



INCORPORATED VILLAGE OF
LYNBROOK
NEW YORK

Financial Report

Year Ended May 31, 2025

Incorporated Village of Lynbrook, New York

Financial Report

Year Ended May 31, 2025

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Independent Auditor's Report

Mayor and Board of Trustees
Incorporated Village of Lynbrook, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Incorporated Village of Lynbrook, New York (Village), as of and for the year ended May 31, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the 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 aggregate remaining fund information of the Village, as of May 31, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Auditor's 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.

Emphasis of Matters

Correction of Misstatement

As discussed in Note 1q to the financial statements, the financial statements as of and for the years ended May 31, 2024 and 2023 of the governmental activities and the Capital Projects Fund have been restated to correct a misstatement. Our opinions are not modified with respect to this matter.

Adoption of New Accounting Standard

As discussed as Note 1q to the financial statements, in the year ended May 31, 2025, the Village adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the required supplementary information listed 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 GAAS, 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.



Required Supplementary Information - Continued

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information listed in the accompanying table of contents is presented for purposes of additional analysis and is 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 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2026, 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.

BST+Co.CPAs, LLP

Latham, New York
February 12, 2026



Incorporated Village of Lynbrook, New York

Statement of Net Position

	May 31, 2025
	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 8,253,087
Cash and cash equivalents, restricted	771,395
Investments	11,050,988
Investments, restricted	9,684,964
Receivables	
Accounts	996,817
Taxes	524,796
Due from fiduciary fund	96,404
State and federal aid	405,105
Prepaid expenses	659,762
Capital assets	
Non-depreciable	16,069,758
Depreciable, net	29,858,265
Total assets	78,371,341
DEFERRED OUTFLOWS OF RESOURCES	
Pension deferrals	9,339,688
LOSAP deferrals	3,120,335
OPEB deferrals	4,754,107
Total deferred outflows of resources	17,214,130
Total assets and deferred outflows of resources	95,585,471
LIABILITIES	
Accounts payable and accrued expenses	2,663,023
Interest payable	75,712
Unearned revenues	194,077
Judgments and claims	727,451
BANs payable	5,095,000
Long-term liabilities	
Due within one year	4,764,920
Due in more than one year	
Compensated absences	5,485,528
Installment purchase debt	262,141
Bonds payable	8,019,929
SBITA liability	508,342
Net pension liability	16,822,054
LOSAP obligations	9,987,471
OPEB	54,247,240
Total liabilities	108,852,888
DEFERRED INFLOWS OF RESOURCES	
Property taxes received in advance	3,595,139
Pension deferrals	875,667
LOSAP deferrals	3,594,681
OPEB deferrals	17,610,255
Total deferred inflows of resources	25,675,742
Total liabilities and deferred inflows of resources	134,528,630
NET POSITION (DEFICIT)	
Net investment in capital assets	30,047,844
Restricted for	
Capital assets	87,486
Employee benefits	355,742
Debt service	845,070
Other	154,221
Unrestricted (deficit)	(70,433,522)
Total net position (deficit)	\$ (38,943,159)

See accompanying Notes to Financial Statements.

Incorporated Village of Lynbrook, New York

Statement of Activities

Functions/Programs	Year Ended May 31, 2025				Net (Expenses) Revenues and Change in Net Position
	Program Revenues			Capital Grants and Contributions	
	Expenses	Charges for Services	Operating Grants and Contributions		
GOVERNMENTAL ACTIVITIES					
General government support	\$ 7,078,438	\$ 3,569,730	\$ 22,438	\$ -	\$ (3,486,270)
Public safety	24,605,266	418,989	209,593	-	(23,976,684)
Health	41,528	7,782	-	-	(33,746)
Transportation	5,326,174	339,870	-	748,475	(4,237,829)
Economic opportunity and development	112,716	-	-	-	(112,716)
Culture and recreation	5,641,612	672,877	-	-	(4,968,735)
Home and community services	4,227,732	342,238	406,843	185,509	(3,293,142)
Interest on long-term debt	485,047	-	-	-	(485,047)
	\$ 47,518,513	\$ 5,351,486	\$ 638,874	\$ 933,984	(40,594,169)
GENERAL REVENUES					
Real property taxes					37,359,251
Other tax items					1,954,087
Non-property taxes					929,111
Use of money and property					1,414,610
Sale of property and compensation for loss					280,069
Miscellaneous local sources					578,113
Unrestricted state aid					502,639
Total general revenues					43,017,880
Change in net position (deficit)					2,423,711
NET POSITION (DEFICIT), beginning of year, as previously reported					(40,276,508)
Correction of misstatement					107,603
Implementation of GASB Statement No. 101					(1,197,965)
NET POSITION (DEFICIT), beginning of year, as restated					(41,366,870)
NET POSITION (DEFICIT), end of year					\$ (38,943,159)

See accompanying Notes to Financial Statements.

Incorporated Village of Lynbrook, New York

Balance Sheet - Governmental Funds

	May 31, 2025				
	Major Funds			Other	Total
	General	Capital Projects	Debt Service	Governmental Funds	Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 8,063,672	\$ 61,985	\$ -	\$ 127,430	\$ 8,253,087
Cash and cash equivalents, restricted	527,449	-	173,946	70,000	771,395
Investments	11,050,988	-	-	-	11,050,988
Investments, restricted	7,579,211	2,105,753	-	-	9,684,964
Receivables					
Accounts	945,200	-	-	51,617	996,817
Taxes	524,796	-	-	-	524,796
Due from other funds	1,237,896	-	389,648	-	1,627,544
State and federal aid	-	391,750	-	13,355	405,105
Prepaid expenditures	631,411	-	-	28,351	659,762
Total assets	<u>\$ 30,560,623</u>	<u>\$ 2,559,488</u>	<u>\$ 563,594</u>	<u>\$ 290,753</u>	<u>\$ 33,974,458</u>
LIABILITIES					
Accounts payable	\$ 658,980	\$ 217,378	\$ -	\$ 49,042	\$ 925,400
Accrued liabilities	2,470,854	-	-	49,438	2,520,292
Due to other funds	-	1,530,793	-	347	1,531,140
BANs payable	825,000	4,270,000	-	-	5,095,000
Unearned revenues	189,458	-	-	4,619	194,077
Judgments and claims	727,451	-	-	-	727,451
Total liabilities	<u>4,871,743</u>	<u>6,018,171</u>	<u>-</u>	<u>103,446</u>	<u>10,993,360</u>
DEFERRED INFLOWS OF RESOURCES					
Property taxes received in advance	3,595,139	-	-	-	3,595,139
Unavailable property tax receivables	423,799	-	-	-	423,799
Total deferred inflows of resources	<u>4,018,938</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,018,938</u>
FUND BALANCES					
Nonspendable	631,411	-	-	28,351	659,762
Restricted	8,106,660	-	-	70,000	8,176,660
Assigned	3,029,357	-	563,594	88,956	3,681,907
Unassigned	9,902,514	(3,458,683)	-	-	6,443,831
Total fund balances	<u>21,669,942</u>	<u>(3,458,683)</u>	<u>563,594</u>	<u>187,307</u>	<u>18,962,160</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,560,623</u>	<u>\$ 2,559,488</u>	<u>\$ 563,594</u>	<u>\$ 290,753</u>	<u>\$ 33,974,458</u>

See accompanying Notes to Financial Statements.

Incorporated Village of Lynbrook, New York

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

	<u>May 31, 2025</u>
Total fund balances in the fund financial statements for the governmental funds	\$ 18,962,160
Amounts reported in governmental activities in the statement of net position are different because:	
Capital assets are included as assets in the government-wide statements and are added, net of accumulated depreciation.	45,928,023
Deferred inflows of resources related to the Village's revenues that will be collected after year-end but are not available soon enough to pay the current period's expenditures are deferred in the funds.	423,799
Some liabilities are not due and payable or available in the current period and, therefore, are not reported in the funds:	
Interest payable	(75,712)
Compensated absences	(6,095,031)
Installment purchase debt	(517,019)
Bonds payable	(9,710,000)
Bond premium	(87,914)
SBITA liabilities	(620,246)
Net pension liability, net of deferred outflows of resources and deferred inflows of resources	(7,575,364)
LOSAP, net of deferred outflows of resources and deferred inflows of resources	(10,831,579)
OPEB, net of deferred outflows of resources and deferred inflows of resources	<u>(68,744,276)</u>
Total net position - governmental activities	<u>\$ (38,943,159)</u>

