

Village of Sleepy Hollow, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2020

Village of Sleepy Hollow, New York

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements	
Balance Sheet - Governmental Funds	15
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Water Funds	21
Statement of Assets and Liabilities - Fiduciary Fund	23
Notes to Financial Statements	24
Required Supplementary Information	
Other Post Employment Benefits	
Schedule of Changes in the Village's Total OPEB Liability and Related Ratios	53
New York State and Local Employees' Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability	54
Schedule of Contributions	54
New York State and Local Police and Fire Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability	55
Schedule of Contributions	55
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Comparative Balance Sheet	56
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	57
Schedule of Revenues and Other Financing Sources Compared to Budget	59
Schedule of Expenditures and Other Financing Uses Compared to Budget	62
Water Fund	
Comparative Balance Sheet	65
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	66
Capital Projects Fund	
Comparative Balance Sheet	68
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	69

Village of Sleepy Hollow, New York

Table of Contents (Concluded)

	<u>Page No.</u>
Non-Major Governmental Funds	
Combining Balance Sheet	70
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	72
Parking Fund	
Comparative Balance Sheet	74
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	75
Sewer Fund	
Comparative Balance Sheet	77
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	78
Sanitation Fund	
Comparative Balance Sheet	80
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	81
Special Purpose Fund	
Comparative Balance Sheet	83
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	84

Independent Auditors' Report

**The Honorable Mayor and Board of Trustees
of the Village of Sleepy Hollow, 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 Sleepy Hollow, New York ("Village") as of and for the year ended May 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 did not audit the financial statements of the Sleepy Hollow Local Development Corporation (a component unit), which statements reflect total assets of \$15,530,523 as of May 31, 2020 and total revenues of \$436,648 for the year then ended. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for such component unit, is based solely on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village, as of May 31, 2020, and the respective changes in financial position and the budgetary comparison for the General and Water Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management’s Discussion and Analysis and the schedules included under Required Supplementary Information in the 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 May 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 for the year ended May 31, 2020 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 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 for the year ended May 31, 2020 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2020.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2019 (not presented herein), and have issued our report thereon dated April 25, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2019.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

March 23, 2021

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Village of Sleepy Hollow, New York

Management's Discussion and Analysis (MD&A)
May 31, 2020

Introduction

The management of the Village of Sleepy Hollow, New York ("Village") offers this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2020 to readers of the Village's financial statements. It should be read in conjunction with the basic financial statements and the notes to the Village's financial statements which immediately follow this section, to enhance the understanding of the Village's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2020 are as follows:

- Net position may serve over time as a useful indicator of the Village's financial position. On the government-wide financial statements, the total liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources at the close of the fiscal year 2020 by \$23,767,788. Of this amount, the unrestricted portion is a deficit of \$39,867,174 and net investment in capital assets is \$14,442,685. The restricted amount of \$1,656,701 is for use in the Water and Special Purpose (Parks & Recreation Developer's Fund) funds, future snow removal and debt service expenses.
- The unrestricted deficit on the government-wide financial statements at May 31, 2020 is primarily attributable to the impact of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB"). This statement addressed accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identified the methods and assumptions to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. At May 31, 2020, the Village reported a liability of \$44,498,749, an increase of \$1,305,288 from the prior year. More detailed information about the Village's OPEB reporting in accordance with the provisions of GASB Statement No. 75, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in Note 3G in the notes to financial statements.
- As of the close of the fiscal year, the Village's governmental funds (exclusive of the Capital Projects Fund) reported combined ending fund balances of \$12,515,145; an increase of \$2,267,497 from the prior year's fund balance of \$10,247,648.
 - Of this balance, \$7,854,002 or 62.79%, is unassigned for fiscal year 2020. 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.
 - The remainder of fund balance is either classified as Nonspendable, Restricted or Assigned to indicate that it is not available for new spending.

- The General fund balance increased by \$2,414,941 to \$8,682,520 from \$6,267,579. At the end of the fiscal years 2020 and 2019, unassigned fund balance for the General Fund was \$7,858,812 or 44.03% and \$5,358,969 or 23.52% respectively, of total General Fund expenditures and other financing uses. This indicates a large growth in the unassigned fund balance for general activities of the Village.
- The Village retired \$1,292,000 of long-term debt. During the current fiscal year, the Village issued bond anticipation notes for Capital Projects of \$7,293,031.

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 the 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 information on all of the Village's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to 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 and earned but unused vacation leave).

The government-wide financial statements distinguish the 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.

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 the means by which spending activities are controlled. The Village, like other state and local 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 two categories: governmental funds and fiduciary funds.

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, Parking Fund, Sewer Fund, Sanitation Fund, Special Purpose Fund and the Capital Projects Fund. The General, Water and Capital Projects funds are considered major funds and 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 these funds. The remaining funds are non-major and their information is aggregated and presented in a single column as other governmental funds.

Budgetary comparison statements are provided for the General Fund and Water Fund. Budgetary comparison statements have been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets.

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's fiduciary fund consists of an Agency Fund. Resources in the Agency Fund are held by the Village purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individual, organization, or government.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements and include individual fund financial statements and schedules of "budget to actual" comparisons.

Government-wide Financial Analysis

As noted previously, over a period of time net position may serve as a useful indicator of a government's financial position. At fiscal year end, May 31, 2020, the liabilities of the Village exceeded the assets by \$23,767,788.

The Village's total net position decreased by \$1,184,075 for the year ended May 31, 2020, primarily due to several factors including recognition of deferred outflows of resources, deferred inflows of resources, and net pension liability related to the New York State and Local Retirement System ("NYSLRS") and Other Post Employment Benefit Obligations ("OPEB") required under the provisions of Governmental Accounting Standards Board ("GASB") Statements No. 68 and No. 75. The GASB is charged with developing the accounting rules that apply to governments. For the year ending May 31, 2020, the village had deferred outflows of resources of \$8,858,596, deferred inflows of resources of \$5,209,521 and a net pension liability of \$9,575,486 related to NYSLRS and \$44,498,749 for OPEB.

Net Position

	May 31,	
	2020	2019
Current Assets	\$ 20,563,610	\$ 18,618,365
Capital Assets, net	35,188,024	34,897,402
Total Assets	55,751,634	53,515,767
Deferred Outflows of Resources	8,858,596	1,987,978
Current Liabilities	9,920,725	9,899,880
Non-Current Liabilities	73,247,772	64,748,617
Total Liabilities	83,168,497	74,648,497
Deferred Inflows of Resources	5,209,521	3,438,961
Net Position		
Net Investment in Capital Assets	14,442,685	16,265,347
Restricted	1,656,701	1,915,517
Unrestricted	(39,867,174)	(40,764,577)
Total Net Position	\$ (23,767,788)	\$ (22,583,713)

Change in Net Position

	May 31,	
	2020	2019
REVENUES		
Program Revenues		
Charges for Services	\$ 8,197,604	\$ 6,903,040
Operating Grants and Contributions	303,679	32,007
Capital Grants and Contributions	576,267	1,558,471
Total Program Revenues	9,077,550	8,493,518
General Revenues		
Real Property Taxes	12,454,052	11,730,868
Other Tax Items	695,376	673,722
Non-Property Taxes	2,238,984	1,897,653
Unrestricted Use of Money and Property	97,485	130,074
Sale of Property and Compensation for Loss	11,545	-
Unrestricted State Aid	315,748	163,604
Insurance recoveries	202,859	72,845
Miscellaneous	95,095	98,928
Total General Revenues	16,111,144	14,767,694
Total Revenues	25,188,694	23,261,212
PROGRAM EXPENSES		
General Government Support	4,067,437	3,647,934
Public Safety	10,543,152	9,593,571
Health	358,785	326,210
Transportation	2,551,805	2,299,800
Economic Opportunity and Development	479,154	352,361
Culture and Recreation	2,988,376	2,802,666
Home and Community Services	4,857,838	4,633,360
Interest	526,222	526,166
Total Expenses	26,372,769	24,182,068
Change in Net Position	(1,184,075)	(920,856)
NET POSITION		
Beginning	(22,583,713)	9,864,948
Cumulative Effect of Change in Accounting Principle	-	(31,527,805)
Beginning, as restated	(22,583,713)	(21,662,857)
Ending	\$ (23,767,788)	\$ (22,583,713)

Governmental Activities

For the fiscal years ended May 31, 2020 and 2019, revenues from governmental activities totaled \$25,188,694 and \$23,261,212, respectively. Tax revenues \$15,388,412 in 2020 and \$14,302,243 in 2019, comprised of real property taxes, other tax items and non-property taxes; and represented the largest revenue source (61.1% in 2020 and 61.5% in 2019).

The largest components of governmental activities' expenditures are public safety (40.0% in 2020 and 39.7% in 2019), home and community services (18.4% in 2020 and 19.2% in 2019), general government support (15.4% in 2020 and 15.1% in 2019) and culture and recreation (11.3% in 2020 and 11.6% in 2019). Public Safety includes Police, Fire and Safety Inspections. Home and Community services include Planning, Refuse & Garbage and Shade Tree costs. General Government Support reflects various administrative services including the Administrator, Clerk, Engineer, Law, Treasurer, Justices and the Mayor and Board of Trustees. Culture and Recreation includes Recreation Administration, Parks Maintenance, General Recreation, Youth Programs, Summer Camp, Public Library and Adult Recreation.

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.

Fund Balance Reporting

It is important to note that this year's financial statements again include the presentation of the Governmental Accounting Standards board ("GASB") Statement No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*". GASB Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: Non-spendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below:

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

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

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint.

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

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

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. This pronouncement should result in an improvement in the usefulness of fund balance information.

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.

The Village’s governmental funds reported ending fund balances at May 31, as follows:

<u>Fund</u>	<u>2020</u>	<u>2019</u>
General	\$ 8,682,520	\$ 6,267,579
Water	2,276,530	2,283,206
Parking	(2,528)	52,852
Sewer	389,873	568,083
Sanitation	477,225	375,621
Special Purpose	691,525	700,307
Capital Projects	<u>(1,634,647)</u>	<u>(1,310,948)</u>
	<u>\$ 10,880,498</u>	<u>\$ 8,936,700</u>

Exclusive of the Capital Projects Fund, the combined ending fund balance is \$12,515,145 of which \$7,858,812 is unassigned.

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,858,812, representing 90.51% of the total General Fund balance of \$8,682,520. When the fiscal year 2019-20 General Fund budget was adopted, it anticipated that revenues would equal expenditures. Actual results of operations resulted in an increase in the fund balance of \$2,414,941. Revenues and other financing sources were \$20,263,538, which was \$2,362,115 more than the final budget. This increase was primarily due to building permits from the Edge on Hudson development project, Consolidated Highway Improvement Program (street paving) money from New York State and ConEdison, a premium on obligations, and an increase in Sales Tax received. Expenditures and other financing uses were \$17,848,597, which was \$507,027 less than the final budget. This was primarily due to a reduction in overall department spending and a function of the retirement costs coming in under budget.

The Capital Projects Fund has a restricted fund balance of \$(1,634,647). A majority of the capital projects have been financed by long term debt and grants as of May 31, 2020.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2020, net of accumulated depreciation, was \$35,188,024. This investment in capital assets includes land, construction-in-progress, buildings, land improvements, infrastructure (not all inclusive) and machinery and equipment.

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

Capital Assets

<u>Asset</u>	May 31,	
	2020	2019
Land	\$ 2,938,414	\$ 2,938,414
Construction-in-Progress	919,156	419,689
Buildings	5,853,287	6,052,235
Land Improvements	4,532,608	3,732,182
Infrastructure	15,185,211	15,959,064
Machinery and Equipment	5,759,348	5,795,818
Total (net of depreciation)	<u>\$ 35,188,024</u>	<u>\$ 34,897,402</u>

Long-Term Debt

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$16,684,000. 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.

