

Village of Ossining, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2020

Village of Ossining, New York

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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, 2020, 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, 2020, 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 Matter

As discussed in Note 4 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 for the year ended December 31, 2020 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 combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2020.

We also previously audited, 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, the basic financial statements of the Village as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated August 7, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2019 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2019.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 2, 2021 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
July 2, 2021

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Village of Ossining, New York

Management's Discussion and Analysis December 31, 2020

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, 2020, 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 2020 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 \$57.24 million. Of this amount, \$42.97 million represents the Village's net investment in capital assets (net capital assets, less long-term liabilities used to acquire capital assets), and \$4.08 million was restricted for future capital improvements, workers' compensation benefits, debt service or other purposes. The remaining amount, which represents an unrestricted deficit, was \$104.29 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 Village is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the Village has recognized substantial liabilities in the government-wide financial statements for these benefits. As of December 31, 2020, the Village had liabilities of \$151M for other postemployment benefits recorded in accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for OPEB and \$20.16M for its proportionate share of the net pension liabilities of the New York State and Local Employees' Retirement System ("ERS") and the New York State Local Police and Fire Retirement System ("PFRS") recorded in accordance with the provision of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions". More detailed information about the Village's OPEB and pension reporting is presented in Note 3 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 \$28.72 million. Of this amount, \$12.8 million of the fund balance was classified as non-spendable, restricted, or assigned for specific purposes. The remaining amount, \$15.92 million, was unassigned and available for spending at the Village's discretion.

The combined ending fund balances of \$28.72 million at December 31, 2020, were \$1.96 million more than the amount reported in the prior year.

- At the end of the current fiscal year, unassigned fund balance for the General Fund, \$16.04 million, was 45.8% of total General Fund expenditures and other financing uses (of \$35.05 million).
- The Internal Service Funds reported a combined restricted net position balance of \$2.45 million as of December 31, 2020.
- During the current fiscal year, the Village did not issue any new general obligation bonds, and retired nearly \$2.84 million of general obligation debt from budgetary appropriations. The Village had outstanding general obligation bonds aggregating \$24.65 million at year-end.
- As of December 31, 2020, the Village had an outstanding bond anticipation note ("BAN") liability of \$7.11 million, which was comprised of \$2.47 million for authorized capital projects in 2020, plus \$4.64 million for prior year capital project BANs. During 2020, the Village retired \$294,333 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 \$57.24 million at the close of the 2020 fiscal year, a decrease of \$10.18 million from the prior fiscal year net position.

A summary of the Village's governmental net position at December 31, 2020 and 2019 is as follows:

Table 1 - Net Position as of December 31, 2020 and 2019

	Governmental Activities			
	2020	2019	\$ Change	% Change
Current Assets	\$ 46,162,637	\$ 42,637,210	\$ 3,525,427	8.27%
Capital Assets, net of depreciation	67,775,783	70,906,222	(3,130,439)	(4.41)%
Total Assets	113,938,420	113,543,432	394,988	0.35%
Deferred Outflows of Resources	43,914,583	12,833,685	31,080,898	242.18%
Current Liabilities	11,134,565	9,671,758	1,462,807	(15.12)%
Long-term Liabilities	201,719,054	159,860,959	41,858,095	26.18%
Total Liabilities	212,853,619	169,532,717	43,320,902	25.55%
Deferred Inflows of Resources	2,239,885	3,902,378	(1,662,493)	(42.60)%
Net Position:				
Net Investment in Capital Assets	42,967,102	45,890,822	(2,923,720)	(6.37)%
Restricted	4,080,853	3,170,742	910,111	(28.70)%
Unrestricted (deficit)	(104,288,456)	(96,119,542)	(8,168,914)	8.50%
Total Net Position	\$ (57,240,501)	\$ (47,057,978)	\$ (10,182,523)	21.64%

Current assets increased by \$3.525 million from the prior year from increased fund balance recognized in cash and equivalents.

Current liabilities in governmental activities increased \$1.46 million from the prior year for bond anticipation notes payable and unsettled contract liability.

Long-term liabilities for net pension liability increased \$14.26 million, OPEB liability increased \$31.24 million, compensated absences decreased \$430,098, and general obligation bonds payable decreased \$3.6 million.

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, \$42.97 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, 2020, \$4.08 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 \$104.29 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 claims payable (\$3.54 million), compensated absences (\$.989 million), net pension liability (\$20.16 million), and other post-employment benefit obligations (\$151 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, 2020 and 2019

	Governmental Activities			
	2020	2019	\$ Change	% Change
REVENUES				
Program Revenues:				
Charges for Services	\$ 19,959,269	\$ 20,080,885	\$ (121,616)	-0.61%
Operating Grants and Contributions	3,800,062	3,574,737	225,325	6.30%
Capital Grants and Contributions	474,586	439,506	35,080	7.98%
General Revenues:				
Real Property Taxes	22,918,023	22,467,646	450,377	2.00%
Other Tax Items	340,273	248,210	92,063	37.09%
Non-Property Taxes	5,892,590	5,323,144	569,446	10.70%
Unrestricted State Aid	264,812	217,901	46,911	21.53%
Other Revenues	646,101	705,051	(58,950)	-8.36%
Total Revenues	54,295,716	53,057,080	1,238,636	2.33%
EXPENSES				
Program Expenses:				
General Government Support	6,112,581	6,277,091	(164,510)	-2.62%
Public Safety	23,458,533	21,878,471	1,580,062	7.22%
Health	8,107	2,616	5,491	209.90%
Transportation	6,966,770	7,433,032	(466,262)	-6.27%
Economic Opportunity and Development	105,915	110,257	(4,342)	-3.94%
Culture and Recreation	4,512,764	5,073,158	(560,394)	-11.05%
Home and Community Services	22,409,121	17,600,302	4,808,819	27.32%
Interest	904,448	895,470	8,978	1.00%
Total Expenses	64,478,239	59,270,397	5,207,842	8.79%
Change in Net Position	(10,182,523)	(6,213,317)	(3,969,206)	63.88%
NET POSITION				
Beginning	(47,057,978)	(40,844,661)	(6,213,317)	15.21%
Ending	\$ (57,240,501)	\$ (47,057,978)	(10,182,523)	21.64%

Governmental Activities

During 2020, governmental activities decreased the Village's net position by \$10.18 million.

For the fiscal year ended December 31, 2020, revenues from governmental activities totaled \$54.30 million, an increase of \$1.24 million (2.33%) over prior year revenues of \$53.06 million. Tax revenues of \$29.15 million, comprised of real property taxes, other tax items, and non-property taxes, represented the largest revenue source, at 53.7%. Tax revenues in the prior year totaled \$28.04 million and represented 52.8% of total 2019 revenues.

Charges for services revenues in 2020, the second largest revenue source, totaled \$19.96 million and represented 36.8% of total revenues. In 2019, this revenue source aggregated \$20.08 million, which was 37.8% of total revenues.

Expenses incurred by governmental activities of the Village in 2020 totaled \$64.48 million, an increase of \$5.21 million (8.8%) over prior year expenses of \$59.27 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 (36.4%), home and community services (34.8%), and transportation (10.8%). This was similar to last year when the largest components of government activities' expenses were public safety (36.9%), home and community services (29.7%), and transportation (12.5%). The major changes in 2020 vs. 2019 were as follows:

Revenue

- Charges for services were \$19.96 million in 2020, which was \$121,616 (.61%) less than the amount received in 2019, due primarily to a reduction in recreation revenues of \$632,260 from closing programs due to the pandemic. Increase in water and sewer rates (5.0%) in 2020 to pay debt service costs on water and sewer infrastructure and capital improvements off set the reduction.
- Real property taxes increased by about \$450,377 to \$22.92 million, due primarily to the .70% increase in the real property tax levy in 2020, with the same tax rate in 2020 as in 2019.
- Non-property taxes increased by \$569,446 (10.7%) in 2020, to \$5.89 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 2020.

Expenses

- Home and Community services expenses increased approximately \$4.81 million (27.3%), from \$17.60 million in 2019 to \$22.41 million in 2020, due primarily to increased operating expenses (including employee benefits) and OPEB expenses year-to-year.
- In addition to the pension expenses recorded in the operating funds for the employers' share of \$3.45 million, net pension liabilities and related deferred outflows and inflows of resources increased 3.01 million.
- Employee benefits: The Village's self-insured health and medical benefit claims expenses increased by approximately \$208,207 (3.5%), and aggregated \$6.16 million for 2020. The Village's self-insured workers' compensation benefit expenses were approximately \$719,375 less in 2020, aggregating \$749,208 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 2020 in the amount of \$9.77 million, as compared to \$5.96 million in 2019, an increase of \$3.81 million (64%). 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 \$28.72 million, a net increase of \$1.96 million from the prior year amount of \$26.76 million.

The non-spendable fund balance component was \$913,997 at December 31, 2020 (\$825,039 in 2019), consisting of amounts representing prepaid expenditures and inventories. The restricted fund balance component of \$1,489,566 at December 31, 2020 (\$3,850,558 in 2019) 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, \$17,813 at the end of 2020, consists of amounts set aside for economic development (\$17,564 in 2019). The assigned fund balance component of \$10,244,796 at the end of 2020 (\$7,847,666 in 2019) consists of amounts set aside for purchases on order (\$223,887), subsequent year's expenditures (\$1,046,901), and amounts for Water and Sewer funds (\$8,974,008 total). The remainder of the fund balance at December 31, 2020, \$16,038,551, constitutes unassigned fund balance, all of which is in the General Fund. The amount of unassigned fund balance at December 31, 2019 was \$14,214,225.

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 \$16,038,551, representing 87.3% of the total General Fund balance of \$18,379,523. 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 45.8% unassigned fund balance (\$16,038,551) to total expenditures and other financing uses (\$35,051,963), up from 39.1% at the end of 2019, while total fund balance (\$18,379,523) represented 52.4% of that same amount (up from 45.0% for 2019).

When the fiscal 2020 General Fund budget was adopted, it included the use of \$1,012,627 (\$650,000 plus \$362,627 for one-time expenditures) accumulated surplus fund balance to reduce property taxes to be levied. In addition, \$121,379 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 \$532,774 for capital improvement expenditures, to a revised anticipated use of fund balance aggregating \$1,666,781 for the year. For the 2020 year, actual results of operations resulted in an increase to fund balance of \$2,014,313 consisting of \$3,681,094 favorable revenue and expenditure final budget variances, less \$1,666,781 appropriated fund balance.

Revenues and other financing sources were \$37,066,276, which was \$158,209 (.43%) more than the final budget. The primary revenues that were more than estimated in the adopted budget (original budget) were non-property taxes (by \$593,025 – mostly for sales tax distribution revenues), use of money and property (by \$14,236), and licenses and permits revenues (by \$80,341). Real property tax revenues were \$20,684 less than the final budget, due primarily to an increase in unpaid property taxes for the year.

Expenditures and other financing uses totaled \$35,051,963, which was \$3,522,885 (9.13%) less than the final budget. Significant positive expenditure variances were for public safety (\$546,120), culture and recreation (\$909,681), and employee benefits (\$1,075,917 – 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:

Year	Workers' Compensation	Hospital, Medical and Dental
2020	\$ 502,124	\$ 5,554,301
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 2020, workers' compensation and health care benefits were \$534,821 and \$10,273, respectively, less than the modified budget amounts. Also in 2020, the employer share of the employee and police and fire retirement benefits were less than the amount estimated in the adopted budget – by \$364,725 – due primarily to position vacancies during the year.

Due to the anticipated excess revenues and unexpended appropriations for the 2020 fiscal year, at year-end the Board of Trustees appropriated available excess funds of \$377,000 from the 2020 budget for the purchase of vehicles and equipment approved in the 2021 Capital Plan. This amount is included as transfers out to the Capital Projects Fund in the 2020 financial statements.

Water Fund - The fund balance of the Water Fund increased by \$2,068,257 during the year to \$7,579,925 at December 31, 2020. Of this amount, the assigned portion available for future year use was \$7,260,944 as compared to \$5,195,871 in 2019). No moneys were appropriated in the 2021 adopted budget. It is important to note that water rents receivables at year-end, aggregating more than \$3.61 million, were billed and although included in fund balance, are not available as cash at year-end.

Revenues and other financing sources of \$11,953,652 were \$1,395,777 (13.2%) more than estimated in the 2020 budget. Expenditures and other financing uses of \$9,885,395 were \$768,169 (7.2%) less than the final budget.

The 2020 Water Fund adopted budget did not appropriate any fund balance. However, \$95,689 was appropriated from prior year contract and purchase order commitments to be liquidated.

Debt Service Fund - The Debt Service Fund ended its fiscal year with a fund balance of \$406,108, an increase of \$134,695 from the prior year. This increase was attributed to closed capital project funds transferred to the Debt Service Fund of \$95,852, bond anticipation note premium of \$63,458 and interest earnings of \$9,060, less appropriated fund balance of \$26,236 in the 2020 adopted budget. Of the total fund balance at year-end, \$130,363 was appropriated in the 2021 budget.

Capital Projects Fund - The Capital Projects Fund ended its 2020 fiscal year with a fund balance of (\$115,406), from a prior year fund balance of \$2,483,954. Revenues and other financing sources totaled \$1,455,882 for 2020, and expenditures and other financing uses totaled \$4,055,242. 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.

Sewer Fund - The fund balance of the Sewer Fund increased by \$286,362 and aggregated \$1,823,033 at December 31, 2020. The portion of fund balance that was assigned and available for future year use at year-end was \$1,802,628. No funds were appropriated in the 2020 adopted budget. Similar to the Water Fund, a significant portion of fund balance at year-end (\$556,926) is in the form of sewer rents receivables that are billed through March 2021.

Revenues of \$1,910,513 were \$144,546 more than estimated in the adopted budget. Fiscal year expenditures and other uses of \$1,624,151 were \$141,816 less than budgeted

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 \$153,557, an increase of \$64,980 from the prior year. Revenues and other financing sources of \$3,734,662 exceeded expenditures of \$3,669,682.

Special Purpose Fund - The fund balance of the Special Purpose Fund decreased by \$4,619 during the year, and totaled \$492,940 as of December 31, 2020, due primarily to \$8,694 authorized by the Village Board for economic opportunity and development, plus \$1,757 transferred from the Capital Projects Fund for unexpended funds for closed projects. At year-end, the balances in the Special Purpose Fund included restricted for downtown development (\$324,066), restricted for affordable housing (\$38,288), and restricted for parklands (\$130,063).

