

Village of Sleepy Hollow, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2021

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	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet - Governmental Funds	16
Reconciliation of Governmental Funds Balance Sheet to the Government- Wide Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Water Funds	22
Notes to Financial Statements	24
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Changes in the Village's Total OPEB Liability and Related Ratios	60
New York State and Local Employees' Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability	61
Schedule of Contributions	61
New York State and Local Police and Fire Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability	62
Schedule of Contributions	62
Fire Service Awards Program	
Schedule of Changes in the Village's Total Pension Liability	63
Ambulance Service Awards Program	
Schedule of Changes in the Village's Total Pension Liability	64
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Combining Balance Sheet - Sub-Funds	65
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Sub-Funds	66
Comparative Balance Sheet - Sub-Fund	68
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Sub-Fund	69
Schedule of Revenues and Other Financing Sources Compared to Budget	71
Schedule of Expenditures and Other Financing Uses Compared to Budget	73

Village of Sleepy Hollow, New York

Table of Contents (Concluded)

	<u>Page No.</u>
Water Fund	
Comparative Balance Sheet	76
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	77
Capital Projects Fund	
Comparative Balance Sheet	79
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	80
Non-Major Governmental Funds	
Combining Balance Sheet	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	83
Parking Fund	
Comparative Balance Sheet	85
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	86
Sewer Fund	
Comparative Balance Sheet	88
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	89
Sanitation Fund	
Comparative Balance Sheet	91
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	92
Special Purpose Fund	
Comparative Balance Sheet	94
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	95

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, 2021, 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 \$41,208,104 as of May 31, 2021 and total revenues of \$2,017,925 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, 2021, 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 Matter

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

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, 2021 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, 2021 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, 2021 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2021.

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, 2020 (not presented herein), and have issued our report thereon dated March 23, 2021, 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, 2020 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 2020 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2020.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
February 18, 2022

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Village of Sleepy Hollow, New York

Management's Discussion and Analysis (MD&A)
May 31, 2021

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, 2021 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 2021 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 2021 by \$28,689,590. Of this amount, the unrestricted portion is a deficit of \$45,869,184 and net investment in capital assets is \$15,311,043. The restricted amount of \$1,868,551 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, 2021 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, 2021, the Village reported a liability of \$55,508,485, an increase of \$11,009,736 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.
- The Village applied for and was successful in securing several grants to partially fund a multi-million dollar revitalization project called the *Sleepy Hollow Common*. The project will transform 29 acres of property originally owned by General Motors and will include a state-of-the-art department of public works facility, community center, ball fields, trails, open space and a nature preserve. The Village, through its Local Development Corporation, secured over \$5 million in grant funding for this project. The first of these grants required a Village match of \$1.5 million. This fiscal year the Village was able to use its healthy General Fund fund balance to provide this match, thereby eliminating the need to borrow for these funds.

- 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 \$11,575,353; a decrease of \$854,792 from the prior year's fund balance of \$12,430,145 (after the impact of GASB Statement No. 84).
 - Of this balance, \$6,427,086 (excluding Capital Projects Fund) or 55.52%, is unassigned for fiscal year 2021. 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 fund balance decreased by \$757,139 to \$7,925,381 from \$8,682,520. At the end of the fiscal years 2021 and 2020, unassigned fund balance for the General Fund was \$6,511,989 or 82.17% and \$7,858,812 or 90.51% respectively, of total General Fund expenditures and other financing uses. This indicates a reduction in the unassigned fund balance for general activities of the Village.
- The Village retired \$1,382,000 of long-term debt. During the current fiscal year, the Village issued bond anticipation notes for Capital Projects of \$10,914,367.

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. In accordance with GASB Statement No. 84, "*Fiduciary Activities*" the Village had no such activity to report in this fund category.

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, 2021, the liabilities of the Village exceeded the assets by \$28,689,590.

The Village's total net position decreased by \$3,311,211 for the year ended May 31, 2021, 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"), Length of Award Programs and Other Postemployment Benefit Obligations ("OPEB") required under the provisions of Governmental Accounting Standards Board ("GASB") Statements No. 68, No. 73 and No. 75. The GASB is charged with developing the accounting rules that apply to governments. For the year ending May 31, 2021, the village had deferred outflows of resources of \$19,056,058, deferred inflows of resources of \$13,908,186 and a net pension liability of \$1,893,867 related to NYSLRS, \$1,764,814 related to the total pension liability and \$55,508,485 for OPEB.

Net Position

	May 31,	
	2021	2020
Current Assets	\$ 21,471,796	\$ 20,563,610
Capital Assets, net	35,347,796	35,188,024
Total Assets	56,819,592	55,751,634
Deferred Outflows of Resources	19,056,058	8,858,596
Current Liabilities	13,894,813	9,920,725
Non-Current Liabilities	76,762,241	73,247,772
Total Liabilities	90,657,054	83,168,497
Deferred Inflows of Resources	13,908,186	5,209,521
Net Position		
Net Investment in Capital Assets	15,311,043	14,442,685
Restricted	1,868,551	1,656,701
Unrestricted	(45,869,184)	(39,867,174)
Total Net Position	\$ (28,689,590)	\$ (23,767,788)

Change in Net Position

	May 31,	
	2021	2020
REVENUES		
Program Revenues		
Charges for Services	\$ 7,495,231	\$ 8,197,604
Operating Grants and Contributions	330,307	303,679
Capital Grants and Contributions	746,743	576,267
Total Program Revenues	8,572,281	9,077,550
General Revenues		
Real Property Taxes	12,534,646	12,454,052
Other Tax Items	737,891	695,376
Non-Property Taxes	2,562,438	2,238,984
Unrestricted Use of Money and Property	121,041	97,485
Sale of Property and Compensation for Loss	52	11,545
Unrestricted State Aid	204,062	315,748
Insurance recoveries	103,326	202,859
Miscellaneous	69,636	95,095
Total General Revenues	16,333,092	16,111,144
Total Revenues	24,905,373	25,188,694
PROGRAM EXPENSES		
General Government Support	4,831,308	4,067,437
Public Safety	10,511,881	10,543,152
Health	336,218	358,785
Transportation	2,742,815	2,551,805
Economic Opportunity and Development	2,129,103	479,154
Culture and Recreation	2,688,633	2,988,376
Home and Community Services	4,478,543	4,857,838
Interest	498,083	526,222
Total Expenses	28,216,584	26,372,769
Change in Net Position	(3,311,211)	(1,184,075)
NET POSITION		
Beginning, as reported	(25,463,379)	(22,583,713)
Cumulative Effect of Change in Accounting Principle	85,000	-
Beginning, as restated	(25,378,379)	(22,583,713)
Ending	\$ (28,689,590)	\$ (23,767,788)

Governmental Activities

For the fiscal years ended May 31, 2021 and 2020, revenues from governmental activities totaled \$24,905,373 and \$25,188,694, respectively. Tax revenues \$15,834,975 in 2021 and \$15,388,412 in 2020, comprised of real property taxes, other tax items and non-property taxes; and represented the largest revenue source (63.8% in 2021 and 61.1% in 2020).

The largest components of governmental activities' expenditures are public safety (37.3% in 2021 and 40.0% in 2020), home and community services (15.9% in 2021 and 18.4% in 2020), general government support (17.1% in 2021 and 15.4% in 2020) and culture and recreation (9.5% in 2021 and 11.3% in 2020). 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>2021</u>	<u>2020</u>
General	\$ 7,925,381	\$ 8,682,520
Water	2,333,826	2,276,530
Parking	(82,578)	(2,528)
Sewer	300,710	389,873
Sanitation	559,389	477,225
Special Purpose	538,625	691,525
Capital Projects	<u>(3,783,922)</u>	<u>(1,634,647)</u>
	<u>\$ 7,791,431</u>	<u>\$ 10,880,498</u>

Exclusive of the Capital Projects Fund, the combined ending fund balance is \$11,575,353 of which \$7,282,046 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 \$6,511,989, representing 82.17% of the total General Fund balance of \$7,925,381. When the fiscal year 2020-21 General Fund budget was adopted, it anticipated that revenues would equal expenditures. Actual results of operations resulted in a decrease in the fund balance of \$757,139. Revenues and other financing sources were \$19,389,780, which was \$1,350,345 more than the final budget. This increase was primarily due to building permits from the Edge on Hudson development project and an increase in Sales Tax received. Expenditures and other financing uses were \$20,146,919, which was \$269,100 more than the final budget. This was primarily due to unexpected expenses related to COVID-19 (sanitizing of buildings; purchases of masks/other PPE) and unbudgeted debt service payments related to a bond refunding.

The Capital Projects Fund has an unassigned fund balance of \$(3,783,922). A majority of the capital projects have been financed by long term debt and grants as of May 31, 2021.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2021, net of accumulated depreciation, was \$35,347,796. 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,	
	2021	2020
Land	\$ 2,938,414	\$ 2,938,414
Construction-in-Progress	2,131,512	919,156
Buildings	5,616,944	5,853,287
Land Improvements	4,723,683	4,532,608
Infrastructure	14,267,741	15,185,211
Machinery and Equipment	5,669,502	5,759,348
Total (net of depreciation)	<u>\$ 35,347,796</u>	<u>\$ 35,188,024</u>

Long-Term Debt

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$15,302,000. 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 continued to create substantial economic volatility on a global scale. We saw an increase in revenues from Edge on Hudson building permits and an increase in Sales Tax received, which allowed the Village to provide a \$1.5 million grant match from our healthy General Fund unassigned fund balance.

The uncertain economic climate will continue to have an impact on our local economy. Housing prices are slightly improving and high unemployment continues to reduce disposable incomes; but with the new Edge on Hudson construction currently underway, the Village is looking at moderate growth in our future assessments over the next few years. The Village will continue to eliminate or reduce non-essential spending as always, 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.

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Village of Sleepy Hollow, New York

Statement of Net Position
May 31, 2021

	Primary Government	Component Unit
	Governmental Activities	Sleepy Hollow Local Development Corporation
ASSETS		
Cash and equivalents	\$ 18,822,372	\$ 394,611
Restricted cash	-	24,243,107
Receivables		
Taxes, net	41,439	-
Accounts	353,564	-
Water rents	1,045,145	-
Sewer rents	169,470	-
State and Federal aid	72,722	-
Due from other governments	643,194	-
Inventories	41,935	-
Deposits	-	135
Prepaid expenses	281,955	40,143
Capital assets		
Not being depreciated	5,069,926	16,498,718
Being depreciated, net	30,277,870	31,390
Total Assets	<u>56,819,592</u>	<u>41,208,104</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding bonds	109,354	-
Pension related	8,172,318	-
Length of service award program(s)	134,218	-
OPEB related	10,640,168	-
Total Deferred Outflows of Resources	<u>19,056,058</u>	<u>-</u>
LIABILITIES		
Accounts payable	1,594,491	482,222
Accrued liabilities	570,738	-
Deposit payable	577,112	-
Unearned revenues	22,129	-
Bond anticipation notes payable	10,914,367	-
Accrued interest payable	215,976	-
Non-current liabilities		
Due within one year	1,626,034	90,000
Due in more than one year	75,136,207	34,910,000
Total Liabilities	<u>90,657,054</u>	<u>35,482,222</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	9,948,473	-
OPEB related	3,959,713	-
Total Deferred Inflows of Resources	<u>13,908,186</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	15,311,043	4,134,052
Restricted		
Snow removal	1,559	-
Debt service	185,020	1,158,208
Future capital projects	3	-
Special Revenue Funds		
Water	1,143,344	-
Special purpose	538,625	-
Unrestricted	(45,869,184)	433,622
Total Net Position	<u>\$ (28,689,590)</u>	<u>\$ 5,725,882</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, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government support	\$ 4,831,308	\$ 158,629	\$ 7,224	\$ 10,177
Public safety	10,511,881	1,662,473	-	58,136
Health	336,218	191,980	-	-
Transportation	2,742,815	206,060	69,167	678,430
Economic opportunity and development	2,129,103	-	-	-
Culture and recreation	2,688,633	97,117	29,912	-
Home and community services	4,478,543	5,178,972	224,004	-
Interest	498,083	-	-	-
Total Governmental Activities	<u>\$ 28,216,584</u>	<u>\$ 7,495,231</u>	<u>\$ 330,307</u>	<u>\$ 746,743</u>
Component unit				
Sleepy Hollow Local Development Corporation	<u>\$ 1,279,548</u>	<u>\$ 2,017,925</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, as reported