Economic Factors and Next Year's Budgets and Rates

We have seen continued increases in the cost of providing health insurance and retirement benefits to our employees over the last 3 years. Employee benefits continue to put a strain on available Village resources. This year, the COVID-19 pandemic created substantial economic volatility on a global scale. Despite this unforeseen challenge, we were able to continue to contribute to our fund balance this year primarily due to revenues from Edge on Hudson building permits, an increase in Sales Tax, and street paving money from New York State and ConEdison.

The uncertain economic climate will continue to have an impact on our local economy. Housing prices are slightly improving, new construction is slow, and high unemployment continues to reduce disposable incomes. With this in mind, the Village will continue to eliminate or reduce non-essential spending, while closely monitoring the costs of the programs that our residents rely on.

Requests for Information

This financial report is designed to provide a general overview of the Village of Sleepy Hollow's finances. Questions and comments concerning any of the information provided in this report should be addressed to Sara A. DiGiacomo, Village Treasurer, Village of Sleepy Hollow, 28 Beekman Avenue, Sleepy Hollow, New York 10591.

Village of Sleepy Hollow, New York

Statement of Net Position
May 31, 2020

	Primary Government	Component Unit
	Governmental Activities	Sleepy Hollow Local Development Corporation
ASSETS		
Cash and equivalents	\$ 17,884,566	\$ 41,363
Restricted cash	-	1,862,636
Receivables		
Taxes, net	309,394	-
Accounts	281,532	-
Water rents	879,881	-
Sewer rents	142,541	-
State and Federal aid	300,696	-
Due from other governments	433,193	-
Due from primary government	-	12,821
Inventories	41,935	-
Deposits	-	135
Prepaid expenses	289,872	48,473
Capital assets		
Not being depreciated	3,857,570	13,524,309
Being depreciated, net	31,330,454	40,786
Total Assets	<u>55,751,634</u>	<u>15,530,523</u>
DEFERRED OUTFLOWS OF RESOURCES		
	<u>8,858,596</u>	-
LIABILITIES		
Accounts payable	1,802,227	593,018
Accrued liabilities	562,358	-
Due to component unit	12,821	-
Unearned revenues	11,147	-
Bond anticipation notes payable	7,293,031	-
Accrued interest payable	239,141	-
Non-current liabilities		
Due within one year	1,557,697	50,000
Due in more than one year	71,690,075	9,900,000
Total Liabilities	<u>83,168,497</u>	<u>10,543,018</u>
DEFERRED INFLOWS OF RESOURCES		
	<u>5,209,521</u>	-
NET POSITION		
Net investment in capital assets	14,442,685	4,280,394
Restricted		
Snow removal	106,557	-
Debt service	439,960	619,375
Future capital projects	3	-
Special Revenue Funds		
Water	418,656	-
Special purpose	691,525	-
Unrestricted	(39,867,174)	87,736
Total Net Position	<u>\$ (23,767,788)</u>	<u>\$ 4,987,505</u>

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

Village of Sleepy Hollow, New York

Statement of Activities
Year Ended May 31, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government support	\$ 4,067,437	\$ 142,458	\$ 7,835	\$ (32,807)
Public safety	10,543,152	1,802,619	-	-
Health	358,785	211,881	-	-
Transportation	2,551,805	271,528	284,915	545,565
Economic opportunity and development	479,154	-	-	-
Culture and recreation	2,988,376	320,715	10,929	-
Home and community services	4,857,838	5,448,403	-	63,166
Interest	526,222	-	-	343
Total Governmental Activities	<u>\$ 26,372,769</u>	<u>\$ 8,197,604</u>	<u>\$ 303,679</u>	<u>\$ 576,267</u>
Component unit				
Sleepy Hollow Local Development Corporation	<u>\$ 748,473</u>	<u>\$ 436,648</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues
 Real property taxes
 Other tax items
 Payments in lieu of taxes
 Interest and penalties on real property taxes
 Non-property taxes
 Franchise fees
 Utilities gross receipts taxes
 Non-property tax distribution from County
 Unrestricted use of money and property
 Sale of property and compensation for loss
 Unrestricted State aid
 Miscellaneous
 Insurance recoveries

Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Primary Government	Component Unit
Net (Expense) Revenue and Changes in Net Position	Sleepy Hollow Local Development Corporation
\$ (3,949,951)	\$ -
(8,740,533)	-
(146,904)	-
(1,449,797)	-
(479,154)	-
(2,656,732)	-
653,731	-
(525,879)	-
(17,295,219)	-
-	(311,825)
12,454,052	-
614,537	-
80,839	-
161,939	-
126,549	-
1,950,496	-
97,485	-
11,545	-
315,748	-
202,859	-
95,095	-
16,111,144	-
(1,184,075)	(311,825)
(22,583,713)	5,299,330
\$ (23,767,788)	\$ 4,987,505

Village of Sleepy Hollow, New York

Balance Sheet
 Governmental Funds
 May 31, 2020

	General	Water	Capital Projects
ASSETS			
Cash and equivalents	\$ 10,194,866	\$ 1,973,706	\$ 4,285,484
Taxes receivable, net of allowance for uncollectible taxes	309,394	-	-
Other receivables			
Accounts	81,774	-	-
Water rents	-	879,881	-
Sewer rents	-	-	-
State and Federal aid	300,696	-	-
Due from other governments	433,193	-	-
Due from other funds	716,985	70	1,939,026
	<u>1,532,648</u>	<u>879,951</u>	<u>1,939,026</u>
Other assets			
Inventories	-	41,935	-
Prepaid expenditures	246,977	23,801	-
	<u>246,977</u>	<u>65,736</u>	<u>-</u>
Total Assets	<u>\$ 12,283,885</u>	<u>\$ 2,919,393</u>	<u>\$ 6,224,510</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 1,138,334	\$ 210,578	\$ 407,727
Accrued liabilities	472,469	40,714	-
Due to other funds	1,970,136	391,571	158,399
Due to component unit	12,821	-	-
Unearned revenues	6,077	-	-
Bond anticipation notes payable	-	-	7,293,031
Total Liabilities	<u>3,599,837</u>	<u>642,863</u>	<u>7,859,157</u>
Deferred inflows of resources			
Deferred tax revenues	1,528	-	-
Total Liabilities and Deferred Inflows of Resources	<u>3,601,365</u>	<u>642,863</u>	<u>7,859,157</u>
Fund balances (deficits)			
Nonspendable	246,977	65,736	-
Restricted	546,520	-	-
Assigned	30,211	2,210,794	-
Unassigned	7,858,812	-	(1,634,647)
Total Fund Balances (Deficits)	<u>8,682,520</u>	<u>2,276,530</u>	<u>(1,634,647)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 12,283,885</u>	<u>\$ 2,919,393</u>	<u>\$ 6,224,510</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 1,430,510	\$ 17,884,566
-	309,394
199,758	281,532
-	879,881
142,541	142,541
-	300,696
-	433,193
31,040	2,687,121
373,339	4,724,964
-	41,935
19,094	289,872
19,094	331,807
\$ 1,822,943	\$ 23,250,731

\$ 45,588	\$ 1,802,227
49,175	562,358
167,015	2,687,121
-	12,821
5,070	11,147
-	7,293,031
266,848	12,368,705
-	1,528
266,848	12,370,233
19,094	331,807
691,525	1,238,045
850,286	3,091,291
(4,810)	6,219,355
1,556,095	10,880,498
\$ 1,822,943	\$ 23,250,731

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Village of Sleepy Hollow, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position Year Ended May 31, 2020

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

Fund Balances - Total Governmental Funds	<u>\$ 10,880,498</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets - non-depreciable	3,857,570
Capital Assets - depreciable	122,546,428
Accumulated depreciation	<u>(91,215,974)</u>
	<u>35,188,024</u>
Governmental funds do not report the effect of losses on refunding bonds, assets or liabilities related to net pension and other post employment benefits whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on refunding bonds	132,180
Deferred amounts on pension liabilities	5,557,124
Deferred amounts on other post employment benefits	<u>(2,040,229)</u>
	<u>3,649,075</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>1,528</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(239,141)
Bonds payable	(17,869,972)
Retirement incentives and other pension obligations	(305,331)
Net pension liability	(9,575,486)
Compensated absences	(998,234)
Other post employment benefit obligations payable	<u>(44,498,749)</u>
	<u>(73,486,913)</u>
Net Position of Governmental Activities	<u>\$ (23,767,788)</u>

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

Village of Sleepy Hollow, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended May 31, 2020

	General	Water	Capital Projects
REVENUES			
Real property taxes	\$ 12,461,761	\$ -	\$ -
Other tax items	695,376	-	-
Non-property taxes	2,238,984	-	-
Departmental income	668,862	3,956,151	-
Use of money and property	182,293	-	-
Licenses and permits	1,851,913	-	-
Fines and forfeitures	40,869	-	-
Sale of property and compensation for loss	11,545	-	-
State aid	600,557	-	63,166
Federal aid	-	-	497,193
Miscellaneous	210,694	21	(32,297)
Total Revenues	18,962,854	3,956,172	528,062
EXPENDITURES			
Current			
General government support	2,451,001	105,000	-
Public safety	4,884,922	-	-
Health	254,795	-	-
Transportation	1,594,347	-	-
Economic opportunity and development	470,251	-	-
Culture and recreation	1,976,781	-	-
Home and community services	19,546	2,164,471	-
Employee benefits	4,331,468	463,346	-
Debt service			
Principal	823,840	352,408	-
Interest	470,804	110,720	-
Capital outlay	-	-	2,784,768
Total Expenditures	17,277,755	3,195,945	2,784,768
Excess (Deficiency) of Revenues Over Expenditures	1,685,099	760,227	(2,256,706)
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	95,095	-	-
Bonds issued	-	-	1,520,000
Issuance premium	276,296	-	47,862
Transfers in	929,293	-	455,979
Transfers out	(570,842)	(766,903)	(90,834)
Total Other Financing Sources (Uses)	729,842	(766,903)	1,933,007
Net Change in Fund Balances	2,414,941	(6,676)	(323,699)
FUND BALANCES (DEFICITS)			
Beginning of Year	6,267,579	2,283,206	(1,310,948)
End of Year	\$ 8,682,520	\$ 2,276,530	\$ (1,634,647)

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

Non - Major Governmental	Total Governmental Funds
\$ -	\$ 12,461,761
-	695,376
-	2,238,984
1,594,918	6,219,931
1,536	183,829
-	1,851,913
-	40,869
-	11,545
-	663,723
-	497,193
9,904	188,322
1,606,358	25,053,446
61,000	2,617,001
-	4,884,922
-	254,795
152,680	1,747,027
-	470,251
-	1,976,781
1,025,176	3,209,193
415,205	5,210,019
115,752	1,292,000
20,620	602,144
-	2,784,768
1,790,433	25,048,901
(184,075)	4,545
-	95,095
-	1,520,000
-	324,158
114,863	1,500,135
(71,556)	(1,500,135)
43,307	1,939,253
(140,768)	1,943,798
1,696,863	8,936,700
\$ 1,556,095	\$ 10,880,498

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Village of Sleepy Hollow, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended May 31, 2020

