee Benefit Accrued Liabilities – the component of fund balance that has been restricted pursuant to Section 6-p of the General Municipal Law of the State of New York to provide funds for the payment of unused sick time and other forms of payment for accrued leave granted upon termination or separation from service.

Restricted for Capital Projects represents unexpended bond proceeds restricted for capital projects.

Purchases on order are assigned and represent the Village's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Subsequent year's expenditures are amounts that at May 31, 2024, the Village Board has utilized to be appropriated to the ensuing year's budget.

Assignments for capital projects represents amounts set aside for capital projects funded through interfund transfers or other federal, state or local aid.

Unassigned fund balance in the General Fund represents amounts not classified as restricted or assigned.

#### **Note 4 - Summary Disclosure of Significant Contingencies**

##### **A. Litigation**

The Village is involved in various claims and lawsuits, arising in the normal course of operations. For any settlement of such claims and lawsuits under the Village's insurance policy, the Village is responsible for the \$200,000 deductible, and any amount over the deductible is paid by the insurance company. This is accounted for in the Internal Service Fund's claims payable liability. Management believes that any financial responsibility that may be incurred in settlement of such claims and lawsuits would not be material to the Village's financial position.

The Village is also defendant in numerous tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year the payments are made.

# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Continued)

May 31, 2024

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### **Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

#### **B. Risk Management**

In common with other municipalities, the Village receives numerous notices of claims. The Village established a self-insurance risk management program for primary casualty claims, which is accounted for in the Internal Service Fund. With respect to those insurance needs which are being self-insured, the Village has primary casualty and umbrella policies in place, which provide for a total of \$31,000,000 of coverage, excess of the applicable line of coverage's self-insured retention.

Since August 2011, the Village has been a member of a workers' compensation group self-insurance fund, which provides both coverage and claims/loss control services. Prior to this arrangement, the Village was self-insured with coverage for catastrophic claims, excess of the applicable self-insured retention, via an excess workers' compensation policy.

There have been no significant reductions in insurance coverage as compared to the prior year, and there were no settlements in excess of insurance coverage over the last three years.

#### **C. Contingencies**

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Uniform Guidance. Accordingly, the Village's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Village anticipates such amounts, if any, to be immaterial.

### **Note 5 - Tax Abatements**

The Village has real property tax abatement agreements organized pursuant to Title I, Article 18-A of the General Municipal Law of the State of New York.

Copies of the agreements may be obtained from the Village. Information relevant to disclosure of these agreements for the fiscal year ended May 31, 2024 is as follows:

Agreement	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated
Town of Hempstead 390 Old Country Road	\$ 30,000	\$ 49.98	\$ 14,993	\$ 14,867	\$ 126
County of Nassau - Hempstead (LIPA)	1,414,582 [1]	49.98	706,977	706,977	-
County of Nassau - North Hempstead (LIPA)	35,271 [1]	49.98	17,628	1,421	16,207
County of Nassau - 700 Garden City Plaza - Palmetto	336,680	49.98	168,265	76,636	91,629 [2]
555 Stewart Garden City LLC	280,000	49.98	139,938	25,808	114,130 [2]
	<u>\$ 2,096,533</u>		<u>\$ 1,047,801</u>	<u>\$ 825,709</u>	<u>\$ 222,092</u>

[1] Not on assessment roll.

[2] The taxes abated amount was received by the Village due to agreement with Palmetto & 555 Stewart Ave to pay full amount of Village taxes.

### **Note 6 - Recently Issued GASB Pronouncements**

GASB Statement No. 101, "Compensated Absences", provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

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# Incorporated Village of Garden City, New York

## Notes to Financial Statements (Concluded)

May 31, 2024

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### **Note 6 - Recently Issued GASB Pronouncements (Continued)**

GASB Statement No. 102, *“Certain Risk Disclosures”*, provides guidance on disclosures within government financial statements on risks related to a government’s vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow or outflow of resources. A constraints is a limitation imposed on a government by an external party or by formal action of the government’s highest level of decision-making authority. Concentrations and constraints may limit a government’s ability to acquire resources or control spending.

Under this Statement, a government is required to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for reporting periods beginning after June 15, 2024.

GASB Statement No. 103, *“Financial Reporting Model Improvements”*, has been 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. The requirements of this Statement are effective for reporting periods beginning after June 15, 2025

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Village believes will most impact its financial statements. The Village will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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**Incorporated Village of Garden City, New York**

Required Supplementary Information - Schedule of Changes in the

Village's Total OPEB Liability and Related Ratios

Last Ten Fiscal Years (1)(2)