Incorporated Village of Lynbrook, New York

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

	Year Ended May 31, 2025				
	Major Funds			Other	Total
	General	Capital Projects	Debt Service	Governmental Funds	Governmental Funds
REVENUES					
Real property taxes	\$ 37,534,853	\$ -	\$ -	\$ -	\$ 37,534,853
Other tax items	1,954,087	-	-	-	1,954,087
Non-property taxes	929,111	-	-	-	929,111
Departmental income	1,602,341	-	-	6,643	1,608,984
Intergovernmental charges	13,910	-	-	160,987	174,897
Use of money and property	1,297,823	-	157,650	2,845	1,458,318
Licenses and permits	1,044,052	-	-	-	1,044,052
Fines and forfeitures	2,523,553	-	-	-	2,523,553
Sale of property and compensation for loss	280,069	-	-	-	280,069
Miscellaneous	534,090	474,201	-	315	1,008,606
State aid	825,974	185,509	-	9,277	1,020,760
Federal aid	-	180,000	-	400,536	580,536
Total revenues	48,539,863	839,710	157,650	580,603	50,117,826
EXPENDITURES					
General governmental support	5,376,311	805,812	-	1,080	6,183,203
Public safety	15,460,346	1,434,345	-	-	16,894,691
Health	41,528	-	-	-	41,528
Transportation	2,792,459	53,404	-	-	2,845,863
Economic opportunity and development	68,859	-	-	-	68,859
Culture and recreation	2,291,296	-	-	1,413,027	3,704,323
Home and community services	2,740,550	-	-	400,536	3,141,086
Employee benefits	14,115,106	-	-	555,069	14,670,175
Debt service					
Principal	228,762	-	2,027,814	-	2,256,576
Interest	249,300	-	264,025	-	513,325
Total expenditures	43,364,517	2,293,561	2,291,839	2,369,712	50,319,629
Excess (deficiency) of revenues over expenditures	5,175,346	(1,453,851)	(2,134,189)	(1,789,109)	(201,803)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	-	2,358,340	1,765,000	4,123,340
Operating transfers out	(4,056,839)	(66,501)	-	-	(4,123,340)
Proceeds from subscription-based IT arrangements	-	704,008	-	-	704,008
BANs redeemed from appropriations	75,000	70,000	-	-	145,000
Total other financing sources (uses)	(3,981,839)	707,507	2,358,340	1,765,000	849,008
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,193,507	(746,344)	224,151	(24,109)	647,205
FUND BALANCES, beginning of year, as previously reported	20,476,435	(2,819,942)	339,443	211,416	18,207,352
Correction of misstatement	-	107,603	-	-	107,603
FUND BALANCES, beginning of year, as restated	20,476,435	(2,712,339)	339,443	211,416	18,314,955
FUND BALANCES, end of year	\$ 21,669,942	\$ (3,458,683)	\$ 563,594	\$ 187,307	\$ 18,962,160

See accompanying Notes to Financial Statements.

Incorporated Village of Lynbrook, New York

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

**Year Ended
May 31, 2025**

Net change in fund balances shown for total governmental funds

\$ 647,205

Amounts reported in governmental activities in the statement of activities are different because of the following:

Capital outlays are reported as expenditures in the governmental funds, and the sale of capital assets is recorded as revenue in the governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital expenditures	\$ 2,809,576	
Loss on disposal of capital assets, net	(11,661)	
Depreciation expense	<u>(3,007,195)</u>	(209,280)

Bond and installment purchase debt principal payments are shown as expenditures in the governmental funds. These payments are shown in the statement of net position as a reduction of the related liabilities and not shown as expenses in the statement of activities:

Bond and installment purchase debt payments	2,111,576	
SBITA proceeds due to implementation of GASB Statement No. 96	(704,008)	
Amortization of bond premiums	<u>12,985</u>	1,420,553

Real property taxes that do not provide current financial resources are reported as revenues in the statement of activities but not in the fund financial statements.

(175,602)

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 the governmental funds:

Interest payable		15,292
Compensated absences		139,469
Net pension liability, net of deferred outflows of resources and deferred inflows of resources		467,734
LOSAP, net of deferred outflows of resources and deferred inflows of resources		(141,094)
OPEB, net of deferred outflows of resources and deferred inflows of resources		<u>259,434</u>

Change in net position of governmental activities

\$ 2,423,711

See accompanying Notes to Financial Statements.

Incorporated Village of Lynbrook, New York

Statement of Net Position - Fiduciary Funds

	<u>May 31, 2025</u>	
	<u>Custodial</u>	<u>Private Purpose Trust</u>
ASSETS		
Cash, restricted	\$ 269,120	\$ 118,176
Accounts receivable	<u>25,000</u>	<u>-</u>
Total assets	<u>294,120</u>	<u>118,176</u>
LIABILITIES		
Accounts payable	201	-
Due to other funds	<u>96,404</u>	<u>-</u>
Total liabilities	<u>96,605</u>	<u>-</u>
NET POSITION		
Restricted	<u>\$ 197,515</u>	<u>\$ 118,176</u>

Incorporated Village of Lynbrook, New York

Statement of Revenues, Expenses, and Changes in Net Position - Fiduciary Funds

	Year Ended May 31, 2025	
	Custodial	Private Purpose Trust
REVENUES		
Guaranty and bid deposits	\$ 29,500	\$ -
Gifts and donations	-	27,320
	29,500	27,320
EXPENDITURES		
Forfeited bail	8,050	-
Culture and recreation	-	34,221
	8,050	34,221
 Change in fiduciary net position	21,450	(6,901)
NET POSITION, <i>beginning of year</i>	176,065	125,077
NET POSITION, <i>end of year</i>	\$ 197,515	\$ 118,176

See accompanying Notes to Financial Statements.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies

The accompanying basic financial statements of the Incorporated Village of Lynbrook, New York (Village) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for governments. Such principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the standard-setting body for establishing governmental accounting and financial reporting principles in the United States of America.

a. Organization

The Village is governed by Village law and other general laws of the State of New York. The Board of Trustees is the legislative body responsible for overall operations. The Mayor serves as Chief Executive Officer, and the Treasurer serves as Chief Fiscal Officer.

The Village provides its residents with general government support, police and fire protection, street maintenance, snow removal, code enforcement, parks and recreation, library services, and various other services.

All governmental activities and functions performed for the Village are the direct responsibility of the Board of Trustees. These responsibilities include, but are not limited to, financial independence, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

The following is a summary of the Village's significant accounting policies:

b. Financial Reporting Entity

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

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 reporting entity is made by applying the criteria set forth by U.S. GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity is conducted within the geographic boundaries of the Village and is generally available to all of its citizens. A third criterion used in evaluating potential component units is the existence of special financing relationships, regardless of whether the Village is able to exercise oversight responsibilities.

Based on the application of these criteria, the operations of the Lynbrook Public Library (Library) are included in these financial statements. The Village finances the operations of the Library through the transfer of funds appropriated for this purpose, 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. The Library is considered a blended component unit of the Village and is reported as a special revenue fund.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

c. Government-Wide and Fund 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 Village as a whole. The effect of interfund activity within the governmental and business-type activities, if any, has been eliminated from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, if any, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial condition of the Village's activities at year-end. The statement of activities demonstrates the degree to which the 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, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The statement of activities identifies the net expense or revenue from each activity and identifies the amount of general revenues needed to help finance the specific activities.

Separate financial statements are provided for governmental, proprietary and fiduciary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

The Village uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types.

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds) and the acquisition or construction of general fixed assets (Capital Projects Fund). The General Fund is used to account for all activities of the general government not accounted for in another fund.

The following are the Village's major governmental funds:

- The General Fund is the principal operating fund of the Village. It is used to account for all financial resources, except those required to be accounted for in another fund. This fund operates within the financial limits of an annual budget adopted by the Board of Trustees.
- The Capital Projects Fund is used to account for the financial resources used for the acquisition, construction, or major repair of capital facilities. Financing is generally provided from proceeds of bonds, notes, and/or federal and state grants.
- The Debt Service Fund is used to account for the accumulation of resources and the payment of principal and interest on long-term general obligation debt of governmental activities.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

c. Government-Wide and Fund Financial Statements - Continued

Governmental Funds - Continued

The Village's non-major funds include the following:

- Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special revenue funds of the Village include the following:
 - The Community Development Fund is used to account for community development projects financed by funds received from the federal government, which are passed through Nassau County.
 - The Library Fund is used to account for revenues and expenditures pertaining to the operations of the Village's public library.

Fiduciary Funds

The Village uses fiduciary funds to account for assets held on behalf of outside parties, including other governments, or other funds within the government. The Village's Custodial Fund is generally used to account for assets that the government holds on behalf of others as their agent. The Private Purpose Trust Fund is used to account for resources held in trust for various special events located within the Village.

d. Basis of Accounting and Measurement Focus

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenue in the year they are earned. Grants, entitlements, and donations are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as 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 60 days of the fiscal year-end. A 90-day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures and related liabilities are generally recorded in the accounting period the liability is incurred to the extent that it is expected to be paid within the next 12 months, with the exception of certain items, such as debt service, compensated absences, and claims and judgments, that are recorded in the governmental fund statements only when they mature or become due for payment within the period. Expenditure-driven grants are recognized as revenues when the qualifying expenditures have been incurred and all other grant requirements have been met. Non-exchange grants and subsidies are recognized as revenues when all requirements of the grant and/or subsidy have been satisfied.

