

PRELIMINARY OFFICIAL STATEMENT DATED JULY 13, 2022

NEW ISSUE/RENEWALS

BOND ANTICIPATION NOTES

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York.) Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "Tax Matters". The Notes will be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

TOWN OF OSSINING WESTCHESTER COUNTY, NEW YORK (the "Town")

\$4,159,799

BOND ANTICIPATION NOTES, 2022

Dated Date: August 4, 2022

Maturity Date: August 4, 2023

Security and Sources of Payment: The Notes will constitute general obligations of the Town and will contain a pledge of its faith and credit for the punctual payment of the principal of and interest on the Notes, and all the taxable real property within the Town will be subject to the levy of ad valorem taxes, for such purpose, subject to applicable statutory limitations. See "Tax Levy Limitation Law" herein.

Prior Redemption: The Notes will not be subject to redemption prior to their maturity.

At the option of the purchaser(s), the Notes may either be registered to the purchaser(s) or registered in the name of Cede & Co., as nominee for the Depository Trust Company, New York, New York ("DTC") as book-entry notes. Note certificates shall bear a single rate of interest and shall be in a denomination equal to the aggregate principal amount awarded to such purchaser at such interest rate.

Form and Denomination: The Notes to be issued in book-entry form will be issued as registered notes, and, when issued, will be registered in the name of Cede & Co. as nominee, which will act as the securities depository for the Notes. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Individual purchases of the Notes to be issued in book-entry form may be made only in book-entry form in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination, which is or includes \$9,799. Noteholders will not receive certificates representing their ownership interest in the Notes to be issued in book-entry form purchased. See "Book-Entry System" herein.

Payment: Payment of the principal of and interest on the Notes to be issued in book-entry form will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in "street name." Payment will be the responsibility of the DTC Participant or Indirect Participant and not of DTC or the Town, subject to any statutory and regulatory requirements as may be in effect from time to time. See "Book-Entry System" herein. Payment of the principal of and interest on the Notes issued in the form registered to the purchaser(s) will be payable at such bank of trust company located and authorized to do business in the State of New York as may be selected by the successful bidder, at such bidder's expense.

Proposals for the Notes will be received at 11:00 A.M. (Prevailing Time) on July 21, 2022 at the office of Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776.

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of an approving legal opinion as to the validity of the Notes of Orrick, Herrington & Sutcliffe LLP, Bond Counsel, of New York, New York. It is anticipated that the Notes will be available for delivery at the location of DTC in Jersey City, New Jersey or such other place as may be agreed upon with the purchaser(s) on or about August 4, 2022.

THE TOWN DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER(S) AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. IN ADDITION, THE TOWN WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. (SEE "DISCLOSURE UNDERTAKING," HEREIN).

**TOWN OF OSSINING
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* * *

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* * *

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No person has been authorized by the Town of Ossining to give any information or to make any representations not contained in this Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, any of the Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town of Ossining since the date hereof.

TABLE OF CONTENTS

	Page
THE NOTES	1
DESCRIPTION OF THE NOTES	1
OPTIONAL REDEMPTION.....	1
BOOK-ENTRY SYSTEM	2
DISCLOSURE UNDERTAKING	3
AUTHORIZATION AND PURPOSE	4
NATURE OF OBLIGATION.....	5
TAX LEVY LIMITATION LAW.....	6
SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT.....	6
GENERAL MUNICIPAL LAW CONTRACT CREDITORS’ PROVISION	6
EXECUTION/ATTACHMENT OF MUNICIPAL PROPERTY	7
AUTHORITY TO FILE FOR MUNICIPAL BANKRUPTCY	7
STATE DEBT MORATORIUM LAW.....	7
CONSTITUTIONAL NON-APPROPRIATION PROVISION.....	9
DEFAULT LITIGATION	9
NO PAST DUE DEBT	9
THE TOWN	9
GOVERNMENTAL ORGANIZATION	10
FINANCIAL ORGANIZATION AND BUDGETARY PROCEDURES	10
SERVICES.....	11
EDUCATION	11
UTILITIES	11
TRANSPORTATION	11
CULTURE AND RECREATION.....	11
EMPLOYEES.....	12
SELECTED WEALTH AND INCOME INDICATORS	12
AVERAGE EMPLOYED CIVILIAN LABOR FORCE.....	12
POPULATION.....	12
MAJOR CONSTRUCTION PROJECTS – TOWN OUTSIDE VILLAGES 2003-2021	13
HOUSING STOCK	14
MEDIAN HOUSING VALUES AND RENTS (2020).....	14
SELECTED LISTING OF LARGER EMPLOYERS IN THE COUNTY	14
UNEMPLOYMENT RATE STATISTICS	14
INDEBTEDNESS OF THE TOWN	15
CONSTITUTIONAL REQUIREMENTS	15
STATUTORY PROCEDURE.....	15
COMPUTATION OF DEBT LIMIT AND CALCULATION OF NET DEBT CONTRACTING MARGIN.....	16
DEBT SERVICE REQUIREMENTS – OUTSTANDING BONDS.....	17
TREND OF TOWN INDEBTEDNESS.....	17
DETAILS OF SHORT-TERM INDEBTEDNESS OUTSTANDING	17
CAPITAL PROGRAM	17
AUTHORIZED BUT UNISSUED INDEBTEDNESS	17
CALCULATION OF ESTIMATED OVERLAPPING AND UNDERLYING INDEBTEDNESS.....	18
DEBT RATIOS	18

TABLE OF CONTENTS - CONTINUED

	Page
FINANCES OF THE TOWN	18
FINANCIAL STATEMENTS AND ACCOUNTING PROCEDURES.....	18
<i>Fund Structure and Accounts</i>	18
<i>Basis of Accounting</i>	19
CERTAIN INFORMATION OBTAINED FROM FINANCIAL STATEMENTS	19
INVESTMENT POLICY	19
FINANCIAL OPERATIONS	20
REVENUES	20
<i>Real Property Taxes</i>	20
STATE AID.....	20
SALES TAX.....	22
EXPENDITURES.....	23
THE STATE COMPTROLLER’S FISCAL STRESS MONITORING SYSTEM.....	23
PENSION SYSTEMS.....	24
CONTRIBUTIONS TO THE RETIREMENT SYSTEMS.....	24
OTHER POST EMPLOYMENT BENEFITS	25
REAL PROPERTY TAX INFORMATION	26
REAL PROPERTY TAXES	26
VALUATIONS, LEVIES AND TAX RATES.....	26
TAX LEVY AND COLLECTION RECORD	27
SCHOOL TAX COLLECTION.....	27
TAX COLLECTION PROCEDURE.....	28
LARGE TAXABLE PROPERTIES	28
LITIGATION.....	28
CYBERSECURITY.....	29
IMPACT OF COVID-19.....	30
MARKET AND RISK FACTORS.....	30
TAX MATTERS	31
LEGAL MATTERS.....	33
RATING	33
MUNICIPAL ADVISOR	33
OTHER MATTERS	33
ADDITIONAL INFORMATION.....	33
APPENDIX A: FINANCIAL INFORMATION	
APPENDIX B: FORM OF BOND COUNSEL’S OPINION	
APPENDIX C: AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021	

OFFICIAL STATEMENT

Relating to

TOWN OF OSSINING WESTCHESTER COUNTY, NEW YORK

\$4,159,799

BOND ANTICIPATION NOTES, 2022

This Official Statement, including the cover page and appendices thereto, has been prepared by the Town of Ossining, Westchester County, New York (the "Town") and presents certain information relating to the Town's \$4,159,799 Bond Anticipation Notes, 2022 (the "Notes"). All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York (the "State") and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof and all references to the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Notes and such proceedings.

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Town's overall economic situation and outlook (and all of the specific Town-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "MARKET AND RISK FACTORS" and "IMPACTS OF COVID-19" herein.

THE NOTES

Description of the Notes

The Notes will be dated August 4, 2022 and will mature, without right of redemption prior to maturity, on August 4, 2023, with interest payable at maturity.

At the option of the purchaser(s), the Notes may be either registered to the purchaser(s) or registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC") as book-entry notes.

For those Notes registered to the purchaser(s), a single note certificate shall be delivered to the purchaser(s), for those Notes bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in lawful money of the United States of America (Federal Funds) at the office of the Town Clerk in Ossining, New York.

For those Notes issued as book-entry notes registered to Cede & Co., DTC will act as securities depository for the Notes and owners will not receive certificates representing their respective interests in the Notes. Individual purchases of such registered Notes may be made in denominations of \$5,000 or integral multiples thereof, except for one necessary odd denomination, which is or includes \$9,799. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser(s) at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the Town to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. See "Book-Entry System" herein.

The Town will act as Paying Agent for the Notes. The Town's contact information is as follows: Dale Brennan, Town Comptroller, 16 Croton Ave., Ossining, New York 10562, (914) 941-2581, email: DBrennan@villageofossining.org.

Optional Redemption

The Notes will not be subject to redemption prior to their maturity.

Book-Entry System

In the event that the Notes are issued in registered book-entry form, DTC will act as securities depository for the Notes and the Notes will be issued as fully-registered Notes registered in the name of Cede & Co., (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each note bearing the same rate of interest and CUSIP number and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need or physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Notes are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, note certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company

Disclosure Undertaking

This Official Statement is in a form "deemed final" by the Town for the purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). At the time of the delivery of the Notes, the Town will provide an executed copy of its "Material Event Notices Certificate" (the "Undertaking"). Said Undertaking will constitute a written agreement or contract of the Town for the benefit of holders of and owners of beneficial interests in the Notes, to provide, or cause to be provided, to the Electronic Municipal Market Access ("EMMA") System implemented by the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto, timely notice not in excess of ten (10) business days after the occurrence of any of the following events with respect to the Notes:

(i) principal and interest payment delinquencies; (ii) non-payment related defaults, if material; (iii) unscheduled draws on debt service reserves reflecting financial difficulties; (iv) unscheduled draws on credit enhancements reflecting financial difficulties; (v) substitution of credit or liquidity providers, or their failure to perform; (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes; (vii) modifications to rights of Noteholders, if material; (viii) Note calls, if material, and tender offers; (ix) defeasances; (x) release, substitution, or sale of property securing repayment of the Notes, if material; (xi) rating changes; (xii) bankruptcy, insolvency, receivership or similar event of the Town; note to clause (xii): For the purposes of the event identified in clause (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town; (xiii) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material; (xv) incurrence of a financial obligation (as defined in the Rule) of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a "financial obligation" of the Town, any of which affect noteholders, if material; and (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

Event (iii) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (iii) is not applicable, since no “debt services reserves” will be established for the Notes.

With respect to event (iv) the Town does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town.

With respect to events (xv) and (xvi), the term “financial obligation” means a (i) debt obligation (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The Town may provide notice of the occurrence of certain other events, in addition to those listed above, if it determines that any such other event is material with respect to the Notes; but the Town does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

The Town's Undertaking shall remain in full force and effect until such time as the principal of, redemption premiums, if any, and interest on the Notes shall have been paid in full. The sole and exclusive remedy for breach or default under the Undertaking is an action to compel specific performance of the undertakings of the Town, and no person or entity, including a holder of the Notes, shall be entitled to recover monetary damages thereunder under any circumstances. Any failure by the Town to comply with the Undertaking will not constitute a default with respect to the Notes.

The Town reserves the right to amend or modify the Undertaking under certain circumstances set forth therein; provided that, any such amendment or modification will be done in a manner consistent with Rule 15c2-12 as then in effect.

