INCORPORATED VILLAGE OF RUSSELL GARDENS

GREAT NECK, NEW YORK

FINANCIAL STATEMENTS

FEBRUARY 28, 2026

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Skinnon & Faber

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Incorporated Village of Russell Gardens
Great Neck, New York

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Incorporated Village of Russell Gardens, as of and for the year ended February 28, 2026, and the related notes to the financial statements, which collectively comprise the Incorporated Village of Russell Gardens' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Incorporated Village of Russell Gardens, as of February 28, 2026, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Incorporated Village of Russell Gardens and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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700 Veterans Memorial Highway, Suite 210, Hauppauge, NY 11788

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Incorporated Village of Russell Gardens' 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 Incorporated Village of Russell Gardens' 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 management's discussion and analysis, budgetary comparison information, local government's proportionate share of the net pension liability (asset), local government contributions, and changes in total OPEB liability and related ratios be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Skinnon and Faber, CPAs, P.C.

SKINNON AND FABER, CPAs, P.C.
Hauppauge, New York
July 1, 2026

Management's Discussion and Analysis
(Unaudited)

The Board of Trustees of the Incorporated Village of Russell Gardens (the "Village"), would like to offer readers of the Village's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended February 28, 2026. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and present a long-term view of the Village's finances. Fund financial statements report how Village activities were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail by providing information about the Village's most significant funds. The financial statements also include notes that provide additional information about the financial statements and the balances reported. The statements are followed by the required supplementary information, which supports the financial statements with a comparison of the Village's General Fund budget for the year, as well as the schedule of the local government's proportionate share of the net pension liability (asset), the schedule of local government contributions, and the schedule of changes in total OPEB liability and related ratios.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

Net Position

The Village's total net position had an increase of $985,473 for the fiscal year ended February 28, 2026. A condensed summary of the Village's Statement of Net Position for the current year is detailed below.

Condensed Statement of Net Position – Governmental Activities

	February 28, 2026	February 28, 2025
Assets		
Current and Other Assets	$ 3,363,098	$ 3,496,218
Capital Assets (net)	2,123,274	1,298,352
Total Assets	5,486,372	4,794,570
Deferred Outflows of Resources	94,560	142,022
Liabilities		
Curent and Other Liabilities	86,588	155,226
Long-Term Liabilities	1,249,822	1,444,746
Total Liabilities	1,336,410	1,599,972
Deferred Inflows of Resources	17,767	95,338
Net Position		
Net Investment in Capital Assets	2,080,071	1,298,352
Unrestricted	2,146,684	1,942,930
Total Net Position	$ 4,226,755	$ 3,241,282

Net investment in capital assets is the Village's investment in capital assets, such as buildings and improvements, infrastructure, equipment, and intangibles reduced by accumulated depreciation/amortization and associated debt. This figure also includes land and construction in progress, which are not depreciated. More detailed information can be found in the Notes to the Financial Statements.

Change in Net Position

The Statement of Activities reports the result of the current year's operations and the effect on net position in the accompanying financial statements. A summary of the change in net position from operating results is shown below.

Change in Net Position from Operating Results – Governmental Activities

	For the Years Ended	
	February 28, 2026	**February 28, 2025**
Revenues		
Program Revenues:		
Fines, Fees, and Charges for Services	$ 123,769	$ 152,387
Operating Grants and Contributions	3,928	4,080
Capital Grants and Contributions	303,665	21,987
General Revenues:		
Real Property Taxes and Related Tax Items	1,765,645	1,714,624
Non Property Tax Items	27,907	21,654
Use of Money and Property	159,147	184,590
Miscellaneous Revenues	4,160	1,237
State and Federal Aid	31,390	27,371
Total Revenues	2,419,611	2,127,930
Expenses		
Governmental Activities:		
General Government Support	519,873	615,409
Public Safety	122,992	119,159
Transportation	437,976	723,640
Culture and Recreation	47,815	45,816
Home and Community Services	305,482	331,046
Total Expenses	1,434,138	1,835,070
Change in Net Position	985,473	292,860
Net Position - Beginning of Year, as Previously Reported	3,241,282	2,942,010
Restatement for Change in Accounting Principle	-	6,412
Net Position - Beginning of Year, as Restated	3,241,282	2,948,422
Net Position - End of Year	$ 4,226,755	$ 3,241,282

ANALYSIS OF POSITION AND RESULTS OF OPERATION

During the year, the Village had an excess of revenues over expenses of $985,473. This resulted in an improvement to the overall financial position of the Village. Significant individual economic factors which affected these operating results are noted below.

The Village had an increase in total revenue from the prior year of $291,681. Program revenue increased a total of $252,908 due to an increase in Consolidated Local Street and Highway Improvement Program (CHIPS) funding for the roadwork project. In addition, general revenue increased $38,773 as compared to the prior year mainly due to the significant interest earned on past due property taxes. The Village had a decrease in total expenses from the prior year of $400,932. General government support decreased $95,536 and transportation decreased $285,664 largely due to the decrease in other post-employment benefits.

ANALYSIS OF BALANCES AND TRANSACTIONS OF INDIVIDUAL FUNDS

The General Fund balance decreased by $79,089 to an ending fund balance of $3,211,105. Of this amount, $23,831 is nonspendable as it relates to prepaid expenses and inventory; $1,300,000 has been assigned for future road/infrastructure projects; $600,000 has been assigned for equipment; $400,000 has been assigned for technology; $400,000 has been assigned for Building Maintenance; and $487,274 is unassigned. The Board of Trustees is interested in maintaining this level of fund balance through careful budgeting and fiscal policies.