The Village's proprietary fund and fiduciary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

e. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses/expenditures during the reporting year. Actual results could differ from those estimates.

f. Cash, Cash Equivalents, and Investments

Cash and cash equivalents consist of cash and time deposits that mature no more than three months after the date purchased.

Cash

The Village is required to collateralize its cash deposits in excess of the Federal Depository Insurance Corporation (FDIC) limit. This collateral is in the form of government and government agencies' securities pledged by the bank under a third-party trust agreement. As of May 31, 2025, the collateral was sufficient to secure the Village's deposits.

Restricted cash and cash equivalents in the General Fund are for capital and other reserve purposes, and restricted cash and cash equivalents in the Debt Service Fund are for retiring debt. Restricted cash in the Capital Projects Fund, if any, is restricted for various capital-related activities in accordance with debt agreements. Restricted cash in the Private Purpose Trust Fund is restricted for various special events located within the Village.

Investments

The Village's investment policies are governed by New York State statutes. Village monies must be deposited in FDIC-insured commercial banks or trust companies located within the State of New York. The Village Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, and obligations of New York State or its localities.

Investments in marketable securities are reported at fair value, which is defined as the price that would be received to sell an asset in an orderly transaction between market participants on the measurement date.

The Village has invested \$14,009,861 with the New York Cooperative Liquid Assets Securities System (NYCLASS), which is valued at the net asset value (NAV) as a practical expedient and, therefore, is excluded from the fair value hierarchy. NYCLASS is a short-term, highly liquid investment fund that operates like a money market mutual fund, with each share valued at \$1.00, its NAV as reported by NYCLASS. The NAV, which is based on the fair value of the underlying investments held by NYCLASS less its liabilities, is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that NYCLASS will sell its investments for an amount different than the reported NAV. Participants can conduct transactions (deposits, withdrawal, or transfers) on a normal business day. There are no limits on the dollar amount or number of daily transactions, except that total daily withdrawals may not exceed the total balance on deposit.

The Village has also accumulated investments that are restricted for volunteer firefighters under a Length of Service Award Program (LOSAP) benefit plan. Assets held under this plan are invested in an unallocated group annuity contract that is backed by the general assets of the issuer. The plan also maintains a checking account to pay benefits as they become due. These investments are reported at contract value, which may be different than liquidation value.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

f. Cash, Cash Equivalents, and Investments - Continued

Investments - Continued

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and such changes could materially affect the amounts reported in the financial statements.

g. Accounts Receivable

Accounts receivable are carried at the original invoice amount, less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts, if any, by identifying troubled accounts and using historical experience applied to an aging of accounts. At May 31, 2025, management has determined that no allowance for doubtful accounts is necessary.

h. Prepaid Expenses/Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/expenditures.

i. Capital Assets

Capital assets are reported at historical cost where available. In certain cases, historical cost has been estimated based on appraisals conducted by an independent appraisal company. Donated assets are reported at the estimated fair value at the time received. Depreciation of capital assets for governmental activities is computed using the straight-line method of depreciation over the useful lives of the assets, as the following schedule indicates:

Land improvements	5 - 50 years
Buildings and improvements	5 - 50 years
Machinery and equipment	5 - 50 years
Infrastructure	10 - 50 years
Other assets	5 - 10 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the operating property using the applicable depreciation methods.

The Village maintains a capitalization threshold of \$5,000 for individual or in-aggregate capital expenditures.

Management periodically reviews long-lived assets for impairment to determine whether any events or circumstances indicate that the carrying value of the assets may not be recoverable. No impairment was identified for the year ended May 31, 2025.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

j. Accrued Liabilities and Long-Term Obligations

The balance sheet reports accounts payable and accrued liabilities of the governmental funds to the extent that they are due and payable within the current period and are paid in full in a timely manner from current financial resources. Claims and judgments, and compensated absences that will be paid from governmental funds, are reported as liabilities to the extent that they are due for payment in the current year.

Long-term obligations represent the Village's future obligations or future economic outflows. The liabilities are reported in the statement of net position in the government-wide financial statements.

k. Compensated Absences

Vacation eligibility and accumulation are specified in collective bargaining agreements and in individual employment contracts. Some earned benefits may be forfeited if not taken within varying time periods. Sick leave eligibility and accumulation are specified in collective bargaining agreements and in individual employment contracts. Upon retirement, resignation, or death, employees (or their beneficiaries upon death) may be eligible to receive the value of unused accumulated sick leave.

l. Deferred Outflows of Resources and Deferred Inflows of Resources

A deferred outflow of resources is a consumption of net assets that applies to future periods. A deferred inflow of resources is an acquisition of net assets that applies to future periods.

The Village reports deferred inflows of resources on its governmental funds balance sheet when potential revenue does not meet both of the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received by the government before it has a legal claim to them, as when property taxes or grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferral is removed from the balance sheet and revenue is recognized.

Deferred outflows of resources and deferred inflows of resources related to pension, LOSAP, and other postemployment benefits (OPEB) are reported in the governmental activities. Further details of the deferred outflows of resources and deferred inflows of resources related to pension, LOSAP, and OPEB are disclosed in Notes 8, 9, and 10, respectively.

m. Employee Benefits

Net Pension Liability - New York State and Local Retirement System

The net pension liability represents the Village's proportionate share of the net pension liability of the New York State and Local Retirement System's (System) New York State and Local Employees' Retirement System (ERS) and New York State and Local Police and Fire Retirement System (PFRS), as described in Note 8.

LOSAP

The Village sponsors a separate LOSAP plan for active volunteer firefighters of the Lynbrook Fire Department, as described in Note 9.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

m. Employee Benefits - Continued

OPEB

The Village provides health care benefits for retired employees through a single-employer defined benefit plan, as described in Note 10.

n. Fund Balance and Net Position

Fund balances for governmental funds are reported in classifications that compose a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The five fund balance classifications are as follows:

- Nonspendable - Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted - Amounts that have restraints that are either (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action, such as legislation, resolution, or ordinance by the government's highest level of decision-making authority.
- Assigned - Amounts that are constrained only by the government's intent to be used for a specific purpose but are not restricted or committed in any manner.
- Unassigned - The residual amount in the General Fund after all of the other classifications have been established. In a special revenue fund, if expenditures and other financing uses exceed the amounts restricted, committed, or assigned for those purposes, then a negative unassigned fund balance will occur.

The Village's fund balance policy is set by the Board of Trustees, the highest level of decision-making authority. The Board of Trustees considers "formal action" for a committed fund balance to be the passing of a Board of Trustees resolution. The Board of Trustees has delegated the ability to assign fund balance to the Village Treasurer. The Village considers fund balance spent in the order of restricted, committed, assigned, and unassigned.

Note 7 provides further details regarding the Village's fund balance classifications.

The following categories are used for net position of the government-wide and proprietary fund financial statements:

- Net Investment in Capital Assets - This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balance of debt, including bonds and bond anticipation notes (BAN), which are attributable to the acquisition, construction, or improvement of these assets, reduce the balance in this category.
- Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of the Village or other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

n. Fund Balance and Net Position - Continued

- Unrestricted Net Position - This category represents net position of the Village not restricted for any project or other purpose.

o. Property Taxes

Real property taxes are levied annually no later than May 15 and become a lien on June 1. The Village collects its own taxes. Taxes are collected during the month of June without penalty. A 5% penalty is assessed on taxes paid after July 1, and an additional 1% is assessed each month on taxes paid after July. Unpaid Village taxes are collected through tax sales and are considered fully collectible by management. The Village received approximately \$3.59 million in property tax revenue in advance of the June 1, 2025 enforceable lien and has recorded this balance as a deferred inflow of resources. The Village has \$423,799 of property taxes receivable that were not collected within the availability period and has recorded this balance as a deferred inflow of resources in the General Fund.

p. Interfund Transactions

The operations of the Village include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The Village typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year and are classified as "due from other funds" and "due to other funds" on the statement of net position and the balance sheet. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

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

See Note 3 for a detailed disclosure by individual fund for interfund receivables, payables, and transfers.

q. Correction of Misstatement and Adoption of New Accounting Standard

The Village under-reported receivables and related revenues of the Capital Projects Fund relating to the years ended May 31, 2024 and 2023.