	2024	2023	2022	2021
<b>Governmental Activities:</b>				
Total OPEB Liability:				
Service cost	\$ 2,955,728	\$ 3,266,229	\$ 6,038,095	\$ 4,908,974
Interest	3,926,356	4,875,291	3,562,551	4,369,721
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(34,074,747)	-	(4,829,570)
Changes of assumptions or other inputs	(4,402,008)	(12,949,966)	(40,544,310)	2,653,282
Benefit payments	(3,889,807)	(3,774,042)	(3,811,846)	(3,715,596)
Net Change in Total OPEB Liability	(1,409,731)	(42,657,235)	(34,755,510)	3,386,811
Total OPEB Liability – Beginning of Year	<u>102,620,710</u>	<u>145,277,945</u>	<u>180,033,455</u>	<u>176,646,644</u>
Total OPEB Liability – End of Year	<u>\$ 101,210,979</u>	<u>\$ 102,620,710</u>	<u>\$ 145,277,945</u>	<u>\$ 180,033,455</u>
<b>Business-Type Activities:</b>				
Total OPEB Liability:				
Service cost	\$ 69,239	\$ 76,513	\$ 325,964	\$ 265,008
Interest	179,545	280,377	205,684	280,129
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(2,946,267)	-	(1,378,722)
Changes of assumptions or other inputs	(202,294)	(832,190)	(2,342,613)	145,574
Benefit payments	(224,452)	(217,770)	(235,941)	(229,984)
Net Change in Total OPEB Liability	(177,962)	(3,639,337)	(2,046,906)	(917,995)
Total OPEB Liability – Beginning of Year	<u>4,715,925</u>	<u>8,355,262</u>	<u>10,402,168</u>	<u>11,320,163</u>
Total OPEB Liability – End of Year	<u>\$ 4,537,963</u>	<u>\$ 4,715,925</u>	<u>\$ 8,355,262</u>	<u>\$ 10,402,168</u>
<b>Primary Government:</b>				
Total OPEB Liability:				
Service cost	\$ 3,024,967	\$ 3,342,742	\$ 6,364,059	\$ 5,173,982
Interest	4,105,901	5,155,668	3,768,235	4,649,850
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(37,021,014)	-	(6,208,292)
Changes of assumptions or other inputs	(4,604,302)	(13,782,156)	(42,886,923)	2,798,856
Benefit payments	(4,114,259)	(3,991,812)	(4,047,787)	(3,945,580)
Net Change in Total OPEB Liability	(1,587,693)	(46,296,572)	(36,802,416)	2,468,816
Total OPEB Liability – Beginning of Year	<u>107,336,635</u>	<u>153,633,207</u>	<u>190,435,623</u>	<u>187,966,807</u>
Total OPEB Liability – End of Year	<u>\$ 105,748,942</u>	<u>\$ 107,336,635</u>	<u>\$ 153,633,207</u>	<u>\$ 190,435,623</u>
Village's covered-employee payroll	<u>\$ 21,734,198</u>	<u>\$ 21,734,198</u>	<u>\$ 18,774,742</u>	<u>\$ 18,774,742</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>487%</u>	<u>494%</u>	<u>818%</u>	<u>1014%</u>
Discount Rate	<u>3.90%</u>	<u>3.90%</u>	<u>3.40%</u>	<u>2.00%</u>

(1) Data not available prior to fiscal year 2019 implementation of Governmental Accounting Standards Board ("GASB") Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*.

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

(3) Restated for the implementation of the provisions of GASB Statement No. 75.

See independent auditors' report.

<u>2020</u>		<u>2019</u>	
\$ 4,447,967	\$ 3,613,356		
4,680,261	4,799,036		
-	-		
-	-		
18,223,241	12,779,456		
(3,362,021)	(3,682,351)		
23,989,448	17,509,497		
<u>152,657,196</u>	<u>135,147,699</u>	(3)	
<u>\$ 176,646,644</u>	<u>\$ 152,657,196</u>		
\$ 291,962	\$ 237,178		
298,386	304,529		
-	-		
-	-		
1,212,097	850,011		
(215,242)	(235,751)		
1,587,203	1,155,967		
<u>9,732,960</u>	<u>8,576,993</u>	(3)	
<u>\$ 11,320,163</u>	<u>\$ 9,732,960</u>		
\$ 4,739,929	\$ 3,850,534		
4,978,647	5,103,565		
-	-		
-	-		
19,435,338	13,629,467		
(3,577,263)	(3,918,102)		
25,576,651	18,665,464		
<u>162,390,156</u>	<u>143,724,692</u>	(3)	
<u>\$ 187,966,807</u>	<u>\$ 162,390,156</u>		
<u>\$ 18,763,219</u>	<u>\$ 18,763,219</u>		
<u>1002%</u>	<u>865%</u>		
<u>2.50%</u>	<u>3.10%</u>		

