Audit Presentation

H. Chris Kopf, Partner

April 27, 2021

KNOW
GREATER
VALUE
<table>
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<th>Agenda/Table of Contents</th>
</tr>
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<td>• Overview &amp; Required Communications</td>
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<td>• Other Funds – 5 Year Fund Balance Analysis</td>
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</table>
• Management’s Responsibility
  – Selecting and implementing appropriate accounting policies
  – Fairly presenting the financial statements in accordance with U.S. GAAP
  – Establishing and maintaining effective internal control over financial reporting
  – Compliance with laws, regulations and provisions of contracts and agreements
  – Providing all financial records and related information to the auditors
Overview & Required Communications (Cont’d)

• **Our Responsibility**
  – Form and express an opinion
    • Unmodified Opinion
  – Perform tests of Village’s compliance with provisions of laws, contracts and grants as well as compliance with the Uniform Guidance
  – Communicate in writing deficiencies in internal controls
  – Advise management of appropriateness of accounting policies
  – Communicate any fraud or illegal acts that are noted during the audit
  – We encountered no significant difficulties in the conduct of our audit
  – Uncorrected and corrected misstatements – no uncorrected differences
  – No disagreements with management
  – Auditor independence
# Financial Statement Highlights – 2020

Revenues & Expenditures Compared to Budget – General Fund

<table>
<thead>
<tr>
<th></th>
<th>Original Budget</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance With Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$ 16,972,964</td>
<td>$ 16,972,964</td>
<td>$ 18,962,854</td>
<td>$ 1,989,890</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td>17,797,566</td>
<td>17,784,782</td>
<td>17,277,755</td>
<td>507,027</td>
</tr>
<tr>
<td><strong>Excess (Deficiency) of Revenues Over Expenditures</strong></td>
<td>(824,602)</td>
<td>(811,818)</td>
<td>1,685,099</td>
<td>2,496,917</td>
</tr>
<tr>
<td><strong>Other Financing Sources</strong></td>
<td>813,596</td>
<td>357,617</td>
<td>729,842</td>
<td>372,225</td>
</tr>
<tr>
<td><strong>Net Change in Fund Balance</strong></td>
<td>(11,006)</td>
<td>(454,201)</td>
<td>2,414,941</td>
<td>$ 2,869,142</td>
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<tr>
<td><strong>Fund Balance - Beginning</strong></td>
<td>11,006</td>
<td>454,201</td>
<td>6,267,579</td>
<td></td>
</tr>
<tr>
<td><strong>Fund Balance - Ending</strong></td>
<td>$ -</td>
<td>$ -</td>
<td>$ 8,682,520</td>
<td></td>
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</table>
## General Fund – 2020
### Major Revenues

<table>
<thead>
<tr>
<th>Source of Revenues</th>
<th>Original Budget</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance With Final Budget</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 16,972,964</td>
<td>$ 16,972,964</td>
<td>$ 18,962,854</td>
<td>$ 1,989,890</td>
<td>$ 16,183,669</td>
</tr>
<tr>
<td></td>
<td><strong>Total Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real property taxes</td>
<td>$ 12,438,595</td>
<td>$ 12,438,595</td>
<td>$ 12,461,761</td>
<td>$ 23,166</td>
<td>$ 11,733,060</td>
</tr>
<tr>
<td>Other tax items</td>
<td>700,000</td>
<td>700,000</td>
<td>695,376</td>
<td>(4,624)</td>
<td>673,722</td>
</tr>
<tr>
<td>Non-property taxes</td>
<td>1,890,000</td>
<td>1,890,000</td>
<td>2,238,984</td>
<td>348,984</td>
<td>1,897,653</td>
</tr>
<tr>
<td>Departmental Income</td>
<td>599,584</td>
<td>599,584</td>
<td>668,862</td>
<td>69,278</td>
<td>729,133</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>793,000</td>
<td>793,000</td>
<td>1,851,913</td>
<td>1,058,913</td>
<td>629,739</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>52,500</td>
<td>52,500</td>
<td>210,694</td>
<td>158,194</td>
<td>83,980</td>
</tr>
</tbody>
</table>