For the year ended May 31, 2025, the financial statements include the adoption of GASB Statement No. 101, *Compensated Absences*. This statement establishes recognition and measurement and amends disclosures related to what, when and the value of items to be included in compensated absences as of the measurement date.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

q. Correction of Misstatement and Adoption of New Accounting Standard - Continued

As a result of the correction of this misstatement and adoption of this new accounting standard, the Village has restated the beginning of year fund balance of the Capital Projects Fund, compensated absences liability and net position of the governmental activities as follows:

	As Originally Stated	Correction of Error	Adoption of New Accounting Standard	As Restated
<i>Governmental Activities</i>				
Compensated absences	\$ 5,036,535	\$ -	\$ 1,197,965	\$ 6,234,500
Net position (deficit)	(40,276,508)	107,603	(1,197,965)	(41,366,870)
<i>Capital Projects Fund</i>				
Fund balance (deficit)	(2,819,942)	107,603	-	(2,712,339)

r. Subsequent Events

The Village has evaluated subsequent events for potential recognition or disclosure through February 12, 2026, the date the financial statements were available to be issued.

Note 2 - Stewardship, Compliance, and Accountability

a. Budgetary Information

Budgets are adopted on the modified accrual basis. Annual appropriated budgets are adopted for the General Fund and the special revenue funds. The Village's budget policy is as follows:

1. The Village's budget officer submits a tentative budget to the Board of Trustees on or before March 31. The tentative budget includes proposed expenditures and the proposed means of financing for the General Fund.
2. A public hearing is held on the tentative budget by April 15. After completion of the budget hearing, the Board of Trustees may further change the tentative budget. Such budget, as so revised, must be adopted by resolution no later than May 1.
3. All subsequent modifications of the budget must be approved by the Board of Trustees.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Appropriations authorized for the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board of Trustees as a result of selected new revenue source not included in the original budget (when permitted by law). These supplementary appropriations may occur subject to legal restrictions, if the Board of Trustees approves them because of an existing need that was not determined at the time the budget was adopted. During the year, several supplementary appropriations were necessary.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 3 - Interfund Transactions

Interfund balances as of May 31, 2025 are as follows:

	Due to Other Funds				Total
	Capital Projects	Other Governmental Funds	Total Governmental Funds	Custodial	
Due From Other Funds					
Governmental funds					
General	\$ 1,237,549	\$ 347	\$ 1,237,896	\$ -	\$ 1,237,896
Debt Service	293,244	-	293,244	96,404	389,648
Total	\$ 1,530,793	\$ 347	\$ 1,531,140	\$ 96,404	\$ 1,627,544

Interfund transfers for the year ended May 31, 2025 are as follows:

	Interfund Transfers Out		
	General	Capital Projects	Total
Interfund Transfers In			
Debt Service	\$ 2,291,839	\$ 66,501	\$ 2,358,340
Other governmental funds	1,765,000	-	1,765,000
	\$ 4,056,839	\$ 66,501	\$ 4,123,340

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 4 - Capital Assets

A summary of changes in the Village's capital assets is as follows:

	Balance May 31, 2024	Additions	Disposals	Balance May 31, 2025
Capital assets not being depreciated				
Land	\$ 16,069,758	\$ -	\$ -	\$ 16,069,758
Depreciable capital assets				
Land improvements	10,037,234	439,805	-	10,477,039
Buildings and improvements	14,221,078	16,795	-	14,237,873
Machinery and equipment	21,191,440	1,475,938	(194,223)	22,473,155
Infrastructure	47,058,181	156,318	-	47,214,499
SBITA assets	-	709,620	-	709,620
Other assets	1,988,148	11,100	-	1,999,248
Total depreciable capital assets	94,496,081	2,809,576	(194,223)	97,111,434
Less accumulated depreciation				
Land improvements	4,578,547	414,918	-	4,993,465
Buildings and improvements	8,831,988	430,443	-	9,262,431
Machinery and equipment	15,717,059	1,044,780	(182,562)	16,579,277
Infrastructure	33,408,162	1,027,132	-	34,435,294
SBITA amortization	-	74,388	-	74,388
Other assets	1,892,780	15,534	-	1,908,314
Total accumulated depreciation	64,428,536	3,007,195	(182,562)	67,253,169
Depreciable capital assets, net	30,067,545	(197,619)	(11,661)	29,858,265
Total capital assets	\$ 46,137,303	\$ (197,619)	\$ (11,661)	\$ 45,928,023

Depreciation expense for 2025 was charged to functions of the primary government as follows:

General government support	\$ 477,773
Public safety	771,139
Transportation	1,408,922
Culture and recreation	293,233
Home and community services	56,128
Total depreciation expense	\$ 3,007,195

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 5 - BANs Payable

BANs payable balances and activity for the year are summarized below:

Issuance	Interest Rate	Maturity Date	Opening Balance	Issuances	Repayments	Ending Balance
May 15, 2024	4.50%	May 15, 2025	\$ 4,340,000	\$ -	\$ 4,340,000	\$ -
May 15, 2024	6.00%	May 15, 2025	900,000	-	900,000	-
May 14, 2025	4.50%	May 14, 2026	-	4,270,000	-	4,270,000
May 14, 2025	5.18%	May 14, 2026	-	825,000	-	825,000
			<u>\$ 5,240,000</u>	<u>\$ 5,095,000</u>	<u>\$ 5,240,000</u>	<u>\$ 5,095,000</u>

Note 6 - Long-Term Liabilities

Long-term liability balances and activity for the year are summarized below:

	Balance May 31, 2024 (Restated)	Additions	Reductions	Balance May 31, 2025	Amounts Due Within One Year
Compensated absences	\$ 6,234,500	\$ 623,450	\$ (762,919)	\$ 6,095,031	\$ 609,503
Installment purchase debt	764,834	-	(247,815)	517,019	254,878
Bonds payable - public improvements	11,190,000	-	(1,630,000)	9,560,000	1,615,000
Bonds payable - separation payments	300,000	-	(150,000)	150,000	150,000
SBITA liabilities	-	704,008	(83,762)	620,246	111,904
Net pension liability					
ERS	3,974,356	1,592,174	(1,316,558)	4,249,972	-
PFRS	10,347,892	5,273,276	(3,049,086)	12,572,082	-
LOSAP obligations	10,014,949	712,046	(369,762)	10,357,233	369,762
OPEB	57,514,296	4,040,487	(5,666,655)	55,888,128	1,640,888
	<u>100,340,827</u>	<u>12,945,441</u>	<u>(13,276,557)</u>	<u>100,009,711</u>	<u>4,751,935</u>
Unamortized premium	100,899	-	(12,985)	87,914	12,985
	<u>\$ 100,441,726</u>	<u>\$ 12,945,441</u>	<u>\$ (13,289,542)</u>	<u>\$ 100,097,625</u>	<u>\$ 4,764,920</u>

a. Bonds Payable

A summary of the Village's bonds payable is as follows:

Description	Issue Date	Final Maturity	Interest Rate	Outstanding at May 31, 2025
Serial bond	2014	2028	2.000%-2.750%	\$ 1,650,000
Serial bond - Series A	2016	2028	1.000%-2.250%	150,000
Serial bond - Series B	2016	2025	1.100%-2.900%	540,000
Serial bond - refunding	2016	2029	2.000%-4.000%	330,000
Serial bond	2018	2032	2.000%-4.000%	3,125,000
Serial bond - Series A	2020	2038	1.000%-2.000%	3,515,000
Serial bond - Series B	2020	2029	2.000%	400,000
				<u>\$ 9,710,000</u>

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 6 - Long-Term Liabilities - Continued

a. Bonds Payable - Continued

A summary of aggregate minimum maturities of bonds payable is as follows:

	Principal	Interest	Total
Year ending May 31,			
2026	\$ 1,765,000	\$ 201,750	\$ 1,966,750
2027	1,600,000	162,025	1,762,025
2028	1,470,000	123,219	1,593,219
2029	950,000	94,650	1,044,650
2030	735,000	75,875	810,875
2031-2035	2,315,000	179,125	2,494,125
2036-2038	875,000	26,150	901,150
Total	\$ 9,710,000	\$ 862,794	\$ 10,572,794

b. Installment Debt Payable

The installment debt was issued at an interest rate of 2.85% to finance the acquisition of capital equipment related to energy efficiency projects throughout the Village.