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, 2020, was a combined net position balance of \$2,453,213, from a net position of \$1,797,620 in 2019. The Workers' Compensation Benefits Fund had a restricted net position balance of \$2,310,870, while the General Liability Claims Fund had a restricted net position balance of \$142,343 at year-end. Total assets were \$6,072,260, and total liabilities were \$3,619,047 at year-end.

In the Workers' Compensation Benefits Fund, total revenues were \$1,272, 444 and operating expenses were \$749,207, resulting in a net position increase of \$523,237. Based on computations from the Village's actuary, the accrued liability at year-end for workers' compensation benefits was decreased by \$133,750 during the year. In the General Liability Claims Fund, total revenues were \$1,454,276 and operating expenses were \$1,321,920, resulting in an increase in net position of \$132,356 for the year, from a net position of \$9,987 as of December 31, 2019.

Budgetary Highlights

General Fund

For 2020, the difference between the appropriations originally budgeted (\$38,024,373) and the final appropriations for the General Fund (\$38,578,848) was an increase to the budget of \$554,475, due primarily to the following reasons:

- Prior year contract and purchase order commitments carried over to 2020, \$121,379;
- Excess revenues appropriated for departmental expenditures, \$17,700; and,
- The appropriation of accumulated surplus fund balance and unexpended appropriations from departmental operations aggregating \$537,774 for capital infrastructure improvements (transferred to the Capital Projects Fund), instead of issuing serial bonds. Of this amount, \$377,000 pertained to 2021 Capital Plan vehicles and equipment.

Water Fund

The Water Fund appropriations were increased by \$95,689 during 2020, from \$10,557,875 in the adopted budget, to \$10,653,564. In the Water Fund, the Village appropriated \$193,397 for prior year contracts and purchase order commitments in the amount of \$95,689.

Sewer Fund

The Sewer Fund budget was also increased during 2020, by \$7,454, to \$1,773,421, for prior year contracts and purchase order commitments.

Section 8 Housing Fund

The budget for the Section 8 Housing Fund was increased by \$31,417 during the year, to \$3,703,985, 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, 2020, net of \$176,695,163 of accumulated depreciation, was \$67,775,783. 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, 2020 and 2019

<u>Asset</u>	Governmental Activities	
	2020	2019
Land	\$ 2,541,562	\$ 2,541,562
Land Improvements	7,623,390	7,476,558
Buildings and Improvements	47,318,087	47,318,087
Machinery and Equipment	22,018,795	21,209,681
Infrastructure	161,031,386	160,135,520
Construction-in-Progress	3,937,726	2,697,836
Less: Accumulated Depreciation	(176,695,163)	(170,473,022)
Total (Net of Depreciation)	<u>\$ 67,775,783</u>	<u>\$ 70,906,222</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 \$24,650,000. 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 2020. During the year, the Village retired \$2,840,000 of general obligation debt from budgetary appropriations.

During the current fiscal year, the Village issued short-term obligations BANs of \$2,471,000 to finance vehicles and equipment for various departments (\$821,000), Parking Meters (\$350,000), Water storage tank mixing equipment (\$1,300,000), and to renew prior year capital projects BANs for \$4,636,446. The Village retired \$294,333 of short-term debt from budgetary appropriations during the year.

The Village did not seek a credit rating on the BAN in 2020, as Village management did not believe that a rating would be cost-effective. However, in November 2020, 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, 2020, the Village had exhausted 12.87% of its constitutional debt limit, and had the authority to issue an additional \$127,667,790 of general obligation long-term debt.

The Village also had outstanding installment loan debt aggregating \$747,988 at year-end for various energy performance contract projects in prior years. During 2020, the Village retired \$165,562 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 2021 General Fund adopted budget, the Village appropriated \$1,046,901 of unassigned fund balance for spending in fiscal 2021, which included \$396,901 for one-time, non-recurring purposes. The real property tax rate for the 2021 Village General Fund is \$10.4833 per \$1,000 of taxable assessed value, which is a reduction of 3.37% from \$10.8492, 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 1.84% from 2020 to 2021. The 2021 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.

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Village of Ossining, New YorkStatement of Net Position
December 31, 2020

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 38,184,158
Receivables	
Taxes, net	649,521
Accounts	4,440,832
State and Federal aid	202,503
Due from other governments	1,771,626
Prepaid expenses	900,857
Inventories	13,140
Capital assets	
Not being depreciated	6,479,288
Being depreciated, net	61,296,495
Total Assets	<u>113,938,420</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding bonds	231,829
Pension related	14,758,414
OPEB related	<u>28,924,340</u>
Total Deferred Outflows of Resources	<u>43,914,583</u>
LIABILITIES	
Accounts payable	2,212,897
Accrued liabilities	998,796
Deposits	253,409
Employee payroll deductions	66,422
Unearned revenues	307,377
Due to other governments	212
Bond anticipation notes payable	7,107,446
Retainage payable	16,125
Accrued interest payable	171,881
Non-current liabilities	
Due within one year	3,504,925
Due in more than one year	<u>198,214,129</u>
Total Liabilities	<u>212,853,619</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	618,925
OPEB related	<u>1,620,960</u>
Total Deferred Inflows of Resources	<u>2,239,885</u>
NET POSITION	
Net investment in capital assets	42,967,102
Restricted for	
Crime control	30,439
Future capital projects	544,596
Debt service	406,108
Workers' compensation benefits	2,310,870
General liability claims	142,343
Section 8 Housing	153,557
Trusts	492,940
Unrestricted	<u>(104,288,456)</u>
Total Net Position	<u><u>\$ (57,240,501)</u></u>

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

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Village of Ossining, New York

Statement of Activities
Year Ended December 31, 2020

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	\$ 6,112,581	\$ 1,426,023	\$ -	\$ -	\$ (4,686,558)
Public safety	23,458,533	3,476,442	72,084	402,005	(19,508,002)
Health	8,107	-	-	-	(8,107)
Transportation	6,966,770	566,652	-	-	(6,400,118)
Economic opportunity and development	105,915	-	-	-	(105,915)
Culture and recreation	4,512,764	667,689	30,180	-	(3,814,895)
Home and community services	22,409,121	13,822,463	3,697,798	-	(4,888,860)
Interest	904,448	-	-	72,581	(831,867)
Total Governmental Activities	\$ 64,478,239	\$ 19,959,269	\$ 3,800,062	\$ 474,586	(40,244,322)
General revenues					
Real property taxes					22,918,023
Other tax items					
Payments in lieu of taxes					203,311
Interest and penalties on real property taxes					136,962
Non-property taxes					
Utilities gross receipts taxes					280,429
Franchise fees					417,484
Non-property tax distribution from County					5,194,677
Unrestricted use of money and property					154,078
Sale of property and compensation for loss					107,178
Unrestricted State aid					264,812
Miscellaneous					211,189
Insurance recoveries					173,656
Total General Revenues					30,061,799
Change in Net Position					(10,182,523)
NET POSITION					
Beginning					(47,057,978)
Ending					\$ (57,240,501)

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

Village of Ossining, New York

Balance Sheet
Governmental Funds
December 31, 2020

	General	Water	Debt Service
ASSETS			
Cash and equivalents	\$ 18,146,147	\$ 4,430,162	\$ 406,065
Taxes receivable, net of allowance for uncollectible taxes	649,521	-	-
Other receivables			
Accounts	235,277	3,614,075	-
State and Federal aid	186,303	-	-
Due from other governments	1,485,453	119,413	-
Due from other funds	15,470	-	43
	1,922,503	3,733,488	43
Prepaid expenditures	777,185	95,556	-
Inventories	13,140	-	-
Total Assets	<u>\$ 21,508,496</u>	<u>\$ 8,259,206</u>	<u>\$ 406,108</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 1,281,228	\$ 539,019	\$ -
Accrued liabilities	892,448	87,312	-
Deposits	253,409	-	-
Employee payroll deductions	66,422	-	-
Unearned revenues	128,515	34,960	-
Due to other governments	-	212	-
Due to other funds	3,266	17,778	-
Bond anticipation notes payable	-	-	-
Total Liabilities	2,625,288	679,281	-
Deferred inflows of resources			
Deferred tax revenues	503,685	-	-
Total Liabilities and Deferred Inflows of Resources	<u>3,128,973</u>	<u>679,281</u>	<u>-</u>
Fund balances (deficits)			
Nonspendable	790,325	95,556	-
Restricted	351,610	223,425	275,745
Committed	17,813	-	-
Assigned	1,181,224	7,260,944	130,363
Unassigned	16,038,551	-	-
Total Fund Balances (Deficits)	<u>18,379,523</u>	<u>7,579,925</u>	<u>406,108</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 21,508,496</u>	<u>\$ 8,259,206</u>	<u>\$ 406,108</u>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 7,217,315	\$ 1,932,488	\$ 32,132,177
-	-	649,521
-	571,201	4,420,553
16,200	-	202,503
-	166,760	1,771,626
17,778	5,023	38,314
33,978	742,984	6,432,996
-	28,116	900,857
-	-	13,140
\$ 7,251,293	\$ 2,703,588	\$ 40,128,691
\$ 257,453	\$ 55,650	\$ 2,133,350
-	19,036	998,796
-	-	253,409
-	-	66,422
-	143,902	307,377
-	-	212
1,800	15,470	38,314
7,107,446	-	7,107,446
7,366,699	234,058	10,905,326
-	-	503,685
7,366,699	234,058	11,409,011
-	28,116	913,997
-	638,786	1,489,566
-	-	17,813
-	1,802,628	10,375,159
(115,406)	-	15,923,145
(115,406)	2,469,530	28,719,680
\$ 7,251,293	\$ 2,703,588	\$ 40,128,691

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Village of Ossining, New YorkReconciliation of the Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position
December 31, 2020

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

Total Fund Balances - Governmental Funds	\$ 28,719,680
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	6,479,288
Capital assets - depreciable	237,991,658
Accumulated depreciation	<u>(176,695,163)</u>
	67,775,783
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.	<u>(16,125)</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	14,758,414
Deferred outflows - OPEB related	28,924,340
Deferred inflows - pension related	(618,925)
Deferred inflows - OPEB related	<u>(1,620,960)</u>
	41,442,869
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	<u>503,685</u>
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.	<u>2,453,213</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(171,881)
General obligation bonds payable	(24,650,000)
Energy performance contract payable	(747,988)
Compensated absences	(988,514)
Net pension liability	(20,158,978)
Total OPEB liability	<u>(150,997,760)</u>
	(197,715,121)
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Premium on general obligation bonds	(636,314)
Deferred amount on refunding	<u>231,829</u>
	(404,485)
Net Position of Governmental Activities	<u>\$ (57,240,501)</u>

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, 2020

	General	Water	Debt Service
REVENUES			
Real property taxes	\$ 22,864,356	\$ -	\$ -
Other tax items	340,273	-	-
Non-property taxes	5,892,590	-	-
Departmental income	1,340,368	11,625,669	-
Intergovernmental charges	3,672,631	-	-
Use of money and property	567,125	24,284	72,581
Licenses and permits	378,141	-	-
Fines and forfeitures	333,716	-	-
Sale of property and compensation for loss	107,178	13,176	-
Interfund revenues	716,857	-	-
State aid	334,761	-	-
Federal aid	-	-	-
Miscellaneous	211,189	221,721	-
Total Revenues	36,759,185	11,884,850	72,581
EXPENDITURES			
Current			
General government support	3,855,684	475,181	-
Public safety	11,558,341	-	-
Health	8,107	-	-
Transportation	2,080,543	-	-
Economic opportunity and development	39,678	-	-
Culture and recreation	2,310,706	-	-
Home and community services	2,146,379	6,564,786	-
Employee benefits	10,295,101	1,074,623	-
Debt service			
Principal	-	-	3,005,562
Interest	20,831	57,137	876,797
Capital outlay	-	-	-
Total Expenditures	32,315,370	8,171,727	3,882,359
Excess (Deficiency) of Revenues Over Expenditures	4,443,815	3,713,123	(3,809,778)
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	173,656	-	-
Transfers in	133,435	68,802	3,944,473
Transfers out	(2,736,593)	(1,713,668)	-
Total Other Financing Sources (Uses)	(2,429,502)	(1,644,866)	3,944,473
Net Change in Fund Balances	2,014,313	2,068,257	134,695
FUND BALANCES			
Beginning of Year	16,365,210	5,511,668	271,413
End of Year	\$ 18,379,523	\$ 7,579,925	\$ 406,108

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 22,864,356
-	-	340,273
-	-	5,892,590
-	1,902,719	14,868,756
-	-	3,672,631
-	5,444	669,434
-	-	378,141
-	-	333,716
-	4,706	125,060
-	-	716,857
402,005	-	736,766
-	3,697,760	3,697,760
56,000	-	488,910
458,005	5,610,629	54,785,250
-	105,964	4,436,829
-	-	11,558,341
-	-	8,107
-	-	2,080,543
-	8,694	48,372
-	-	2,310,706
-	4,425,302	13,136,467
-	372,050	11,741,774
-	-	3,005,562
-	1,042	955,807
3,711,770	-	3,711,770
3,711,770	4,913,052	52,994,278
(3,253,765)	697,577	1,790,972
-	-	173,656
997,877	38,621	5,183,208
(343,472)	(389,475)	(5,183,208)
654,405	(350,854)	173,656
(2,599,360)	346,723	1,964,628
2,483,954	2,122,807	26,755,052
\$ (115,406)	\$ 2,469,530	\$ 28,719,680

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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, 2020

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

Net Change in Fund Balances - Total Governmental Funds	\$ 1,964,628
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	3,617,814
Depreciation expense	(6,748,253)
	(3,130,439)
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.	112,579
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	53,667
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 general obligation bonds	2,840,000
Principal paid on energy performance contract	165,562
	3,005,562
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	(10,108)
Compensated absences	430,098
Changes in pension liabilities and related deferred outflows and inflows of resources	(3,559,317)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(9,766,253)
Amortization of loss on refunding bonds and issuance premium	61,467
	(12,844,113)
Internal Service funds are used by management to charge the costs of risk to individual funds. The change in net position of the internal service funds is reported within governmental activities.	655,593
Change in Net Position of Governmental Activities	\$ (10,182,523)