Cumulative Effect of Change in Accounting Principle

Net Position - Beginning, as restated

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
\$ (4,655,278)	\$ -
(8,791,272)	-
(144,238)	-
(1,789,158)	-
(2,129,103)	-
(2,561,604)	-
924,433	-
(498,083)	-
(19,644,303)	-
-	738,377
12,534,646	-
617,651	-
120,240	-
147,213	-
137,495	-
2,277,730	-
121,041	-
52	-
204,062	-
69,636	-
103,326	-
16,333,092	-
(3,311,211)	738,377
(25,463,379)	4,987,505
85,000	-
(25,378,379)	4,987,505
\$ (28,689,590)	\$ 5,725,882

Village of Sleepy Hollow, New York

Balance Sheet
 Governmental Funds
 May 31, 2021

	General	Water	Capital Projects
ASSETS			
Cash and equivalents	\$ 7,951,080	\$ 1,479,759	\$ 8,272,545
Taxes receivable, net of allowance for uncollectible taxes	41,439	-	-
Other receivables			
Accounts	107,249	-	-
Water rents	-	1,045,145	-
Sewer rents	-	-	-
State and Federal aid	72,722	-	-
Due from other governments	643,194	-	-
Due from other funds	1,132,469	2,592	-
	<u>1,955,634</u>	<u>1,047,737</u>	<u>-</u>
Other assets			
Inventories	-	41,935	-
Prepaid expenditures	239,983	22,446	-
	<u>239,983</u>	<u>64,381</u>	<u>-</u>
Total Assets	<u>\$ 10,188,136</u>	<u>\$ 2,591,877</u>	<u>\$ 8,272,545</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 1,139,820	\$ 234,956	\$ 186,072
Accrued liabilities	526,444	23,095	-
Deposit payable	577,112	-	-
Due to other funds	2,592	-	956,028
Unearned revenues	15,259	-	-
Bond anticipation notes payable	-	-	10,914,367
	<u>2,261,227</u>	<u>258,051</u>	<u>12,056,467</u>
Total Liabilities	<u>2,261,227</u>	<u>258,051</u>	<u>12,056,467</u>
Deferred inflows of resources			
Deferred tax revenues	1,528	-	-
	<u>1,528</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,262,755</u>	<u>258,051</u>	<u>12,056,467</u>
Fund balances (deficits)			
Nonspendable	239,983	64,381	-
Restricted	373,198	-	-
Assigned	800,211	2,269,445	-
Unassigned	6,511,989	-	(3,783,922)
	<u>7,925,381</u>	<u>2,333,826</u>	<u>(3,783,922)</u>
Total Fund Balances (Deficits)	<u>7,925,381</u>	<u>2,333,826</u>	<u>(3,783,922)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 10,188,136</u>	<u>\$ 2,591,877</u>	<u>\$ 8,272,545</u>

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

Non-Major Governmental	Total Governmental Funds
\$ 1,118,988	\$ 18,822,372
-	41,439
246,315	353,564
-	1,045,145
169,470	169,470
-	72,722
-	643,194
-	1,135,061
415,785	3,419,156
-	41,935
19,526	281,955
19,526	323,890
\$ 1,554,299	\$ 22,606,857
\$ 33,643	\$ 1,594,491
21,199	570,738
-	577,112
176,441	1,135,061
6,870	22,129
-	10,914,367
238,153	14,813,898
-	1,528
238,153	14,815,426
19,526	323,890
538,625	911,823
842,898	3,912,554
(84,903)	2,643,164
1,316,146	7,791,431
\$ 1,554,299	\$ 22,606,857

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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, 2021

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

Fund Balances - Total Governmental Funds	\$ 7,791,431
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital Assets - non-depreciable	5,069,926
Capital Assets - depreciable	123,565,697
Accumulated depreciation	<u>(93,287,827)</u>
	<u>35,347,796</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	8,172,318
Deferred outflows - OPEB related	10,640,168
Deferred outflows - length of service award program(s)	134,218
Deferred inflows - pension related	(9,948,473)
Deferred inflows - OPEB related	<u>(3,959,713)</u>
	<u>5,038,518</u>
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reflected as deferred revenues in the funds.	
Revenues not available	
Real property taxes	<u>1,528</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(215,976)
General obligation bonds payable	(15,302,000)
Retirement incentives and other pension obligations	(229,634)
Total pension liability	(1,764,814)
Net pension liability	(1,893,867)
Compensated absences	(1,003,256)
Total OPEB liability	<u>(55,508,485)</u>
	<u>(75,918,032)</u>
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amount on refunding	109,354
Premium on general obligation bonds	<u>(1,060,185)</u>
	<u>(950,831)</u>
Net Position of Governmental Activities	<u>\$ (28,689,590)</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, 2021

	General	Water	Capital Projects
REVENUES			
Real property taxes	\$ 12,534,646	\$ -	\$ -
Other tax items	737,891	-	-
Non-property taxes	2,562,438	-	-
Departmental income	622,888	3,728,315	-
Use of money and property	208,735	-	-
Licenses and permits	1,494,153	-	-
Fines and forfeitures	27,951	-	-
Sale of property and compensation for loss	52	-	-
State aid	273,229	-	58,136
Federal aid	-	-	678,430
Miscellaneous	76,860	189,051	10,177
Total Revenues	18,538,843	3,917,366	746,743
EXPENDITURES			
Current			
General government support	3,035,015	105,000	-
Public safety	4,968,294	-	-
Health	179,662	-	-
Transportation	1,411,639	-	-
Economic opportunity and development	2,118,473	-	-
Culture and recreation	1,781,602	-	-
Home and community services	69,639	2,187,774	-
Employee benefits	4,726,420	430,449	-
Debt service			
Principal	918,267	348,134	-
Interest	488,258	115,015	-
Capital outlay	-	-	3,236,105
Total Expenditures	19,697,269	3,186,372	3,236,105
Excess (Deficiency) of Revenues Over Expenditures	(1,158,426)	730,994	(2,489,362)
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	103,326	-	-
Issuance premium	-	-	-
Transfers in	747,611	-	340,087
Transfers out	(449,650)	(673,698)	-
Total Other Financing Sources (Uses)	401,287	(673,698)	340,087
Net Change in Fund Balances	(757,139)	57,296	(2,149,275)
FUND BALANCES (DEFICITS)			
Beginning of Year, as restated	8,682,520	2,276,530	(1,634,647)
End of Year	<u>\$ 7,925,381</u>	<u>\$ 2,333,826</u>	<u>\$ (3,783,922)</u>

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

Non - Major Governmental	Total Governmental Funds
\$ -	\$ 12,534,646
-	737,891
-	2,562,438
1,534,132	5,885,335
566	209,301
-	1,494,153
-	27,951
-	52
-	331,365
-	678,430
64,397	340,485
<u>1,599,095</u>	<u>24,802,047</u>
61,000	3,201,015
-	4,968,294
-	179,662
155,621	1,567,260
-	2,118,473
-	1,781,602
1,005,575	3,262,988
430,963	5,587,832
115,599	1,382,000
20,936	624,209
-	3,236,105
<u>1,789,694</u>	<u>27,909,440</u>
<u>(190,599)</u>	<u>(3,107,393)</u>
-	103,326
-	-
109,563	1,197,261
(73,913)	(1,197,261)
<u>35,650</u>	<u>103,326</u>
(154,949)	(3,004,067)
<u>1,471,095</u>	<u>10,795,498</u>
<u>\$ 1,316,146</u>	<u>\$ 7,791,431</u>

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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, 2021

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

Net Change in Fund Balances - Total Governmental Funds \$ (3,004,067)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	2,571,477
Depreciation expense	<u>(2,411,705)</u>
	<u>159,772</u>

Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal paid on general obligation bonds	1,382,000
Retirement incentives and other pension obligations	<u>75,697</u>
	<u>1,457,697</u>

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	(5,022)
Changes in pension liabilities and related deferred outflows and inflows of resources	348,340
Changes in length of service awards program liabilities and related deferred outflows and inflows of resources	(105,005)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(2,289,052)
Accrued interest	23,165
Amortization of loss on refunding bonds and issuance premium	<u>102,961</u>
	<u>(1,924,613)</u>

Change in Net Position of Governmental Activities \$ (3,311,211)

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, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 12,539,650	\$ 12,539,650	\$ 12,534,646	\$ (5,004)
Other tax items	725,000	725,000	737,891	12,891
Non-property taxes	2,086,250	2,086,250	2,562,438	476,188
Departmental income	586,974	586,974	622,888	35,914
Use of money and property	110,688	110,688	208,735	97,671
Licenses and permits	758,000	758,000	1,494,153	736,153
Fines and forfeitures	80,000	80,000	27,951	(52,049)
Sale of property and compensation for loss	5,000	5,000	52	(4,948)
State aid	248,119	248,119	273,229	25,110
Miscellaneous	52,500	51,767	76,860	25,093
Total Revenues	<u>17,192,181</u>	<u>17,191,448</u>	<u>18,538,843</u>	<u>1,347,019</u>
EXPENDITURES				
Current				
General government support	2,904,389	2,913,277	3,035,015	(121,738)
Public safety	5,077,502	5,059,182	4,968,294	(46,502)
Health	257,524	228,512	179,662	-
Transportation	1,404,149	1,411,639	1,411,639	-
Economic opportunity and development	564,600	2,131,294	2,118,473	12,821
Culture and recreation	2,030,566	1,780,809	1,781,602	(793)
Home and community services	33,380	69,639	69,639	-
Employee benefits	4,567,450	4,685,587	4,726,420	(40,833)
Debt service				
Principal	1,138,353	798,266	918,267	(120,001)
Interest	397,316	397,316	488,258	(90,942)
Total Expenditures	<u>18,375,229</u>	<u>19,475,521</u>	<u>19,697,269</u>	<u>(407,988)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,183,048)</u>	<u>(2,284,073)</u>	<u>(1,158,426)</u>	<u>939,031</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	100,000	100,000	103,326	3,326
Issuance premium	-	-	-	-
Transfers in	747,611	747,611	747,611	-
Transfers out	(109,563)	(588,538)	(449,650)	138,888
Total Other Financing Sources (Uses)	<u>738,048</u>	<u>259,073</u>	<u>401,287</u>	<u>142,214</u>
Net Change in Fund Balances	<u>(445,000)</u>	<u>(2,025,000)</u>	<u>(757,139)</u>	<u>1,267,861</u>
FUND BALANCES				
Beginning of Year	<u>445,000</u>	<u>2,025,000</u>	<u>8,682,520</u>	<u>6,657,520</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,925,381</u>	<u>\$ 7,925,381</u>

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

Water Fund

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
4,100,000	4,100,000	3,728,315	(371,685)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	189,051	189,051
<u>4,100,000</u>	<u>4,100,000</u>	<u>3,917,366</u>	<u>(182,634)</u>
105,000	105,000	105,000	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,338,153	2,430,913	2,187,774	243,139
520,000	522,894	430,449	92,445
348,134	321,791	348,134	(26,343)
115,015	115,859	115,015	844
<u>3,426,302</u>	<u>3,496,457</u>	<u>3,186,372</u>	<u>310,085</u>
<u>673,698</u>	<u>603,543</u>	<u>730,994</u>	<u>127,451</u>
-	-	-	-
-	-	-	-
-	70,155	-	(70,155)
<u>(673,698)</u>	<u>(673,698)</u>	<u>(673,698)</u>	<u>-</u>
<u>(673,698)</u>	<u>(603,543)</u>	<u>(673,698)</u>	<u>(70,155)</u>
-	-	57,296	57,296
-	-	2,276,530	2,276,530
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,333,826</u>	<u>\$ 2,333,826</u>

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Village of Sleepy Hollow, New York

Notes to Financial Statements

May 31, 2021

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

A. Financial Reporting Entity

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

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

While separate government-wide and fund financial statements are presented, they are interrelated. 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

Note 1 - Summary of Significant Accounting Policies (Continued)

expenditures for specified purposes other than debt service or capital projects. The major special revenue fund of the Village is as follows:

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 grantor or contributor stipulations.

Fiduciary Funds (Not included in Government-Wide Financial Statements) – The Fiduciary Funds are used to account for assets held by the Village on behalf of others. In accordance with GASB Statement No. 84, “*Fiduciary Activities*”, the Village had no such activity to report in this fund category.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary funds. The Custodial 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

Note 1 - Summary of Significant Accounting Policies (Continued)

are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to retirement incentives and other pension obligations, net pension liability, compensated absences and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Risk Disclosure

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

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Village’s deposits may not be returned to it. GASB Statement No. 40, “*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*”, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution’s trust department but not in the Village’s name. The Village’s aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2021.