A summary of aggregate minimum maturities of installment debt is as follows:

	Principal	Interest	Total
Year ending May 31,			
2026	\$ 254,878	\$ 14,735	\$ 269,613
2027	262,141	7,471	269,612
Total	\$ 517,019	\$ 22,206	\$ 539,225

c. Subscription-Based IT Arrangement (SBITA) Liabilities

The Village has two SBITA liabilities for certain public safety equipment. A summary of future principal and interest payments is as follows:

	Principal	Interest	Total
Year ending May 31,			
2026	\$ 111,904	\$ 26,220	\$ 138,124
2027	135,632	20,368	156,000
2028	141,944	14,053	155,997
2029	148,557	7,443	156,000
2030	82,209	1,167	83,376
Total	\$ 620,246	\$ 69,251	\$ 689,497

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 7 - Fund Balances

The specific purposes that compose the classifications of fund balances at May 31, 2025 are as follows:

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General	Capital Projects	Debt Service		
Nonspendable					
Prepaid expenditures	\$ 631,411	\$ -	\$ -	\$ 28,351	\$ 659,762
Restricted for					
LOSAP	6,734,141	-	-	-	6,734,141
Capital assets	87,486	-	-	-	87,486
Property seizure	78,735	-	-	-	78,735
Repairs	5,486	-	-	70,000	75,486
Debt service	845,070	-	-	-	845,070
Employee benefits	355,742	-	-	-	355,742
	8,106,660	-	-	70,000	8,176,660
Assigned					
Library services	-	-	-	3,304	3,304
Encumbrances	522,982	-	563,594	-	1,086,576
Appropriations	2,506,375	-	-	85,652	2,592,027
	3,029,357	-	563,594	88,956	3,681,907
Unassigned	9,902,514	(3,458,683)	-	-	6,443,831
Total fund balances	\$ 21,669,942	\$ (3,458,683)	\$ 563,594	\$ 187,307	\$ 18,962,160

Note 8 - New York State and Local Retirement System

a. Plan Description and Benefits Provided

The Village participates in ERS and PFRS, which are collectively referred to as the System. These are cost-sharing, multiple-employer retirement systems. 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 net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York (Comptroller) serves as the Trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law (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 through the enactment of a New York State statute.

The System is included in the State of New York's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 8 - New York State and Local Retirement System - Continued

b. Contributions

Most members of the System who joined on or before July 26, 1976 are enrolled in a non-contributory plan. Members of the System who joined after July 26, 1976 are enrolled in a contributory plan that requires a 3% contribution of their salary. As a result of Article 19 of the NYSRSSL, eligible Tier 3 and Tier 4 employees with a membership date after July 26, 1976 who have 10 or more years of membership or credited service with the System are not required to contribute. Generally, members of the System may retire at 55; however, members of Tiers 2, 3, 4, and 5 will receive a reduced benefit if they retire before 62 with less than 30 years of service. Tier 5 members must be 62 years of age with at least 10 years of service credit to retire with full benefits, and employees with less than five years of service may withdraw and obtain a refund, including interest, of the accumulated employee contributions. The full benefit age for Tier 6 is 63 for System members. Tier 6 members with 10 years of service or more can retire as early as age 55 with reduced benefits. The contribution rate varies from 3% to 6%, depending on salary. Members are required to contribute for all years of service. The average contribution rate for ERS and PFRS for the fiscal year ended March 31, 2025 was approximately 15.2% and 31.2% of payroll, respectively. 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. Under the authority of the NYSRSSL, the Comptroller annually certifies the rates expressed as proportions of payroll of members, which are used in computing the contributions.

The required contributions for the current year and two preceding years were as follows:

	<u>ERS</u>	<u>PFRS</u>
Year ended May 31,		
2025	\$ 1,316,558	\$ 3,049,086
2024	1,095,571	2,481,950
2023	1,200,379	2,347,603

The Village's contribution made to the System was equal to 100% of the contribution required for the year.

c. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At May 31, 2025, the Village reported a net pension liability of \$4,249,972 and \$12,572,082 in ERS and PFRS, respectively. The net pension liability was measured as of March 31, 2025, and the total pension liability was determined by an actuarial valuation as of April 1, 2024. The Village's proportion of the net pension liability was based on the ratio of its actuarially determined employer contribution to the System's total actuarially determined employer contribution for the fiscal year ended on the measurement date. At the March 31, 2025 measurement date, the Village's proportionate share in ERS and PFRS was 0.0247874% and 0.2068845%, respectively.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 8 - New York State and Local Retirement System - Continued

c. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

For the year ended May 31, 2025, the Village recognized pension expense of \$926,724 and \$3,047,971 related to ERS and PFRS, respectively, in the government-wide financial statements. At May 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources as follows:

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,054,872	\$ 49,759
Changes in assumptions	178,235	-
Net differences between projected and actual investment earnings on pension plan investments	333,441	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	179,190	313,450
Pension contributions subsequent to the measurement date	234,002	-
Total	\$ 1,979,740	\$ 363,209
	PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,187,594	\$ -
Changes in assumptions	1,887,842	-
Net differences between projected and actual investment earnings on pension plan investments	483,230	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	252,615	-
Pension contributions subsequent to the measurement date	548,667	512,458
Total	\$ 7,359,948	\$ 512,458

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 8 - New York State and Local Retirement System - Continued

c. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending May 31, 2026. Other amounts recognized as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	ERS	PFRS	Total
Year ending May 31,			
2026	\$ 714,082	\$ 3,197,315	\$ 3,911,397
2027	1,047,846	1,925,708	2,973,554
2028	(396,627)	60,220	(336,407)
2029	17,228	760,375	777,603
2030	-	355,205	355,205
	\$ 1,382,529	\$ 6,298,823	\$ 7,681,352
Total			

d. Actuarial Assumptions

The total pension liability at March 31, 2025 was determined using an actuarial valuation as of April 1, 2024, with updated procedures used to roll forward the total pension liability to March 31, 2025. These assumptions are as follows:

Actuarial Cost Method	Entry age normal
Inflation Rate	2.9%
Salary Scale	
ERS	4.3%, indexed by service
PFRS	6.0%, indexed by service
Investment Rate of Return, Including Inflation	5.9% compounded annually, net of expenses
Cost-of-Living Adjustments	1.5% annually

Annuitant mortality rates are based on April 1, 2015 to March 31, 2020 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2021.

e. Investment Asset Allocation

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

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 8 - New York State and Local Retirement System - Continued

e. Investment Asset Allocation - Continued

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2025 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	25.00%	3.54%
International equity	14.00%	6.57%
Private equity	15.00%	7.25%
Real estate	12.00%	4.95%
Opportunistic/absolute return strategies	3.00%	5.25%
Credit	4.00%	5.40%
Real assets	4.00%	5.55%
Fixed income	22.00%	2.00%
Cash	1.00%	0.25%
	100.00%	

f. Discount Rate

The discount rate used to calculate the net pension liability/asset 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 contributions from employers will be made at statutorily required rates, actuarially determined. Based on 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.

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

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

	ERS		
	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Village's proportionate share of the net pension liability (asset)	\$ 12,299,954	\$ 4,249,972	\$ (2,471,768)

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 8 - New York State and Local Retirement System - Continued

g. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption - Continued

	PFRS		
	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Village's proportionate share of the net pension liability	\$ 26,508,766	\$ 12,572,082	\$ 1,069,352

h. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the System as of March 31, 2025 were as follows (dollars in thousands):

	ERS	PFRS	Total
Employers' total pension liability	\$ 247,600,239	\$ 48,718,477	\$ 296,318,716
Plan net position	230,454,512	42,641,620	273,096,132
Employers' net pension liability	\$ 17,145,727	\$ 6,076,857	\$ 23,222,584
Ratio of plan net position to the employers' total pension liability	93.08%	87.53%	92.16%

Note 9 - Length of Service Award Program

The Village established a defined benefit LOSAP for the active volunteer firefighters of the Lynbrook Fire Department. The program took effect on January 1, 1993. The program was established pursuant to Article 11-A of the General Municipal Law (GML) and provides municipally funded, pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Village is the sponsor of the program. The program is considered a non-qualified deferred compensation plan, which is designed such that contributions do not result in immediate taxation to program participants. Funds deposited into the program cannot be revoked by the Village; however, the funds may be subject to the claims made by the Village's general unsecured creditors.

a. Participation, Vesting, and Service Credit

Active volunteer firefighters who have reached the age of 18 and are current active members on the Emergency Service organization's membership roster are eligible to participate in the program. Participants acquire a non-forfeitable right to a service award after being credited with five years of firefighting service or upon reaching the program's entitlement age. The program's entitlement age is 65. In general, an active volunteer firefighter is credited with one year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates points in accordance with the method used by the sponsor to determine active status. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of the program.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 9 - Length of Service Award Program - Continued

a. Participation, Vesting, and Service Credit - Continued

The number of employees covered under the program are as follows:

Retirees and beneficiaries currently receiving benefits	81
Active, non-vested	150
Terminated members entitled to but not yet receiving benefits	128

b. Benefits

A participant's benefit under the program is paid as a life annuity guaranteed for 10 years, equal to \$20 multiplied by the firefighter's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed 30 years. A participant's service award will not be paid until reaching the entitlement age, except in the case of pre-entitlement age, death, or total and permanent disablement. The program provides statutorily mandated death and disability benefits.

c. Fiduciary Investment and Control

Service credit is determined by the Board of Trustees of the sponsor, based on information certified to the Board of Trustees by each fire company having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the Board of Trustees.