Authorization and Purpose

The Notes are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law and various bond resolutions adopted by the Town Board. The projects that will be financed by such amount are as follows:

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount Outstanding</u>	<u>Amount to be Paid</u>	<u>Additional Amount to be Issued</u>	<u>Amount to be Issued</u>
1/22/2019	Acquisition of Trucks	\$61,982	\$4,768	\$0	\$57,214
1/22/2019	Acquisition of Trucks	50,587	3,892	0	46,695
7/23/2019	Sewer Lift Generators	79,999	6,667	0	73,332
7/14/2020	Sewer Lift Generators	134,493	9,607	0	124,886
1/26/2021	McCarthy Drive Road Improvements	2,350,000	156,667	0	2,193,333
1/26/2021	Nutrition-Electric Bus	132,311	26,462	0	105,849
6/21/2021	Parking Lot and Road Paving-Parks	160,612	32,122	0	128,490
5/24/2022	Ballfield Fencing at Ryder Park	0	0	420,000	420,000
5/24/2022	Purchase of Trucks	0	0	1,010,000	1,010,000
	Totals:	<u>\$2,969,984</u>	<u>\$240,185</u>	<u>\$1,430,000</u>	<u>\$4,159,799</u>

Nature of Obligation

Each of the Notes when duly issued and paid for will constitute a contract between the Town and the holder thereof.

Holders of any series of notes or bonds of the Town may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Town has power and statutory authorization to levy ad valorem taxes on all real property within the Town subject to such taxation by the Town, subject to applicable statutory limitations. See "Tax Levy Limitation Law, herein.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay "interest on or principal of indebtedness theretofore contracted" prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the Town's power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See "Tax Levy Limitation Law," herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

"A pledge of the City's faith and credit is both a commitment to pay and a commitment of the City's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the City's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit" are used and they are not tautological. That is what the words say and this is what the courts have held they mean . . . So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the City's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted.... While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

In addition, the Court of Appeals in the Flushing National Bank (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the Flushing National Bank (1976) Court noted, the term "faith and credit" in its context is "not qualified in any way". Indeed, in Flushing National Bank v. Municipal Assistance Corp., 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In Quirk v. Municipal Assistance Corp., 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, "with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the Town of those revenues to meet its obligations." According to the Court in Quirk, the State Constitution "requires the Town to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness."

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In Quirk v. Municipal Assistance Corp., the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo). It also applies to independent special districts and to improvements districts as part of their parent municipalities tax levies.

The Tax Levy Limitations Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index (“CPI”), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Each municipality, prior to adoption of each fiscal year budget, must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

While the Tax Levy Limitation Law may constrict an issuer’s power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer’s pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer’s levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors’ Provision

Each Note when duly issued and paid for will constitute a contract between the Town and the holder thereof. Under current law, provision is made for contract creditors of the Town to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the Town upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of and interest on the Notes.

Execution/Attachment of Municipal Property

As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the Town may not be enforced by levy and execution against property owned by the Town.

Authority to File For Municipal Bankruptcy

The Federal Bankruptcy Code allows public bodies, such as counties, city, towns or villages, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness. While this Local Finance Law provision does not apply to school districts, there can be no assurance that it will not be made so applicable in the future.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Notes should the Town be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Notes to receive interest and principal from the Town could be adversely affected by the restructuring of the Town's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the Town (including the Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the Town under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

State Debt Moratorium Law

There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November, 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such Town of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature, as described below, authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Town.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board

requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such "additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder." Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a "material change in circumstances" the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the Flushing National Bank case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its "property, affairs and government" by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the "property, affairs and governments" of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the "FRB"), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The Town is presently not working with the FRB and does not reasonably anticipate doing so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision

There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See "General Municipal Law Contract Creditors' Provision" herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Default Litigation

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See "Nature of Obligation" and "State Debt Moratorium Law" herein.

No Past Due Debt

No principal of or interest on Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness.

THE TOWN

The Town encompasses approximately 12 square miles and is located in the west central part of the County. Manhattan is about 35 miles south of the Town. The Hudson River forms the western boundary of the Town. The Village of Ossining is located wholly within the Town; a large portion (91%) of the Village of Briarcliff Manor is located in the Town. The Town is a suburban community and is primarily residential in nature. The Village of Ossining is well developed and contains most of the Town's commercial base.

According to interim 2020 data from the U.S. Census Bureau, the Town's population is 37,651 which represents an increase of 323 persons or 0.87% since the 2010 census. Indicators of wealth based on income and home values generally exceed both County and State averages in the unincorporated and Briarcliff Manor areas of the Town. Income and housing values in the Village of Ossining are higher than State averages but generally are below the overall County averages. The State Correctional Facility at Ossining, which employs approximately 1,000 full and part-time persons, is the largest employer in Town. Many residents commute to jobs in New York City or to other areas within the region. See "Economic and Demographic Data," herein.

Governmental Organization

The Town was established in 1845 by the State as a separate political entity vested with independent taxing and debt authority. There are two incorporated villages situated within the Town's borders. The Town also contains portions of two independently governed school districts which rely on their taxing powers granted by the State to raise revenues for school district purposes. The villages and school districts use the Town's assessment roll as the basis for taxation of property within the Town.

Governmental operations of the Town are subject to the provisions of the State constitution and various statutes affecting local governments including the Town Law, General Municipal Law and the Local Finance Law. Real property assessment and tax collection procedures are determined by the County Tax Code, a basic feature of which requires that the Town guarantee and enforce the real property taxes levied by the County as well as school districts situated in the Town. The Real Property Tax Law, in part, also governs certain assessment and taxing procedures for the Town. Under Article 2 of the Town Law, the Town of Ossining is classified as a first-class town and has additionally elected suburban town status provided for in Article 3-A of this statute. The primary effect of these classifications is to give greater flexibility to the way in which town government is organized and managed. A suburban town also enjoys certain advantages with respect to improvement districts and reserve funds.

Financial Organization and Budgetary Procedures

The Town Board is the legislative, appropriating, governing and policy determining body of the Town and consists of four Board Members, elected at large to serve a four-year term, plus the Supervisor. Board Members may serve an unlimited number of terms. It is the responsibility of the Town Board to enact, by resolution, all legislation including ordinances and local laws. Annual operating budgets for the Town must be approved by the Board; modifications and transfers between budgetary appropriations also must be authorized by the Board on the recommendation of the Supervisor. The original issuance of all town indebtedness is subject to approval by the Town Board.

The Supervisor is the Chief Executive and Chief Financial Officer of the Town and is elected for a two-year term of office with the right of self succession. In addition, the Supervisor is a full member of and the presiding officer of the Town Board. Duties of the Supervisor include: the administration of the Town's daily functions, budget preparation and control, and debt issuance.

The Town Clerk who is elected to serve a four-year term, with the right of self succession, acts as the custodian of the Town's records as well as the clerk to the Town Board. Duties of the Town Clerk include: recording and maintaining the minutes of the proceedings of the Town Board, issuing certain licenses and permits, and coordinating Town elections.

The Receiver of Taxes is elected to a four-year term. The number of terms is not limited. It is the responsibility of the Receiver of Taxes to receive and collect all county, town, school taxes and assessments levied in the Town.

Pursuant to an intermunicipal agreement, the Town Comptroller duties are performed by the Village of Ossining. Duties and responsibilities of this position include: maintaining the Town's accounting systems and records, preparing the annual report to be filed with the State Comptroller, cash management and auditing vendor claims for payment.

The Town Assessor is appointed by the Town Board, on the Supervisor's recommendation, to serve a six-year term. It is the Assessor's responsibility to appraise real property in the Town for the purpose of preparing and maintaining tax assessment rolls in the form prescribed by the State Office of Real Property Tax Services (the "ORPTS"). The ORPTS provides an advisory service to assist with the assessment of certain forested lands, public utilities or unusually complex properties. Assessment review procedures include examination of the tentative assessment roll in the Assessor's presence, a public hearing before an independent board of assessment review and, finally, a judicial review in the State Supreme Court or small claims court for certain tax claim proceedings.

The Town Supervisor prepares an annual budget estimate for the ensuing fiscal year and submits it to the Town Board for consideration. The Town Board makes any changes deemed appropriate. Additional changes (if any) are made and the budget is adopted. The budget is not subject to referendum and must comply with the Tax Levy Limit Law.

Services

The Town provides its citizens with an extensive list of government services. Residents of the unincorporated areas of the Town benefit from all services; village residents receive some services but are served primarily by their respective village governments. Sewer, street lighting, fire protection and ambulance services are furnished by various special districts which have been formed within the Town. Water service is provided to residents of unincorporated area of the Town by the Village of Ossining. The construction and the maintenance of streets and roads outside the villages is also a Town function. In addition, recreation is provided and parks are maintained by the Town. Other services performed at the Town level include: police protection (through an inter-municipal agreement with Village of Ossining, effective as of January 1, 2015), justice courts, zoning, planning and refuse collection.

The Town is a member of the County Refuse District No. 1 (the "District") and according to an agreement between the District and the Westchester Industrial Development Agency, participating District members are committed to deliver municipally generated refuse to a solid waste disposal/resource recovery plant located in the City of Peekskill. The plant is operated by Wheelabrator Technologies, Inc. Residential solid waste is collected by the various municipalities (Town and villages) for delivery to a district operated transfer station and the ultimate removal to the recovery plant. Beginning on October 22, 2021, each member municipality paid a tipping fee of \$30.98 (which was increased from \$29.83 on October 22, 2020) per ton for solid, non-organic refuse. A charge of \$28.57 per ton from April 1, 2022 to March 31, 2023 was imposed for organic waste through an inter-municipal agreement with the Village of Ossining. The District taxpayers are subject to an ad valorem tax if such fee is not sufficient to meet the District's obligations to the County Industrial Development Agency. For 2022, the tax rate for the District is \$0.6757 for each \$1,000 of assessed valuation.

Public primary and secondary education is provided by the Ossining and Briarcliff School Districts which are independent of the Town and have separate taxing and debt issuance authority.

Pursuant to State law, the County funds and provides various social service and health care programs such as Medicaid, aid to the families with dependent children, home relief and mental health programs. The County provides sewage treatment through various County sewer districts. In addition, the County sponsors a two-year college which offers associates' degrees in various fields of study.

Education

Public schools in the Town are under the administration of two independent school districts which levy taxes for their operations. Additionally, Northern Westchester-Putnam BOCES is available to students in the Town. Several private schools also provide primary and secondary education. Higher education facilities include Fordham University in Tarrytown, Mercy College in Dobbs Ferry and Pace University in Pleasantville and White Plains.

Utilities

Verizon provides various communication services in the Town. Consolidated Edison Company provides electricity and natural gas service to residents of the Town. The Town has entered into an agreement with the Power Authority of the State of New York (PASNY) for the supply of electricity to its municipal facilities.

Residents in the unincorporated area of the Town purchase water from the Village of Ossining which maintains the water lines. The Town maintains a sewer collection system which discharges into several sewage treatment plants operated by the County

Transportation

The Town is served by all major forms of transportation. Highway facilities include U.S. routes 9 and 9A and State routes 133 and 134. The Taconic State Parkway runs just east of the Town and Interstate 287 lies just south of the Town. Rail service is provided by the Metro-North Hudson Railroad that travels north-south through the Town along the Hudson River. The County Department of Transportation provides bus service to residents of the Town. The County Airport, the New York airports (LaGuardia, Kennedy and Newark Airports) and Stewart International Airport in Newburgh are easily accessible to residents of the Town and provide domestic and international air service on a regular basis.