**Incorporated Village of Garden City, New York**

**Required Supplementary Information  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years**

	<b>Schedule of the Village's Proportionate Share of the Net Pension Liability (Asset) (1)</b>				
	<b>2024 (3)</b>	<b>2023 (2)</b>	<b>2022 (3)</b>	<b>2021 (3)</b>	<b>2020 (2)</b>
Village's proportion of the net pension liability (asset)	<u>0.0463257%</u>	<u>0.0477119%</u>	<u>0.0482643%</u>	<u>0.0469614%</u>	<u>0.0491461%</u>
Village's proportionate share of the net pension liability (asset)	<u>\$ 6,821,017</u>	<u>\$ 10,231,359</u>	<u>\$ (3,945,405)</u>	<u>\$ 46,761</u>	<u>\$ 13,014,182</u>
Village's covered payroll	<u>\$ 15,398,354</u>	<u>\$ 14,562,418</u>	<u>\$ 14,305,517</u>	<u>\$ 14,201,565</u>	<u>\$ 14,029,391</u>
Village's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	<u>44.30%</u>	<u>70.26%</u>	<u>(27.58%)</u>	<u>0.33%</u>	<u>92.76%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>93.88%</u>	<u>90.78%</u>	<u>103.65%</u>	<u>99.95%</u>	<u>86.39%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>6.80%</u>
	<b>Schedule of Contributions</b>				
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Contractually required contribution	<u>\$ 1,854,565</u>	<u>\$ 1,615,217</u>	<u>\$ 2,219,197</u>	<u>\$ 2,008,709</u>	<u>\$ 2,007,585</u>
Contributions in relation to the contractually required contribution	<u>(1,854,565)</u>	<u>(1,615,217)</u>	<u>(2,219,197)</u>	<u>(2,008,709)</u>	<u>(2,007,585)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 15,563,520</u>	<u>\$ 14,493,476</u>	<u>\$ 14,059,472</u>	<u>\$ 14,186,631</u>	<u>\$ 14,181,898</u>
Contributions as a percentage of covered payroll	<u>11.92%</u>	<u>11.14%</u>	<u>15.78%</u>	<u>14.16%</u>	<u>14.16%</u>

(1) The amounts presented for each fiscal year were determined as of the March 31st measurement date within the current fiscal year.

(2) Increase in proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(3) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

2019	2018	2017	2016	2015
0.0494521%	0.0507633%	0.0524775%	0.0554353%	0.0565780%
\$ 3,503,832	\$ 1,638,357	\$ 4,930,894	\$ 8,897,521	\$ 1,911,344
\$ 13,787,614	\$ 13,247,399	\$ 13,708,672	\$ 13,341,738	\$ 13,844,965
25.41%	12.37%	35.97%	66.69%	13.81%
96.27%	98.24%	94.70%	90.68%	97.95%
7.00%	7.00%	7.00%	7.00%	7.50%
2019	2018	2017	2016	2015
\$ 1,942,319	\$ 2,034,344	\$ 2,053,554	\$ 2,463,618	\$ 2,736,701
(1,942,319)	(2,034,344)	(2,053,554)	(2,463,618)	(2,736,701)
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 13,829,237	\$ 13,607,798	\$ 13,563,955	\$ 13,124,194	\$ 13,832,182
14.05%	14.95%	15.14%	18.77%	19.79%

**Incorporated Village of Garden City, New York**

**Required Supplementary Information  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years**

<b>Schedule of the Village's Proportionate Share of the Net Pension Liability (1)</b>					
	2024 (3)	2023 (2)	2022 (3)	2021 (3)	2020 (2)
Village's proportion of the net pension liability	0.1873431%	0.1755440%	0.1844278%	0.1892286%	0.2008243%
Village's proportionate share of the net pension liability	<u>\$ 8,885,352</u>	<u>\$ 9,673,305</u>	<u>\$ 1,047,632</u>	<u>\$ 3,285,531</u>	<u>\$ 10,733,934</u>
Village's covered payroll	<u>\$ 9,248,724</u>	<u>\$ 9,727,187</u>	<u>\$ 8,753,560</u>	<u>\$ 8,256,283</u>	<u>\$ 8,666,456</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>96.07%</u>	<u>99.45%</u>	<u>11.97%</u>	<u>39.79%</u>	<u>123.86%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>89.72%</u>	<u>87.43%</u>	<u>98.66%</u>	<u>95.79%</u>	<u>84.86%</u>
Discount Rate	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>5.90%</u>	<u>6.80%</u>
<b>Schedule of Contributions</b>					
	2024	2023	2022	2021	2020
Contractually required contribution	<u>\$ 2,690,085</u>	<u>\$ 2,344,541</u>	<u>\$ 2,332,489</u>	<u>\$ 1,970,831</u>	<u>\$ 2,344,071</u>
Contributions in relation to the contractually required contribution	<u>(2,690,085)</u>	<u>(2,344,541)</u>	<u>(2,332,489)</u>	<u>(1,970,831)</u>	<u>(2,344,071)</u>
Contribution excess	<u>\$ -</u>				
Village's covered payroll	<u>\$ 9,274,141</u>	<u>\$ 9,118,654</u>	<u>\$ 9,172,921</u>	<u>\$ 8,299,171</u>	<u>\$ 8,729,085</u>
Contributions as a percentage of covered payroll	<u>29.01%</u>	<u>25.71%</u>	<u>25.43%</u>	<u>23.75%</u>	<u>26.85%</u>

(1) The amounts presented for each fiscal year were determined as of the March 31st measurement date within the current fiscal year.

