

VILLAGE OF LEWISTON, NEW YORK

FINANCIAL STATEMENTS

MAY 31, 2024

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INDEPENDENT AUDITORS' REPORT

The Village Board of Trustees
Village of Lewiston, New York

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the remaining fund information of the Village as of May 31, 2024, and the respective changes in financial position and the budgetary comparisons for the general, water, and sewer funds for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 GAAP, 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 one year 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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, 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

GAAP requires that required supplementary information, as listed in the table of contents, be presented to supplement the 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 (GASB), who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the 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.

Management's Discussion and Analysis

The Village has omitted management's discussion and analysis that GAAP requires to be presented to supplement the financial statements. Such missing information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

A handwritten signature in blue ink that reads "Lyndon & McCormick, LLP". The signature is written in a cursive, flowing style.

September 30, 2024

Statement of Net Position

May 31, 2024

Assets

Cash	\$ 1,879,257
Accounts receivable	161,731
Due from other governments	93,421
Investments	988,295
Leases receivable	554,690
Capital assets (Note 5)	10,071,028
Accumulated depreciation and amortization	(4,226,256)
Total assets	9,522,166

Deferred Outflows of Resources

Deferred outflows of resources related to pensions	444,510
Deferred outflows of resources related to LOSAP	90,358
Deferred outflows of resources related to OPEB	569,077
Total deferred outflows of resources	1,103,945

Liabilities

Accounts payable	88,348
Accrued liabilities	101,476
Due to retirement systems	21,614
Due to other governments	95,853
Long-term liabilities	
Due within one year	
Leases	36,064
Bonds	136,577
Compensated absences	2,700
Due beyond one year	
Leases	14,621
Bonds	2,055,000
Compensated absences	24,300
Net pension liability	524,394
Total LOSAP pension liability	1,878,381
Total OPEB liability	3,977,259
Total liabilities	8,956,587

Deferred Inflows of Resources

Deferred inflows of resources related to leases	554,690
Deferred inflows of resources related to pensions	364,333
Deferred inflows of resources related to LOSAP	92,228
Deferred inflows of resources related to OPEB	2,213,770
Total deferred inflows of resources	3,225,021

Net Position

Net investment in capital assets	3,602,510
Restricted	199,963
Unrestricted (deficit)	(5,357,970)
Total net position (deficit)	\$ (1,555,497)

VILLAGE OF LEWISTON, NEW YORK

Statement of Activities

For the year ended May 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government support	\$ 913,065	\$ 448,661	\$ 86,732	\$ 52,824	\$ (324,848)
Public safety	832,746	4,513	-	-	(828,233)
Health	3,013	-	-	-	(3,013)
Transportation	672,290	-	159,896	-	(512,394)
Economic assistance and opportunity	4,182	-	-	-	(4,182)
Culture and recreation	406,467	-	-	72,823	(333,644)
Home and community services	1,298,858	750,396	-	47,926	(500,536)
Interest expense	78,718	-	-	-	(78,718)
	<u>\$ 4,209,339</u>	<u>\$ 1,203,570</u>	<u>\$ 246,628</u>	<u>\$ 173,573</u>	<u>(2,585,568)</u>
General revenues					
Real property taxes					1,301,599
Nonproperty taxes					1,204,730
Miscellaneous					220,098
Total general revenues					<u>2,726,427</u>
Change in net position					140,859
Net position (deficit) - beginning					(733,504)
Cumulative effect of an error correction (Note 2)					(962,852)
Net position (deficit) - beginning, as restated					(1,696,356)
Net position (deficit) - ending					<u>\$ (1,555,497)</u>

See accompanying notes.

VILLAGE OF LEWISTON, NEW YORK

Balance Sheet - Governmental Funds

May 31, 2024

	General	Capital Projects	Water	Sewer	Total Governmental Funds
Assets					
Cash	\$ 1,405,498	\$ 145,492	\$ 45,282	\$ 282,985	\$ 1,879,257
Accounts receivable	-	-	73,288	88,443	161,731
Due from other governments	93,421	-	-	-	93,421
Due from other funds	46,088	-	-	7,258	53,346
Investments	988,295	-	-	-	988,295
Leases receivable	554,690	-	-	-	554,690
Total assets	\$ 3,087,992	\$ 145,492	\$ 118,570	\$ 378,686	\$ 3,730,740
Liabilities					
Accounts payable	\$ 32,715	\$ 50,738	\$ 102	\$ 4,793	\$ 88,348
Accrued liabilities	89,137	-	868	3,471	93,476
Due to retirement systems	19,453	-	432	1,729	21,614
Due to other funds	-	39,278	14,068	-	53,346
Due to other governments	-	-	95,853	-	95,853
Total liabilities	141,305	90,016	111,323	9,993	352,637
Deferred Inflows of Resources					
Deferred inflows of resources related to leases	554,690	-	-	-	554,690
Fund Balances					
Nonspendable:					
Cemetery	14,061	-	-	-	14,061
Restricted:					
Capital	28,120	55,476	-	-	83,596
Employee benefits	115,622	-	-	-	115,622
LOSAP	988,295	-	-	-	988,295
Unemployment	745	-	-	-	745
Assigned:					
Designated for subsequent year's expenditures	754,675	-	-	33,241	787,916
Other purposes	-	-	7,247	335,452	342,699
Unassigned	490,479	-	-	-	490,479
Total fund balances	2,391,997	55,476	7,247	368,693	2,823,413
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,087,992	\$ 145,492	\$ 118,570	\$ 378,686	\$ 3,730,740

See accompanying notes.