BUDGETARY ANALYSIS

The Village's General Fund original budget for the year ended February 28, 2026 was $3,515,466, which was funded through estimated revenues and appropriated fund balance. There were no significant variations between the original and final budgeted amounts.

The following significant variances exist between the final budget for the fiscal year ended February 28, 2026 and the actual results:

Revenues:

- Use of Money and Property: Actual revenues were $84,007 more than budgeted. This is due to conservative budgeting practices based on the fluctuations in interest rates throughout the year and variations in available cash balances among the Village's bank accounts.
- Licenses and Permits: Actual revenues were $35,823 more than budgeted. This is primarily due to conservative budgeting practices and the difficulty in projecting this revenue, which can fluctuate significantly from year to year based on factors outside of the Village's control.
- Fines and Forfeitures: Actual revenues were $35,946 more than budgeted. This is due to a significant enforcement-related ticket issued during the year which was not expected.
- State and Federal Aid: Actual revenues were $53,533 more than budgeted. This is mainly due to the receipt of Consolidated Local Street and Highway Improvement Program (CHIPS) funding for the roadwork project, which was not anticipated.

- Overall, total revenue was $225,464 over budget.

Expenditures:

- General Government Support: Actual expenditures related to general government support were $120,941 less than budgeted. The Village purchased new computer servers for significantly less than anticipated. In addition, the Village budgeted for a full year of personnel services for the Clerk/Treasurer position, however, the position was vacant for four months during the year.
- Transportation: Actual expenditures related to transportation were $844,953 less than budgeted. The Village performed a roadwork project during the year at a lower cost than anticipated.
- Employee Benefits: Actual expenditures related to employee benefits were $71,956 less than budgeted. This is due to conservative budgeting practices and the difficulty in projecting increases in health insurance rates and variations in employee enrollment between individual and family coverage plans.
- Overall, total expenditures were $1,070,447 under budget.

These variations from budgeted amounts are not expected to affect future services or liquidity.

A detailed schedule showing the budgeted amounts compared to the Village's actual financial activity for the General Fund is provided in this report as required supplementary information.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

As of February 28, 2026, the Village's investment in capital assets totaled $2,123,274 (net of accumulated depreciation and amortization). Capital asset additions consisted of infrastructure totaling $1,072,009 and equipment totaling $46,901.

As of February 28, 2026, the Village had no long-term debt.

CURRENTLY KNOWN FACTS, DECISIONS AND CONDITIONS

The current economic conditions mirror those of the rest of the region. Utilizing a strict cost cutting strategy and conservative fiscal policies, the Village has been able to maintain their current tax rates. The administration has been diligent in controlling expenses while continuing to efficiently provide services to the residents.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide the reader with a general overview of the Village's finances and to demonstrate the Village's accountability for the funds it receives. If you have any questions about this report, or need additional financial information, contact:

Incorporated Village of Russell Gardens
Melissa Mandelbaum, Village Clerk-Treasurer
6 Tain Drive
Great Neck, New York 11021

INCORPORATED VILLAGE OF RUSSELL GARDENS
Statement of Net Position
February 28, 2026

Assets		
Cash and Cash Equivalents	$	3,083,642
Accounts Receivable		8,259
Taxes Receivable		18,516
Due from Other Governments		3,963
State and Federal Aid Receivable		177,807
Inventory		8,036
Prepaid Expenses		62,875
Capital Assets (net)		2,123,274
Total Assets		5,486,372
Deferred Outflows of Resources		
Net Pension		94,560
Total Deferred Outflows of Resources		94,560
Liabilities		
Accounts Payable and Accrued Liabilities		62,759
Guaranty and Bid Deposits		23,829
Long-Term Liabilities:		
Due Within One Year:		
Compensated Absences		2,668
Due in More Than One Year:		
Compensated Absences		24,010
Net Pension Liability		197,499
Other Post-Employment Benefits		1,025,645
Total Liabilities		1,336,410
Deferred Inflows of Resources		
Net Pension		17,767
Total Deferred Inflows of Resources		17,767
Net Position		
Net Investment in Capital Assets		2,080,071
Unrestricted		2,146,684
Total Net Position	$	4,226,755

See Notes to the Financial Statements

INCORPORATED VILLAGE OF RUSSELL GARDENS
Statement of Activities
For the Year Ended February 28, 2026

			PROGRAM REVENUES		
Functions/Programs	**Expenses**	**Fines, Fees and Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Net (Expense) / Revenue**
Governmental Activities:					
General Government Support	$ 519,873	$ 75,823	$ 3,928	$ -	$ (440,122)
Public Safety	122,992	47,946	-	-	(75,046)
Transportation	437,976	-	-	303,665	(134,311)
Culture and Recreation	47,815	-	-	-	(47,815)
Home and Community Services	305,482	-	-	-	(305,482)
Total Governmental Activities	$ 1,434,138	$ 123,769	$ 3,928	$ 303,665	(1,002,776)
	GENERAL REVENUES:				
	Real Property Taxes and Related Tax Items				1,765,645
	Non Property Tax Items				27,907
	Use of Money and Property				159,147
	Miscellaneous Revenues				4,160
	State and Federal Aid				31,390
	Total General Revenues				1,988,249
	Change in Net Position				985,473
	Net Position - Beginning of Year				3,241,282
	Net Position - End of Year				$ 4,226,755