Culture and Recreation

The Town maintains a system of six parks with a total of 130 acres. A variety of organized and self-directed activities are available at these parks. The Town operates a Senior Services Program providing nutrition, fitness, transportation, and social services to the Town's elderly population. The Village of Ossining operates a community center whose pool and recreation facilities are available to Town residents. Programs are offered throughout the year at the center for pre-school age children, youths and senior citizens. The County operates an extensive system of parks and golf courses which are available to Town residents. In addition, the State operates a large park in the Town at Cortlandt just north of the Town.

Employees

The Town provides services through approximately 42 full-time employees. Union representation of full time employees is as follows:

<u>Name of Union</u>	<u>Expiration Date of Contract</u>	<u>Approx. No. of Members</u>
Civil Service Employees Association	12/31/2026	20
Teamsters	12/31/2023	14

Selected Wealth and Income Indicators

	<u>Per Capita Money Income</u>			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020^a</u>
Town	\$24,672	\$34,195	\$43,721	\$54,888
County of Westchester	25,584	36,726	47,814	57,953
State of New York	16,501	23,389	30,948	40,898

	<u>Median Household Income</u>			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020^a</u>
Town	\$51,369	\$65,485	\$85,749	\$105,189
County of Westchester	48,405	63,582	79,619	99,489
State of New York	39,741	43,393	55,603	71,117

Source: United States Bureau of the Census

a. Based on American Community Survey 5-Year Estimates (2016-2020)

Average Employed Civilian Labor Force

	<u>2000</u>	<u>2010</u>	<u>2020</u>
Town	17,600	18,100	18,989
County of Westchester	445,400	443,500	485,843
State of New York	8,718,700	8,769,700	9,611,029

Population

<u>Year</u>	<u>Town of Ossining</u>	<u>County of Westchester</u>	<u>State of New York</u>
1990	34,135	875,222	17,990,455
2000	36,534	923,459	18,976,457
2010	37,319	938,406	19,229,752
2020	37,651	968,738	19,514,849

Source: United States Bureau of the Census

Major Construction Projects – Town Outside Villages 2003-2021

<u>Developer's Name</u>	<u>Street Address</u>	<u>Size of Project</u>	<u># of Units</u>	<u>Square Footage</u>	<u>Stage of Project</u>	<u>Estimated Cost of Construction</u>
Mystic Point	Mystic Drive Waterview Drive, Applegate Way,	46 Ac. T&V	Condos 34 Town, 134 Village	75000	34 Complete	\$ 3,800,000
Waterview Est.	Kelly Court	52 Ac.	61 Single Family Homes	80000	58 Complete	5,500,000
Perryco Const	Wyche Way	9 Ac.	10 Single Family Homes	30000	10 Complete	2,000,000
Antonio Velardo	Gualitiere Lane	3.5 Ac.	5 Single Family Homes	21000	5 Complete	1,500,000
Luciano Velardo	Roosa Lane	5.73 Ac.	10 Single Family Homes	32000	9 Complete	2,000,000
Briar Oaks, LLC.	Chappaqua Road	2.0 Ac.	12 Condo Units 16 Single Family Homes	15660	12 Complete	2,000,000
Valhalla Views, LLC.	Hawkes Avenue Shady Lane Farm Road	4.48 Ac.	Cluster	48000	15 Complete Phase I & II Complete	2,880,000
General Electric	North State Road	25 Ac.	Site Plan Amendment		Complete	34,452,230
Zappico Construction	North State Road	1 Ac.	12 Condo Units	20000	Complete	2,000,000
Rayford Daverne	Old Albany Post Rd.	.39 Ac	2 Single Family Homes 24 Single Family Homes	3600	2 Complete	600,000
Zappico Construction	Morningside Drive	28.33 Ac.	Cluster	60000	Expired Subdivision	3,600,000
Butler Subdivision	Hillcrest Drive	2.72 Ac.	1 New	3500	Complete	300,000
Artis Senior Living	North State Road	1.5 Ac.	Site Plan Amendment	35500	Complete	5,325,000
River Knoll	40 Croton Dam Rd.	16.20 Ac.	188 Apartments	176000	Current on Planning Bd.	35,200,000
Parth Knolls LLC	87 Hawkes Ave.	5.53 Ac.	53 Apartments	32000	Building Permit in progress	7,000,000
Bethany Arts	40 Somerstown Rd.	24.90 Ac.	Site Plan		Complete	1,000,000
Rinaldi Subdivision	39 Stormytown Rd.	6.63 Ac.	10 Lot Subdivision		Approved	2,250,000
The Learning Experience	North State Road	1.0 Ac.	Site Plan New	10000	Complete	2,500,000
SPCA of West.	North State Road	4.0 Ac.	Site Plan New	27121	Complete	6,780,250
MGM Subdivision	Hawkes Ave.	2.15 Ac.	2 Lot Subdivision	6000	Approved not finalized	600,000
Santucci Schemmer	Croton Dam Road	2.0 Ac.	2 New Lots	6000	Approved Resolution	600,000
Village of Ossining	Reservoir Road 125 Morningside Dr.	2.95 Ac.	New Treatment	28495	Approved not built	35,000,000
Marrico		2.45 Ac.	New Single-Family		Complete	300,000
Bruce Fiorito	39 Old Albany Post	.25 Ac.	New 2 Family		Complete	300,000
Sunrise Solar	584 N. State Rd.	11.11 Ac.	New Solar Roof		Complete	1,411,933
Polzella	3 Waterview Dr.	.35 Ac.	New Single-Family		Complete	200,000
Ecogy Energy	75 Ryder Road		New Solar Canopy		Complete	1,800,000
Borrego Solar	381 N. Highland		Battery Storage		Approved	
Picucci	381 N. Highland		1 Lot Subdivision		Current on Planning Bd.	500,000
Welcome Homes	68 Somerstown Rd.		New Single-Family		Current on Planning Bd.	900,000
Capasso	34 McCarthy Dr.		New Single Family		Building Permit issued	500,000
						<u>\$162,799,413</u>

Housing Stock

	<u>2000</u>	<u>2010</u>	<u>2020</u> ^a
Town	\$ 12,733	\$ 13,386	\$ 14,975
County of Westchester	349,445	370,821	388,963
State of New York	7,679,307	8,108,103	8,488,066

Median Housing Values and Rents (2020)

	<u>Median Value (Owner Occupied)</u>	<u>Median Rent (Renter Occupied)</u>
Town	\$437,600	\$1,763
County of Westchester	559,400	1,599
State of New York	325,000	1,315

Selected Listing of Larger Employers in the County

<u>Name</u>	<u>Type of Business</u>
Westchester Medical Center	Hospital/Healthcare Services
IBM Corp.	Computer Hardware/Software
White Plains Hospital	Hospital/Healthcare Services
Regeneron Pharmaceuticals Inc.	Pharmaceuticals
St. John's Riverside Hospital	General Medical & Surgical
PepsiCo Inc.	Soft Drinks/Snack Food
St. Joseph's Medical Center	Hospital/Healthcare Services
FDR VA Hospital	General Medical & Surgical
Northern Westchester Hospital	General Medical & Surgical
Montefiore New Rochelle	General Medical & Surgical

Source: 2021 Westchester County Official Statement dated December 1, 2021.

Unemployment Rate Statistics

<u>Annual Averages:</u>	<u>Town of Ossining (%)</u>	<u>Westchester County (%)</u>	<u>New York State (%)</u>
2017	4.2	4.5	4.7
2018	3.6	3.9	4.2
2019	3.3	3.8	4.0
2020	7.2	8.2	10.0
2021	4.4	4.8	6.9
2022 (4 Month Average)	3.1	3.5	4.8

Source: New York State Department of Labor.

INDEBTEDNESS OF THE TOWN

Constitutional Requirements

The New York State Constitution limits the power of the Town (and other municipalities and school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional and statutory limitations include the following, in summary form, and are generally applicable to the Town and the Notes.

Purpose and Pledge. The Town shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The Town may contract indebtedness only for a Town purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute or the weighted average period of probable usefulness thereof; and no installment may be more than fifty per centum in excess of the smallest prior installment, unless the Town has authorized the issuance of indebtedness having substantially level or declining annual debt service. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and bond anticipation notes.

General. The Town is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the Town so as to prevent abuses in the exercise of such powers; however, as has been noted under "Nature of Obligation", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the Town to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limitation Law imposes a statutory limitation on the Town's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limitation Law. See "Tax Levy Limitation Law," herein.

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the Town to borrow and incur indebtedness subject, of course, to the constitutional and provisions set forth above. The power to spend money, however, generally derives from other law, including the Town Law.

Pursuant to the Local Finance Law, the Town authorizes the incurrence of indebtedness by the adoption of a bond ordinance approved by at least two-thirds of the members of the Town Board, the finance board of the Town.

The Local Finance Law also provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. The Town is in compliance with such requirement with respect to the bond resolutions authorizing the issuance of the renewal money portion of the Notes. The Town is in the process of complying with such requirement with respect to the bond resolutions authorizing the issuance of the new money portion of the Notes.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the notes subject to the legal (Constitution, Local Finance Law and case law) restrictions relating to the period of probable usefulness with respect thereto.

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of serial bonds. Statutory law in New York permits notes to be renewed each year provided that principal is amortized and provided that such renewals do not (with certain exceptions) extend more than five years beyond the original date of borrowing. However, notes issued in anticipation of the sale of serial bonds for assessable improvements are not subject to such five year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such notes were originally issued. See "Payment and Maturity" under "Constitutional Requirements".

In addition, under each bond resolution, the Town Board may delegate, and has delegated, power to issue and sell bonds, to the Town Supervisor, the chief fiscal officer of the Town.

In general, the Local Finance Law contains similar provisions providing the Town with power to issue general obligation revenue anticipation notes, tax anticipation notes, deficiency notes and budget notes.

Debt Limit. The Town has the power to contract indebtedness for any Town purpose so long as the principal amount thereof shall not exceed seven per centum of the average full valuation of taxable real estate of the Town and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional and statutory method for determining the full valuation is by dividing the assessed valuation of taxable real estate by the respective equalization rates assigned to each assessment roll. Such equalization rates are the ratios which each of such assessed valuations bear to the respective full valuation of such year, as assigned by the Office of Real Property Tax Services. The State Legislature is required to prescribe the manner by which such ratios shall be determined. Average full valuation is determined by adding the full valuations for the most recently completed assessment roll and the four immediately preceding assessments rolls and dividing the resulting sum of such addition by five.

There is no constitutional limitation on the amount that may be raised by the Town by tax on real estate in any fiscal year to pay principal and interest on all indebtedness. However, the Tax Levy Limitation Law, imposes a statutory limitation on the power of the Town to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in the Tax Levy Limitation Law. See "Tax Levy Limitation Law," herein.