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position**

May 31, 2024

Total fund balances - governmental funds \$ 2,823,413

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and are not reported as assets in governmental funds. 5,844,772

The Village's pension and postemployment benefits and related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Pension	(444,217)	
LOSAP	(1,880,251)	
OPEB	<u>(5,621,952)</u>	(7,946,420)

Certain liabilities are not due and payable currently and therefore are not reported as liabilities of the governmental funds. These liabilities are:

Leases	(50,685)	
Bonds	(2,191,577)	
Accrued interest	(8,000)	
Compensated absences	<u>(27,000)</u>	(2,277,262)

Net position (deficit) - governmental activities \$ (1,555,497)

**Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds**

For the year ended May 31, 2024

	General	Capital Projects	Water	Sewer	Total Governmental Funds
Revenues					
Real property taxes	\$ 1,301,599	\$ -	\$ -	\$ -	\$ 1,301,599
Nonproperty taxes	1,204,730	-	-	-	1,204,730
Departmental income	65,220	47,926	336,109	412,768	862,023
Intergovernmental charges	360,473	-	-	-	360,473
Use of money and property	179,488	-	-	-	179,488
Licenses and permits	24,486	-	-	-	24,486
Fines and forfeitures	4,513	-	-	-	4,513
Miscellaneous local sources	39,764	3,000	-	-	42,764
Sale of property and compensation for loss	847	-	-	-	847
State sources	246,628	69,823	-	-	316,451
Federal sources	52,824	-	-	-	52,824
Total revenues	3,480,572	120,749	336,109	412,768	4,350,198
Expenditures					
General government support	738,570	1,076,872	6,309	11,639	1,833,390
Public safety	781,419	-	-	-	781,419
Health	2,000	-	-	-	2,000
Transportation	563,534	-	-	-	563,534
Economic assistance and opportunity	4,182	-	-	-	4,182
Culture and recreation	315,009	-	-	-	315,009
Home and community services	374,601	-	341,220	318,726	1,034,547
Employee benefits	646,313	-	12,470	43,228	702,011
Debt service					
Principal	151,656	-	-	-	151,656
Interest	104,718	-	-	-	104,718
Total expenditures	3,682,002	1,076,872	359,999	373,593	5,492,466
Excess revenues (expenditures)	(201,430)	(956,123)	(23,890)	39,175	(1,142,268)
Other financing sources (uses)					
Proceeds from issuance of debt	-	1,216,577	-	-	1,216,577
BANs redeemed from appropriations	-	42,000	-	-	42,000
Operating transfers, net	(300,000)	300,000	-	-	-
Total other financing sources (uses)	(300,000)	1,558,577	-	-	1,258,577
Net change in fund balances	(501,430)	602,454	(23,890)	39,175	116,309
Fund balances (deficit) - beginning	2,893,427	(546,978)	31,137	329,518	2,707,104
Fund balances - ending	\$ 2,391,997	\$ 55,476	\$ 7,247	\$ 368,693	\$ 2,823,413

See accompanying notes.

**Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balances to the Statement of Activities**

For the year ended May 31, 2024

Total net change in fund balances - governmental funds		\$	116,309
Amounts reported for governmental activities in the statement of activities are different because:			
Capital outlays are reported in governmental funds as expenditures. In the statement of activities, the cost of the assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeds depreciation and amortization expense and disposals.			
			965,608
Pension, LOSAP, and OPEB expenses are recognized when paid on the fund statement of revenues, expenditures, and changes in fund balances and actuarially determined on the statement of activities:			
Pension	(108,991)		
LOSAP	(2,462)		
OPEB	253,916		142,463
Bond proceeds are recorded as other financing sources in the governmental funds but increase long-term liabilities in the statement of net position.			
			(1,216,577)
Payments of long-term liabilities are reported as expenditures in governmental funds and as a reduction of debt in the statement of net position.			
			109,656
In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds these expenditures are reported when paid.			
These differences are:			
Compensated absences	(2,600)		
Interest	26,000		23,400
Change in net position - governmental activities		\$	140,859

VILLAGE OF LEWISTON, NEW YORK

Statement of General and Special Revenue Major Funds Revenues, Expenditures, and Changes in Fund Balances Budget (Non-GAAP) and Actual