See Notes to the Financial Statements

INCORPORATED VILLAGE OF RUSSELL GARDENS
Balance Sheet
February 28, 2026

	General Fund
Assets	
Cash and Cash Equivalents	$ 3,083,642
Accounts Receivable	8,259
Taxes Receivable	18,516
Due from Other Governments	3,963
State and Federal Aid Receivable	171,182
Inventory	8,036
Prepaid Expenses	15,795
Total Assets	$ 3,309,393
Liabilities, Deferred Inflows of Resources, and Fund Balance	
Liabilities:	
Accounts Payable and Accrued Liabilities	$ 19,556
Guaranty and Bid Deposits	23,829
Total Liabilities	43,385
Deferred Inflows of Resources:	
Real Property Taxes	8,721
Grant Revenue	46,182
Total Deferred Inflows of Resources	54,903
Fund Balance:	
Nonspendable	23,831
Assigned	2,700,000
Unassigned	487,274
Total Fund Balance	3,211,105
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 3,309,393

See Notes to the Financial Statements

INCORPORATED VILLAGE OF RUSSELL GARDENS
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
As of February 28, 2026

Total Fund Balance - Governmental Fund	$ 3,211,105
This amount differs from the amount of net position in the Statement of Net Position due to the following:	
Revenues that are earned and measurable but not available to provide financial resources are deferred in the fund financial statements, but are recognized as revenue in the government-wide financial statements and are added.	61,528
Amounts for certain prepaid items are included in the government-wide financial statements as assets and are added.	47,080
Capital assets are included as assets in the government-wide financial statements and are added, net of accumulated depreciation/amortization.	2,123,274
Deferred outflows of resources related to net pension are not reported in the governmental fund.	94,560
Accounts payable not due and payable at year-end are not reported in the fund financial statements but are recognized in the government-wide financial statements and are deducted.	(43,203)
Long-term liabilities do not require the use of current financial resources and, accordingly, are not reported in the governmental fund. However, these liabilities are included in the government-wide financial statements and are deducted:	
Compensated Absences	(26,678)
Net Pension Liability	(197,499)
Other Post-Employment Benefits	(1,025,645)
Deferred inflows of resources related to net pension are not reported in the governmental fund.	(17,767)
Total Net Position	$ 4,226,755

See Notes to the Financial Statements

INCORPORATED VILLAGE OF RUSSELL GARDENS
Statement of Revenues, Expenditures and Change in Fund Balance
For the Year Ended February 28, 2026

	General Fund
Revenues:	
Real Property Taxes	$ 1,699,815
Real Property Tax Items	61,456
Non Property Tax Items	27,907
Use of Money and Property	159,147
Licenses and Permits	75,823
Fines and Forfeitures	47,946
Miscellaneous Local Sources	4,160
State and Federal Aid	289,676
Total Revenues	2,365,930
Expenditures:	
General Government Support	488,585
Public Safety	117,280
Transportation	1,163,493
Culture and Recreation	35,468
Home and Community Services	305,482
Employee Benefits	334,711
Total Expenditures	2,445,019
Net Change in Fund Balance	(79,089)
Fund Balance - Beginning of Year	3,290,194
Fund Balance - End of Year	$ 3,211,105

See Notes to the Financial Statements

INCORPORATED VILLAGE OF RUSSELL GARDENS
Reconciliation of the Statement of Revenues, Expenditures and Change in Fund Balance of the Governmental Fund to the Statement of Activities
For the Year Ended February 28, 2026

Net Change in Fund Balance for the Governmental Fund	$	(79,089)
This amount differs from the change in net position in the Statement of Activities due to the following:		
Capital outlays for acquisition of capital assets are recorded in the governmental fund as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation/amortization expense.		
Capital Expenditures		958,210
Depreciation and Amortization Expense		(133,288)
Revenues are recorded in the governmental fund when they become susceptible to accrual, that is when they are measurable and available to provide current financial resources. In the Statement of Activities, major revenues are recognized when they are earned and measurable, regardless of when they become available.		53,681
Change in deferred outflows of resources related to pension are not reported in the governmental fund.		(47,462)
Expenditures for certain insurance premiums are recorded in the governmental funds when the payments are due. In the Statement of Activities, these costs are allocated over the policy period they pertain to.		4,129
Expenditures are recognized when paid or expected to be paid from current financial resources in the governmental funds but are recognized when incurred in the Statement of Activities.		(43,203)
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 fund:		
Compensated Absences		3,687
Net Pension Liability		(40,084)
Other Post-Employment Benefits		231,321
Change in deferred inflows of resources related to pension are not reported in the governmental fund:		77,571
Change in Net Position of Governmental Activities in the Statement of Activities	$	985,473

See Notes to the Financial Statements

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Incorporated Village of Russell Gardens have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Incorporated Village of Russell Gardens' significant accounting policies are described below.

A. FINANCIAL REPORTING ENTITY

The Incorporated Village of Russell Gardens (the "Village"), which was established in 1931, is governed by Village law, general laws of the State of New York, and various local laws. The Board of Trustees is the legislative body responsible for overall operations. The Mayor serves as Chief Executive Officer and the Clerk-Treasurer serves as Chief Fiscal Officer.

The following basic services are provided: general government, street maintenance, trees and lighting, snow removal, refuse removal, and planning and zoning.