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, 2021,

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the 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, development costs, and construction-in-progress 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 unearned revenues in the General Fund of \$15,259 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 includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

The Village 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, fire service awards program, ambulance service awards programs, and other postemployment benefit liabilities in the government-wide financial statements. These amounts are detailed in the discussion of the Village's pension, fire service award, and other postemployment benefit liabilities in Note 3F.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Total Pension Liability - Length of Service Award Programs – The total pension liabilities for the Fire Service Awards Program and the Ambulance Service Awards Program are presented in accordance with the provisions of GASB Statement No. 73, *“Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68”*.

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

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

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

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

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the Village includes net investment in capital assets, restricted for snow removal, debt service, future capital projects and special revenue funds.

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

Fund Balances - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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 unassigned fund balance. For all government funds other than the General Fund, any deficit fund balance is reported as unassigned.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is February 18, 2022.

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.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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 funds since other means control the use of these resources (e.g. grant awards) and sometimes span a period of more than on fiscal year.
- 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.

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 2021 fiscal year was \$23,635,735 which exceeded the actual levy by \$11,096,085.

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

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 \$3,783,922 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.

D. Adoption of Accounting Standard

For the year ended May 31, 2021, the Village implemented the provisions of GASB Statement No. 84, "*Fiduciary Activities*". The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a fiduciary relationship exists. As a result of the adoption of this standard, certain transactions previously reported within governmental funds are now reflected within the Fiduciary Fund while other transactions previously reported in the Fiduciary Fund are now reflected within governmental funds.

E. Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified to conform with the current year presentation with respect to the implementation of the provisions of GASB Statement No. 84.

F. Cumulative Effect of Change in Accounting Principle

The Village implemented the provisions of GASB Statement No.84, "*Fiduciary Activities*", for the year ended May 31, 2021. Certain amounts previously reported in the Village's Fiduciary Fund are now being reported within the Special Purpose Fund. As a result, the Village has reported a cumulative effect of change in accounting principle of \$85,000 to the June 1, 2020 fund balance of the Special Purpose Fund (the earliest year presented). The Village also reported on its Statement of Activities a cumulative effect of change in accounting principle of \$85,000 to the June 1, 2020 net position of governmental activities for this same reason.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

G. Expenditures in Excess of Budget

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

	<u>Amount</u>
General Fund	
General Government Support	
Engineer	\$ 121,740
Public Safety	
Police	46,502
Culture and Recreation	
Parks, playgrounds and recreation	793
Employee Benefits	
State Retirement	40,833
Debt Service	
Serial Bond Principal	120,001
Serial Bond Interest	90,942

H. Fund Deficits

The following fund has an unassigned deficit at May 31, 2021:

Parking Fund	\$ 84,903
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Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at May 31, 2021 consisted of the following:

Taxes Receivable	
Current	\$ 177,961
Tax sale	-
Overdue	<u>105,000</u>
	282,961
Allowance for uncollectible taxes	<u>(241,522)</u>
	<u>\$ 41,439</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.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

B. Interfund Receivables/Payables

The composition of due from/to other funds at May 31, 2021 were as follows:

Fund	Due From	Due To
General	\$ 1,132,469	\$ 2,592
Water	2,592	-
Capital Projects	-	956,028
Non-Major Governmental	-	176,441
	\$ 1,135,061	\$ 1,135,061

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.

C. Capital Assets

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

	Balance June 1, 2020	Additions	Deletions	Balance May 31, 2021
Capital Assets, not being depreciated				
Land	\$ 2,938,414	\$ -	\$ -	\$ 2,938,414
Construction-in-progress	919,156	1,212,356		2,131,512
Total Capital Assets, not being depreciated	\$ 3,857,570	\$ 1,212,356	\$ -	\$ 5,069,926
Capital Assets, being depreciated				
Buildings	\$ 9,835,438	\$ -	\$ -	\$ 9,835,438
Land improvements	8,010,040	613,535	-	8,623,575
Infrastructure	89,736,817	-	-	89,736,817
Machinery and equipment	14,964,133	745,586	339,852	15,369,867
Total Capital Assets, being depreciated	122,546,428	1,359,121	339,852	123,565,697
Less Accumulated Depreciation for				
Buildings	3,982,151	236,343	-	4,218,494
Land improvements	3,477,432	422,460	-	3,899,892
Infrastructure	74,551,606	917,470	-	75,469,076
Machinery and equipment	9,204,785	835,432	339,852	9,700,365
Total Accumulated Depreciation	91,215,974	2,411,705	339,852	93,287,827
Total Capital Assets, being depreciated, net	\$ 31,330,454	\$ (1,052,584)	\$ -	\$ 30,277,870
Capital Assets, net	\$ 35,188,024	\$ 159,772	\$ -	\$ 35,347,796

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 265,287
Public Safety	1,205,853
Health	72,351
Transportation	289,405
Culture and Recreation	217,053
Home and Community Services	<u>361,756</u>
Total Depreciation Expense	<u>\$ 2,411,705</u>

Capital Assets - Component Unit

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

	Balance June 1, 2020	Additions	Balance May 31, 2021
Capital Assets, not being depreciated			
Land	\$ 2,924,694	\$ -	\$ 2,924,694
Development costs	9,757,115	2,957,896	12,715,011
Construction-in-progress - Buildings and Improvements	<u>842,500</u>	<u>16,513</u>	<u>859,013</u>
Total Capital Assets, not being depreciated	<u>\$ 13,524,309</u>	<u>\$ 2,974,409</u>	<u>\$ 16,498,718</u>
Capital Assets, being depreciated			
Equipment	\$ 73,881	\$ -	\$ 73,881
Less Accumulated Depreciation	<u>33,095</u>	<u>9,396</u>	<u>42,491</u>
Total Capital Assets, being depreciated, net	<u>\$ 40,786</u>	<u>\$ 9,396</u>	<u>\$ 31,390</u>
Capital Assets, net	<u>\$ 13,565,095</u>	<u>\$ 2,965,013</u>	<u>\$ 16,530,108</u>

D. Accrued Liabilities

Accrued liabilities at May 31, 2021 were as follows:

	Fund			Total
	General	Water	Non-Major Governmental	
Payroll and Employee Benefits	\$ 519,263	\$ 23,095	\$ 21,199	\$ 563,557
Due to Other Governments	3,707	-	-	3,707
Overpayments	<u>3,474</u>	<u>-</u>	<u>-</u>	<u>3,474</u>
	<u>\$ 526,444</u>	<u>\$ 23,095</u>	<u>\$ 21,199</u>	<u>\$ 570,738</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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, 2020	New Issues	Redemptions	Balance May 31, 2021
Capital Borrowings							
Various	11/22/2016	11/19/2021	1.25 %	\$ 118,296	\$ -	\$ 73,942	\$ 44,354
Various	11/21/2017	11/19/2021	1.25	2,910,614	-	142,874	2,767,740
Various	11/21/2018	11/19/2021	1.25	2,373,106	-	123,271	2,249,835
Various	11/20/2019	11/19/2021	1.25	1,891,015	-	-	1,891,015
Various	11/19/2020	11/19/2021	1.25	-	3,961,423	-	3,961,423
				<u>\$ 7,293,031</u>	<u>\$ 3,961,423</u>	<u>\$ 340,087</u>	<u>\$ 10,914,367</u>

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

Interest expenditures of \$145,861 were recorded in the fund financial statements in the General Fund. Interest expense of \$140,805 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, 2021:

	Balance June 1, 2020	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2021	Due Within One Year
General Obligation Bonds Payable	\$ 16,684,000	\$ -	\$ 1,382,000	\$ 15,302,000	\$ 1,447,000
Plus - Unamortized premium on bonds	1,185,972	-	125,787	1,060,185	-
	<u>17,869,972</u>	<u>-</u>	<u>1,507,787</u>	<u>16,362,185</u>	<u>1,447,000</u>
Retirement Incentives and Other Pension Obligations	305,331	-	75,697	229,634	79,034
Total Pension Liability - Length of service award program(s)	-	1,785,905	21,091	1,764,814	-
Net Pension Liability	9,575,486	-	7,681,619	1,893,867	-
Compensated Absences	998,234	105,022	100,000	1,003,256	100,000
Other Postemployment Benefit Liability	44,498,749	12,211,049	1,201,313	55,508,485	-
Total	<u>55,377,800</u>	<u>14,101,976</u>	<u>9,079,720</u>	<u>60,400,056</u>	<u>179,034</u>
Total Long-Term Liabilities	<u>\$ 73,247,772</u>	<u>\$ 14,101,976</u>	<u>\$ 10,587,507</u>	<u>\$ 76,762,241</u>	<u>\$ 1,626,034</u>
Local Development Corporation - Component Unit Revenue Bonds	<u>\$ 9,950,000</u>	<u>\$ 25,050,000</u>	<u>\$ -</u>	<u>\$ 35,000,000</u>	<u>\$ 90,000</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

General Obligation Bonds Payable

General obligation bonds payable at May 31, 2021 are comprised of the following individual issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at May 31, 2021</u>
Refunding	2014	\$ 3,325,000	August, 2024	2.00 - 2.50 %	\$ 1,180,000
Refunding	2016	2,775,000	August, 2024	2.00	1,610,000
Various Purposes	2016	4,198,400	August, 2036	2.00 - 3.40	3,565,000
EFC Statutory	2018	3,813,000	November, 2047	0.00	3,432,000
Refunding	2019	4,780,000	August, 2030	5.00	4,115,000
Public Improvements	2019	1,520,000	August, 2028	5.00	1,400,000
					<u>\$ 15,302,000</u>

Interest expenditures of \$478,348 were recorded in the fund financial statements in the funds indicated below. Interest expense of \$352,558 was recorded in the government-wide financial statements.

<u>Fund</u>	<u>Amount</u>
General	\$ 342,397
Water	115,015
Parking	2,831
Sewer	18,105
	<u>\$ 478,348</u>

Payments to Maturity

The annual requirements to amortize all outstanding bonded debt as of May 31, 2021, including interest payments of \$2,511,089 are as follows:

<u>Year Ending May 31,</u>	<u>General Obligation Bonds</u>		<u>Retirement Incentives and Other Pension Obligations</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
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	902,000	244,355	-	-	902,000	244,355
2027-2031	4,625,000	675,600	-	-	4,625,000	675,600
2032-2036	1,905,000	150,565	-	-	1,905,000	150,565
2037-2041	910,000	4,675	-	-	910,000	4,675
2042-2046	636,000	-	-	-	636,000	-
2047-2048	256,000	-	-	-	256,000	-
	<u>\$ 15,302,000</u>	<u>\$ 2,492,741</u>	<u>\$ 229,634</u>	<u>\$ 18,348</u>	<u>\$ 15,531,634</u>	<u>\$ 2,511,089</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Legal Debt Margin

The Village is subject to legal limitations on the amount of debt that it may issue. The Village's legal debt margin is 7% of the five year average full valuation of taxable real property. At May 31, 2021, that amount was \$85,007,975. As of May 31, 2021, the total outstanding debt applicable to the limit was \$15,385,224, which is 18.10% of the total debt limit.

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, 2021 totaled \$229,634.

Component Unit Debt – Revenue Bonds Payable

Long-term indebtedness of the Local Development Corporation at May 31, 2021 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, 2021</u>
Revenue Bonds	2020	\$ 35,000,000	June, 2041	3.0 %	<u>\$ 35,000,000</u>

The annual requirements to amortize the bonded debt of the Local Development Corporation as of May 31, 2021 is as follows:

<u>Year Ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 90,000	\$ 1,093,750	\$ 1,183,750
2023	100,000	1,047,300	1,147,300
2024	1,156,111	1,044,300	2,200,411
2025	1,156,111	1,009,617	2,165,728
2026	1,156,111	974,933	2,131,044
2027-2031	5,780,556	4,354,417	10,134,973
2032-2036	5,780,556	3,487,333	9,267,889
2037-2041	19,780,555	2,620,250	22,400,805
	<u>\$ 35,000,000</u>	<u>\$ 15,631,900</u>	<u>\$ 50,631,900</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.