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 1,943,798</u>
<p>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. This amount may be less than the total capital outlay since capital outlay includes amounts that are under the capitalization threshold.</p>	
Capital outlay expenditures	2,705,441
Depreciation expense	<u>(2,414,819)</u>
	<u>290,622</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>(7,709)</u>
<p>Bonds, certain bond anticipation notes and other obligations issued provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and certain bond anticipation notes and other obligations principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>	
Bonds issued	(1,520,000)
Issuance premium	(276,296)
Principal paid on bonds	1,292,000
Retirement incentives and other pension obligations	72,514
Amortization of loss on refunding bonds and issuance premium	<u>87,611</u>
	<u>(344,171)</u>
<p>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.</p>	
Compensated absences	(126,858)
Pension liabilities	(1,784,719)
Accrued interest	(11,689)
Other post employment benefit obligations payable	<u>(1,143,349)</u>
	<u>(3,066,615)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (1,184,075)</u></u>

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

Village of Sleepy Hollow, New York

Statement of Revenues, Expenditures and Changes in Fund Balances -
 Budget and Actual
 General and Water Funds
 Year Ended May 31, 2020

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 12,438,595	\$ 12,438,595	\$ 12,461,761	\$ 23,166
Other tax items	700,000	700,000	695,376	(4,624)
Non-property taxes	1,890,000	1,890,000	2,238,984	348,984
Departmental income	599,584	599,584	668,862	69,278
Use of money and property	108,000	108,000	182,293	74,293
Licenses and permits	793,000	793,000	1,851,913	1,058,913
Fines and forfeitures	80,000	80,000	40,869	(39,131)
Sale of property and compensation for loss	5,000	5,000	11,545	6,545
State aid	306,285	306,285	600,557	294,272
Miscellaneous	52,500	52,500	210,694	158,194
Total Revenues	16,972,964	16,972,964	18,962,854	1,989,890
EXPENDITURES				
Current				
General government support	2,412,994	2,549,560	2,451,001	98,559
Public safety	5,219,628	5,012,369	4,884,922	127,447
Health	249,399	259,360	254,795	4,565
Transportation	1,431,951	1,619,391	1,594,347	25,044
Economic opportunity and development	97,900	491,267	470,251	21,016
Culture and recreation	2,056,816	2,073,764	1,976,781	96,983
Home and community services	33,390	34,388	19,546	14,842
Employee benefits	4,598,500	4,450,109	4,331,468	118,641
Debt service				
Principal	1,290,096	823,840	823,840	-
Interest	406,892	470,734	470,804	(70)
Total Expenditures	17,797,566	17,784,782	17,277,755	507,027
Excess (Deficiency) of Revenues Over Expenditures	(824,602)	(811,818)	1,685,099	2,496,917
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	90,000	90,000	95,095	5,095
Issuance premium	-	-	276,296	276,296
Transfers in	838,459	838,459	929,293	90,834
Transfers out	(114,863)	(570,842)	(570,842)	-
Total Other Financing Sources (Uses)	813,596	357,617	729,842	372,225
Net Change in Fund Balances	(11,006)	(454,201)	2,414,941	2,869,142
FUND BALANCES				
Beginning of Year	11,006	454,201	6,267,579	5,813,378
End of Year	\$ -	\$ -	\$ 8,682,520	\$ 8,682,520

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

Water Fund

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
4,070,000	4,070,000	3,956,151	(113,849)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	21	21
<u>4,070,000</u>	<u>4,070,000</u>	<u>3,956,172</u>	<u>(113,828)</u>
105,000	105,000	105,000	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,206,827	2,206,827	2,164,471	42,356
520,000	520,000	463,346	56,654
358,861	358,861	352,408	6,453
112,409	112,409	110,720	1,689
<u>3,303,097</u>	<u>3,303,097</u>	<u>3,195,945</u>	<u>107,152</u>
<u>766,903</u>	<u>766,903</u>	<u>760,227</u>	<u>(6,676)</u>
-	-	-	-
-	-	-	-
-	-	-	-
(766,903)	(766,903)	(766,903)	-
<u>(766,903)</u>	<u>(766,903)</u>	<u>(766,903)</u>	<u>-</u>
-	-	(6,676)	(6,676)
-	-	2,283,206	2,283,206
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,276,530</u>	<u>\$ 2,276,530</u>

Village of Sleepy Hollow, New York

Statement of Assets and Liabilities

Fiduciary Fund

May 31, 2020

	<u>Agency</u>
ASSETS	
Cash and equivalents	\$ 354,444
Accounts receivable	<u>13,650</u>
 Total Assets	 <u><u>\$ 368,094</u></u>
 LIABILITIES	
Payroll taxes	\$ 28,698
Deposits	<u>339,396</u>
 Total Liabilities	 <u><u>\$ 368,094</u></u>

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

Village of Sleepy Hollow, New York

Notes to Financial Statements

May 31, 2020

Note 1 - Summary of Significant Accounting Policies

The Village of Sleepy Hollow, New York ("Village") was established in 1874 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 the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

A. Financial Reporting Entity

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following organization is related to the Village:

The Sleepy Hollow Local Development Corporation ("LDC") was created on September 18, 2014 as a local development corporation by the Village under Sections 102 and 1411 of the Not-For-Profit Corporation Law in order to relieve and reduce unemployment, promote and provide for additional and maximum employment, improve and maintain job opportunities, lessen the burdens of government and act in the public interest. The LDC is subject to the Public Authorities Accountability Act of 2005, as amended by Chapter 506 of the Laws of 2009 (collectively, the "PAAA") and shall comply with the PAAA, as set forth within the New York State Public Authorities Law. The LDC is managed by a Board of Directors that serves at the pleasure of the Village and therefore, the Village is considered able to impose its will on the LDC. The financial statements of the LDC have been reflected as a discretely presented component unit. Complete financial information can be obtained from:

Sleepy Hollow Local Development Corporation
28 Beekman Avenue
Sleepy Hollow, New York 10591

B. Government-Wide Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Separate financial statements are provided for governmental funds 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.

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, revenues and expenditures. 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. 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 explains 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 two 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 established to account for 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 as follows:

Note 1 - Summary of Significant Accounting Policies (Continued)

Water Fund - The Water Fund is used to record the water utility operations of the Village, which renders services on a user charge basis to the general public. The major revenue of this fund is departmental income.

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.

The following are the Village's non-major governmental funds:

Special Revenue Funds:

Parking Fund - The Parking Fund is used to account for the operation and maintenance of the public parking spaces and lots in the Village.

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

Sanitation Fund - The Sanitation Fund is used to record the sanitary operations of the Village, which renders services on a user charge basis to the general public.

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. Fiduciary Funds (not included in Government-wide Financial Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. The Agency Fund is used to account for employer payroll tax withholdings and various other deposits that are payable to other jurisdictions or individuals.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 as

Note 1 - Summary of Significant Accounting Policies (Continued)

soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to retirement incentives and other pension obligations, net pension liability, compensated absences and other post employment benefit obligations are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Component Unit

The LDC is accounted for on the flow of economic resources measurement focus. This measurement focus emphasizes the determination of net income. With this measurement focus, all assets and liabilities (whether current or non-current) associated with the operation of these activities are included on the statement of net position. Operating statements present increases (revenues) and decreases (expenses) in net total position. The LDC is accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

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.

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, repurchase agreements and obligations of New York State or its political subdivisions.

The Village follows the provisions of GASB Statement No. 72, "*Fair Value Measurements and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be

Note 1 - Summary of Significant Accounting Policies (Continued)

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's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 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 June 1st and are levied and payable in two installments due in June and December. The Village has the responsibility for the billing and collection of its own taxes. The Village also has the responsibility for holding and collecting tax liens.

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 expenditures/expenses are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of May 31, 2020, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventories - The inventories reflected in the financial statements of the Water Fund represent materials and supplies for general use and are valued at cost on a first-in, first-out basis. These inventories consist primarily of items held for consumption. The cost is recorded as inventory at the

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

time individual inventory items are purchased. The Village uses the consumption method to relieve inventory. Reported inventories are equally offset by nonspendable fund balance in the fund financial statements, which indicates that they 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 reported as prepaid items using the consumption method in both the government wide and fund financial statements. Prepaid expenses/expenditures consist of 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/or 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.

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings	25-50
Land improvements	20
Infrastructure	20-65
Machinery and equipment	5-15

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 fund 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 revenue 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

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

unearned revenues in the General Fund of \$6,077 for miscellaneous items. This amount has been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

Deferred Outflows and Inflows of Resources have been reported on the government-wide Statement of Net Position for the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
New York State and Local Employees' Retirement System	\$ 2,443,530	\$ 164,269
New York State and Local Police and Fire Retirement System	3,651,016	373,153
Deferred Loss on Refunding Bonds	132,180	
Other Post Employment Obligations	<u>2,631,870</u>	<u>4,672,099</u>
	<u>\$ 8,858,596</u>	<u>\$ 5,209,521</u>

The Village reported deferred outflows of resources 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 deferred and amortized over the shorter of the life of the refunded or refunding debt.

The Village reported deferred inflows of resources of \$1,528 for real property taxes in the General Fund. This amount is deferred and recognized as revenue in the period that the amounts become available.

The Village also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other post employment benefit obligations. These amounts are detailed in the discussion of the Village's pension plans 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 debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other

Note 1 - Summary of Significant Accounting Policies (Continued)

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 sick leave upon separation of 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 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.

Net Position - Net position represent the difference between assets, deferred outflows of resources, liabilities and deferred inflow of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for snow removal, debt service, future capital projects and special revenue funds. The balance is classified as unrestricted.

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

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

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 of Trustees 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 Board of Trustees 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 of Trustees.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Village Board of Trustees 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 other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

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

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

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General, Water, Parking, Sewer and Sanitation Funds. Encumbrances outstanding at year-end are 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 March 23, 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 March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, meets to discuss and review the tentative budget.
- c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for General, Water, Parking, Sewer and Sanitation funds.
- f) Budgets for General, Water, Parking, Sewer and Sanitation funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not legally adopted by the Board for the Special Purpose Fund.
- g) The Village Board 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 of Trustees. Any modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in General, Water, Parking, Sewer and Sanitation 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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

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 \$22,280,125 which exceeded the actual levy by \$9,841,530.

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 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 may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Village Board first enacts, by a vote of at least sixty percent of the total voting power of the Village Board, a local law to override such limit for such coming fiscal year.

C. Capital Projects Fund Deficit

The unassigned deficit of \$1,634,647 in the Capital Projects Fund arises 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". Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. The deficit will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 2 - Stewardship, Compliance and Accountability (Continued)

D. Expenditures in Excess of Budget

The following functional expenditure categories exceed their budgetary authorization by the amounts indicated:

	<u>Amount</u>
General Fund	
Debt service	
Interest - Serial bonds	\$ 70

E. Fund Deficits

The following fund has an unassigned deficit at May 31, 2020:

Parking Fund	\$ 2,528
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Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

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

Taxes Receivable	
Current	\$ 424,368
Tax sale	21,548
Overdue	<u>64,884</u>
	510,800
Allowance for uncollectible taxes	<u>(201,406)</u>
	<u>\$ 309,394</u>

Taxes receivable are offset by deferred tax revenues of \$1,528, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

B. Due From/To Other Funds

The balances reflected as due from/to other funds at May 31, 2020 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 716,985	\$ 1,970,136
Water	70	391,571
Capital Projects	1,939,026	158,399
Non-Major Governmental	<u>31,040</u>	<u>167,015</u>
	<u>\$ 2,687,121</u>	<u>\$ 2,687,121</u>

