

# **Village of Ossining, New York**

Financial Statements and  
Supplementary Information

Year Ended December 31, 2019

## Village of Ossining, New York

### Table of Contents (Concluded)

---

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements	
Balance Sheet - Governmental Funds	19
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide	
Statement of Net Position	21
Statement of Revenues, Expenditures and Changes in Fund Balances -	
Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Revenues, Expenditures and Changes in Fund Balances -	
Budget and Actual - General and Water Funds	25
Internal Service Fund	
Statement of Net Position	27
Statement of Revenues, Expense and Changes in Net Position	28
Statement of Cash Flows	29
Notes to Financial Statements	30
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Changes in the Village's Total OPEB Liability and Related Ratios	59
New York State and Local Employees' Retirement System	
Schedule of Village's Proportionate Share of the Net Pension Liability	60
Schedule of Contributions	60
New York State and Local Police and Fire Retirement System	
Schedule of Village's Proportionate Share of the Net Pension Liability	61
Schedule of Contributions	61
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Schedule of Revenues and Other Financing Sources Compared to Budget	62
Schedule of Expenditures and Other Financing Uses Compared to Budget	65
Water Fund	
Schedule of Revenues and Other Financing Sources Compared to Budget	68
Schedule of Expenditures and Other Financing Uses Compared to Budget	69
Debt Service Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual	71
Capital Projects Fund	
Project-Length Schedule	72

## Village of Ossining, New York

### Table of Contents (Concluded)

---

	<u>Page No.</u>
Non-Major Governmental Funds	
Combining Balance Sheet	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	77
Internal Service Fund	
Combining Statement of Net Position	78
Combining Statement of Revenues, Expenditures and Changes in Net Position	79
Combining Statement of Cash Flows	80
Federal Programs	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	81
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	83
Schedule of Expenditures of Federal Awards	85
Notes to Schedule of Expenditures of Federal Awards	86
Schedule of Findings and Questioned Costs	87
Summary Schedule of Prior Audit Findings	89

## **Independent Auditors' Report**

**The Honorable Mayor and Board of Trustees  
of the Village of Ossining, New York**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Ossining, New York ("Village") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the 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 December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General and Water funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matters**

We draw attention to Note 2D in the notes to the financial statements which disclose the effects of the Village's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, *"Fiduciary Activities"*. Our opinion is not modified with respect to this matter.

As discussed in Note 6 in the notes to financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of COVID-19 ("Coronavirus"). Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other 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 combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations*, Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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

auditing standards generally accepted in the United States of America. In our opinion, the 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 August 17, 2020 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

August 17, 2020

## **Village of Ossining, New York**

### **Management's Discussion and Analysis December 31, 2019**

---

#### **Introduction**

The Village of Ossining, New York ("Village") presents this Management's Discussion and Analysis ("MD&A") as an overview of the Village's financial activities for the fiscal year ended December 31, 2019, as required by the Government Accounting Standards Board ("GASB"). This MD&A focuses on current year activities, resulting changes to net position, and currently known facts. This narrative overview and analysis of the financial activities of the Village should be read in conjunction with the basic financial statements and accompanying notes to those statements, which immediately follow this section, to enhance understanding of the Village's financial performance.

#### **Financial Highlights**

Key financial highlights for the fiscal year 2019 are as follows:

- On the government-wide statement of net position, the liabilities and deferred inflows of the Village exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$47.06 million. Of this amount, \$45.89 million represents the Village's net investment in capital assets (net capital assets, less long-term liabilities used to acquire capital assets), and \$3.17 million was restricted for future capital improvements, workers' compensation benefits, debt service or other purposes. The remaining amount, which represents an unrestricted deficit, was \$96.12 million. This deficit resulted primarily from the accrual of certain operating liabilities, which will be satisfied in future years, including compensated absences, other post-employment benefits ("OPEB"), and net pension liability (see below).
- The unrestricted deficit on the government-wide financial statements at December 31, 2019 is primarily attributable to the impact of the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*". This statement addressed accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identified the methods and assumptions to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. At December 31, 2019, the Village reported a liability of \$119.75 million, an increase of \$11.54 million from the prior year. More detailed information about the Village's OPEB reporting in accordance with the provision of GASB Statement No. 75, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in Note 3F in the notes to financial statements.
- In addition to the impact of the Village's OPEB obligations, the government-wide financial statements for the year ended December 31, 2019, were also significantly impacted by the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*". This pronouncement establishes accounting and financial reporting requirements associated with the Village's participation in the cost-sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and Police and Fire

Retirement System ("PFRS"). Under the standards that became effective for the 2015 fiscal year, cost-sharing employers are required to report in their government-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At December 31, 2019, the Village reported in its statement of net position a liability of \$5.90 million for its proportionate share of the ERS and PFRS net pension liability, up from \$3.26 million at December 31, 2018, an increase of \$2.64 million. Additionally, the pension deferred outflows of resources decreased by \$4.47 million to \$5.68 million at December 31, 2019. Also, the deferred pension inflows of resources decreased by \$5.80 million to \$2.24 million at year-end. Overall, the net impact on net position for the year was a decrease of \$1.31 million. More detailed information about the Village's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented Note 3F in the notes to financial statements.

- As of the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$26.75 million. Of this amount, \$12.54 million of the fund balance was classified as non-spendable, restricted, or assigned for specific purposes. The remaining amount, \$14.21 million, was unassigned and available for spending at the Village's discretion. The combined ending fund balances of \$26.75 million at December 31, 2019, were \$1.08 million less than the amount reported in the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund, \$14.21 million, was 39.1% of total General Fund expenditures and other financing uses (of \$36.38 million).
- The Internal Service Funds reported a combined restricted net position balance of \$1.80 million as of December 31, 2019.
- During the current fiscal year, the Village did not issue any new serial bonds, and retired nearly \$2.96 million of general obligation debt from budgetary appropriations. The Village had outstanding serial bonds aggregating \$27.49 million at year-end.
- As of December 31, 2019, the Village had an outstanding bond anticipation note ("BAN") liability of \$4.93 million, which was comprised of \$2.72 million for authorized capital projects in 2019, plus \$2.21 million for prior year capital project BANs. During 2019, the Village retired \$133,520 of BANs from budgetary appropriations.

### **Overview of the Financial Statements**

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



## Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the Village's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes, depreciation expense, and earned but unused vacation leave and OPEB).

The government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Village include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services, and interest.

The government-wide financial statements can be found immediately following this discussion and analysis.

## Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and means by which spending activities are controlled. The Village, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains seven individual governmental funds: the General Fund, Water Fund, Sewer Fund, Debt Service Fund, Section 8 Housing Fund, Special Purpose Fund, and Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Water, Debt Service, and Capital Projects Funds. These funds are considered to be major funds. The Sewer, Section 8 Housing, and Special Purpose Funds are not considered major funds and are combined into a single aggregate presentation (Non-Major Governmental).

The Village adopts annual budgets for the General Fund, Water Fund, Sewer Fund, Debt Service Fund, and Section 8 Housing Fund. Budgetary comparison statements have been provided for the General and Water Funds within the basic financial statements to demonstrate compliance with the respective budgets. In the Capital Projects Fund, budgets are established on an individual project basis.

***Proprietary funds.*** The Village maintains one type of proprietary fund. These internal service funds are used to accumulate and allocate costs internally among the Village's various functions. The Village uses internal service funds to account for its liability insurance coverage (the General Liability Claims Fund), and its self-insured workers' compensation benefits (the Workers' Compensation Benefits Fund). These services have been classified as governmental activities in the government-wide financial statements because they predominantly benefit governmental funds.

Both internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining fund schedules and statements elsewhere in this report.

***Fiduciary funds.*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Village programs. The Village does not maintain any fiduciary funds.

## **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. As such, the notes are an integral part of the basic financial statements and should be read in conjunction with the financial statements. The notes to the financial statements are located following the basic financial statements section of this report.

## **Other Information**

In addition to the basic financial statements and notes to the financial statements, this report also presents required supplementary information ("RSI") concerning the Village's OPEB obligation to its employees and its proportionate share of the net pension liability for its participation in the New York State and Local Retirement System ("NYSLRS"). RSI immediately follows the notes to the financial statements.

This report also includes supplementary information which gives the reader further detail on the information presented in the basic financial statements. Included are the combining non-major governmental fund and internal service fund financial statements and schedules, and the project

length schedule for the Capital Projects Fund. The Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* audit of Federal awards program is presented in a separate report.

### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Village, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$47.06 million at the close of the 2019 fiscal year, a decrease of \$6.21 million from the prior fiscal year net position.

A summary of the Village's governmental net position at December 31, 2019 and 2018 is as follows:

**Table 1 - Net Position as of December 31, 2019 and 2018**

	Governmental Activities			
	2019	2018	\$ Change	% Change
Current Assets	\$ 42,637,210	\$ 38,348,398	\$ 4,288,812	11.18%
Capital Assets, net of depreciation	70,906,222	73,072,794	(2,166,572)	(2.96)%
Total Assets	113,543,432	111,421,192	2,122,240	1.90%
Deferred Outflows of Resources	12,833,685	10,747,377	2,086,308	19.41%
Current Liabilities	9,671,758	9,846,140	(174,382)	(1.77)%
Long-term Liabilities	159,860,959	145,131,132	14,729,827	10.15%
Total Liabilities	169,532,717	154,977,272	14,555,445	9.39%
Deferred Inflows of Resources	3,902,378	8,035,958	(4,133,580)	(51.44)%
Net Position:				
Net Investment in Capital Assets	45,890,822	40,352,128	5,538,694	13.73%
Restricted	3,170,742	7,611,388	(4,440,646)	(58.34)%
Unrestricted (deficit)	(96,119,542)	(88,808,177)	(7,311,365)	8.23%
Total Net Position	\$ (47,057,978)	\$ (40,844,661)	\$ (6,213,317)	15.21%

The largest portion of the Village's net position was its investment in capital assets (land, land improvements, buildings and improvements, infrastructure, machinery and equipment, and construction-in-progress), less any related debt outstanding that was used to acquire those assets, \$45.89 million. The Village uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Village's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

A portion of the Village's net position at December 31, 2019, \$3.17 million, represented resources that were subject to external restrictions on how they may be used, and are restricted for various purposes such as crime control, future capital projects, debt service, workers compensation benefits, general liability claims, Section 8 housing and trusts.

The remaining balance of unrestricted net position, which was a deficit of \$96.12 million, must be financed from future operations. This deficit does not mean that the Village does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including compensated absences (\$1.42 million), net pension liability (\$5.90 million), and other post-employment benefit obligations (\$119.75 million), that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payment will be made.

**Table 2 - Changes in Net Position for the Fiscal Years Ended December 31, 2019 and 2018**

	<b>Governmental Activities</b>			
	2019	2018	\$ Change	% Change
<b>REVENUES</b>				
Program Revenues:				
Charges for Services	\$ 20,080,885	\$ 18,992,239	\$ 1,088,646	5.73%
Operating Grants and Contributions	3,574,737	3,392,677	182,060	5.37%
Capital Grants and Contributions	439,506	602,895	(163,389)	(27.10)%
General Revenues:				
Real Property Taxes	22,467,646	22,232,937	234,709	1.06%
Other Tax Items	248,210	234,095	14,115	6.03%
Non-Property Taxes	5,323,144	4,756,757	566,387	11.91%
Unrestricted State Aid	217,901	437,337	(219,436)	(50.18)%
Other Revenues	705,051	852,046	(146,995)	(17.25)%
Total Revenues	<u>53,057,080</u>	<u>51,500,983</u>	<u>1,556,097</u>	<u>3.02%</u>
<b>EXPENSES</b>				
Program Expenses:				
General Government Support	6,277,091	5,398,415	878,676	16.28%
Public Safety	21,878,471	19,587,156	2,291,315	11.70%
Health	2,616	2,378	238	10.01%
Transportation	7,433,032	6,984,604	448,428	6.42%
Economic Opportunity and Development	110,257	95,235	15,022	15.77%
Culture and Recreation	5,073,158	4,742,733	330,425	6.97%
Home and Community Services	17,600,302	17,769,985	(169,683)	(0.95)%
Interest	895,470	773,487	121,983	15.77%
Total Expenses	<u>59,270,397</u>	<u>55,353,993</u>	<u>3,916,404</u>	<u>7.08%</u>
Change in Net Position	(6,213,317)	(3,853,010)	(2,360,307)	61.26%
<b>NET POSITION</b>				
Beginning	<u>(40,844,661)</u>	<u>(36,991,651)</u>	<u>(3,853,010)</u>	<u>10.42%</u>
Ending	<u>\$ (47,057,978)</u>	<u>\$ (40,844,661)</u>	<u>(6,213,317)</u>	<u>15.21%</u>

## **Governmental Activities**

During 2019, governmental activities decreased the Village's net position by \$6.21 million.

For the fiscal year ended December 31, 2019, revenues from governmental activities totaled \$53.06 million, an increase of \$1.56 million (3.02%) over prior year revenues of \$51.50 million. Tax revenues of \$28.04 million, comprised of real property taxes, other tax items, and non-property taxes, represented the largest revenue source, at 52.8%. Tax revenues in the prior year totaled \$27.22 million and represented 52.9% of total 2018 revenues.

Charges for services revenues in 2019, the second largest revenue source, totaled \$20.08 million and represented 37.8% of total revenues. In 2018, this revenue source aggregated \$18.99 million, which was 36.9% of total revenues.

Expenses incurred by governmental activities of the Village in 2019 totaled \$59.27 million, an increase of \$3.92 million (7.1%) over prior year expenses of \$55.35 million, due primarily to higher operating expenses overall, higher employee benefit expenses, and higher OPEB expense. The largest components of governmental activities' expenses were public safety (36.9%), home and community services (29.7%), and transportation (12.5%). This was similar to last year when the largest components of government activities' expenses were public safety (35.4%), home and community services (32.1%), and transportation (12.6%). The major changes in 2019 vs. 2018 were as follows:

### **Revenue**

- Charges for services were \$20.08 million in 2019, which was \$1.09 million (5.7%) more than the amount received in 2018, due primarily to water and sewer rates being increased by 5.0% in 2019 to pay debt service costs on water and sewer infrastructure and capital improvements.
- Real property taxes increased by about \$235,000 to \$22.47 million, due primarily to the 3.17% increase in the real property tax levy in 2019, with the same tax rate in 2019 as in 2018.
- Non-property taxes increased by over \$566,000 (11.9%) in 2019, to \$5.32 million, due primarily to a 1% sales tax rate increase that became effective in August 2019 that resulted in higher sales tax distribution revenues for 2019.