Defined Benefit - Fire Service Awards Program

The Village's financial statements are for the year ended May 31, 2021. The information contained in this note is based on information for the Village of Sleepy Hollow Fire Department Length of Service Award Program for the program year ending on May 31, 2021, which is the most recent program year for which complete information is available. The Program is accounted for in the Village's financial statements within the Fire Service Awards Program Sub-Fund.

Plan description

The Village established a defined benefit Service Award Program (referred to as a "LOSAP" - Length Of Service Award Program - under Section 457(e)(11) of the Internal Revenue Code) effective January 1, 2020 for the active firefighter members of the Village of Sleepy Hollow Fire Department. This is a single employer defined benefit plan. The Program was established pursuant to Article 11-A of the New York State General Municipal Law. The Program provides municipally-funded deferred compensation to firefighters to facilitate the recruitment and retention of active volunteer firefighters. The Village is the Sponsor of the Program and the Program administrator.

An eligible Program Participant is defined to be an active firefighter who is at least 18 years of age and upon earning 50 or more points in a calendar year after 2020 under the provisions of the Program point system, is eligible to become a participant in the Program. Points are granted for the performance of certain activities in accordance with a system established by the Village on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 62 or the participant's age after earning 50 program points), shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity.

Benefits provided

The monthly benefits are \$20 for each year of service credit, up to a maximum of 30 years. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Board of Trustees, are authorized to invest the funds in authorized investment vehicles. Administrative costs are paid by the Village from the General Fund. Separate financial statements are not issued by the Program.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Participants covered by the benefit terms.

At the May 31, 2021 measurement date, the following participants were covered by the benefit terms.

Inactive participants currently receiving benefits payments	1
Inactive participants entitled to but not yet receiving benefits payments	10
Active participants	<u>55</u>
Total	<u><u>66</u></u>

Contributions

New York State General Municipal Law §219(d) requires the City to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Village.

Measurement of Total Pension Liability

The total pension liability at the May 31, 2021 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the May 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method: Entry Age Normal

Inflation: 3.00%

Salary Scale: None assumed

Mortality rates were based on RP-2014 Male Mortality Table projected to 2021.

Discount Rate. The discount rate used to measure the total pension liability was 2.00%. This was the yield to maturity of the Fidelity 20-Year GO AA Bond Index.

Changes in the Total Pension Liability

Balance as of 5/31/2020 measurement date	\$ 1,151,747
Service cost	46,934
Interest	28,489
Changes in assumptions or other inputs	18,949
Differences between expected and actual experience	89,322
Benefit payments	<u>(20,491)</u>
Balance as of 5/31/2021 measurement date	<u><u>\$ 1,314,950</u></u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Sensitivity of the Total Pension Liability to changes in the discount rate. The following presents the total pension liability of the Village as of the May 31, 2021 measurement date, calculated using the discount rate of 2.00%, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.00%) or 1-percentage point higher (3.00%) than the current rate:

	1% Decrease (1.00%)	Current Discount Rate (2.00%)	1% Increase (3.00%)
Total Pension Liability	\$ 1,571,000	\$ 1,314,950	\$ 1,107,000

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

For the year ended May 31, 2021, the Village recognized pension expense of \$61,292 in the Government-wide financial statements. At May 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 89,322	\$ -
Changes of assumptions or other inputs	18,949	-
	<u>\$ 108,271</u>	<u>\$ -</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended May 31,	
2022	\$ 5,266
2023	5,266
2024	5,266
2025	5,266
2026	5,266
Thereafter	<u>81,941</u>
	<u>\$ 108,271</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Defined Benefit - Ambulance Service Awards Program

The Village's financial statements are for the year ended May 31, 2021. The information contained in this note is based on information for the Village of Sleepy Hollow Ambulance Corps, Inc. Service Award Program for the program year ending on May 31, 2021, which is the most recent program year for which complete information is available. The Program is accounted for in the Village's financial statements within the Ambulance Service Awards Program Sub-Fund.

Plan description

The Village, pursuant to Article 11-AAA of General Municipal Law and legislative resolution, established a Service Awards Program (Program) for members of the Village of Sleepy Hollow Ambulance Corps, Inc. effective January 1, 2020 for active volunteer ambulance members. This Program is a single employer defined benefit plan.

Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant upon attainment of entitlement age (the later of age 65 or the participant's age after earning five years of service credit) shall be able to receive their service award, payable in the form of a ten-year monthly payment life annuity.

Benefits provided

The monthly benefits are \$20 for each year of service credit, up to a maximum of 30 years. The Program also provides disability and death benefits.

Participants covered by the benefit terms.

At the May 31, 2021 measurement date, the following participants were covered by the benefit terms.

Inactive participants currently receiving benefits payments	-
Inactive participants entitled to but not yet receiving benefits payments	1
Active participants	<u>31</u>
Total	<u><u>32</u></u>

Contributions

New York State General Municipal Law §219(d) requires the Village to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Village.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
 May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Measurement of Total Pension Liability

The total pension liability at the May 31, 2021 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the May 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method: Entry Age Normal

Inflation: 3.00%

Salary Scale: None assumed

Mortality rates were based on RP-2014 Mortality Table projected to 2021.

Discount Rate. The discount rate used to measure the total pension liability was 2.00%. This was the yield to maturity of the Fidelity 20-Year GO AA Bond Index.

Changes in the Total Pension Liability

Balance as of 5/31/2020 measurement date	\$ 373,844
Service cost	41,409
Interest	9,264
Changes in assumptions or other inputs	4,662
Differences between expected and actual experience	21,285
Benefit payments	<u>(600)</u>
Balance as of 5/31/2021 measurement date	<u>\$ 449,864</u>

Sensitivity of the Total Pension Liability to changes in the discount rate. The following presents the total pension liability of the Village as of the May 31, 2021 measurement date, calculated using the discount rate of 2.00%, as well as what the City’s total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.00%) or 1-percentage point higher (3.00%) than the current rate:

	1% Decrease (1.00%)	Current Discount Rate (2.00%)	1% Increase (3.00%)
Total Pension Liability	<u>\$ 544,000</u>	<u>\$ 449,864</u>	<u>\$ 374,000</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

For the year ended May 31, 2021, the Village recognized pension expense of \$50,673 in the Ambulance Service Award Fund. At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 21,285	\$ -
Changes of assumptions or other inputs	<u>4,662</u>	<u>-</u>
	<u>\$ 25,947</u>	<u>\$ -</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended May 31,</u>	
2022	\$ 918
2023	918
2024	918
2025	918
2026	918
Thereafter	<u>21,357</u>
	<u>\$ 25,947</u>

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

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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 2021 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	18.2 %
	4 A15	18.2
	5 A15	15.2
	6 A15	10.6
PFRS	2 384D	30.4 %
	6 384D	19.8

At May 31, 2021, 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, 2021	March 31, 2021
Net pension liability	\$ 13,639	\$ 1,880,228
Villages' proportion of the net pension liability	0.0136970 %	0.1082908 %
Change in proportion since the prior measurement date	(0.0008805) %	0.0013618 %

The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

For the year ended May 31, 2021, the Village recognized pension expense in the government-wide financial statements of \$289,457 for ERS and \$942,258 for PFRS. Pension expenditures exclusive of retirement incentives and other pension obligations of \$654,501 for ERS and \$925,554 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 354,501	\$ 925,554
Water	165,000	-
Sanitation	50,000	-
Parking	35,000	-
Sewer	<u>50,000</u>	<u>-</u>
Total	<u>\$ 654,501</u>	<u>\$ 925,554</u>

At May 31, 2021, the Village reported its proportionate share 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	\$ 166,565	\$ -	\$ 417,213	\$ -
Changes of assumptions	2,507,707	47,296	4,619,516	-
Net difference between projected and actual earnings on pension plan investments	-	3,917,823	-	5,528,699
Changes in proportion and differences between Village contributions and proportionate share of contributions	92,041	133,930	58,597	320,725
Village contributions subsequent to the measurement date	<u>130,484</u>	<u>-</u>	<u>180,195</u>	<u>-</u>
	<u>\$ 2,896,797</u>	<u>\$ 4,099,049</u>	<u>\$ 5,275,521</u>	<u>\$ 5,849,424</u>
	<u>Total</u>			
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		
Differences between expected and actual experience	\$ 583,778	\$ -		
Changes of assumptions	7,127,223	47,296		
Net difference between projected and actual earnings on pension plan investments	-	9,446,522		
Changes in proportion and differences between Village contributions and proportionate share of contributions	150,638	454,655		
Village contributions subsequent to the measurement date	<u>310,679</u>	<u>-</u>		
	<u>\$ 8,172,318</u>	<u>\$ 9,948,473</u>		

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The \$130,484 and \$180,195 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, 2022. 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
2022	\$ (255,520)	\$ (304,315)
2023	(95,782)	(106,943)
2024	(220,240)	(233,263)
2025	(761,194)	(1,012,492)
2026	-	902,915
	<u>\$ (1,332,736)</u>	<u>\$ (754,098)</u>

The total pension liability for the March 31, 2021 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, 2021	March 31, 2021
Actuarial valuation date	April 1, 2020	April 1, 2020
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	6.2%
Inflation rate	2.7%	2.7%
Cost of living adjustments	1.4%	1.4%

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020.

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

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

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target 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	32 %	4.05 %
International Equity	15	6.30
Private Equity	10	6.75
Real Estate	9	4.95
Opportunistic/ARS Portfolio	3	4.50
Credit	4	3.63
Real Assets	3	5.95
Fixed Income	23	0.00
Cash	<u>1</u>	0.50
	<u><u>100 %</u></u>	

*The real rate of return is net of the long-term inflation assumption of 2.7%.

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

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

	<u>1% Decrease (4.9%)</u>	<u>Current Assumption (5.9%)</u>	<u>1% Increase (6.9%)</u>
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 3,785,561</u>	<u>\$ 13,639</u>	<u>\$ (3,464,957)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 7,995,787</u>	<u>\$ 1,880,228</u>	<u>\$ (3,181,875)</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The components of the collective net pension liability as of the March 31, 2021 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 220,680,157,000	\$ 41,236,775,000	\$ 261,916,932,000
Fiduciary net position	220,580,583,000	39,500,500,000	260,081,083,000
Employers' net pension liability	<u>\$ 99,574,000</u>	<u>\$ 1,736,275,000</u>	<u>\$ 1,835,849,000</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>	<u>95.79%</u>	<u>99.30%</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, 2021 represent the employer contribution for the period of April 1, 2021 through May 31, 2021 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, 2021 were \$130,484 and \$180,195.

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 Postemployment Benefit Liability ("OPEB")

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit 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 postemployment 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.

At May 31, 2021, the following employees were covered by the benefit terms:

Total OPEB Liability - Beginning of Year	\$ 44,498,749
Service Cost	1,274,870
Interest	1,154,520
Difference between expected and actual experience	2,077,760
Changes in assumption	7,703,899
Benefit payments	<u>(1,201,313)</u>
Total OPEB Liability - End of Year	<u>\$ 55,508,485</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The number of participants as of May 31, 2021 was as follows:

Active Employees	64
Retired Employees	<u>55</u>
Total	<u><u>119</u></u>

The Village's total OPEB liability of \$55,508,485 was measured as of May 31, 2021 and was determined by an actuarial valuation as of June 1, 2020.

The total OPEB liability in the June 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.00%
Discount rate	1.59%
Healthcare cost trend rates	8.00% for 2020, decreasing by up to .5% per year to an ultimate rate of 5.00% for 2026

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 MP2020.