The Board of Trustees has designated Hometown Firefighter Services (Hometown) to assist in the administration of the program. The designated program administrator's functions include those services listed in the service fee agreement. Disbursements of program assets for the payment of benefits or administrative expenses must be approved. The following is an explanation of the process for approving disbursements:

Payment of Benefits

- Entitlement benefits - Hometown prepares and submits to the plan administrator (sponsor) a Verification of Benefits statement and an Annuity Enrollment form for participants active at entitlement age and for vested participants upon termination from the plan. Following a review for accuracy, the plan administrator signs and returns the paperwork to Hometown, authorizing Hometown to disburse entitlement benefits.
- Death benefits - Upon notification from the plan administrator (sponsor) of a participant's death, Hometown prepares a Verification of Benefits statement and a lump-sum death benefit form. Following a review for accuracy, the plan administrator signs and returns the paperwork accompanied by a death certificate to Hometown, authorizing Hometown to disburse a death benefit.
- Disability benefits - Upon notification from the plan administrator (sponsor) of a participant's total and permanent disability, Hometown prepares a Verification of Benefits statement, a physician statement form, and a lump-sum disability benefit form. Following a review for accuracy, the plan administrator signs and returns the paperwork to Hometown, authorizing Hometown to disburse a disability benefit.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 9 - Length of Service Award Program - Continued

c. *Fiduciary Investment and Control - Continued*

Payment of Administrative Expenses

- Per the executed service fee agreement, the plan administrator agrees to payment as contracted.
- Program assets (investments, restricted) are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. Program assets are held in compliance with GML Article 11-A 217(j).
- Authority to invest program assets is vested in the First Security Benefit Life Insurance and Annuity Company. Subject to restrictions in the program document, program assets are invested in accordance with a statutory “prudent person” rule.

d. *Significant Assumptions and Other Inputs*

Significant actuarial assumptions used to estimate the program’s pension liability are as follows:

Discount Rate	4.19%
Measurement Date	May 31, 2025
Post-Entitlement Age Mortality Table	RP 2014 Combined Table - Projected to 2025
Inflation	2.25%

e. *Measurement of Total Pension Liability*

The following table presents the changes in total pension liability for the program:

Beginning balance	\$ 10,014,949
Service cost	122,849
Interest	409,686
Changes due to differences in experience	2,757
Changes in assumptions and other inputs	176,754
Benefit payments	<u>(369,762)</u>
Ending balance	<u>\$ 10,357,233</u>

The discount rate used to measure the total pension liability is 4.19%. The discount rate was based upon the Fidelity 20-Year GO AA Bond Index.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 9 - Length of Service Award Program - Continued

f. Sensitivity of the Total Pension Liability

The following presents the total pension liability of the Village as of May 31, 2025, calculated using the discount rate of 4.19%, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.19%) or one percentage point higher (5.19%) than the current rate:

	1% Decrease (3.19%)	Current Discount Rate (4.19%)	1% Increase (5.19%)
Total LOSAP pension liability	\$ 12,064,000	\$ 10,357,233	\$ 8,978,000

g. Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended May 31, 2025, the Village recognized LOSAP pension expense of \$712,046 in the government-wide financial statements. The following table presents the components of pension expense:

Components of pension expense	
Service cost	\$ 122,849
Interest	409,686
Changes in assumptions and other inputs	176,754
Changes due to experience	2,757
	\$ 712,046

At May 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to the program from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 808,815	\$ -
Changes in assumptions	2,311,520	3,594,681
Total	\$ 3,120,335	\$ 3,594,681

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 9 - Length of Service Award Program - Continued

g. Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources - Continued

Amounts recognized as deferred outflows of resources and deferred inflows of resources related to the program will be recognized in pension expense as follows:

Year ending May 31,	
2026	\$ (4,773)
2027	(4,773)
2028	(4,773)
2029	(4,773)
2030	(4,773)
Thereafter	<u>(450,481)</u>
	<u>\$ (474,346)</u>

Note 10 - Other Postemployment Benefits

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single-employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to the length of service for each plan member.

A summary of active employees and retired employees covered under this benefit plan as of May 31, 2025 is as follows:

Actives	146
Retirees	<u>123</u>
Total	<u>269</u>

The Village contributes a percentage of the cost of current-year premiums for eligible retired plan members and their spouses. The Village is not required to fund the plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the year ended May 31, 2025, the Village paid \$1,640,888 on behalf of plan members. The plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the plan.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 10 - Other Postemployment Benefits - Continued

At May 31, 2025, the Village reported a liability of \$55,888,128 for its OPEB liability. The plan liability was measured as of June 1, 2024 by an actuarial valuation as of that date. For the year ended May 31, 2025, the Village recognized OPEB plan expense of \$4,040,487. A summary of changes in the Village's OPEB liability is as follows:

June 1, 2024	<u>\$ 57,514,296</u>
Charges for the year	
Service cost	1,890,443
Interest	2,150,044
Changes in assumptions and other inputs	(4,025,767)
Benefit payments	<u>(1,640,888)</u>
Net changes	<u>(1,626,168)</u>
May 31, 2025	<u><u>\$ 55,888,128</u></u>

At May 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 70,224	\$ 7,283,349
Changes in assumptions or other inputs	2,864,951	10,326,906
Employer contributions subsequent to the measurement date	<u>1,818,932</u>	<u>-</u>
Total	<u><u>\$ 4,754,107</u></u>	<u><u>\$ 17,610,255</u></u>

Employer contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending May 31, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending May 31,	
2026	\$ (2,124,206)
2027	(3,585,454)
2028	(4,101,644)
2029	(3,426,093)
2030	(1,252,078)
Thereafter	<u>(185,605)</u>
Total	<u><u>\$ (14,675,080)</u></u>

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 10 - Other Postemployment Benefits - Continued

The OPEB liability was determined using the following actuarial assumptions:

Assumption	Factor
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Salary Scale	3.50%
Rate of Inflation	2.70%
Discount Rate	4.13%
Participant Percentage	95% Retiree, 95% Spouse, 25% Surviving Spouse
Marriage Rate	70% of retirees will be married at the time of retirement.
Mortality Table - Actives	The PUB-2010 Mortality Table for employees: sex-distinct, job category-specific, headcount-weighted, and adjusted for mortality improvements with Scale MP-2021 mortality improvement scale on a generational basis.
Mortality Table - Retirees	The PUB-2010 Mortality Table for healthy retirees: sex-distinct, job category-specific, headcount-weighted, and adjusted for mortality improvements with Scale MP-2021 mortality improvement scale on a generational basis.
Turnover Assumption	Rates of decrement due to turnover based on the experience under the System. The System is based on the experience study released by the System's Actuary and published in its August 2020 Report.

The expected rate of increase in health care cost trend rates is assumed as follows:

Year ending May 31,	Pre-65 Health Care Cost Trend Rate %	Post-65 Health Care Cost Trend Rate %
	<u>Trend Rate %</u>	<u>Trend Rate %</u>
2026	6.00%	6.48%
2027	5.68%	5.70%
2028	5.50%	5.32%
2029	5.37%	5.12%
2030	4.50%	4.50%
2035	4.50%	4.50%
2040	4.50%	4.50%
2045	4.50%	4.50%
2055	4.50%	4.50%
2065	4.50%	4.50%
2075	4.50%	4.50%
2085	4.50%	4.50%
2095	4.50%	4.50%

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 10 - Other Postemployment Benefits - Continued

The following presents the OPEB liability as of May 31, 2025, calculated using the current health care cost trend rate, as well as what the OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Rate	1% Increase
OPEB plan liability	<u>\$ 46,956,039</u>	<u>\$ 55,888,128</u>	<u>\$ 67,509,704</u>

The following presents the OPEB liability as of May 31, 2025, calculated using the current discount rate of 4.13%, as well as what the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (3.13%)	Current Rate (4.13%)	1% Increase (5.13%)
OPEB plan liability	<u>\$ 65,206,237</u>	<u>\$ 55,888,128</u>	<u>\$ 48,420,067</u>

Note 11 - Tax Abatements

Certain property values in the Village have been reduced as the result of payment-in-lieu-of-tax (PILOT) agreements entered into by the Village for the purpose of general economic development under GML Article 18-A. These agreements reduce the assessed value of the properties for all taxing agencies in Nassau County, including the Village. As a result of the agreement, the Village receives a PILOT payment, which is equal to the reduced assessed value times the Village's levied tax rate.