### **Expenses**

- Public safety expenses increased approximately \$2.29 million (11.7%), from \$19.59 million in 2018 to \$21.88 million in 2019, due primarily to increased operating expenses (including employee benefits) and OPEB expenses year-to-year.
- Employee wages were approximately \$1.05 million (5.45%) more in 2019 than 2018, aggregating nearly \$20.26 million overall, due to employee wage increases and fewer vacant positions. These expenses were allocated throughout most program expense functions.
- Employee benefits: The Village's self-insured health and medical benefit claims expenses increased by approximately \$1.02 million (20.7%), and aggregated \$5.95 million for 2019. The Village's self-insured workers' compensation benefit expenses were approximately \$374,000 more in 2019, aggregating \$1.47 million for the year. These expenses were allocated throughout most program expense functions. Because the Village is self-insured

for health care and workers' compensation expenses, expenses can vary significantly year-to-year.

- Post-employment health care benefit expenses, net of contributions made, were recorded in 2019 in the amount of \$5.96 million, as compared to \$4.68 million in 2018, an increase of \$1.28 million (27.3%). These expenses are also allocated throughout most program expense functions.

### **Financial Analysis of the Village's Funds**

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### **Governmental Funds**

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$26.75 million, a net decrease of \$1.08 million from the prior year amount of \$27.83 million.

The non-spendable fund balance component was \$825,039 at December 31, 2019 (\$779,663 in 2018), consisting of amounts representing prepaid expenditures and inventories. The restricted fund balance component of \$3,850,558 at December 31, 2019 (\$6,067,148 in 2018) indicates that it is not available for new spending because it has been restricted for crime control, future capital projects, capital projects, debt service, Section 8 housing and trusts. The committed fund balance component, \$17,564 at the end of 2019, consists of amounts set aside for economic development (\$15,544 in 2018). The assigned fund balance component of \$7,847,666 at the end of 2019 (\$7,377,896 in 2018) consists of amounts set aside for purchases on order (\$224,521), subsequent year's expenditures (\$1,012,627), and amounts for Water and Sewer funds (\$6,610,518 total). The remainder of the fund balance at December 31, 2019, \$14,214,225, constitutes unassigned fund balance, all of which is in the General Fund. The amount of unassigned fund balance at December 31, 2018 (prior year) was \$13,593,384.

**General Fund** - The General Fund is the primary operating fund of the Village, and the majority of the Village's programs and activities are supported by this fund.

At the end of the current fiscal year, unassigned fund balance of the General Fund was \$14,214,225, representing 86.9% of the total General Fund balance of \$16,365,210. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures, and total fund balance to total expenditures. At the end of the current fiscal year, the General Fund showed a healthy 39.1% unassigned fund balance (\$14,214,225) to total expenditures and other financing uses (\$36,380,630), down from 40.6% at the end of 2018, while total fund balance (\$16,365,210) represented 45.0% of that same amount (down from 46.8% for 2018).

When the fiscal 2019 General Fund budget was adopted, it included the use of \$979,580 (\$650,000 plus \$329,580 for one-time expenditures) accumulated surplus fund balance to reduce property taxes to be levied. In addition, \$189,192 was appropriated for contract and purchase order commitments (of the prior fiscal year) to be liquidated. During the year, the budget was amended, including accumulated and unreserved fund balance of \$1,661,483 for capital

improvement expenditures, to a revised anticipated use of fund balance aggregating \$2,629,155 for the year. For the 2019 year, actual results of operations resulted in an increase to fund balance of \$689,760, consisting of \$3,318,915 favorable revenue and expenditure variances, less \$2,629,155 appropriated fund balance.

Revenues and other financing sources were \$37,070,390, which was \$991,670 (2.75%) more than the final budget. The primary revenues that were more than estimated in the adopted budget (original budget) were non-property taxes (by \$793,144 – mostly for sales tax distribution revenues), use of money and property (by \$367,455), and licenses and permits revenues (by \$188,994). Real property tax revenues were \$238,943 less than the final modified budget, due primarily to an increase in unpaid property taxes for the year.

Expenditures and other financing uses totaled \$36,380,630, which was \$2,327,254 (6.0%) less than the final budget. Significant positive expenditure variances were for public safety (\$338,496), home and community services (\$292,825), and employee benefits (\$1,056,328 – due in part to unfilled employee positions).

With respect to employee benefits, the Village is self-insured for workers' compensation benefits and health care benefits (hospital, medical, and dental benefits). Consequently, expenditures can sometimes vary year-to-year, as shown below for the General Fund during the past five years:

<u>Year</u>	<u>Workers' Compensation</u>	<u>Hospital, Medical and Dental</u>
2019	\$ 727,974	\$ 5,355,631
2018	651,889	4,429,239
2017	658,185	4,819,858
2016	740,304	5,384,384
2015	1,076,156	4,751,567

For 2019, workers' compensation and health care benefits were \$437,347 and \$311,247, respectively, less than the modified budget amounts. Also in 2019, the employer share of retirement employee benefits were less than the amount estimated in the adopted budget – by \$451,097 – due primarily to position vacancies during the year.

Due to the anticipated excess revenues and unexpended appropriations for the 2019 fiscal year, at year-end the Board of Trustees appropriated available excess funds of \$1,209,886 from the 2019 budget for purchase of vehicles and equipment approved in the 2020 Capital Plan. This amount is included as transfers out to the Capital Projects Fund in the 2019 financial statements.

Water Fund - The fund balance of the Water Fund increased by \$530,579 during the year to \$5,511,668 at December 31, 2019. Of this amount, the assigned portion available for future year use was \$5,195,871 (was \$4,670,151 in 2018). No moneys were appropriated in the 2020 adopted budget. It is important to note that water rents receivables at year-end, aggregating more than \$3.21 million, were billed through March 2020, and although included in fund balance, are not available as cash at year-end.

Revenues and other financing sources of \$11,285,766 were \$402,908 (3.7%) more than estimated in the 2019 budget. Expenditures and other financing uses of \$10,755,187 were \$435,635 (3.9%) less than the final budget.

The 2019 Water Fund adopted budget did not appropriate any fund balance. However, \$193,397 was appropriated for prior year contract and purchase order commitments to be liquidated. During the year, surplus fund balance of \$114,567 was appropriated for water capital project improvement expenditures. As of year-end, the appropriated fund balance aggregated \$307,964.

Sewer Fund - The fund balance of the Sewer Fund increased by \$38,143 and aggregated \$1,536,671 at December 31, 2019. The portion of fund balance that was assigned and available for future year use at year-end was \$1,517,789. No funds were appropriated in the 2020 adopted budget. Similar to the Water Fund, a significant portion of fund balance at year-end (\$525,633) is in the form of sewer rents receivables that are billed through March 2020.

Revenues of \$1,774,572 were \$22,036 less than estimated in the adopted budget. Fiscal year expenditures and other uses of \$1,736,429 were \$183,938 less than budgeted.

Debt Service Fund - The Debt Service Fund ended its fiscal year with a fund balance of \$271,413, a decrease of \$272,378 from the prior year. This decrease was attributed to appropriated fund balance of \$112,083 in the 2019 adopted budget, plus use of \$201,735 (accumulated in 2017 and 2018) to retire installment loan debt for LED streetlight capital expenditures. Of the total fund balance at year-end, \$26,236 was appropriated in the 2020 budget.

Section 8 Housing Fund - The Section 8 Housing Fund, which provides Housing Assistance Payments (HAP) for eligible tenants, ended its fiscal year with a fund balance of \$88,577, an increase of \$22,568 from the prior year, on revenues and other financing sources of \$3,616,616.

Special Purpose Fund - The fund balance of the Special Purpose Fund decreased by \$333,648 during the year, and totaled \$497,559 as of December 31, 2019, due primarily to \$69,164 authorized by the Village Board for economic opportunity and development, plus \$277,405 transferred to the Capital Projects Fund for expenditure. At year-end, the balances in the Special Purpose Fund included restricted for downtown development (\$327,562), restricted for affordable housing (\$41,768), and restricted for parklands (\$128,229).

Capital Projects Fund - The Capital Projects Fund ended its 2019 fiscal year with a fund balance of \$2,483,954, from a prior year fund balance of \$4,237,561. Revenues and other financing sources totaled \$2,672,538 for 2019, and expenditures and other financing uses totaled \$4,426,145. The primary reason for the decrease in fund balance was the issuance of BANs during the year to finance capital projects which were recorded as a fund liability at year-end in accordance with generally accepted accounting principles.

### **Proprietary Funds**

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

Total net position of the Internal Service Funds at December 31, 2019, was a combined net position balance of \$1,797,620, from a net position of \$1,544,240 for 2018. The Workers' Compensation Benefits Fund had a restricted net position balance of \$1,787,633, while the General Liability Claims Fund had a restricted net position balance of \$9,987 at year-end. Total assets were \$5,440,160, and total liabilities were \$3,642,540 at year-end.

In the Workers' Compensation Benefits Fund, total revenues were \$1,631,611 and operating expenses were \$1,465,584, resulting in a net position increase of \$166,027. Based on computations from the Village's actuary, the accrued liability at year-end for workers'



compensation benefits was decreased by \$139,250 during the year. In the General Liability Claims Fund, total revenues were \$1,189,281 and operating expenses were \$1,101,928, resulting in an increase in net position of \$87,353 for the year, from a deficit net position of \$77,366 as of December 31, 2018 (prior year).

## **Budgetary Highlights**

### **General Fund**

For 2019, the difference between the appropriations originally budgeted (\$36,761,636) and the final appropriations for the General Fund (\$38,707,875) was an increase to the budget of \$1,946,239, due primarily to the following reasons:

- Prior year contract and purchase order commitments carried over to 2019, \$189,192;
- Excess revenues appropriated for departmental expenditures, \$296,664; and,
- The appropriation of accumulated surplus fund balance and unexpended appropriations from departmental operations aggregating \$1,460,383 for capital infrastructure improvements (transferred to the Capital Projects Fund), instead of issuing serial bonds. Of this amount, \$1,209,886 pertained to 2020 Capital Plan vehicles and equipment.

### **Water Fund**

The Water Fund appropriations were increased by \$307,964 during 2019, from \$10,882,858 in the adopted budget, to \$11,190,822. In the Water Fund, the Village appropriated \$193,397 for prior year contracts and purchase order commitments, and appropriated accumulated surplus fund balance in the amount of \$114,567 (to the Capital Projects Fund) for water capital improvements, instead of issuing serial bonds.

### **Sewer Fund**

The Sewer Fund budget was also increased during 2019, by \$8,759, to \$1,920,367, for prior year contracts and purchase order commitments.

### **Section 8 Housing Fund**

The budget for the Section 8 Housing Fund was increased by \$202,485 during the year, to \$3,614,905, to reflect an increase in anticipated Federal aid during the year.

## **Capital Asset and Debt Administration**

### **Capital Assets**

The Village's investment in capital assets for governmental activities at December 31, 2019, net of \$170,473,022 of accumulated depreciation, was \$70,906,222. This investment in capital assets includes land, land improvements, buildings and improvements, infrastructure, machinery and equipment, and construction-in-progress.

Major capital asset activity during the current fiscal year included the following:

**Table 3 - Capital Assets as of December 31, 2019 and 2018**

<u>Asset</u>	Governmental Activities	
	2019	2018
Land	\$ 2,541,562	\$ 2,541,562
Land Improvements	7,476,558	7,392,050
Buildings and Improvements	47,318,087	47,206,603
Machinery and Equipment	21,209,681	20,245,845
Infrastructure	160,135,520	156,766,194
Construction-in-Progress	2,697,836	3,445,968
Less: Accumulated Depreciation	(170,473,022)	(164,525,428)
Total (Net of Depreciation)	<u>\$ 70,906,222</u>	<u>\$ 73,072,794</u>

Increases in capital assets represent various land improvement, building, equipment, and infrastructure projects, including but not limited to, Broadway Bridge rehabilitation, street resurfacing and sidewalks, and various vehicle and equipment purchases.

Summary information on the changes in capital assets during the year can be found in Note 3C in the notes to financial statements.

#### **Long-Term and Short-Term Debt**

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$27,490,000. As required by New York State law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village.

The Village did not issue any general obligation bonds in 2019. During the year, the Village retired \$2,956,518 of general obligation debt from budgetary appropriations.

During the current fiscal year, the Village issued short-term obligations BANs of \$4,930,779 to finance vehicles and equipment for various departments (\$740,000), HVAC capital improvements to municipal facilities (\$250,000), Phase 3 engineering costs for a new water treatment plant facility (\$1,729,600), and to renew prior year capital projects BANs for \$2,211,179. The Village retired \$133,520 of short-term debt from budgetary appropriations during the year.

The Village did not seek a credit rating on the BAN in 2019, as Village management did not believe that a rating would be cost-effective. However, in November 2019, Moody's Investors Service confirmed the Aa2 credit rating on outstanding debt of the Village.

Known as the "constitutional debt limit", and pursuant to New York State Local Finance Law, the Village must limit total outstanding long-term debt to no more than 7% of the five-year average full valuation of real property. As of December 31, 2019, the Village had exhausted 14.62% of its constitutional debt limit, and had the authority to issue an additional \$113,394,498 of general obligation long-term debt.

The Village also had outstanding installment loan debt aggregating \$913,550 at year-end for various energy performance contract projects in prior years. During 2019, the Village retired \$477,320 of such debt.

Additional information on the Village's short-term and long-term debt can be found in Notes 3E and 3F in the notes to the financial statements.

### **Next Year's Budgets and Rates**

In the 2020 General Fund adopted budget, the Village appropriated \$1,012,627 of unassigned fund balance for spending in fiscal 2020, which included \$362,627 for one-time, non-recurring purposes. The real property tax rate for the 2020 Village General Fund is \$10.8492 per \$1,000 of taxable assessed value, which was the same rate as for 2019, 2018 and 2017, and for 2016 (\$192.0209/\$1,000 AV) after factoring in the change in assessments due to the 100% assessment revaluation in 2016. The real property tax levy increased by 0.70% from 2019 to 2020. The 2020 adopted budget was within the property tax levy limitations. No local law was considered to authorize an override of the property tax levy limitations.