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of July 13, 2022)

<u>Fiscal Year Ending December 31:</u>	<u>Assessed Valuation</u>	State <u>Equalization Rate (%)</u>	<u>Full Valuation</u>
2017	\$4,709,841,908	100.00	\$4,709,841,908
2018	4,795,048,250	100.00	4,795,048,250
2019	4,906,855,745	100.00	4,906,855,745
2020	5,000,985,062	100.00	5,000,985,062
2021	5,213,448,426	100.00	<u>5,213,448,426</u>
Total Five Year Full Valuation			\$24,626,179,391
Average Five Year Full Valuation			4,925,235,878
Debt Limit - 7% of Average Full Valuation			344,766,511
Inclusions:			
Outstanding Bonds			\$3,700,000
Bond Anticipation Notes			<u>2,969,984</u>
Total Inclusions			6,669,984
Exclusions:			
Water Debt			149,142
Appropriations for BANs			240,185
Appropriations for Bonds			<u>325,000</u>
Total Exclusions:			714,327
Total Net Indebtedness			5,955,657
Net Debt Contracting Margin			<u><u>\$338,810,854</u></u>
Per Cent of Debt Contracting Margin Exhausted			1.73%

Debt Service Requirements – Outstanding Bonds

Fiscal Year Ending <u>December 31:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$445,000	\$68,895	\$513,895
2023	525,000	60,935	585,935
2024	450,000	52,674	502,674
2025	540,000	43,668	583,667
2026	435,000	33,920	468,920
2027	365,000	24,146	389,146
2028	280,000	18,100	298,100
2029	285,000	13,630	298,630
2030	180,000	8,715	188,715
2031	175,000	5,605	180,605
2032	140,000	2,253	142,253
Totals	<u><u>\$3,820,000</u></u>	<u><u>\$332,540</u></u>	<u><u>\$4,152,540</u></u>

Trend of Town Indebtedness

	<u>Fiscal Year Ending December 31:</u>				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Outstanding End of Year:					
Bonds	\$3,945,000	\$3,360,000	\$3,835,000	\$4,277,696	\$3,820,000
BANs	<u>2,469,396</u>	<u>2,202,791</u>	<u>1,455,087</u>	<u>431,995</u>	<u>2,969,984</u>
Total Debt Outstanding	<u><u>\$6,414,396</u></u>	<u><u>\$5,562,791</u></u>	<u><u>\$5,290,087</u></u>	<u><u>\$4,709,691</u></u>	<u><u>\$6,789,984</u></u>

Details of Short-Term Indebtedness Outstanding

The Town has \$2,969,984 in bond anticipation notes outstanding for various public improvements within the Town due August 5, 2022 which will be redeemed by the issuance of the Notes and available funds.

Capital Program

The Town is generally responsible for providing services as required to the citizens on a Town-wide basis. The Town maintains a road system necessitating road resurfacing and improvements and the acquisition of machinery and, from time to time, equipment. Additionally, although not a capital expense, such road system requires annual expenditures for snow removal as well as regular general operating maintenance expenses. In addition, the Town owns, operates, maintains and improves recreation facilities. In general, needs for capital funding for the above described projects which the Town has responsibility are anticipated to continue and to be in approximately the same amounts or less than has prevailed in the past.

Authorized but Unissued Indebtedness

The Town has authorized but unissued debt outstanding in the aggregate amount of \$1,430,000 which will be financed by the issuance of the Notes.

Calculation of Estimated Overlapping and Underlying Indebtedness

<u>Overlapping Units</u>	<u>Date of Report</u>	<u>Percentage Applicable (%)</u>	<u>Applicable Total Indebtedness</u>	<u>Applicable Net Indebtedness</u>
County of Westchester	12/01/2021	2.89	\$35,537,506	\$26,148,362
Village of Ossining	09/14/2021	100.00	31,562,446	22,615,862
Village of Briarcliff Manor	05/03/2022	43.76	14,527,897	10,360,017
Briarcliff Manor UFSD	06/08/2022	70.29	13,468,970	13,468,970
Ossining UFSD	06/07/2022	87.80	30,067,110	12,928,857
Totals			\$125,163,929	\$85,522,068

Debt Ratios (As of June 15, 2022)

	<u>Amount</u>	<u>Per Capita^a</u>	<u>Percentage of Full Value (%)^b</u>
Total Direct Debt	\$ 6,669,984	\$ 177	0.13
Net Direct Debt	5,955,657	158	0.11
Total Direct & Applicable Total Overlapping Debt	131,833,913	3,501	2.53
Net Direct & Applicable Net Overlapping Debt	91,477,725	2,430	1.75

a. The current estimated population of the Town is 37,651.

b. The full valuation of taxable real property in the Town for 2020-21 is \$5,213,448,426.

FINANCES OF THE TOWN

Financial Statements and Accounting Procedures

The Town maintains its financial records in accordance with the Uniform System of Accounts for Towns prescribed by the State Comptroller. The financial records of the Town are audited by independent accountants. The last such audit made available for public inspection covers the fiscal year ended December 31, 2021 and is attached as Appendix C. In addition, the financial affairs of the Town are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the Town has complied with the requirements of various State and Federal statutes. The Town also prepares an Annual Financial Report Update Document (unaudited) (the "AUD") that is filed with the State Comptroller.

Fund Structure and Accounts

The Town utilizes fund accounting to record and report its various service activities. A fund represents both a legal and an accounting entity which segregates the transactions of specific programs in accordance with special regulations, restrictions or limitations.

There are three basic fund types: (1) governmental funds that are used to account for basic services and capital projects; (2) proprietary funds that account for operations of a commercial nature; and, (3) fiduciary funds that account for assets held in a trustee capacity. Account groups, which do not represent funds, are used to record fixed assets and long-term obligations that are not accounted for in a specific fund.

The Town presently maintains the following governmental funds: General Fund, Town Outside Villages Funds, Highway Fund, Special Districts Funds, Capital Projects Fund, Debt Service Fund and Special Purposes Funds. Fiduciary funds consist of a Trust and Agency Fund. Account groups are maintained for fixed assets and long-term debt.

Basis of Accounting

The Town's governmental funds are accounted for on a modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become susceptible to accrual - that is, when they become "measurable" and "available" to finance expenditures to the current period. Revenues are susceptible to accrual include real property taxes, intergovernmental revenues (State and Federal aid) and operating transfers.

Expenditures are generally recognized under the modified accrual basis of accounting that is when the related fund liability is incurred. An exception to this general rule is unmatured interest on general long-term debt which is recognized when due.

Certain Information Obtained from Financial Statements

Summary financial statements for the five years ended December 31, 2017 through December 31, 2021 are presented in Appendix A hereto. Such statements were compiled from the audited financial statements of the Town, however, the presentation of these statements has not been audited. The statements are not considered audited under auditing standards generally accepted in the United States of America because the notes to the statements and the auditors' report thereon have been omitted.

Investment Policy

Although the accumulative of funds for investment is not a Town purpose, the Town temporarily invests funds on hand pending their expenditures for Town operating and capital purposes.

Pursuant to Section 39 of the State's General Municipal Law, the Town has adopted an investment policy applicable to the investment of all moneys and financial resources of the Town. The responsibility for the investment program has been delegated by the Town Board to the Supervisor and the Town Comptroller who was required to establish written operating procedures consistent with the Town's investment policy guidelines. According to the investment policy of the Town, all investments must conform to the applicable requirements of law and provide for: the safety of the principal; sufficient liquidity; and a reasonable rate of return. The Town reviews its investment policy on an annual basis.

Authorized Investments. For 2022, the Town has designated six banks or trust companies which are located and authorized to conduct business in the State to receive deposits of money, including certificates of deposits, from the Town.

In addition to bank deposits, the Town is permitted to invest moneys in direct obligations of the United States of America, obligations guaranteed by agencies of the United States where the payment of principal and interest are further guaranteed by the United States of America and obligations of the State. Other eligible investments for the Town include: revenue and tax anticipation notes issued by any municipality, school district or district corporation other than the Town (investment subject to approval of the State Comptroller), obligations of certain public authorities or agencies, obligations issued pursuant to Section 109(b) of the General Municipal Law (certificates of participation) and certain obligations of the Town but only with respect to moneys of a reserve fund established pursuant to Section 6 of the General Municipal Law. The Town may also utilize repurchase agreements to the extent such agreements are based upon direct or guaranteed obligations of the United States of America. Repurchase agreements are subject to the following restrictions: all repurchase agreements are subject to a master repurchase agreement; trading partners are limited to banks or trust companies authorized to conduct business in the State or primary reporting dealers as designated by the Federal Reserve Bank of New York, securities may not be substituted; and the custodian for the repurchase security must be a party other than the trading partner. All purchased obligations, unless registered or inscribed in the name of the Town, must be purchased through, delivered to and held in the custody of a bank or trust company located and authorized to conduct business in the State. Reverse repurchase agreements are not allowed under State law.

Collateral Requirements. All Town deposits in excess of the applicable insurance coverage provided by the Federal Deposit Insurance Act must be secured by a pledge of collateral of the type authorized by Section 10 (1)(f) of the General Municipal Law of the State. Such collateral may consist of the "eligible securities," "eligible surety bonds" or "eligible letter of credit" as described in the Law.

Eligible securities pledged to secure deposits must be held by the depository or third-party bank or trust company pursuant to written security and custodial agreements. The Town's security agreements provide that the aggregate market value of pledged securities must equal or exceed the principal amount of deposit, the agreed upon interest, if any, and any costs or expenses arising from the collection of such deposits in the event of a default. Securities not registered or inscribed in the name of the Town must be delivered, in a form suitable for transfer or with an assignment in blank, to the Town or its designated custodial bank. The custodial agreements used by the Town provide that pledged securities must be kept separate and apart from the general assets of the custodian and will not, under any circumstances, be commingled with or become part of the backing for any other deposit or liability. The custodial agreement must also provide that the custodian shall confirm the receipt, substitution or release of the collateral, the frequency of revaluation of eligible securities and the substitution of collateral when a change in the rating of a security may cause ineligibility.

An eligible irrevocable letter or credit may be issued, in favor of the Town, by a qualified bank other than the depository bank. Such letters may have a term not to exceed 90 days and must have an aggregate value equal to 140% of the deposit obligations and the agreed upon interest. Qualified banks include those with commercial paper or other unsecured or short-term debt ratings within one of the three highest categories assigned by at least one nationally recognized statistical rating organization or a bank that is in compliance with applicable Federal minimum risk-based capital requirements.

An eligible surety bond must be underwritten by an insurance company authorized to do business in the State which has claims paying ability rated in the highest rating category for claims paying ability by at least two nationally recognized statistical rating organizations. The surety bond must be payable to the Town in an amount equal to 100% of the aggregate deposits and the agreed interest thereon.

Financial Operations

The Town Supervisor functions as the chief fiscal officer as provided in Section 2 of the Local Finance Law; in this role, the Supervisor is responsible for the Town's accounting and financial reporting activities. In addition, the Supervisor is the Town's budget officer and must therefore prepare the annual tentative budget for submission to the Town Board. Budgetary control during the year is the responsibility of the Supervisor. Pursuant to Section 30 of the Local Finance Law, the Supervisor has been authorized to issue or renew certain specific types of notes. As required by law, the Supervisor must execute an authorizing certificate which then becomes a matter of public record.

The Town Board, as a whole, serves as the finance board of the Town and is responsible for authorizing, by resolution, all material financial transactions such as operating and capital budgets and bonded debt.

Town finances are operated primarily through the General Fund, Town Outside Villages Fund, and Highway Fund. Real property taxes and most of the other Town revenues are credited to these funds. Current operating expenditures are paid from these funds subject to available appropriations. The Town also has water, sewer and other special districts, which are accounted for within separate funds. Capital projects and equipment purchases are accounted for in special capital projects funds. The Town observes a calendar year for operating and reporting purposes.

Revenues

The Town receives most of its revenues from real property taxes and assessments. A summary of such revenues for the five recently completed fiscal years may be found in Appendix A.

Real Property Taxes

See "Real Property Tax Information", herein.

State Aid

Based on the audited financial reports of the Town, the Town received approximately 15.31% of its total General Fund operating revenue from State aid in 2021. There is no assurance, however, that State appropriations for aid to municipalities will continue, either pursuant to existing formulas or in any form whatsoever. The State is not constitutionally obligated to maintain or continue such aid and has the ability to reduce funding to municipalities and school districts in order to balance its own budget.

If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid. Additionally, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in this year or future years, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments.