All governmental activities and functions/programs performed for the Village are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial reporting entity consists of (a) the primary government, which is the Village, (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 as set forth in GASB Statement Numbers 14, 39 and 61.

The decision to include a potential component unit in the Village's reporting entity is based on several criteria set forth in GASB Statement Numbers 14, 39 and 61 including legal standing, fiscal dependency, and financial accountability.

B. BASIS OF PRESENTATION

1. Government-wide Financial Statements:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements present summaries of the activities of the Village. Any fiduciary activities of the Village are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Village's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the Village are reported in three categories: 1) fines, fees and charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

2. Fund Financial Statements:

The Village uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to 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.

The Village records its transactions in the fund types described below.

Fund Categories

GOVERNMENTAL FUNDS – Governmental funds are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position (the sources, uses, and balances of current financial resources). The following is the Village's governmental fund type:

General Fund – the principal operating fund and includes all operations not accounted for and reported in another fund.

3. Equity Classifications:

Government-wide Financial Statements

Equity is classified as net position and displayed in three components:

Net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position consists of net position with constraints placed on their use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation.

Unrestricted net position consists of all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Fund Financial Statements

GASB Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, breaks fund balance out into five different classifications: Nonspendable, restricted, committed, assigned, and unassigned.

Nonspendable consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.

Restricted consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The Board is the decision-making authority that can, by resolution prior to the end of the fiscal year, commit fund balance.

Assigned consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.

Unassigned represents the residual classification for the government's general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

When resources are available from multiple classifications, the Village spends the funds in the following order: restricted, committed, assigned, unassigned.

C. BASIS OF ACCOUNTING/MEASUREMENT FOCUS

Basis of accounting refers to when revenues and expenditures/expenses and the related assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus. Measurement focus is the determination of what is measured, i.e. expenditures or expenses.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities are included in the Statement of Net Position and the operating statements present increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recognized at the time the liability is incurred.

Modified Accrual Basis – All governmental funds are accounted for using the modified accrual basis of accounting.

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues are considered available if collected within 60 days of the end of the current fiscal year.

Material revenues that are accrued include real property taxes, State and Federal Aid, mortgage tax, and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from State and Federal grants are accrued when the expenditure is made, all other grant requirements have been met, and the resources are available.

Expenditures are recorded when a liability is incurred except that:

a. Expenditures for prepaid expenses and inventory-type items are generally recognized at the time of purchase.
b. Compensated absences, such as vacation and sick leave which vests or accumulates, are charged as expenditures when payment is due.
c. Pension costs are recognized as an expenditure when billed by New York State.
d. Other Post-Employment Benefits are charged as expenditures when payment is due.

D. CASH AND CASH EQUIVALENTS

The Village considers all highly liquid instruments with a maturity of three months or less at the date of purchase to be cash equivalents.

E. INVESTMENTS

An investment is a security or other asset that a government holds primarily for the purpose of income or profit and with present service capacity that is based solely on its ability to generate cash or to be sold to generate cash. Capital assets held for resale are excluded from being classified as investments.

Investments are generally reported at fair value. There are, however, two exceptions: certificates of deposit, which are reported at cost and external investment pools, which may elect to measure all investments at amortized cost if certain criteria (as outlined in GASB Statement Number 79) are met.

F. PROPERTY TAXES

Real property taxes are levied annually no later than February 15 and become a lien on the first day of the levy year. Taxes are collected during the period March 1 to April 1 without penalty or interest. Penalty and interest charges are levied and collected after April 1 in accordance with Real Property Tax Law.

General Municipal Law Section 3-c established a tax levy limit for local governments in New York State effective June 24, 2011. This law generally limits the amount by which local governments can increase property tax levies to 2% or the rate of inflation, whichever is less. The law does provide exclusions for certain specific costs and allows the governing board to override the tax levy limit with a supermajority vote.

G. BUDGETARY DATA

1. Budget Policies – The budget policies are as follows:

- No later than December 20, the budget officer submits a tentative budget to the Board of Trustees for the fiscal year commencing the following March 1. The tentative budget includes proposed expenditures and the proposed means of financing for the General Fund.
- After public hearings are conducted by the Board of Trustees to obtain taxpayer comments; no later than February 1, the Board of Trustees adopts the budget.
- All modifications to the budget must be approved by the Board of Trustees. (However, the Clerk-Treasurer is authorized to transfer certain budget amounts within departments).

2. Budget Basis of Accounting:

- Budgets are adopted annually on a basis consistent with generally accepted accounting principles applicable to municipalities.
- Appropriations in all budgeted funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-apportioned in the subsequent year.

H. ACCOUNTS RECEIVABLE

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible amounts have been provided since it is believed that such an allowance would not be material.

I. INVENTORY

Inventory is valued at cost utilizing the first in, first out method for governmental funds. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventory consists of light poles for use in the Village.

J. CAPITAL ASSETS

Capital assets, which include land, construction in progress, buildings and improvements, infrastructure, equipment, and intangibles are reported in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets and assets acquired in a service concession arrangement are recorded at acquisition value. Depreciation/amortization has been recorded using the straight-line method over 20-50 years for buildings and improvements, 20-30 years for infrastructure, 5-7 years for equipment, and 10 years for intangibles. Land and construction in progress are not depreciated. General infrastructure assets constructed prior to March 1, 2005 are not reported in the financial statements.