(2) Increase in proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

(3) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

2019	2018	2017	2016	2015
0.2069547%	0.2191354%	0.2164597%	0.2346579%	0.2310009%
\$ 3,470,760	\$ 2,214,926	\$ 4,486,457	\$ 6,947,722	\$ 635,852
<u>\$ 10,125,923</u>	<u>\$ 9,740,443</u>	<u>\$ 11,195,926</u>	<u>\$ 10,120,871</u>	<u>\$ 10,032,068</u>
34.28%	22.74%	40.07%	68.65%	6.34%
95.09%	96.93%	93.46%	90.24%	99.03%
7.00%	7.00%	7.00%	7.00%	7.50%
2019	2018	2017	2016	2015
\$ 2,269,417	\$ 2,810,565	\$ 2,349,748	\$ 3,312,410	\$ 2,627,421
(2,269,417)	(2,810,565)	(2,349,748)	(3,312,410)	(2,627,421)
\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ 9,882,408</u>	<u>\$ 11,331,876</u>	<u>\$ 10,921,231</u>	<u>\$ 10,816,474</u>	<u>\$ 10,109,878</u>
22.96%	24.80%	21.52%	30.62%	25.99%

**Incorporated Village of Garden City, New York**

**General Fund**

**Schedule of Revenues and Other Financing Sources Compared to Budget**

**Year Ended May 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REAL PROPERTY TAXES</b>	<u>\$ 53,343,508</u>	<u>\$ 53,343,508</u>	<u>\$ 53,269,801</u>	<u>\$ (73,707)</u>
<b>OTHER TAX ITEMS</b>				
Payments in lieu of taxes	827,356	827,356	825,709	(1,647)
Other tax payments	258,585	258,585	256,404	(2,181)
Interest and penalties on real property taxes	121,000	121,000	159,699	38,699
	<u>1,206,941</u>	<u>1,206,941</u>	<u>1,241,812</u>	<u>34,871</u>
<b>NON-PROPERTY TAXES</b>				
Franchise fees	327,000	327,000	333,118	6,118
County sales tax	61,395	61,395	61,395	-
Utilities gross receipts tax	750,000	750,000	629,152	(120,848)
	<u>1,138,395</u>	<u>1,138,395</u>	<u>1,023,665</u>	<u>(114,730)</u>
<b>DEPARTMENTAL INCOME</b>				
Charges for tax advertising	1,750	1,750	2,135	385
Safety inspection fees	1,790,000	1,790,000	1,535,330	(254,670)
Parking lots and garages	162,000	162,000	182,400	20,400
Zoning fees	65,000	65,000	61,600	(3,400)
Dump permits	3,100	3,100	3,405	305
Sewer charges	2,700	2,700	2,646	(54)
Refuse and garbage fees	140,000	140,000	137,490	(2,510)
Park and recreational fees	571,000	571,000	478,020	(92,980)
Public Works service	1,550,000	1,550,000	483,566	(1,066,434)
Health fees	8,100	8,100	7,730	(370)
Planning Commission fees	5,000	5,000	5,375	375
Architectural design review fees	65,000	65,000	59,750	(5,250)
Police impound fees	11,000	11,000	9,400	(1,600)
	<u>4,374,650</u>	<u>4,374,650</u>	<u>2,968,847</u>	<u>(1,405,803)</u>
<b>INTERGOVERNMENTAL REVENUES</b>				
Fire protection	90	90	90	-
Sewer services	400	400	345	(55)
	<u>490</u>	<u>490</u>	<u>435</u>	<u>(55)</u>
<b>USE OF MONEY AND PROPERTY</b>				
Interest earnings	600,000	600,000	2,013,637	1,413,637
Rentals	8,820	8,820	31,240	22,420
	<u>608,820</u>	<u>608,820</u>	<u>2,044,877</u>	<u>1,436,057</u>
<b>LICENSES AND PERMITS</b>				
Building and occupational licenses	830	830	830	-
Dog license fund apportionment	7,000	7,000	7,084	84
Permits	508,500	508,500	459,853	(48,647)
	<u>516,330</u>	<u>516,330</u>	<u>467,767</u>	<u>(48,563)</u>