Information relevant to disclosure of these agreements for the year ended May 31, 2025 is as follows:

Property Owner	Village Parcel ID (SBL)	Full Assessed Value	Taxable Assessed Value	Tax Rate	PILOT Amount	Taxes Abated
Anastasia C. Pesola, Trustee 931 Sunrise Highway	25-4-1	\$ 120,000	\$ 105,113	0.2422	\$ 25,458	\$ -
J.P.D. Burns Properties, LLC 635-639 Merrick Road	56-3-18.-20	320,113	187,314	0.2422	45,368	3,606
733 Sunrise Realty LLC 733 Sunrise Highway	30-1-2F	546,910	546,910	0.2422	132,462	-
43-47 Broadway Realty LLC 47 Broadway	24-3-18	938,267	201,425	0.2422	48,785	178,463
Regal Cinemas, Inc. Blake Avenue	61-3-6	7,100				
44 Blake Avenue	61-3-7	7,900				
48 Blake Avenue	61-3-8	8,580				
317-321 Merrick Road	61-3-13	410,491				
333 Merrick Road	61-3-15	21,600				
Merrick Road	61-3-16	5,700				
		461,371	136,035	0.2422	32,948	78,796
CMS Real Estate Holdings, LLC 266 Merrick Road	11-2-3-5	218,880	200,209	0.2422	48,491	4,522

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 11 - Tax Abatements - Continued

Property Owner	Village Parcel ID (SBL)	Full Assessed Value	Taxable Assessed Value	Tax Rate	PILOT Amount	Taxes Abated
Terwillger and Bartone 5 Freer Street	11-2-3-5	\$ 951,200	\$ 423,316	0.2422	\$ 102,527	\$ 127,854
PSEGLI Property						
24 Broadway	24-2-5	319,600				
Broadway	24-2-6	19,600				
Horton Avenue	25-2-3	12,500				
Scranton Avenue	28-5-1	15,800				
Piccadilly Downs	38-3-7	11,200				
Special Franchise	127-40	939,397				
208 Whitehall Street	47-1-2	1,162,200				
151 Whitehall Street	47-3-1&A.15-17	3,600,500				
		<u>6,080,797</u>	<u>5,689,803</u>	0.2422	<u>1,378,070</u>	<u>94,699</u>
Total		<u>\$ 9,637,538</u>	<u>\$ 7,490,125</u>		<u>\$ 1,814,109</u>	<u>\$ 487,940</u>

Note 12 - Contingencies, Risks, and Uncertainties

a. Grant Programs

The Village has received grants that are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on past audits, the Village believes that disallowances, if any, will be immaterial.

b. Tax Certiorari Proceedings

From time to time, the Village is involved in tax certiorari proceedings under which taxpayers seek a reduction in the assessed value of property upon which taxes are measured. A reduction in the assessed valuation may result in a refund of real property taxes previously paid by the claimant. A liability is recorded at the government-wide level when a refund for a claim is probable and estimable, and at the fund level when a refund for a claim is due and payable. At May 31, 2025, a liability has been recorded in the governmental activities and the General Fund in the amount of \$727,451.

Note 13 - Deficit Fund Balance

At May 31, 2025, the Capital Projects Fund has a deficit fund balance of \$3,458,682, which will be alleviated when the BAN reported within the Capital Projects Fund is converted to long-term financing.

Note 14 - Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. If a government determines that criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The requirements of this statement are effective for fiscal years beginning after June 15, 2024 and all reporting periods thereafter.

Incorporated Village of Lynbrook, New York

Notes to Financial Statements May 31, 2025

Note 14 - Accounting Standards Issued But Not Yet Implemented - Continued

GASB Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is 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 fiscal years beginning after June 15, 2025 and all reporting periods thereafter.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This statement establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. It also establishes disclosure requirements for capital assets held for sale, including disclosures relating to debt for which the capital assets held for sale are pledged as collateral. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

Management has not estimated the extent of the potential impact, if any, of these statements on the Village's financial statements.

Incorporated Village of Lynbrook, New York

Required Supplementary Information Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund

	Year Ended May 31, 2025			Variance Favorable (Unfavorable)
	Original Budget	Modified Budget	Actual	
REVENUES				
Real property taxes	\$ 37,369,522	\$ 37,293,385	\$ 37,534,853	\$ 241,468
Other tax items	1,934,100	1,934,100	1,954,087	19,987
Non-property taxes	883,200	883,200	929,111	45,911
Departmental income	2,138,800	2,138,800	1,602,341	(536,459)
Intergovernmental charges	11,000	11,000	13,910	2,910
Use of money and property	800,000	800,000	1,297,823	497,823
Licenses and permits	686,000	686,000	1,044,052	358,052
Fines and forfeitures	1,850,000	1,850,000	2,523,553	673,553
Sale of property and compensation for loss	202,000	202,000	280,069	78,069
Miscellaneous	319,200	319,200	534,090	214,890
State aid	491,300	491,300	825,974	334,674
Federal aid	-	-	-	-
Total revenues	46,685,122	46,608,985	48,539,863	1,930,878
EXPENDITURES				
General governmental support	5,636,900	5,672,000	5,376,311	295,689
Public safety	15,936,300	15,952,200	15,460,346	491,854
Health	35,500	35,500	41,528	(6,028)
Transportation	2,932,200	2,950,700	2,792,459	158,241
Economic opportunity and development	57,400	57,400	68,859	(11,459)
Culture and recreation	2,290,500	2,290,500	2,291,296	(796)
Home and community services	2,978,000	2,978,000	2,740,550	237,450
Employee benefits	14,046,100	14,046,100	14,115,106	(69,006)
Debt service				
Principal	-	-	228,762	(228,762)
Interest	200,420	200,420	249,300	(48,880)
Total expenditures	44,113,320	44,182,820	43,364,517	818,303
Excess of revenues over expenditures	2,571,802	2,426,165	5,175,346	2,749,181
OTHER FINANCING SOURCES (USES)				
BANs redeemed from appropriations	-	-	75,000	75,000
Operating transfers out	(4,121,000)	(4,098,838)	(4,056,839)	41,999
Total other financing sources (uses)	(4,121,000)	(4,098,838)	(3,981,839)	116,999
Appropriated fund balance / surplus	\$ (1,549,198)	\$ (1,672,673)	1,193,507	\$ 2,866,180
FUND BALANCE, beginning of year			20,476,435	
FUND BALANCE, end of year			\$ 21,669,942	

Incorporated Village of Lynbrook, New York

Required Supplementary Information Schedule of Other Postemployment Benefits Liability

	May 31,						
	2025	2024	2023	2022	2021	2020	2019
Beginning of year	\$ 57,514,296	\$ 61,082,483	\$ 67,288,130	\$ 64,952,780	\$ 50,310,272	\$ 50,928,872	\$ 50,197,860
Charges for the year							
Service cost	1,890,443	1,996,320	2,676,881	2,438,027	1,649,168	1,753,357	1,859,602
Interest	2,150,044	1,965,877	1,521,390	1,437,392	1,795,372	1,959,526	1,849,005
Changes in benefit terms	-	7,479,774	-	-	-	-	-
Differences between expected and actual experience	-	(10,283,619)	-	(831,146)	-	1,825,878	-
Changes in assumptions and other inputs	(4,025,767)	(2,991,552)	(8,782,128)	980,777	12,816,477	(4,471,543)	(1,330,566)
Benefit payments	(1,640,888)	(1,734,987)	(1,621,790)	(1,689,700)	(1,618,509)	(1,685,818)	(1,617,029)
Net changes	(1,626,168)	(3,568,187)	(6,205,647)	2,335,350	14,642,508	(618,600)	761,012
End of year	\$ 55,888,128	\$ 57,514,296	\$ 61,082,483	\$ 67,288,130	\$ 64,952,780	\$ 50,310,272	\$ 50,958,872
Covered payroll	\$ 19,719,380	\$ 20,029,133	\$ 18,231,810	\$ 16,427,770	\$ 17,355,618	\$ 16,748,162	\$ 15,079,468
OPEB liability as a percentage of covered payroll	283.42%	287.15%	335.03%	409.60%	374.25%	300.39%	337.94%
Summary of changes in assumptions:							
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Salary scale	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Rate of inflation	2.70%	2.70%	2.50%	2.50%	2.50%	2.20%	2.20%
Discount rate	4.13%	3.67%	3.16%	2.20%	2.16%	3.51%	3.78%
Mortality table	PUB-2010	PUB-2010	RPH-2014	RPH-2014	RPH-2014	RPH-2014	RPH-2014

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Incorporated Village of Lynbrook, New York

Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability/Asset

	May 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
ERS										
Village's proportion of the net pension (asset) liability	0.0247874%	0.0269923%	0.0284644%	0.0292532%	0.0279752%	0.0278647%	0.0278147%	0.0280194%	0.0259385%	0.0260916%
Village's proportionate share of the net pension (asset) liability	\$ 4,249,972	\$ 3,974,356	\$ 6,103,909	\$ (2,391,331)	\$ 27,856	\$ 7,378,732	\$ 1,970,756	\$ 904,311	\$ 2,437,239	\$ 4,187,778
Village's covered-employee payroll	\$ 9,091,806	\$ 8,684,136	\$ 8,644,070	\$ 8,510,400	\$ 8,463,365	\$ 7,901,215	\$ 7,696,697	\$ 7,349,052	\$ 6,993,444	\$ 6,928,317
Village's proportionate share of the net pension (asset) liability as a percentage of its covered-employee payroll	46.75%	45.77%	70.61%	-28.10%	0.33%	93.39%	25.61%	12.31%	34.85%	60.44%
Plan fiduciary net position as a percentage of the total pension liability	93.08%	93.88%	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%
Summary of changes in assumptions:										
Inflation	2.9%	2.9%	2.9%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary increases	4.3%	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%	1.5%	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%	5.9%	7.0%	7.0%	7.0%	7.0%	7.0%
Discount rate	5.9%	5.9%	5.9%	5.9%	5.9%	7.0%	7.0%	7.0%	7.0%	7.0%
Society of Actuaries' mortality scale	MP-2021	MP-2021	MP-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2014	MP-2014	MP-2014
PFRS										
Village's proportion of the net pension liability	0.2068845%	0.2181800%	0.2202081%	0.2236526%	0.2142128%	0.2103579%	0.1930775%	0.1910564%	0.1795892%	0.1721537%
Village's proportionate share of the net pension liability	\$ 12,572,082	\$ 10,347,892	\$ 12,134,503	\$ 1,270,447	\$ 3,719,325	\$ 11,243,498	\$ 3,238,031	\$ 1,931,115	\$ 3,722,259	\$ 5,097,105
Village's covered-employee payroll	\$ 11,273,081	\$ 10,842,305	\$ 9,985,440	\$ 9,064,580	\$ 8,708,761	\$ 8,672,785	\$ 8,263,124	\$ 8,296,284	\$ 8,045,546	\$ 7,330,969
Village's proportionate share of the net pension liability as a percentage of its covered-employee payroll	111.52%	95.44%	121.52%	14.02%	42.71%	129.64%	39.19%	23.28%	46.26%	69.53%
Plan fiduciary net position as a percentage of the total pension liability	87.53%	89.72%	87.43%	98.66%	95.79%	84.86%	95.09%	96.93%	93.46%	90.24%
Summary of changes in assumptions:										
Inflation	2.9%	2.9%	2.9%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Salary increases	5.7%	6.2%	6.2%	5.7%	5.0%	4.2%	4.5%	4.5%	4.5%	4.5%
Cost-of-living adjustments	1.5%	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%	5.9%	6.8%	7.0%	7.0%	7.0%	7.0%
Discount rate	5.9%	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-2021	MP-2020	MP-2020	MP-2018	MP-2018	MP-2014	MP-2014	MP-2014

Incorporated Village of Lynbrook, New York

Required Supplementary Information Schedule of Pension Contributions

	Year Ended May 31,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
ERS										
Contractually required contribution	\$ 1,316,558	\$ 1,095,571	\$ 1,200,379	\$ 1,339,335	\$ 1,199,321	\$ 1,117,037	\$ 1,092,616	\$ 1,255,876	\$ 1,242,255	\$ 1,220,792
Contributions in relation to the contractually required contribution	\$ 1,316,558	\$ 1,095,571	\$ 1,200,379	\$ 1,339,335	\$ 1,199,321	\$ 1,117,037	\$ 1,092,616	\$ 1,255,876	\$ 1,220,792	\$ 1,220,792
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered-employee payroll	\$ 9,091,806	\$ 8,684,136	\$ 8,644,070	\$ 8,510,400	\$ 8,463,365	\$ 7,901,215	\$ 7,696,697	\$ 7,349,052	\$ 6,993,444	\$ 6,928,317
Contributions as a percentage of covered-employee payroll	14.48%	12.62%	13.89%	15.74%	14.17%	14.14%	14.20%	17.09%	17.62%	17.62%
PFRS										
Contractually required contribution	\$ 3,049,086	\$ 2,481,950	\$ 2,347,603	\$ 2,187,684	\$ 1,814,711	\$ 1,804,377	\$ 1,710,956	\$ 1,843,388	\$ 1,975,396	\$ 1,645,415
Contributions in relation to the contractually required contribution	\$ 3,049,086	\$ 2,481,950	\$ 2,347,603	\$ 2,187,684	\$ 1,814,711	\$ 1,804,377	\$ 1,710,956	\$ 1,843,388	\$ 1,645,415	\$ 1,645,415
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 329,981	\$ -
Village's covered-employee payroll	\$ 11,273,081	\$ 10,842,305	\$ 9,985,440	\$ 9,064,580	\$ 8,708,761	\$ 8,672,785	\$ 8,263,124	\$ 8,296,284	\$ 8,045,546	\$ 7,330,969
Contributions as a percentage of covered-employee payroll	27.05%	22.89%	23.51%	24.13%	20.84%	20.81%	20.71%	22.22%	22.44%	22.44%

Incorporated Village of Lynbrook, New York

Required Supplementary Information Schedule of Changes in Total Pension Liability - LOSAP

	May 31,							
	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 122,849	\$ 125,716	\$ 69,204	\$ 247,423	\$ 285,688	\$ 222,449	\$ 160,240	\$ 195,724
Interest	409,686	389,180	311,683	259,263	300,097	325,750	307,457	302,665
Changes due to differences in experience	2,757	91,040	305,295	271,885	6,009	85,646	264,355	185,644
Changes in assumptions and other inputs	176,754	(393,752)	313,049	(4,144,137)	629,490	1,293,726	1,369,969	(381,395)
Benefit payments	(369,762)	(327,198)	(299,172)	(312,116)	(343,709)	(263,627)	(257,259)	(262,388)
Net change in total pension liability	342,284	(115,014)	700,059	(3,677,682)	877,575	1,663,944	1,844,762	40,250
TOTAL PENSION LIABILITY, beginning of year	10,014,949	10,129,963	9,429,904	13,107,586	12,230,011	10,566,067	8,721,305	8,681,055
TOTAL PENSION LIABILITY, end of year	\$ 10,357,233	\$ 10,014,949	\$ 10,129,963	\$ 9,429,904	\$ 13,107,586	\$ 12,230,011	\$ 10,566,067	\$ 8,721,305
Covered payroll	None	None	None	None	None	None	None	None
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Summary of changes in assumptions:								
Discount rate	4.19%	4.16%	3.90%	3.36%	2.00%	2.48%	3.12%	3.57%
Inflation rate	2.25%	3.25%	3.75%	8.00%	3.00%	2.00%	2.00%	3.00%
Post-entitlement age mortality table	RP-2014	RP-2014	RP-2014	RP-2014	RP-2014	RP-2014	RP-2014	RP-2014

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Incorporated Village of Lynbrook, New York

Supplementary Information Combining Balance Sheet - Non-Major Governmental Funds

	May 31, 2025		
	Community Development	Library	Total
ASSETS			
Cash and cash equivalents	\$ 3,671	\$ 123,759	\$ 127,430
Cash and cash equivalents, restricted	-	70,000	70,000
Prepaid expenditures	-	28,351	28,351
Accounts receivable	-	51,617	51,617
State and federal aid	13,355	-	13,355
	\$ 17,026	\$ 273,727	\$ 290,753
LIABILITIES			
Accounts payable	\$ 12,060	\$ 36,982	\$ 49,042
Accrued liabilities	-	49,438	49,438
Due to other funds	347	-	347
Unearned revenues	4,619	-	4,619
Total liabilities	17,026	86,420	103,446
FUND BALANCES			
Nonspendable	-	28,351	28,351
Restricted	-	70,000	70,000
Assigned	-	88,956	88,956
Total fund balances	-	187,307	187,307
	\$ 17,026	\$ 273,727	\$ 290,753

Incorporated Village of Lynbrook, New York

Supplementary Information Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds

	Year Ended May 31, 2025		
	Community Development	Library	Total
REVENUES			
Departmental income	\$ -	\$ 6,643	\$ 6,643
Intergovernmental charges	-	160,987	160,987
Miscellaneous	-	315	315
Use of money and property	-	2,845	2,845
State aid	-	9,277	9,277
Federal aid	400,536	-	400,536
Total revenues	400,536	180,067	580,603
EXPENDITURES			
General governmental support	-	1,080	1,080
Culture and recreation	-	1,413,027	1,413,027
Home and community services	400,536	-	400,536
Employee benefits	-	555,069	555,069
Total expenditures	400,536	1,969,176	2,369,712
Deficiency of revenues over expenditures	-	(1,789,109)	(1,789,109)
OTHER FINANCING SOURCES			
Operating transfers in	-	1,765,000	1,765,000
Deficiency of revenues and other financing sources over expenditures	-	(24,109)	(24,109)
FUND BALANCES, <i>beginning of year</i>	-	211,416	211,416
FUND BALANCES, <i>end of year</i>	\$ -	\$ 187,307	\$ 187,307