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

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

K. COMPENSATED ABSENCES

Retirement Stipend – employees who have at least twenty-five years of continuous employment with the Village upon retirement are entitled to receive three weeks salary; thirty years continuous employment shall receive four weeks salary; and thirty-five years of continuous employment shall receive a sum equal to five weeks salary.

Vested Sick Leave – upon termination with the Village, employees will be paid fifty percent (50%) of a day's pay for each sick day accrued, up to a maximum of fifty (50) sick days.

Vested Vacation Leave – upon termination with the Village, employees will be paid out for pro-rated vacation pay. Employees accrue vacation leave based on the number of years employed up to a maximum rate of twenty days a year. Up to three vacation days from the preceding calendar year may be carried over to the next calendar year subject to the Mayor's approval. Vacation days not used will expire and will not accumulate.

At February 28, 2025, the Village had an estimated compensated absence liability of $26,678.

L. EMPLOYEE BENEFITS

Eligible Village employees participate in the New York State Employees' Retirement System (ERS). This is a cost sharing multiple-employer retirement system more fully disclosed in Part II Note B.2.

In addition to providing pension benefits, the Village provides health insurance coverage for retired employees.

The Village recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the governmental funds in the year paid. The liability for the other post-employment benefits payable is recorded as a long-term liability in the government-wide financial statements. The liability is estimated based on the most recent actuarial valuation in accordance with the parameters of GASB Statement Number 75.

M. INSURANCE

The Village assumes the liability for most risk including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired, or a liability has been incurred and the amount of loss can be reasonably estimated. The Village carries various insurance policies to mitigate any loss that might occur.

N. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results may differ from those estimates. Estimates and assumptions are made in a variety of areas, including other post-employment benefits, net pension liability (asset) amounts, and useful lives of capital assets.

O. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure/expense) until that time.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time.

II. DETAIL NOTES ON ALL FUNDS

A. ASSETS

1. Cash and Investments:

The Village's cash and cash equivalents consist of cash on hand, bank deposits, and investments with original maturity dates of three months or less from the date of acquisition. The Village investment policies are governed by State statutes. In addition, the Village has its own written investment policy. Village monies must be deposited in specified FDIC-insured commercial banks located in New York State. The Village Clerk-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, obligations of New York State or its localities, and a CLASS investment account with the Municipal Investors Service Corp., which has a collateral arrangement with a third-party custodial bank.

Collateral is required for demand deposits and certificates of deposit as provided for by law for all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are the same as the permissible investments mentioned above.

Deposits and investments at year-end were entirely covered by federal depository insurance or by collateral held by the Village's third-party custodial bank.

They consisted of:

Deposits: All deposits, including certificates of deposit, are carried at cost plus accrued interest.

Bank balances for the Village's deposits with financial institutions as of February 28, 2026 totaled $1,459,983 and are covered by federal deposit insurance or third-party collateral as follows:

Amount FDIC Insured	$ 250,000
Amount Collateralized by Third-Parties	1,209,983
Total Amounts	$ 1,459,983

Investments: All investments are stated at cost plus accrued interest.

Investment Pool: The Village participates in a multi-municipal cooperative investment pool arrangement pursuant to New York State General Municipal Law Articles 3-A and 5-G, whereby it holds investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

The Village's investments of $1,661,036 have been recorded as cash equivalents in the general fund. This amount represents the cost of the investment pool shares and is considered approximate to market value. The investment pool is categorically exempt from the New York State collateral requirements. Additional information concerning the cooperative is presented in the annual report of the New York Cooperative Liquid Asset Securities System (NYCLASS), which may be obtained from NYCLASS, 717 17th Street, Suite 1850, Denver, CO 80202.

2. Property Taxes:

Taxes receivable of $18,516 represents an estimate of tax liens, of which $9,795 were collected within the first 60 days of the subsequent year. The remaining $8,721 of deferred revenue represents an estimate of tax liens which was not collected within the first 60 days of the subsequent year.

3. Changes in Capital Assets:

A summary of changes in capital assets follows:

	Balances Feb. 28, 2025	Additions	Reductions	Balances Feb. 28, 2026
Capital Assets That Are Not Depreciated:				
Land	$ 7,709	$ -	$ -	$ 7,709
Construction in Progress	160,700	-	(160,700)	-
Total Nondepreciable Cost	168,409	-	(160,700)	7,709
Capital Assets That Are Depreciated and Amortized:				
Buildings and Improvements	294,236	-	-	294,236
Infrastructure	97,663	1,072,009	-	1,169,672
Equipment	1,472,379	46,901	-	1,519,280
Intangibles	7,868	-	-	7,868
Total Depreciable and Amortizable Cost	1,872,146	1,118,910	-	2,991,056
Less: Accumulated Depreciation and Amortization:				
Buildings and Improvements	(142,968)	(10,338)	-	(153,306)
Infrastructure	(12,449)	(22,550)	-	(34,999)
Equipment	(585,606)	(99,613)	-	(685,219)
Intangibles	(1,180)	(787)	-	(1,967)
Total Accumulated Depreciation and Amortization	(742,203)	(133,288)	-	(875,491)
Net Capital Assets That Are Depreciated and Amortized	1,129,943	985,622	-	2,115,565
Grand Total	$ 1,298,352	$ 985,622	$(160,700)	$ 2,123,274

Depreciation and amortization expense was charged as a direct expense to programs of the primary government as follows:

Governmental Activities	
General Government Support	$ 10,732
Transportation	112,458
Culture and Recreation	10,098
Total Depreciation/Amortization Expense – Governmental Activities	$ 133,288

B. LIABILITIES

1. Long-Term Liabilities:

a. Other Long-Term Liabilities – The local government had the following non-current liabilities:

- Compensated Absences – Represents the value of earned and unused portions of the liability for compensated absences.
- Net Pension Liability – Proportionate Share – Represents the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributable to those employees' past periods of service.
- Other Post-Employment Benefits – Represents the non-current portion of the post-employment medical insurance benefits to current eligible employees and retirees.

b. The following is a summary of changes in long-term liabilities:

	Payable at Beginning of Fiscal Year	Additions	Reductions	Payable at End of Fiscal Year	Due In One Year
Compensated Absences*	$ 30,365	$ -	$ (3,687)	$ 26,678	$ 2,668
Net Pension Liability*	157,415	40,084	-	197,499	-
Other Post-Employment Benefits	1,256,966	68,598	(299,919)	1,025,645	-
Total Long-Term Liabilities	$ 1,444,746	$ 108,682	$ (303,606)	$ 1,249,822	$ 2,668

*Additions and reductions to compensated absences and net pension liability are shown net since it is impractical to determine these amounts separately.

2. Pension Plan:

Description of Plan

The Village participates in the New York State and Local Employees' Retirement System (ERS or the System). The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the System.

The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November 2022, he was elected for a new term commencing January 1, 2023.

System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Generally, members of the System are employees other than teachers, of the State and its municipalities, other than New York City.

ERS is a cost sharing, multi-employer defined benefit pension plan. The System is included in the State of New York's financial report as a pension trust fund. The Public Employee's Group Life Insurance Plan (GLIP) provides death benefits in the form of life insurance. In these statements, GLIP amounts are apportioned to and included in ERS.

Separately issued financial statements can be viewed on the Comptroller's website at www.osc.ny.gov/retirement/resources/financial-statements-and-supplementary-information.

Employer Contributions

Participating employers are required under the RSSL to contribute to the System at an actuarially determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2025 was approximately 15.2% of covered payroll. Delinquent annual bills for employer contributions accrue interest at the actuarial interest rate applicable during the year. For the fiscal year ended March 31, 2025, the applicable interest rate was 5.9%.

Contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

2025-2026	$	44,699
2024-2025		37,399
2023-2024		43,085

Member Contributions

Generally, Tier 3, 4, and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

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

At February 28, 2026, the Village reported a liability of $197,499 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At February 28, 2026, the Village's proportion was 0.0011519%, which was an increase of 0.0000828% from its proportion measured at March 31, 2024.

For the year ended February 28, 2026, the Village recognized pension expense of $54,674. At February 28, 2026, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 49,021	$ 2,312
Change of Assumptions	8,283	-
Net Difference Between Projected and Actual Investment Earning on Pension Plan Investments	15,495	-
Changes in Proportion and Differences Between Employer Contribution and Proportionate Share of Contributions	21,761	15,455
	$ 94,560	$ 17,767

There were no amounts reported as deferred outflows of resources related to pensions resulting from the Village contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended March 31:	
2026	$ 43,132
2027	50,535
2028	(18,828)
2029	1,954
2030	-
	$ 76,793

Pension Plan Fiduciary Net Position

The components of the collective net pension liability of employer participating in the System as of March 31, 2025, were as follows:

	Employees' Retirement System (Dollars in Thousands)
Employers' total pension liability	$ 247,600,239
Plan net position	(230,454,512)
Employers' net pension liability	$ 17,145,727
Ratio of Fiduciary net position to the employers' total pension liability	93.08%

Actuarial Assumptions

The total pension liability at March 31, 2025 was determined by using a roll forward procedure to advance the liability calculated using system assumptions and member demographics from the actuarial valuation completed as of April 1, 2024.

Economic assumptions used in the April 1, 2024 actuarial valuation include:

Inflation	2.9%
Salary increases	4.3%
Investment rate of return (net of investment expense, including inflation)	5.9%
Cost-of-living adjustments	1.5%

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

Demographic assumptions used in the April 1, 2024 actuarial valuation are based on the results of an actuarial experience study completed April 1, 2020. Demographic assumptions are primarily based on System experience over the period April 1, 2015 – March 31, 2020. Annuitant mortality rates are adjusted to incorporate mortality improvements under the Society of Actuaries' Scale MP-2021.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	25 %	3.54 %
International equity	14	6.57
Private equity	15	7.25
Real estate	12	4.95
Opportunistic/ARS portfolio	3	5.25
Credit	4	5.40
Real assets	4	5.55
Fixed income	22	2.00
Cash	1	0.25
	100 %	

The real rate of return is net of the long-term inflation assumption of 2.90%.

Discount Rate

The discount rate used to measure the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to the Discount Rate Assumption

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Village's proportionate share of the net pension liability (asset)	$ 571,587	$ 197,499	$ (114,865)

3. Post-Employment Healthcare Plan:

Plan Description. The Village sponsors a single-employer healthcare plan that provides post-employment medical benefits for eligible retirees and their spouses through the New York State Health Insurance Plan (NYSHIP) (the "Plan"). Substantially all of the Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. The Village does not issue a publicly available financial report for the plan; however, the financial activities of NYSHIP are included with the financial statements of the State of New York.