For the year ended May 31, 2024

	General Fund				Water Fund				Sewer Fund			
	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with	Budgeted Amounts		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Over/(Under)	Original	Final	(Budgetary Basis)	Final Budget Over/(Under)	Original	Final	(Budgetary Basis)	Final Budget Over/(Under)
Revenues												
Real property taxes	\$ 1,278,552	\$ 1,278,552	\$ 1,301,599	\$ 23,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonproperty taxes	1,035,000	1,035,000	1,204,730	169,730	-	-	-	-	-	-	-	-
Departmental income	66,500	69,600	65,220	(4,380)	414,678	414,678	336,109	(78,569)	451,644	451,644	412,768	(38,876)
Intergovernmental charges	366,473	366,473	360,473	(6,000)	-	-	-	-	-	-	-	-
Use of money and property	115,000	115,000	179,488	64,488	-	-	-	-	-	-	-	-
Licenses and permits	20,050	20,050	24,486	4,436	-	-	-	-	-	-	-	-
Fines and forfeitures	7,000	7,000	4,513	(2,487)	-	-	-	-	-	-	-	-
Miscellaneous local sources	73,728	73,728	39,764	(33,964)	-	-	-	-	-	-	-	-
Sale of property and compensation for loss	1,500	63,494	847	(62,647)	-	-	-	-	-	-	-	-
State sources	270,000	270,000	246,628	(23,372)	-	-	-	-	-	-	-	-
Federal sources	-	52,824	52,824	-	-	-	-	-	-	-	-	-
Total revenues	3,233,803	3,351,721	3,480,572	128,851	414,678	414,678	336,109	(78,569)	451,644	451,644	412,768	(38,876)
Expenditures												
General government support	794,173	894,291	738,570	(155,721)	7,035	7,035	6,309	(726)	12,365	12,365	11,639	(726)
Public safety	930,827	930,827	781,419	(149,408)	-	-	-	-	-	-	-	-
Health	2,000	2,000	2,000	-	-	-	-	-	-	-	-	-
Transportation	666,059	656,180	563,534	(92,646)	-	-	-	-	-	-	-	-
Economic assistance and opportunity	5,500	5,500	4,182	(1,318)	-	-	-	-	-	-	-	-
Culture and recreation	307,744	309,944	315,009	5,065	-	-	-	-	-	-	-	-
Home and community services	384,929	410,408	374,601	(35,807)	394,773	394,773	341,220	(53,553)	412,301	412,301	318,726	(93,575)
Employee benefits	588,948	588,948	646,313	57,365	12,870	12,870	12,470	(400)	45,770	45,370	43,228	(2,142)
Debt service												
Principal	112,000	157,000	151,656	(5,344)	-	-	-	-	-	-	-	-
Interest	90,280	108,936	104,718	(4,218)	-	-	-	-	-	-	-	-
Total expenditures	3,882,460	4,064,034	3,682,002	(382,032)	414,678	414,678	359,999	(54,679)	470,436	470,036	373,593	(96,443)
Excess revenues (expenditures)	(648,657)	(712,313)	(201,430)	510,883	-	-	(23,890)	(23,890)	(18,792)	(18,392)	39,175	57,567
Other financing sources (uses)												
Operating transfers	-	(300,000)	(300,000)	-	-	-	-	-	-	-	-	-
Appropriated fund balance and carryover encumbrances	648,657	1,012,313	-	(1,012,313)	-	-	-	-	18,792	18,392	-	(18,392)
Total other financing sources (uses)	648,657	712,313	(300,000)	(1,012,313)	-	-	-	-	18,792	18,392	-	(18,392)
Excess revenues (expenditures) and other financing sources (uses)	\$ -	\$ -	\$ (501,430)	\$ (501,430)	\$ -	\$ -	\$ (23,890)	\$ (23,890)	\$ -	\$ -	\$ 39,175	\$ 39,175

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The financial statements of Village of Lewiston, New York (the Village) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

Financial Reporting Entity

The Village is governed by local laws and ordinances, Village law, General Municipal Law, and other laws of the State of New York (the State). The governing body is the elected Village Board (the Board). The Mayor serves as the chief executive officer and the Treasurer serves as the chief fiscal officer. The scope of activities included within the financial statements are those transactions that comprise the Village's operations and are governed by, or significantly influenced by, the Board. The primary functions of the Village are to provide basic services such as governmental administration, tax collection, street maintenance, public safety, water, sewer, and recreational services.

The financial reporting entity includes all funds, account groups, functions, and organizations over which Village officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The Village has no component units as defined by accounting standards.

Basis of Presentation

Government-Wide Statements: The statement of net position and the statement of activities display financial activities of the overall Village, except for fiduciary activities. Eliminations have been made to minimize double counting of internal activities. These statements are required to distinguish between *governmental* and *business-type* activities of the Village. Governmental activities generally are financed through taxes, franchise fees, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. The Village does not maintain any business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities:

- Direct expenses are those that are specifically associated with a program or are clearly identifiable to a particular function. Indirect expenses relate to the administration and support of the Village's programs, including personnel, overall administration, and finance. Employee benefits are allocated to functional expenses as a percentage of related payroll expense.
- Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and fines and assessments collected for violations of traffic laws or Village ordinances, (b) grants and contributions that are restricted to meeting the operational requirements of a particular program, and (c) capital grants and contributions limited to the purchase or construction of specific capital assets, if any. Revenues that are not classified as program revenues, including property, sales, and franchise taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Village's funds. The emphasis of the fund financial statements is on major governmental funds, each displayed in a separate column.

The Village reports the following major funds:

- *General fund.* This is the Village's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- *Capital projects fund.* This fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- *Water fund.* This is a special revenue fund whose specific revenue sources are restricted for the operations and support of the Village's water delivery system.
- *Sewer fund.* This is a special revenue fund whose specific revenue sources are restricted for the operations and support of the infrastructure surrounding the Village's sewer system.

Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Village receives value directly without giving equal value in exchange, include property and sales taxes, franchise fees, grants, and donations. Revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Village considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset purchases are reported as expenditures in the governmental funds. Proceeds of long-term liabilities are reported as other financing sources.

Under the terms of grant agreements, revenues are recognized to the extent of program expenditures. Amounts received in advance of the expenditures are considered unearned and reported as revenue when the expense is incurred.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Property Taxes

Real property taxes are levied annually no later than May 1 and become a lien on June 1. Taxes are collected by the Village Tax Collector during the period June 1 to October 31. Niagara County assumes enforcement responsibility for all unpaid taxes levied by the Village.

Budget Process, Amendments, and Encumbrances

Annual appropriations are adopted and employed for control of the general and special revenue funds. These budgets are adopted on a GAAP basis under the modified accrual basis of accounting. Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations authorized for the current year may be increased by the planned use of specific restricted, committed, and assigned fund balances and subsequent budget amendments approved by the Board as a result of new revenue sources not included in the original budget.

No later than March 31st of each year, a tentative budget is submitted to the Board for the fiscal year commencing the following June 1. The tentative budget includes both proposed expenditures and the means of financing for all funds requiring a budget. After public hearings are conducted to obtain comments from interested parties, the Board adopts the budget. The Mayor exercises administrative budgetary control throughout the year. All modifications of the budget must be approved by the Board.

Major capital expenditures are subject to individual project budgets based on the cost of the project and external financing rather than annual appropriations. For the capital projects fund, when necessary, these budgets do not lapse at year end and are carried over to the completion of the project.