### **Requests for Information**

This financial report is designed to provide a general overview of the Village of Ossining, New York's finances for all those who are interested. Questions and comments concerning any of the information provided in this report should be addressed to Dale M. Brennan, Village Treasurer, Village of Ossining, 16 Croton Avenue, Ossining, New York 10562, or by e-mail to [dbrennan@villageofossining.org](mailto:dbrennan@villageofossining.org).

**Village of Ossining, New York**Statement of Net Position  
December 31, 2019

	Governmental Activities
<b>ASSETS</b>	
Cash and equivalents	\$ 35,352,597
Receivables	
Taxes, net	494,418
Accounts	4,211,670
State and Federal aid	138,162
Due from other governments	1,615,324
Prepaid expenses	805,184
Inventories	19,855
Capital assets	
Not being depreciated	5,239,398
Being depreciated, net	65,666,824
Total Assets	<u>113,543,432</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
	<u>12,833,685</u>
<b>LIABILITIES</b>	
Accounts payable	3,400,959
Accrued liabilities	430,441
Deposits	231,994
Employee payroll deductions	23,755
Unearned revenues	363,353
Bond anticipation notes payable	4,930,779
Retainage payable	128,704
Accrued interest payable	161,773
Non-current liabilities	
Due within one year	3,690,337
Due in more than one year	156,170,622
Total Liabilities	<u>169,532,717</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
	<u>3,902,378</u>
<b>NET POSITION</b>	
Net investment in capital assets	45,890,822
Restricted for	
Crime control	30,285
Future capital projects	485,288
Debt service	271,413
Workers' compensation benefits	1,787,633
General liability claims	9,987
Section 8 Housing	88,577
Trusts	497,559
Unrestricted	(96,119,542)
Total Net Position	<u><u>\$ (47,057,978)</u></u>

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

**Village of Ossining, New York**

Statement of Activities  
Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 6,277,091	\$ 1,487,842	\$ -	\$ -	\$ (4,789,249)
Public safety	21,878,471	3,691,823	21,798	-	(18,164,850)
Health	2,616	-	-	-	(2,616)
Transportation	7,433,032	523,652	-	390,563	(6,518,817)
Economic opportunity and development	110,257	-	-	-	(110,257)
Culture and recreation	5,073,158	1,299,949	-	-	(3,773,209)
Home and community services	17,600,302	13,077,619	3,552,939	-	(969,744)
Interest	895,470	-	-	48,943	(846,527)
<b>Total Governmental Activities</b>	<b>\$ 59,270,397</b>	<b>\$ 20,080,885</b>	<b>\$ 3,574,737</b>	<b>\$ 439,506</b>	<b>(35,175,269)</b>
General revenues					
Real property taxes					22,469,246
Other tax items					
Payments in lieu of taxes					152,345
Interest and penalties on real property taxes					95,865
Non-property taxes					
Utilities gross receipts taxes					273,801
Franchise fees					452,823
Non-property tax distribution from County					4,594,920
Unrestricted use of money and property					349,137
Sale of property and compensation for loss					9,637
Unrestricted State aid					217,901
Miscellaneous					296,221
Insurance recoveries					50,056
<b>Total General Revenues</b>					<b>28,961,952</b>
Change in Net Position					(6,213,317)
<b>NET POSITION</b>					
Beginning					(40,844,661)
Ending					<b>\$ (47,057,978)</b>

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

**Village of Ossining, New York**

Balance Sheet  
Governmental Funds  
December 31, 2019

	General	Water	Debt Service
<b>ASSETS</b>			
Cash and equivalents	\$ 16,595,164	\$ 3,341,607	\$ 271,413
Taxes receivable, net of allowance for uncollectible taxes	494,418	-	-
Other receivables			
Accounts	201,297	3,214,396	-
State and Federal aid	130,729	5,477	-
Due from other funds	8,169	-	-
Due from other governments	1,453,219	173	-
	1,793,414	3,220,046	-
Prepaid expenditures	686,288	93,496	-
Inventories	19,855	-	-
Total Assets	<u>\$ 19,589,139</u>	<u>\$ 6,655,149</u>	<u>\$ 271,413</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 1,191,728	\$ 1,077,523	\$ -
Accrued liabilities	371,794	49,121	-
Deposits	231,994	-	-
Employee payroll deductions	23,755	-	-
Unearned revenues	327,076	16,837	-
Due to other funds	2,075	-	-
Bond anticipation notes payable	-	-	-
Total Liabilities	2,148,422	1,143,481	-
Deferred inflows of resources			
Deferred tax revenues	450,018	-	-
Taxes collected in advance	625,489	-	-
Total Deferred Inflows of Resources	1,075,507	-	-
Total Liabilities and Deferred Inflows of Resources	3,223,929	1,143,481	-
Fund balances			
Nonspendable	706,143	93,496	-
Restricted	293,272	222,301	271,413
Committed	17,564	-	-
Assigned	1,134,006	5,195,871	-
Unassigned	14,214,225	-	-
Total Fund Balances	16,365,210	5,511,668	271,413
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 19,589,139</u>	<u>\$ 6,655,149</u>	<u>\$ 271,413</u>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 8,465,582	\$ 1,489,575	\$ 30,163,341
-	-	494,418
-	545,073	3,960,766
-	1,956	138,162
-	-	8,169
-	161,932	1,615,324
-	708,961	5,722,421
-	25,400	805,184
-	-	19,855
\$ 8,465,582	\$ 2,223,936	\$ 37,205,219
\$ 1,050,849	\$ 66,069	\$ 3,386,169
-	9,526	430,441
-	-	231,994
-	-	23,755
-	19,440	363,353
-	6,094	8,169
4,930,779	-	4,930,779
5,981,628	101,129	9,374,660
-	-	450,018
-	-	625,489
-	-	1,075,507
5,981,628	101,129	10,450,167
-	25,400	825,039
2,483,954	579,618	3,850,558
-	-	17,564
-	1,517,789	7,847,666
-	-	14,214,225
2,483,954	2,122,807	26,755,052
\$ 8,465,582	\$ 2,223,936	\$ 37,205,219

## Village of Ossining, New York

### Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position December 31, 2019

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

Fund Balances - Total Governmental Funds	\$ 26,755,052
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	70,906,222
Retainages payable are not reported in the governmental funds unless due and payable, but are required to be reported in the statement of net position.	(128,704)
Governmental funds report the effect of assets or liabilities related to net pension and postemployment benefits as well as the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on net pension liabilities	3,436,861
Deferred amounts on other postemployment benefit obligations	5,826,091
Deferred amounts on refunding bonds	293,844
	9,556,796
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	450,018
Internal service funds are used by management to charge the costs of workers' compensation and general liability claims in the governmental funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	1,797,620
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(161,773)
Bonds payable	(28,249,796)
Energy performance contract payable	(913,550)
Compensated absences	(1,418,612)
Net pension liability	(5,897,033)
Other post employment benefit obligations payable	(119,754,218)
	(156,394,982)
Net Position of Governmental Activities	\$ (47,057,978)

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



**Village of Ossining, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 Year Ended December 31, 2019

	General	Water	Debt Service
<b>REVENUES</b>			
Real property taxes	\$ 22,538,021	\$ -	\$ -
Other tax items	248,210	-	-
Non-property taxes	5,321,544	-	-
Departmental income	2,082,596	11,182,169	-
Intergovernmental charges	3,593,948	-	-
Use of money and property	732,272	32,358	48,943
Licenses and permits	484,794	-	-
Fines and forfeitures	502,966	-	-
Sale of property and compensation for loss	9,637	2,578	-
Interfund revenues	920,426	-	-
State aid	235,455	-	-
Federal aid	4,244	-	-
Miscellaneous	296,221	28,661	-
Total Revenues	36,970,334	11,245,766	48,943
<b>EXPENDITURES</b>			
Current			
General government support	3,710,061	676,304	-
Public safety	11,805,604	-	-
Health	1,016	-	-
Transportation	2,270,677	-	-
Economic opportunity and development	35,843	-	-
Culture and recreation	2,894,280	-	-
Home and community services	1,834,741	7,084,834	-
Employee benefits	9,956,777	1,125,548	-
Debt service			
Principal	-	-	3,345,862
Interest	10,080	29,311	909,211
Capital outlay	-	-	-
Total Expenditures	32,519,079	8,915,997	4,255,073
Excess (Deficiency) of Revenues Over Expenditures	4,451,255	2,329,769	(4,206,130)
<b>OTHER FINANCING SOURCES (USES)</b>			
Insurance recoveries	50,056	-	-
Transfers in	50,000	40,000	4,023,752
Transfers out	(3,861,551)	(1,839,190)	(90,000)
Total Other Financing Sources (Uses)	(3,761,495)	(1,799,190)	3,933,752
Net Change in Fund Balances	689,760	530,579	(272,378)
<b>FUND BALANCES</b>			
Beginning of Year	15,675,450	4,981,089	543,791
End of Year	\$ 16,365,210	\$ 5,511,668	\$ 271,413

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 22,538,021
-	-	248,210
-	-	5,321,544
-	1,762,269	15,027,034
-	-	3,593,948
-	22,458	836,031
-	-	484,794
-	-	502,966
-	921	13,136
-	-	920,426
390,563	-	626,018
-	3,552,939	3,557,183
-	2,032	326,914
<u>390,563</u>	<u>5,340,619</u>	<u>53,996,225</u>
-	176,020	4,562,385
-	-	11,805,604
-	-	1,016
-	-	2,270,677
-	69,164	105,007
-	-	2,894,280
-	4,380,321	13,299,896
-	383,065	11,465,390
-	-	3,345,862
-	-	948,602
<u>4,426,145</u>	<u>-</u>	<u>4,426,145</u>
<u>4,426,145</u>	<u>5,008,570</u>	<u>55,124,864</u>
<u>(4,035,582)</u>	<u>332,049</u>	<u>(1,128,639)</u>
-	-	50,056
2,281,975	63,490	6,459,217
-	(668,476)	(6,459,217)
<u>2,281,975</u>	<u>(604,986)</u>	<u>50,056</u>
(1,753,607)	(272,937)	(1,078,583)
<u>4,237,561</u>	<u>2,395,744</u>	<u>27,833,635</u>
<u>\$ 2,483,954</u>	<u>\$ 2,122,807</u>	<u>\$ 26,755,052</u>

## Village of Ossining, New York

Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Year Ended December 31, 2019

---

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

Net Change in Fund Balances - Total Governmental Funds	\$ (1,078,583)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	4,533,273
Depreciation expense	<u>(6,699,845)</u>
	<u>(2,166,572)</u>
Retainages payable are not required in the governmental funds unless due and payable, and result in an expense in the statement or activities when accrued.	<u>(25,735)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>(68,775)</u>
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal paid on bonds	2,956,518
Principal paid on energy performance contract	477,320
Amortization of loss on refunding bonds and issuance premium	<u>61,467</u>
	<u>3,495,305</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	(8,335)
Compensated absences	(106,820)
Pension liabilities	(550,184)
Other post employment benefit obligations	<u>(5,956,998)</u>
	<u>(6,622,337)</u>
Internal Service funds are used by management to charge the costs of risk to individual funds. The net revenue of the internal service funds is reported within governmental activities.	<u>253,380</u>
Change in Net Position of Governmental Activities	<u>\$ (6,213,317)</u>

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

**Village of Ossining, New York**

Statement of Revenues, Expenditures and Changes  
in Fund Balances - Budget and Actual  
General and Water Funds  
Year Ended December 31, 2019

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Real property taxes	\$ 22,725,364	\$ 22,775,364	\$ 22,538,021	\$ (237,343)
Other tax items	305,695	305,695	248,210	(57,485)
Non-property taxes	4,530,000	4,730,000	5,321,544	591,544
Departmental income	1,915,100	1,961,764	2,082,596	120,832
Intergovernmental charges	3,597,247	3,597,247	3,593,948	(3,299)
Use of money and property	364,817	364,817	732,272	367,455
Licenses and permits	295,800	295,800	484,794	188,994
Fines and forfeitures	519,000	519,000	502,966	(16,034)
Sale of property and compensation for loss	8,000	8,000	9,637	1,637
Interfund revenues	920,425	920,425	920,426	1
State aid	220,200	220,200	235,455	15,255
Federal aid	-	-	4,244	4,244
Miscellaneous	270,408	270,408	296,221	25,813
<b>Total Revenues</b>	<b>35,672,056</b>	<b>35,968,720</b>	<b>36,970,334</b>	<b>1,001,614</b>
<b>EXPENDITURES</b>				
Current				
General government support	3,827,904	3,950,076	3,710,061	240,015
Public safety	11,961,787	12,144,100	11,805,604	338,496
Health	2,000	2,000	1,016	984
Transportation	2,338,780	2,408,795	2,270,677	138,118
Economic opportunity and development	142,419	142,419	35,843	106,576
Culture and recreation	2,954,168	3,015,833	2,894,280	121,553
Home and community services	2,196,387	2,127,566	1,834,741	292,825
Employee benefits	11,284,882	11,013,105	9,956,777	1,056,328
Debt service				
Interest	10,080	10,080	10,080	-
<b>Total Expenditures</b>	<b>34,718,407</b>	<b>34,813,974</b>	<b>32,519,079</b>	<b>2,294,895</b>
<b>Excess of Revenues Over Expenditures</b>	<b>953,649</b>	<b>1,154,746</b>	<b>4,451,255</b>	<b>3,296,509</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance recoveries	60,000	60,000	50,056	(9,944)
Transfers in	50,000	50,000	50,000	-
Transfers out	(2,232,421)	(3,893,901)	(3,861,551)	32,350
<b>Total Other Financing Uses</b>	<b>(2,122,421)</b>	<b>(3,783,901)</b>	<b>(3,761,495)</b>	<b>22,406</b>
<b>Net Change in Fund Balances</b>	<b>(1,168,772)</b>	<b>(2,629,155)</b>	<b>689,760</b>	<b>3,318,915</b>
<b>FUND BALANCES</b>				
Beginning of Year	1,168,772	2,629,155	15,675,450	13,046,295
End of Year	\$ -	\$ -	\$ 16,365,210	\$ 16,365,210