**Sub-total Major Revenues**

<table>
<thead>
<tr>
<th></th>
<th>$ 16,779,964</th>
<th>$ 16,779,964</th>
<th>$ 18,728,147</th>
<th>$ 1,948,183</th>
<th>$ 15,910,891</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Revenues</td>
<td>193,000</td>
<td>193,000</td>
<td>234,707</td>
<td>41,707</td>
<td>272,778</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$ 16,972,964</td>
<td>$ 16,972,964</td>
<td>$ 18,962,854</td>
<td>$ 1,989,890</td>
<td>$ 16,183,669</td>
</tr>
</tbody>
</table>

% of Major Revenues to Total Revenues

|                        | 98.86%          | 98.86%       | 98.76%       |             |             |
## General Fund - 5 Year History Major Revenues

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Real property taxes</td>
<td>$12,461,761</td>
<td>$11,733,060</td>
<td>$12,320,003</td>
<td>$12,058,423</td>
<td>$12,264,499</td>
</tr>
<tr>
<td>Other tax items</td>
<td>695,376</td>
<td>673,722</td>
<td>820,950</td>
<td>703,980</td>
<td>806,583</td>
</tr>
<tr>
<td>Non-property taxes</td>
<td>2,238,984</td>
<td>1,897,653</td>
<td>1,886,404</td>
<td>1,704,351</td>
<td>1,700,666</td>
</tr>
<tr>
<td>Departmental Income</td>
<td>668,862</td>
<td>729,133</td>
<td>549,221</td>
<td>519,606</td>
<td>535,163</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>1,851,913</td>
<td>629,739</td>
<td>443,349</td>
<td>626,586</td>
<td>2,172,037</td>
</tr>
<tr>
<td>State aid</td>
<td>600,557</td>
<td>163,604</td>
<td>335,126</td>
<td>302,293</td>
<td>327,297</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>210,694</td>
<td>83,980</td>
<td>46,661</td>
<td>122,742</td>
<td>37,320</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18,728,147</strong></td>
<td><strong>$15,910,891</strong></td>
<td><strong>$16,401,714</strong></td>
<td><strong>$16,037,981</strong></td>
<td><strong>$17,843,565</strong></td>
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</tbody>
</table>
## General Fund – 2020
### Major Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>Original Budget</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance With Final Budget</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government support</td>
<td>$ 2,412,994</td>
<td>$ 2,549,560</td>
<td>$ 2,451,001</td>
<td>$ 98,559</td>
<td>$ 2,195,621</td>
</tr>
<tr>
<td>Public Safety</td>
<td>5,219,628</td>
<td>5,012,369</td>
<td>4,884,922</td>
<td>127,447</td>
<td>4,912,321</td>
</tr>
<tr>
<td>Transportation</td>
<td>1,431,951</td>
<td>1,619,391</td>
<td>1,594,347</td>
<td>25,044</td>
<td>1,278,854</td>
</tr>
<tr>
<td>Economic opportunity and development</td>
<td>97,900</td>
<td>491,267</td>
<td>470,251</td>
<td>21,016</td>
<td>344,929</td>
</tr>
<tr>
<td>Culture and recreation</td>
<td>2,056,816</td>
<td>2,073,764</td>
<td>1,976,781</td>
<td>96,983</td>
<td>1,954,080</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>4,598,500</td>
<td>4,450,109</td>
<td>4,331,468</td>
<td>118,641</td>
<td>4,232,662</td>
</tr>
<tr>
<td>Debt service</td>
<td>1,696,988</td>
<td>1,294,574</td>
<td>1,294,644</td>
<td>(70)</td>
<td>1,253,563</td>
</tr>
<tr>
<td><strong>Sub-total Major Expenditures</strong></td>
<td>17,514,777</td>
<td>17,491,034</td>
<td>17,003,414</td>
<td>487,620</td>
<td>16,172,030</td>
</tr>
<tr>
<td>Other Expenditures</td>
<td>282,789</td>
<td>293,748</td>
<td>274,341</td>
<td>(19,407)</td>
<td>255,059</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$ 17,797,566</td>
<td>$ 17,784,782</td>
<td>$ 17,277,755</td>
<td>$ 507,027</td>
<td>$ 16,427,089</td>
</tr>
</tbody>
</table>