Encumbrance accounting is used to assure budgetary control over commitments related to unperformed (executory) contracts for goods or services outstanding at the end of each year. Encumbrances are budgetary expenditures in the year committed and again in the subsequent period when the expenditure is paid. All budget appropriations that are unencumbered lapse at the end of the fiscal year. Encumbrances outstanding at year end are presented for GAAP-related purposes as committed or assigned fund balances and do not constitute expenditures or liabilities. At June 1, encumbrances carried forward from the prior year are reestablished as budgeted appropriations.

Cash and Investments

Cash and investment management is governed by State laws and as established in the Village’s written policies. Cash must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Village’s policies permit the Village Treasurer to use demand and time accounts, certificates of deposit, obligations of the United States Treasury and its Agencies, and obligations of the State or its localities, including those held under repurchase agreements or in external investment pools.

Custodial credit risk is the risk that, in the event of a bank failure, the Village’s deposits may not be returned to it. Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts. At May 31, 2024, the Village’s bank deposits were fully insured by FDIC coverage or collateralized with securities held by the pledging institution’s agent in the Village’s name.

Leases Receivable and Deferred Inflows of Resources Related to Leases

Leases receivable and deferred inflows of resources related to leases are initially recorded at the present value of the expected future lease payments. Principal repayments and interest revenue are recognized as payments are received. Lease revenue is recognized using the effective interest rate over the lease term as deferred inflows of resources are amortized.

Capital Assets

Capital assets including infrastructure are reported at actual or estimated historical cost based on appraisals. Contributed assets are recorded at fair value at the time received. Depreciation and amortization are provided in the government-wide statements over estimated useful lives using the straight-line method. Maintenance and repairs are expensed as incurred; significant improvements are capitalized.

Capitalization thresholds for determining which assets are added to capital accounts and the estimated useful lives of capital assets are:

	Capitalization Policy	Estimated Useful Life in Years
Buildings and improvements	\$ 10,000-25,000	5 – 40
Infrastructure	\$ 25,000	20 – 30
Machinery and equipment	\$ 2,500	3 – 10
Vehicles	\$ 5,000	5 – 10

Pension

The Village participates in the New York State and Local Employees' Retirement System (ERS), as mandated by State law. ERS recognizes benefit payments when due and payable in accordance with benefit terms; investment assets are reported at fair value. On the government-wide statements, the Village recognizes its proportionate share of the net pension position, deferred outflows and deferred inflows of resources, pension expense, and information about and changes in the fiduciary net position on the same basis as reported by the defined benefit pension plan.

LOSAP

The LOSAP pension liability, deferred outflows and deferred inflows of resources, and LOSAP pension expense for the Village's defined benefit LOSAP pension plan (Note 9) have been measured on the same basis as reported by the plan. Benefit payments are recognized when due and payable in accordance with benefit terms.

Other Postemployment Benefits (OPEB)

On the government-wide statements, the total OPEB liability, deferred outflows and deferred inflows of resources, and OPEB expense for the Village's defined benefit healthcare plan (Note 10) have been measured on the same basis as reported by the plan. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid accumulated sick time. The liability has been calculated using the vesting method, in which leave amounts for both employees currently eligible to receive payments and those expected to become eligible to receive such payments are included. Clerical and non-union Village and public works employees can accumulate up to 200 days of unused sick time. On the date of retirement, employees may receive a cash payout of 10% of accumulated sick time up to a maximum of 200 days which is then multiplied by their daily rate. Remaining accumulated sick time may be converted into additional pension benefit through New York State or be used to pay retiree health insurance premiums.

The government-wide financial statements reflect the entire liability, while in the governmental funds financial statements, only the amount of matured liabilities is accrued based on expendable available financial resources.

Equity Classifications

Government-Wide Statements

The Village is required to classify net position into three categories:

- *Net investment in capital assets* – consists of capital assets, net of accumulated depreciation and amortization, reduced by outstanding balances of any related debt obligations attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – consists of restricted assets reduced by related liabilities and deferred inflows of resources. Restrictions are imposed by external organizations such as federal or state laws or the terms of the Village's bonds.
- *Unrestricted* – the net amount of assets and deferred outflows of resources less liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position and therefore are available for general use by the Village.

Governmental Fund Statements

The Village considers unrestricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, unless the use of the restricted amount was appropriated in the current year's budget or the revenue source is specifically restricted or committed for expenditure. Within unrestricted fund balance, the Village considers committed, assigned, then unassigned resources to have been spent when an expenditure is incurred for which amounts in any of those fund balance classifications could be used. Nonspendable fund balances represent resources that cannot be spent as they are not expected to be converted to cash and include amounts permanently restricted to cemetery maintenance.

Restricted fund balances generally result from reserves established by the State of New York Legislature and included in General Municipal Law as authorized for use by the Board as well as investments restricted to the Village's LOSAP, net of benefits payable, if any. Earnings on invested resources are required to be added to the various reserves.

Fund balance restrictions include the following reserves:

- *Capital* – used to accumulate funds to finance all or a portion of future capital projects for which bonds may be issued.
- *Employee benefits* – used to account for payments of accumulated vacation and sick time due upon termination of an employee's services. It is established by a majority vote of the Board and is funded by budgetary appropriations and such other reserves and funds that may be legally appropriated.
- *Unemployment* – used to pay the cost of reimbursement to the State Unemployment Insurance Fund for payments made to claimants as the Village uses the benefit reimbursement method.

Committed fund balances are authorized by the Board as recommended by the Village's management prior to the end of the year, although funding of the commitment may be established subsequent to year end.

Assigned fund balances include the planned use of existing fund balance to offset the subsequent year's tax levy. The Board has also given the Village's management the authority to assign fund balances for specific purposes that are neither restricted nor committed.

Interfund Balances

The operations of the Village include transactions between funds including resources for cash flow purposes. These interfund receivables and payables are repaid within one year. Permanent transfers of funds provide financing or other services.