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

Water Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
10,791,008	10,791,008	11,182,169	391,161
-	-	-	-
3,000	3,000	32,358	29,358
-	-	-	-
-	-	-	-
3,850	3,850	2,578	(1,272)
-	-	-	-
-	-	-	-
-	-	-	-
10,000	10,000	28,661	18,661
10,807,858	10,807,858	11,245,766	437,908
784,484	792,373	676,304	116,069
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
7,283,968	7,319,935	7,084,834	235,101
1,323,687	1,193,832	1,125,548	68,284
29,311	29,311	29,311	-
9,421,450	9,335,451	8,915,997	419,454
1,386,408	1,472,407	2,329,769	857,362
-	-	-	-
75,000	75,000	40,000	(35,000)
(1,654,805)	(1,855,371)	(1,839,190)	16,181
(1,579,805)	(1,780,371)	(1,799,190)	(18,819)
(193,397)	(307,964)	530,579	838,543
193,397	307,964	4,981,089	4,673,125
\$ -	\$ -	\$ 5,511,668	\$ 5,511,668

## Village of Ossining, New York

### Statement of Net Position Internal Service Funds December 31, 2019

---

	Governmental Activities - Internal Service Funds
<b>ASSETS</b>	
Cash and equivalents	\$ 5,189,256
Accounts receivable	<u>250,904</u>
Total Assets	<u>5,440,160</u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	14,790
Current portion of claims payable	<u>542,775</u>
Total Current Liabilities	557,565
Noncurrent liabilities	
Claims payable, less current portion	<u>3,084,975</u>
Total Liabilities	<u>3,642,540</u>
<b>NET POSITION</b>	
Restricted	<u><u>\$ 1,797,620</u></u>

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

**Village of Ossining, New York**

Statement of Revenues, Expenses and Changes  
in Net Position  
Internal Service Funds  
Year Ended December 31, 2019

---

	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES</b>	
Charges for services	\$ 2,066,965
Insurance recoveries	<u>686,674</u>
Total Operating Revenues	<u>2,753,639</u>
<b>OPERATING EXPENSES</b>	
Insurance	807,289
Contractual	646,895
Employee benefits	<u>1,113,328</u>
Total Operating Expenses	<u>2,567,512</u>
Income from Operations	186,127
<b>NON-OPERATING REVENUES</b>	
Interest income	<u>67,253</u>
Change in Net Position	253,380
<b>NET POSITION</b>	
Beginning of Year	<u>1,544,240</u>
End of Year	<u><u>\$ 1,797,620</u></u>

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

## Village of Ossining, New York

### Statement of Cash Flows

#### Internal Service Funds

Year Ended December 31, 2019

	Governmental Activities - Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from charges for services and insurance recoveries	\$ 2,515,954
Cash payments to insurance carriers and claimants	<u>(2,428,460)</u>
Net Cash from Operating Activities	87,494
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest income	<u>67,253</u>
Net Change in Cash and Equivalents	154,747
<b>CASH AND EQUIVALENTS</b>	
Beginning of Year	<u>5,034,509</u>
End of Year	<u><u>\$ 5,189,256</u></u>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>	
Income from operations	\$ 186,127
Adjustments to reconcile income from operations to net cash from operating activities	
Changes in operating assets and liabilities	
Accounts receivable	(249,173)
Due from other funds	11,488
Accounts payable	3,302
Claims payable	<u>135,750</u>
Net Cash from Operating Activities	<u><u>\$ 87,494</u></u>

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



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

The Village of Ossining, New York ("Village") was established in 1813 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as both the chief executive and chief financial officer and the Village Treasurer serves as the chief fiscal officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Village conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Village's more significant accounting policies:

**A. Financial Reporting Entity**

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

**B. Government-Wide Financial Statements**

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Village as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

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

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

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Internal Service Fund are charges to other funds. Operating expenses for the Internal Service Fund include the cost of services and administration. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

**C. Fund Financial Statements**

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Proprietary and Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

**Fund Categories**

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

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue fund of the Village is the Water Fund. The Water Fund is used to record the water operations of the Village which render services on a user charge basis to the general public. The major revenue of this fund is departmental income.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for

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

principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

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

The Village also reports the following non-major governmental funds.

Sewer Fund - The Sewer Fund is used to record the sewer utility operations of the Village which render services on a user charge basis to the general public.

Section 8 Housing Fund - The Section 8 Housing Fund is used to account for projects financed by entitlements received from the U.S. Department of Housing and Urban Development for housing assistance payment purposes.

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Village in accordance with the terms of a trust agreement.

- b. Proprietary Funds - Proprietary funds consist of internal service funds. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Village has established the Workers' Compensation Benefits Fund and General Liability Claims Fund as internal service funds.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) – The Fiduciary Funds are used to account for assets held by the Village on behalf of others. With the Village's adoption of the provisions of GASB Statement No. 84, "*Fiduciary Activities*", there are currently no activities required to be reported in the Fiduciary Funds.

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

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

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

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

Governmental fund financial statements are reported 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 sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain claims, compensated absences, net pension liability and other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

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

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

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

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

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

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

**Risk Disclosure**

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

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40, *"Deposit and Investment Risk Disclosures – an Amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2019.

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

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

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property as of January 1st and are levied and payable in two installments due in January and July. The Village is responsible for the billing and collection of its own taxes and also has the responsibility for conducting in-rem foreclosure proceedings.

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

**Due From/To Other Funds** - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2019, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Inventories** - Inventories in governmental funds consisting of expendable supplies held for consumption are valued at average cost. These inventories are accounted for on the consumption method and are recorded as an expenditure at the time of usage. Reported amounts in the governmental funds are equally offset by nonspendable fund balance in the fund financial

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement, insurance and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Village close to include all such items regardless of their acquisition date or amount. The Village was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized by using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

<u>Class</u>	<u>Life in Years</u>
Land improvements	10-50
Buildings and improvements	10-50
Machinery and equipment	5-20
Infrastructure	10-50

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

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

revenues consist of amounts received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$327,076, \$16,837 and \$19,440 for payments received in advance in the General Fund, Water Fund and Section 8 Housing Fund, respectively. Such amounts has been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

The Village has reported deferred inflows of resources of \$450,018 in the General Fund for real property taxes not expected to be collected within sixty days of the subsequent fiscal year and \$625,489 of taxes collected in advance of the lien date in the General Fund and government-wide Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amount becomes available.

The Village has reported deferred outflows of resources of \$293,844 for a deferred loss on refunding bonds in the government-wide Statement of Net Position. This amount results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is being deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred outflows and inflows of resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
New York State and Local Employees' Retirement System	\$ 2,227,801	\$ 953,244
New York State and Local Police and Fire Retirement System	3,448,286	1,285,982
Deferred amounts on refunding bonds	293,844	-
Other postemployment benefit obligations	6,863,754	1,037,663
Taxes collected in advance	-	625,489
	<u>\$ 12,833,685</u>	<u>\$ 3,902,378</u>

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

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

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

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

**Net Position** - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for crime control, future capital projects, debt service, workers' compensation benefits, general liability claims, Section 8 housing and trusts. The balance is classified as unrestricted.

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

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

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds



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

that are restricted for debt service obligations and for other items contained in the General Municipal Law of the State of New York.

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Village Board for amounts assigned for balancing the subsequent year's budget or the Village Treasurer for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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

**F. Encumbrances**

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

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

**G. Use of Estimates**

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

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is August 17, 2020.

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

**A. Budgetary Data**

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

- a) On or before the first regular meeting of the Board of Trustees in November, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the means of financing.
- b) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments at the second regular meeting in November.
- c) After the public hearing and on or before the first regular meeting in December, the Trustees meet to consider and adopt the budget, at which time they are required to file the document with the Village Clerk.
- d) Formal budgetary integration is employed during the year as a management control device for General, Water, Sewer, Section 8 Housing and Debt Service funds.
- e) Budgets for General, Water, Sewer, Section 8 Housing and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted by the Board of Trustees for the Special Purpose or Proprietary funds.
- f) The Board of Trustees has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

- g) Appropriations in the General, Water, Sewer, Section 8 Housing and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

#### **B. Property Tax Limitation**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2019 fiscal year was \$43,601,709, inclusive of exclusions, which exceeded the actual levy by \$20,876,345.

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board of Trustees may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

#### **C. Capital Projects Fund Project Deficits**

The deficits in various capital projects arise in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

extent of the project deficits, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

#### **D. Adoption of Accounting Standard**

For the year ended December 31, 2019, the Village implemented the provisions of GASB Statement No. 84, "*Fiduciary Activities*". The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. As a result of the adoption of this standard, certain transactions previously reported within the Fiduciary Fund are now reflected within governmental funds.

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

#### **A. Taxes Receivable**

Taxes receivable at December 31, 2019 consisted of the following:

Taxes, current	\$	328,687
Taxes, overdue		<u>228,047</u>
		556,734
Allowance for uncollectible taxes		<u>(62,316)</u>
	\$	<u>494,418</u>

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$450,018, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

#### **B. Interfund Receivables/Payables**

The compositions of due from/to other funds at December 31, 2019 were as follows:

Fund	Due From	Due To
General	\$ 8,169	\$ 2,075
Non-Major Governmental	-	6,094
	<u>\$ 8,169</u>	<u>\$ 8,169</u>

The outstanding balances between funds results mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

**Village of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2019

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

**C. Capital Assets**

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

	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
Capital Assets, not being depreciated:				
Land	\$ 2,541,562	\$ -	\$ -	\$ 2,541,562
Construction-in-Progress	3,445,968	2,883,685	3,631,817	2,697,836
Total Capital Assets, not being Depreciated	<u>\$ 5,987,530</u>	<u>\$ 2,883,685</u>	<u>\$ 3,631,817</u>	<u>\$ 5,239,398</u>
Capital Assets, being depreciated:				
Land Improvements	\$ 7,392,050	\$ 84,508	\$ -	\$ 7,476,558
Buildings and Improvements	47,206,603	111,484	-	47,318,087
Machinery and Equipment	20,245,845	1,716,087	752,251	21,209,681
Infrastructure	156,766,194	3,369,326	-	160,135,520
Total Capital Assets, being Depreciated	<u>231,610,692</u>	<u>5,281,405</u>	<u>752,251</u>	<u>236,139,846</u>
Less Accumulated Depreciation for:				
Land Improvements	3,233,887	309,821	-	3,543,708
Buildings and Improvements	25,527,039	1,666,381	-	27,193,420
Machinery and Equipment	14,819,152	897,088	752,251	14,963,989
Infrastructure	120,945,350	3,826,555	-	124,771,905
Total Accumulated Depreciation	<u>164,525,428</u>	<u>6,699,845</u>	<u>752,251</u>	<u>170,473,022</u>
Total Capital Assets, being Depreciated, net	<u>\$ 67,085,264</u>	<u>\$ (1,418,440)</u>	<u>\$ -</u>	<u>\$ 65,666,824</u>
Capital Assets, net	<u>\$ 73,072,794</u>	<u>\$ 1,465,245</u>	<u>\$ 3,631,817</u>	<u>\$ 70,906,222</u>

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

Governmental Activities:	
General Government Support	\$ 228,699
Public Safety	751,758
Transportation	3,219,750
Culture and Recreation	787,574
Home and Community Services	<u>1,712,064</u>
Total Depreciation Expense	<u>\$ 6,699,845</u>

**D. Accrued Liabilities**

Accrued liabilities at December 31, 2019 were as follows:

	Fund			
	General	Water	Non-Major Governmental	Total
Payroll and Employee Benefits	<u>\$ 371,794</u>	<u>\$ 49,121</u>	<u>\$ 9,526</u>	<u>\$ 430,441</u>

# Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

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

### E. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2019	New Issues	Redemptions	Balance December 31, 2019
Various Capital Projects	2016	09/25/2020	2.000 %	<u>\$ 2,344,699</u>	<u>\$ 2,719,600</u>	<u>\$ 133,520</u>	<u>\$ 4,930,779</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$10,080 and \$29,311 were recorded in the fund financial statements in the General and Water funds, respectively. Interest expense of \$39,391 was recorded in the government-wide financial statements for governmental activities.

### F. Long-Term Liabilities

The following table summarizes changes in the Village's long-term indebtedness for the year ended December 31, 2019:

	Balance January 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2019	Due Within One Year
General Obligation Bonds Payable:					
Capital construction	\$ 28,995,095	\$ -	\$ 2,831,616	\$ 26,163,479	\$ 2,665,787
Other	<u>1,451,423</u>	<u>-</u>	<u>124,902</u>	<u>1,326,521</u>	<u>174,213</u>
	30,446,518	-	2,956,518	27,490,000	2,840,000
Plus -					
Unamortized premium on bonds	<u>883,278</u>	<u>-</u>	<u>123,482</u>	<u>759,796</u>	<u>-</u>
	31,329,796	-	3,080,000	28,249,796	2,840,000
Energy performance contract debt	<u>1,390,870</u>	<u>-</u>	<u>477,320</u>	<u>913,550</u>	<u>165,562</u>
Other Non-Current Liabilities:					
Claims Payable	3,492,000	2,703,262	2,567,512	3,627,750	542,775
Compensated Absences	1,311,792	237,999	131,179	1,418,612	142,000
Net Pension Liability	3,259,986	2,637,047	-	5,897,033	-
Other Post Employment Benefit Obligations Payable	<u>108,214,724</u>	<u>13,384,543</u>	<u>1,845,049</u>	<u>119,754,218</u>	<u>-</u>
Total Other Non-Current Liabilities	<u>116,278,502</u>	<u>18,962,851</u>	<u>4,543,740</u>	<u>130,697,613</u>	<u>684,775</u>
Total Long-Term Liabilities	<u>\$ 148,999,168</u>	<u>\$ 18,962,851</u>	<u>\$ 8,101,060</u>	<u>\$ 159,860,959</u>	<u>\$ 3,690,337</u>

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

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

Each governmental fund's liability for compensated absences, net pension liability and other post employment benefit obligations is liquidated by the respective fund. The Village's indebtedness for general obligation bonds and energy performance contract debt is satisfied by the Debt Service Fund, which is funded primarily by the General, Water and Sewer funds. Claims are paid by the Internal Service Fund - Workers' Compensation Benefits Fund and the General Liability Claims Fund and are funded by the various governmental funds.