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, 2020

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 22,885,040	\$ 22,885,040	\$ 22,864,356	\$ (20,684)
Other tax items	357,773	357,773	340,273	(17,500)
Non-property taxes	5,299,565	5,299,565	5,892,590	593,025
Departmental income	2,015,150	2,032,850	1,340,368	(692,482)
Intergovernmental charges	3,705,885	3,705,885	3,672,631	(33,254)
Use of money and property	552,889	552,889	567,125	14,236
Licenses and permits	297,800	297,800	378,141	80,341
Fines and forfeitures	544,000	544,000	333,716	(210,284)
Sale of property and compensation for loss	8,000	8,000	107,178	99,178
Interfund revenues	716,857	716,857	716,857	-
State aid	201,000	201,000	334,761	133,761
Federal aid	4,000	4,000	-	(4,000)
Miscellaneous	270,408	270,408	211,189	(59,219)
Total Revenues	36,858,367	36,876,067	36,759,185	(116,882)
EXPENDITURES				
Current				
General government support	4,457,377	4,339,712	3,855,684	484,028
Public safety	12,010,260	12,104,461	11,558,341	546,120
Health	9,700	9,700	8,107	1,593
Transportation	2,319,794	2,234,894	2,080,543	154,351
Economic opportunity and development	261,044	261,044	39,678	221,366
Culture and recreation	3,217,587	3,220,387	2,310,706	909,681
Home and community services	2,198,287	2,227,187	2,146,379	80,808
Employee benefits	11,371,018	11,371,018	10,295,101	1,075,917
Debt service				
Interest	20,831	20,831	20,831	-
Total Expenditures	35,865,898	35,789,234	32,315,370	3,473,864
Excess of Revenues Over Expenditures	992,469	1,086,833	4,443,815	3,356,982
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	32,000	32,000	173,656	141,656
Transfers in	-	-	133,435	133,435
Transfers out	(2,158,475)	(2,785,614)	(2,736,593)	49,021
Total Other Financing Uses	(2,126,475)	(2,753,614)	(2,429,502)	324,112
Net Change in Fund Balances	(1,134,006)	(1,666,781)	2,014,313	3,681,094
FUND BALANCES				
Beginning of Year	1,134,006	1,666,781	16,365,210	14,698,429
End of Year	\$ -	\$ -	\$ 18,379,523	\$ 18,379,523

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

Water Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
10,541,025	10,541,025	11,625,669	1,084,644
-	-	-	-
3,000	3,000	24,284	21,284
-	-	-	-
-	-	-	-
3,850	3,850	13,176	9,326
-	-	-	-
-	-	-	-
-	-	-	-
10,000	10,000	221,721	211,721
10,557,875	10,557,875	11,884,850	1,326,975
636,661	775,883	475,181	300,702
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
6,982,519	6,810,520	6,564,786	245,734
1,280,833	1,280,833	1,074,623	206,210
57,138	57,138	57,137	1
8,957,151	8,924,374	8,171,727	752,647
1,600,724	1,633,501	3,713,123	2,079,622
-	-	-	-
-	-	68,802	68,802
(1,696,413)	(1,729,190)	(1,713,668)	15,522
(1,696,413)	(1,729,190)	(1,644,866)	84,324
(95,689)	(95,689)	2,068,257	2,163,946
95,689	95,689	5,511,668	5,415,979
\$ -	\$ -	\$ 7,579,925	\$ 7,579,925

Village of Ossining, New York

Statement of Net Position Internal Service Funds December 31, 2020

	Governmental Activities - Internal Service Funds
ASSETS	
Cash and equivalents	\$ 6,051,981
Accounts receivable	<u>20,279</u>
Total Assets	<u>6,072,260</u>
LIABILITIES	
Current liabilities	
Accounts payable	79,547
Current portion of claims payable	<u>533,950</u>
Total Current Liabilities	613,497
Noncurrent liabilities	
Claims payable, less current portion	<u>3,005,550</u>
Total Liabilities	<u>3,619,047</u>
NET POSITION	
Restricted	<u><u>\$ 2,453,213</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, 2020

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Charges for services	\$ 1,439,379
Insurance recoveries	<u>1,251,090</u>
Total Operating Revenues	<u>2,690,469</u>
OPERATING EXPENSES	
Insurance	790,906
Contractual	841,155
Employee benefits	<u>439,066</u>
Total Operating Expenses	<u>2,071,127</u>
Income from Operations	619,342
NON-OPERATING REVENUES	
Interest income	<u>36,251</u>
Change in Net Position	655,593
NET POSITION	
Beginning of Year	<u>1,797,620</u>
End of Year	<u><u>\$ 2,453,213</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, 2020

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from charges for services and insurance recoveries	\$ 1,670,004
Cash received from insurance recoveries	1,251,090
Cash payments to insurance carriers and claimants	<u>(2,094,620)</u>
Net Cash from Operating Activities	826,474
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest income	<u>36,251</u>
Net Change in Cash and Equivalents	862,725
CASH AND EQUIVALENTS	
Beginning of Year	<u>5,189,256</u>
End of Year	<u><u>\$ 6,051,981</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES	
Income from operations	\$ 619,342
Adjustments to reconcile income from operations to net cash from operating activities	
Changes in operating assets and liabilities	
Accounts receivable	230,625
Accounts payable	64,757
Claims payable	<u>(88,250)</u>
Net Cash from Operating Activities	<u><u>\$ 826,474</u></u>

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

Village of Ossining, New York

Notes to Financial Statements
December 31, 2020

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

A. Financial Reporting Entity

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, 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 primary government 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. Governmental activities, which are supported by taxes, and intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the 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 this definition are reported as non-operating revenues and expenses.

C. Fund Financial Statements

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Proprietary and Fiduciary funds are reported by type. 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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 had a bank balance of \$1,085,069 that was not covered by depository insurance and was exposed to custodial credit risk at December 31, 2020.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2020, 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 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. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the 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.

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 \$128,515, \$34,960 and \$143,902 for payments received in advance in the General Fund, Water Fund and Section 8 Housing Fund, respectively. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net 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 includes 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 \$503,685 in the General Fund for real property taxes not expected to be collected within sixty days of the subsequent fiscal 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 \$231,829 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Village also reported deferred outflows of resources and deferred inflows of resources in relation to its pension, and other postemployment benefit liabilities. These amounts are detailed in the discussion of the Village's pension, and other postemployment benefit liabilities in Note 3F.

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 expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of 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 – An Amendment of GASB Statement No. 68."*

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the Village includes restricted for Crime control, Future capital projects, Debt service, Workers' compensation benefits, General liability claims, Section 8 housing and Trusts.

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

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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

F. Encumbrances

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

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 ("CoronaVirus") pandemic and the mitigation responses, and such differences may be material.

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 July 2, 2021.

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.

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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 since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.
- 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.
- 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 2020 fiscal year was \$44,490,956, inclusive of exclusions, which exceeded the actual levy by \$21,605,916.

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

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 2 - Stewardship, Compliance and Accountability (Continued)

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 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.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at December 31, 2020 consisted of the following:

Taxes, current	\$	410,785
Taxes, overdue		<u>317,695</u>
		728,480
Allowance for uncollectible taxes		<u>(78,959)</u>
	\$	<u>649,521</u>

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$503,685, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)**B. Interfund Receivables/Payables**

The compositions of due from/to other funds at December 31, 2020 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 15,470	\$ 3,266
Water	-	17,778
Capital Projects	17,778	1,800
Non-Major Governmental	5,066	15,470
	<u>\$ 38,314</u>	<u>\$ 38,314</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.

C. Capital Assets

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

	<u>Balance January 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2020</u>
Capital Assets, not being depreciated:				
Land	\$ 2,541,562	\$ -	\$ -	\$ 2,541,562
Construction-in-Progress	2,697,836	1,239,890	-	3,937,726
Total Capital Assets, not being Depreciated	<u>\$ 5,239,398</u>	<u>\$ 1,239,890</u>	<u>\$ -</u>	<u>\$ 6,479,288</u>
Capital Assets, being depreciated:				
Land Improvements	\$ 7,476,558	\$ 146,832	\$ -	\$ 7,623,390
Buildings and Improvements	47,318,087	-	-	47,318,087
Machinery and Equipment	21,209,681	1,335,226	526,112	22,018,795
Infrastructure	160,135,520	895,866	-	161,031,386
Total Capital Assets, being Depreciated	<u>236,139,846</u>	<u>2,377,924</u>	<u>526,112</u>	<u>237,991,658</u>
Less Accumulated Depreciation for:				
Land Improvements	3,543,708	303,020	-	3,846,728
Buildings and Improvements	27,193,420	1,604,530	-	28,797,950
Machinery and Equipment	14,963,989	3,920,597	-	18,884,586
Infrastructure	124,771,905	920,106	526,112	125,165,899
Total Accumulated Depreciation	<u>170,473,022</u>	<u>6,748,253</u>	<u>526,112</u>	<u>176,695,163</u>
Total Capital Assets, being Depreciated, net	<u>\$ 65,666,824</u>	<u>\$ (4,370,329)</u>	<u>\$ -</u>	<u>\$ 61,296,495</u>
Capital Assets, net	<u>\$ 70,906,222</u>	<u>\$ (3,130,439)</u>	<u>\$ -</u>	<u>\$ 67,775,783</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

Governmental Activities:	
General Government Support	\$ 227,915
Public Safety	760,102
Transportation	3,323,874
Culture and Recreation	783,639
Home and Community Services	<u>1,652,723</u>
Total Depreciation Expense	<u>\$ 6,748,253</u>

D. Accrued Liabilities

Accrued liabilities at December 31, 2020 were as follows:

	Fund		
	General	Water	Non-Major Governmental
Payroll and Employee Benefits	<u>\$ 892,448</u>	<u>\$ 87,312</u>	<u>\$ 19,036</u>
			<u>\$ 998,796</u>

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, 2020	New Issues	Redemptions	Balance December 31, 2020
Various Capital Projects	2016	09/24/2021	1.250 %	<u>\$ 4,930,779</u>	<u>\$ 2,471,000</u>	<u>\$ 294,333</u>	<u>\$ 7,107,446</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 \$20,831, \$57,137, \$19,332 and \$1,042 were recorded in the fund financial statements in the General, Water, Debt Service and Sewer Funds, respectively. Interest expense of \$122,529 was recorded in the government-wide financial statements for governmental activities.

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

F. Long-Term Liabilities

The following table summarizes changes in the Village's long-term liabilities for the year ended December 31, 2020:

	Balance January 1, 2020	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2020	Due Within One Year
General Obligation Bonds Payable:					
Capital construction	\$ 26,163,479	\$ -	\$ 2,617,477	\$ 23,546,002	\$ 2,523,875
Other	1,326,521	-	222,523	1,103,998	176,125
	27,490,000	-	2,840,000	24,650,000	2,700,000
Plus -					
Unamortized premium on bonds	759,796	-	123,482	636,314	-
	28,249,796	-	2,963,482	25,286,314	2,700,000
Energy performance contract debt	913,550	-	165,562	747,988	171,975
Other Non-Current Liabilities:					
Claims Payable	3,627,750	1,982,877	2,071,127	3,539,500	533,950
Compensated Absences	1,418,612	-	430,098	988,514	99,000
Net Pension Liability	5,897,033	14,261,945	-	20,158,978	-
Other Post Employment Benefit Liability	119,754,218	33,358,739	2,115,197	150,997,760	-
Total Other Non-Current Liabilities	130,697,613	49,603,561	4,616,422	175,684,752	632,950
Total Long-Term Liabilities	\$ 159,860,959	\$ 49,603,561	\$ 7,745,466	\$ 201,719,054	\$ 3,504,925

Each governmental fund's liability for compensated absences, net pension liability and other post employment benefit liabilities 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, 2020 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2020
Refunding Bond	2009	\$ 2,730,000	June 2021	3.750 %	\$ 195,000
Public Improvements	2011	2,330,000	November 2031	2.500 - 3.750	1,310,000
Refunding Bond	2012	5,430,000	October 2024	3.000 - 4.000	2,085,000
Public Improvements	2012	3,772,000	November 2032	2.000 - 3.000	1,870,000
Public Improvements	2013	3,086,500	November 2033	3.000 - 4.000	2,040,000
Public Improvements	2014	4,718,000	November 2034	2.000 - 3.125	2,955,000
Public Improvements	2015	740,000	September 2026	2.080	420,000
Refunding and Public Improvements	2016	6,425,000	September 2036	1.100 - 2.450	5,030,000
Refunding Bond	2018	5,805,000	November 2030	4.000	4,780,000
Public Improvements	2018	4,731,518	September 2038	0.030 - 0.034	3,965,000
					<u>\$ 24,650,000</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$821,107, were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$745,561 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, 2020 is as follows:

Purpose	Year of Issue	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2020
Facilities Upgrades	2012	2024	2.350 %	\$ 314,689
LED Streetlight Conversion	2018	2025	5.160	433,299
				<u>\$ 747,988</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, 2020 is \$314,689.

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, 2020 is \$433,299.

Interest expenditures/expense of \$36,358 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, 2020 including interest payments of \$4,901,232 are as follows:

Year Ended December 31,	General Obligation Bonds		Energy Performance Contract		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 2,700,000	\$ 738,999	\$ 171,975	\$ 31,418	\$ 2,871,975	\$ 770,417
2022	2,430,000	664,165	178,714	24,945	2,608,714	689,110
2023	2,410,000	595,238	185,386	18,119	2,595,386	613,357
2024	2,420,000	521,007	116,025	10,215	2,536,025	531,222
2025	1,905,000	446,070	95,888	4,933	2,000,888	451,003
2026-2030	8,295,000	1,409,823	-	-	8,295,000	1,409,823
2031-2035	3,730,000	397,819	-	-	3,730,000	397,819
2036-2038	760,000	38,481	-	-	760,000	38,481
	<u>\$ 24,650,000</u>	<u>\$ 4,811,602</u>	<u>\$ 747,988</u>	<u>\$ 89,630</u>	<u>\$ 25,397,988</u>	<u>\$ 4,901,232</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

Legal Debt Margin

The Village is subject to legal limitations on the amount of debt that it may issue. The Village's legal debt margin is 47.11% of the five year average full valuation of taxable real property. At December 31, 2020, that amount was \$2,042,695,224. As of December 31, 2020, the total outstanding debt applicable to the limit was \$19,247,988, which is 47.11% of the total debt limit.