The State is not constitutionally obligated to maintain or continue State aid to the Town. No assurance can be given that present State aid levels will be maintained in the future. Due to the outbreak of COVID-19, the State declared a state of emergency and the Governor took steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses for an extended period. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to continue to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will experience budgetary restrictions which will require certain gap-closing actions or infusions of Federal aid. Such actions may include, but are not limited to: reductions in State agency operations and/or the delay, elimination or substantial reduction in payments to municipalities, school districts or other recipients of State aid in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "*Impacts of COVID-19*" herein.)

The State's 2020-2021 Adopted Budget authorized the State's Budget Director to make periodic adjustments to nearly all State spending, including State Aid, in the event that actual State revenues came in below 99% percent of estimates or if actual disbursements exceeded 101% of estimates. Specifically, the legislation provided that the State Budget Director will determine whether the State's 2020-2021 budget is balanced during three "measurement periods": April 1 to April 30, May 1 to June 30, and July 1 to December 31. According to the legislation, if "a General Fund imbalance has occurred during any Measurement Period," the State's Budget Director will be empowered to "adjust or reduce any general fund and/or state special revenue fund appropriation ... and related cash disbursement by any amount needed to maintain a balanced budget," and "such adjustments or reductions shall be done uniformly across the board to the extent practicably or by specific appropriations as needed." The legislation further provided that prior to making any adjustments or reductions, the State's Budget Director must notify the Legislature in writing and the Legislature has 10 days following receipt of such notice to prepare and approve its own plan. If the Legislature failed to approve its own plan, the Budget Director's reductions take effect automatically.

On April 25, 2020 the New York State Division of the Budget (the "DOB") announced that the State fiscal year 2021 Enacted State Budget Financial Plan (the "Financial Plan"), projected a \$13.3 billion shortfall as a direct consequence of the COVID-19 pandemic. On August 13, 2020, the DOB issued its first quarterly update to the Financial Plan (the "Updated Financial Plan") which noted that the DOB began withholding 20% of most local aid payments in June due to the absence of Federal action. Depending on the size and timing of any new Federal aid, all or a portion of such withheld funds may become permanent reductions. The Updated Financial Plan includes \$8.2 billion in recurring local aid reductions and that, in the absence of unrestricted Federal aid, the DOB will continue to withhold a range of payments through the second quarter of the State's 2021 fiscal year. On October 30, 2020, the DOB issued its midyear update to the Financial Plan (the "Midyear Update") which projected a \$14.9 billion General Fund revenue decline and a 15.3% All Funds tax receipts decline from the State 2020-21 Budget forecast released in February, creating a total loss of nearly \$63 billion through FY 2024 as a direct consequence of the COVID-19 pandemic. In the absence of Federal funding to offset this revenue loss, the Midyear Update shows the State reduced spending through September by \$4.3 billion compared to FY 2020 spending over the same period by freezing hiring, new contracts and pay raises, and temporarily holding back 20% of most payments, including payments to municipalities and school districts.

The State's revenue picture improved in the final quarter of fiscal year 2021, with tax collections exceeding expectations. On March 1, 2021 the Executive and Legislature reached consensus that cumulative tax receipts over fiscal year 2021 and fiscal year 2022 would be at least \$2.5 billion higher than estimated in the Executive Budget Financial Plan. Collections through the end of fiscal year 2021 were even more favorable, providing the basis for the substantial upward revision to tax receipts. The State finished fiscal year 2021 in a stronger overall position in comparison to the Executive Budget Financial Plan. Results reflected both strong tax receipts and disbursements that fell substantially below budgeted levels.

On March 11, 2021 the Federal American Rescue Plan Act (ARPA) was enacted. The ARPA is a \$1.9 trillion economic stimulus bill intended to contain the COVID-19 pandemic and accelerate the nation's economic recovery. The ARPA provides the State with \$12.6 billion in general aid ("recovery aid"), as well as \$17.2 billion in categorical aid for schools, universities, childcare, housing and other purposes. (See "*Impact of COVID-19*", herein). The enacted 2021-22 State budget provides for an increase in All Funds spending of 9.7% over 2020-21, relying on a combination of the new federal funding and revenue-raising initiatives to avoid cuts and support additional investments. According to the State, the budget deploys the first \$5.5 billion of the \$12.6 billion provided for under ARPA.

The State receives a substantial amount of federal aid for health care, education, transportation and other governmental purposes, as well as federal funding to respond to, and recover from, severe weather events and other disasters. Many of the policies that drive this federal aid may be subject to change under the federal administration and the current Congress. Current federal aid projections, and the assumptions on which they rely, are subject to revision in the future as a result of changes in federal policy, the general condition of the global and national economies and other circumstances, including the diversion of federal resources to address the current COVID-19 pandemic.

Should the Town fail to receive State aid expected from the State in the amounts and at the times expected, occasioned by a delay in the payment of such monies, the Town is authorized by the Local Finance Law to provide operating funds by borrowing in anticipation of the receipt of uncollected State aid.

The following table sets forth the percentage of the Town’s General Fund revenue comprised of State aid for each of the fiscal years 2017 through 2021 and as budgeted, for 2022.

<u>Fiscal Year Ended</u> <u>December 31:</u>	<u>General Fund</u> <u>Total Revenue</u>	<u>State Aid</u>	<u>State Aid to</u> <u>Revenues (%)</u>
2017	\$6,322,034	\$1,058,787	16.75
2018	5,345,883	796,072	14.89
2019	5,318,075	523,011	9.83
2020	5,878,813	683,475	11.63
2021	6,298,742	964,059	15.31
2022 (Budgeted)	5,875,447	529,688	9.02

Source: Audited financial statements 2017 through 2021, and the adopted budget for 2022. Table itself is not audited.

Sales Tax

The Town receives a share of the County sales tax. The County presently imposes a 1 ½% County-wide sales and use tax on all retail sales. Additionally, the State, effective May 1, 2005, imposes a 4% State sales tax and a 3/8% sales tax levied in the Metropolitan Transportation Authority District. The cities in the County have the power under State law to impose by local law and State legislative enactment their own sales and use taxes. At present, such taxes are imposed at a rate of 2½% in the Cities of White Plains, Mount Vernon, New Rochelle, and Yonkers. The Cities of Rye and Peekskill do not impose such a sales tax.

In July 1991, the State Legislature authorized an additional 1% sales tax for the County to impose in localities other than cities which have their own sales tax. This additional 1% sales tax became effective on October 15, 1991 and has been extended through December 31, 2023. The additional 1% sales tax is to be apportioned between the County (33 1/3%), school districts in the County (16 2/3%) and towns, villages and cities in the County which have imposed sales taxes (50%).

In February of 2004, the State Legislature authorized an increase of ½% to the additional 1% 1991 sales tax. The County retains 70% of this amount, the municipalities 20% and the school districts 10%. This increase became effective March 1, 2004 and expires on December 31, 2023.

In 2019, Westchester County instituted an additional 1% local sales tax beginning in August of that year.

The following table sets forth total Town Outside Villages Fund revenue, including other financing sources, and sales taxes received for each of the past five fiscal years ended December 31 and the amount budgeted for the most recent fiscal year.

Fiscal Year Ended <u>December 31:</u>	<u>Total Revenue</u>	<u>Sales Tax</u>	<u>Sales Tax to Revenue (%)</u>
2017	\$3,927,161	\$ 824,820	21.00
2018	4,095,785	865,530	21.13
2019	4,292,083	989,142	23.05
2020	4,461,315	1,120,608	25.12
2021	4,688,656	1,320,371	28.16
2022 (Budgeted)	4,152,264	1,020,000	24.56

Source: Audited financial statements 2017 through 2021, and the adopted budget for 2022. Table itself is not audited.

Expenditures

The major categories of expenditure for the Town are General Government Support, Transportation, Economic Assistance and Opportunity, Culture and Recreation, Employee Benefits and Debt Service. A summary of the expenditures for the five most recently completed fiscal years may be found in Appendix A.

The State Comptroller’s Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State’s school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System (“FSMS”) to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State’s school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed with the State Education Department annually, and each municipality’s annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in “significant fiscal stress”, in “moderate fiscal stress,” as “susceptible to fiscal stress” or “no designation”. Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of “no designation.” This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity’s financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The most current applicable report of OSC designates the Town as “No Designation” (Fiscal Score: 3.30%; Environmental Score: 23.3%). More information on the FSMS may be obtained from the Office of the State Comptroller.

See the State Comptroller’s official website for more information on FSMS. Reference to this website implies no warranty of accuracy of information therein nor incorporation herein by reference.

In addition, OSC helps local government officials manage government resources efficiently and effectively. The Comptroller oversees the fiscal affairs of local governments statewide, as well as compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through its audits, which identify opportunities for improving operations and governance.

Pension Systems

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS" or "Retirement System"). The Retirement System is a cost-sharing multiple public employee retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in the Retirement System are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 and before January 1, 2010 must contribute three percent of their gross annual salary towards the costs of retirement programs until they attain ten years in the Retirement System, at such time contributions become voluntary. On December 10, 2009, a new Tier 5 was created, which was effective for new ERS employees hired between January 1, 2010 and March 31, 2012. New ERS employees in Tier 5 contribute 3% of their salaries to the pensions. There is no provision for these contributions to cease for Tier 5 employees after a certain period of service.

Pension reform legislation changed the billing cycle for employer contributions to the ERS retirement system to match budget cycles of the Town. Under the previous method, the Town was not provided with required payment until after the budget was implemented. Under the reforms implemented, the employer contribution for a given fiscal year is based on the value of the pension fund on the prior April 1, instead of the following April 1. As a result, the Town is notified of and can include the actual cost of the employer contribution in its budget. Legislation also requires a minimum payment of 4.5% of payroll each year, including years in which investment performance of the fund would make a lower employer contribution possible.

In addition, the pension payment date for all local governments was changed from December 15 to February 1 and permits the legislative body of a municipality to establish a retirement contribution reserve fund for the purpose of financing retirement contributions in the future. The New York State Retirement System has advised the Town that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount.

On March 16, 2012, the new Tier 6 pension program was established, effective for new ERS employees hired after April 1, 2012. The Tier 6 legislation provides for increased employee contribution rates of between 3% and 6%, an increase in the retirement age from 62 years to 63 years, a readjustment of the pension multiplier, and a change in the time period for final average salary calculation from 3 years to 5 years. Tier 6 employees will vest in the system after five years of employment and will continue to make employee contributions throughout employment.

The Town is required to contribute an actuarially determined rate. The required contributions for the five most recently completed fiscal years are as follows:

Contributions to the Retirement Systems

Fiscal Year Ending December 31:	Amount ^a
2017	\$457,687
2018	456,527
2019	421,131
2020	473,752
2021	473,644
2022 (Budgeted)	531,463

a. Includes contributions in the General, Town Outside Village, Highway, Dale Cemetery Trust, and Consolidated Sewer District funds.

Due to prior poor performance of the investment portfolio of the Retirement System, the employer contribution rates for required pension contributions has increased. To help mitigate the impact of such increases, legislation has been enacted that permits local governments and school districts to amortize a portion of such contributions. The Town has not amortized any contributions to the Retirement System, nor does it expect to do so in the foreseeable future.

Other Post Employment Benefits

The Town provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. School districts and Boards of Cooperative Education Services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits or increasing health care contributions received or paid by retirees below the level of benefits or contributions afforded to or required from active employees. This protection from unilateral reduction of benefits had been extended annually by the New York State Legislature until recently when legislation was enacted to make permanent these health insurance benefit protections for retirees. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of the date hereof. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

GASB Statement No. 75 (“GASB 75”) of the Governmental Accounting Standards Board (“GASB”), requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits (“OPEB”). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Under previous rules, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements. Only current payments to existing retirees were recorded as an expense.

GASB 75 requires that state and local governments adopt the actuarial methodologies to determine annual OPEB costs. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due.