#### **General Obligation Bonds Payable**

General obligation bonds payable at December 31, 2019 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2019
Refunding Bond	2009	\$ 2,730,000	June 2021	3.750 - 4.000 %	\$ 410,000
Public Improvements	2011	2,330,000	November 2031	2.500 - 3.750	1,430,000
Refunding Bond	2012	5,430,000	October 2024	3.000 - 4.000	2,640,000
Public Improvements	2012	3,772,000	November 2032	2.000 - 3.000	2,110,000
Public Improvements	2013	3,086,500	November 2033	3.000 - 4.000	2,190,000
Public Improvements	2014	4,718,000	November 2034	2.000 - 3.125	3,225,000
Public Improvements	2015	740,000	September 2026	2.080	485,000
Refunding and Public Improvements	2016	6,425,000	September 2036	1.100 - 2.450	5,380,000
Refunding Bond	2018	5,805,000	November 2030	4.000	5,300,000
Public Improvements	2018	4,731,518	September 2038	3.000 - 4.000	4,320,000
					<u>\$ 27,490,000</u>

Interest expenditures of \$895,843, were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$842,711 was recorded in the government-wide financial statements for governmental activities.

#### **Energy Performance Contract Debt**

A summary of the Village's energy performance contract debt at December 31, 2019 is as follows:

Purpose	Year of Issue	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2019
Facilities Upgrades	2012	2024	2.350 %	\$ 405,920
LED Streetlight Conversion	2018	2025	5.160	507,630
				<u>\$ 913,550</u>

The Village's contract for facilities upgrades is payable in monthly installments of \$8,450 including interest. The interest rate is reset each January. The balance due at December 31, 2019 is \$405,920.

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

The Village entered into an energy performance contract for conversion of street lights to LED bulbs. This contract is payable in annual installments of \$100,524 including interest. The balance due at December 31, 2019 is \$507,630.

Interest expenditures/expense of \$13,368 was recorded in the fund financial statements in the Debt Service Fund and in the government-wide financial statements for governmental activities.

#### **Payments to Maturity**

The annual requirements to amortize all bonded and energy performance contract debt outstanding as of December 31, 2019 including interest payments of \$5,753,055 are as follows:

Year Ended December 31,	General Obligation Bonds		Energy Performance Contract		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 2,840,000	\$ 821,107	\$ 165,562	\$ 36,258	\$ 3,005,562	\$ 857,365
2021	2,700,000	738,999	171,975	29,945	2,871,975	768,944
2022	2,430,000	664,165	178,660	23,260	2,608,660	687,425
2023	2,410,000	595,238	185,627	16,211	2,595,627	611,449
2024	2,420,000	521,007	116,134	9,740	2,536,134	530,747
2025-2029	8,715,000	1,674,861	95,592	4,933	8,810,592	1,679,794
2030-2034	4,780,000	543,581	-	-	4,780,000	543,581
2035-2038	1,195,000	73,750	-	-	1,195,000	73,750
	<u>\$ 27,490,000</u>	<u>\$ 5,632,708</u>	<u>\$ 913,550</u>	<u>\$ 120,347</u>	<u>\$ 28,403,550</u>	<u>\$ 5,753,055</u>

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

#### **Claims Payable**

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



## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

An analysis of the activity of unpaid claim liabilities is as follows:

	Year Ended December 31, 2019	
	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 2,642,500	\$ 849,500
Provision for Claims and Claims Adjustment Expenses	1,326,334	1,376,928
Claims and Claims Adjustment Expenses Paid	<u>(1,465,584)</u>	<u>(1,101,928)</u>
Balance - End of Year	<u>\$ 2,503,250</u>	<u>\$ 1,124,500</u>
Due Within One Year	<u>\$ 250,325</u>	<u>\$ 292,450</u>

### **Compensated Absences**

Certain employees are entitled to accumulate up to 275 days of sick leave. Additionally, after three years of service, unused personal time can be accumulated as sick leave, to a maximum of twenty days. Upon retirement or termination, employees with ten years of service are compensated for accumulated sick leave. The amount of compensation is at the rate of 25% of the amount accumulated. Vacation time for all employees may be accumulated to a maximum of 10 days. It has been the Village's practice to compensate employees for unused vacation time upon separation of service. The value of compensated absences has been reflected in the government-wide financial statements.

### **Pension Plans**

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

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at [www.osc.state.ny.us/retire/about\\_us/financial\\_statements\\_index.php](http://www.osc.state.ny.us/retire/about_us/financial_statements_index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2019 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	21.4 %
	3 A15	15.8
	4 A15	15.8
	5 A15	13.2
	6 A15	9.3
PFRS	2 384D	24.3 %
	5 384D	19.8
	6 384D	14.6

At December 31, 2019, the Village reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2019	March 31, 2019
Net pension liability	\$ 2,491,892	\$ 3,405,141
Village's proportion of the net pension liability	0.0351699 %	0.2030419 %
Change in proportion since the prior measurement date	(0.001032) %	(0.0038909) %

The net pension liability was measured as of March 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

# Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

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

For the year ended December 31, 2019, the Village recognized pension expense in the government-wide financial statements of \$1,582,648 for ERS and \$2,170,082 for PFRS. Pension expenditures of \$1,431,081 for ERS and \$1,750,803 for PFRS were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General	\$ 943,193	\$ 1,750,803
Water	384,189	-
Non-Major Governmental -		
Sewer	77,992	-
Section 8 Housing	<u>25,707</u>	<u>-</u>
Total	<u>\$ 1,431,081</u>	<u>\$ 1,750,803</u>

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>		<u>PFRS</u>		<u>Total</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 490,706	\$ 167,276	\$ 827,203	\$ 363,555	\$ 1,317,909	\$ 530,831
Changes of assumptions	626,360	-	1,237,179	-	1,863,539	-
Net difference between projected and actual earnings on pension plan investments	-	639,557	-	681,967	-	1,321,524
Changes in proportion and differences between Village contributions and proportionate share of contributions	34,325	146,411	51,835	240,460	86,160	386,871
Village contributions subsequent to the measurement date	<u>1,076,410</u>	<u>-</u>	<u>1,332,069</u>	<u>-</u>	<u>2,408,479</u>	<u>-</u>
	<u>\$ 2,227,801</u>	<u>\$ 953,244</u>	<u>\$ 3,448,286</u>	<u>\$ 1,285,982</u>	<u>\$ 5,676,087</u>	<u>\$ 2,239,226</u>

\$1,076,410 and \$1,332,069 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

<u>Year Ended March 31,</u>	<u>ERS</u>	<u>PFRS</u>
2020	\$ 457,034	\$ 626,382
2021	(531,844)	(160,979)
2022	(58,137)	(40,206)
2023	331,094	350,999
Thereafter	-	54,039

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

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

	ERS	PFRS
Measurement date	March 31, 2019	March 31, 2019
Actuarial valuation date	April 1, 2018	April 1, 2018
Investment rate of return	7.0% *	7.0%
Salary scale	4.2%	5.0%
Inflation rate	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.00
Real Estate	10	5.55
Absolute Return Strategies	2	3.75
Opportunistic Portfolio	3	5.68
Real Assets	3	5.29
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.25
	<u>100 %</u>	

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

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

The real rate of return is net of the long-term inflation assumption of 2.5%.

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.0%, 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 (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 10,894,950</u>	<u>\$ 2,491,892</u>	<u>\$ (4,567,273)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 12,305,671</u>	<u>\$ 3,405,141</u>	<u>\$ (4,027,835)</u>

The components of the collective net pension liability as of the March 31, 2019 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 189,803,429,000	\$ 34,128,100,000	\$ 223,931,529,000
Fiduciary net position	<u>182,718,124,000</u>	<u>32,451,037,000</u>	<u>215,169,161,000</u>
Employers' net pension liability	<u>\$ 7,085,305,000</u>	<u>\$ 1,677,063,000</u>	<u>\$ 8,762,368,000</u>
Fiduciary net position as a percentage of total pension liability	<u>96.27%</u>	<u>95.09%</u>	<u>96.09%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2019 represent the employer contribution for the period of April 1, 2019 through December 31, 2019 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS and PFRS for the nine months ended December 31, 2019 were \$1,076,410 and \$1,332,069, respectively.

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

#### *Voluntary Defined Contribution Plan*

The Village can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Village will contribute 8%. Employer contributions vest after 366 days of service. Two current employees participated in this program. These costs charged to state retirement include \$12,397 in the General Fund, \$6,199 in the Water Fund and \$2,066 in the Non-Major Governmental Funds – Sewer Fund.

#### **Other Post Employment Benefit Obligations (“OPEB”)**

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

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	119
Active employees	174
	<hr/>
	293
	<hr/>

The Village's total OPEB liability of \$119,754,218 was measured as of December 31, 2019, and was determined by an actuarial valuation as of January 1, 2019.

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	3.0%, average, including inflation
Discount rate	3.26%
Healthcare cost trend rates	8.0% for 2020, decreasing 0.5% per year to an ultimate rate of 5.0% for 2025 and later years
Retirees' share of benefit-related costs	Varies from 10% to 15%, depending on applicable retirement year and bargaining unit

The discount rate was based on the “S&P 20 AA Municipal Bond Index” report.

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

Mortality rates were based on the RP-2014 Healthy Male and Female Tables for both pre and post retirement, projected with mortality improvements with MP-2016 projection.

The actuarial assumptions used in the January 1, 2019 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS. ERS tables were based on a version released in 2015.

The Village's change in the total OPEB liability for the year ended December 31, 2019 is as follows:

Total OPEB Liability - Beginning of Year	\$ 108,214,724
Service cost	3,059,342
Interest	3,905,436
Changes of benefit terms	-
Differences between expected and actual experience	(1,185,901)
Changes in assumptions or other inputs	7,605,666
Benefit payments	<u>(1,845,049)</u>
Total OPEB Liability - End of Year	<u><u>\$ 119,754,218</u></u>

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 (2.26%) or 1 percentage point higher (4.26%) than the current discount rate:

	1% Decrease (2.26%)	Current Assumption (3.26%)	1% Increase (4.26%)
Total OPEB Liability	<u>\$ 139,762,979</u>	<u>\$ 119,754,218</u>	<u>\$ 99,745,457</u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.00% decreasing to 4.00%) or 1 percentage point higher (9.00% decreasing to 6.00%) than the current healthcare cost trend rates:

	1% Decrease (7.00% decreasing to 4.00%)	Healthcare Cost Trend Rates (8.00% decreasing to 5.00%)	1% Increase (9.00% decreasing to 6.00%)
Total OPEB Liability	<u>\$ 98,772,066</u>	<u>\$ 119,754,218</u>	<u>\$ 144,906,413</u>

# Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

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

For the year ended December 31, 2019, the Village recognized OPEB expense of \$7,802,047 in the government-wide financial statements. At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 6,654,958	\$ -
Differences between expected and actual experience	208,796	1,037,663
	<u>\$ 6,863,754</u>	<u>\$ 1,037,663</u>

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

Year Ended December 31,	
2020	\$ 837,269
2021	837,269
2022	837,269
2023	837,269
2024	837,269
Thereafter	1,639,746

## **G. Revenues and Expenditures**

### **Interfund Transfers**

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

Transfers Out	Transfers In					Total
	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ -	\$ 2,106,578	\$ 1,691,483	\$ 63,490	\$ 3,861,551
Water Fund	-	-	1,535,103	304,087	-	1,839,190
Debt Service Fund	50,000	40,000	-	-	-	90,000
Non-Major Governmental Funds	-	-	382,071	286,405	-	668,476
	<u>\$ 50,000</u>	<u>\$ 40,000</u>	<u>\$ 4,023,752</u>	<u>\$ 2,281,975</u>	<u>\$ 63,490</u>	<u>\$ 6,459,217</u>

Transfers are used to 1) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due and 2) move amounts earmarked in the operating funds to fulfill commitments for Water, Capital Projects and Special Revenue funds expenditures.



## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

#### **H. Net Position**

The components of net position are detailed below:

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

*Restricted for Crime Control* - the component of net position representing the unexpended balance of the forfeiture of seized crime properties. These amounts are to be used pursuant to a New York State directive in the subsequent fiscal year for law enforcement purposes.

*Restricted for Future Capital Projects* - the component of net position that has been established to set aside funds to be used to finance all or part of the construction or acquisition of a specific type of improvement in accordance with Section 6c of the General Municipal Law of the State of New York.

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

*Restricted for Workers' Compensation Benefits* - the component of net position that has been established to set aside funds to be used for the payment of future benefits in accordance with Section 6j of the General Municipal Law of the State of New York.

*Restricted for General Liability Claims* – the component of net position that has been established to set aside funds to be used for the payment of future benefits in accordance with Section 6n of the General Municipal Law of the State of New York.

*Restricted for Section 8 Housing* – the component of net position that reports the difference between assets and liabilities of the Section 8 Housing Fund which is to account for resources received and used for housing assistant payment purposes.

*Restricted for Trusts* - the component of net position that has been established to set aside funds in accordance with the terms of the grants.

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

# Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

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

### I. Fund Balances

	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:						
Prepaid expenditures	\$ 686,288	\$ 93,496	\$ -	\$ -	\$ 25,400	\$ 805,184
Inventories	19,855	-	-	-	-	19,855
Total Nonspendable	706,143	93,496	-	-	25,400	825,039
Restricted:						
Crime control	30,285	-	-	-	-	30,285
Future capital projects	262,987	222,301	-	-	-	485,288
Capital projects	-	-	-	2,483,954	-	2,483,954
Debt service	-	-	245,177	-	-	245,177
Debt service - subsequent year's expenditures	-	-	26,236	-	-	26,236
Section 8 Housing	-	-	-	-	82,059	82,059
Trusts	-	-	-	-	497,559	497,559
Total Restricted	293,272	222,301	271,413	2,483,954	579,618	3,850,558
Committed - Economic development	17,564	-	-	-	-	17,564
Assigned:						
Purchases on order:						
General government support	16,461	36,569	-	-	-	53,030
Public safety	55,472	-	-	-	-	55,472
Culture and recreation	27,433	-	-	-	-	27,433
Home and community services	22,013	59,120	-	-	7,453	88,586
	121,379	95,689	-	-	7,453	224,521
Subsequent year's expenditures	1,012,627	-	-	-	-	1,012,627
Water	-	5,100,182	-	-	-	5,100,182
Sewer	-	-	-	-	1,510,336	1,510,336
Total Assigned	1,134,006	5,195,871	-	-	1,517,789	7,847,666
Unassigned	14,214,225	-	-	-	-	14,214,225
Total Fund Balances	\$ 16,365,210	\$ 5,511,668	\$ 271,413	\$ 2,483,954	\$ 2,122,807	\$ 26,755,052

## **Village of Ossining, New York**

Notes to Financial Statements (Continued)  
December 31, 2019

---

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

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

Prepaid Expenditures has been established to account for retirement, insurance and certain other payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

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

Commitments of fund balance represent intended use for a specific purpose. At December 31, 2019, the Village has committed the above amounts for economic development.