**Incorporated Village of Garden City, New York**

**General Fund**

**Schedule of Revenues and Other Financing Sources Compared to Budget (Concluded)**

**Year Ended May 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>FINES AND FORFEITURES</b>				
Forfeiture of deposits	\$ 64,000	\$ 878,141	\$ 880,366	\$ 2,225
Fines and forfeited bail	1,600,000	1,600,000	2,062,899	462,899
	<u>1,664,000</u>	<u>2,478,141</u>	<u>2,943,265</u>	<u>465,124</u>
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Minor sales - other	35,500	35,500	46,628	11,128
Sales of equipment	50,000	50,000	92,813	42,813
Insurance recoveries	200,000	200,000	537,722	337,722
Other compensation for losses	15,000	15,000	1,781	(13,219)
	<u>300,500</u>	<u>300,500</u>	<u>678,944</u>	<u>378,444</u>
<b>STATE AID</b>				
Per capita	207,449	207,449	207,449	-
Mortgage tax	1,200,000	1,200,000	635,289	(564,711)
Consolidated local street and highway improvement aid	500,000	500,000	919,935	419,935
Disaster assistance	-	-	33,816	33,816
Other	40,000	40,000	107,869	67,869
	<u>1,947,449</u>	<u>1,947,449</u>	<u>1,904,358</u>	<u>(43,091)</u>
<b>FEDERAL AID</b>				
American rescue plan act	-	456,170	456,170	-
Police grants	1,500	1,500	30,998	29,498
Disaster assistance	-	-	304,345	304,345
	<u>1,500</u>	<u>457,670</u>	<u>791,513</u>	<u>333,843</u>
<b>MISCELLANEOUS</b>				
Refunds of prior year's expenditures	-	-	1,084,641	1,084,641
Gifts and donations	5,000	7,957	4,392	(3,565)
Interfund revenues	20,000	20,000	20,000	-
Other licenses	10,700	10,700	11,302	602
Other	5,000	5,000	9,375	4,375
	<u>40,700</u>	<u>43,657</u>	<u>1,129,710</u>	<u>1,086,053</u>
<b>TOTAL REVENUES</b>				
	<u>65,143,283</u>	<u>66,416,551</u>	<u>68,464,994</u>	<u>2,048,443</u>
<b>OTHER FINANCING SOURCES</b>				
Issuance premium	-	-	1,911	1,911
Transfers in				
Capital Projects Fund	-	-	41,125	41,125
<b>TOTAL OTHER FINANCING SOURCES</b>				
	<u>-</u>	<u>-</u>	<u>43,036</u>	<u>43,036</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>				
	<u>\$ 65,143,283</u>	<u>\$ 66,416,551</u>	<u>\$ 68,508,030</u>	<u>\$ 2,091,479</u>

See independent auditors' report.

**Incorporated Village of Garden City, New York**

**General Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget**

**Year Ended May 31, 2024**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>GENERAL GOVERNMENT SUPPORT</b>				
Board of Trustees -				
Other	\$ 16,575	\$ 64,075	\$ 31,987	\$ 32,088
Village Justices:				
Personal services	348,462	396,471	374,348	22,123
Other	219,632	219,832	175,730	44,102
Administration:				
Personal services	415,213	415,213	384,903	30,310
Other	26,550	75,300	33,290	42,010
Finance:				
Personal services	669,964	669,965	593,057	76,908
Other	489,015	488,657	409,651	79,006
Purchasing:				
Personal services	205,096	205,096	171,054	34,042
Equipment	-	-	-	-
Other	7,315	7,315	6,040	1,275
Assessment -				
Other	50,500	50,500	47,588	2,912
Tax Advertising	2,000	4,100	4,027	73
Discount on Taxes	45,000	45,000	40,420	4,580
Law -				
Other	1,028,152	1,038,152	852,968	185,184
Personnel:				
Personal services	361,224	361,224	331,618	29,606
Other	205,801	205,801	115,586	90,215
Engineer:				
Personal services	476,354	428,346	359,521	68,825
Other	108,531	108,532	91,804	16,728
Elections -				
Other	15,100	28,390	22,148	6,242
Buildings:				
Personal services	144,401	144,401	136,664	7,737
Other	563,580	584,582	453,941	130,641
Central Garage:				
Personal services	770,230	770,230	762,948	7,282
Equipment	6,000	6,000	5,482	518
Other	247,813	305,088	257,099	47,989
Central Printing and Mailing -				
Other	35,000	35,000	26,818	8,182
Central Data Processing:				
Personal services	124,387	124,387	104,350	20,037
Other	408,920	408,920	247,789	161,131
Municipal Association Dues	30,000	30,000	17,806	12,194
Judgments and Claims	650,750	650,750	420,979	229,771
Insurance Charges	3,547,000	3,547,000	3,547,000	-
MTA Payroll Tax	86,000	86,000	78,515	7,485
Termination Payout	-	1,300,474	1,300,474	-
Contingency	1,228,406	596,893	-	596,893
	12,532,971	13,401,694	11,405,605	1,996,089