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.

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

	Year Ended December 31, 2020		Year Ended December 31, 2019	
	Workers' Compensation	General Liability	Workers' Compensation	General Liability
Balance - Beginning of Year	\$ 2,503,250	\$ 1,124,500	\$ 2,642,500	\$ 849,500
Provision for Claims and Claims Adjustment Expenses	882,957	1,099,920	1,326,334	1,376,928
Claims and Claims Adjustment Expenses Paid	<u>(749,207)</u>	<u>(1,321,920)</u>	<u>(1,465,584)</u>	<u>(1,101,928)</u>
Balance - End of Year	<u>\$ 2,637,000</u>	<u>\$ 902,500</u>	<u>\$ 2,503,250</u>	<u>\$ 1,124,500</u>
Due Within One Year	<u>\$ 263,700</u>	<u>\$ 270,250</u>	<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

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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 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 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 2020 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	21.6 %
	3 A15	16.1
	4 A15	16.1
	5 A15	13.4
	6 A15	9.6
PFRS	2 384D	25.6 %
	5 384D	21.0
	6 384D	15.7

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2020, the Village reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	ERS	PFRS
Measurement date	March 31, 2020	March 31, 2020
Net pension liability	\$ 9,134,609	\$ 11,024,369
Village's proportion of the net pension liability	0.0344955 %	0.2062582 %
Change in proportion since the prior measurement date	(0.000674) %	0.0032163 %

The net pension liability was measured as of March 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2020, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$3,094,554 for ERS and \$3,937,746 for PFRS. Pension expenditures of \$1,479,477 for ERS and \$1,971,270 for PFRS were recorded in the fund financial statements and were charged to the following funds:

Fund	ERS	PFRS
General	\$ 1,010,805	\$ 1,971,270
Water	366,594	-
Non-Major Governmental - Sewer	75,099	-
Section 8 Housing	26,979	-
Total	<u>\$ 1,479,477</u>	<u>\$ 1,971,270</u>

At December 31, 2020, the Village its reportable share of reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		PFRS		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 537,609	\$ -	\$ 734,107	\$ 184,657	\$ 1,271,716	\$ 184,657
Changes of assumptions	183,928	158,819	942,317	-	1,126,245	158,819
Net difference between projected and actual earnings on pension plan investments	4,682,845	-	4,964,620	-	9,647,465	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	92,396	112,367	63,216	163,082	155,612	275,449
Village contributions subsequent to the measurement date	1,098,841	-	1,458,535	-	2,557,376	-
	<u>\$ 6,595,619</u>	<u>\$ 271,186</u>	<u>\$ 8,162,795</u>	<u>\$ 347,739</u>	<u>\$ 14,758,414</u>	<u>\$ 618,925</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

\$1,098,841 and \$1,458,535 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>
2021	\$ 847,717	\$ 1,353,265
2022	1,312,916	1,476,178
2023	1,694,825	1,873,407
2024	1,370,134	1,571,580
Thereafter	-	82,091
	<u>\$ 5,225,592</u>	<u>\$ 6,356,521</u>

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:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2020	March 31, 2020
Actuarial valuation date	April 1, 2019	April 1, 2019
Investment rate of return	6.8% *	6.8%
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.

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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 %	4.05 %
International Equity	14	6.15
Private Equity	10	6.75
Real Estate	10	4.95
Absolute Return Strategies	2	3.25
Opportunistic Portfolio	3	4.65
Real Assets	3	5.95
Bonds and Mortgages	17	0.75
Cash	1	0.00
Inflation Indexed Bonds	4	0.50
	<u>100 %</u>	

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 6.8%. 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 6.8%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.8%) or 1 percentage point higher (7.8%) than the current rate:

	1% Decrease (5.8%)	Current Discount Rate (6.8%)	1% Increase (7.8%)
Village's proportionate share of the ERS net pension liability	<u>\$ 16,764,587</u>	<u>\$ 9,134,609</u>	<u>\$ 2,107,367</u>
Village's proportionate share of the PFRS net pension liability	<u>\$ 19,711,797</u>	<u>\$ 11,024,369</u>	<u>\$ 3,244,581</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

The components of the collective net pension liability as of the March 31, 2020 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 194,596,261,000	\$ 35,309,017,000	\$ 229,905,278,000
Fiduciary net position	168,115,682,000	29,964,080,000	198,079,762,000
Employers' net pension liability	<u>\$ 26,480,579,000</u>	<u>\$ 5,344,937,000</u>	<u>\$ 31,825,516,000</u>
Fiduciary net position as a percentage of total pension liability	<u>86.39%</u>	<u>84.86%</u>	<u>86.16%</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, 2020 represent the employer contribution for the period of April 1, 2020 through December 31, 2020 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, 2020 were \$1,098,841 and \$1,458,535, respectively.

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 \$15,883 in the General Fund, \$5,294 in the Water Fund and \$1,059 in the Non-Major Governmental Funds – Sewer Fund.

Other Post Employment Benefit Liability ("OPEB")

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing 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, 2020, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	123
Active employees	<u>186</u>
	<u>309</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

The Village's total OPEB liability of \$150,997,760 was measured as of December 31, 2020, and was determined by an actuarial valuation as of January 1, 2020.

The total OPEB liability in the January 1, 2020 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	1.93%
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.

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-2019 projection.

The actuarial assumptions used in the January 1, 2020 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, 2020 is as follows:

Total OPEB Liability - Beginning of Year	\$ 119,754,218
Service cost	3,455,578
Interest	3,869,510
Changes of benefit terms	-
Differences between expected and actual experience	(853,457)
Changes in assumptions or other inputs	26,887,108
Benefit payments	<u>(2,115,197)</u>
Total OPEB Liability - End of Year	<u>\$ 150,997,760</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 (0.93%) or 1 percentage point higher (2.93%) than the current discount rate:

	1% Decrease (0.93%)	Current Discount Rate (1.93%)	1% Increase (2.93%)
Total OPEB Liability	<u>\$ 171,215,516</u>	<u>\$ 150,997,760</u>	<u>\$ 130,780,006</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using 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>\$ 124,186,753</u>	<u>\$ 150,997,760</u>	<u>\$ 183,227,426</u>

For the year ended December 31, 2020, the Village recognized OPEB expense of \$11,881,450 in the government-wide financial statements. At December 31, 2020, 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	\$ 28,750,343	\$ -
Differences between expected and actual experience	<u>173,997</u>	<u>1,620,960</u>
	<u>\$ 28,924,340</u>	<u>\$ 1,620,960</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,	
2021	\$ 4,556,362
2022	4,556,362
2023	4,556,362
2024	4,556,362
2025	4,556,362
Thereafter	<u>4,521,570</u>
	<u>\$ 27,303,380</u>

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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	\$ -	\$ -	\$ 1,985,589	\$ 714,140	\$ 36,864	\$ 2,736,593
Water Fund	-	-	1,477,889	235,779	-	1,713,668
Capital Projects Fund	133,435	68,802	95,852	43,626	1,757	343,472
Non-Major Governmental Funds	-	-	385,143	4,332	-	389,475
	<u>\$ 133,435</u>	<u>\$ 68,802</u>	<u>\$ 3,944,473</u>	<u>\$ 997,877</u>	<u>\$ 38,621</u>	<u>\$ 5,183,208</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.

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.

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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, 2020

Note 3 - Detailed Notes on All Funds (Continued)

I. Fund Balances

	2020						2019					
	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Water Fund	Debt Service Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable:												
Prepaid expenditures	\$ 777,185	\$ 95,556	\$ -	\$ -	\$ 28,116	\$ 900,857	\$ 686,288	\$ 93,496	\$ -	\$ -	\$ 25,400	\$ 805,184
Inventories	13,140	-	-	-	-	13,140	19,855	-	-	-	-	19,855
Total Nonspendable	790,325	95,556	-	-	28,116	913,997	706,143	93,496	-	-	25,400	825,039
Restricted:												
Crime control	30,439	-	-	-	-	30,439	30,285	-	-	-	-	30,285
Future capital projects	321,171	223,425	-	-	-	544,596	262,987	222,301	-	-	-	485,288
Capital projects	-	-	-	-	-	-	-	-	-	2,483,954	-	2,483,954
Debt service	-	-	275,745	-	-	275,745	-	-	245,177	-	-	245,177
Debt service - subsequent year's expenditures	-	-	130,363	-	-	130,363	-	-	26,236	-	-	26,236
Section 8 Housing	-	-	-	-	145,846	145,846	-	-	-	-	82,059	82,059
Trusts	-	-	-	-	492,940	492,940	-	-	-	-	497,559	497,559
Total Restricted	351,610	223,425	406,108	-	638,786	1,619,929	293,272	222,301	271,413	2,483,954	579,618	3,850,558
Committed -												
Economic development	17,813	-	-	-	-	17,813	17,564	-	-	-	-	17,564
Assigned:												
Purchases on order:												
General government support	11,400	56,273	-	-	-	67,673	16,461	36,569	-	-	-	53,030
Public safety	91,724	-	-	-	-	91,724	55,472	-	-	-	-	55,472
Culture and recreation	31,199	-	-	-	-	31,199	27,433	-	-	-	-	27,433
Home and community services	-	33,291	-	-	-	33,291	22,013	59,120	-	-	7,453	88,586
	134,323	89,564	-	-	-	223,887	121,379	95,689	-	-	7,453	224,521
Subsequent year's expenditures	1,046,901	-	-	-	-	1,046,901	1,012,627	-	-	-	-	1,012,627
Water	-	7,171,380	-	-	-	7,171,380	-	5,100,182	-	-	-	5,100,182
Sewer	-	-	-	-	1,802,628	1,802,628	-	-	-	-	1,510,336	1,510,336
Total Assigned	1,181,224	7,260,944	-	-	1,802,628	10,244,796	1,134,006	5,195,871	-	-	1,517,789	7,847,666
Unassigned	16,038,551	-	-	(115,406)	-	15,923,145	14,214,225	-	-	-	-	14,214,225
Total Fund Balances	\$ 18,379,523	\$ 7,579,925	\$ 406,108	\$ (115,406)	\$ 2,469,530	\$ 28,719,680	\$ 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, 2020

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, 2020, 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, 2020, 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. Unassigned fund balance in the Capital Projects Fund represent the deficit balance in this fund.

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.

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

Coronavirus

On March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of Coronavirus. This was followed by the President of the United States declaring the outbreak of Coronavirus a national emergency on March 13, 2020.

Preceding these announcements, the Governor of the State of New York declared a state of emergency on March 7, 2020 and has since issued multiple Executive Orders regarding the pandemic. Furthermore, the Enacted 2020-21 New York State budget granted the Budget Director the authority to reduce state aid payments to local governments and school districts by any amount needed to achieve a balanced budget. The Budget Director is authorized, under Section 1(f) of Chapter 53 of the Laws of 2020, to withhold all or some of specific local aid payments during state fiscal year 2020-21, that began on April 1, 2020, if the budget is deemed unbalanced and if the Budget Director further determines that such withholding is necessary to respond to the direct and indirect economic financial and social effects of the Coronavirus pandemic ("Reduction Authority").

The ultimate size of any permanent reductions would depend on the availability of unrestricted Federal Aid. The onset of the pandemic in the spring of 2020 coincided with the start of the new fiscal year for New York State. With the uncertainties that existed at that time with respect to additional federal assistance and an expected drop in economic activity, the Governor was given authority to make amendments subsequent to the adoption of the 2020-21 New York State budget, which did not take these factors into consideration. This authority included, but was not limited to, the ability to withhold a minimum of 20% of most state aid payments to municipalities to achieve cash flow savings that New York State needed for its budget. Many of these reductions were implemented beginning with payments made by the state in the late spring of 2020 and thus negatively impacted state aid revenues reported by local municipalities that year. However, in the first quarter of 2021, based on New York State's projection of slightly better than expected revenue collections through the first nine months of its fiscal year and additional federal stimulus measures, New York State has indicated that it would restore 75% of the funds withheld from municipalities by March 31, 2021. This would serve to reduce, but not fully eliminate, the impact of the state aid reductions realized in 2020. There continues to be no assurance that state aid in the 2021-22 New York State budget will be restored to pre-pandemic levels. This potential reduction in state aid will need to be considered in managing local municipal budgets going forward.

In addition to these New York State actions, the Village's economically sensitive revenues (i.e., sales tax distributions, mortgage tax, interest earnings, charges for services) are being negatively impacted. Meanwhile, the Village's expenditures on health and safety measures (personal protective equipment, sanitizing supplies, custodial overtime, technology acquisitions to support a safe working environment) will increase significantly.

The outbreak of the Coronavirus and the dramatic steps taken by the Federal government and New York State to address it will continue to negatively affect New York State and its local economies. The full impact of the Coronavirus on New York State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact on the Village's future operations and finances as a result of the Coronavirus is extremely difficult to predict due to uncertainties relating to its duration and severity, as well as with regard to what actions may be taken by governmental and other health care

Village of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2020

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

authorities, including New York State, to contain or mitigate its effects. The spread of the outbreak or reemergence later in the year could have a material adverse financial effect on New York State and local municipalities, including the Village. The Village is continuously monitoring the situation and will take such proactive measures as may be required to maintain operations and meet its obligations. Given this level of uncertainty, management cannot reasonably estimate the actual impact on the Village's future financial position at this time.