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

Subsequent year's expenditures represent that at December 31, 2019, the Village Board has assigned the above amounts to be appropriated for the ensuing year's budget.

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

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

#### **Litigation**

The Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. Of the claims pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

There are currently pending tax certiorari proceedings, the results of which could require the payment of future tax refunds by the Village if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of these refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year the payment is made.

#### **Contingencies**

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

#### **Related Party Transactions**

The Village has several intermunicipal agreements with the Town of Ossining, New York ("Town") to accept finance, information technology, water, sewer, recreation, engineering, clerk, police and fire protection

## Village of Ossining, New York

Notes to Financial Statements (Continued)  
December 31, 2019

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

services. These charges aggregated to approximately \$3.78 million for the year ended December 31, 2019. Additionally, the Town provides sewer, parking violations and clerk services to the Village.

### **Risk Management**

The Village's policies for general liability, automobile liability, property and public officials' errors and omissions coverage have self-insured retention levels of \$100,000 per occurrence for the January 1 to December 31, 2019 policy year. Primary insurance coverage is purchased for losses in excess of the retention levels, to a maximum limit of \$900,000. Excess insurance policies have been secured for losses in excess of \$1 million (\$100,000 retention plus \$900,000 primary insurance policy) to a maximum of \$10 million per occurrence for all liability losses and \$77,520,938 for property. The Workers' Compensation self-insured retention level is \$400,000 with primary insurance coverage limit of \$100,000. Excess Workers' Compensation insurance is purchased for losses in excess of \$500,000 (\$400,000 Retention plus \$100,000 Primary Limit). Excess Workers' Compensation is written for Statutory Limits (unlimited in New York), with a \$1 million cap on employer's liability claims.

The governmental funds are charged premiums by the respective internal service fund. Claims payable in the internal service funds include provisions for claims reported and claims incurred but not reported. The Village is also self-insured for health benefits. A plan administrator has been retained to review and approve all claims. The Village has specific stop-loss insurance which establishes a maximum exposure limit of \$175,000 for each individual covered in the plan up to a maximum of \$1 million reimbursement to the Village. The Village also has aggregate stop-loss insurance which established a maximum exposure limit of \$6,999,428 for the 2019 plan year. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

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

The Village has real property tax abatement agreements with housing development and redevelopment companies organized pursuant to Article V of the Private Housing Finance Law ("PHFL") or Article 18-A of the General Municipal Law ("GML").

Generally, these agreements provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes ("PILOT"), with the exception of special district property taxes.

Copies of the agreements may be obtained from Dale Brennan, Treasurer, 16 Croton Avenue, Ossining, NY 10562, [dbrennan@Villageofossining.org](mailto:dbrennan@Villageofossining.org). Information relevant to disclosure of these agreements for the fiscal year ended December 31, 2019 is as follows:

Start Date	Agreement	Fund	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated
9/29/2017 (Original 9/9/1982)	Maple House Associate/ Maple House Renewal LLC	General	\$ 12,589,700	\$ 10.84920	\$ 136,588	\$ 14,317	\$ 122,270
1/25/2005	The Pines at Narragansett	General	9,082,100	10.84920	98,534	12,476	86,057
6/1/2016 (original 3/23/2006)	Snowden House/ Standard Snowden Venture LP	General	11,458,500	10.84920	124,316	15,852	108,464
4/10/2014	Harbor Square Crossings LLC	General	53,427,000	10.84920	579,640	109,700	469,940
						<u>\$ 152,345</u>	<u>\$ 786,731</u>

**Note 6 - Subsequent Event**

Subsequent to year end, the coronavirus pandemic has resulted in substantial economic volatility on a global scale. As a result, the Village's economically sensitive revenues (i.e. sales taxes, mortgage recording taxes, interest earnings, fees, state and federal aid) might be negatively impacted. Collection rates on real property taxes might be slowed as unemployment rates are expected to spike. Meanwhile, the Village's expenditures and pension benefits (due to stock market declines) would all be expected to increase. None of these factors were taken into consideration in the development of the 2020 adopted budget. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the actual impact on the Village's financial position at this time.

\*\*\*\*\*

## Village of Ossining, New York

### Required Supplementary Information - Schedule of Changes in the Village's Total OPEB Liability and Related Ratios Last Ten Fiscal Years (1)(2)

	2019	2018
Total OPEB Liability:		
Service cost	\$ 3,059,342	\$ 2,801,595
Interest	3,905,436	3,725,542
Changes of benefit terms	-	-
Differences between expected and actual experience	(1,185,901)	278,394
Changes of assumptions or other inputs	7,605,666 (4)	-
Benefit payments	(1,845,049)	(1,881,707)
Net Change in Total OPEB Liability	11,539,494	4,923,824
Total OPEB Liability – Beginning of Year	108,214,724	103,290,900 (3)
Total OPEB Liability – End of Year	<u>\$ 119,754,218</u>	<u>\$ 108,214,724</u>
Village's covered-employee payroll	<u>\$ 19,410,620</u>	<u>\$ 18,363,611</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>617%</u>	<u>589%</u>

#### Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

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

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

(4) The discount rate utilized for 2019 was 3.26% as compared to 3.64% in the prior year.

**Village of Ossining, New York**

Required Supplementary Information  
New York State and Local Employees' Retirement System  
Last Ten Fiscal Years (1)

**Schedule of Village's Proportionate Share of Net Pension Liability (2)**

	2019	2018	2017	2016 (3)	2015
Village's proportion of the net pension liability	0.0351699%	0.0362019%	0.0368903%	0.0390983%	0.0400867%
Village's proportionate share of the net pension liability	\$ 2,491,892	\$ 1,168,398	\$ 3,466,292	\$ 6,275,394	\$ 1,354,226
Village's covered payroll	\$ 9,723,647	\$ 9,396,425	\$ 9,332,328	\$ 9,023,165	\$ 9,008,595
Village's proportionate share of the net pension liability as a percentage of its covered payroll	25.63%	12.43%	37.14%	69.55%	15.03%
Plan fiduciary net position as a percentage of the total pension liability	96.27%	98.20%	94.70%	90.70%	97.90%

**Schedule of Contributions**

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,410,055	\$ 1,431,297	\$ 1,396,969	\$ 1,632,907	\$ 1,756,590
Contributions in relation to the contractually required contribution	(1,410,055)	(1,431,297)	(1,396,969)	(1,632,907)	(1,756,590)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 9,906,565	\$ 9,644,506	\$ 9,297,501	\$ 9,328,956	\$ 9,505,657
Contributions as a percentage of covered payroll	14.23%	14.84%	15.03%	17.50%	18.48%

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions."

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

(3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.

**Village of Ossining, New York**

Required Supplementary Information  
New York State and Local Police and Fire Retirement System  
Last Ten Fiscal Years (1)

**Schedule of Village's Proportionate Share of Net Pension Liability (2)**

	2019	2018	2017	2016 (3)	2015
Village's proportion of the net pension liability	<u>0.2030419%</u>	<u>0.2069328%</u>	<u>0.2027316%</u>	<u>0.2058871%</u>	<u>0.1887199%</u>
Village's proportionate share of the net pension liability	<u>\$ 3,405,141</u>	<u>\$ 2,091,588</u>	<u>\$ 4,201,920</u>	<u>\$ 6,095,879</u>	<u>\$ 519,470</u>
Village's covered payroll	<u>\$ 8,183,106</u>	<u>\$ 7,580,454</u>	<u>\$ 7,528,226</u>	<u>\$ 7,193,600</u>	<u>\$ 6,699,359</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>41.61%</u>	<u>27.59%</u>	<u>55.82%</u>	<u>84.74%</u>	<u>7.75%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>

**Schedule of Contributions**

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,637,814	\$ 1,711,252	\$ 1,645,851	\$ 1,692,055	\$ 1,795,744
Contributions in relation to the contractually required contribution	<u>(1,637,814)</u>	<u>(1,711,252)</u>	<u>(1,645,851)</u>	<u>(1,692,055)</u>	<u>(1,795,744)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 8,610,021</u>	<u>\$ 8,060,564</u>	<u>\$ 7,470,634</u>	<u>\$ 7,467,450</u>	<u>\$ 7,508,109</u>
Contributions as a percentage of covered payroll	<u>19.02%</u>	<u>21.23%</u>	<u>22.03%</u>	<u>22.66%</u>	<u>23.92%</u>

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions."

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

(3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

See independent auditors' report.



# Village of Ossining, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REAL PROPERTY TAXES</b>	<b>\$ 22,725,364</b>	<b>\$ 22,775,364</b>	<b>\$ 22,538,021</b>	<b>\$ (237,343)</b>
<b>OTHER TAX ITEMS</b>				
Payments in lieu of taxes	155,695	155,695	152,345	(3,350)
Interest and penalties on real property taxes	150,000	150,000	95,865	(54,135)
	305,695	305,695	248,210	(57,485)
<b>NON-PROPERTY TAXES</b>				
Utilities gross receipts taxes	300,000	300,000	273,801	(26,199)
Franchise fees	430,000	430,000	452,823	22,823
Non-property tax distribution from County	3,800,000	4,000,000	4,594,920	594,920
	4,530,000	4,730,000	5,321,544	591,544
<b>DEPARTMENTAL INCOME</b>				
Tax advertising	2,000	2,000	1,550	(450)
Clerk fees	750	750	1,117	367
Transportation of prisoners	34,000	34,000	31,077	(2,923)
Police fees	850	850	4,369	3,519
P.E.G. access fees	43,500	43,500	77,278	33,778
Safety inspection fees	45,000	45,000	58,757	13,757
False alarm fees	1,000	1,000	450	(550)
Health fees	500	500	1,230	730
Public works	5,000	5,000	6,496	1,496
Station tags and on/off-street parking	585,000	585,000	588,980	3,980
Non-criminal finger printing	2,000	2,000	2,310	310
Day camp fees	250,000	250,000	290,659	40,659
Parks and recreation fees	563,000	609,664	636,195	26,531
Zoning fees	10,000	10,000	10,169	169
Planning Board fees	15,500	15,500	23,415	7,915
Refuse and garbage charges	357,000	357,000	348,544	(8,456)
	1,915,100	1,961,764	2,082,596	120,832

**INTERGOVERNMENTAL CHARGES**

Finance and data processing services - Town	415,245	415,245	401,364	(13,881)
Engineering services - Town	99,245	99,245	99,246	1
Prosecutor - Town	12,028	12,028	12,028	-
Street lighting - Town	2,500	2,500	1,285	(1,215)
Police services - Town	2,148,985	2,148,985	2,148,985	-
Fire protection services - Town	519,071	519,071	519,071	-
Snow removal services	40,000	40,000	51,795	11,795
Recreation services - Town	360,173	360,173	360,174	1
	<u>3,597,247</u>	<u>3,597,247</u>	<u>3,593,948</u>	<u>(3,299)</u>

**USE OF MONEY AND PROPERTY**

Earnings on investments	50,000	50,000	349,137	299,137
Rental of real property - Individuals	90,028	90,028	152,151	62,123
Rental of real property - Other governments	224,789	224,789	230,984	6,195
	<u>364,817</u>	<u>364,817</u>	<u>732,272</u>	<u>367,455</u>

**LICENSES AND PERMITS**

Business and occupational licenses	50,000	50,000	57,000	7,000
Building permits	150,000	150,000	273,323	123,323
Other permits	95,800	95,800	154,471	58,671
	<u>295,800</u>	<u>295,800</u>	<u>484,794</u>	<u>188,994</u>

**FINES AND FORFEITURES**

Fines and forfeited bail	518,000	518,000	502,466	(15,534)
Forfeiture of deposits	1,000	1,000	500	(500)
	<u>519,000</u>	<u>519,000</u>	<u>502,966</u>	<u>(16,034)</u>

**SALE OF PROPERTY AND COMPENSATION FOR LOSS**

Minor sales	8,000	8,000	9,637	1,637
	<u>920,425</u>	<u>920,425</u>	<u>920,426</u>	<u>1</u>

**INTERFUND REVENUES**

(Continued)

# Village of Ossining, New York

General Fund

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

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>STATE AID</b>				
Mortgage tax	\$ 180,000	\$ 180,000	\$ 217,901	\$ 37,901
Youth programs	5,200	5,200	-	(5,200)
Emergency management assistance	15,000	15,000	17,554	2,554
Other	20,000	20,000	-	(20,000)
	<u>220,200</u>	<u>220,200</u>	<u>235,455</u>	<u>15,255</u>
<b>FEDERAL AID</b>				
Bullet proof vest program	-	-	4,244	4,244
	<u>-</u>	<u>-</u>	<u>4,244</u>	<u>4,244</u>
<b>MISCELLANEOUS</b>				
Aim related payment	202,408	202,408	202,408	-
Refunds of prior year's expenditures	-	-	18,386	18,386
Gifts and donations	-	-	100	100
Medicare Part D reimbursement	65,000	65,000	70,809	5,809
Other	3,000	3,000	4,518	1,518
	<u>270,408</u>	<u>270,408</u>	<u>296,221</u>	<u>25,813</u>
<b>TOTAL REVENUES</b>	<u>35,672,056</u>	<u>35,968,720</u>	<u>36,970,334</u>	<u>1,001,614</u>
<b>OTHER FINANCING SOURCES</b>				
Insurance recoveries	60,000	60,000	50,056	(9,944)
Transfers in				
Debt Service Fund	50,000	50,000	50,000	-
	<u>110,000</u>	<u>110,000</u>	<u>100,056</u>	<u>(9,944)</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>110,000</u>	<u>110,000</u>	<u>100,056</u>	<u>(9,944)</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 35,782,056</u>	<u>\$ 36,078,720</u>	<u>\$ 37,070,390</u>	<u>\$ 991,670</u>

See independent auditors' report.