The Village's change in the total OPEB liability for the year ended May 31, 2021 is as follows:

Total OPEB Liability - Beginning of Year	\$ 44,498,749
Service Cost	1,274,870
Interest	1,154,520
Difference between expected and actual experience	2,077,760
Changes in assumption	7,703,899
Benefit payments	<u>(1,201,313)</u>
Total OPEB Liability - End of Year	<u><u>\$ 55,508,485</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 (1.59%) or 1 percentage point higher (2.59%) than the current discount rate:

	1% Decrease (0.59%)	Current Discount Rate (1.59%)	1% Increase (2.59%)
Total OPEB Liability	<u>\$ 62,917,497</u>	<u>\$ 55,508,485</u>	<u>\$ 48,099,475</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, 2021

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%)	Current Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 45,920,472</u>	<u>\$ 55,508,485</u>	<u>\$ 66,967,049</u>

For the year ended May 31, 2021, the Village recognized OPEB expense of \$3,490,365 in the government-wide financial statements. At May 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,780,937	\$ 3,959,713
Changes in assumptions	<u>8,859,231</u>	<u>-</u>
	<u>\$ 10,640,168</u>	<u>\$ 3,959,713</u>

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

<u>Year Ended May 31,</u>	
2022	\$ 1,060,975
2023	1,060,975
2024	1,060,975
2025	1,060,975
2026	1,060,975
2027 and Thereafter	<u>1,375,580</u>
	<u>\$ 6,680,455</u>

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

G. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In			Total
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ 340,087	\$ 109,563	\$ 449,650
Water Fund	673,698	-	-	673,698
Non-Major Governmental Funds	73,913	-	-	73,913
	<u>\$ 747,611</u>	<u>\$ 340,087</u>	<u>\$ 109,563</u>	<u>\$ 1,197,261</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, 2021

Note 3 - Detailed Notes on All Funds (Continued)

I. Fund Balances

	2021					2020				
	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	\$ -	\$ 41,935	\$ -	\$ -	\$ 41,935
Prepaid expenditures	239,983	22,446	-	19,526	281,955	246,977	23,801	-	19,094	289,872
Total Nonspendable	239,983	64,381	-	19,526	323,890	246,977	65,736	-	19,094	331,807
Restricted										
Snow removal	1,559	-	-	-	1,559	1,557	-	-	-	1,557
Pension benefits	186,616	-	-	-	186,616	-	-	-	-	-
Subsequent year's snow removal expenditures	-	-	-	-	-	105,000	-	-	-	105,000
Debt service	185,020	-	-	-	185,020	99,960	-	-	-	99,960
Subsequent year's debt service expenditures	-	-	-	-	-	340,000	-	-	-	340,000
Future capital projects	3	-	-	-	3	3	-	-	-	3
Special purposes (1)	-	-	-	538,625	538,625	-	-	-	691,525	691,525
Total Restricted	373,198	-	-	538,625	911,823	546,520	-	-	691,525	1,238,045
Assigned										
Purchases on order	-	-	-	-	-	-	-	-	-	-
Major funds	-	2,269,445	-	-	2,269,445	-	2,210,794	-	-	2,210,794
Parking	-	-	-	-	-	-	-	-	-	-
Sewer	-	-	-	292,647	292,647	-	-	-	381,983	381,983
Sanitation	-	-	-	550,251	550,251	-	-	-	468,303	468,303
Tax certiorari	30,211	-	-	-	30,211	30,211	-	-	-	30,211
For subsequent year's expenditures	770,000	-	-	-	770,000	-	-	-	-	-
Total Assigned	800,211	2,269,445	-	842,898	3,912,554	30,211	2,210,794	-	850,286	3,091,291
Unassigned	6,511,989	-	(3,783,922)	(84,903)	2,643,164	7,858,812	-	(1,634,647)	(4,810)	6,219,355
Total Fund Balances (Deficits)	\$ 7,925,381	\$ 2,333,826	\$ (3,783,922)	\$ 1,316,146	\$ 7,791,431	\$ 8,682,520	\$ 2,276,530	\$ (1,634,647)	\$ 1,556,095	\$ 10,880,498

Village of Sleepy Hollow, New York

Notes to Financial Statements (Continued)
May 31, 2021

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.

Restricted for Pension Benefits - the component of net position that has been set aside to be used for LOSAP Pension benefits in accordance with Article 11-A of the General Municipal Law of the State of New York.

Purchase on order represent the Village's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions. The amounts are reflected as assigned fund balance except where the assignment would cause a negative unassigned fund balance.

Assignments of fund balance are not legally required segregations but represent intended use for a specific purpose. At May 31, 2021, 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 and Parking Funds 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, 2021

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, 2021 is as follows:

Start Date	Agreement	Taxable Assessed Value (1)	Tax Rate per \$1,000 (1)	Tax Value	PILOT Received	Tax Abatement
05/1/2003	Kendal On Hudson	\$ 18,475,000	\$ 35.6326	\$ 658,312	\$ 521,842	\$ 136,470
09/1/2008	100 College Ave	6,275,000	35.6326	223,595	60,811	162,784
12/6/2001	79 College Ave	103,400	35.6326	3,684	1,237	2,447
10/3/2006	124 Valley Street	-	35.6326	-	16,880	(16,880)
09/1/1958	126 Valley Street	-	35.6326	-	16,881	(16,881)
TOTALS				\$ 885,591	\$ 617,651	\$ 267,940

(1) Taxable Assessed Value and Tax Rate for the 2020-21 Tax Year

Note 6 - Subsequent Events

The Village, on November 18, 2021, issued a Bond Anticipation Note in the amount of \$12,943,476 bearing interest at 1.50%. The note matures on November 18, 2022 and was issued to refinance \$10,914,367 of current outstanding notes and provides \$10,464,403 of new money after payment of \$449,964.

Note 7 - Recently Issued GASB Pronouncements

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

Village of Sleepy Hollow, New York

Notes to Financial Statements (Concluded)

May 31, 2021

Note 7 - Recently Issued GASB Pronouncements (Continued)

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the Village believes will most impact its financial statements. The Village will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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)

	2021	2020	2019
Total OPEB Liability:			
Service Cost	\$ 1,274,870	\$ 1,209,236	\$ 1,284,490
Interest	1,154,520	1,301,675	1,331,809
Changes in benefit items	-	-	-
Differences between expected and actual experience	2,077,760	(3,182,316)	(2,516,764)
Changes of assumptions or other outputs	7,703,899 (5)	3,007,851 (4)	-
Benefits payments	(1,201,313)	(1,031,158)	(1,143,879)
Net Change in Total OPEB Liability	11,009,736	1,305,288	(1,044,344)
Total OPEB Liability – Beginning of Year	44,498,749	43,193,461	44,237,805 (3)
Total OPEB Liability – End of Year	<u>\$ 55,508,485</u>	<u>\$ 44,498,749</u>	<u>\$ 43,193,461</u>
Village's covered-employee payroll	<u>\$ 9,045,222</u>	<u>\$ 8,554,287</u>	<u>\$ 8,342,553</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>613.68%</u>	<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

(5) Discount rate decreased from 2.44% in 2020 to 1.59% in 2021

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 (2)

	2021 (6)	2020 (4) (5)	2019	2018	2017	2016 (3)
Village's proportion of the net pension liability	<u>0.0136970%</u>	<u>0.0145775%</u>	<u>0.0154219%</u>	<u>0.0159764%</u>	<u>0.0161770%</u>	<u>0.0155617%</u>
Village's proportionate share of the net pension liability	<u>\$ 13,639</u>	<u>\$ 3,860,196</u>	<u>\$ 1,092,688</u>	<u>\$ 515,628</u>	<u>\$ 1,520,023</u>	<u>\$ 2,497,702</u>
Village's covered payroll	<u>\$ 4,631,229</u>	<u>\$ 4,297,856</u>	<u>\$ 4,304,925</u>	<u>\$ 4,115,668</u>	<u>\$ 3,931,257</u>	<u>\$ 3,472,830</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.29%</u>	<u>89.82%</u>	<u>25.38%</u>	<u>12.53%</u>	<u>38.67%</u>	<u>71.92%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>99.95%</u>	<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>

Schedule of Contributions

	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 613,952	\$ 612,880	\$ 635,402	\$ 587,115	\$ 563,335	\$ 669,152
Contributions in relation to the contractually required contribution	(613,952)	(612,880)	(635,402)	(587,115)	(563,335)	(669,152)
Contribution excess	<u>\$ -</u>					
Village's covered payroll	<u>\$ 4,651,292</u>	<u>\$ 4,252,163</u>	<u>\$ 4,471,053</u>	<u>\$ 4,187,789</u>	<u>\$ 3,942,239</u>	<u>\$ 3,768,404</u>
Contributions as a percentage of covered payroll	<u>13.20%</u>	<u>14.41%</u>	<u>14.21%</u>	<u>14.02%</u>	<u>14.29%</u>	<u>17.76%</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 amounts presented for each fiscal year were determined as of the March 31, measurement date within the current fiscal year.

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

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

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

(6) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 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

	2021	2020 (3)	2019	2018	2017	2016 (2)
Village's proportion of the net pension liability	<u>0.1082908%</u>	<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>\$ 1,880,228</u>	<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>\$ 3,906,192</u>	<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>48.13%</u>	<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>95.79%</u>	<u>84.86%</u>	<u>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.24%</u>

Schedule of Contributions

	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 908,011	\$ 813,463	\$ 887,447	\$ 782,595	\$ 958,873	\$ 804,336
Contributions in relation to the contractually required contribution	<u>(908,011)</u>	<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>\$ 3,931,724</u>	<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>23.09%</u>	<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 amounts presented for each fiscal year were determined as of the March 31, measurement date within the current fiscal year.

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

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

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

(6) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report.

Village of Sleepy Hollow, New York

Required Supplementary Information - Schedule of Changes in the Village's Total Pension Liability - Fire Service Awards Program Last Ten Fiscal Years

Schedule of Changes in the Village's Total Pension Liability

	* 2021
Total Pension Liability	
Service Cost	\$ 46,934
Interest	28,489
Changes of assumptions or other inputs	18,949
Differences between expected and actual experience	89,322
Benefit payments	(20,491)
Net change in total pension liability	163,203
Total pension liability – beginning	<u>1,151,747</u>
Total pension liability – ending	<u><u>\$ 1,314,950</u></u>
Covered payroll	N/A
Total pension liability as a percentage of covered payroll	N/A

* Schedule is intended to show information for 10 years. Additional information will be displayed as it becomes available.

Notes to Required Supplementary information

Changes in assumptions or other inputs. The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

May 31, 2021: 2.00%

Trust Assets. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement No. 73 to pay related benefits.

Village of Sleepy Hollow, New York

Required Supplementary Information - Schedule of Changes
in the Village's Total Pension Liability - Ambulance Service Awards Program
Last Ten Fiscal Years

Schedule of Changes in the Village's Total Pension Liability

	* 2021
Total Pension Liability	
Service Cost	\$ 41,409
Interest	9,264
Changes of assumptions or other inputs	4,662
Differences between expected and actual experience	21,285
Benefit payments	(600)
Net change in total pension liability	76,020
Total pension liability – beginning	<u>373,844</u>
Total pension liability – ending	<u><u>\$ 449,864</u></u>
Covered payroll	N/A
Total pension liability as a percentage of covered payroll	N/A

* Schedule is intended to show information for 10 years. Additional information will be displayed as it becomes available.

Notes to Required Supplementary information

Changes in assumptions or other inputs. The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was as follows:

May 31, 2021: 2.00%

Trust Assets. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement No. 73 to pay related benefits.