**Incorporated Village of Garden City, New York**

**General Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)**

**Year Ended May 31, 2024**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>PUBLIC SAFETY</b>				
Police Department:				
Personal services	\$ 10,825,659	\$ 10,825,660	\$ 10,485,609	\$ 340,051
Equipment	8,000	8,000	7,151	849
Other	638,944	691,292	539,960	151,332
Fire Department:				
Personal services	84,468	84,468	84,468	-
Equipment	15,083	15,083	9,193	5,890
Other	1,913,776	1,928,775	1,780,754	148,021
Safety Inspection:				
Personal services	952,698	952,698	725,131	227,567
Other	202,040	202,040	83,165	118,875
	<u>14,640,668</u>	<u>14,708,016</u>	<u>13,715,431</u>	<u>992,585</u>
<b>TRANSPORTATION</b>				
Street Administration:				
Personal services	378,291	238,291	226,848	11,443
Other	140,000	105,000	35,563	69,437
Street Maintenance:				
Personal services	1,087,582	1,114,082	1,093,181	20,901
Equipment	-	2,530	-	2,530
Other	676,055	737,725	675,983	61,742
Snow Removal:				
Personal services	130,000	130,000	59,071	70,929
Other	212,740	212,740	109,416	103,324
Street Lighting:				
Personal services	142,922	146,422	146,347	75
Other	665,823	835,591	786,301	49,290
	<u>3,433,413</u>	<u>3,522,381</u>	<u>3,132,710</u>	<u>389,671</u>
<b>ECONOMIC OPPORTUNITY AND DEVELOPMENT</b>				
Publicity -				
Other	<u>72,000</u>	<u>84,552</u>	<u>73,779</u>	<u>10,773</u>
<b>CULTURE AND RECREATION</b>				
Parks:				
Personal services	2,507,798	2,507,799	2,426,293	81,506
Other	841,628	845,985	693,685	152,300
Playgrounds and Recreation Centers:				
Personal services	1,151,480	1,151,480	973,969	177,511
Equipment	15,000	17,530	14,790	2,740
Other	1,015,677	1,013,146	875,342	137,804
Concerts -				
Other	30,000	30,000	237	29,763
Historian -				
Other	<u>2,500</u>	<u>2,500</u>	<u>1,295</u>	<u>1,205</u>
	<u>5,564,083</u>	<u>5,568,440</u>	<u>4,985,611</u>	<u>582,829</u>

**Incorporated Village of Garden City, New York**

**General Fund**

**Schedule of Expenditures and Other Financing Uses Compared to Budget (Concluded)**

**Year Ended May 31, 2024**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>HOME AND COMMUNITY SERVICES</b>				
Sanitary Sewers:				
Personal services	\$ 394,191	\$ 394,191	\$ 388,687	\$ 5,504
Other	126,140	164,140	146,047	18,093
Storm Sewers:				
Personal services	132,629	132,629	132,408	221
Other	57,500	89,570	71,661	17,909
Refuse and Garbage:				
Personal services	2,231,632	2,231,633	2,228,525	3,108
Other	1,925,563	1,925,563	1,832,905	92,658
Street Cleaning:				
Personal services	508,147	478,147	458,202	19,945
Other	95,730	95,730	91,489	4,241
Other Sanitation:				
Personal services	289,937	289,937	285,770	4,167
Equipment	-	2,530	-	2,530
Other	312,716	310,186	203,762	106,424
	<u>6,074,185</u>	<u>6,114,256</u>	<u>5,839,456</u>	<u>274,800</u>
<b>EMPLOYEE BENEFITS</b>				
State Retirement	1,500,000	1,497,900	1,480,820	17,080
Police and Fire Retirement	2,740,000	2,742,100	2,742,041	59
Social Security	1,924,999	1,924,999	1,577,476	347,523
Unemployment Insurance	15,000	15,000	11,825	3,175
Hospital and Medical Insurance	8,841,000	8,841,000	8,762,180	78,820
	<u>15,020,999</u>	<u>15,020,999</u>	<u>14,574,342</u>	<u>446,657</u>
<b>DEBT SERVICE</b>				
Principal	3,043,612	3,043,612	3,043,612	-
Interest	812,066	812,066	812,066	-
	<u>3,855,678</u>	<u>3,855,678</u>	<u>3,855,678</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>				
	<u>61,193,997</u>	<u>62,276,016</u>	<u>57,582,612</u>	<u>4,693,404</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
Capital Projects Fund	4,155,023	5,671,218	5,671,218	-
Library Fund	3,564,516	3,578,096	3,564,516	13,580
Pool Fund	800,000	800,000	800,000	-
	<u>8,519,539</u>	<u>10,049,314</u>	<u>10,035,734</u>	<u>13,580</u>
<b>TOTAL OTHER FINANCING USES</b>				
	<u>\$ 69,713,536</u>	<u>\$ 72,325,330</u>	<u>\$ 67,618,346</u>	<u>\$ 4,706,984</u>

See independent auditors' report.

# Incorporated Village of Garden City, New York

Library Fund  
Comparative Balance Sheet  
Years Ended May 31,

	2024	2023
<b>ASSETS</b>		
Cash and equivalents	\$ 482,892	\$ 298,358
Restricted cash	- <hr/>	613
 Total Assets	 <hr/> <u>\$ 482,892</u>	 <hr/> <u>\$ 298,971</u>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities		
Accounts payable	\$ 103,928	\$ 41,162
Accrued liabilities	59,135	52,276
Due to retirement system	37,946	32,597
Unearned revenues	49,048 <hr/>	30,000
 Total Liabilities	 <hr/> <u>250,057</u>	 <hr/> <u>156,035</u>
Fund Balance		
Restricted	- <hr/>	613
Assigned	<hr/> 232,835	<hr/> 142,323
 Total Fund Balance	 <hr/> <u>232,835</u>	 <hr/> <u>142,936</u>
 Total Liabilities and Fund Balance	 <hr/> <u>\$ 482,892</u>	 <hr/> <u>\$ 298,971</u>

See independent auditors' report.