# **Village of Ossining, New York**

## General Fund

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

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>GENERAL GOVERNMENT SUPPORT</b>				
Board of Trustees	\$ 65,472	\$ 65,472	\$ 33,283	\$ 32,189
Traffic violations bureau	132,343	133,121	133,121	-
Mayor	11,814	11,814	11,510	304
Manager	264,320	270,695	266,988	3,707
Auditor	36,000	36,000	31,550	4,450
Treasurer	195,804	194,899	181,974	12,925
Budget	1,000	1,127	1,127	-
Clerk	224,829	224,829	190,619	34,210
Law	220,698	233,088	229,400	3,688
Personnel	151,217	173,337	168,820	4,517
Safety director	19,630	22,499	22,498	1
Engineer	36,303	48,210	40,709	7,501
Municipal building	197,221	213,010	205,320	7,690
Operations center	175,862	200,870	200,076	794
Central garage	381,953	385,707	362,398	23,309
Communications system	246,321	255,386	189,148	66,238
Data processing	397,405	398,862	367,439	31,423
Unallocated insurance	598,877	633,205	628,788	4,417
Municipal association dues	11,500	11,500	11,446	54
Judgments and claims	60,000	301,570	301,570	-
Town taxes and assessments	70	130	129	1
Property tax refunds	25,000	77,958	77,958	-
Metropolitan commuter transportation mobility tax	56,787	56,787	54,190	2,597
Contingency	317,478	-	-	-
	<u>3,827,904</u>	<u>3,950,076</u>	<u>3,710,061</u>	<u>240,015</u>

**PUBLIC SAFETY**

Police department	9,591,586	9,729,541	9,627,981	101,560
Jail	2,000	2,000	1,533	467
Traffic control	84,167	84,167	82,071	2,096
Public safety boat	13,670	13,670	7,926	5,744
Metered parking	2,500	2,500	389	2,111
Fire department	785,776	811,234	759,170	52,064
Control of animals	123,071	123,071	122,471	600
Civilian police	616,501	616,501	597,416	19,085
Safety inspection	742,516	761,416	606,647	154,769

	11,961,787	12,144,100	11,805,604	338,496
--	------------	------------	------------	---------

**HEALTH**

Weed and grass control	2,000	2,000	1,016	984
------------------------	-------	-------	-------	-----

**TRANSPORTATION**

Street administration	284,651	290,613	288,713	1,900
Street maintenance	1,500,003	1,564,056	1,494,023	70,033
Snow removal	348,785	348,785	284,689	64,096
Street lighting	167,780	167,780	167,162	618
Off-street parking	37,561	37,561	36,090	1,471

	2,338,780	2,408,795	2,270,677	138,118
--	-----------	-----------	-----------	---------

**ECONOMIC OPPORTUNITY AND DEVELOPMENT**

Publicity	36,000	36,000	13,369	22,631
Community development	106,419	106,419	22,474	83,945

	142,419	142,419	35,843	106,576
--	---------	---------	--------	---------

**CULTURE AND RECREATION**

Parks	765,384	826,359	808,313	18,046
Recreation	1,505,686	1,493,300	1,443,388	49,912
Youth agencies	236,992	233,566	192,353	41,213
Camps	333,500	330,727	320,121	10,606
Celebrations	15,500	18,926	18,263	663
Adult recreation	97,106	112,955	111,842	1,113

	2,954,168	3,015,833	2,894,280	121,553
--	-----------	-----------	-----------	---------

(Continued)

**Village of Ossining, New York**

General Fund

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

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>HOME AND COMMUNITY SERVICES</b>				
Zoning	\$ 138,803	\$ 140,716	\$ 69,966	\$ 70,750
Planning	207,186	227,843	151,308	76,535
Storm sewers	143,736	154,706	107,615	47,091
Refuse and garbage	1,461,232	1,365,551	1,324,152	41,399
Street cleaning	101,180	101,180	96,441	4,739
Shade trees	102,750	96,070	85,186	10,884
Historic Review Commission	41,500	41,500	73	41,427
	<u>2,196,387</u>	<u>2,127,566</u>	<u>1,834,741</u>	<u>292,825</u>
<b>EMPLOYEE BENEFITS</b>				
State retirement	1,118,522	1,018,522	955,590	62,932
Police and fire retirement	2,038,968	1,930,557	1,750,803	179,754
Social security	1,275,193	1,211,827	1,150,239	61,588
Workers' compensation benefits	1,165,321	1,165,321	727,974	437,347
Unemployment benefits	20,000	20,000	16,540	3,460
Hospital, medical and dental benefits	5,666,878	5,666,878	5,355,631	311,247
	<u>11,284,882</u>	<u>11,013,105</u>	<u>9,956,777</u>	<u>1,056,328</u>
<b>DEBT SERVICE</b>				
Interest				
Bond anticipation notes	10,080	10,080	10,080	-
	<u>10,080</u>	<u>10,080</u>	<u>10,080</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>34,718,407</u>	<u>34,813,974</u>	<u>32,519,079</u>	<u>2,294,895</u>
<b>OTHER FINANCING USES</b>				
Transfers out				
Debt Service Fund	2,116,835	2,116,832	2,106,578	10,254
Capital Projects Fund	30,000	1,691,483	1,691,483	-
Section 8 Housing Fund	85,586	85,586	63,490	22,096
	<u>2,232,421</u>	<u>3,893,901</u>	<u>3,861,551</u>	<u>32,350</u>
<b>TOTAL OTHER FINANCING USES</b>	<u>2,232,421</u>	<u>3,893,901</u>	<u>3,861,551</u>	<u>32,350</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 36,950,828</u>	<u>\$ 38,707,875</u>	<u>\$ 36,380,630</u>	<u>\$ 2,327,245</u>

See independent auditors' report.

**Village of Ossining, New York**

Water Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>DEPARTMENTAL INCOME</b>				
Metered water sales	\$ 10,611,008	\$ 10,611,008	\$ 11,000,609	\$ 389,601
Unmetered water sales	10,000	10,000	18,167	8,167
Water service charges	30,000	30,000	13,685	(16,315)
Interest and penalties on water rents	140,000	140,000	149,708	9,708
	10,791,008	10,791,008	11,182,169	391,161
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	3,000	3,000	32,358	29,358
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Insurance recoveries	3,850	3,850	2,578	(1,272)
<b>MISCELLANEOUS</b>				
Refunds of prior year's expenditures	-	-	264	264
Medicare part D	6,000	6,000	22,920	16,920
Other	4,000	4,000	5,477	1,477
	10,000	10,000	28,661	18,661
<b>TOTAL REVENUES</b>	10,807,858	10,807,858	11,245,766	437,908
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
Debt Service Fund	75,000	75,000	40,000	(35,000)
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 10,882,858</u>	<u>\$ 10,882,858</u>	<u>\$ 11,285,766</u>	<u>\$ 402,908</u>

See independent auditors' report.

# Village of Ossining, New York

## Water Fund

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

Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>GENERAL GOVERNMENT SUPPORT</b>				
Engineer	\$ 177,670	\$ 265,703	\$ 229,783	\$ 35,920
Safety director	18,000	18,000	12,787	5,213
Communications system	60,383	60,383	30,253	30,130
Auditor	19,510	19,510	14,370	5,140
Finance	68,169	68,170	30,224	37,946
Unallocated insurance	97,940	84,761	84,372	389
Judgments and claims	8,000	56,034	56,034	-
Taxes and assessments on municipal property	245,000	210,000	209,143	857
Miscellaneous	9,812	9,812	9,338	474
Contingency	80,000	-	-	-
	<u>784,484</u>	<u>792,373</u>	<u>676,304</u>	<u>116,069</u>
<b>HOME AND COMMUNITY SERVICES</b>				
Water administration	1,550,062	1,550,062	1,510,005	40,057
Pumping, supply and power	2,932,905	2,812,570	2,709,295	103,275
Purification	1,373,586	1,456,852	1,386,520	70,332
Transmission and distribution	1,427,415	1,500,451	1,479,014	21,437
	<u>7,283,968</u>	<u>7,319,935</u>	<u>7,084,834</u>	<u>235,101</u>
<b>EMPLOYEE BENEFITS</b>				
State retirement	445,528	410,673	390,388	20,285
Social security	220,779	205,779	201,720	4,059
Workers' compensation benefits	194,907	144,907	121,741	23,166
Unemployment insurance	2,000	2,000	-	2,000
Hospital, medical and dental benefits	460,473	430,473	411,699	18,774
	<u>1,323,687</u>	<u>1,193,832</u>	<u>1,125,548</u>	<u>68,284</u>



**DEBT SERVICE**

## Interest

Bond anticipation notes

<u>29,311</u>	<u>29,311</u>	<u>29,311</u>	<u>-</u>
---------------	---------------	---------------	----------

**TOTAL EXPENDITURES**

<u>9,421,450</u>	<u>9,335,451</u>	<u>8,915,997</u>	<u>419,454</u>
------------------	------------------	------------------	----------------

**OTHER FINANCING USES**

## Transfers out

Debt Service Fund

1,551,285	1,551,284	1,535,103	16,181
-----------	-----------	-----------	--------

Capital Projects Fund

<u>103,520</u>	<u>304,087</u>	<u>304,087</u>	<u>-</u>
----------------	----------------	----------------	----------

**TOTAL OTHER FINANCING USES**

<u>1,654,805</u>	<u>1,855,371</u>	<u>1,839,190</u>	<u>16,181</u>
------------------	------------------	------------------	---------------

**TOTAL EXPENDITURES AND  
OTHER FINANCING USES**

<u><u>\$ 11,076,255</u></u>	<u><u>\$ 11,190,822</u></u>	<u><u>\$ 10,755,187</u></u>	<u><u>\$ 435,635</u></u>
-----------------------------	-----------------------------	-----------------------------	--------------------------

See independent auditors' report.

# Village of Ossining, New York

## Debt Service Fund Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Use of money and property	\$ 7,500	\$ 7,500	\$ 48,943	\$ 41,443
<b>EXPENDITURES</b>				
Debt service				
Principal				
Bonds	2,956,526	2,956,526	2,956,518	8
Energy performance contract	187,723	389,344	389,344	-
	3,144,249	3,345,870	3,345,862	8
Interest				
Bonds	895,865	895,865	895,843	22
Energy performance contract	13,254	13,368	13,368	-
	909,119	909,233	909,211	22
Total Expenditures	4,053,368	4,255,103	4,255,073	30
Deficiency of Revenues Over Expenditures	(4,045,868)	(4,247,603)	(4,206,130)	41,473
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	4,023,785	4,023,785	4,023,752	(33)
Transfers out	(90,000)	(90,000)	(90,000)	-
Total Other Financing Sources	3,933,785	3,933,785	3,933,752	(33)
Net Change in Fund Balance	(112,083)	(313,818)	(272,378)	41,440
<b>FUND BALANCE</b>				
Beginning of Year	112,083	313,818	543,791	229,973
End of Year	\$ -	\$ -	\$ 271,413	\$ 271,413

See independent auditors' report.

**Village of Ossining, New York**

Capital Projects Fund  
 Project-Length Schedule  
 Inception of Project Through December 31, 2019

PROJECT	Project Number	Project Budget	Expenditures and Transfers To Date	Unexpended Balance
Parking Meters	2057	\$ 225,000	\$ 202,056	\$ 22,944
Indian Brook Water Reservoir and Dam Reconstruction	2122	6,225,845	5,915,006	310,839
Historic Building Markers	2133	33,112	19,965	13,147
Generator at Operations Center	2142	166,900	148,454	18,446
Generator at Water Treatment Plant	2143	957,900	955,772	2,128
Water Mains Relining and Replacement	2149	3,192,500	3,043,627	148,873
Spring Street/Main Street Intersection	2160	130,363	114,850	15,513
LED Street Lighting	2162	906,326	895,140	11,186
MUNIS Accounting System Implementation	2163	536,610	502,408	34,202
Fire Apparatus Engine Pumper	2166	675,000	651,497	23,503
Building Department Vehicle	2167	25,000	24,827	173
DPW and Water Department Truck	2168	215,000	195,207	19,793
DPW Sanitation Trucks	2169	450,000	416,452	33,548
DPW Sewer Jet Truck with Camera	2170	230,000	227,827	2,173
Broadway Bridge Rehabilitation	2171	2,811,000	2,450,610	360,390
New Indian Brook Water Treatment Plant	2172	38,375,552	2,112,337	36,263,215
Caputo Center Gym Floor Replacement	2174	260,000	258,243	1,757
Police Department Vehicles	2176	190,080	190,080	-
Recreation Department Bus	2177	50,000	50,000	-
Recreation Department Pool Pump	2178	40,000	29,980	10,020
Fire Apparatus Engine Pumper	2181	675,000	675,000	-
Fire Department Roof Repairs	2182	120,000	35,950	84,050
Parks Department Storage Shed	2184	22,000	18,257	3,743
Gordon Avenue Water Main Replacement	2186	1,347,988	1,245,647	102,341
Route 9A Water Main Replacement	2187	1,307,407	96,530	1,210,877
CDBG Affordable Housing	2188	295,845	288,412	7,433
Sing Sing Prison Museum Grants	2190	2,875,000	-	2,875,000
J.P. Rodrigues Operations Center Renovations	2191	470,380	164,720	305,660
Police Department Vehicles	2192	166,000	139,483	26,517
Parks Department Equipment	2195	60,000	60,000	-
Planning Department Comprehensive Plan	2196	300,000	8,875	291,125
Recreation Department Air Conditioning	2197	125,000	-	125,000
DPW Water Department Utility Truck	2198	57,000	46,911	10,089
Street Resurfacing and Sidewalks	2200	1,066,563	1,066,563	-
200 Main Street Renovations	2201	25,000	25,000	-
Water Demand Management Program	2202	56,000	27,209	28,791
Village Manager's Vehicle	2203	35,976	35,976	-
Police Department Vehicles	2204	196,000	190,525	5,475
Fire Chief's Vehicle	2205	55,000	52,620	2,380
Parks Department Pick-Up Truck	2206	50,000	42,763	7,237
Refuse/Sanitation Utility Truck	2207	50,000	43,197	6,803
Water Department Utility Truck	2208	60,000	-	60,000
Central Garage Heavy Vehicle Lift	2209	100,000	73,692	26,308
DPW Sidewalk Skid Loader	2210	25,000	-	25,000
Planning Department - Route 9 Complete Streets Design	2211	150,000	-	150,000
Community Center - Functionality/redesign	2212	100,000	-	100,000
Water Department Booster Station Shaft	2213	40,000	-	40,000
DPW VacAll Truck	2214	400,000	400,000	-
DPW Sanitation Trucks	2215	340,000	82,335	257,665
Fire Apparatus Engine Pumper	2216	700,000	-	700,000