If applicable, interfund receivables and payables are netted on the accompanying governmental funds balance sheet as the right of legal offset exists. It is the Village's practice to settle these amounts at the net balances due between funds.

2. Error Correction

Effective June 1, 2023, the Village adopted GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*. This statement addresses the accounting and financial reporting of the LOSAP plan sponsored by the Village and should have been implemented for the year ended May 31, 2017. The impact of this error correction on the Village's government-wide financial statements is as follows:

	Total Government Wide
Net position (deficit), June 1, 2023	\$ (733,504)
LOSAP pension liability	(962,852)
Net position (deficit), as restated, June 1, 2023	<u>\$ (1,696,356)</u>

3. Investments

At May 31, 2024, the Village's investments include resources restricted to its LOSAP, which consist primarily of fixed income and equity securities and mixed assets. Investments are stated at fair value on a recurring basis as determined by quoted prices in active markets.

Credit risk is the risk of loss attributed to the Village's investment in a single issuer. The Village diversifies its investments.

Interest rate risk is the risk that the fair value of investments will be affected by changing interest rates. The Village manages its exposure by limiting the length of the maturity dates of its investments.

4. Interfund Transactions – Fund Financial Statements

Fund	Receivable	Payable	Transfers	
			In	Out
General	\$ 46,088	\$ -	\$ -	\$ 300,000
Capital projects	-	39,278	300,000	-
Water	-	14,068	-	-
Sewer	7,258	-	-	-
	<u>\$ 53,346</u>	<u>\$ 53,346</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>

The Village's general fund provides cash flow to various other funds; these amounts are repaid in the subsequent year when funds are received from various state and local sources or when permanent financing is obtained. The general fund made a permanent transfer to the capital projects fund for project costs.

5. Capital Assets

	June 1, 2023	Increases	Retirements/ Reclassifications	May 31, 2024
Non-depreciable and non-amortizable capital assets:				
Land	\$ 147,384	\$ -	\$ -	\$ 147,384
Construction in progress	1,330,099	1,129,654	(398,102)	2,061,651
Total non-depreciable and non-amortizable assets	<u>1,477,483</u>	<u>1,129,654</u>	<u>(398,102)</u>	<u>2,209,035</u>
Depreciable capital assets:				
Buildings and improvements	3,021,065	-	-	3,021,065
Infrastructure	2,478,174	53,173	398,102	2,929,449
Vehicles and equipment	1,808,699	-	-	1,808,699
Total depreciable assets	<u>7,307,938</u>	<u>53,173</u>	<u>398,102</u>	<u>7,759,213</u>
Accumulated depreciation:				
Buildings and improvements	(320,389)	(113,937)	-	(434,326)
Infrastructure	(2,003,937)	(48,411)	-	(2,052,348)
Vehicles and equipment	(1,653,877)	(44,593)	-	(1,698,470)
Total accumulated depreciation	<u>(3,978,203)</u>	<u>(206,941)</u>	<u>-</u>	<u>(4,185,144)</u>
Total depreciable assets, net	<u>3,329,735</u>	<u>(153,768)</u>	<u>398,102</u>	<u>3,574,069</u>
Right-to-use lease assets:				
Equipment	102,780	-	-	102,780
Accumulated amortization	(30,834)	(10,278)	-	(41,112)
Total right-to-use assets, net	<u>71,946</u>	<u>(10,278)</u>	<u>-</u>	<u>61,668</u>
	<u>\$ 4,879,164</u>	<u>\$ 965,608</u>	<u>\$ -</u>	<u>\$ 5,844,772</u>

Depreciation and amortization expense has been allocated to the following functions: general government \$36,493, public safety \$37,362, transportation \$26,935, home and community \$49,743, and culture and recreation \$66,686.

The Village leases certain building space, easements, and land to various third parties under noncancellable agreements through February 2050 with interest rates at 3%. Outstanding leases receivable and corresponding deferred inflows of resources amounted to \$554,690 at May 31, 2024. For the year ended May 31, 2024, the Village recognized lease revenue of \$20,778 and interest revenue of \$17,279.

As of May 31, 2024, net investment in capital assets consists of the following:

Capital assets, net of accumulated depreciation and amortization	\$	5,844,772
Leases		(50,685)
Serial bonds		(2,191,577)
	\$	<u>3,602,510</u>

6. Short-Term Debt

There were no bond anticipation notes (BANs) outstanding at May 31, 2024. On May 31, 2023, BANs amounted to \$1,355,900 and carried interest at 4.19%. During 2024, the Village issued serial bonds totaling \$1,216,577 and used \$69,823 of grant proceeds, \$42,000 of BAN redeemed from appropriations, and \$27,500 of unspent BAN proceeds to pay off the outstanding BAN.

7. Long-Term Liabilities

	June 1, 2023	Increases	Decreases	May 31, 2024	Amount Due In One Year
Leases	\$ 85,341	\$ -	\$ 34,656	\$ 50,685	\$ 36,064
Bonds	1,050,000	1,216,577	75,000	2,191,577	136,577
Compensated absences	24,400	2,600	-	27,000	2,700
	<u>\$ 1,159,741</u>	<u>\$ 1,219,177</u>	<u>\$ 109,656</u>	<u>\$ 2,269,262</u>	<u>\$ 175,341</u>

Existing Obligations

Description	Maturity	Rate	Balance
2019 Case Construction lease	December 2024	3.67%	\$ 22,088
2020 Ford F250 truck lease	December 2025	4.60%	14,052
2020 Kubota plow lease	June 2025	4.60%	14,545
2016 Public improvement serial bonds	November 2041	1.99%	915,000
2021 Public improvement serial bonds	February 2026	4.60%	60,000
2023 Public improvement serial bonds	November 2042	4.00%	1,216,577
			<u>\$ 2,242,262</u>