During the year ended December 31, 2018, the Town adopted GASB 75, which supersedes and eliminates GASB 45. Under GASB 45, based on actuarial valuation, an annual required contribution (“ARC”) will be determined for each state or local government. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

GASB 75 establishes new standards for recognizing and measuring OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures to provide more transparent reporting and useful information about the liability and cost of benefits. Municipalities and school districts are required to account for OPEB within the financial statements rather than only noted in the footnotes as previously required by GASB 45. It is measured as of a date no earlier than the end of the employer’s prior fiscal year and no later than the employer’s current fiscal year. The discount rate is based on 20-year, tax exempt general obligation municipal bonds. There is no amortization of prior service cost.

<u>Changes in the Total OPEB Liability</u>	<u>Fiscal Year Ending December 31, 2021:</u>
Total OPEB liability as of December 31, 2020	<u>\$19,279,347</u>
Changes for the year:	
Service Cost	834,027
Interest	420,062
Changes of benefit terms	-
Differences between actual and expected experience	-
Changes in Assumptions and Other Inputs	-
Benefit payments	<u>(601,495)</u>
Total Changes	<u>\$652,594</u>
Total OPEB liability as of December 31, 2021	<u><u>\$19,931,941</u></u>

Should the Town be required to fund its unfunded actuarial accrued OPEB liability, it could have a material adverse impact upon the Town’s finances and could force the Town to reduce services, raise taxes or both. At the present time, however, there is no current requirement for the Town to partially fund its actuarial accrued OPEB liability.

The OSC has proposed legislation to provide the State and certain local governments with the authority to establish trusts in which to accumulate assets for OPEB and to establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments. Under the State Comptroller’s proposal, there are no limits on how much a local government can deposit into the trust. At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. The Town continues funding the expenditure on a pay-as-you-go basis.

Actuarial Valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less than 200 members.

REAL PROPERTY TAX INFORMATION

Real Property Taxes

The Town derives a significant portion of its annual revenue through a direct real property tax.

The following table presents the total tax levy, by purpose, with adjustments and collection performance for recent fiscal years.

Valuations, Levies and Tax Rates

	Fiscal Year Ending December 31:				
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Taxable Assessed Value	\$4,795,048,250	\$4,906,855,745	\$5,000,985,062	\$5,213,448,426	\$5,230,617,306
Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Full Value	\$4,795,048,250	\$4,906,855,745	\$5,000,985,062	\$5,213,448,426	\$5,230,617,306
Town Tax Levy:					
General ^a	\$8,658,987	\$8,873,367	\$9,045,171	\$9,391,598	\$9,684,403
Special District ^b	2,430,660	2,445,272	2,499,643	2,536,486	2,587,954
County Tax Levy:					
General	\$15,336,549	\$15,469,685	\$15,360,032	\$15,789,223	\$14,984,725
Special District ^c	5,234,337	5,193,155	4,870,063	4,448,568	5,109,220
Tax Rate:					
Town ^d	\$6.17	\$6.20	\$6.20	\$6.15	\$6.30
County ^e	3.22	3.17	3.09	3.05	2.88

a. Taxes levied for General, Town Outside Village and Highway purposes. Includes unincorporated area.
b. Special districts include taxes for independent fire protection districts.
c. Includes assessments for County Sewer Districts and Refuse District No. 1.
d. Tax rate per \$1,000 assessed value for General, Town Outside Village, and Highway.
e. County general tax rate.

Tax Levy and Collection Record

Fiscal Year Ended <u>December 31:</u>	Amount Collected				<u>% Collections Adjusted Tax Levy</u>
	<u>Adjusted Tax Levy</u> ^a	<u>Current Levy</u>	<u>Prior Years</u>	<u>Total Collections</u>	
2017	\$31,762,682	\$30,474,388	\$2,481,420	\$32,955,808	103.76%
2018	31,779,701	31,666,609	525,684	32,192,293	101.30
2019	32,113,366	31,918,093	524,171	32,442,264	101.02
2020	31,906,800	31,575,703	1,018,619	32,594,322	102.15
2021	32,393,515	32,180,819	1,927,543	34,108,362	105.29
2022 (as of 5/31/22)	32,590,606	31,921,758	381,480	32,303,238	99.12

a. Prior years tax collections include town and county liens, unpaid school taxes and interest, penalties and fees.

The following table sets forth the percentage of the Town's General Fund revenue (excluding other financing sources) comprised of real property taxes for each of the fiscal years 2017 through 2021, inclusive, and budgeted for the year ending 2022.

Fiscal Year Ended <u>December 31:</u>	<u>Total Revenue</u>	<u>Real Property Taxes</u>	<u>Real Property Taxes to Revenues (%)</u>
2017	\$6,322,034	\$3,585,605	56.72
2018	5,345,883	3,283,956	61.43
2019	5,318,075	3,217,221	60.50
2020	5,878,813	3,793,177	64.52
2021	6,298,742	3,749,269	59.52
2022 (Budgeted)	5,875,447	4,086,340	69.55

Source: Audited Financial Statements (2017-2021) and Adopted Budget of the Town (2022). Table itself not Audited.

School Tax Collection

Fiscal Year <u>Ended June 30:</u>	<u>Amount of Tax Levy</u>	<u>Tax Collections</u>	<u>Unpaid Taxes</u>	<u>Current Collections to Tax Levy</u>
2017	\$100,987,343	\$100,168,516	\$ 818,827	99.19%
2018	102,207,925	101,677,383	681,712	99.48
2019	104,919,193	104,222,532	696,661	99.34
2020	110,808,964	109,925,555	883,409	99.20
2021	114,078,418	113,161,511	916,907	99.20
2022 (as of 5/31/22)	116,347,074	115,238,016	1,109,058	99.05

Tax Collection Procedure

The assessment and collection of real property taxes is governed by the Real Property Tax Law of the State and the County Tax Code. Towns and cities in the County assess all real property within their boundaries and collect and enforce all real property taxes and assessments. The Town receives tax warrants for the collection of taxes from the County as well as the school districts within its boundaries. The Town remits the full amount of the County and school district taxes according to the times prescribed by the County Tax Law. The Town is required to pay the full amount of each warrant presented by these various entities, whether or not these amounts are actually collected by the Town. The Town enforces delinquent taxes through in-rem foreclosure proceedings.

Town, County, and special district taxes or assessments for the period from January 1st to December 31st are due in a single payment on April 1st. Payment may be made without penalty until April 30th, after which the penalty is 2% during May, 5% during June and July, 7% during August and September, 10% during October, November and December and 12% for January through April of the following year. Thereafter the penalty is 12% plus 1% for each additional month or fraction thereof until the tax liens are filed with the County.

School taxes for the school year July 1st may be paid in two installments. The first such installment is due on September 1st and may be paid without penalty until September 30th, after which the penalty is 2% during October, 5% during November, 7% during December and January, 10% during February and March and 12% during April after which the penalty is 12% plus 1% for each month or fraction thereof until the filing of the tax liens with the County. The second installment of school taxes is payable on January 1 and may be paid without penalty until January 31st. Payments thereafter must pay a penalty in accordance with the schedule set forth herein for the first installment.

County and school districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "Fiduciary Activities", and therefore have been accounted for within the Custodial Fund.

Large Taxable Properties 2021 Assessment Roll ^a

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Con Edison Co of NY	Utility	\$166,028,400
SHI-III Briarcliff Reit LLC	Senior Living	103,837,200
General Electric Co	Training Center	72,738,600
Urstadt Biddle Properties Inc	Shopping Center	45,694,100
Scarborough Manor Owners	Co-Op Apartments	33,240,000
Avalon Ossining LLC	Rental Apartments	33,054,706
Parkview Apartments Corp	Co-Op Apartments	20,972,822
High Meadow Coop No 1	Co-Op Apartments	20,047,031
OLSL Hudson LLC	Nursing Home	18,937,600
Atria Briarcliff Manor LLC	Nursing Home	<u>18,333,300</u>
	Total	<u><u>\$532,883,759</u></u>

a. Represents 10.22% of the total taxable Assessed Valuation of the Town for 2021.

LITIGATION

Various notices of claims have been filed against the Town based on matters involving administrative determinations, property damage, real property tax assessments or other alleged wrongful acts. Many of the claims are seeking money damages or a refund of real property taxes. Claims based on administrative actions generally request injunctive relief from a specific rule or regulation. Except as noted, it is the opinion of the Town Attorney that the settlement of all pending matters of litigation are adequately covered by the Town's insurance policies and therefore are not expected to have an adverse material effect on the Town's financial position. Moreover, the Town Attorney indicates that there are no currently existing claims seeking punitive damages which are not covered by insurance.

Tax Certiorari Claims. In common with other municipalities, there are a number of tax certiorari proceedings involving properties that are subject to the levy of Town of Ossining ad valorem taxes. The plaintiffs in these matters have asserted that their properties are over-assessed and are seeking assessment reductions. Historically, tax certiorari claims have been settled through negotiations, resulting in assessed value adjustments substantially less than originally claimed and with some claims being outright withdrawn or dismissed. Additionally, the Town of Ossining has a strong practice of pursuing resolutions to tax certiorari claims prospectively. Over the past 5 years, the Town of Ossining has averaged approximately \$10,000 per year in tax certiorari refunds when carrying an average annual exposure of around \$500,000.

It is not possible to provide an estimate of the effect that pending tax certiorari claims could have on the financial position of the Town. Previous settlements of tax certiorari claims have not had a material effect on the Town's finances. For the years ended December 31, 2017 through 2021, tax refunds paid by the Town pursuant to tax certiorari settlements are summarized in the table below:

Fiscal Year Ended <u>December 31:</u>	<u>Tax Refund</u>
2017	\$ 7,171
2018	18,896
2019	19,465
2020	108,720
2021	59,583

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Town, threatened against or affecting the Town to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the Town taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the Town.

Risk Management. The Town purchases various conventional insurance policies to limit its exposure to loss. The Public Officials Liability Policy provides coverage of \$1 million per occurrence. In addition, the Town has an excess liability policy which provides coverage up to \$10 million per occurrence which provides an overall available limit of \$11,000,000. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Effective January 1, 2009, the Town purchased conventional workers' compensation insurance. Previous to that, the Town was self-insured for workers' compensation benefits. The Town is responsible for outstanding claims under the previous self-insured plan. The Town retains the risk for these claims up to \$125,000 per year. Insurance coverage has been secured for losses in excess of \$125,000. The governmental funds are charged premiums by the Internal Service Fund.

CYBERSECURITY

The Town, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the Town invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial. The Town holds an insurance policy to mitigate the losses associated with any cyber security threats.

IMPACT OF COVID-19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Town's financial condition and operating results. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the Town's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The Town is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

The American Rescue Plan Act ("ARPA"), a \$1.9 trillion COVID-19 relief package that includes \$350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional \$1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low and moderate income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

The Town is expected to receive aid in the amount of approximately \$568,203 through the ARPA which was signed into law on March 11, 2021. It is the intent of the Town, to the extent allowable under the ARPA, to use these funds for expenditures incurred as a well as lost revenue related to COVID-19. The intended use of the remaining funds is still under discussion, but investment in the Town's infrastructure is under consideration (pending further guidance under the ARPA).

Although the ARPA provides for funds to be paid to the State, it is not possible to predict whether any future federal legislation will contain reduction in other federal aid to the State. Any reduction in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of policies that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules. The Town will continue to monitor closely the 2022 economic environment and the global COVID-19 pandemic situation, and take the proactive measures as required to ensure the strong financial condition of the Town.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential investment risk.

The financial and economic condition of the Town as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Town's control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Town to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes could be adversely affected.