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

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

C. Capital Assets

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

	Balance June 1, 2019	Additions	Deletions	Balance May 31, 2020
Capital Assets, not being depreciated				
Land	\$ 2,938,414	\$ -	\$ -	\$ 2,938,414
Construction-in-progress	419,689	499,467		919,156
Total Capital Assets, not being depreciated	\$ 3,358,103	\$ 499,467	\$ -	\$ 3,857,570
Capital Assets, being depreciated				
Buildings	\$ 9,798,264	\$ 37,174	\$ -	\$ 9,835,438
Land improvements	6,849,893	1,160,147	-	8,010,040
Infrastructure	89,594,224	142,593	-	89,736,817
Machinery and equipment	14,535,463	866,060	437,390	14,964,133
Total Capital Assets, being depreciated	120,777,844	2,205,974	437,390	122,546,428
Less Accumulated Depreciation for				
Buildings	3,746,029	236,122	-	3,982,151
Land improvements	3,117,711	359,721	-	3,477,432
Infrastructure	73,635,160	916,446	-	74,551,606
Machinery and equipment	8,739,645	902,530	437,390	9,204,785
Total Accumulated Depreciation	89,238,545	2,414,819	437,390	91,215,974
Total Capital Assets, being depreciated, net	\$ 31,539,299	\$ (208,845)	\$ -	\$ 31,330,454
Capital Assets, net	\$ 34,897,402	\$ 290,622	\$ -	\$ 35,188,024

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

General Government Support	\$ 265,629
Public Safety	1,207,410
Health	72,445
Transportation	289,778
Culture and Recreation	217,334
Home and Community Services	362,223
Total Depreciation Expense	\$ 2,414,819

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

Capital Assets - Component Unit

Changes in the Sleepy Hollow Local Development Corporation's capital assets are as follows:

	Balance June 1, 2019	Additions	Balance May 31, 2020
Capital Assets, not being depreciated			
Land	\$ 2,924,694	\$ -	\$ 2,924,694
Development costs	4,650,586	5,106,529	9,757,115
Construction-in-progress - Buildings and Improvements	842,500	-	842,500
Total Capital Assets, not being depreciated	<u>\$ 8,417,780</u>	<u>\$ 5,106,529</u>	<u>\$ 13,524,309</u>
Capital Assets, being depreciated			
Equipment	\$ 73,881	\$ -	\$ 73,881
Less Accumulated Depreciation	23,699	9,396	33,095
Total Capital Assets, being depreciated, net	<u>\$ 50,182</u>	<u>\$ 9,396</u>	<u>\$ 40,786</u>
Capital Assets, net	<u>\$ 8,467,962</u>	<u>\$ 5,115,925</u>	<u>\$ 13,565,095</u>

D. Accrued Liabilities

Accrued liabilities at May 31, 2020 were as follows:

	Fund			Total
	General	Water	Non-Major Governmental	
Payroll and Employee Benefits	<u>\$ 472,469</u>	<u>\$ 40,714</u>	<u>\$ 49,175</u>	<u>\$ 562,358</u>

E. Short-Term Capital and Non-Capital Borrowings

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

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance June 1, 2019	New Issues	Redemptions	Balance May 31, 2020
Capital Borrowings							
Various	11/24/2014	11/20/2020	2.00 %	\$ 1,021,005	\$ -	\$ 1,021,005	\$ -
Various	11/23/2015	11/20/2020	2.00	796,594	-	796,594	-
Various	11/22/2016	11/20/2020	2.00	188,632	-	70,336	118,296
Various	11/21/2017	11/20/2020	2.00	3,046,520	-	135,906	2,910,614
Various	11/21/2018	11/20/2020	2.00	2,373,106	-	-	2,373,106
Various	11/20/2019	11/20/2020	2.00	-	1,891,015	-	1,891,015
				<u>\$ 7,425,857</u>	<u>\$ 1,891,015</u>	<u>\$ 2,023,841</u>	<u>\$ 7,293,031</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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 \$241,340 were recorded in the fund financial statements in the General Fund. Interest expense of \$163,315 was recorded in the government-wide financial statements.

F. Long-Term Indebtedness

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

	Balance June 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2020	Due Within One Year
General Obligation Bonds Payable	\$ 16,456,000	\$ 1,520,000	\$ 1,292,000	\$ 16,684,000	\$ 1,382,000
Plus - Unamortized premium on bonds	<u>1,020,113</u>	<u>276,296</u>	<u>110,437</u>	<u>1,185,972</u>	<u>-</u>
	<u>17,476,113</u>	<u>1,796,296</u>	<u>1,402,437</u>	<u>17,869,972</u>	<u>1,382,000</u>
Retirement Incentives and Other Pension Obligations	377,845	-	72,514	305,331	75,697
Net Pension Liability	2,829,822	6,745,664	-	9,575,486	-
Compensated Absences	871,376	213,858	87,000	998,234	100,000
Other Post Employment Benefit Obligations Payable	<u>43,193,461</u>	<u>2,336,446</u>	<u>1,031,158</u>	<u>44,498,749</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 64,748,617</u>	<u>\$ 11,092,264</u>	<u>\$ 2,593,109</u>	<u>\$ 73,247,772</u>	<u>\$ 1,557,697</u>
Local Development Corporation - Component Unit Revenue Bonds	<u>\$ 10,000,000</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 9,950,000</u>	<u>\$ 50,000</u>

Each governmental fund's liability for bonds, retirement incentives and other pension obligations, net pension liability, compensated absences and other post-employment benefit obligations is liquidated by the respective fund.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

General Obligation Bonds Payable

Bonds payable at May 31, 2020 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2020
Refunding	2014	\$ 3,325,000	August, 2024	2.00 - 2.50 %	\$ 1,455,000
Refunding	2016	2,775,000	August, 2024	2.00	1,990,000
Various Purposes	2016	4,198,400	August, 2036	2.00 - 3.40	3,735,000
EFC Statutory	2018	3,813,000	November, 2047	0.00	3,559,000
Refunding	2019	4,780,000	August, 2030	5.00	4,425,000
Public Improvements	2019	1,520,000	August, 2028	5.00	1,520,000
					<u>\$ 16,684,000</u>

Interest expenditures of \$360,804 were recorded in the fund financial statements in the funds indicated below. Interest expense of \$362,907 was recorded in the government-wide financial statements.

Fund	Amount
General	\$ 229,464
Water	110,720
Parking	3,365
Sewer	17,255
	<u>\$ 360,804</u>

Payments to Maturity

The annual requirements to amortize all outstanding bonded debt as of May 31, 2020, including interest payments of \$3,002,452 are as follows:

Year Ending May 31,	General Obligation Bonds		Retirement Incentives and Other Pension Obligations		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 1,382,000	\$ 478,349	\$ 75,697	\$ 13,014	\$ 1,457,697	\$ 491,363
2022	1,447,000	420,293	79,034	9,677	1,526,034	429,970
2023	1,502,000	377,905	82,537	6,174	1,584,537	384,079
2024	1,532,000	333,293	68,063	2,497	1,600,063	335,790
2025	1,587,000	286,055	-	-	1,587,000	286,055
2026-2030	4,660,000	854,475	-	-	4,660,000	854,475
2031-2035	2,375,000	202,240	-	-	2,375,000	202,240
2036-2040	1,180,000	18,480	-	-	1,180,000	18,480
2041-2045	635,000	-	-	-	635,000	-
2046-2048	384,000	-	-	-	384,000	-
	<u>\$ 16,684,000</u>	<u>\$ 2,971,090</u>	<u>\$ 305,331</u>	<u>\$ 31,362</u>	<u>\$ 16,989,331</u>	<u>\$ 3,002,452</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

The above general obligation bonds and retirement incentives and other pension obligations are direct obligations of the Village for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the Village.

Retirement Incentives and Other Pension Obligations

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their ERS and PFRS contributions beginning in 2014. The maximum amortization amount each year going forward will be determined by the difference between each employer’s effective contribution rate as compared to the System’s overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten-year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The Village elected to amortize the maximum allowable ERS and PFRS contributions in the amount of \$715,756, requiring annual installments of \$88,711. Balances due at May 31, 2020 totaled \$305,331.

Component Unit Debt – Revenue Bonds Payable

Long-term indebtedness of the Local Development Corporation at May 31, 2020 consisted of the following:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding at May 31, 2020</u>
Revenue Bonds	2019	<u>\$ 10,000,000</u>	June, 2033	4.5 %	<u>\$ 9,950,000</u>

The annual requirements to amortize the bonded debt of the Local Development Corporation as of May 31, 2020 is as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 50,000	\$ 446,625	\$ 496,625
2022	50,000	444,375	494,375
2023	50,000	442,125	492,125
2024	160,000	437,400	597,400
2025	170,000	429,975	599,975
2026-2030	1,250,833	2,011,594	3,262,427
2031-2034	<u>8,219,167</u>	<u>1,187,425</u>	<u>9,406,592</u>
	<u>\$ 9,950,000</u>	<u>\$ 5,399,519</u>	<u>\$ 15,349,519</u>

Note 3 - Detailed Notes on All Funds (Continued)

Compensated Absences

Pursuant to the terms of existing collective bargaining agreements, certain employees are permitted to accumulate unused sick and personal leave. The maximum accumulation varies with each agreement. Upon termination, employees will be compensated for such accumulated leave at varying amounts according to the terms of each agreement. The value of the 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 net assets and record changes in plan 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/publications/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	3 A14	15.8 %
	4 A15	15.8
	5 A15	13.2
	6 A15	9.3
PFRS	2 384D	24.3 %
	6 384D	14.6

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2020	March 31, 2020
Net pension liability	\$ 3,860,196	\$ 5,715,290
Villages' proportion of the net pension liability (asset)	0.0145775 %	0.1069290 %
Change in proportion since the prior measurement date	(0.0008444) %	0.0033471 %

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 May 31, 2020, the Village recognized pension expense in the government-wide financial statements of \$662,993 for ERS and \$1,072,202 for PFRS. Pension expenditures exclusive of retirement incentives and other pension obligations of \$622,207 for ERS and \$821,942 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 322,207	\$ 821,942
Water	165,000	-
Sanitation	50,000	-
Parking	35,000	-
Sewer	50,000	-
Total	<u>\$ 622,207</u>	<u>\$ 821,942</u>

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

	<u>ERS</u>		<u>PFRS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 227,188	\$ -	\$ 380,578	\$ 95,730
Changes of assumptions	77,726	67,115	488,519	-
Net difference between projected and actual earnings on pension plan investments	1,978,924	-	2,573,775	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	49,111	97,154	48,879	277,423
Village contributions subsequent to the measurement date	110,581	-	159,265	-
	<u>\$ 2,443,530</u>	<u>\$ 164,269</u>	<u>\$ 3,651,016</u>	<u>\$ 373,153</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 607,766	\$ 95,730
Changes of assumptions	566,245	67,115
Net difference between projected and actual earnings on pension plan investments	4,552,699	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	97,990	374,577
Village contributions subsequent to the measurement date	269,846	-
	<u>\$ 6,094,546</u>	<u>\$ 537,422</u>

The \$110,581 and \$159,265 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:

Year Ended March 31,	ERS	PFRS
2021	\$ 345,203	\$ 649,903
2022	539,233	725,500
2023	708,532	920,321
2024	575,712	796,061
2025	-	26,813
	<u>\$ 2,168,680</u>	<u>\$ 3,118,598</u>

The total pension liability for the March 31, 2020 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 valuation were as follows:

	ERS	PFRS
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.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

Annuitant mortality rates are based on the April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

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

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

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

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return *</u>
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 (asset) 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:

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (5.8%)	Current Assumption (6.8%)	1% Increase (7.8%)
Village's proportionate share of the ERS net pension liability	<u>\$ 7,085,550</u>	<u>\$ 3,860,196</u>	<u>\$ 890,553</u>
Village's proportionate share of the PFRS net pension liability	<u>\$ 10,219,056</u>	<u>\$ 5,715,290</u>	<u>\$ 1,682,067</u>

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	<u>168,115,682,000</u>	<u>29,964,080,000</u>	<u>198,079,762,000</u>
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 May 31, 2020 represent the employer contribution for the period of April 1, 2020 through May 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 two months ended May 31, 2020 were \$110,581 and \$159,265.