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 services. These charges aggregated to approximately \$3.89 million for the year ended December 31, 2020. 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, 2020 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 \$7,074,962 for the 2020 plan year. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

Note 5 - Recently Issued GASB Pronouncements

GASB Statement No. 87, "Leases", as amended by GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", establishes a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

Village of Ossining, New York

Notes to Financial Statements (Concluded)

December 31, 2020

Note 6 - 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. Information relevant to disclosure of these agreements for the fiscal year ended December 31, 2020 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	\$ 14,485	\$ 122,103
1/25/2005	The Pines at Narragansett	General	9,082,100	10.84920	98,534	12,532	86,002
6/1/2016 (original 3/23/2006)	Snowden House/ Standard Snowden Venture LP	General	11,458,500	10.84920	124,316	15,801	108,515
4/10/2014	Harbor Square Crossings LLC	General	53,427,000	10.84920	579,640	160,493	419,147
						<u>\$ 203,311</u>	<u>\$ 735,767</u>

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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)

	2020	2019	2018
Total OPEB Liability:			
Service cost	\$ 3,455,578	\$ 3,059,342	\$ 2,801,595
Interest	3,869,510	3,905,436	3,725,542
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(853,457)	(1,185,901)	278,394
Changes of assumptions or other inputs	26,887,108 (5)	7,605,666 (4)	-
Benefit payments	(2,115,197)	(1,845,049)	(1,881,707)
Net Change in Total OPEB Liability	31,243,542	11,539,494	4,923,824
Total OPEB Liability – Beginning of Year	119,754,218	108,214,724	103,290,900 (3)
Total OPEB Liability – End of Year	<u>\$ 150,997,760</u>	<u>\$ 119,754,218</u>	<u>\$ 108,214,724</u>
Village's covered-employee payroll	<u>\$ 19,301,275</u>	<u>\$ 19,410,620</u>	<u>\$ 18,363,611</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>782%</u>	<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.

(5) The discount rate utilized for 2020 was 1.93% as compared to 3.26% 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)

	<u>2020 (4)(5)</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016 (3)</u>	<u>2015</u>
Village's proportion of the net pension liability	<u>0.0344955%</u>	<u>0.0351699%</u>	<u>0.0362019%</u>	<u>0.0368903%</u>	<u>0.0390983%</u>	<u>0.0400867%</u>
Village's proportionate share of the net pension liability	<u>\$ 9,134,609</u>	<u>\$ 2,491,892</u>	<u>\$ 1,168,398</u>	<u>\$ 3,466,292</u>	<u>\$ 6,275,394</u>	<u>\$ 1,354,226</u>
Village's covered payroll	<u>\$ 9,940,493</u>	<u>\$ 9,723,647</u>	<u>\$ 9,396,425</u>	<u>\$ 9,332,328</u>	<u>\$ 9,023,165</u>	<u>\$ 9,008,595</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>91.89%</u>	<u>25.63%</u>	<u>12.43%</u>	<u>37.14%</u>	<u>69.55%</u>	<u>15.03%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>86.39%</u>	<u>96.27%</u>	<u>98.20%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

Schedule of Contributions

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	<u>\$ 1,435,214</u>	<u>\$ 1,410,055</u>	<u>\$ 1,431,297</u>	<u>\$ 1,396,969</u>	<u>\$ 1,632,907</u>	<u>\$ 1,756,590</u>
Contributions in relation to the contractually required contribution	<u>(1,435,214)</u>	<u>(1,410,055)</u>	<u>(1,431,297)</u>	<u>(1,396,969)</u>	<u>(1,632,907)</u>	<u>(1,756,590)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 10,284,620</u>	<u>\$ 9,906,565</u>	<u>\$ 9,644,506</u>	<u>\$ 9,297,501</u>	<u>\$ 9,328,956</u>	<u>\$ 9,505,657</u>
Contributions as a percentage of covered payroll	<u>13.95%</u>	<u>14.23%</u>	<u>14.84%</u>	<u>15.03%</u>	<u>17.50%</u>	<u>18.48%</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.

(4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.

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

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)

	2020 (4)(5)	2019	2018	2017	2016 (3)	2015
Village's proportion of the net pension liability	<u>0.2062582%</u>	<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>\$ 11,024,369</u>	<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>\$ 8,619,179</u>	<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>127.91%</u>	<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>84.86%</u>	<u>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>	<u>99.00%</u>

Schedule of Contributions

	2020	2019	2018	2017	2016	2015
Contractually required contribution	<u>\$ 1,776,092</u>	<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>
Contributions in relation to the contractually required contribution	<u>(1,776,092)</u>	<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>	<u>\$ -</u>
Village's covered payroll	<u>\$ 8,301,837</u>	<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>21.39%</u>	<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.

(4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.

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

See independent auditors' report.

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Village of Ossining, New York

General Fund
Comparative Balance Sheet
December 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 18,146,147	\$ 16,595,164
Taxes receivable, net of allowance for uncollectible taxes of \$78,959 and \$62,316, respectively	649,521	494,418
Other receivables		
Accounts	235,277	201,297
State and Federal aid	186,303	130,729
Due from other funds	15,470	8,169
Due from other governments	1,485,453	1,453,219
	1,922,503	1,793,414
Prepaid expenditures	777,185	686,288
Inventories	13,140	19,855
Total Assets	\$ 21,508,496	\$ 19,589,139
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,281,228	\$ 1,191,728
Accrued liabilities	892,448	371,794
Deposits	253,409	231,994
Employee payroll deductions	66,422	23,755
Unearned revenues	128,515	327,076
Due to other funds	3,266	2,075
Total Liabilities	2,625,288	2,148,422
Deferred inflows of resources		
Deferred tax revenues	503,685	450,018
Taxes collected in advance	-	625,489
Total Deferred Inflows of Resources	503,685	1,075,507
Total Liabilities and Deferred Inflows of Resources	3,128,973	3,223,929
Fund balance		
Nonspendable	790,325	706,143
Restricted	351,610	293,272
Committed	17,813	17,564
Assigned	1,181,224	1,134,006
Unassigned	16,038,551	14,214,225
Total Fund Balance	18,379,523	16,365,210
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 21,508,496	\$ 19,589,139

See independent auditors' report.

Village of Ossining, New York

General Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31,

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 22,885,040	\$ 22,885,040	\$ 22,864,356	\$ (20,684)
Other tax items	357,773	357,773	340,273	(17,500)
Non-property taxes	5,299,565	5,299,565	5,892,590	593,025
Departmental income	2,015,150	2,032,850	1,340,368	(692,482)
Intergovernmental charges	3,705,885	3,705,885	3,672,631	(33,254)
Use of money and property	552,889	552,889	567,125	14,236
Licenses and permits	297,800	297,800	378,141	80,341
Fines and forfeitures	544,000	544,000	333,716	(210,284)
Sale of property and compensation for loss	8,000	8,000	107,178	99,178
Interfund revenues	716,857	716,857	716,857	-
State aid	201,000	201,000	334,761	133,761
Federal aid	4,000	4,000	-	(4,000)
Miscellaneous	270,408	270,408	211,189	(59,219)
Total Revenues	36,858,367	36,876,067	36,759,185	(116,882)
EXPENDITURES				
Current				
General government support	4,457,377	4,339,712	3,855,684	484,028
Public safety	12,010,260	12,104,461	11,558,341	546,120
Health	9,700	9,700	8,107	1,593
Transportation	2,319,794	2,234,894	2,080,543	154,351
Economic opportunity and development	261,044	261,044	39,678	221,366
Culture and recreation	3,217,587	3,220,387	2,310,706	909,681
Home and community services	2,198,287	2,227,187	2,146,379	80,808
Employee benefits	11,371,018	11,371,018	10,295,101	1,075,917
Debt service				
Interest	20,831	20,831	20,831	-
Total Expenditures	35,865,898	35,789,234	32,315,370	3,473,864
Excess of Revenues Over Expenditures	992,469	1,086,833	4,443,815	3,356,982
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	32,000	32,000	173,656	141,656
Transfers in	-	-	133,435	133,435
Transfers out	(2,158,475)	(2,785,614)	(2,736,593)	49,021
Total Other Financing Uses	(2,126,475)	(2,753,614)	(2,429,502)	324,112
Net Change in Fund Balance	(1,134,006)	(1,666,781)	2,014,313	3,681,094
FUND BALANCE				
Beginning of Year	1,134,006	1,666,781	16,365,210	14,698,429
End of Year	\$ -	\$ -	\$ 18,379,523	\$ 18,379,523

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 22,725,364	\$ 22,775,364	\$ 22,538,021	\$ (237,343)
305,695	305,695	248,210	(57,485)
4,530,000	4,730,000	5,321,544	591,544
1,915,100	1,961,764	2,082,596	120,832
3,597,247	3,597,247	3,593,948	(3,299)
364,817	364,817	732,272	367,455
295,800	295,800	484,794	188,994
519,000	519,000	502,966	(16,034)
8,000	8,000	9,637	1,637
920,425	920,425	920,426	1
220,200	220,200	235,455	15,255
-	-	4,244	4,244
270,408	270,408	296,221	25,813
35,672,056	35,968,720	36,970,334	1,001,614
3,827,904	3,950,076	3,710,061	240,015
11,961,787	12,144,100	11,805,604	338,496
2,000	2,000	1,016	984
2,338,780	2,408,795	2,270,677	138,118
142,419	142,419	35,843	106,576
2,954,168	3,015,833	2,894,280	121,553
2,196,387	2,127,566	1,834,741	292,825
11,284,882	11,013,105	9,956,777	1,056,328
10,080	10,080	10,080	-
34,718,407	34,813,974	32,519,079	2,294,895
953,649	1,154,746	4,451,255	3,296,509
60,000	60,000	50,056	(9,944)
50,000	50,000	50,000	-
(2,232,421)	(3,893,901)	(3,861,551)	32,350
(2,122,421)	(3,783,901)	(3,761,495)	22,406
(1,168,772)	(2,629,155)	689,760	3,318,915
1,168,772	2,629,155	15,675,450	13,046,295
\$ -	\$ -	\$ 16,365,210	\$ 16,365,210

Village of Ossining, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
REAL PROPERTY TAXES	\$ 22,885,040	\$ 22,885,040	\$ 22,864,356	\$ (20,684)	\$ 22,538,021
OTHER TAX ITEMS					
Payments in lieu of taxes	207,773	207,773	203,311	(4,462)	152,345
Interest and penalties on real property taxes	150,000	150,000	136,962	(13,038)	95,865
	357,773	357,773	340,273	(17,500)	248,210
NON-PROPERTY TAXES					
Utilities gross receipts taxes	300,000	300,000	280,429	(19,571)	273,801
Franchise fees	440,000	440,000	417,484	(22,516)	452,823
Non-property tax distribution from County	4,559,565	4,559,565	5,194,677	635,112	4,594,920
	5,299,565	5,299,565	5,892,590	593,025	5,321,544
DEPARTMENTAL INCOME					
Tax advertising	2,000	2,000	2,000	-	1,550
Clerk fees	900	900	450	(450)	1,117
Transportation of prisoners	34,000	34,000	7,495	(26,505)	31,077
Police fees	8,850	8,850	4,857	(3,993)	4,369
P.E.G. access fees	43,500	61,200	95,934	34,734	77,278
Safety inspection fees	45,000	45,000	47,755	2,755	58,757
False alarm fees	1,000	1,000	900	(100)	450
Health fees	1,000	1,000	380	(620)	1,230
Public works	5,000	5,000	3,777	(1,223)	6,496
Station tags and on/off-street parking	585,100	585,100	495,564	(89,536)	588,980
Non-criminal finger printing	2,000	2,000	490	(1,510)	2,310
Day camp fees	-	-	-	-	290,659
Parks and recreation fees	904,300	904,300	275,029	(629,271)	636,195
Zoning fees	10,000	10,000	12,800	2,800	10,169
Planning Board fees	15,500	15,500	6,900	(8,600)	23,415
Refuse and garbage charges	357,000	357,000	386,037	29,037	348,544
	2,015,150	2,032,850	1,340,368	(692,482)	2,082,596

INTERGOVERNMENTAL CHARGES

Finance and data processing services - Town	427,891	427,891	409,893	(17,998)	401,364
Engineering services - Town	100,536	100,536	100,537	1	99,246
Prosecutor - Town	12,328	12,328	12,329	1	12,028
Street lighting - Town	2,500	2,500	778	(1,722)	1,285
Police services - Town	2,222,605	2,222,605	2,222,605	-	2,148,985
Fire protection services - Town	533,368	533,368	533,368	-	519,071
Snow removal services	40,000	40,000	26,464	(13,536)	51,795
Recreation services - Town	366,657	366,657	366,657	-	360,174

	3,705,885	3,705,885	3,672,631	(33,254)	3,593,948
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USE OF MONEY AND PROPERTY

Earnings on investments	181,275	181,275	154,078	(27,197)	349,137
Rental of real property - Individuals	136,570	136,570	182,701	46,131	152,151
Rental of real property - Other governments	235,044	235,044	230,346	(4,698)	230,984

	552,889	552,889	567,125	14,236	732,272
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LICENSES AND PERMITS

Business and occupational licenses	50,000	50,000	31,928	(18,072)	57,000
Building permits	150,000	150,000	235,693	85,693	273,323
Other permits	97,800	97,800	110,520	12,720	154,471

	297,800	297,800	378,141	80,341	484,794
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FINES AND FORFEITURES

Fines and forfeited bail	543,000	543,000	333,716	(209,284)	502,466
Forfeiture of deposits	1,000	1,000	-	(1,000)	500

	544,000	544,000	333,716	(210,284)	502,966
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SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	-	-	102,710	102,710	-
Minor sales	8,000	8,000	4,468	(3,532)	9,637

	8,000	8,000	107,178	99,178	9,637
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INTERFUND REVENUES

	716,857	716,857	716,857	-	\$ 920,426
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Village of Ossining, New York