Debt Service Requirements

Years ending May 31,	Leases		Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 36,064	\$ 2,139	\$ 136,577	\$ 43,734
2026	14,621	672	135,000	40,527
2027	-	-	115,000	36,583
2028	-	-	115,000	34,286
2029	-	-	115,000	31,992
2030-2034	-	-	655,000	121,827
2035-2039	-	-	570,000	59,506
2040-2043	-	-	350,000	9,111
	<u>\$ 50,685</u>	<u>\$ 2,811</u>	<u>\$ 2,191,577</u>	<u>\$ 377,566</u>

8. Pension Plan

Plan Description

The Village participates in ERS, which is cost-sharing, multiple-employer, public employee retirement system that provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. ERS issues publicly available financial reports that include financial statements and required supplementary information. Those reports may be obtained from the New York State and Local Retirement System at www.osc.state.ny.us/retire.

Benefits: ERS provides retirement, disability, and death benefits for eligible members, including automatic cost of living adjustments. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, an age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contribution Requirements: No employee contribution is required for those hired prior to July 1976. ERS requires employee contributions of 3% of salary for the first 10 years of service for those employees who joined from July 1976 through December 2009. Participants hired on or after January 1, 2010 through March 31, 2012 are required to contribute 3% of compensation throughout their active membership. Participants hired on or after April 1, 2012 are required to contribute a percentage ranging from 3% to 6% each year, based on their level of compensation. The State Comptroller annually certifies the rates used, expressed as a percentage of the wages of participants, to compute the contributions required to be made by the Village to the pension accumulation fund. For 2024, these rates ranged from 9.5% - 14.9%.

A liability to ERS of \$21,615 is accrued based on the Village's legally required contribution for employee services rendered from April 1 through May 31, 2024.

Net Pension Position, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

At May 31, 2024, the Village reported a liability of \$524,394 for its proportionate share of the ERS net pension position.

The total pension liability at the March 31, 2024 measurement date was determined by an actuarial valuation as of April 1, 2023, with update procedures applied to roll forward the total pension liability to March 31, 2024. The Village's proportion of the net pension position was based on the ratio of its actuarially determined employer contribution to ERS's total actuarially determined employer contributions for ERS's fiscal year ended on the measurement date. At March 31, 2024, the Village's proportion was 0.0035615%, an increase of 0.0003462 from its proportion measured as of March 31, 2023.

For the year ended May 31, 2024, the Village recognized net pension expense of \$214,177 on the government-wide statements. At May 31, 2024, the Village reported deferred outflows and deferred inflows of resources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 168,907	\$ (14,299)
Changes of assumptions	198,262	-
Net difference between projected and actual earnings on pension plan investments	-	(256,164)
Changes in proportion and differences between Village contributions and proportionate share of contributions	55,726	(93,870)
Village contributions subsequent to the measurement date	21,615	-
	<u>\$ 444,510</u>	<u>\$ (364,333)</u>

Contributions subsequent to the measurement date will be recognized as an addition to (a reduction of) the net pension asset (liability) in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ending May 31,		
2025	\$	(109,773)
2026		78,824
2027		147,421
2028		(57,910)
2029		-
	\$	58,562

Actuarial Assumptions

The actuarial assumptions used in the April 1, 2023 valuation, with update procedures used to roll forward the total pension liability to March 31, 2024, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Inflation – 2.9%

Salary increases – 4.4%

Cost of living adjustments – 1.5% annually

Investment rate of return – 5.9% compounded annually, net of investment expense, including inflation

Mortality – Society of Actuaries' Scale MP-2021

Discount rate – 5.9%

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.

Investment Asset Allocation

Best estimates of arithmetic real rates of return (net of the long-term inflation assumption) for each major asset class and the System's target asset allocations as of the valuation date are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	32%	4.0%
International equities	15%	6.7%
Private equities	10%	7.3%
Real estate equities	9%	4.6%
Domestic fixed income securities	23%	1.5%
Short-term	1%	0.3%
Other	10%	5.3%-5.8%
	100%	

Discount Rate

The discount rate projection of cash flows assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, ERS' 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 its net pension position for ERS calculated using the discount rate of 5.9% and the impact of using a discount rate that is 1% higher or lower than the current rate.

	At Current		
	1.0% Decrease	Discount Rate	1.0% Increase
Village’s proportionate share of the net pension asset (liability)	\$ (1,648,748)	\$ (524,394)	\$ 414,675

9. LOSAP

Plan Description

Pursuant to Article 11-A of the New York State General Municipal Law, the Village established a defined benefit LOSAP (the Program) for the active volunteer firefighters of the Lewiston Fire Company No. 1 (the Company). The Program became effective January 1, 1994. The Program provides municipally funded benefits to volunteer firefighters. The Village is the sponsor and administrator of the Program.

Active volunteer firefighters who have reached the age of 18 and who have earned one year of service credit are eligible to participate in the Program. In general, an active volunteer firefighter earns service credit for each calendar year after the establishment of the Program in which he or she accumulates 50 points. Points are granted for attending various activities of the Company in accordance with a point system adopted by the Village in accordance with General Municipal Law.

A participant acquires a non-forfeitable right to be paid a benefit from the Program after earning five years of service credit, becoming totally and permanently disabled, dying while an active volunteer, or upon attaining the Program’s entitlement age of 60. The benefit payable is equal to \$20 for each year of service credit earned, up to a maximum of \$800 for 40 years of service credit. This benefit is paid as a lifetime monthly annuity guaranteed for 10 years. The monthly benefit of a participant that remains active after the entitlement age and earns additional service credit is increased by \$20 beginning with the January 1 payment after the year in which the service credit was earned.