Voluntary Defined Contribution Plan

The Village may 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. No current employees participated in this program.

Other Post Employment Benefit Obligations

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

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

The number of participants as of May 31, 2020 was as follows:

Active Employees	66
Retired Employees	<u>54</u>
Total	<u><u>120</u></u>

The Village's total OPEB liability of \$44,498,749 was measured as of May 31, 2019 and was determined by an actuarial valuation as of June 1, 2018.

The total OPEB liability in the June 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.00%
Discount rate	2.63%
Healthcare cost trend rates	8.00% for 2019, decreasing by up to .5% per year to an ultimate rate of 5.00% for 2025

The discount rate was based on the S&P Municipal Bond 20- year High Grade Bond index rate.

Mortality rates were based on the Society of Actuaries Mortality Projection Scale MP2016.

The Village's change in the total OPEB liability for the year ended May 31, 2020 is as follows:

Total OPEB Liability - Beginning of Year	\$ 43,193,461
Service Cost	1,209,236
Interest	1,301,675
Difference between expected and actual experience	(3,182,316)
Changes in assumption	3,007,851
Benefit payments	<u>(1,031,158)</u>
Total OPEB Liability - End of Year	<u><u>\$ 44,498,749</u></u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) or 1 percentage point higher (3.63%) than the current discount rate:

	1% Decrease (1.63%)	Current Assumption (2.63%)	1% Increase (3.63%)
Total OPEB Liability	<u>\$ 51,663,187</u>	<u>\$ 44,498,749</u>	<u>\$ 37,334,312</u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

percentage point lower (7.0% decreasing to 4.0%) or 1 percentage point higher (9.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (7.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 36,624,725</u>	<u>\$ 44,498,749</u>	<u>\$ 53,957,353</u>

For the year ended May 31, 2020, the Village recognized OPEB expense of \$2,174,507 in the government-wide financial statements. At May 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
Difference between expected and actual experience	\$ -	\$ 4,672,099
Changes in assumptions	<u>2,631,870</u>	<u>-</u>
	<u>\$ 2,631,870</u>	<u>\$ 4,672,099</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 May 31,	
2021	\$ (336,405)
2022	(336,405)
2023	(336,405)
2024	(336,405)
2025	(336,405)
2026 and Thereafter	<u>(358,204)</u>
	<u>\$ (2,040,229)</u>

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.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

Transfers Out	Transfers In			Total
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ 455,979	\$ 114,863	\$ 570,842
Capital Fund	90,834	-	-	90,834
Water Fund	766,903	-	-	766,903
Non-Major Governmental Funds	71,556	-	-	71,556
	<u>\$ 929,293</u>	<u>\$ 455,979</u>	<u>\$ 114,863</u>	<u>\$ 1,500,135</u>

Transfers are used to 1) move funds from the Water and non-major governmental funds to fulfill commitments for General Fund expenditures and 2) move funds earmarked in the General Fund to fulfill commitments for non-major governmental funds and Capital Projects Fund 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 Snow Removal - the component of net position that reflects funds restricted for snow removal pursuant to General Municipal Law.

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

Restricted for Future Capital Projects - the component of net position that reflects funds restricted for use pursuant to the agreement made for development of the land formerly occupied by the General Motors Corporation.

Restricted for Special Revenue Funds - the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

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

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

I. Fund Balances

	2020					2019				
	General Fund	Water Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Water Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable										
Inventories	\$ -	\$ 41,935	\$ -	\$ -	\$ 41,935	\$ -	\$ 56,241	\$ -	\$ -	\$ 56,241
Prepaid expenditures	246,977	23,801	-	19,094	289,872	252,108	26,535	-	20,632	299,275
Total Nonspendable	246,977	65,736	-	19,094	331,807	252,108	82,776	-	20,632	355,516
Restricted										
Snow removal	1,557	-	-	-	1,557	106,451	-	-	-	106,451
Subsequent year's snow removal expenditures	105,000	-	-	-	105,000	-	-	-	-	-
Debt service	99,960	-	-	-	99,960	343,261	-	-	-	343,261
Subsequent year's debt service expenditures	340,000	-	-	-	340,000	-	-	-	-	-
Future capital projects	3	-	-	-	3	165,573	-	-	-	165,573
Special purposes	-	-	-	691,525	691,525	-	-	-	700,307	700,307
Total Restricted	546,520	-	-	691,525	1,238,045	615,285	-	-	700,307	1,315,592
Assigned										
Purchases on order	-	-	-	-	-	11,006	-	-	-	11,006
Major funds	-	2,210,794	-	-	2,210,794	-	2,200,430	-	-	2,200,430
Parking	-	-	-	-	-	-	-	-	50,558	50,558
Sewer	-	-	-	381,983	381,983	-	-	-	560,122	560,122
Sanitation	-	-	-	468,303	468,303	-	-	-	365,244	365,244
Tax certiorari	30,211	-	-	-	30,211	30,211	-	-	-	30,211
Total Assigned	30,211	2,210,794	-	850,286	3,091,291	41,217	2,200,430	-	975,924	3,217,571
Unassigned	7,858,812	-	(1,634,647)	(4,810)	6,219,355	5,358,969	-	(1,310,948)	-	4,048,021
Total Fund Balances (Deficits)	\$ 8,682,520	\$ 2,276,530	\$ (1,634,647)	\$ 1,556,095	\$ 10,880,498	\$ 6,267,579	\$ 2,283,206	\$ (1,310,948)	\$ 1,696,863	\$ 8,936,700

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described below. 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.

Inventories in the Special Revenue - Water Fund have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of inventories. The Village anticipates utilizing them in the normal course of operations.

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

Assignments of fund balance are not legally required segregations but represent intended use for a specific purpose. At May 31, 2020, the Village Board has assigned amounts to be appropriated for future court awarded property tax refunds.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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 possible refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year the payment is made.

Various legal actions are pending and are in process against the Village in the ordinary course of business. It is not possible to state the ultimate liability, if any, in these matters. In management's opinion, the ultimate resolution of these actions if the plaintiffs were to prevail in the litigations would not have a material adverse effect on the financial position of the Village.

B. Contingencies

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the Village's compliance with applicable grant requirements will 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 Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

C. Risk Management

The Village maintains various liability insurance policies to provide against potential losses. The general liability policy provides coverage up to \$2 million and the Village has an umbrella policy with \$10 million of coverage. In addition, there is a law enforcement liability policy providing coverage of \$2 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage for any of the past three fiscal years. The Village purchases conventional medical and workers' compensation coverage.

Note 5 - Tax Abatements

The Village has real property tax abatement agreements with housing development and redevelopment companies organized pursuant to Article V or Article XI of the Private Housing Finance Law of the State of New York ("PHFL") for the purpose of creating or preserving affordable housing in the Village.

Generally, these agreements provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes ("PILOT") and continue until the property no longer provides the required affordable housing or no longer complies with the requirements of the PHFL.

Copies of the agreements may be obtained from the Village. Information relevant to disclosure of these agreements for the fiscal year ended May 31, 2020 is as follows:

<u>Start Date</u>	<u>Agreement</u>	<u>Taxable Assessed Value (1)</u>	<u>Tax Rate per \$1,000 (1)</u>	<u>Tax Value</u>	<u>PILOT Received</u>	<u>Tax Abatement</u>
05/1/2003	Kendal On Hudson	\$ 18,475,000	\$ 35.6326	\$ 658,312	\$ 516,798	\$ 141,514
09/1/2008	100 College Ave	6,169,450	35.6326	219,834	63,103	156,731
12/6/2001	79 College	103,400	35.6326	3,684	1,416	2,268
10/3/2006	124 Valley Street	-	35.6326	-	16,717	(16,717)
09/1/1958	126 Valley Street	-	35.6326	-	16,503	(16,503)
			TOTALS	<u>\$ 881,830</u>	<u>\$ 614,537</u>	<u>\$ 267,293</u>

(1) Taxable Assessed Value and Tax Rate for the 2019-20 Tax Year

Note 6 - Subsequent Events

The Village, on November 20, 2020, issued a Bond Anticipation Note in the amount of \$10,914,367 bearing interest at 1.25%. The note matures on November 19, 2021 and was issued to refinance \$6,952,944 of current outstanding notes and provides \$3,961,423 of new money after payment of \$340,087.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Concluded)
May 31, 2020

Note 6 - Subsequent Events (Continued)

Subsequent to year end, the COVID-19 (coronavirus) pandemic has resulted in substantial economic volatility on a global scale. As a result, the Village's economically sensitive revenues (i.e. sales taxes, income taxes, mortgage recording taxes, interest earnings, fees, state and federal aid) might be negatively impacted. Collection rates on real property taxes might be slowed as unemployment rates are expected to spike. Meanwhile, the Village's expenditures for public safety and health service functions and pension benefits (due to stock market declines) would all be expected to increase. None of these factors were taken into consideration in the development of the 2020 adopted budget. Given the uncertainty around the extent and timing of the potential future spread or mitigation of the coronavirus and around the imposition or relaxation of protective measures, management cannot reasonably estimate the actual impact on the Village's financial position at this time.

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Village of Sleepy Hollow, 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
Total OPEB Liability:		
Service Cost	\$ 1,209,236	\$ 1,284,490
Interest	1,301,675	1,331,809
Changes in benefit items	-	-
Differences between expected and actual experience	(3,182,316)	(2,516,764)
Changes of assumptions or other outputs	3,007,851 (4)	-
Benefits payments	<u>(1,031,158)</u>	<u>(1,143,879)</u>
Net Change in Total OPEB Liability	1,305,288	(1,044,344)
Total OPEB Liability – Beginning of Year	<u>43,193,461</u>	<u>44,237,805 (3)</u>
Total OPEB Liability – End of Year	<u>\$ 44,498,749</u>	<u>\$ 43,193,461</u>
Village's covered-employee payroll	<u>\$ 8,554,287</u>	<u>\$ 8,342,553</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>520.19%</u>	<u>517.75%</u>

(1) Data not available prior to fiscal year 2019 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 GASB Statement No. 75 to pay related benefits.

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

(4) The discount rate used to calculate the total OPEB liability was decreased from 3.05% to 2.63% effective with the May 31, 2020 measurement date

See independent auditors' report.

Village of Sleepy Hollow, New York

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

Schedule of the Village's Proportionate Share of the Net Pension Liability

	2020 (3)	2019	2018	2017	2016 (2)
Village's proportion of the net pension liability	0.0145775%	0.0154219%	0.0159764%	0.0161770%	0.0155617%
Village's proportionate share of the net pension liability	\$ 3,860,196	\$ 1,092,688	\$ 515,628	\$ 1,520,023	\$ 2,497,702
Village's covered payroll	\$ 4,297,856	\$ 4,304,925	\$ 4,115,668	\$ 3,931,257	\$ 3,472,830
Village's proportionate share of the net pension liability as a percentage of its covered payroll	89.82%	25.38%	12.53%	38.67%	71.92%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%

Schedule of Contributions

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 612,880	\$ 635,402	\$ 587,115	\$ 563,335	\$ 669,152
Contributions in relation to the contractually required contribution	(612,880)	(635,402)	(587,115)	(563,335)	(669,152)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 4,252,163	\$ 4,471,053	\$ 4,187,789	\$ 3,942,239	\$ 3,768,404
Contributions as a percentage of covered payroll	14.41%	14.21%	14.02%	14.29%	17.76%

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

(2) 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.

(3) 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.

See independent auditors' report.