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Village of Sleepy Hollow, New York

General Fund
 Combining Balance Sheet - Sub-Funds
 May 31, 2021
 (With Comparative Totals for 2020)

	General	Fire Service Awards Program	Ambulance Service Awards Program	Totals	
				2021	2020
ASSETS					
Cash and equivalents	\$ 7,764,464	\$ 137,668	\$ 48,948	\$ 7,951,080	\$ 10,634,310
Taxes receivable	41,439	-	-	41,439	309,394
Other receivables					
Accounts	107,249	-	-	107,249	95,148
State and Federal aid	72,722	-	-	72,722	300,696
Due from other governments	643,194	-	-	643,194	433,193
Due from other funds	1,132,469	-	-	1,132,469	717,261
	1,955,634	-	-	1,955,634	1,546,298
Prepaid expenditures	239,983	-	-	239,983	246,977
Total Assets	<u>\$ 10,001,520</u>	<u>\$ 137,668</u>	<u>\$ 48,948</u>	<u>\$ 10,188,136</u>	<u>\$ 12,736,979</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 1,139,820	\$ -	\$ -	\$ 1,139,820	\$ 1,166,934
Accrued liabilities	526,444	-	-	526,444	472,567
Deposit payable	577,112	-	-	577,112	424,396
Due to other funds	2,592	-	-	2,592	1,970,136
Due to component unit	-	-	-	-	12,821
Unearned revenues	15,259	-	-	15,259	6,077
Total Liabilities	2,261,227	-	-	2,261,227	4,052,931
Deferred inflows of resources					
Deferred tax revenues	1,528	-	-	1,528	1,528
Total Liabilities and Deferred Inflows of Resources	<u>2,262,755</u>	<u>-</u>	<u>-</u>	<u>2,262,755</u>	<u>4,054,459</u>
Fund balances					
Nonspendable	239,983	-	-	239,983	246,977
Restricted	186,582	137,668	48,948	373,198	546,520
Assigned	800,211	-	-	800,211	30,211
Unassigned	6,511,989	-	-	6,511,989	7,858,812
Total Fund Balances	<u>7,738,765</u>	<u>137,668</u>	<u>48,948</u>	<u>7,925,381</u>	<u>8,682,520</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,001,520</u>	<u>\$ 137,668</u>	<u>\$ 48,948</u>	<u>\$ 10,188,136</u>	<u>\$ 12,736,979</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

General Fund
 Combining Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Sub-Funds
 Year Ended May 31, 2021
 (With Comparative Totals for 2020)

	General	Fire Service Awards Program	Ambulance Service Awards Program	Eliminations
REVENUES				
Real property taxes	\$ 12,534,646	\$ -	\$ -	\$ -
Other tax items	737,891	-	-	-
Non-property taxes	2,562,438	-	-	-
Departmental income	622,888	143,750	49,450	(193,200)
Use of money and property	208,359	278	98	-
Licenses and permits	1,494,153	-	-	-
Fines and forfeitures	27,951	-	-	-
Sale of property and compensation for loss	52	-	-	-
State aid	273,229	-	-	-
Miscellaneous	76,860	-	-	-
Total Revenues	<u>18,538,467</u>	<u>144,028</u>	<u>49,548</u>	<u>(193,200)</u>
EXPENDITURES				
Current				
General government support	3,035,015	-	-	-
Public safety	5,105,684	6,360	-	(143,750)
Health	228,512	-	600	(49,450)
Transportation	1,411,639	-	-	-
Economic opportunity and development	2,118,473	-	-	-
Culture and recreation	1,781,602	-	-	-
Home and community services	69,639	-	-	-
Employee benefits	4,726,420	-	-	-
Debt service	-	-	-	-
Principal	918,267	-	-	-
Interest	488,258	-	-	-
Total Expenditures	<u>19,883,509</u>	<u>6,360</u>	<u>600</u>	<u>(193,200)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,345,042)</u>	<u>137,668</u>	<u>48,948</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	103,326	-	-	-
Issuance premium	-	-	-	-
Transfers in	747,611	-	-	-
Transfers out	(449,650)	-	-	-
Total Other Financing Sources (Uses)	<u>401,287</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(943,755)</u>	<u>137,668</u>	<u>48,948</u>	<u>-</u>
FUND BALANCES				
Beginning of Year	<u>8,682,520</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of Year	<u>\$ 7,738,765</u>	<u>\$ 137,668</u>	<u>\$ 48,948</u>	<u>\$ -</u>

See independent auditors' report.

Totals	
2021	2020
\$ 12,534,646	\$ 12,461,761
737,891	695,376
2,562,438	2,238,984
622,888	668,862
208,735	182,293
1,494,153	1,851,913
27,951	40,869
52	11,545
273,229	600,557
76,860	210,694
<u>18,538,843</u>	<u>18,962,854</u>
3,035,015	2,451,001
4,968,294	4,884,922
179,662	254,795
1,411,639	1,594,347
2,118,473	470,251
1,781,602	1,976,781
69,639	19,546
4,726,420	4,331,468
918,267	823,840
488,258	470,804
<u>19,697,269</u>	<u>17,277,755</u>
<u>(1,158,426)</u>	<u>1,685,099</u>
103,326	95,095
-	276,296
747,611	929,293
(449,650)	(570,842)
<u>401,287</u>	<u>729,842</u>
(757,139)	2,414,941
<u>8,682,520</u>	<u>6,267,579</u>
<u>\$ 7,925,381</u>	<u>\$ 8,682,520</u>

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Village of Sleepy Hollow, New York

General Fund
 Comparative Balance Sheet - Sub-Fund
 May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 7,764,464	\$ 10,634,310
Taxes receivable, net of allowance for uncollected taxes of \$241,522 for 2021 and \$201,406 for 2020	41,439	309,394
Other receivables		
Accounts	107,249	95,148
State and Federal aid	72,722	300,696
Due from other governments	643,194	433,193
Due from other funds	1,132,469	717,261
	<u>1,955,634</u>	<u>1,546,298</u>
Prepaid expenditures	239,983	246,977
Total Assets	<u>\$ 10,001,520</u>	<u>\$ 12,736,979</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,139,820	\$ 1,166,934
Accrued liabilities	526,444	472,567
Deposit payable	577,112	424,396
Due to other funds	2,592	1,970,136
Due to component unit	-	12,821
Unearned revenues	15,259	6,077
Total Liabilities	2,261,227	4,052,931
Deferred inflows of resources		
Deferred tax revenues	1,528	1,528
Total Liabilities and Deferred Inflows of Resources	<u>2,262,755</u>	<u>4,054,459</u>
Fund balance		
Nonspendable	239,983	246,977
Restricted	186,582	546,520
Assigned	800,211	30,211
Unassigned	6,511,989	7,858,812
Total Fund Balance	<u>7,738,765</u>	<u>8,682,520</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 10,001,520</u>	<u>\$ 12,736,979</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 - Sub-Fund
 Years Ended May 31,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 12,539,650	\$ 12,539,650	\$ 12,534,646	\$ (5,004)
Other tax items	725,000	725,000	737,891	12,891
Non-property taxes	2,086,250	2,086,250	2,562,438	476,188
Departmental income	586,974	586,974	622,888	35,914
Use of money and property	110,688	110,688	208,359	97,671
Licenses and permits	758,000	758,000	1,494,153	736,153
Fines and forfeitures	80,000	80,000	27,951	(52,049)
Sale of property and compensation for loss	5,000	5,000	52	(4,948)
State aid	248,119	248,119	273,229	25,110
Miscellaneous	52,500	51,767	76,860	25,093
Total Revenues	17,192,181	17,191,448	18,538,467	1,347,019
EXPENDITURES				
Current				
General government support	2,904,389	2,913,277	3,035,015	(121,738)
Public safety	5,077,502	5,059,182	5,105,684	(46,502)
Health	257,524	228,512	228,512	-
Transportation	1,404,149	1,411,639	1,411,639	-
Economic opportunity and development	564,600	2,131,294	2,118,473	12,821
Culture and recreation	2,030,566	1,780,809	1,781,602	(793)
Home and community services	33,380	69,639	69,639	-
Employee benefits	4,567,450	4,685,587	4,726,420	(40,833)
Debt service				
Principal	1,138,353	798,266	918,267	(120,001)
Interest	397,316	397,316	488,258	(90,942)
Total Expenditures	18,375,229	19,475,521	19,883,509	(407,988)
Excess (Deficiency) of Revenues Over Expenditures	(1,183,048)	(2,284,073)	(1,345,042)	939,031
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	100,000	100,000	103,326	3,326
Issuance premium	-	-	-	-
Transfers in	747,611	747,611	747,611	-
Transfers out	(109,563)	(588,538)	(449,650)	138,888
Total Other Financing Sources	738,048	259,073	401,287	142,214
Net Change in Fund Balance	(445,000)	(2,025,000)	(943,755)	1,081,245
FUND BALANCE				
Beginning of Year	445,000	2,025,000	8,682,520	6,657,520
End of Year	\$ -	\$ -	\$ 7,738,765	\$ 7,738,765

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 12,438,595	\$ 12,438,595	\$ 12,461,761	\$ 23,166
700,000	700,000	695,376	(4,624)
1,890,000	1,890,000	2,238,984	348,984
599,584	599,584	668,862	69,278
108,000	108,000	182,293	74,293
793,000	793,000	1,851,913	1,058,913
80,000	80,000	40,869	(39,131)
5,000	5,000	11,545	6,545
306,285	306,285	600,557	294,272
52,500	52,500	210,694	158,194
<u>16,972,964</u>	<u>16,972,964</u>	<u>18,962,854</u>	<u>1,989,890</u>
2,412,994	2,549,560	2,451,001	98,559
5,219,628	5,012,369	4,884,922	127,447
249,399	259,360	254,795	4,565
1,431,951	1,619,391	1,594,347	25,044
97,900	491,267	470,251	21,016
2,056,816	2,073,764	1,976,781	96,983
33,390	34,388	19,546	14,842
4,598,500	4,450,109	4,331,468	118,641
1,290,096	823,840	823,840	-
406,892	470,734	470,804	(70)
<u>17,797,566</u>	<u>17,784,782</u>	<u>17,277,755</u>	<u>507,027</u>
<u>(824,602)</u>	<u>(811,818)</u>	<u>1,685,099</u>	<u>2,496,917</u>
90,000	90,000	95,095	5,095
-	-	276,296	276,296
838,459	838,459	929,293	90,834
(114,863)	(570,842)	(570,842)	-
<u>813,596</u>	<u>357,617</u>	<u>729,842</u>	<u>372,225</u>
(11,006)	(454,201)	2,414,941	2,869,142
<u>11,006</u>	<u>454,201</u>	<u>6,267,579</u>	<u>5,813,378</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,682,520</u>	<u>\$ 8,682,520</u>

Village of Sleepy Hollow, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget - Sub-Fund

Year Ended May 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES	\$ 12,539,650	\$ 12,539,650	\$ 12,534,646	\$ (5,004)	\$ 12,461,761
OTHER TAX ITEMS					
Payments in lieu of taxes	625,000	625,000	617,651	(7,349)	614,537
Interest and penalties on real property taxes	100,000	100,000	120,240	20,240	80,839
	<u>725,000</u>	<u>725,000</u>	<u>737,891</u>	<u>12,891</u>	<u>695,376</u>
NON-PROPERTY TAXES					
Franchise fees	175,000	175,000	147,213	(27,787)	161,939
Utilities gross receipts taxes	130,000	130,000	137,495	7,495	126,549
Non-property tax distribution from County	1,781,250	1,781,250	2,277,730	496,480	1,950,496
	<u>2,086,250</u>	<u>2,086,250</u>	<u>2,562,438</u>	<u>476,188</u>	<u>2,238,984</u>
DEPARTMENTAL INCOME					
Clerk - Treasurer fees	63,099	63,099	71,213	8,114	57,588
Police fees	64,300	64,300	222,417	158,117	49,888
Ambulance charges	150,000	150,000	191,882	41,882	211,881
Parks and recreation charges	281,695	281,695	97,117	(184,578)	320,715
Zoning Board fees	4,000	4,000	6,300	2,300	8,550
Planning Board fees	18,880	18,880	29,080	10,200	14,620
Public works fees	5,000	5,000	4,879	(121)	5,620
	<u>586,974</u>	<u>586,974</u>	<u>622,888</u>	<u>35,914</u>	<u>668,862</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	25,000	25,000	120,943	95,943	97,423
Rental of real property	85,688	85,688	87,416	1,728	84,870
	<u>110,688</u>	<u>110,688</u>	<u>208,359</u>	<u>97,671</u>	<u>182,293</u>

LICENSES AND PERMITS

Business and occupational licenses	35,000	35,000	26,340	(8,660)	31,230
Permit fees	723,000	723,000	1,467,813	744,813	1,820,683

	<u>758,000</u>	<u>758,000</u>	<u>1,494,153</u>	<u>736,153</u>	<u>1,851,913</u>
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FINES AND FORFEITURES

Fines and forfeited bail	80,000	80,000	27,951	(52,049)	40,869
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SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	5,000	5,000	52	(4,948)	11,545
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STATE AID

Per capita	-	-	-	-	62,105
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Mortgage tax	85,000	85,000	170,714	85,714	132,388
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Consolidated Highway Improvement Program	142,444	142,444	69,167	(73,277)	284,809
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Other	20,675	20,675	33,348	12,673	121,255
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	<u>248,119</u>	<u>248,119</u>	<u>273,229</u>	<u>25,110</u>	<u>600,557</u>
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MISCELLANEOUS

Gifts and donations	10,000	10,000	7,224	(2,776)	7,835
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Refund of prior year expenditures	10,000	9,267	6,479	(2,788)	11,687
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Other	32,500	32,500	63,157	30,657	191,172
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	<u>52,500</u>	<u>51,767</u>	<u>76,860</u>	<u>25,093</u>	<u>210,694</u>
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TOTAL REVENUES

	<u>17,192,181</u>	<u>17,191,448</u>	<u>18,538,467</u>	<u>1,347,019</u>	<u>18,962,854</u>
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OTHER FINANCING SOURCES

Insurance recoveries	100,000	100,000	103,326	3,326	95,095
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Issuance premium	-	-	-	-	276,296
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Transfers in					
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Capital Fund	-	-	-	-	90,834
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Parking Fund	747,611	747,611	-	(747,611)	44,163
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Sewer Fund	-	-	73,913	73,913	27,393
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Water Fund	-	-	673,698	673,698	766,903
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	<u>847,611</u>	<u>847,611</u>	<u>850,937</u>	<u>3,326</u>	<u>1,300,684</u>
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TOTAL OTHER FINANCING SOURCES**TOTAL REVENUES AND OTHER****FINANCING SOURCES**

	<u>\$ 18,039,792</u>	<u>\$ 18,039,059</u>	<u>\$ 19,389,404</u>	<u>\$ 1,350,345</u>	<u>\$ 20,263,538</u>
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See independent auditors' report.