The Program provides a pre-entitlement age death benefit of a lump sum equal to the actuarial present value of the accrued benefit. The minimum pre-entitlement age death benefit payable for active members is \$20,000. If a participant dies after the entitlement age, the beneficiary shall continue to receive the remaining portion of the guaranteed monthly payments. The Program provides a pre-entitlement age disability benefit of a lump sum equal to the actuarial present value of the accrued benefit.

As of December 31, 2023, participants covered by the program include:

Active participants	18
Inactive participants entitled to but not yet receiving benefit payments	16
Participants currently receiving benefit payments	32
	<u>66</u>

Total LOSAP Pension Liability

At May 31, 2024, the Village reported a total LOSAP pension liability of \$1,878,381 in the government-wide statements. The total LOSAP pension liability was measured as of December 31, 2023 and was determined by an actuarial valuation as of the same date.

The total LOSAP pension liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Salary increases – not applicable

Inflation – not applicable

Mortality – RP2014 male/female, no projection for mortality improvement

Discount rate – 4.0% based on the Fidelity General Obligation 20-Year AA Municipal Bond Index

Changes in the Total LOSAP Pension Liability

	Total LOSAP Pension Liability
Balance at May 31, 2023, as restated (Note 2)	<u>\$ (1,877,789)</u>
Changes for the year:	
Service cost	(48,830)
Interest	(81,364)
Changes of benefit terms	-
Changes of assumptions or other inputs	(73,604)
Differences between expected and actual experience	124,746
Benefit payments	<u>78,460</u>
Net changes	<u>(592)</u>
Balance at May 31, 2024	<u>\$ (1,878,381)</u>

The following presents the Village's total LOSAP pension liability calculated using the discount rate of 4.0% and the impact of using a discount rate that is 1% higher or lower than the current rate:

	1.0% Decrease	At Current Discount Rate	1.0% Increase
Total LOSAP pension liability	<u>\$ (2,150,885)</u>	<u>\$ (1,878,381)</u>	<u>\$ (1,656,524)</u>

LOSAP Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to LOSAP

For the year ended May 31, 2024, the Village recognized LOSAP pension expense of \$116,863 on the government-wide statements. At May 31, 2024, the Village reported deferred outflows and deferred inflows of resources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (92,228)
Changes of assumptions	54,418	-
Benefit payments subsequent to the measurement date	35,940	-
	<u>\$ 90,358</u>	<u>\$ (92,228)</u>

Benefit payments subsequent to the measurement date will be recognized as a reduction of the total LOSAP pension liability in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to LOSAP will be recognized in pension expense as follows:

Years ending May 31,	
2025	\$ (13,331)
2026	(13,331)
2027	(11,148)
2028	-
2029	-
Thereafter	<u>-</u>
	<u>\$ (37,810)</u>

10. OPEB

Plan Description

The Village maintains a single-employer defined benefit healthcare plan (the Plan) providing for continuation of medical benefits to certain eligible retirees and their spouses. The Village contributes toward the single or family coverage of the health insurance plan available to active employees for the life of its retirees. The Village's contribution is based on years of service at retirement. The Village pays 25% of a retiree's cost of premiums for 10-14.9 years of service, 50% of a retiree's cost of premiums for 15-19.9 years of service, 75% of a retiree's cost of premiums for 20-24.9 years of service, and 100% of a retiree's cost of premiums for 25 or more years of service. Eligibility is based on covered employees who are eligible to retire under ERS and have at least 10 years of continuous service with the Village. The Plan has no assets, does not issue financial statements, and is not a trust.

At June 1, 2022, employees covered by the Plan include:

Active employees	15
Retirees	12
	<u>27</u>

Total OPEB Liability

The Village's total OPEB liability of \$3,977,259 was measured as of May 31, 2024, and was determined by an actuarial valuation as of June 1, 2022, rolled forward through an interim valuation to May 31, 2024.

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

Healthcare cost trend rates – based on the Village's actual premiums for pre-65 and post-65 retirees, initially increasing 7.0%, with an ultimate rate of 4.5% after 2034

Salary increases – 3.0%

Mortality – Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee and Healthy Annuitant Tables for both pre and post-retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2021

Discount rate – 4.28% based on the average of two 20-year tax exempt general obligation municipal bond indices as of the measurement date

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at May 31, 2023	<u>\$ (3,968,192)</u>
Changes for the year:	
Service cost	(124,744)
Interest	(166,844)
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	142,587
Benefit payments	<u>139,934</u>
Net changes	<u>(9,067)</u>
Balance at May 31, 2024	<u>\$ (3,977,259)</u>

The following presents the sensitivity of the Village's total OPEB liability to changes in the discount rate, including what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1% higher or lower than the current discount rate:

	1.0% Decrease (3.28%)	At Current Discount Rate (4.28%)	1.0% Increase (5.28%)
Total OPEB liability	\$ (4,728,322)	\$ (3,977,259)	\$ (3,386,793)

The following presents the sensitivity of the Village's total OPEB liability to changes in the healthcare cost trend rates, including what the Village's total OPEB liability would be if it were calculated using trend rates that are 1% higher or lower than the current rates:

	1.0% Decrease (6.0% to 3.5%)	Healthcare Cost Trend Rate (7.0% to 4.5%)	1.0% Increase (8.0% to 5.5%)
Total OPEB liability	\$ (3,282,828)	\$ (3,977,259)	\$ (4,910,695)

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

For the year ended May 31, 2024, the Village recognized OPEB expense of \$36,809. At May 31, 2024 the Village reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 418,286	\$ (2,213,770)
Benefit payments subsequent to the measurement date	150,791	-
	<u>\$ 569,077</u>	<u>\$ (2,213,770)</u>

Benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent year. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending May 31,	
2025	\$ (254,779)
2026	(254,779)
2027	(254,779)
2028	(254,777)
2029	(359,351)
Thereafter	(417,019)
	<u>\$ (1,795,484)</u>

11. Risk Management

General Liability

The Village purchases commercial insurance for various risks of loss due to torts, thefts, damage, errors and omissions, injuries to employees, and natural disasters. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

Litigation

The Village is subject to claims and lawsuits that arise in the ordinary course of business. In the opinion of management, these claims and lawsuits will not have a material adverse effect upon the financial position of the Village.