Village of Sleepy Hollow, New York

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

Schedule of the Village's Proportionate Share of the Net Pension Liability

	2020 (3)	2019	2018	2017	2016 (2)
Village's proportion of the net pension liability	<u>0.1069290%</u>	<u>0.1035819%</u>	<u>0.1072948%</u>	<u>0.1158132%</u>	<u>0.1060784%</u>
Village's proportionate share of the net pension liability	<u>\$ 5,715,290</u>	<u>\$ 1,737,134</u>	<u>\$ 1,084,489</u>	<u>\$ 2,400,405</u>	<u>\$ 3,140,757</u>
Village's covered payroll	<u>\$ 3,951,729</u>	<u>\$ 3,690,795</u>	<u>\$ 3,530,383</u>	<u>\$ 3,404,859</u>	<u>\$ 3,141,964</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>144.63%</u>	<u>47.07%</u>	<u>30.72%</u>	<u>70.50%</u>	<u>99.96%</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>90.24%</u>

Schedule of Contributions

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 813,463	\$ 887,447	\$ 782,595	\$ 958,873	\$ 804,336
Contributions in relation to the contractually required contribution	<u>(813,463)</u>	<u>(887,447)</u>	<u>(782,595)</u>	<u>(958,873)</u>	<u>(804,336)</u>
Contribution excess	<u>\$ -</u>				
Village's covered payroll	<u>\$ 3,905,864</u>	<u>\$ 3,884,835</u>	<u>\$ 3,551,511</u>	<u>\$ 3,315,544</u>	<u>\$ 3,821,773</u>
Contributions as a percentage of covered payroll	<u>20.83%</u>	<u>22.84%</u>	<u>22.04%</u>	<u>28.92%</u>	<u>21.05%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2016 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

(2) 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.

(3) 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.

See independent auditors' report.

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Village of Sleepy Hollow, New York

General Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 10,194,866	\$ 9,410,575
Taxes receivable, net of allowance for uncollected taxes of \$201,406 for 2020 and \$199,735 for 2019	309,394	9,237
Other receivables		
Accounts	81,774	89,001
State and Federal aid	300,696	13,759
Due from other governments	433,193	436,998
Due from other funds	716,985	451,322
	<u>1,532,648</u>	<u>991,080</u>
Prepaid expenditures	246,977	252,108
Total Assets	<u>\$ 12,283,885</u>	<u>\$ 10,663,000</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,138,334	\$ 1,037,166
Accrued liabilities	472,469	527,472
Due to other funds	1,970,136	2,757,806
Due to component unit	12,821	31,711
Unearned revenues	6,077	32,029
Total Liabilities	3,599,837	4,386,184
Deferred inflows of resources		
Deferred tax revenues	1,528	9,237
Total Liabilities and Deferred Inflows of Resources	<u>3,601,365</u>	<u>4,395,421</u>
Fund balance		
Nonspendable	246,977	252,108
Restricted	546,520	615,285
Assigned	30,211	41,217
Unassigned	7,858,812	5,358,969
Total Fund Balance	<u>8,682,520</u>	<u>6,267,579</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 12,283,885</u>	<u>\$ 10,663,000</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

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

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 12,438,595	\$ 12,438,595	\$ 12,461,761	\$ 23,166
Other tax items	700,000	700,000	695,376	(4,624)
Non-property taxes	1,890,000	1,890,000	2,238,984	348,984
Departmental income	599,584	599,584	668,862	69,278
Use of money and property	108,000	108,000	182,293	74,293
Licenses and permits	793,000	793,000	1,851,913	1,058,913
Fines and forfeitures	80,000	80,000	40,869	(39,131)
Sale of property and compensation for loss	5,000	5,000	11,545	6,545
State aid	306,285	306,285	600,557	294,272
Miscellaneous	52,500	52,500	210,694	158,194
Total Revenues	16,972,964	16,972,964	18,962,854	1,989,890
EXPENDITURES				
Current				
General government support	2,412,994	2,549,560	2,451,001	98,559
Public safety	5,219,628	5,012,369	4,884,922	127,447
Health	249,399	259,360	254,795	4,565
Transportation	1,431,951	1,619,391	1,594,347	25,044
Economic opportunity and development	97,900	491,267	470,251	21,016
Culture and recreation	2,056,816	2,073,764	1,976,781	96,983
Home and community services	33,390	34,388	19,546	14,842
Employee benefits	4,598,500	4,450,109	4,331,468	118,641
Debt service				
Principal	1,290,096	823,840	823,840	-
Interest	406,892	470,734	470,804	(70)
Refunding bond issuance costs	-	-	-	-
Total Expenditures	17,797,566	17,784,782	17,277,755	507,027
Excess (Deficiency) of Revenues Over Expenditures	(824,602)	(811,818)	1,685,099	2,496,917
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	90,000	90,000	95,095	5,095
Refunding bonds issued	-	-	-	-
Issuance premium	-	-	276,296	276,296
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	838,459	838,459	929,293	90,834
Transfers out	(114,863)	(570,842)	(570,842)	-
Total Other Financing Sources	813,596	357,617	729,842	372,225
Net Change in Fund Balance	(11,006)	(454,201)	2,414,941	2,869,142
FUND BALANCE				
Beginning of Year	11,006	454,201	6,267,579	5,813,378
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,682,520</u>	<u>\$ 8,682,520</u>

See independent auditors' report.

2019

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 11,747,609	\$ 11,747,609	\$ 11,733,060	\$ (14,549)
725,000	725,000	673,722	(51,278)
1,705,000	1,705,000	1,897,653	192,653
598,705	598,705	729,133	130,428
90,000	90,000	212,454	122,454
793,000	793,000	629,739	(163,261)
75,000	75,000	60,324	(14,676)
5,000	5,000	-	(5,000)
291,583	291,583	163,604	(127,979)
13,000	13,000	83,980	70,980
<u>16,043,897</u>	<u>16,043,897</u>	<u>16,183,669</u>	<u>139,772</u>
2,279,049	2,240,356	2,195,621	44,735
4,997,778	4,909,524	4,912,321	(2,797)
245,799	241,369	225,754	15,615
1,355,956	1,278,596	1,278,854	(258)
96,400	358,616	344,929	13,687
2,009,902	1,964,573	1,954,080	10,493
25,654	29,919	29,305	614
4,537,900	4,372,622	4,232,662	139,960
1,277,100	833,660	833,660	-
365,850	330,280	330,280	-
-	89,623	89,623	-
<u>17,191,388</u>	<u>16,649,138</u>	<u>16,427,089</u>	<u>222,049</u>
<u>(1,147,491)</u>	<u>(605,241)</u>	<u>(243,420)</u>	<u>361,821</u>
100,000	100,000	98,928	(1,072)
-	4,780,000	4,780,000	-
-	929,718	929,718	-
-	(5,620,095)	(5,620,095)	-
1,149,178	1,149,178	980,520	(168,658)
(108,210)	(740,083)	(740,083)	-
<u>1,140,968</u>	<u>598,718</u>	<u>428,988</u>	<u>(169,730)</u>
(6,523)	(6,523)	185,568	192,091
<u>6,523</u>	<u>6,523</u>	<u>6,082,011</u>	<u>6,075,488</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,267,579</u>	<u>\$ 6,267,579</u>

Village of Sleepy Hollow, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
REAL PROPERTY TAXES	\$ 12,438,595	\$ 12,438,595	\$ 12,461,761	\$ 23,166	\$ 11,733,060
OTHER TAX ITEMS					
Payments in lieu of taxes	600,000	600,000	614,537	14,537	582,365
Interest and penalties on real property taxes	100,000	100,000	80,839	(19,161)	91,357
	<u>700,000</u>	<u>700,000</u>	<u>695,376</u>	<u>(4,624)</u>	<u>673,722</u>
NON-PROPERTY TAXES					
Franchise fees	175,000	175,000	161,939	(13,061)	170,961
Utilities gross receipts taxes	115,000	115,000	126,549	11,549	131,178
Non-property tax distribution from County	1,600,000	1,600,000	1,950,496	350,496	1,595,514
	<u>1,890,000</u>	<u>1,890,000</u>	<u>2,238,984</u>	<u>348,984</u>	<u>1,897,653</u>
DEPARTMENTAL INCOME					
Clerk - Treasurer fees	67,099	67,099	57,588	(9,511)	57,428
Police fees	64,300	64,300	49,888	(14,412)	208,847
Ambulance charges	150,000	150,000	211,881	61,881	137,631
Parks and recreation charges	290,295	290,295	320,715	30,420	302,016
Zoning Board fees	4,000	4,000	8,550	4,550	4,950
Planning Board fees	18,890	18,890	14,620	(4,270)	17,110
Public works fees	5,000	5,000	5,620	620	1,151
	<u>599,584</u>	<u>599,584</u>	<u>668,862</u>	<u>69,278</u>	<u>729,133</u>

USE OF MONEY AND PROPERTY

Earnings on investments	25,000	25,000	97,423	72,423	130,056
Rental of real property	83,000	83,000	84,870	1,870	82,398
	<u>108,000</u>	<u>108,000</u>	<u>182,293</u>	<u>74,293</u>	<u>212,454</u>

LICENSES AND PERMITS

Business and occupational licenses	35,000	35,000	31,230	(3,770)	29,565
Permit fees	758,000	758,000	1,820,683	1,062,683	600,174
	<u>793,000</u>	<u>793,000</u>	<u>1,851,913</u>	<u>1,058,913</u>	<u>629,739</u>

FINES AND FORFEITURES

Fines and forfeited bail	80,000	80,000	40,869	(39,131)	60,324
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SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	5,000	5,000	11,545	6,545	-
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STATE AID

Per capita	62,105	62,105	62,105	-	62,105
Mortgage tax	85,000	85,000	132,388	47,388	83,797
Consolidated Highway Improvement Program	142,365	142,365	284,809	142,444	-
Other	16,815	16,815	121,255	104,440	17,702
	<u>306,285</u>	<u>306,285</u>	<u>600,557</u>	<u>294,272</u>	<u>163,604</u>

MISCELLANEOUS

Gifts and donations	10,000	10,000	7,835	(2,165)	11,135
Refund of prior year expenditures	10,000	10,000	11,687	1,687	70,680
Other	32,500	32,500	191,172	158,672	2,165
	<u>52,500</u>	<u>52,500</u>	<u>210,694</u>	<u>158,194</u>	<u>83,980</u>

TOTAL REVENUES

	<u>16,972,964</u>	<u>16,972,964</u>	<u>18,962,854</u>	<u>1,989,890</u>	<u>16,183,669</u>
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Village of Sleepy Hollow, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
 Year Ended May 31, 2020
 (With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
OTHER FINANCING SOURCES					
Insurance recoveries	\$ 90,000	\$ 90,000	\$ 95,095	\$ 5,095	\$ 98,928
Refunding bonds issued	-	-	-	-	4,780,000
Issuance premium	-	-	276,296	276,296	929,718
Transfers in					
Capital Fund	-	-	90,834	90,834	-
Parking Fund	44,163	44,163	44,163	-	-
Sewer Fund	27,393	27,393	27,393	-	32,752
Water Fund	766,903	766,903	766,903	-	947,768
TOTAL OTHER FINANCING SOURCES	<u>928,459</u>	<u>928,459</u>	<u>1,300,684</u>	<u>372,225</u>	<u>6,789,166</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 17,901,423</u>	<u>\$ 17,901,423</u>	<u>\$ 20,263,538</u>	<u>\$ 2,362,115</u>	<u>\$ 22,972,835</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended May 31, 2020
 (With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 77,300	\$ 82,038	\$ 81,949	\$ 89	\$ 37,016
Justice	190,504	190,506	180,862	9,644	185,223
Mayor	25,500	26,785	26,785	-	21,504
Administrator	158,527	167,007	167,007	-	147,920
Auditor	46,450	39,000	39,000	-	39,000
Treasurer	272,717	270,565	243,040	27,525	233,092
Tax collector	6,500	6,500	1,105	5,395	1,000
Assessor	40,200	40,200	40,000	200	42,500
Village clerk	169,727	179,728	176,611	3,117	158,575
Law	252,000	252,000	216,210	35,790	237,715
Engineer	40,000	94,904	94,904	-	29,936
Buildings	259,000	297,585	297,576	9	258,444
Central garage	533,069	559,303	548,297	11,006	511,718
Unallocated insurance	225,000	213,809	213,809	-	214,934
Municipal association dues	5,500	5,500	5,261	239	5,261
Judgments and claims	20,000	24,311	24,311	-	24,850
Taxes and assessments	37,000	70,819	66,237	4,582	17,917
Metropolitan commuter transportation mobility tax	29,000	29,000	28,037	963	29,016
Contingent account	25,000	-	-	-	-
	<u>2,412,994</u>	<u>2,549,560</u>	<u>2,451,001</u>	<u>98,559</u>	<u>2,195,621</u>
PUBLIC SAFETY					
Police	4,369,922	4,224,561	4,155,208	69,353	4,095,719
Jail	4,500	4,500	-	4,500	-
Fire Department	288,600	253,012	215,964	37,048	286,845
Control of animals	3,360	3,360	2,245	1,115	3,494
Safety inspection	553,246	526,936	511,505	15,431	526,263
	<u>5,219,628</u>	<u>5,012,369</u>	<u>4,884,922</u>	<u>127,447</u>	<u>4,912,321</u>