Revenues To Date	Fund Balance (Deficit) at December 31, 2019	Bond Anticipation Notes Outstanding at December 31, 2019
\$ 225,000	\$ 22,944	\$ -
5,930,845	15,839	-
33,112	13,147	-
166,900	18,446	-
957,900	2,128	-
3,000,000	(43,627)	-
130,363	15,513	-
895,140	-	-
502,408	-	-
651,497	-	-
25,000	173	-
215,000	19,793	-
450,000	33,548	-
230,000	2,173	-
2,241,000	(209,610)	570,000
509,221	(1,603,116)	3,370,779
260,000	1,757	-
190,080	-	-
50,000	-	-
40,000	10,020	-
675,000	-	-
120,000	84,050	-
22,000	3,743	-
1,347,988	102,341	-
1,307,407	1,210,877	-
295,845	7,433	-
-	-	-
470,380	305,660	-
166,000	26,517	-
60,000	-	-
300,000	291,125	-
125,000	125,000	-
57,000	10,089	-
1,066,563	-	-
25,000	-	-
56,000	28,791	-
35,976	-	-
196,000	5,475	-
55,000	2,380	-
50,000	7,237	-
50,000	6,803	-
60,000	60,000	-
100,000	26,308	-
25,000	25,000	-
150,000	150,000	-
100,000	100,000	-
40,000	40,000	-
-	(400,000)	400,000
-	(82,335)	340,000
-	-	-

(Continued)

**Village of Ossining, New York**

Capital Projects Fund  
Project-Length Schedule (Continued)  
Inception of Project Through December 31, 2019

---

PROJECT	Project Number	Project Budget	Expenditures and Transfers To Date	Unexpended Balance
Police Department HVAC System	2217	\$ 292,000	\$ -	\$ 292,000
Street Resurfacing and Sidewalks	2218	717,613	523,687	193,926
Resurface Basketball Courts and LED Lights	2219	277,405	57,405	220,000
Police Department Vehicles	2220	196,000	-	196,000
DPW Maintenance Pick-Up Truck	2221	45,000	-	45,000
DPW Streets Pick-Up Trucks	2222	95,000	-	95,000
Building Department Fleet Vehicles	2223	50,000	-	50,000
Parks Department Dump Truck	2224	65,000	-	65,000
Water Administration SUV Vehicle	2225	36,000	-	36,000
Water Department Utility Truck	2226	50,000	-	50,000
Police Department Axon Body Cameras/Storage	2227	23,886	-	23,886
Police Department Livescan Fingerprint System	2228	25,000	-	25,000
Fire Department Generator	2229	140,000	-	140,000
Recreation Department Pool Repairs and Resurfacing	2230	165,000	-	165,000
Parks Department - Various Parks Improvements	2231	122,000	-	122,000
Street Resurfacing and Sidewalks	2232	1,000,000	-	1,000,000
Finance Department Accounting System and Conversion	2236	207,120	-	207,120
Totals		<u>\$ 70,474,371</u>	<u>\$ 23,805,095</u>	<u>\$ 46,669,276</u>

See independent auditors' report.

Revenues To Date	Fund Balance (Deficit) at December 31, 2019	Bond Anticipation Notes Outstanding at December 31, 2019
\$ 42,000	\$ 42,000	\$ 250,000
717,613	193,926	-
277,405	220,000	-
196,000	196,000	-
45,000	45,000	-
95,000	95,000	-
50,000	50,000	-
65,000	65,000	-
36,000	36,000	-
50,000	50,000	-
23,886	23,886	-
25,000	25,000	-
140,000	140,000	-
165,000	165,000	-
122,000	122,000	-
450,000	450,000	-
129,520	129,520	-
<u>\$ 26,289,049</u>	<u>\$ 2,483,954</u>	<u>\$ 4,930,779</u>

**Village of Ossining, New York**

Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2019

	Sewer Fund	Section 8 Housing Fund	Special Purpose Fund	Total
<b>ASSETS</b>				
Cash and equivalents	\$ 893,843	\$ 93,522	\$ 502,210	\$ 1,489,575
Receivables				
Accounts	525,633	19,440	-	545,073
State and Federal aid	1,956	-	-	1,956
Due from other governments	155,352	6,580	-	161,932
	<u>682,941</u>	<u>26,020</u>	<u>-</u>	<u>708,961</u>
Prepaid expenditures	<u>18,882</u>	<u>6,518</u>	<u>-</u>	<u>25,400</u>
Total Assets	<u>\$ 1,595,666</u>	<u>\$ 126,060</u>	<u>\$ 502,210</u>	<u>\$ 2,223,936</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 52,174	\$ 9,244	\$ 4,651	\$ 66,069
Accrued liabilities	6,821	2,705	-	9,526
Unearned revenues	-	19,440	-	19,440
Due to other funds	<u>-</u>	<u>6,094</u>	<u>-</u>	<u>6,094</u>
Total Liabilities	<u>58,995</u>	<u>37,483</u>	<u>4,651</u>	<u>101,129</u>
Fund balances				
Nonspendable	18,882	6,518	-	25,400
Restricted	-	82,059	497,559	579,618
Assigned	<u>1,517,789</u>	<u>-</u>	<u>-</u>	<u>1,517,789</u>
Total Fund Balances	<u>1,536,671</u>	<u>88,577</u>	<u>497,559</u>	<u>2,122,807</u>
Total Liabilities and Fund Balances	<u>\$ 1,595,666</u>	<u>\$ 126,060</u>	<u>\$ 502,210</u>	<u>\$ 2,223,936</u>

See independent auditors' report.

**Village of Ossining, New York**

Combining Statement of Revenues, Expenditures and Changes  
in Fund Balances  
Non-Major Governmental Funds  
Year Ended December 31, 2019

	Sewer Fund	Section 8 Housing Fund	Special Purpose Fund	Total
<b>REVENUES</b>				
Departmental income	\$ 1,762,269	\$ -	\$ -	\$ 1,762,269
Use of money and property	9,426	111	12,921	22,458
Sale of property and compensation for loss	921	-	-	921
Federal aid	-	3,552,939	-	3,552,939
Miscellaneous	1,956	76	-	2,032
Total Revenues	1,774,572	3,553,126	12,921	5,340,619
<b>EXPENDITURES</b>				
Current				
General government support	167,089	8,931	-	176,020
Economic opportunity and development	-	-	69,164	69,164
Home and community services	874,885	3,505,436	-	4,380,321
Employee benefits	303,384	79,681	-	383,065
Total Expenditures	1,345,358	3,594,048	69,164	5,008,570
Excess (Deficiency) of Revenues Over Expenditures	429,214	(40,922)	(56,243)	332,049
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	63,490	-	63,490
Transfers out	(391,071)	-	(277,405)	(668,476)
Total Other Financing Sources (Uses)	(391,071)	63,490	(277,405)	(604,986)
Net Change in Fund Balances	38,143	22,568	(333,648)	(272,937)
<b>FUND BALANCES</b>				
Beginning of Year	1,498,528	66,009	831,207	2,395,744
End of Year	\$ 1,536,671	\$ 88,577	\$ 497,559	\$ 2,122,807

See independent auditors' report.



**Village of Ossining, New York**

Internal Service Funds  
Combining Statement of Net Position  
December 31, 2019

---

	Workers' Compensation Benefits	General Liability Claims	Total
<b>ASSETS</b>			
Cash and equivalents	\$ 4,054,769	\$ 1,134,487	\$ 5,189,256
Accounts receivable	250,904	-	250,904
Total Assets	4,305,673	1,134,487	5,440,160
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	14,790	-	14,790
Current portion of claims payable	250,325	292,450	542,775
Total Current Liabilities	265,115	292,450	557,565
Noncurrent liabilities			
Claims payable, less current portion	2,252,925	832,050	3,084,975
Total Liabilities	2,518,040	1,124,500	3,642,540
<b>NET POSITION</b>			
Restricted	\$ 1,787,633	\$ 9,987	\$ 1,797,620

See independent auditors' report.

**Village of Ossining, New York**

Internal Service Funds

Combining Statement of Revenues, Expenses and Changes in Net Position

Year Ended December 31, 2019

	Workers' Compensation Benefits	General Liability Claims	Total
<b>OPERATING REVENUES</b>			
Charges for services	\$ 887,672	\$ 1,179,293	\$ 2,066,965
Insurance recoveries	686,674	-	686,674
Total Operating Revenues	1,574,346	1,179,293	2,753,639
<b>OPERATING EXPENSES</b>			
Insurance	253,781	553,508	807,289
Contractual	98,475	548,420	646,895
Employee benefits	1,113,328	-	1,113,328
Total Operating Expenses	1,465,584	1,101,928	2,567,512
Income from Operations	108,762	77,365	186,127
<b>NON-OPERATING REVENUES</b>			
Interest income	57,265	9,988	67,253
Change in Net Position	166,027	87,353	253,380
<b>NET POSITION</b>			
Beginning of Year	1,621,606	(77,366)	1,544,240
End of Year	\$ 1,787,633	\$ 9,987	\$ 1,797,620

See independent auditors' report.

**Village of Ossining, New York**

Internal Service Funds  
Combining Statement of Cash Flows  
Year Ended December 31, 2019

	Workers' Compensation Benefits	General Liability Claims	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from charges for services and insurance recoveries	\$ 1,336,661	\$ 1,179,293	\$ 2,515,954
Cash payments to insurance carriers and claimants	(1,601,532)	(826,928)	(2,428,460)
Net Cash from Operating Activities	(264,871)	352,365	87,494
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest income	57,265	9,988	67,253
Net Change in Cash and Equivalents	(207,606)	362,353	154,747
<b>CASH AND EQUIVALENTS</b>			
Beginning of Year	4,262,375	772,134	5,034,509
End of Year	<u>\$ 4,054,769</u>	<u>\$ 1,134,487</u>	<u>\$ 5,189,256</u>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES</b>			
Income from operations	\$ 108,762	\$ 77,365	\$ 186,127
Adjustments to reconcile income from operations to net cash from operating activities			
Changes in operating assets and liabilities			
Accounts receivable	(249,173)	-	(249,173)
Due from other funds	11,488	-	11,488
Account payable	3,302	-	3,302
Claims payable	(139,250)	275,000	135,750
Net Cash from Operating Activities	<u>\$ (264,871)</u>	<u>\$ 352,365</u>	<u>\$ 87,494</u>

See independent auditors' report.



**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

**Independent Auditors' Report**

**The Honorable Mayor and Board of Trustees  
of the Village of Ossining, New York**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Ossining, New York ("Village") as of and for the year ended December 31, 2019, and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated August 17, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*PKF O'Connor Davies, LLP*

**PKF O'Connor Davies, LLP**

Harrison, New York

August 17, 2020

**Report on Compliance for Each Major Federal Program and Report on  
Internal Control Over Compliance Required by  
the Uniform Guidance**

**Independent Auditors' Report**

**The Honorable Mayor and Board of Trustees  
of the Village of Ossining, New York**

**Report on Compliance for Each Major Federal Program**

We have audited the Village of Ossining, New York's ("Village") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Village's major federal programs for the year ended December 31, 2019. The Village's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the Village's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Village's compliance.

## ***Opinion on Each Major Federal Program***

In our opinion, the Village complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

## **Report on Internal Control Over Compliance**

Management of the Village is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Village's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*PKF O'Connor Davies, LLP*  
**PKF O'Connor Davies, LLP**  
Harrison, New York  
August 17, 2020

**Village of Ossining, New York**Schedule of Expenditures of Federal Awards  
Year Ended December 31, 2019

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number (1)</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Provided to Sub- Recipients</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Housing and Urban Development</u>				
Direct Program				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871		\$ -	\$ 3,530,559
<u>U.S. Department of Justice</u>				
Direct Program				
Bulletproof Vest Partnership Program	16.607		-	4,244
Total Expenditures of Federal Awards			<u>\$ -</u>	<u>\$ 3,534,803</u>

(1) Catalog of Federal Domestic Assistance Number

The accompanying notes are an integral part of this schedule.



## **Village of Ossining, New York**

Notes to Schedule of Expenditures of Federal Awards  
December 31, 2019

---

### **Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards ("Schedule") includes the federal award activity of the Village of Ossining, New York ("Village") under programs of the federal government for the year ended December 31, 2019. Federal awards received directly from the Federal agencies as well as Federal awards passed through other government agencies are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the financial position, changes in the net position or cash flows of the Village.

### **Note 2 - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass – through entity identifying numbers are presented where available.

### **Note 3 - Indirect Cost Rate**

The Village has elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

## Village of Ossining, New York

Schedule of Findings and Questioned Costs  
Year Ended December 31, 2019

---

### Section I - Summary of Auditors' Results

#### Financial Statements

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

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified
- Significant deficiency(ies) identified?

☐ Yes      ☒ No  
☐ Yes      ☒ None reported

Noncompliance material to financial  
statements noted?

☐ Yes      ☒ No

#### Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

☐ Yes      ☒ No  
☐ Yes      ☒ None reported

Type of auditors' report issued on compliance  
for major federal programs

Unmodified

Any audit findings disclosed that are  
required to be reported in accordance  
with 2 CFR 200.516(a)?

☐ Yes      ☒ No

Identification of major federal programs:

CFDA Number(s)

Name of Federal Program or Cluster

14.871

Section 8 Housing Choice Vouchers

Dollar threshold used to distinguish  
between Type A and Type B programs

\$750,000

Auditee qualified as low-risk auditee?

☒ Yes      ☐ No

**Village of Ossining, New York**

Schedule of Findings and Questioned Costs (Continued)  
Year Ended December 31, 2019

---

**Section II - Financial Statement Findings**

None

**Section III - Federal Award Findings and Questioned Costs**

None

**Village of Ossining, New York**

Summary Schedule of Prior Audit Findings  
Year Ended December 31, 2019

---

NONE