General Fund

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

Year Ended December 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
STATE AID					
Mortgage tax	\$ 180,000	\$ 180,000	\$ 264,812	\$ 84,812	217,901
Youth programs	6,000	6,000	23,685	17,685	-
Emergency management assistance	15,000	15,000	16,084	1,084	17,554
Other	-	-	30,180	30,180	-
	<u>201,000</u>	<u>201,000</u>	<u>334,761</u>	<u>133,761</u>	<u>235,455</u>
FEDERAL AID					
Bullet proof vest program	4,000	4,000	-	(4,000)	4,244
	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>(4,000)</u>	<u>4,244</u>
MISCELLANEOUS					
Aim related payment	202,408	202,408	202,408	-	202,408
Refunds of prior year's expenditures	-	-	5,302	5,302	18,386
Gifts and donations	-	-	1,532	1,532	100
Medicare Part D reimbursement	65,000	65,000	-	(65,000)	70,809
Other	3,000	3,000	1,947	(1,053)	4,518
	<u>270,408</u>	<u>270,408</u>	<u>211,189</u>	<u>(59,219)</u>	<u>296,221</u>
TOTAL REVENUES	<u>36,858,367</u>	<u>36,876,067</u>	<u>36,759,185</u>	<u>(116,882)</u>	<u>36,970,334</u>
OTHER FINANCING SOURCES					
Insurance recoveries	32,000	32,000	173,656	141,656	50,056
Transfers in					
Debt Service Fund	-	-	-	-	50,000
Capital projects fund	-	-	133,435	133,435	-
	<u>32,000</u>	<u>32,000</u>	<u>307,091</u>	<u>275,091</u>	<u>100,056</u>
TOTAL OTHER FINANCING SOURCES	<u>32,000</u>	<u>32,000</u>	<u>307,091</u>	<u>275,091</u>	<u>100,056</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 36,890,367</u>	<u>\$ 36,908,067</u>	<u>\$ 37,066,276</u>	<u>\$ 158,209</u>	<u>\$ 37,070,390</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, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 44,492	\$ 44,399	\$ 36,567	\$ 7,832	\$ 33,283
Traffic violations bureau	133,680	136,090	135,793	297	133,121
Mayor	14,447	14,540	12,994	1,546	11,510
Manager	365,681	383,556	383,341	215	266,988
Auditor	44,000	44,000	35,200	8,800	31,550
Treasurer	204,819	205,469	180,709	24,760	181,974
Budget	1,100	1,100	1,100	-	1,127
Clerk	188,085	191,390	191,389	1	190,619
Law	287,344	361,414	358,919	2,495	229,400
Personnel	217,615	215,765	204,583	11,182	168,820
Safety director	16,200	18,700	18,616	84	22,498
Engineer	75,651	73,151	59,070	14,081	40,709
Municipal building	197,807	220,957	207,602	13,355	205,320
Operations center	198,292	198,494	178,048	20,446	200,076
Central garage	388,281	379,065	355,675	23,390	362,398
Communications system	267,430	250,969	206,106	44,863	189,148
Data processing	397,145	397,795	375,720	22,075	367,439
Unallocated insurance	607,630	621,234	609,917	11,317	628,788
Municipal association dues	11,500	11,601	11,601	-	11,446
Judgments and claims	60,000	88,360	88,351	9	301,570
Town taxes and assessments	140	140	128	12	129
Property tax refunds	70,000	149,060	149,054	6	77,958
Metropolitan commuter transportation mobility tax	60,094	60,094	55,201	4,893	54,190
Contingency	605,944	272,369	-	272,369	-
	<u>4,457,377</u>	<u>4,339,712</u>	<u>3,855,684</u>	<u>484,028</u>	<u>3,710,061</u>

PUBLIC SAFETY

Police department	9,571,180	9,547,451	9,266,652	280,799	9,627,981
Jail	2,000	2,000	485	1,515	1,533
Traffic control	80,085	90,985	89,734	1,251	82,071
Public safety boat	12,700	12,700	6,872	5,828	7,926
Metered parking	2,500	2,500	122	2,378	389
Fire department	781,775	886,555	822,731	63,824	759,170
Control of animals	124,931	124,931	117,184	7,747	122,471
Civilian police	638,253	638,253	561,621	76,632	597,416
Safety inspection	796,836	799,086	692,940	106,146	606,647

	12,010,260	12,104,461	11,558,341	546,120	11,805,604
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HEALTH

Weed and grass control	9,700	9,700	8,107	1,593	1,016
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TRANSPORTATION

Street administration	317,757	324,757	318,199	6,558	288,713
Street maintenance	1,465,567	1,456,667	1,431,782	24,885	1,494,023
Snow removal	350,200	238,750	121,953	116,797	284,689
Street lighting	147,814	175,264	169,177	6,087	167,162
Off-street parking	38,456	39,456	39,432	24	36,090

	2,319,794	2,234,894	2,080,543	154,351	2,270,677
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ECONOMIC OPPORTUNITY AND DEVELOPMENT

Publicity	60,000	60,000	18,328	41,672	13,369
Community development	201,044	201,044	21,350	179,694	22,474

	261,044	261,044	39,678	221,366	35,843
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CULTURE AND RECREATION

Parks	803,039	788,910	772,715	16,195	808,313
Recreation	1,464,787	1,476,341	1,156,748	319,593	1,443,388
Community center maintenance	77,911	77,911	76,789	1,122	-
Pool maintenance	64,930	67,730	67,711	19	-
Youth agencies	336,520	339,095	177,735	161,360	192,353
Camps	356,500	356,500	15,295	341,205	320,121
Celebrations	17,000	17,000	5,698	11,302	18,263
Adult recreation	96,900	96,900	38,015	58,885	111,842

	3,217,587	3,220,387	2,310,706	909,681	2,894,280
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(Continued)

Village of Ossining, New York

General Fund

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

Year Ended December 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
HOME AND COMMUNITY SERVICES					
Zoning	\$ 190,403	\$ 113,266	\$ 107,462	\$ 5,804	\$ 69,966
Planning	226,709	261,046	258,952	2,094	151,308
Storm sewers	131,182	133,782	129,046	4,736	107,615
Refuse and garbage	1,416,323	1,486,223	1,430,872	55,351	1,324,152
Street cleaning	102,420	102,820	101,363	1,457	96,441
Shade trees	102,750	118,750	118,565	185	85,186
Historic Review Commission	28,500	11,300	119	11,181	73
	<u>2,198,287</u>	<u>2,227,187</u>	<u>2,146,379</u>	<u>80,808</u>	<u>1,834,741</u>
EMPLOYEE BENEFITS					
State retirement	1,252,431	1,252,431	1,026,688	225,743	955,590
Police and fire retirement	2,110,252	2,110,252	1,971,270	138,982	1,750,803
Social security	1,350,115	1,350,115	1,184,037	166,078	1,150,239
Workers' compensation benefits	1,194,645	1,036,945	502,124	534,821	727,974
Unemployment benefits	20,000	56,700	56,680	20	16,540
Hospital, medical and dental benefits	5,443,575	5,564,575	5,554,302	10,273	5,355,631
	<u>11,371,018</u>	<u>11,371,018</u>	<u>10,295,101</u>	<u>1,075,917</u>	<u>9,956,777</u>
DEBT SERVICE					
Interest					
Bond anticipation notes	20,831	20,831	20,831	-	10,080
TOTAL EXPENDITURES	<u>35,865,898</u>	<u>35,789,234</u>	<u>32,315,370</u>	<u>3,473,864</u>	<u>32,519,079</u>
OTHER FINANCING USES					
Transfers out					
Debt Service Fund	1,537,560	1,537,560	1,532,068	5,492	2,106,578
Capital Projects Fund	540,522	1,167,661	1,167,661	-	1,691,483
Section 8 Housing Fund	80,393	80,393	36,864	43,529	63,490
TOTAL OTHER FINANCING USES	<u>2,158,475</u>	<u>2,785,614</u>	<u>2,736,593</u>	<u>49,021</u>	<u>3,861,551</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 38,024,373</u>	<u>\$ 38,574,848</u>	<u>\$ 35,051,963</u>	<u>\$ 3,522,885</u>	<u>\$ 36,380,630</u>

See independent auditors' report.

Village of Ossining, New York

Water Fund
Comparative Balance Sheet
December 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 4,430,162	\$ 3,341,607
Receivables		
Accounts	3,614,075	3,214,396
State and Federal aid	-	5,477
Due from other governments	119,413	173
	3,733,488	3,220,046
Prepaid expenditures	95,556	93,496
Total Assets	<u>\$ 8,259,206</u>	<u>\$ 6,655,149</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 539,019	\$ 1,077,523
Accrued liabilities	87,312	49,121
Unearned revenues	34,960	16,837
Due to other governments	212	-
Due to other funds	17,778	-
Total Liabilities	679,281	1,143,481
Fund balance		
Nonspendable	95,556	93,496
Restricted	223,425	222,301
Assigned	7,260,944	5,195,871
Total Fund Balance	7,579,925	5,511,668
Total Liabilities and Fund Balance	<u>\$ 8,259,206</u>	<u>\$ 6,655,149</u>

See independent auditors' report.

Village of Ossining, New York**Water Fund****Comparative Schedule of Revenues, Expenditures and Changes in****Fund Balance - Budget and Actual****Year Ended December 31,**

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 10,541,025	\$ 10,541,025	\$ 11,625,669	\$ 1,084,644
Use of money and property	3,000	3,000	24,284	21,284
Sale of property and compensation for loss	3,850	3,850	13,176	9,326
Miscellaneous	10,000	10,000	221,721	211,721
Total Revenues	10,557,875	10,557,875	11,884,850	1,326,975
EXPENDITURES				
Current				
General government support	636,661	775,883	475,181	300,702
Home and community services	6,982,519	6,810,520	6,564,786	245,734
Employee benefits	1,280,833	1,280,833	1,074,623	206,210
Debt service				
Interest	57,138	57,138	57,137	1
Total Expenditures	8,957,151	8,924,374	8,171,727	752,647
Excess of Revenues Over Expenditures	1,600,724	1,633,501	3,713,123	2,079,622
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	68,802	68,802
Transfers out	(1,696,413)	(1,729,190)	(1,713,668)	15,522
Total Other Financing Uses	(1,696,413)	(1,729,190)	(1,644,866)	84,324
Net Change in Fund Balance	(95,689)	(95,689)	2,068,257	2,163,946
FUND BALANCE				
Beginning of Year	95,689	95,689	5,511,668	5,415,979
End of Year	\$ -	\$ -	\$ 7,579,925	\$ 7,579,925

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 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

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Village of Ossining, New York

Water Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended December 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
DEPARTMENTAL INCOME					
Metered water sales	\$ 10,361,025	\$ 10,361,025	\$ 11,447,188	\$ 1,086,163	11,000,609
Unmetered water sales	10,000	10,000	14,624	4,624	18,167
Water service charges	30,000	30,000	21,770	(8,230)	13,685
Interest and penalties on water rents	140,000	140,000	142,087	2,087	149,708
	10,541,025	10,541,025	11,625,669	1,084,644	11,182,169
USE OF MONEY AND PROPERTY					
Interest and earnings	3,000	3,000	24,284	21,284	32,358
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Insurance recoveries	3,850	3,850	13,176	9,326	2,578
MISCELLANEOUS					
Refunds of prior year's expenditures	-	-	3,418	3,418	264
Medicare part D	6,000	6,000	218,303	212,303	22,920
Other	4,000	4,000	-	(4,000)	5,477
	10,000	10,000	221,721	211,721	28,661
TOTAL REVENUES	10,557,875	10,557,875	11,884,850	1,326,975	11,245,766
OTHER FINANCING SOURCES					
Transfers in					
Debt Service Fund	-	-	68,802	68,802	40,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 10,557,875</u>	<u>\$ 10,557,875</u>	<u>\$ 11,953,652</u>	<u>\$ 1,395,777</u>	<u>\$ 11,285,766</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, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
GENERAL GOVERNMENT SUPPORT					
Engineer	\$ 55,919	\$ 227,919	\$ 84,666	\$ 143,253	\$ 229,783
Safety director	18,000	18,000	6,961	11,039	12,787
Communications system	59,455	59,455	22,473	36,982	30,253
Data processing	69,135	69,135	29,482	39,653	-
Auditor	19,510	19,510	17,280	2,230	14,370
Finance	-	-	-	-	30,224
Unallocated insurance	96,260	96,260	93,339	2,921	84,372
Judgments and claims	8,000	8,000	-	8,000	56,034
Taxes and assessments on municipal property	219,601	219,601	212,101	7,500	209,143
Miscellaneous	9,206	9,206	8,879	327	9,338
Contingency	81,575	48,797	-	48,797	-
	<u>636,661</u>	<u>775,883</u>	<u>475,181</u>	<u>300,702</u>	<u>676,304</u>
HOME AND COMMUNITY SERVICES					
Water administration	1,314,345	1,354,346	1,352,333	2,013	1,510,005
Pumping, supply and power	2,782,752	2,518,253	2,387,929	130,324	2,709,295
Purification	1,412,489	1,619,489	1,572,673	46,816	1,386,520
Transmission and distribution	1,472,933	1,318,432	1,251,851	66,581	1,479,014
	<u>6,982,519</u>	<u>6,810,520</u>	<u>6,564,786</u>	<u>245,734</u>	<u>7,084,834</u>
EMPLOYEE BENEFITS					
State retirement	416,280	416,280	371,888	44,392	390,388
Social security	207,113	207,113	190,766	16,347	201,720
Workers' compensation benefits	213,353	208,353	85,307	123,046	121,741
Unemployment insurance	2,000	2,000	-	2,000	-
Hospital, medical and dental benefits	442,087	447,087	426,662	20,425	411,699
	<u>1,280,833</u>	<u>1,280,833</u>	<u>1,074,623</u>	<u>206,210</u>	<u>1,125,548</u>

DEBT SERVICE

Interest

Bond anticipation notes

<u>57,138</u>	<u>57,138</u>	<u>57,137</u>	<u>1</u>	<u>29,311</u>
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TOTAL EXPENDITURES

<u>8,957,151</u>	<u>8,924,374</u>	<u>8,171,727</u>	<u>752,647</u>	<u>8,915,997</u>
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OTHER FINANCING USES

Transfers out

Debt Service Fund

<u>1,493,413</u>	<u>1,493,412</u>	<u>1,477,890</u>	<u>15,522</u>	<u>1,535,103</u>
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Capital Projects Fund

<u>203,000</u>	<u>235,778</u>	<u>235,778</u>	<u>-</u>	<u>304,087</u>
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TOTAL OTHER FINANCING USES

<u>1,696,413</u>	<u>1,729,190</u>	<u>1,713,668</u>	<u>15,522</u>	<u>1,839,190</u>
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**TOTAL EXPENDITURES AND
OTHER FINANCING USES**

<u><u>\$ 10,653,564</u></u>	<u><u>\$ 10,653,564</u></u>	<u><u>\$ 9,885,395</u></u>	<u><u>\$ 768,169</u></u>	<u><u>\$ 10,755,187</u></u>
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Village of Ossining, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 406,065	\$ 271,413
Due from other funds	<u>43</u>	<u>-</u>
Total Assets	<u>\$ 406,108</u>	<u>\$ 271,413</u>
FUND BALANCE		
Restricted	\$ 275,745	\$ 245,177
Assigned	<u>130,363</u>	<u>26,236</u>
Total Fund Balance	<u><u>\$ 406,108</u></u>	<u><u>\$ 271,413</u></u>

See independent auditors' report.