HEALTH

Ambulance	202,800	212,761	212,692	69	185,598
Public health	10,000	10,000	6,000	4,000	6,000
Registrar of Vital Statistics	36,599	36,599	36,103	496	34,156
	<u>249,399</u>	<u>259,360</u>	<u>254,795</u>	<u>4,565</u>	<u>225,754</u>

TRANSPORTATION

Street administration	154,424	138,632	137,645	987	155,786
Street maintenance	918,402	1,165,147	1,165,147	-	757,343
Snow removal	146,625	103,112	87,585	15,527	166,552
Street lighting	210,000	210,000	202,949	7,051	198,332
Off-street parking	2,500	2,500	1,021	1,479	841
	<u>1,431,951</u>	<u>1,619,391</u>	<u>1,594,347</u>	<u>25,044</u>	<u>1,278,854</u>

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Sleepy Hollow LDC reimbursement	-	393,367	393,367	-	276,115
Programs for the aging	97,900	97,900	76,884	21,016	68,814
	<u>97,900</u>	<u>491,267</u>	<u>470,251</u>	<u>21,016</u>	<u>344,929</u>

CULTURE AND RECREATION

Parks, playgrounds and recreation	932,063	972,715	940,695	32,020	902,133
Youth programs	189,950	166,206	139,284	26,922	166,160
Library	758,003	758,003	758,003	-	719,399
Celebrations	51,800	51,840	47,364	4,476	50,738
Adult recreation	125,000	125,000	91,435	33,565	115,650
	<u>2,056,816</u>	<u>2,073,764</u>	<u>1,976,781</u>	<u>96,983</u>	<u>1,954,080</u>

HOME AND COMMUNITY SERVICES

Emergency tenant protection act	4,890	4,890	3,070	1,820	5,780
Planning	13,500	13,500	478	13,022	14,981
Shade trees	15,000	15,998	15,998	-	8,544
	<u>33,390</u>	<u>34,388</u>	<u>19,546</u>	<u>14,842</u>	<u>29,305</u>

EMPLOYEE BENEFITS

State retirement	1,300,000	1,300,000	1,232,860	67,140	1,227,314
Local police welfare fund	82,500	88,475	85,108	3,367	77,212
Social security	515,000	515,000	490,039	24,961	476,747
Workers' compensation benefits	450,000	450,000	434,366	15,634	446,487
Life insurance	8,500	9,182	6,643	2,539	6,409
Unemployment benefits	5,000	5,000	-	5,000	-
Hospital and medical benefits	2,237,500	2,082,452	2,082,452	-	1,998,493
	<u>4,598,500</u>	<u>4,450,109</u>	<u>4,331,468</u>	<u>118,641</u>	<u>4,232,662</u>

(Continued)

Village of Sleepy Hollow, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended May 31, 2020
 (With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2019 Actual
DEBT SERVICE					
Principal					
Serial bonds	\$ 804,600	\$ 823,840	\$ 823,840	\$ -	\$ 833,660
Bond anticipation notes	485,496	-	-	-	-
	<u>1,290,096</u>	<u>823,840</u>	<u>823,840</u>	<u>-</u>	<u>833,660</u>
Interest					
Serial bonds	236,471	229,394	229,464	(70)	255,146
Bond anticipation notes	170,421	241,340	241,340	-	75,134
	<u>406,892</u>	<u>470,734</u>	<u>470,804</u>	<u>(70)</u>	<u>330,280</u>
Refunding bond issuance costs	-	-	-	-	89,623
	<u>1,696,988</u>	<u>1,294,574</u>	<u>1,294,644</u>	<u>(70)</u>	<u>1,253,563</u>
TOTAL EXPENDITURES	<u>17,797,566</u>	<u>17,784,782</u>	<u>17,277,755</u>	<u>507,027</u>	<u>16,427,089</u>
OTHER FINANCING USES					
Payment to refunding bond escrow agent	-	-	-	-	5,620,095
Transfers out					
Capital Projects Fund	-	455,979	455,979	-	631,873
Sanitation Fund	114,863	114,863	114,863	-	108,210
	<u>114,863</u>	<u>570,842</u>	<u>570,842</u>	<u>-</u>	<u>6,360,178</u>
TOTAL OTHER FINANCING USES	<u>114,863</u>	<u>570,842</u>	<u>570,842</u>	<u>-</u>	<u>6,360,178</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 17,912,429</u>	<u>\$ 18,355,624</u>	<u>\$ 17,848,597</u>	<u>\$ 507,027</u>	<u>\$ 22,787,267</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Water Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 1,973,706	\$ 2,069,555
Water rents receivable	879,881	611,849
Due from other funds	70	306,243
	<u>2,853,657</u>	<u>2,987,647</u>
Other assets		
Inventories	41,935	56,241
Prepaid expenditures	23,801	26,535
	<u>65,736</u>	<u>82,776</u>
 Total Assets	 <u>\$ 2,919,393</u>	 <u>\$ 3,070,423</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 210,578	\$ 471,588
Accrued liabilities	40,714	22,025
Due to other funds	391,571	293,604
	<u>642,863</u>	<u>787,217</u>
 Total Liabilities	 <u>642,863</u>	 <u>787,217</u>
 Fund balance		
Nonspendable	65,736	82,776
Assigned	2,210,794	2,200,430
	<u>2,276,530</u>	<u>2,283,206</u>
 Total Fund Balance	 <u>2,276,530</u>	 <u>2,283,206</u>
 Total Liabilities and Fund Balance	 <u>\$ 2,919,393</u>	 <u>\$ 3,070,423</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Water Fund
 Comparative Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Years Ended May 31,

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 4,070,000	\$ 4,070,000	\$ 3,956,151	\$ (113,849)
Miscellaneous	-	-	21	21
Total Revenues	<u>4,070,000</u>	<u>4,070,000</u>	<u>3,956,172</u>	<u>(113,828)</u>
EXPENDITURES				
Current				
General government support	105,000	105,000	105,000	-
Home and community services	2,206,827	2,206,827	2,164,471	42,356
Employee benefits	520,000	520,000	463,346	56,654
Debt service				
Principal	358,861	358,861	352,408	6,453
Interest	112,409	112,409	110,720	1,689
Total Expenditures	<u>3,303,097</u>	<u>3,303,097</u>	<u>3,195,945</u>	<u>107,152</u>
Excess of Revenues Over Expenditures	766,903	766,903	760,227	(6,676)
OTHER FINANCING USES				
Transfers out	<u>(766,903)</u>	<u>(766,903)</u>	<u>(766,903)</u>	-
Net Change in Fund Balance	-	-	(6,676)	(6,676)
FUND BALANCE				
Beginning of Year	-	-	2,283,206	2,283,206
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,276,530</u>	<u>\$ 2,276,530</u>

See independent auditors' report.

2019

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 4,068,000	\$ 4,068,000	\$ 3,774,954	\$ (293,046)
-	-	-	-
<u>4,068,000</u>	<u>4,068,000</u>	<u>3,774,954</u>	<u>(293,046)</u>
100,000	101,000	101,000	-
2,163,550	2,190,083	2,252,474	(62,391)
513,000	485,467	485,467	-
225,818	225,818	352,818	(127,000)
117,864	117,864	117,864	-
<u>3,120,232</u>	<u>3,120,232</u>	<u>3,309,623</u>	<u>(189,391)</u>
947,768	947,768	465,331	(482,437)
<u>(947,768)</u>	<u>(947,768)</u>	<u>(953,217)</u>	<u>(5,449)</u>
-	-	(487,886)	(487,886)
-	-	2,771,092	2,771,092
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,283,206</u>	<u>\$ 2,283,206</u>

Village of Sleepy Hollow, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 4,285,484	\$ 3,407,469
State and Federal aid receivable	-	255,964
Due from other funds	<u>1,939,026</u>	<u>2,562,276</u>
 Total Assets	 <u>\$ 6,224,510</u>	 <u>\$ 6,225,709</u>
 LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 407,727	\$ 25,724
Due to other funds	158,399	21,707
Unearned revenues	-	63,369
Bond anticipation notes payable	<u>7,293,031</u>	<u>7,425,857</u>
 Total Liabilities	 7,859,157	 7,536,657
 Fund deficit		
Unassigned	<u>(1,634,647)</u>	<u>(1,310,948)</u>
 Total Liabilities and Fund Deficit	 <u>\$ 6,224,510</u>	 <u>\$ 6,225,709</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Years Ended May 31,

	<u>2020</u>	<u>2019</u>
REVENUES		
State aid	\$ 63,166	\$ 719,273
Federal aid	497,193	785,975
Miscellaneous	<u>(32,297)</u>	<u>52,951</u>
Total Revenues	528,062	1,558,199
EXPENDITURES		
Capital outlay	<u>2,784,768</u>	<u>2,649,261</u>
Deficiency of Revenues Over Expenditures	<u>(2,256,706)</u>	<u>(1,091,062)</u>
OTHER FINANCING SOURCES		
General obligation bonds issued	1,520,000	3,813,000
Issuance premium	47,862	-
Transfers in	455,979	637,322
Transfers out	<u>(90,834)</u>	<u>-</u>
Total Other Financing Sources	<u>1,933,007</u>	<u>4,450,322</u>
Net Change in Fund Balance	(323,699)	3,359,260
FUND DEFICIT		
Beginning of Year	<u>(1,310,948)</u>	<u>(4,670,208)</u>
End of Year	<u>\$ (1,634,647)</u>	<u>\$ (1,310,948)</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

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

	Parking Fund	Sewer Fund	Sanitation Fund
ASSETS			
Cash and equivalents	\$ 67,935	\$ 375,109	\$ 295,901
Receivables			
Accounts	5,995	-	193,763
Sewer rents	-	142,541	-
Due from other funds	-	-	31,040
	<u>5,995</u>	<u>142,541</u>	<u>224,803</u>
Prepaid expenditures	<u>2,282</u>	<u>7,890</u>	<u>8,922</u>
Total Assets	<u>\$ 76,212</u>	<u>\$ 525,540</u>	<u>\$ 529,626</u>
LIABILITIES AND FUND BALANCES (DEFICIT)			
Liabilities			
Accounts payable	\$ 2,732	\$ 16,278	\$ 26,578
Accrued liabilities	2,843	20,509	25,823
Due to other funds	68,095	98,880	-
Unearned revenues	5,070	-	-
Total Liabilities	<u>78,740</u>	<u>135,667</u>	<u>52,401</u>
Fund balances (deficit)			
Nonspendable	2,282	7,890	8,922
Restricted	-	-	-
Assigned	-	381,983	468,303
Unassigned	<u>(4,810)</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficit)	<u>(2,528)</u>	<u>389,873</u>	<u>477,225</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 76,212</u>	<u>\$ 525,540</u>	<u>\$ 529,626</u>

See independent auditors' report.