Village of Sleepy Hollow, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget - Sub-Fund
 Year Ended May 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 50,000	\$ 48,000	\$ 48,000	\$ -	\$ 81,949
Justice	185,122	186,164	186,162	2	180,862
Mayor	25,500	18,350	18,350	-	26,785
Administrator	160,679	150,514	150,514	-	167,007
Auditor	46,450	40,050	40,050	-	39,000
Treasurer	276,310	225,195	225,195	-	243,040
Tax collector	6,500	3,551	3,551	-	1,105
Assessor	40,200	40,000	40,000	-	40,000
Village clerk	179,902	172,662	172,662	-	176,611
Law	252,000	356,505	356,505	-	216,210
Engineer	50,000	281,644	403,384	(121,740)	94,904
Buildings	272,500	414,383	414,383	-	297,576
Central garage	521,563	625,617	625,617	-	548,297
Unallocated insurance	225,000	207,847	207,847	-	213,809
Municipal association dues	5,500	5,261	5,261	-	5,261
Judgments and claims	25,000	47,729	47,729	-	24,311
Taxes and assessments	67,000	59,663	59,663	-	66,237
Metropolitan commuter transportation mobility tax	31,000	30,142	30,142	-	28,037
Contingent account	484,163	-	-	-	-
	<u>2,904,389</u>	<u>2,913,277</u>	<u>3,035,015</u>	<u>(121,738)</u>	<u>2,451,001</u>
PUBLIC SAFETY					
Police	4,253,786	4,264,024	4,310,526	(46,502)	4,155,208
Jail	4,500	-	-	-	-
Fire Department	273,600	280,167	280,167	-	215,964
Control of animals	3,360	1,658	1,658	-	2,245
Safety inspection	542,256	513,333	513,333	-	511,505
	<u>5,077,502</u>	<u>5,059,182</u>	<u>5,105,684</u>	<u>(46,502)</u>	<u>4,884,922</u>

HEALTH

Ambulance	208,925	185,349	185,349	-	212,692
Public health	10,000	6,000	6,000	-	6,000
Registrar of Vital Statistics	38,599	37,163	37,163	-	36,103
	<u>257,524</u>	<u>228,512</u>	<u>228,512</u>	<u>-</u>	<u>254,795</u>

TRANSPORTATION

Street administration	124,338	129,668	129,668	-	137,645
Street maintenance	917,311	872,897	872,897	-	1,165,147
Snow removal	150,000	215,213	215,213	-	87,585
Street lighting	210,000	192,784	192,784	-	202,949
Off-street parking	2,500	1,077	1,077	-	1,021
	<u>1,404,149</u>	<u>1,411,639</u>	<u>1,411,639</u>	<u>-</u>	<u>1,594,347</u>

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Sleepy Hollow LDC reimbursement	400,000	1,980,316	1,967,495	12,821	393,367
Programs for the aging	164,600	150,978	150,978	-	76,884
	<u>564,600</u>	<u>2,131,294</u>	<u>2,118,473</u>	<u>12,821</u>	<u>470,251</u>

CULTURE AND RECREATION

Parks, playgrounds and recreation	836,726	783,936	784,729	(793)	940,695
Youth programs	214,177	116,826	116,826	-	139,284
Library	784,363	761,828	761,828	-	758,003
Celebrations	72,300	44,649	44,649	-	47,364
Adult recreation	123,000	73,570	73,570	-	91,435
	<u>2,030,566</u>	<u>1,780,809</u>	<u>1,781,602</u>	<u>(793)</u>	<u>1,976,781</u>

HOME AND COMMUNITY SERVICES

Emergency tenant protection act	4,880	8,730	8,730	-	3,070
Planning	13,500	48,727	48,727	-	478
Shade trees	15,000	12,182	12,182	-	15,998
	<u>33,380</u>	<u>69,639</u>	<u>69,639</u>	<u>-</u>	<u>19,546</u>

EMPLOYEE BENEFITS

State retirement	1,291,000	1,526,235	1,567,068	(40,833)	1,232,860
Local police welfare fund	88,250	84,425	84,425	-	85,108
Social security	510,000	543,116	543,116	-	490,039
Workers' compensation benefits	415,000	393,112	393,112	-	434,366
Life insurance	8,500	6,557	6,557	-	6,643
Unemployment benefits	5,000	17,971	17,971	-	-
Hospital and medical benefits	2,249,700	2,114,171	2,114,171	-	2,082,452
	<u>4,567,450</u>	<u>4,685,587</u>	<u>4,726,420</u>	<u>(40,833)</u>	<u>4,331,468</u>

(Continued)

Village of Sleepy Hollow, New York

General Fund

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

Year Ended May 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
DEBT SERVICE					
Principal					
Serial bonds	\$ 798,266	\$ 798,266	\$ 918,267	\$ (120,001)	\$ 823,840
Bond anticipation notes	340,087	-	-	-	-
	<u>1,138,353</u>	<u>798,266</u>	<u>918,267</u>	<u>(120,001)</u>	<u>823,840</u>
Interest					
Serial bonds	251,455	251,455	342,397	(90,942)	229,464
Bond anticipation notes	145,861	145,861	145,861	-	241,340
	<u>397,316</u>	<u>397,316</u>	<u>488,258</u>	<u>(90,942)</u>	<u>470,804</u>
	<u>1,535,669</u>	<u>1,195,582</u>	<u>1,406,525</u>	<u>(210,943)</u>	<u>1,294,644</u>
TOTAL EXPENDITURES	<u>18,375,229</u>	<u>19,475,521</u>	<u>19,883,509</u>	<u>(407,988)</u>	<u>17,277,755</u>
OTHER FINANCING USES					
Transfers out					
Water Fund	-	70,155	-	70,155	-
Capital Projects Fund	-	340,087	340,087	-	455,979
Parking Fund	-	1,263	-	1,263	-
Sewer Fund	-	28,374	-	28,374	-
Sanitation Fund	109,563	148,659	109,563	39,096	114,863
	<u>109,563</u>	<u>588,538</u>	<u>449,650</u>	<u>138,888</u>	<u>570,842</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 18,484,792</u>	<u>\$ 20,064,059</u>	<u>\$ 20,333,159</u>	<u>\$ (269,100)</u>	<u>\$ 17,848,597</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Water Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 1,479,759	\$ 1,973,706
Water rents receivable	1,045,145	879,881
Due from other funds	<u>2,592</u>	<u>70</u>
	<u>2,527,496</u>	<u>2,853,657</u>
Other assets		
Inventories	41,935	41,935
Prepaid expenditures	<u>22,446</u>	<u>23,801</u>
	<u>64,381</u>	<u>65,736</u>
 Total Assets	 <u>\$ 2,591,877</u>	 <u>\$ 2,919,393</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 234,956	\$ 210,578
Accrued liabilities	23,095	40,714
Due to other funds	<u>-</u>	<u>391,571</u>
 Total Liabilities	 <u>258,051</u>	 <u>642,863</u>
 Fund balance		
Nonspendable	64,381	65,736
Assigned	<u>2,269,445</u>	<u>2,210,794</u>
 Total Fund Balance	 <u>2,333,826</u>	 <u>2,276,530</u>
 Total Liabilities and Fund Balance	 <u>\$ 2,591,877</u>	 <u>\$ 2,919,393</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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 4,100,000	\$ 4,100,000	\$ 3,728,315	\$ (371,685)
Miscellaneous	-	-	189,051	189,051
Total Revenues	4,100,000	4,100,000	3,917,366	(182,634)
EXPENDITURES				
Current				
General government support	105,000	105,000	105,000	-
Home and community services	2,338,153	2,430,913	2,187,774	243,139
Employee benefits	520,000	522,894	430,449	92,445
Debt service				
Principal	348,134	321,791	348,134	(26,343)
Interest	115,015	115,859	115,015	844
Total Expenditures	3,426,302	3,496,457	3,186,372	310,085
Excess of Revenues Over Expenditures	673,698	603,543	730,994	127,451
OTHER FINANCING USES				
Transfers in	-	70,155	-	(70,155)
Transfers out	(673,698)	(673,698)	(673,698)	-
Total Other Financing Sources	(673,698)	(603,543)	(673,698)	(70,155)
Net Change in Fund Balance	-	-	57,296	57,296
FUND BALANCE				
Beginning of Year	-	-	2,276,530	2,276,530
End of Year	\$ -	\$ -	\$ 2,333,826	\$ 2,333,826

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 4,070,000	\$ 4,070,000	\$ 3,956,151	\$ (113,849)
-	-	21	21
4,070,000	4,070,000	3,956,172	(113,828)
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
3,303,097	3,303,097	3,195,945	107,152
766,903	766,903	760,227	(6,676)
-	-	-	-
(766,903)	(766,903)	(766,903)	-
(766,903)	(766,903)	(766,903)	-
-	-	(6,676)	(6,676)
-	-	2,283,206	2,283,206
\$ -	\$ -	\$ 2,276,530	\$ 2,276,530

Village of Sleepy Hollow, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 8,272,545	\$ 4,285,484
Due from other funds	<u>-</u>	<u>1,939,026</u>
Total Assets	<u><u>\$ 8,272,545</u></u>	<u><u>\$ 6,224,510</u></u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 186,072	\$ 407,727
Due to other funds	956,028	158,399
Bond anticipation notes payable	<u>10,914,367</u>	<u>7,293,031</u>
Total Liabilities	12,056,467	7,859,157
Fund deficit		
Unassigned	<u>(3,783,922)</u>	<u>(1,634,647)</u>
Total Liabilities and Fund Deficit	<u><u>\$ 8,272,545</u></u>	<u><u>\$ 6,224,510</u></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>2021</u>	<u>2020</u>
REVENUES		
State aid	\$ 58,136	\$ 63,166
Federal aid	678,430	497,193
Miscellaneous	<u>10,177</u>	<u>(32,297)</u>
Total Revenues	746,743	528,062
EXPENDITURES		
Capital outlay	<u>3,236,105</u>	<u>2,784,768</u>
Deficiency of Revenues Over Expenditures	<u>(2,489,362)</u>	<u>(2,256,706)</u>
OTHER FINANCING SOURCES		
General obligation bonds issued	-	1,520,000
Issuance premium	-	47,862
Transfers in	340,087	455,979
Transfers out	<u>-</u>	<u>(90,834)</u>
Total Other Financing Sources	<u>340,087</u>	<u>1,933,007</u>
Net Change in Fund Balance	(2,149,275)	(323,699)
FUND DEFICIT		
Beginning of Year	<u>(1,634,647)</u>	<u>(1,310,948)</u>
End of Year	<u>\$ (3,783,922)</u>	<u>\$ (1,634,647)</u>

See independent auditors' report.

Village of Sleepy Hollow, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 May 31, 2021
 (With Comparative Totals for 2020)

	Parking Fund	Sewer Fund	Sanitation Fund
ASSETS			
Cash and equivalents	\$ 91,646	\$ 133,074	\$ 355,351
Receivables			
Accounts	11,774	-	234,541
Sewer rents	-	169,470	-
Due from other funds	-	-	-
	<u>11,774</u>	<u>169,470</u>	<u>234,541</u>
Prepaid expenditures	<u>2,325</u>	<u>8,063</u>	<u>9,138</u>
Total Assets	<u>\$ 105,745</u>	<u>\$ 310,607</u>	<u>\$ 599,030</u>
LIABILITIES AND FUND BALANCES (DEFICIT)			
Liabilities			
Accounts payable	\$ 1,900	\$ 1,173	\$ 30,570
Accrued liabilities	3,404	8,724	9,071
Due to other funds	176,149	-	-
Unearned revenues	6,870	-	-
Total Liabilities	<u>188,323</u>	<u>9,897</u>	<u>39,641</u>
Fund balances (deficit)			
Nonspendable	2,325	8,063	9,138
Restricted	-	-	-
Assigned	-	292,647	550,251
Unassigned	<u>(84,903)</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficit)	<u>(82,578)</u>	<u>300,710</u>	<u>559,389</u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 105,745</u>	<u>\$ 310,607</u>	<u>\$ 599,030</u>

See independent auditors' report.