Funding Policy. The Plan provides a specified percentage of the retiree health premiums (and, if applicable, the retiree's spouse's premium) charged by the insurance carrier is paid by the Village. The Village contributes 50% of the cost of current-year premiums for eligible retired plan members and 35% for their spouse. The Village recognizes the cost of providing benefits by recording its share of insurance premiums as expenditures in the year paid.

At this time there is no New York statute providing local governments with the authority for establishing a post-employment benefits trust. Since the Village cannot fund the OPEB liability at this time, the required contribution is based on a projected pay-as-you-go financing requirement. The contribution requirements of Plan members and the Village are established by the Board of Trustees. For the year ended February 28, 2026, the Village did not make a contribution.

Benefits Provided. As of February 28, 2026 the following employees were covered by the benefit terms:

Active Employees	7
Inactive employees entitled to but not yet receiving benefit payments	-
Inactive employees or beneficiaries currently receiving benefit payments	5
Total	12

Total OPEB Liability. The Village's total OPEB liability of $1,025,645 was measured using the alternative measurement method as of February 28, 2026. For the year-ending February 28, 2026, the Village recognized OPEB expense of $157,371.

Actuarial Assumptions and Other Inputs

Payroll Growth Rate	4.10%
Discount Rate	4.72%
2025 Healthcare Trends Rate (Pre-65/Post-65)	8.40%
2026 Healthcare Trends Rate (Pre-65/Post-65)	5.70%

The discount rate was based on the 20-year tax exempt municipal bond yield.

Mortality rates were based on the Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvement projected for 10 years.

NOL and ADC were calculated using the Alternative Measurement Method in accordance with GASB methodology.

Turnover assumption was derived from data maintained by the U.S. Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System.

Change in the Total OPEB Liability

Balance at February 28, 2025	$ 1,256,966
Changes:	
Service cost	16,643
Interest	51,955
Changes of benefit terms	-
Difference between expected and actual experience	(175,537)
Changes in assumptions and other inputs	(50,432)
Benefit payments	(73,950)
Net changes	(231,321)
Balance at February 28, 2026	$ 1,025,645

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.72%) or 1-percentage point higher (5.72%) than the current discount rate:

	1% Decrease (3.72%)	Discount Rate (4.72%)	1% Increase (5.72%)
Total OPEB Liability	$ 1,126,910	$ 1,025,645	$ 940,199

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using the healthcare cost trend rates that is 1-percentage point lower (7.40% decreasing to 3.10%) or 1-percentage point higher (9.40% decreasing to 5.10%) than the healthcare cost trend rates:

	1% Decrease (7.40% decreasing to 3.10%)	Healthcare Cost Trend Rates (8.40% decreasing 4.10%)	1% Increase (9.40% decreasing to 5.10%)
Total OPEB Liability	$ 921,892	$ 1,025,645	$ 1,149,270

C. FUND BALANCE

The government's fund balance classification policies and procedures are as follows:

1. For committed fund balances:
    a. The government's highest level of decision-making authority resides with the Board of Trustees.
    b. The formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment is through formal resolution by the Board.
2. For assigned fund balances:
    a. The body or official authorized to assign amounts to specific purpose is the Board of Trustees.
    b. The policy established by the governing body pursuant to which the authorization to assign amounts to a specific purpose is given to the Board of Trustees.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, assigned or unassigned), the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or board approved budget revision and then from the assigned fund balance to the extent that there is an assignment and then from the unassigned fund balance.

The Village's fund balance consisted of the following as of February 28, 2026:

	General
Nonspendable Fund Balance:	
Inventory	$ 8,036
Prepaid Items	15,795
Total Nonspendable Fund Balance	$ 23,831
Assigned Fund Balance:	
Roads/Infrastructure	$ 1,300,000
Capital Equipment	600,000
Technology	400,000
Building Maintenance	400,000
Total Assigned Fund Balance	$ 2,700,000

D. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Village has established a risk management program through the purchase of insurance to cover these potential losses related to such risks.

E. CONCENTRATIONS OF RISK

The Village maintains all cash and cash equivalents in two depositories. FDIC insurance covers all government accounts up to $250,000 (per official custodian) for demand accounts and time and savings accounts separately. All deposits in excess of the FDIC limit are fully collateralized.

F. COMMITMENTS AND CONTINGENCIES

Grants – The Village is a recipient of a number of State and Federal grants. These grants are administered by various agencies. These grants are subject to various compliance and financial audits by the respective agencies administering the grants, which could lead to certain disallowances. The Board believes that they have substantially complied with the rules and regulations as specified under the various grant agreements as well as rules and regulations of the respective agency for each grant.

Certiorari Proceedings – From time to time, the Village is involved in certiorari proceedings under which taxpayers seek reduction in the assessed value of property upon which taxes are measured. A reduction in assessed valuation may result in a refund of real property taxes previously paid by the claimant. It is not possible to estimate the amount of refunds, if any, that the Village may be required to make for taxes collected through February 28, 2026, which could affect future operating budgets of the Village.

There are no other contingencies that the Village is aware of that would have a material impact on the financial statements.

G. SUBSEQUENT EVENTS

There were no events subsequent to February 28, 2026 and the date that these financial statements were available to be issued, July 1, 2026, that would have a material impact on these financial statements.