Village of Ossining, New York

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

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Use of money and property	\$ 7,500	\$ 7,500	\$ 72,581	\$ 65,081
EXPENDITURES				
Debt service				
Principal				
Bonds	2,840,006	2,840,006	2,840,000	6
Energy performance contract	165,562	165,562	165,562	-
	3,005,568	3,005,568	3,005,562	6
Interest				
Bonds	821,131	821,131	821,107	24
Energy performance contract	36,358	36,358	36,358	-
Bond anticipation notes	19,332	19,332	19,332	-
	876,821	876,821	876,797	24
Total Expenditures	3,882,389	3,882,389	3,882,359	30
Deficiency of Revenues Over Expenditures	(3,874,889)	(3,874,889)	(3,809,778)	65,111
OTHER FINANCING SOURCES (USES)				
Transfers in	3,848,653	3,848,653	3,944,473	95,820
Transfers out	-	-	-	-
Total Other Financing Sources	3,848,653	3,848,653	3,944,473	95,820
Net Change in Fund Balance	(26,236)	(26,236)	134,695	160,931
FUND BALANCE				
Beginning of Year	26,236	26,236	271,413	245,177
End of Year	\$ -	\$ -	\$ 406,108	\$ 406,108

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Positive (Negative)
\$ 7,500	\$ 7,500	\$ 48,943	\$ 41,443
2,956,526	2,956,526	2,956,518	8
187,723	389,344	389,344	-
3,144,249	3,345,870	3,345,862	8
895,865	895,865	895,843	22
13,254	13,368	13,368	-
-	-	-	-
909,119	909,233	909,211	22
4,053,368	4,255,103	4,255,073	30
(4,045,868)	(4,247,603)	(4,206,130)	41,473
4,023,785	4,023,785	4,023,752	(33)
(90,000)	(90,000)	(90,000)	-
3,933,785	3,933,785	3,933,752	(33)
(112,083)	(313,818)	(272,378)	41,440
112,083	313,818	543,791	229,973
\$ -	\$ -	\$ 271,413	\$ 271,413

See independent auditors' report.

Village of Ossining, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 7,217,315	\$ 8,465,582
Receivables		
State and Federal aid	16,200	-
Due from other funds	17,778	-
	33,978	-
Total Assets	\$ 7,251,293	\$ 8,465,582
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 257,453	\$ 1,050,849
Due to other funds	1,800	-
Bond anticipation notes payable	7,107,446	4,930,779
Total Liabilities	7,366,699	5,981,628
Fund balance (deficit)		
Restricted	-	2,483,954
Unassigned	(115,406)	-
Total Fund Balance (Deficit)	(115,406)	2,483,954
Total Liabilities and Fund Balance (Deficit)	\$ 7,251,293	\$ 8,465,582

See independent auditors' report.

Village of Ossining, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended December 31,

	<u>2020</u>	<u>2019</u>
REVENUES		
State aid	\$ 402,005	\$ 390,563
Miscellaneous	<u>56,000</u>	<u>-</u>
Total Revenues	458,005	390,563
EXPENDITURES		
Capital outlay	<u>3,711,770</u>	<u>4,426,145</u>
Deficiency of Revenues Over Expenditures	<u>(3,253,765)</u>	<u>(4,035,582)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	997,877	2,281,975
Transfers out	<u>(343,472)</u>	<u>-</u>
Total Other Financing Sources	<u>654,405</u>	<u>2,281,975</u>
Net Change in Fund Balance	(2,599,360)	(1,753,607)
FUND BALANCE		
Beginning of Year	<u>2,483,954</u>	<u>4,237,561</u>
End of Year	<u><u>\$ (115,406)</u></u>	<u><u>\$ 2,483,954</u></u>

See independent auditors' report.

Village of Ossining, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through December 31, 2020

PROJECT	Project Number	Project Budget	Expenditures and Transfers To Date
Parking Meters	2057	\$ 225,000	\$ 205,659
Indian Brook Water Reservoir and Dam Reconstruction	2122	6,225,845	5,930,845
Historic Building Markers	2133	33,112	33,112
Generator at Operations Center	2142	166,900	166,900
Generator at Water Treatment Plant	2143	957,900	957,900
Water Mains Relining and Replacement	2149	3,192,500	3,043,627
Spring Street/Main Street Intersection	2160	130,363	130,363
LED Street Lighting	2162	906,326	895,140
MUNIS Accounting System Implementation	2163	536,610	502,408
Fire Apparatus Engine Pumper	2166	675,000	651,497
Building Department Vehicle	2167	25,000	25,000
DPW and Water Department Truck	2168	215,000	215,000
DPW Sanitation Trucks	2169	450,000	450,000
DPW Sewer Jet Truck with Camera	2170	230,000	230,000
Broadway Bridge Rehabilitation	2171	2,811,000	2,628,600
New Indian Brook Water Treatment Plant	2172	38,375,552	2,693,139
Caputo Center Gym Floor Replacement	2174	260,000	260,000
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
Fire Apparatus Engine Pumper	2181	675,000	675,000
Fire Department Roof Repairs	2182	120,000	35,950
Parks Department Storage Shed	2184	22,000	22,000
Gordon Avenue Water Main Replacement	2186	1,347,988	1,347,988
Route 9A Water Main Replacement	2187	1,307,407	133,326
CDBG Affordable Housing	2188	295,845	295,845
Sing Sing Prison Museum Grants	2190	2,875,000	-
J.P. Rodrigues Operations Center Renovations	2191	470,380	164,720
Police Department Vehicles	2192	166,000	166,000
Parks Department Equipment	2195	60,000	60,000
Planning Department Comprehensive Plan	2196	300,000	212,304
Recreation Department Air Conditioning	2197	125,000	-
DPW Water Department Utility Truck	2198	57,000	57,000
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	62,697
Village Manager's Vehicle	2203	35,976	35,976
Police Department Vehicles	2204	196,000	196,000
Fire Chief's Vehicle	2205	55,000	55,000
Parks Department Pick-Up Truck	2206	50,000	50,000
Refuse/Sanitation Utility Truck	2207	50,000	50,000
Water Department Utility Truck	2208	60,000	60,000
Central Garage Heavy Vehicle Lift	2209	100,000	100,000
DPW Sidewalk Skid Loader	2210	25,000	25,000
Planning Department - Route 9 Complete Streets Design	2211	150,000	-
Community Center - Functionality/redesign	2212	100,000	-
Water Department Booster Station Shaft	2213	40,000	-
DPW VacAll Truck	2214	400,000	400,000
DPW Sanitation Trucks	2215	340,000	335,649
Fire Apparatus Engine Pumper	2216	700,000	700,000

Unexpended Balance	Revenues To Date	Fund Balance (Deficit) at December 31, 2020	Bond Anticipation Notes Outstanding at December 31, 2020
\$ 19,341	\$ 225,000	\$ 19,341	\$ -
295,000	5,930,845	-	-
-	33,112	-	-
-	166,900	-	-
-	957,900	-	-
148,873	3,043,627	-	-
-	130,363	-	-
11,186	895,140	-	-
34,202	502,408	-	-
23,503	651,497	-	-
-	25,000	-	-
-	215,000	-	-
-	450,000	-	-
-	230,000	-	-
182,400	2,271,000	(357,600)	540,000
35,682,413	716,999	(1,976,140)	3,180,779
-	260,000	-	-
-	190,080	-	-
-	50,000	-	-
10,020	40,000	10,020	-
-	675,000	-	-
84,050	120,000	84,050	-
-	22,000	-	-
-	1,347,988	-	-
1,174,081	1,307,407	1,174,081	-
-	295,845	-	-
2,875,000	-	-	-
305,660	470,380	305,660	-
-	166,000	-	-
-	60,000	-	-
87,696	316,200	103,896	-
125,000	125,000	125,000	-
-	57,000	-	-
-	1,066,563	-	-
-	180,774	155,774	-
(6,697)	112,000	49,303	-
-	35,976	-	-
-	196,000	-	-
-	55,000	-	-
-	50,000	-	-
-	50,000	-	-
-	60,000	-	-
-	100,000	-	-
-	25,000	-	-
150,000	150,000	150,000	-
100,000	100,000	100,000	-
40,000	40,000	40,000	-
-	26,666	(373,334)	373,334
4,351	22,667	(312,982)	317,333
-	-	(700,000)	700,000

(Continued)

Village of Ossining, New York

Capital Projects Fund

Project-Length Schedule (Continued)

Inception of Project Through December 31, 2020

PROJECT	Project Number	Project Budget	Expenditures and Transfers To Date
Police Department HVAC System	2217	\$ 292,000	\$ 306,366
Street Resurfacing and Sidewalks	2218	717,613	699,499
Resurface Basketball Courts and LED Lights	2219	277,405	197,497
Police Department Vehicles	2220	196,000	-
DPW Maintenance Pick-Up Truck	2221	45,000	35,893
DPW Streets Pick-Up Trucks	2222	95,000	34,855
Building Department Fleet Vehicles	2223	50,000	50,000
Parks Department Dump Truck	2224	65,000	-
Water Administration SUV Vehicle	2225	36,000	-
Water Department Utility Truck	2226	50,000	-
Police Department Axon Body Cameras/Storage	2227	23,886	23,886
Police Department Livescan Fingerprint System	2228	25,000	22,100
Fire Department Generator	2229	140,000	-
Recreation Department Pool Repairs and Resurfacing	2230	165,000	40,386
Parks Department - Various Parks Improvements	2231	122,000	-
Street Resurfacing and Sidewalks	2232	1,000,000	540,899
DPW Bucket Utility Truck	2235	150,000	200
Finance Department Accounting System and Conversion	2236	207,120	134,720
Water Tank Mixing and Aeration	2237	1,300,000	92,958
Parking Meter Pay Stations	2238	350,000	-
Parking Study	2239	120,000	59,810
Police Department Vehicles	2240	156,000	-
Fire Chief Vehicle	2241	57,500	-
Park Department Pick-up with Plow	2242	42,000	-
DPW Building File Room Renovations	2243	60,000	-
Police Court Building Flooring	2244	30,000	-
Parks-Other Improvements	2245	46,500	-
Totals		<u>\$ 72,786,371</u>	<u>\$ 27,860,337</u>

See independent auditors' report.

Unexpended Balance	Revenues To Date	Fund Balance (Deficit) at December 31, 2020	Bond Anticipation Notes Outstanding at December 31, 2020
\$ (14,366)	\$ 101,365	\$ (205,001)	\$ 225,000
18,114	717,613	18,114	-
79,908	277,405	79,908	-
196,000	196,000	196,000	-
9,107	45,000	9,107	-
60,145	95,000	60,145	-
-	50,000	-	-
65,000	65,000	65,000	-
36,000	36,000	36,000	-
50,000	50,000	50,000	-
-	23,886	-	-
2,900	25,000	2,900	-
140,000	140,000	140,000	-
124,614	165,000	124,614	-
122,000	122,000	122,000	-
459,101	835,805	294,906	-
149,800	-	(200)	121,000
72,400	129,520	(5,200)	-
1,207,042	-	(92,958)	1,300,000
350,000	-	-	350,000
60,190	60,000	190	-
156,000	156,000	156,000	-
57,500	57,500	57,500	-
42,000	42,000	42,000	-
60,000	60,000	60,000	-
30,000	30,000	30,000	-
46,500	46,500	46,500	-
<u>\$ 44,926,034</u>	<u>\$ 27,744,931</u>	<u>\$ (115,406)</u>	<u>\$ 7,107,446</u>

Village of Ossining, New York

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2020
(With Comparative Totals for 2019)

	Sewer Fund	Section 8 Housing Fund	Special Purpose Fund
ASSETS			
Cash and equivalents	\$ 1,143,005	\$ 298,300	\$ 491,183
Receivables			
Accounts	556,926	14,275	-
State and Federal aid	-	-	-
Due from other governments	166,760	-	-
Due from other funds	-	3,266	1,757
	723,686	17,541	1,757
Prepaid expenditures	20,405	7,711	-
Total Assets	\$ 1,887,096	\$ 323,552	\$ 492,940
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 50,135	\$ 5,515	\$ -
Accrued liabilities	13,928	5,108	-
Unearned revenues	-	143,902	-
Due to other funds	-	15,470	-
Total Liabilities	64,063	169,995	-
Fund balances			
Nonspendable	20,405	7,711	-
Restricted	-	145,846	492,940
Assigned	1,802,628	-	-
Total Fund Balances	1,823,033	153,557	492,940
Total Liabilities and Fund Balances	\$ 1,887,096	\$ 323,552	\$ 492,940

See independent auditors' report.

Totals	
2020	2019
\$ 1,932,488	\$ 1,489,575
571,201	545,073
-	1,956
166,760	161,932
5,023	-
742,984	708,961
28,116	25,400
\$ 2,703,588	\$ 2,223,936
\$ 55,650	\$ 66,069
19,036	9,526
143,902	19,440
15,470	6,094
234,058	101,129
28,116	25,400
638,786	579,618
1,802,628	1,517,789
2,469,530	2,122,807
\$ 2,703,588	\$ 2,223,936

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, 2020
(With Comparative Totals for 2019)

	Sewer Fund	Section 8 Housing Fund	Special Purpose Fund
REVENUES			
Departmental income	\$ 1,902,719	\$ -	\$ -
Use of money and property	3,088	38	2,318
Sale of property and compensation for loss	4,706	-	-
Federal aid	-	3,697,760	-
Miscellaneous	-	-	-
Total Revenues	<u>1,910,513</u>	<u>3,697,798</u>	<u>2,318</u>
EXPENDITURES			
Current			
General government support	98,017	7,947	-
Economic opportunity and development	-	-	8,694
Home and community services	846,012	3,579,290	-
Employee benefits	289,605	82,445	-
Debt service			
Interest	<u>1,042</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,234,676</u>	<u>3,669,682</u>	<u>8,694</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>675,837</u>	<u>28,116</u>	<u>(6,376)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	36,864	1,757
Transfers out	<u>(389,475)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(389,475)</u>	<u>36,864</u>	<u>1,757</u>
Net Change in Fund Balances	286,362	64,980	(4,619)
FUND BALANCES			
Beginning of Year	<u>1,536,671</u>	<u>88,577</u>	<u>497,559</u>
End of Year	<u>\$ 1,823,033</u>	<u>\$ 153,557</u>	<u>\$ 492,940</u>

See independent auditors' report.