The Town is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the Town, in any year, the Town may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Town. In some years, the Town has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "State Aid").

There are a number of general factors which could have a detrimental effect on the ability of the Town to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the Town. Unforeseen developments could also result in substantial increases in Town expenditures, thus placing strain on the Town's financial condition. These factors may have an effect on the market price of the Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the Town. Any such future legislation would have an adverse effect on the market value of the Notes (See “Tax Exemption” herein).

The Tax Levy Limitation Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the Town and continuing technical and constitutional issues raised by its enactment and implementation could have an impact upon the finances and operations of the Town and hence upon the market price of the Notes. See “Tax Levy Limitation Law” herein.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP (“Bond Counsel”), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal alternative minimum tax. A complete copy of the proposed form of opinion of Bond Counsel is set forth in “APPENDIX – B”.

To the extent the issue price of any maturity of the Notes is less than the amount to be paid at maturity of such Notes (excluding amounts stated to be interest and payable at least annually over the term of such Notes), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each owner thereof, is treated as interest on the Notes which is excluded from gross income for federal income tax purposes and exempt from State of New York personal income taxes. For this purpose, the issue price of a particular maturity of the Notes is the first price at which a substantial amount of such maturity of the Notes is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Notes accrues daily over the term to maturity of such Notes on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Notes to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Notes. Owners of the Notes should consult their own tax advisors with respect to the tax consequences of ownership of Notes with original issue discount, including the treatment of owners who do not purchase such Notes in the original offering to the public at the first price at which a substantial amount of such Notes is sold to the public.

Notes purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Notes”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of Notes, like the Premium Notes, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and an owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such owner. Owners of Premium Notes should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

Bond Counsel is of the further opinion that the amount treated as interest on the Notes and excluded from gross income will depend upon the taxpayer’s election under Internal Revenue Notice 94-84. Notice 94-84, 1994-2 C.B. 559, states that the Internal Revenue Service (the “IRS”) is studying whether the amount of the stated interest payable at maturity on short-term debt obligations (i.e., debt obligations with a stated fixed rate of interest which mature not more than one year from the date of issue) that is excluded from gross income for federal income tax purposes should be treated (i) as qualified stated interest or (ii) as part of the stated redemption price at maturity of the short-term debt obligation, resulting in treatment as accrued original issue discount (the “original issue discount”). The Notes will be issued as short-term debt obligations. Until the IRS provides further guidance with respect to tax-exempt short-term debt obligations, taxpayers may treat the stated interest payable at maturity either as qualified stated interest or as includable in the stated redemption price at maturity, resulting in original issue discount as interest that is excluded from gross income for federal income tax purposes. However, taxpayers must treat the amount to be paid at maturity on all tax-exempt short-term debt obligations in a consistent manner. Taxpayers should consult their own tax advisors with respect to the tax consequences of ownership of Notes if the taxpayer elects original issue discount treatment.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The Town has covenanted to comply with certain restrictions designed to ensure that interest on the Notes will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Notes.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Notes or the interest thereon if any such change occurs or action is taken or omitted.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes may otherwise affect an owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the owner or the owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the Notes for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The Town has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the Notes ends with the issuance of the Notes, and, unless separately engaged, Bond Counsel is not obligated to defend the Town or the owners regarding the tax-exempt status of the Notes in the event of an audit examination by the IRS. Under current procedures, owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt Notes is difficult, obtaining an independent review of IRS positions with which the Town legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Notes for audit, or the course or result of such audit, or an audit of Notes presenting similar tax issues may affect the market price for, or the marketability of, the Notes, and may cause the Town or the owners to incur significant expense.

Payments on the Notes generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate owner of Notes may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Notes and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Notes. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against an owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

LEGAL MATTERS

Legal matters incidental to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel. Bond Counsel's opinion will be in substantially the form attached hereto as Appendix B.

RATING

The Notes are not rated.

Moody's Investors Service ("Moody's") 7 WTC at Greenwich Street, New York, NY, Phone: (212) 553-4055 and Fax: (212) 298-6761, has assigned a "Aa1" to the outstanding Bonds of the Town. This rating reflects only the view of the rating agency furnishing the same, and an explanation of the significance of this rating may be obtained only from the rating agency. There is no assurance such rating will continue for any given period of time, or that such rating will not be revised or withdrawn by such rating agency, if in its judgment, circumstances so warrant. Any such action could have an adverse effect on the market for and market price of the Bonds and the Notes.

MUNICIPAL ADVISOR

Munistat Services, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the Town on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has assisted the District as to the plan of finance and the structuring of the Notes and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

OTHER MATTERS

The Town is in compliance with the procedure for the validation of the Renewal money portion of the Notes provided in Title 6 of Article 2 of the Local Finance Law. The Town is in the process of complying with the procedure for the validation of the new money portion of the Notes provided in Title 6 of Article 2 of the Local Finance Law.

There is no bond or note principal or interest past due.

The fiscal year of the Town is January 1 to December 31.

This Official Statement does not include the financial data of any political subdivision of the State of New York having power to levy taxes within the Town, except as expressed in the "Calculation of Estimated Overlapping and Underlying Indebtedness."

ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of the Dale Brennan, Town Comptroller, 16 Croton Ave., Ossining, New York 10562, (914) 941-2581, email: DBrennan@villageofossining.org or from the office of Munistat Services Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number 631/331-8888 and website: <http://www.munistat.com>.

So far as any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of such opinions or estimates will be realized. Neither this Official Statement nor any statement which may have been made orally or in writing with regard to the Bonds and the Notes is to be construed as a contract with the holders of the Bonds and the Notes.

To the extent any statements made in this Official Statement involve matters of opinion or estimates whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Bonds and the Notes.

Munistat Services, Inc. may place a copy of this Official Statement on its website at www.munistat.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Munistat Services, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Town nor Munistat Services, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Munistat Services, Inc. and the Town disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Munistat Services, Inc. and the Town also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

Orrick, Herrington & Sutcliffe LLP expresses no opinion as to the accuracy or completeness of any documents prepared by or on behalf of the Town for use in connection with the offer and sale of the Bonds and the Notes, including this Official Statement.

The preparation and distribution of this Official Statement have been approved by the Town Supervisor pursuant to the power delegated to her by the authorizing note resolutions to sell and deliver the Bonds and the Notes.

This Official Statement has been duly executed and delivered by the Supervisor of the Town of Ossining.

TOWN OF OSSINING, NEW YORK

By: s/s DANA A. LEVENBERG
Town Supervisor and Chief Fiscal Officer

July , 2022

TOWN OF OSSINING, NEW YORK

APPENDIX A

FINANCIAL INFORMATION

**Balance Sheet
General Fund**

	Fiscal Year Ended December 31:				
	<u>2017</u>	<u>2018</u>	<u>2019*</u>	<u>2020</u>	<u>2021</u>
Assets:					
Cash and Cash Equivalents	\$ 27,577,671	\$ 17,241,743	\$ 2,839,475	\$ 2,569,023	\$ 4,345,439
Taxes Receivable	26,271,873	38,389,177	1,436,772	2,426,684	1,668,489
Accounts Receivable	76,395	88,998	103,547	41,700	80,680
State and Federal Aid	31,902	23,327	23,310	17,619	30,313
Due from Other Governments	126,414	104,149	47,440	154,325	30,069
Due from Other Funds	106,019		1,611	4,598	175,242
Prepaid Expenditures	71,905	70,213	85,259	65,652	75,819
Total Assets	\$ 54,262,179	\$ 55,917,607	\$ 4,537,414	\$ 5,279,601	\$ 6,406,051
Liabilities:					
Accounts Payable	\$ 250,118	\$ 76,654	\$ 248,917	\$ 115,030	\$ 106,734
Accrued Liabilities	590,009	197,369	163,636	283,685	249,434
Due to School Districts	48,891,551	51,555,661			
Due to Other Governments	34,498	2,762	173	18,059	4,674
Misc.			1,692	5,173	2,039
Bond Anticipation Notes Payable					293,176
Due to Other Funds	50				65
Total Liabilities	\$ 49,766,226	\$ 51,832,446	\$ 414,418	\$ 421,947	\$ 656,122
Deferred Inflows of Resources					
Deferred Tax Revenues	\$ 457,391	\$ 784,612	\$ 1,312,449	\$ 1,334,108	\$ 1,499,399
Taxes Collected in Advance	635,366				
Total Deferred Inflows of Resources	1,092,757	784,612	1,312,449	1,334,108	1,499,399
Fund Balances:					
Nonspendable	\$ 71,905	\$ 70,213	\$ 85,259	\$ 65,652	\$ 75,819
Restricted					
Assigned	86,862	43,873	19,181	24,655	7,180
Unassigned	3,244,429	3,186,463	2,706,107	3,433,239	4,167,531
Total Fund Balances (Deficits)	\$ 3,403,196	\$ 3,300,549	\$ 2,810,547	\$ 3,523,546	\$ 4,250,530
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ 54,262,179	\$ 55,917,607	\$ 4,537,414	\$ 5,279,601	\$ 6,406,051

Source: Audited Financial Statements of the Town (2017-2021)

NOTE: This schedule NOT audited

*For the year ended December 31,2019, the Town implemented the provisions of GASB Statement No. 84 "Fiduciary Activities".

As a result of the adoption of this standard, certain transactions previously reported within governmental funds are now reflected within the Fiduciary Fund. For the year ended December 31,2019, the Town maintains total assets of \$53,211,814 in the Fiduciary Fund which is comprised of \$13,212,080 in cash and equivalents and \$39,999,734 in Real property taxes receivable for other governments.

Balance Sheet
Special Revenue Funds ^a

	Fiscal Year Ended December 31:				
	2017	2018	2019	2020	2021
Assets:					
Cash and Cash Equivalents	\$ 4,996,422	\$ 5,292,979	\$ 5,657,038	\$ 6,910,917	\$ 7,630,000
Accounts Receivable	76,298	767	207,953	81,195	419,690
Due from Other Governments	244,144	250,110	338,611	356,424	
Due from Other Funds	8,332	25			
Prepaid Expenditures	37,367	37,225	52,738	33,025	38,444
Total Assets	\$ 5,362,563	\$ 5,581,106	\$ 6,256,340	\$ 7,381,561	\$ 8,088,134
Liabilities:					
Accounts Payable	\$ 225,218	\$ 236,422	\$ 264,307	\$ 259,243	\$ 377,713
Accrued Liabilities	19,175	9,670	16,978	32,755	37,399
Deposits Payable			91,104	124,494	104,816
Due to Other Funds	2,278	1,138	341	103	20
Unearned Revenues	20,349		2,550	125	1,475
Total Liabilities	\$ 267,020	\$ 247,230	\$ 375,280	\$ 416,720	\$ 521,423
Deferred Inflows of Resources					
Deferred Tax Revenues	\$	\$	\$	\$	\$
Taxes Collected in Advance					
Total Deferred Inflows of Resources	0	0	0	0	0
Fund Balances:					
Nonspendable	\$ 37,367	\$ 37,225	\$ 52,738	\$ 33,025	\$ 38,444
Restricted	86,919	128,269	150,933	173,028	200,322
Assigned	4,971,257	5,168,382	5,677,389	6,758,788	7,327,945
Unassigned					
Total Fund Balances (Deficits)	\$ 5,095,543	\$ 5,333,876	\$ 5,881,060	\$ 6,964,841	\$ 7,566,711
Total Liabilities, Deferred Inflows and Fund Balances (Deficits)	\$ 5,362,563	\$ 5,581,106	\$ 6,256,340	\$ 7,381,561	\$ 8,088,134

a. Special Revenue Funds include: Town Outside Villages, Highway and Special Districts.