Special Purpose Fund	Total Non-Major Governmental Funds	
	2020	2019
\$ 691,565	\$ 1,430,510	\$ 1,671,999
-	199,758	186,725
-	142,541	99,718
-	31,040	115,908
-	373,339	402,351
-	19,094	20,632
<u>\$ 691,565</u>	<u>\$ 1,822,943</u>	<u>\$ 2,094,982</u>
\$ -	\$ 45,588	\$ 19,696
-	49,175	15,791
40	167,015	362,632
-	5,070	-
40	266,848	398,119
-	19,094	20,632
691,525	691,525	700,307
-	850,286	975,924
-	(4,810)	-
691,525	1,556,095	1,696,863
<u>\$ 691,565</u>	<u>\$ 1,822,943</u>	<u>\$ 2,094,982</u>

Village of Sleepy Hollow, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended May 31, 2020
(With Comparative Totals for 2019)

	Parking Fund	Sewer Fund	Sanitation Fund
REVENUES			
Departmental income	\$ 265,908	\$ 647,698	\$ 681,312
Use of money and property	511	-	-
Miscellaneous	-	-	-
Total Revenues	266,419	647,698	681,312
EXPENDITURES			
Current			
General government support	20,000	25,000	16,000
Transportation	152,680	-	-
Home and community services	-	502,458	503,007
Employee benefits	72,617	167,024	175,564
Debt service			
Principal	28,974	86,778	-
Interest	3,365	17,255	-
Total Expenditures	277,636	798,515	694,571
Excess (Deficiency) of Revenues Over Expenditures	(11,217)	(150,817)	(13,259)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	114,863
Transfers out	(44,163)	(27,393)	-
Total Other Financing Sources (Uses)	(44,163)	(27,393)	114,863
Net Change in Fund Balances	(55,380)	(178,210)	101,604
FUND BALANCES (DEFICIT)			
Beginning of Year	52,852	568,083	375,621
End of Year	<u>\$ (2,528)</u>	<u>\$ 389,873</u>	<u>\$ 477,225</u>

See independent auditors' report.

Special Purpose Fund	Total Non-Major Governmental Funds	
	2020	2019
\$ -	\$ 1,594,918	\$ 1,626,492
1,025	1,536	1,558
9,904	9,904	19,604
<u>10,929</u>	<u>1,606,358</u>	<u>1,647,654</u>
-	61,000	61,000
-	152,680	145,924
19,711	1,025,176	842,027
-	415,205	438,510
-	115,752	115,522
-	20,620	23,445
<u>19,711</u>	<u>1,790,433</u>	<u>1,626,428</u>
<u>(8,782)</u>	<u>(184,075)</u>	<u>21,226</u>
-	114,863	108,210
-	(71,556)	(32,752)
-	43,307	75,458
<u>(8,782)</u>	<u>(140,768)</u>	<u>96,684</u>
<u>700,307</u>	<u>1,696,863</u>	<u>1,600,179</u>
<u>\$ 691,525</u>	<u>\$ 1,556,095</u>	<u>\$ 1,696,863</u>

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Village of Sleepy Hollow, New York

Parking Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 67,935	\$ 306,453
Accounts receivable	5,995	14,030
	<u>73,930</u>	<u>320,483</u>
Prepaid expenditures	2,282	2,294
Total Assets	<u>\$ 76,212</u>	<u>\$ 322,777</u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 2,732	\$ 3,156
Accrued liabilities	2,843	4,151
Due to other funds	68,095	262,618
Unearned revenues	5,070	-
Total Liabilities	<u>78,740</u>	<u>269,925</u>
Fund balance (deficits)		
Nonspendable	2,282	2,294
Assigned	-	50,558
Unassigned	<u>(4,810)</u>	<u>-</u>
Total Fund Balance (Deficit)	<u>(2,528)</u>	<u>52,852</u>
Total Liabilities and Fund Balance	<u>\$ 76,212</u>	<u>\$ 322,777</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Parking Fund

Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended May 31,

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 372,000	\$ 372,000	\$ 265,908	\$ (106,092)
Use of money and property	-	-	511	511
Total Revenues	<u>372,000</u>	<u>372,000</u>	<u>266,419</u>	<u>(105,581)</u>
EXPENDITURES				
Current				
General government support	20,000	20,000	20,000	-
Transportation	200,498	200,498	152,680	47,818
Employee benefits	75,000	75,000	72,617	2,383
Debt service				
Principal	28,974	28,974	28,974	-
Interest	3,365	3,365	3,365	-
Total Expenditures	<u>327,837</u>	<u>327,837</u>	<u>277,636</u>	<u>50,201</u>
Excess (Deficiency) of Revenues Over Expenditures	44,163	44,163	(11,217)	(55,380)
OTHER FINANCING USES				
Transfers out	(44,163)	(44,163)	(44,163)	-
Net Change in Fund Balance	-	-	(55,380)	(55,380)
FUND BALANCE (DEFICIT)				
Beginning of Year	-	-	52,852	52,852
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,528)</u>	<u>\$ (2,528)</u>

See independent auditors' report.

2019

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 477,000	\$ 477,000	\$ 321,053	\$ (155,947)
-	-	396	396
477,000	477,000	321,449	(155,551)
20,000	20,000	20,000	-
181,829	181,828	145,924	35,904
75,000	75,001	71,644	3,357
27,653	27,653	27,653	-
3,860	3,860	3,860	-
308,342	308,342	269,081	39,261
168,658	168,658	52,368	(116,290)
(168,658)	(168,658)	-	168,658
-	-	52,368	52,368
-	-	484	484
\$ -	\$ -	\$ 52,852	\$ 52,852

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Village of Sleepy Hollow, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 375,109	\$ 466,957
Receivables		
Sewer rents receivable	142,541	99,718
Due from other funds	-	51,977
	<u>142,541</u>	<u>151,695</u>
Prepaid expenditures	<u>7,890</u>	<u>7,961</u>
Total Assets	<u>\$ 525,540</u>	<u>\$ 626,613</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 16,278	\$ 1,378
Accrued liabilities	20,509	7,078
Due to other funds	<u>98,880</u>	<u>50,074</u>
Total Liabilities	<u>135,667</u>	<u>58,530</u>
Fund balance		
Nonspendable	7,890	7,961
Assigned	<u>381,983</u>	<u>560,122</u>
Total Fund Balance	<u>389,873</u>	<u>568,083</u>
Total Liabilities and Fund Balance	<u>\$ 525,540</u>	<u>\$ 626,613</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Sewer Fund

Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended May 31,

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 680,000	\$ 680,000	\$ 647,698	\$ (32,302)
EXPENDITURES				
Current				
General government support	25,000	25,000	25,000	-
Home and community services	356,319	522,251	502,458	19,793
Employee benefits	165,000	170,193	167,024	3,169
Debt service				
Principal	88,565	88,565	86,778	1,787
Interest	17,723	17,723	17,255	468
Total Expenditures	<u>652,607</u>	<u>823,732</u>	<u>798,515</u>	<u>25,217</u>
Excess (Deficiency) of Revenues Over Expenditures	27,393	(143,732)	(150,817)	(7,085)
OTHER FINANCING USES				
Transfers out	<u>(27,393)</u>	<u>(27,393)</u>	<u>(27,393)</u>	<u>-</u>
Net Change in Fund Balance	-	(171,125)	(178,210)	(7,085)
FUND BALANCE				
Beginning of Year	<u>-</u>	<u>171,125</u>	<u>568,083</u>	<u>396,958</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 389,873</u>	<u>\$ 389,873</u>

See independent auditors' report.

2019

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 680,000	\$ 680,000	\$ 619,488	\$ (60,512)
25,000	25,000	25,000	-
349,794	348,386	348,384	2
165,000	166,408	168,824	(2,416)
87,869	87,869	87,869	-
19,585	19,585	19,585	-
<u>647,248</u>	<u>647,248</u>	<u>649,662</u>	<u>(2,414)</u>
32,752	32,752	(30,174)	(62,926)
<u>(32,752)</u>	<u>(32,752)</u>	<u>(32,752)</u>	<u>-</u>
-	-	(62,926)	(62,926)
<u>-</u>	<u>-</u>	<u>631,009</u>	<u>631,009</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 568,083</u>	<u>\$ 568,083</u>

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Village of Sleepy Hollow, New York

Sanitation Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 295,901	\$ 198,062
Receivables		
Accounts	193,763	172,695
Due from other funds	<u>31,040</u>	<u>63,931</u>
	<u>224,803</u>	<u>236,626</u>
Prepaid expenditures	<u>8,922</u>	<u>10,377</u>
Total Assets	<u><u>\$ 529,626</u></u>	<u><u>\$ 445,065</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 26,578	\$ 15,162
Accrued liabilities	25,823	4,562
Due to other funds	<u>-</u>	<u>49,720</u>
Total Liabilities	<u>52,401</u>	<u>69,444</u>
Fund balance		
Nonspendable	8,922	10,377
Assigned	<u>468,303</u>	<u>365,244</u>
Total Fund Balance	<u>477,225</u>	<u>375,621</u>
Total Liabilities and Fund Balance	<u><u>\$ 529,626</u></u>	<u><u>\$ 445,065</u></u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Sanitation Fund

Comparative Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Years Ended May 31,

2020

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 650,000	\$ 650,000	\$ 681,312	\$ 31,312
EXPENDITURES				
Current				
General government support	16,000	16,000	16,000	-
Home and community services	548,863	548,863	503,007	45,856
Employee benefits	200,000	200,000	175,564	24,436
Total Expenditures	764,863	764,863	694,571	70,292
Deficiency of Revenues Over Expenditures	(114,863)	(114,863)	(13,259)	101,604
OTHER FINANCING SOURCES				
Transfers in	114,863	114,863	114,863	-
Net Change in Fund Balance	-	-	101,604	101,604
FUND BALANCE				
Beginning of Year	-	-	375,621	375,621
End of Year	\$ -	\$ -	\$ 477,225	\$ 477,225

See independent auditors' report.

2019

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 647,500	\$ 647,500	\$ 685,951	\$ 38,451
16,000	16,000	16,000	-
539,710	539,710	493,643	46,067
200,000	200,000	198,042	1,958
755,710	755,710	707,685	48,025
(108,210)	(108,210)	(21,734)	86,476
108,210	108,210	108,210	-
-	-	86,476	86,476
-	-	289,145	289,145
\$ -	\$ -	\$ 375,621	\$ 375,621

Village of Sleepy Hollow, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	<u>\$ 691,565</u>	<u>\$ 700,527</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	\$ 40	\$ 220
Fund balance		
Restricted	<u>691,525</u>	<u>700,307</u>
Total Liabilities and Fund Balance	<u>\$ 691,565</u>	<u>\$ 700,527</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Special Purpose Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended May 31,

	<u>2020</u>	<u>2019</u>
REVENUES		
Use of money and property	\$ 1,025	\$ 1,162
Miscellaneous	<u>9,904</u>	<u>19,604</u>
Total Revenues	10,929	20,766
EXPENDITURES		
Home and Community Services	<u>19,711</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	(8,782)	20,766
FUND BALANCE		
Beginning of Year	<u>700,307</u>	<u>679,541</u>
End of Year	<u>\$ 691,525</u>	<u>\$ 700,307</u>

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