**Incorporated Village of Garden City, New York**

Library Fund

Combining Schedules of Revenues, Expenditures  
and Changes in Fund Balance  
(With Comparative Amounts for 2023)  
Years Ended May 31,

	<b>2024</b>		
	<b>Current Operations</b>	<b>Special Reserves</b>	<b>Combining Totals</b>
<b>REVENUES</b>			
Intergovernmental revenues	\$ 27,870	\$ -	\$ 27,870
Use of money and property			
Interest earnings	45,567	1	45,568
Rental of meeting room	370	-	370
Fines and forfeitures	7,091	-	7,091
State aid	8,111	-	8,111
Miscellaneous			
Refunds of prior years' expenditures	4,139	-	4,139
Charges for lost or damaged books	3,313	-	3,313
Gifts and donations	12,368	-	12,368
Other	4,610	-	4,610
<b>Total Revenues</b>	<b>113,439</b>	<b>1</b>	<b>113,440</b>
<b>EXPENDITURES</b>			
Current			
Culture and recreation			
Personal services	1,651,366	-	1,651,366
Library materials and related costs	586,736	-	586,736
Equipment costs	19,022	-	19,022
Operation and maintenance of facilities	169,507	-	169,507
Insurance charges paid to internal service fund	154,000	-	154,000
Other	56,383	-	56,383
Employee benefits	951,043	-	951,043
<b>Total Expenditures</b>	<b>3,588,057</b>	<b>-</b>	<b>3,588,057</b>
Excess (Deficiency) of Revenues Over Expenditures	(3,474,618)	1	(3,474,617)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	3,565,130	-	3,565,130
Transfers out	-	(614)	(614)
<b>Total Other Financing Sources (Uses)</b>	<b>3,565,130</b>	<b>(614)</b>	<b>3,564,516</b>
Net Change in Fund Balances	90,512	(613)	89,899
<b>FUND BALANCES</b>			
Beginning of Year	142,323	613	142,936
End of Year	\$ 232,835	\$ -	\$ 232,835

See independent auditors' report.

2023		
Current Operations	Special Reserves	Combining Totals
\$ 27,870	\$ -	\$ 27,870
19,881	775	20,656
400	-	400
7,464	-	7,464
6,895	-	6,895
3,780	-	3,780
2,135	-	2,135
2,972	-	2,972
4,753	-	4,753
<u>76,150</u>	<u>775</u>	<u>76,925</u>

1,594,309	-	1,594,309
585,076	-	585,076
22,999	-	22,999
140,077	-	140,077
154,000	-	154,000
54,679	-	54,679
<u>834,061</u>	<u>-</u>	<u>834,061</u>
<u>3,385,201</u>	<u>-</u>	<u>3,385,201</u>

<u>(3,309,051)</u>	<u>775</u>	<u>(3,308,276)</u>
--------------------	------------	--------------------

3,123,300	-	3,123,300
<u>-</u>	<u>(71,897)</u>	<u>(71,897)</u>
<u>3,123,300</u>	<u>(71,897)</u>	<u>3,051,403</u>
(185,751)	(71,122)	(256,873)

<u>328,074</u>	<u>71,735</u>	<u>399,809</u>
<u>\$ 142,323</u>	<u>\$ 613</u>	<u>\$ 142,936</u>

**Incorporated Village of Garden City, New York**

Library Fund

Comparative Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual  
Years Ended May 31,

	2024			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Intergovernmental revenues	\$ 27,870	\$ 27,870	\$ 27,870	\$ -
Use of money and property				
Interest earnings	15,000	15,000	45,568	30,568
Rental of meeting room	1,000	1,000	370	(630)
Fines and forfeitures	9,000	9,000	7,091	(1,909)
State aid	6,400	7,600	8,111	511
Miscellaneous				
Refund of prior years' expenditures	4,000	4,000	4,139	139
Charges for lost or damaged books	2,500	2,500	3,313	813
Gifts and donations	3,000	15,113	12,368	(2,745)
Other	4,000	4,615	4,610	(5)
Total Revenues	72,770	86,698	113,440	26,742
<b>EXPENDITURES</b>				
Current				
Culture and recreation				
Personal services	1,691,863	1,673,863	1,651,366	22,497
Library materials and related costs	625,000	613,788	586,736	27,052
Equipment costs	45,000	61,170	19,022	42,148
Operation and maintenance of facilities	146,000	179,880	169,507	10,373
Insurance charges paid to internal service fund	154,000	154,000	154,000	-
Other	81,968	70,638	56,383	14,255
Total Culture and Recreation	2,743,831	2,753,339	2,637,014	116,325
Employee benefits	929,838	947,838	951,043	(3,205)
Total Expenditures	3,673,669	3,701,177	3,588,057	113,120
Deficiency of Revenues Over Expenditures	(3,600,899)	(3,614,479)	(3,474,617)	139,862
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,564,516	3,578,096	3,564,516	(13,580)
Transfers out	-	-	-	-
Total Other Financing Sources	3,564,516	3,578,096	3,564,516	(13,580)
Net Change in Fund Balance	(36,383)	(36,383)	89,899	126,282
<b>FUND BALANCE</b>				
Beginning of Year	36,383	36,383	142,936	106,553
End of Year	\$ -	\$ -	\$ 232,835	\$ 232,835

See independent auditors' report.