% of Major Expenditures to Total Expenditures: 98.41%
## General Fund - 5 Year History Major Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General government support</td>
<td>$ 2,451,001</td>
<td>$ 2,195,621</td>
<td>$ 2,336,854</td>
<td>$ 2,334,230</td>
<td>$ 2,341,992</td>
</tr>
<tr>
<td>Public Safety</td>
<td>4,884,922</td>
<td>4,912,321</td>
<td>4,621,673</td>
<td>4,205,852</td>
<td>4,612,692</td>
</tr>
<tr>
<td>Transportation</td>
<td>1,594,347</td>
<td>1,278,854</td>
<td>1,432,486</td>
<td>1,279,929</td>
<td>1,181,869</td>
</tr>
<tr>
<td>Economic opportunity and development</td>
<td>470,251</td>
<td>344,929</td>
<td>875,683</td>
<td>627,322</td>
<td>226,305</td>
</tr>
<tr>
<td>Culture and recreation</td>
<td>1,976,781</td>
<td>1,954,080</td>
<td>1,863,991</td>
<td>1,674,135</td>
<td>1,711,292</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>4,331,468</td>
<td>4,232,662</td>
<td>4,126,432</td>
<td>4,218,247</td>
<td>4,050,654</td>
</tr>
<tr>
<td>Debt service</td>
<td>1,294,644</td>
<td>1,253,563</td>
<td>1,124,781</td>
<td>1,519,683</td>
<td>1,452,960</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 17,003,414</strong></td>
<td><strong>$ 16,172,030</strong></td>
<td><strong>$ 16,381,900</strong></td>
<td><strong>$ 15,859,398</strong></td>
<td><strong>$ 15,577,764</strong></td>
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</tbody>
</table>
## General Fund – 5 Year Fund Balance Analysis

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nonspendable</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advances to other funds</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Prepaids</td>
<td>246,977</td>
<td>252,108</td>
<td>255,913</td>
<td>228,117</td>
<td>77,656</td>
</tr>
<tr>
<td><strong>Total Nonspendable</strong></td>
<td>246,977</td>
<td>252,108</td>
<td>255,913</td>
<td>228,117</td>
<td>77,656</td>
</tr>
<tr>
<td><strong>Restricted</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt service</td>
<td>439,960</td>
<td>343,261</td>
<td>272,071</td>
<td>271,799</td>
<td>271,527</td>
</tr>
<tr>
<td>Future capital projects</td>
<td>3</td>
<td>165,573</td>
<td>165,572</td>
<td>1,734,189</td>
<td>1,727,382</td>
</tr>
<tr>
<td><strong>Total Restricted</strong></td>
<td>546,520</td>
<td>615,285</td>
<td>543,988</td>
<td>2,112,227</td>
<td>2,105,042</td>
</tr>
<tr>
<td><strong>Assigned</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases on Order</td>
<td>-</td>
<td>11,006</td>
<td>6,523</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tax certiorari</td>
<td>30,211</td>
<td>30,211</td>
<td>30,211</td>
<td>30,211</td>
<td>30,211</td>
</tr>
<tr>
<td><strong>Total Assigned</strong></td>
<td>30,211</td>
<td>41,217</td>
<td>36,734</td>
<td>30,211</td>
<td>30,211</td>
</tr>
<tr>
<td><strong>Unassigned</strong></td>
<td>7,858,812</td>
<td>5,358,969</td>
<td>5,245,376</td>
<td>3,180,068</td>
<td>2,521,579</td>
</tr>
<tr>
<td><strong>Total Fund Balance</strong></td>
<td>$ 8,682,520</td>
<td>$ 6,267,579</td>
<td>$ 6,082,011</td>
<td>$ 5,550,623</td>
<td>$ 4,734,488</td>
</tr>
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</table>
### Other Funds – 5 Year Fund Balance Analysis