INCORPORATED VILLAGE OF RUSSELL GARDENS
Required Supplementary Information
For the Year Ended February 28, 2026
(Unaudited)

Statement of Revenues, Expenditures and Change in Fund Balance
Budget and Actual - General Fund

	Original Budget	Final Budget	Actual
Revenues:			
Real Property Taxes	$ 1,704,142	$ 1,704,142	$ 1,699,815
Real Property Tax Items	49,461	49,461	61,456
Non Property Tax Items	22,580	22,580	27,907
Use of Money and Property	75,140	75,140	159,147
Licenses and Permits	40,000	40,000	75,823
Fines and Forfeitures	12,000	12,000	47,946
Miscellaneous Local Sources	1,000	1,000	4,160
State and Federal Aid	236,143	236,143	289,676
Total Revenues	2,140,466	2,140,466	2,365,930
Expenditures:			
General Government Support	612,376	609,526	488,585
Public Safety	108,200	125,200	117,280
Transportation	2,024,566	2,008,446	1,163,493
Culture and Recreation	36,500	37,879	35,468
Home and Community Services	331,714	327,748	305,482
Employee Benefits	402,110	406,667	334,711
Total Expenditures	3,515,466	3,515,466	2,445,019
Net Change in Fund Balance	$ (1,375,000)	$ (1,375,000)	(79,089)
Fund Balance - Beginning of Year			3,290,194
Fund Balance - End of Year			$ 3,211,105

See Notes to the Financial Statements

INCORPORATED VILLAGE OF RUSSELL GARDENS
Required Supplementary Information
For the Year Ended February 28, 2026
(Unaudited)

Schedule of the Local Government's Proportionate Share of the Net Pension Liability (Asset)

NYSLRS Pension Plan
For the Fiscal Year Ended February 28, **

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Village's proportion of the net pension liability (asset)	0.0011519%	0.0010691%	0.0011532%	0.0010455%	0.0008439%	0.0010234%	0.0011663%	0.0012228%	0.0012770%	0.0013947%
Village's proportionate share of the net pension liability (asset)	$ 197,499	$ 157,415	$ 247,296	$ (85,467)	$ 840	$ 270,999	$ 82,633	$ 39,464	$ 119,987	$ 223,848
Village's covered payroll	$ 407,705	$ 393,496	$ 347,848	$ 301,202	$ 486,452	$ 492,511	$ 469,353	$ 465,316	$ 481,287	$ 430,919
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	48.44%	40.00%	71.09%	(28.38%)	0.17%	55.02%	17.61%	8.48%	24.93%	51.95%
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%

Notes to Schedule:
** The amounts presented for the fiscal year were determined as of the March 31, 2025 measurement date.

INCORPORATED VILLAGE OF RUSSELL GARDENS
Required Supplementary Information
For the Year Ended February 28, 2026
(Unaudited)

Schedule of Local Government Contributions

NYSLRS Pension Plan
For the Fiscal Year Ended February 28,

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	$ 44,699	$ 37,399	$ 43,085	$ 75,010	$ 66,320	$ 66,029	$ 67,993	$ 64,885	$ 63,252	$ 77,870
Contributions in relation to the contractually required contribution	44,699	37,399	43,085	75,010	66,320	66,029	67,993	64,885	63,252	77,870
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Village's covered-employee payroll	$ 407,705	$ 393,496	$ 347,848	$ 301,202	$ 486,452	$ 492,511	$ 469,353	$ 465,316	$ 481,287	$ 430,919
Contributions as a percentage of covered-employee payroll	10.96%	9.50%	12.39%	24.90%	13.63%	13.41%	14.49%	13.94%	13.14%	18.07%

See Notes to the Financial Statements

INCORPORATED VILLAGE OF RUSSELL GARDENS
Required Supplementary Information
For the Year Ended February 28, 2026
(Unaudited)

Schedule of Changes in Total OPEB Liability and Related Ratios

Total OPEB Liability	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**
Service cost	$ 16,643	$ 12,775	$ 11,938	$ 8,369	$ 20,903	$ 129,826
Interest	51,955	25,645	24,473	49,624	41,203	132,661
Changes of benefit terms	-	-	-	(752,998)	-	-
Difference between expected and actual experience	(175,537)	659,371	27,944	(5,608)	101,839	(60,924)
Changes in assumptions and other inputs	(50,432)	(6,013)	13,249	(96,981)	37,011	-
Net benefits payments	(73,950)	(79,177)	(30,143)	(39,716)	(46,351)	(126,768)
Net change in total OPEB liability	(231,321)	612,601	47,461	(837,310)	154,605	74,795
Total OPEB liability - beginning of year	1,256,966	644,365	596,904	1,434,214	1,279,609	1,204,814
Total OPEB liability - end of year	$ 1,025,645	$ 1,256,966	$ 644,365	$ 596,904	$ 1,434,214	$ 1,279,609
Plan fiduciary net position as percentage of the total OPEB liability	0%	0%	0%	0%	0%	0%
Covered-employee payroll	407,705	393,496	347,848	301,202	236,698	N/A
Village's total OPEB liability as a percentage of covered-employee payroll	252%	319%	185%	198%	606%	N/A

Notes to Schedule:
Additional years will be presented as they become available for a full 10-year trend.

No assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement Number 75 to pay other post-employment benefits.

	2026	2025	2024	2023	2022	2021
Assumption Changes:						
Discount Rate	4.72%	4.20%	4.16%	4.10%	3.46%	3.22%
Plan Changes:	*None*	*None*	*None*	*None*	*None*	*None*