2023				
Original Budget	Final Budget	Actual	Variance with Final Budget	
\$ 27,870	\$ 27,870	\$ 27,870	\$ -	
2,100	2,100	20,656	18,556	
1,000	1,000	400	(600)	
10,000	10,000	7,464	(2,536)	
6,400	6,400	6,895	495	
4,000	4,000	3,780	(220)	
2,500	2,500	2,135	(365)	
3,000	3,693	2,972	(721)	
3,000	3,000	4,753	1,753	
<u>59,870</u>	<u>60,563</u>	<u>76,925</u>	<u>16,362</u>	
1,634,498	1,634,498	1,594,309	40,189	
613,000	604,193	585,076	19,117	
38,000	34,000	22,999	11,001	
138,000	151,576	140,077	11,499	
154,000	154,000	154,000	-	
<u>71,882</u>	<u>71,806</u>	<u>54,679</u>	<u>17,127</u>	
2,649,380	2,650,073	2,551,140	98,933	
<u>861,152</u>	<u>861,152</u>	<u>834,061</u>	<u>27,091</u>	
<u>3,510,532</u>	<u>3,511,225</u>	<u>3,385,201</u>	<u>126,024</u>	
<u>(3,450,662)</u>	<u>(3,450,662)</u>	<u>(3,308,276)</u>	<u>142,386</u>	
3,123,300	3,123,300	3,123,300	-	
-	-	(71,897)	(71,897)	
<u>3,123,300</u>	<u>3,123,300</u>	<u>3,051,403</u>	<u>(71,897)</u>	
(327,362)	(327,362)	(256,873)	70,489	
<u>327,362</u>	<u>327,362</u>	<u>399,809</u>	<u>72,447</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 142,936</u>	<u>\$ 142,936</u>	

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**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**

**Independent Auditors' Report**

**The Honorable Mayor and Board of Trustees  
of the Incorporated Village of Garden City, 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, business-type activities, each major fund and the aggregate remaining fund information of the Incorporated Village of Garden City, New York ("Village") as of and for the year ended May 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated December 5, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting ("internal control") as a basis for designing 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 Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a significant deficiency.

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

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

## **Village's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The Village's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

December 5, 2024

# Incorporated Village of Garden City, New York

## Schedule of Findings and Questioned Costs

Year Ended May 31, 2024

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### Section I - Summary of Auditors' Results

#### **Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  X No
- Significant deficiency(ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?

Yes  X No

### Section II – Financial Statement Findings

#### **Finding 2024-001: Human Resources' Payroll Process (Significant Deficiency)**

**Criteria:** Office of the New York State Comptroller's Local Government Management Guide entitled "*The Practice of Internal Controls*" states that the Village should segregate payroll authorizations (hiring/firing, pay rate setting, and other payroll changes) from the preparation and processing of payroll records and checks.

**Condition:** As part of the audit process the audit trail for payroll transactions were reviewed and it was noted that the human resources employees were modifying Village employees' timesheets even though responsibilities of such activities fell under the Treasurer's department. In addition, the Village had part-time employees within the Pool Fund who had time logged in excess of the time scheduled.

**Cause:** During the fiscal year, the Village segregated the duties of human resources and payroll processing. However, during our audit it was identified that employees within the Human Resources department have super user access which allows them the ability to manually add, delete or modify timesheet information within the payroll software.

**Effect or Potential Effect:** Employees' timesheets could be modified to reflect different hours than what was worked resulting in the employee being either under or over paid.

**Recommendation:** The Village should remove the super user access for the Human Resources department, ensuring that their access is limited to only necessary functions. User access to all Village software should be regularly reviewed to prevent any unauthorized privileges from being granted in the future. Finally, to enhance accuracy of timesheets, we recommend providing detailed training for department-level supervisors to ensure their review of timesheets is thorough and includes a comparison to scheduled hours.

**Management's Response:** See corrective action plan.

# **Incorporated Village of Garden City, New York**

## **Summary Schedule of Prior Audit Findings**

**Year Ended May 31, 2024**

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### ***Federal Award Findings***

#### **Finding 2023-001: Procedures and Suspension and Debarment**

**Condition:** One of three vendors selected for testing did not have a signed executed contract to determine if procurement and non-suspension/debarment verification procedures were performed in accordance with the Village's procurement policy and Federal guidelines.

**Status:** This condition is not a repeated as a federal award finding in the current fiscal year. However, our current year testing identified one of seven vendors that did not have a signed executed contract. This finding is included as a control deficiency within the Report to Those Charged with Governance.