Special Purpose Fund	Total Non-Major Governmental Funds	
	2021	2020
\$ 538,917	\$ 1,118,988	\$ 1,345,510
-	246,315	199,758
-	169,470	142,541
-	-	31,040
-	415,785	373,339
-	19,526	19,094
<u>\$ 538,917</u>	<u>\$ 1,554,299</u>	<u>\$ 1,737,943</u>
\$ -	\$ 33,643	\$ 45,588
-	21,199	49,175
292	176,441	167,015
-	6,870	5,070
292	238,153	266,848
-	19,526	19,094
538,625	538,625	606,525
-	842,898	850,286
-	(84,903)	(4,810)
538,625	1,316,146	1,471,095
<u>\$ 538,917</u>	<u>\$ 1,554,299</u>	<u>\$ 1,737,943</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, 2021
(With Comparative Totals for 2020)

	Parking Fund	Sewer Fund	Sanitation Fund
REVENUES			
Departmental income	\$ 201,181	\$ 614,560	\$ 718,391
Use of money and property	98	-	-
Miscellaneous	-	34,953	-
	<u>201,279</u>	<u>649,513</u>	<u>718,391</u>
EXPENDITURES			
Current			
General government support	20,000	25,000	16,000
Transportation	155,621	-	-
Home and community services	-	364,889	542,874
Employee benefits	72,994	171,053	186,916
Debt service			
Principal	29,883	85,716	-
Interest	2,831	18,105	-
	<u>281,329</u>	<u>664,763</u>	<u>745,790</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(80,050)</u>	<u>(15,250)</u>	<u>(27,399)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	109,563
Transfers out	-	(73,913)	-
	<u>-</u>	<u>(73,913)</u>	<u>109,563</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(73,913)</u>	<u>109,563</u>
Net Change in Fund Balances	<u>(80,050)</u>	<u>(89,163)</u>	<u>82,164</u>
FUND BALANCES			
Beginning of Year, as reported	(2,528)	389,873	477,225
Cumulative Effect of Change in Accounting Principle	-	-	-
Beginning of Year, as restated	<u>(2,528)</u>	<u>389,873</u>	<u>477,225</u>
End of Year	<u>\$ (82,578)</u>	<u>\$ 300,710</u>	<u>\$ 559,389</u>

See independent auditors' report.

Special Purpose Fund	Total Non-Major Governmental Funds	
	2021	2020
\$ -	\$ 1,534,132	\$ 1,594,918
468	566	1,536
29,444	64,397	9,904
<u>29,912</u>	<u>1,599,095</u>	<u>1,606,358</u>
-	61,000	61,000
-	155,621	152,680
97,812	1,005,575	1,025,176
-	430,963	415,205
-	115,599	115,752
-	20,936	20,620
<u>97,812</u>	<u>1,789,694</u>	<u>1,790,433</u>
<u>(67,900)</u>	<u>(190,599)</u>	<u>(184,075)</u>
-	109,563	114,863
-	(73,913)	(71,556)
<u>-</u>	<u>35,650</u>	<u>43,307</u>
<u>(67,900)</u>	<u>(154,949)</u>	<u>(140,768)</u>
606,525	1,471,095	1,696,863
-	-	(85,000)
<u>606,525</u>	<u>1,471,095</u>	<u>1,611,863</u>
<u>\$ 538,625</u>	<u>\$ 1,316,146</u>	<u>\$ 1,471,095</u>

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Village of Sleepy Hollow, New York

Parking Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 91,646	\$ 67,935
Accounts receivable	<u>11,774</u>	<u>5,995</u>
	103,420	73,930
Prepaid expenditures	<u>2,325</u>	<u>2,282</u>
Total Assets	<u>\$ 105,745</u>	<u>\$ 76,212</u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 1,900	\$ 2,732
Accrued liabilities	3,404	2,843
Due to other funds	176,149	68,095
Unearned revenues	<u>6,870</u>	<u>5,070</u>
Total Liabilities	<u>188,323</u>	<u>78,740</u>
Fund balance (deficit)		
Nonspendable	2,325	2,282
Unassigned	<u>(84,903)</u>	<u>(4,810)</u>
Total Fund Balance (Deficit)	<u>(82,578)</u>	<u>(2,528)</u>
Total Liabilities and Fund Balance	<u>\$ 105,745</u>	<u>\$ 76,212</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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 310,000	\$ 310,000	\$ 201,181	\$ (108,819)
Use of money and property	-	-	98	98
Total Revenues	<u>310,000</u>	<u>310,000</u>	<u>201,279</u>	<u>(108,721)</u>
EXPENDITURES				
Current				
General government support	20,000	20,000	20,000	-
Transportation	182,286	183,549	155,621	27,928
Employee benefits	75,000	75,000	72,994	2,006
Debt service				
Principal	29,883	29,883	29,883	-
Interest	2,831	2,831	2,831	-
Total Expenditures	<u>310,000</u>	<u>311,263</u>	<u>281,329</u>	<u>29,934</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(1,263)</u>	<u>(80,050)</u>	<u>(78,787)</u>
OTHER FINANCING USES				
Transfers in	-	1,263	-	(1,263)
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>1,263</u>	<u>-</u>	<u>(1,263)</u>
Net Change in Fund Balance	-	-	(80,050)	(80,050)
FUND BALANCE (DEFICIT)				
Beginning of Year	<u>-</u>	<u>-</u>	<u>(2,528)</u>	<u>(2,528)</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (82,578)</u>	<u>\$ (82,578)</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 372,000	\$ 372,000	\$ 265,908	\$ (106,092)
-	-	511	511
<u>372,000</u>	<u>372,000</u>	<u>266,419</u>	<u>(105,581)</u>
20,000	20,000	20,000	-
200,498	200,498	152,680	47,818
75,000	75,000	72,617	2,383
28,974	28,974	28,974	-
3,365	3,365	3,365	-
<u>327,837</u>	<u>327,837</u>	<u>277,636</u>	<u>50,201</u>
44,163	44,163	(11,217)	(55,380)
-	-	-	-
<u>(44,163)</u>	<u>(44,163)</u>	<u>(44,163)</u>	<u>-</u>
<u>(44,163)</u>	<u>(44,163)</u>	<u>(44,163)</u>	<u>-</u>
-	-	(55,380)	(55,380)
-	-	52,852	52,852
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,528)</u>	<u>\$ (2,528)</u>

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Village of Sleepy Hollow, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 133,074	\$ 375,109
Receivables		
Sewer rents receivable	169,470	142,541
Prepaid expenditures	<u>8,063</u>	<u>7,890</u>
Total Assets	<u>\$ 310,607</u>	<u>\$ 525,540</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,173	\$ 16,278
Accrued liabilities	8,724	20,509
Due to other funds	<u>-</u>	<u>98,880</u>
Total Liabilities	<u>9,897</u>	<u>135,667</u>
Fund balance		
Nonspendable	8,063	7,890
Assigned	<u>292,647</u>	<u>381,983</u>
Total Fund Balance	<u>300,710</u>	<u>389,873</u>
Total Liabilities and Fund Balance	<u>\$ 310,607</u>	<u>\$ 525,540</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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 680,000	\$ 680,000	\$ 614,560	\$ (65,440)
Miscellaneous income	-	-	34,953	34,953
Total Revenues	<u>680,000</u>	<u>680,000</u>	<u>649,513</u>	<u>(30,487)</u>
EXPENDITURES				
Current				
General government support	25,000	25,000	25,000	-
Home and community services	312,266	338,177	364,889	(26,712)
Employee benefits	165,000	167,463	171,053	(3,590)
Debt service				
Principal	85,716	85,716	85,716	-
Interest	18,105	18,105	18,105	-
Total Expenditures	<u>606,087</u>	<u>634,461</u>	<u>664,763</u>	<u>(30,302)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>73,913</u>	<u>45,539</u>	<u>(15,250)</u>	<u>(60,789)</u>
OTHER FINANCING USES				
Transfers in	-	28,374	-	(28,374)
Transfers out	(73,913)	(73,913)	(73,913)	-
Total Other Financing Sources	<u>(73,913)</u>	<u>(45,539)</u>	<u>(73,913)</u>	<u>(28,374)</u>
Net Change in Fund Balance	-	-	(89,163)	(89,163)
FUND BALANCE				
Beginning of Year	-	-	389,873	389,873
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,710</u>	<u>\$ 300,710</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 680,000	\$ 680,000	\$ 647,698	\$ (32,302)
-	-	-	-
680,000	680,000	647,698	(32,302)
25,000	25,000	25,000	-
356,319	522,251	502,458	19,793
165,000	170,193	167,024	3,169
88,565	88,565	86,778	1,787
17,723	17,723	17,255	468
652,607	823,732	798,515	25,217
27,393	(143,732)	(150,817)	(7,085)
-	-	-	-
(27,393)	(27,393)	(27,393)	-
(27,393)	(27,393)	(27,393)	-
-	(171,125)	(178,210)	(7,085)
-	171,125	568,083	396,958
\$ -	\$ -	\$ 389,873	\$ 389,873

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Village of Sleepy Hollow, New York

Sanitation Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 355,351	\$ 295,901
Receivables		
Accounts	234,541	193,763
Due from other funds	-	31,040
	<u>234,541</u>	<u>224,803</u>
Prepaid expenditures	<u>9,138</u>	<u>8,922</u>
Total Assets	<u><u>\$ 599,030</u></u>	<u><u>\$ 529,626</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 30,570	\$ 26,578
Accrued liabilities	<u>9,071</u>	<u>25,823</u>
Total Liabilities	<u>39,641</u>	<u>52,401</u>
Fund balance		
Nonspendable	9,138	8,922
Assigned	<u>550,251</u>	<u>468,303</u>
Total Fund Balance	<u>559,389</u>	<u>477,225</u>
Total Liabilities and Fund Balance	<u><u>\$ 599,030</u></u>	<u><u>\$ 529,626</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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 655,000	\$ 655,000	\$ 718,391	\$ 63,391
EXPENDITURES				
Current				
General government support	16,000	16,000	16,000	-
Home and community services	548,563	587,659	542,874	44,785
Employee benefits	200,000	200,000	186,916	13,084
Total Expenditures	764,563	803,659	745,790	57,869
Deficiency of Revenues Over Expenditures	(109,563)	(148,659)	(27,399)	121,260
OTHER FINANCING SOURCES				
Transfers in	109,563	148,659	109,563	(39,096)
Net Change in Fund Balance	-	-	82,164	82,164
FUND BALANCE				
Beginning of Year	-	-	477,225	477,225
End of Year	\$ -	\$ -	\$ 559,389	\$ 559,389

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 650,000	\$ 650,000	\$ 681,312	\$ 31,312
16,000	16,000	16,000	-
548,863	548,863	503,007	45,856
200,000	200,000	175,564	24,436
764,863	764,863	694,571	70,292
(114,863)	(114,863)	(13,259)	101,604
114,863	114,863	114,863	-
-	-	101,604	101,604
-	-	375,621	375,621
\$ -	\$ -	\$ 477,225	\$ 477,225

Village of Sleepy Hollow, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ 538,917</u>	<u>\$ 606,565</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	\$ 292	\$ 40
Fund balance		
Restricted	<u>538,625</u>	<u>606,525</u>
Total Liabilities and Fund Balance	<u>\$ 538,917</u>	<u>\$ 606,565</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>2021</u>	<u>2020</u>
REVENUES		
Use of money and property	\$ 468	\$ 1,025
Miscellaneous	<u>29,444</u>	<u>9,904</u>
Total Revenues	29,912	10,929
EXPENDITURES		
Home and Community Services	<u>97,812</u>	<u>19,711</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(67,900)</u>	<u>(8,782)</u>
FUND BALANCE		
Beginning of Year, as reported	606,525	700,307
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(85,000)</u>
Beginning of Year, as restated	<u>606,525</u>	<u>615,307</u>
End of Year	<u><u>\$ 538,625</u></u>	<u><u>\$ 606,525</u></u>

See independent auditors' report.