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water Fund</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>$65,736</td>
<td>$82,776</td>
<td>$79,467</td>
<td>$74,897</td>
<td>$61,595</td>
</tr>
<tr>
<td>Assigned</td>
<td>2,210,794</td>
<td>2,200,430</td>
<td>2,691,625</td>
<td>2,584,155</td>
<td>1,956,364</td>
</tr>
<tr>
<td>Total Fund Balance</td>
<td>$2,276,530</td>
<td>$2,283,206</td>
<td>$2,771,092</td>
<td>$2,659,052</td>
<td>$2,017,959</td>
</tr>
<tr>
<td><strong>Capital Projects Fund</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
<td></td>
<td></td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Unassigned</td>
<td>$ (1,634,647)</td>
<td>$ (1,310,948)</td>
<td>$ (4,670,208)</td>
<td>$ (2,165,198)</td>
<td>$ (1,079,774)</td>
</tr>
<tr>
<td>Total Fund Balance</td>
<td>$ (1,634,647)</td>
<td>$ (1,310,948)</td>
<td>$ (4,670,208)</td>
<td>$ (2,165,198)</td>
<td>$ (1,079,774)</td>
</tr>
<tr>
<td><strong>Parking Fund</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>$2,282</td>
<td>$2,294</td>
<td>$2,266</td>
<td>$1,779</td>
<td>$833</td>
</tr>
<tr>
<td>Assigned</td>
<td>-</td>
<td>50,558</td>
<td>-</td>
<td>-</td>
<td>52,069</td>
</tr>
<tr>
<td>Unassigned</td>
<td>$(4,810)</td>
<td>-</td>
<td>$(1,782)</td>
<td>$(1,763)</td>
<td>-</td>
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<tr>
<td>Total Fund Balance</td>
<td>$ (2,528)</td>
<td>$52,852</td>
<td>$484</td>
<td>$16</td>
<td>$52,902</td>
</tr>
<tr>
<td><strong>Sewer Fund</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>$7,890</td>
<td>$7,961</td>
<td>$7,803</td>
<td>$6,940</td>
<td>$1,667</td>
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<tr>
<td>Assigned</td>
<td>381,983</td>
<td>560,122</td>
<td>623,206</td>
<td>647,416</td>
<td>603,225</td>
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<tr>
<td>Total Fund Balance</td>
<td>$389,873</td>
<td>$568,083</td>
<td>$631,009</td>
<td>$654,356</td>
<td>$604,892</td>
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<td><strong>Sanitation Fund</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>$8,922</td>
<td>$10,155</td>
<td>$9,520</td>
<td>$2,083</td>
<td>$8,330</td>
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<tr>
<td>Assigned</td>
<td>468,303</td>
<td>278,990</td>
<td>206,511</td>
<td>45,719</td>
<td>-</td>
</tr>
<tr>
<td>Unassigned</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$(13,469)</td>
</tr>
<tr>
<td>Total Fund Balance</td>
<td>$477,225</td>
<td>$289,145</td>
<td>$216,031</td>
<td>$47,802</td>
<td>$(5,139)</td>
</tr>
<tr>
<td><strong>Special Purpose Fund</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>$691,525</td>
<td>$679,541</td>
<td>$658,985</td>
<td>$656,115</td>
<td>$646,408</td>
</tr>
<tr>
<td>Total Fund Balance</td>
<td>$691,525</td>
<td>$679,541</td>
<td>$658,985</td>
<td>$656,115</td>
<td>$646,408</td>
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# Debt Service Requirements

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Year of Issue</th>
<th>Original Amount</th>
<th>Issue Maturity</th>
<th>Final Maturity</th>
<th>Interest Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refunding 2014</td>
<td>2014</td>
<td>3,325,000</td>
<td>August, 2024</td>
<td>2.00 - 2.50</td>
<td>$ 1,455,000</td>
</tr>
<tr>
<td>Refunding 2016</td>
<td>2016</td>
<td>2,775,000</td>
<td>August, 2024</td>
<td>2.00</td>
<td>$ 1,990,000</td>
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<tr>
<td>Various Purposes 2016</td>
<td>2016</td>
<td>4,198,400</td>
<td>August, 2036</td>
<td>2.00 - 3.40</td>
<td>$ 3,735,000</td>
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<td>EFC Statutory 2014</td>
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<td>$ 3,559,000</td>
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<td>Refunding 2016</td>
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<td>4,780,000</td>
<td>August, 2030</td>
<td>5.00</td>
<td>$ 4,425,000</td>
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<td>Public Improvements 2019</td>
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<td>1,520,000</td>
<td>August, 2028</td>
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<td>$ 1,520,000</td>
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Total $16,684,000

<table>
<thead>
<tr>
<th>Year Ending May 31,</th>
<th>Bonds Payable</th>
<th>Retirement Incentives and Other Pension Obligations</th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>Principal</td>
<td>Interest</td>
<td>Principal</td>
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<td>2021</td>
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<td>2022</td>
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<td>2023</td>
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<td>2024</td>
<td>1,532,000</td>
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<td>68,063</td>
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<td>2026-2030</td>
<td>4,660,000</td>
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<td>2031-2035</td>
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<td>2036-2040</td>
<td>1,180,000</td>
<td>18,480</td>
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<td>2046-2048</td>
<td>384,000</td>
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</tbody>
</table>

Total $16,684,000 $2,971,090 $305,331 $31,362 $16,989,331 $3,002,452
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