Totals	
2020	2019
\$ 1,902,719	\$ 1,762,269
5,444	22,458
4,706	921
3,697,760	3,552,939
-	2,032
5,610,629	5,340,619
105,964	176,020
8,694	69,164
4,425,302	4,380,321
372,050	383,065
1,042	-
4,913,052	5,008,570
697,577	332,049
38,621	63,490
(389,475)	(668,476)
(350,854)	(604,986)
346,723	(272,937)
2,122,807	2,395,744
\$ 2,469,530	\$ 2,122,807

Village of Ossining, New York

Sewer Fund
Comparative Balance Sheet
December 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 1,143,005	\$ 893,843
Receivables		
Accounts	556,926	525,633
State and Federal aid	-	1,956
Due from other governments	166,760	155,352
	<u>723,686</u>	<u>682,941</u>
Prepaid expenditures	<u>20,405</u>	<u>18,882</u>
Total Assets	<u>\$ 1,887,096</u>	<u>\$ 1,595,666</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 50,135	\$ 52,174
Accrued liabilities	<u>13,928</u>	<u>6,821</u>
Total Liabilities	<u>64,063</u>	<u>58,995</u>
Fund balance		
Nonspendable	20,405	18,882
Assigned	<u>1,802,628</u>	<u>1,517,789</u>
Total Fund Balance	<u>1,823,033</u>	<u>1,536,671</u>
Total Liabilities and Fund Balance	<u>\$ 1,887,096</u>	<u>\$ 1,595,666</u>

See independent auditors' report.

Village of Ossining, New York

Sewer Fund

Comparative Statement of Revenues, Expenditures and Changes in Fund Balance Year Ended December 31,

	2020	2019
REVENUES		
Departmental income	\$ 1,902,719	\$ 1,762,269
Use of money and property	3,088	9,426
Sale of property and compensation for loss	4,706	921
Miscellaneous	-	1,956
Total Revenues	1,910,513	1,774,572
EXPENDITURES		
General government support	98,017	167,089
Home and community services	846,012	874,885
Employee benefits	289,605	303,384
Debt service		
Interest	1,042	-
Total Expenditures	1,234,676	1,345,358
Excess of Revenues Over Expenditures	675,837	429,214
OTHER FINANCING USES		
Transfers out	(389,475)	(391,071)
Net Change in Fund Balance	286,362	38,143
FUND BALANCE		
Beginning of Year	1,536,671	1,498,528
End of Year	\$ 1,823,033	\$ 1,536,671

See independent auditors' report.

Village of Ossining, New York

Section 8 Housing Fund Comparative Balance Sheet December 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 298,300	\$ 93,522
Receivables		
Accounts	14,275	19,440
Due from other governments	-	6,580
Due from other fund	3,266	-
	17,541	26,020
Prepaid expenditures	7,711	6,518
Total Assets	\$ 323,552	\$ 126,060
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 5,515	\$ 9,244
Accrued liabilities	5,108	2,705
Unearned revenues	143,902	19,440
Due to other funds	15,470	6,094
Total Liabilities	169,995	37,483
Fund balance		
Nonspendable	7,711	6,518
Restricted	145,846	82,059
Total Fund Balance	153,557	88,577
Total Liabilities and Fund Balance	\$ 323,552	\$ 126,060

See independent auditors' report.

Village of Ossining, New York

Section 8 Housing Fund

Comparative Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended December 31,

	2020	2019
REVENUES		
Use of money and property	\$ 38	\$ 111
Federal aid	3,697,760	3,552,939
Miscellaneous	-	76
Total Revenues	3,697,798	3,553,126
EXPENDITURES		
Current		
General government support	7,947	8,931
Home and community services	3,579,290	3,505,436
Employee benefits	82,445	79,681
Total Expenditures	3,669,682	3,594,048
Excess (Deficiency) of Revenues Over Expenditures	28,116	(40,922)
OTHER FINANCING SOURCES		
Transfers in	36,864	63,490
Net Change in Fund Balance	64,980	22,568
FUND BALANCE		
Beginning of Year	88,577	66,009
End of Year	\$ 153,557	\$ 88,577

See independent auditors' report.

Village of Ossining, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 491,183	\$ 502,210
Due from other funds	<u>1,757</u>	<u>-</u>
Total Assets	<u>\$ 492,940</u>	<u>\$ 502,210</u>
FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ 4,651
Fund balance		
Restricted	<u>492,940</u>	<u>497,559</u>
Total Liabilities and Fund Balance	<u>\$ 492,940</u>	<u>\$ 502,210</u>

See independent auditors' report.

Village of Ossining, New York

Special Purpose Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Year Ended December 31,

	<u>2020</u>	<u>2019</u>
REVENUES		
Use of money and property	\$ 2,318	\$ 12,921
EXPENDITURES		
Current		
Economic opportunity and development	<u>8,694</u>	<u>69,164</u>
Deficiency of Revenues Over Expenditures	<u>(6,376)</u>	<u>(56,243)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	1,757	-
Transfers out	<u>-</u>	<u>(277,405)</u>
Net Change in Fund Balance	<u>(4,619)</u>	<u>(333,648)</u>
FUND BALANCE		
Beginning of Year	<u>497,559</u>	<u>831,207</u>
End of Year	<u><u>\$ 492,940</u></u>	<u><u>\$ 497,559</u></u>

See independent auditors' report.

Village of Ossining, New York

Internal Service Funds
Combining Statement of Net Position
December 31, 2020
(With Comparative Totals for 2019)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2020	2019
ASSETS				
Cash and equivalents	\$ 5,007,138	\$ 1,044,843	\$ 6,051,981	\$ 5,189,256
Accounts receivable	20,279	-	20,279	250,904
Total Assets	5,027,417	1,044,843	6,072,260	5,440,160
LIABILITIES				
Current liabilities				
Accounts payable	79,547	-	79,547	14,790
Current portion of claims payable	263,700	270,250	533,950	542,775
Total Current Liabilities	343,247	270,250	613,497	557,565
Noncurrent liabilities				
Claims payable, less current portion	2,373,300	632,250	3,005,550	3,084,975
Total Liabilities	2,716,547	902,500	3,619,047	3,642,540
NET POSITION				
Restricted	\$ 2,310,870	\$ 142,343	\$ 2,453,213	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, 2020

(With Comparative Totals for 2019)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2020	2019
OPERATING REVENUES				
Charges for services	\$ 615,458	\$ 823,921	\$ 1,439,379	\$ 2,066,965
Insurance recoveries	626,303	624,787	1,251,090	686,674
Total Operating Revenues	1,241,761	1,448,708	2,690,469	2,753,639
OPERATING EXPENSES				
Insurance	225,940	564,966	790,906	807,289
Contractual	84,201	756,954	841,155	646,895
Employee benefits	439,066	-	439,066	1,113,328
Total Operating Expenses	749,207	1,321,920	2,071,127	2,567,512
Income from Operations	492,554	126,788	619,342	186,127
NON-OPERATING REVENUES				
Interest income	30,683	5,568	36,251	67,253
Change in Net Position	523,237	132,356	655,593	253,380
NET POSITION				
Beginning of Year	1,787,633	9,987	1,797,620	1,544,240
End of Year	\$ 2,310,870	\$ 142,343	\$ 2,453,213	\$ 1,797,620

See independent auditors' report.

Village of Ossining, New York

Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2020
(With Comparative Totals for 2019)

	Workers' Compensation Benefits	General Liability Claims	Totals	
			2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from charges for services	\$ 846,083	\$ 823,921	\$ 1,670,004	\$ 1,829,280
Cash received from insurance recoveries	626,303	624,787	1,251,090	686,674
Cash payments to insurance carriers and claimants	(550,700)	(1,543,920)	(2,094,620)	(2,428,460)
Net Cash from Operating Activities	921,686	(95,212)	826,474	87,494
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	30,683	5,568	36,251	67,253
Net Change in Cash and Equivalents	952,369	(89,644)	862,725	154,747
CASH AND EQUIVALENTS				
Beginning of Year	4,054,769	1,134,487	5,189,256	5,034,509
End of Year	<u>\$ 5,007,138</u>	<u>\$ 1,044,843</u>	<u>\$ 6,051,981</u>	<u>\$ 5,189,256</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES				
Income from operations	\$ 492,554	\$ 126,788	\$ 619,342	\$ 186,127
Adjustments to reconcile income from operations to net cash from operating activities				
Changes in operating assets and liabilities				
Accounts receivable	230,625	-	230,625	(249,173)
Due from other funds	-	-	-	11,488
Account payable	64,757	-	64,757	3,302
Claims payable	133,750	(222,000)	(88,250)	135,750
Net Cash from Operating Activities	<u>\$ 921,686</u>	<u>\$ (95,212)</u>	<u>\$ 826,474</u>	<u>\$ 87,494</u>

See independent auditors' report.

Village of Ossining, New York**Internal Service Fund - Workers' Compensation Benefits Fund**
Comparative Statement of Net Position
December 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 5,007,138	\$ 4,054,769
Accounts receivable	<u>20,279</u>	<u>250,904</u>
Total Assets	<u>5,027,417</u>	<u>4,305,673</u>
LIABILITIES		
Current liabilities		
Accounts payable	79,547	14,790
Current portion of claims payable	<u>263,700</u>	<u>250,325</u>
Total Current Liabilities	343,247	265,115
Noncurrent liabilities		
Claims payable, less current portion	<u>2,373,300</u>	<u>2,252,925</u>
Total Liabilities	<u>2,716,547</u>	<u>2,518,040</u>
NET POSITION		
Restricted	<u>\$ 2,310,870</u>	<u>\$ 1,787,633</u>

See independent auditors' report.

Village of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31,

	2020	2019
OPERATING REVENUES		
Charges for services	\$ 615,458	\$ 887,672
Insurance recoveries	626,303	686,674
Total Operating Revenues	1,241,761	1,574,346
OPERATING EXPENSES		
Insurance	225,940	253,781
Contractual	84,201	98,475
Employee benefits	439,066	1,113,328
Total Operating Expenses	749,207	1,465,584
Income from Operations	492,554	108,762
NON-OPERATING REVENUES		
Interest income	30,683	57,265
Change in Net Position	523,237	166,027
NET POSITION		
Beginning of Year	1,787,633	1,621,606
End of Year	\$ 2,310,870	\$ 1,787,633

See independent auditors' report.

Village of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Cash Flows
Year Ended December 31,

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 846,083	\$ 649,987
Cash received from insurance recoveries	626,303	686,674
Cash payments to insurance carriers and claimants	<u>(550,700)</u>	<u>(1,601,532)</u>
Net Cash from Operating Activities	921,686	(264,871)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>30,683</u>	<u>57,265</u>
Net Change in Cash and Equivalents	952,369	(207,606)
CASH AND EQUIVALENTS		
Beginning of Year	<u>4,054,769</u>	<u>4,262,375</u>
End of Year	<u><u>\$ 5,007,138</u></u>	<u><u>\$ 4,054,769</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 492,554	\$ 108,762
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Accounts receivable	230,625	(249,173)
Due from other funds	-	11,488
Accounts payable	64,757	3,302
Claims payable	<u>133,750</u>	<u>(139,250)</u>
Net Cash from Operating Activities	<u><u>\$ 921,686</u></u>	<u><u>\$ (264,871)</u></u>

See independent auditors' report.

Village of Ossining, New York

Internal Service Fund - General Liability Claims Fund
Comparative Statement of Net Position
December 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	<u>\$ 1,044,843</u>	<u>\$ 1,134,487</u>
LIABILITIES		
Current liabilities		
Current portion of claims payable	270,250	292,450
Noncurrent liabilities		
Claims payable, less current portion	<u>632,250</u>	<u>832,050</u>
Total Liabilities	<u>902,500</u>	<u>1,124,500</u>
NET POSITION		
Restricted	<u>\$ 142,343</u>	<u>\$ 9,987</u>

See independent auditors' report.

Village of Ossining, New York

Internal Service Fund - General Liability Claims Fund

Comparative Statement of Revenues, Expenses and Changes in Net Position

Year Ended December 31,

	2020	2019
OPERATING REVENUES		
Charges for services	\$ 823,921	\$ 1,179,293
Insurance recoveries	624,787	-
Total Operating Revenues	1,448,708	1,179,293
OPERATING EXPENSES		
Insurance	564,966	553,508
Contractual	756,954	548,420
Total Operating Expenses	1,321,920	1,101,928
Income from Operations	126,788	77,365
NON-OPERATING REVENUES		
Interest income	5,568	9,988
Change in Net Position	132,356	87,353
NET POSITION		
Beginning of Year	9,987	(77,366)
End of Year	\$ 142,343	\$ 9,987

See independent auditors' report.

Village of Ossining, New York

Internal Service Fund - General Liability Claims Fund
Comparative Statement of Cash Flows
Year Ended December 31,

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 823,921	\$ 1,179,293
Cash received from insurance recoveries	624,787	-
Cash payments to insurance carriers and claimants	<u>(1,543,920)</u>	<u>(826,928)</u>
Net Cash From Operating Activities	(95,212)	352,365
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>5,568</u>	<u>9,988</u>
Net Change in Cash and Equivalents	(89,644)	362,353
CASH AND EQUIVALENTS		
Beginning of Year	<u>1,134,487</u>	<u>772,134</u>
End of Year	<u><u>\$ 1,044,843</u></u>	<u><u>\$ 1,134,487</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 126,788	\$ 77,365
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Claims payable	<u>(222,000)</u>	<u>275,000</u>
Net Cash from Operating Activities	<u><u>\$ (95,212)</u></u>	<u><u>\$ 352,365</u></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, 2020, and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated July 2, 2021.

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

July 2, 2021

**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, 2020. 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, 2020.

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

July 2, 2021

Village of Ossining, New YorkSchedule of Expenditures of Federal Awards
Year Ended December 31, 2020

<u>Federal Grantor/Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</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		\$ -	\$ 3,632,817

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, 2020

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, 2020. 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, 2020

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, 2020

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, 2020

NONE