VILLAGE OF LEWISTON, NEW YORK

Required Supplementary Information (Unaudited)
Schedule of the Village's Proportionate Share of the Net Pension Position
New York State and Local Employees' Retirement System

As of the measurement date of March 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Village's proportion of the net pension position	0.0035615%	0.0032153%	0.0028677%	0.0033671%	0.0025696%	0.0022824%	0.0021819%	0.0018661%	0.0018263%
Village's proportionate share of the net pension asset (liability)	\$ (524,394)	\$ (689,499)	\$ 234,421	\$ (3,353)	\$ (680,480)	\$ (161,717)	\$ (70,421)	\$ (175,346)	\$ (293,120)
Village's covered payroll	\$ 894,183	\$ 777,368	\$ 717,568	\$ 825,810	\$ 801,288	\$ 794,507	\$ 754,592	\$ 718,818	\$ 715,845
Village's proportionate share of the net pension asset (liability) as a percentage of its covered payroll	(58.65%)	(88.70%)	32.67%	(0.41%)	(84.92%)	(20.35%)	(9.33%)	(24.39%)	(40.95%)
Plan fiduciary net position as a percentage of the total pension liability	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%
The following is a summary of changes of assumptions:									
Inflation	2.9%	2.9%	2.7%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary increases	4.4%	4.4%	4.4%	4.4%	4.2%	4.2%	3.8%	3.8%	3.8%
Cost of living adjustments	1.5%	1.5%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%
Investment rate of return	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Discount rate	5.9%	5.9%	5.9%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2014	MP-2014	MP-2014	MP-2014

Data prior to 2016 is unavailable.

VILLAGE OF LEWISTON, NEW YORK

Required Supplementary Information (Unaudited)
Schedule of Village Contributions
New York State and Local Employees' Retirement System

For the years ended May 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 99,271	\$ 75,296	\$ 90,706	\$ 86,904	\$ 85,742	\$ 81,836	\$ 78,731	\$ 83,669	\$ 78,812
Contribution in relation to the contractually required contribution	(99,271)	(75,296)	(90,706)	(86,904)	(85,742)	(81,836)	(78,731)	(83,669)	(78,812)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 894,183	\$ 777,368	\$ 717,568	\$ 825,810	\$ 801,288	\$ 794,507	\$ 754,592	\$ 718,818	\$ 715,845
Contributions as a percentage of covered payroll	11.10%	9.69%	12.64%	10.52%	10.70%	10.30%	10.43%	11.64%	11.01%

Data prior to 2016 is unavailable.

Required Supplementary Information (Unaudited)
Schedule of Changes in the Village's
Total LOSAP Pension Liability

For the year ended May 31, 2024

Total LOSAP pension liability - beginning, as restated (Note 2)	\$ (1,877,789)
Changes for the year:	
Service cost	(48,830)
Interest	(81,364)
Changes of benefit terms	-
Changes of assumptions or other inputs	(73,604)
Differences between expected and actual experience	124,746
Benefit payments	78,460
Net change in total LOSAP pension liability	(592)
Total LOSAP pension liability - ending	<u>\$ (1,878,381)</u>

The Village has no covered-employee payroll.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73.

Differences between expected and actual experience include differences in inflation and changes in the discount rate.

The following is a summary of changes of assumptions:

Salary increases	N/A
Inflation	N/A
Discount rate	4.0%
Mortality table	<u>RP-2014</u>

Data prior to 2024 is unavailable.

VILLAGE OF LEWISTON, NEW YORK

Required Supplementary Information (Unaudited)
Schedule of Changes in the Village's
Total OPEB Liability and Related Ratios

For the years ended May 31,	2024	2023	2022	2021	2020	2019
Total OPEB liability - beginning	\$ (3,968,192)	\$ (4,376,649)	\$ (5,819,971)	\$ (6,534,457)	\$ (5,392,073)	\$ (5,209,205)
Changes for the year:						
Service cost	(124,744)	(129,390)	(101,386)	(156,931)	(96,068)	(83,261)
Interest	(166,844)	(175,524)	(202,736)	(135,656)	(163,900)	(160,541)
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-	-
Changes of assumptions or other inputs	142,587	585,354	1,659,393	919,612	(941,141)	-
Benefit payments	139,934	128,017	88,051	87,461	58,725	60,934
Net change in total OPEB liability	(9,067)	408,457	1,443,322	714,486	(1,142,384)	(182,868)
Total OPEB liability - ending	\$ (3,977,259)	\$ (3,968,192)	\$ (4,376,649)	\$ (5,819,971)	\$ (6,534,457)	\$ (5,392,073)
Covered-employee payroll	\$ 763,063	\$ 763,063	\$ 572,080	\$ 572,080	\$ 536,692	\$ 536,692
Total OPEB liability as a percentage of covered-employee payroll	521.2%	520.0%	765.0%	1017.3%	1217.5%	1004.7%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes of assumptions or other inputs include changes in the discount rate and updated mortality rates.

The following is a summary of changes of assumptions:

Healthcare cost trend rates	7.0%-4.5%	7.0%-4.5%	7.0%-4.5%	7.0%-4.5%	5.0%-8.0%	5.0%-8.0%
Inflation	N/A	N/A	N/A	N/A	N/A	N/A
Salary increases	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Discount rate	4.28%	4.07%	3.51%	2.09%	N/A	N/A
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2019	MP-2019	MP-2018	MP-2018

Data prior to 2019 is unavailable.