Source: Audited Financial Statements of the Town (2017-2021)

NOTE: This schedule NOT audited

**Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund-Townwide**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:					
Real Property Taxes	\$ 3,585,605	\$ 3,283,956	\$ 3,217,221	\$ 3,793,177	\$ 3,749,269
Other Tax Items	869,147	408,656	535,676	654,232	745,886
Departmental Income	47,972	44,120	40,628	36,475	51,125
Intergovernmental Charges	335,277	350,399	316,321	289,414	307,947
Use of Money & Property	47,639	123,339	173,833	51,128	40,227
Licenses and Permits	6,987	11,333	8,404	5,197	13,363
Fines and Forfeitures	149,459	160,529	172,202	69,664	97,083
Sale of Property & Compensation for Loss	21,514	35,162	38,449	15,685	1,051
State Aid	1,058,787	796,072	523,011	683,475	964,059
Federal Aid	83,190	72,069	83,116	88,966	123,570
Miscellaneous	116,457	60,248	209,214	191,400	205,163
Total Revenues	<u>6,322,034</u>	<u>5,345,883</u>	<u>5,318,075</u>	<u>5,878,813</u>	<u>6,298,743</u>
Expenditures:					
General Government Support	2,382,242	2,316,059	2,386,534	2,256,100	2,494,422
Econ. Assistance & Opportunity	567,317	572,824	582,125	530,876	479,656
Culture & Recreation	748,389	771,635	706,598	646,072	866,990
Employee Benefits	1,204,139	1,203,690	1,123,288	1,178,573	34,233
Home and Community Services				35,420	1,194,343
Debt Service	7,616	7,487	13,630	7,947	648
Total Expenditures	<u>4,909,703</u>	<u>4,871,695</u>	<u>4,812,175</u>	<u>4,654,988</u>	<u>5,070,292</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,412,331</u>	<u>474,188</u>	<u>505,900</u>	<u>1,223,825</u>	<u>1,228,451</u>
Other Sources (Uses)					
Bonds Issued					
Transfers In	8,165				
Transfers Out	<u>(1,020,286)</u>	<u>(576,835)</u>	<u>(995,902)</u>	<u>(510,826)</u>	<u>(501,467)</u>
Total Other Sources (Uses)	<u>(1,012,121)</u>	<u>(576,835)</u>	<u>(995,902)</u>	<u>(510,826)</u>	<u>(501,467)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	400,210	(102,647)	(490,002)	712,999	726,984
Fund Balance Beginning of Year	<u>3,002,986</u>	<u>3,403,196</u>	<u>3,300,549</u>	<u>2,810,547</u>	<u>3,523,546</u>
Fund Balance End of Year	<u>\$ 3,403,196</u>	<u>\$ 3,300,549</u>	<u>\$ 2,810,547</u>	<u>\$ 3,523,546</u>	<u>\$ 4,250,530</u>

Sources: Audited Financial Statements (2017-2021)

NOTE: This schedule NOT audited

Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds ^a

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:					
Real Property Taxes	\$ 7,292,170	\$ 7,478,342	\$ 7,618,493	\$ 7,744,457	\$ 7,978,685
Other Tax Items	170,125	154,352	207,069	165,764	161,101
Non Property Tax Items	824,820	865,530	989,142	1,120,608	1,320,371
Departmental Income	264,145	446,531	410,932	480,789	308,775
Intergovernmental Charges	272,974	285,305	302,369	313,667	331,454
Use of Money & Property	16,144	42,101	88,185	20,923	3,045
Licenses and Permits	3,320	3,200	0	0	4,800
Sale of Property & Compensation for Loss	124	14,648	16,540	17,004	35,409
State Aid	164,879	53,881	94,112	117,610	175,836
Federal Aid			0	0	72,557
Miscellaneous	11,656	89,993	41,862	36	3,580
Total Revenues	<u>9,020,357</u>	<u>9,433,883</u>	<u>9,768,704</u>	<u>9,980,858</u>	<u>10,395,613</u>
Expenditures:					
General Government Support	558,171	586,019	557,974	694,306	655,330
Public Safety	2,679,110	2,848,649	3,060,138	3,139,226	3,222,569
Health	872,160	893,479	924,147	946,411	2,546,221
Transportation	1,455,635	1,823,907	1,795,620	1,352,672	46,148
Culture & Recreation	346,529	352,420	360,174	366,657	371,790
Home & Community Service	792,289	996,395	1,073,776	994,428	1,023,045
Employee Benefits	919,433	1,030,354	1,005,192	936,679	904,098
Debt Service	13,127	12,392	23,292	7,374	2,410
Total Expenditures	<u>7,636,454</u>	<u>8,543,615</u>	<u>8,800,313</u>	<u>8,437,753</u>	<u>8,771,611</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,383,903</u>	<u>890,268</u>	<u>968,391</u>	<u>1,543,105</u>	<u>1,624,002</u>
Other Sources (Uses)					
Bonds Issued					
Insurance Recoveries	53				
Transfers In	840,500	393,750	390,361	150,000	650,000
Transfers Out	<u>(1,529,369)</u>	<u>(1,045,685)</u>	<u>(811,568)</u>	<u>(609,324)</u>	<u>(1,672,132)</u>
Total Other Sources (Uses)	<u>(688,816)</u>	<u>(651,935)</u>	<u>(421,207)</u>	<u>(459,324)</u>	<u>(1,022,132)</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	695,087	238,333	547,184	1,083,781	601,870
Fund Balance Beginning of Year	<u>4,400,456</u>	<u>5,095,543</u>	<u>5,333,876</u>	<u>5,881,060</u>	<u>6,964,841</u>
Fund Balance End of Year	<u>\$ 5,095,543</u>	<u>\$ 5,333,876</u>	<u>\$ 5,881,060</u>	<u>\$ 6,964,841</u>	<u>\$ 7,566,711</u>

a. Special Revenue Funds include: Town Outside Villages, Highway and Special Districts.

Source: Audited Financial Statements of the Town (2017-2021)

NOTE: This schedule NOT audited

Adopted Budget

	Fiscal Year Ended December 31, 2022		
	General	Town Outside Village	Highway
Revenues:			
Real Property Taxes	\$ 4,086,340	\$ 2,929,221	\$ 2,668,842
Other Tax Items	479,574	140,000	
Non-Property Taxes		880,000	
Departmental Income	28,400	102,250	
Intergovernmental Charges	316,245	1,000	1,000
Use of Money & Property			5,000
Licenses and Permits	6,500		
Fines and Forfeitures	100,000		
Sale of Property & Compensation for Loss			
State Aid	529,688	84,793	
Federal Aid	80,000		
Interfund Transfers			200,000
Miscellaneous	248,700	15,000	6,000
	<u>5,875,447</u>	<u>4,152,264</u>	<u>2,880,842</u>
Expenditures:			
General Government Support	2,707,336	504,990	10,958
Public Safety		2,604,845	
Economic Assistance & Opportunity	602,900		79,552
Health			
Transportation			1,555,090
Culture & Recreation	797,747	385,547	
Home and Community Services	44,306	53,625	
Employee Benefits	1,368,006	375,697	794,248
Debt Service	65,382		195,996
Miscellaneous			99,413
	<u>5,585,677</u>	<u>3,924,704</u>	<u>2,735,257</u>
Excess (Deficiency) of Revenues over Expenditures	<u>289,770</u>	<u>227,560</u>	<u>145,585</u>
Other Sources (Uses)			
Transfers In			
Transfers Out	<u>(289,770)</u>	<u>(227,560)</u>	<u>(145,585)</u>
Total Other Sources (Uses)	<u>(289,770)</u>	<u>(227,560)</u>	<u>(145,585)</u>
Total Appropriations & Other Uses	<u>\$ 5,875,447</u>	<u>\$ 4,152,264</u>	<u>\$ 2,880,842</u>

Source: 2022 Adopted Budget of the Town

NOTE: This schedule NOT audited

Adopted Budget

	Fiscal Year Ended December 31, 2021		
	General	Town Outside Village	Highway
Revenues:			
Real Property Taxes	\$ 3,943,494	\$ 2,873,641	\$ 2,574,463
Other Tax Items	472,463	140,000	
Non-Property Taxes		750,000	
Departmental Income	28,400	102,250	
Intergovernmental Charges	369,558	1,000	1,000
Use of Money & Property			
Licenses and Permits	5,500		5,000
Fines and Forfeitures	100,000		
Sale of Property & Compensation for Loss			
State Aid	529,688	84,793	
Federal Aid	80,000		
Interfund Transfers			150,000
Miscellaneous	194,700	15,000	6,000
	<u>5,723,803</u>	<u>3,966,684</u>	<u>2,736,463</u>
Expenditures:			
General Government Support	1,697,659	252,560	10,958
Public Safety	130,710	2,494,527	
Economic Assitance & Opportunity	182,106	160,365	76,134
Health			
Transportation	468,967		1,497,301
Culture & Recreation	693,061		
Home and Community Services	45,072	426,227	
Employee Benefits	1,438,434	399,205	877,088
Debt Service	315,295	28,657	33,309
Miscellaneous	752,499	55,143	99,305
	<u>5,723,803</u>	<u>3,816,684</u>	<u>2,594,095</u>
Excess (Deficiency) of Revenues over Expenditures	<u>0</u>	<u>150,000</u>	<u>142,368</u>
Other Sources (Uses)			
Transfers In			
Transfers Out		(150,000)	(142,368)
	<u>0</u>	<u>(150,000)</u>	<u>(142,368)</u>
Total Appropriations & Other Uses	<u>\$ 5,723,803</u>	<u>\$ 3,966,684</u>	<u>\$ 2,736,463</u>

Source: 2021 Adopted Budget of the Town

NOTE: This schedule NOT audited

APPENDIX B

FORM OF BOND COUNSEL'S OPINION

August 4, 2022

Town of Ossining,
County of Westchester,
State of New York

Re: Town of Ossining, Westchester County, New York
\$4,159,799 Bond Anticipation Note, 2022

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of a \$4,159,799 Bond Anticipation Note, 2022 (the “Obligation”), of the Town of Ossining, Westchester County, New York (the “Obligor”), dated August 4, 2022, numbered _____, of the denomination of _____, bearing interest at the rate of _____ % per annum, payable at maturity, and maturing August 4, 2023.

We have examined:

- (1) the Constitution and statutes of the State of New York;
- (2) the Internal Revenue Code of 1986, including particularly Sections 103 and 141 through 150 thereof, and the applicable regulations of the United States Treasury Department promulgated thereunder (collectively, the “Code”);
- (3) an arbitrage certificate executed on behalf of the Obligor which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Obligation that the Obligor will, among other things, (i) take all actions on its part necessary to cause interest on the Obligation not to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Obligation and investment earnings thereon, making required payments to the Federal government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Obligation to be includable in the gross income of the owners thereof for Federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Obligation and investment earnings thereon on certain specified purposes (the “Arbitrage Certificate”); and
- (4) a certificate executed on behalf of the Obligor which includes, among other things, a statement that compliance with such covenants is not prohibited by, or violative of, any provision of local or special law, regulation or resolution applicable to the Obligor.

We also have examined a certified copy of proceedings of the finance board of the Obligor and other proofs authorizing and relating to the issuance of the Obligation, including the form of the Obligation. In rendering the opinions expressed herein we have assumed (i) the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof, and (ii) compliance by the Obligor with the covenants contained in the Arbitrage Certificate. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

In our opinion:

- (a) The Obligation has been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitutes a valid and legally binding general obligation of the Obligor, all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Obligation and interest thereon, subject to applicable statutory limitations; provided, however, that the enforceability (but not the validity) of the Obligation: (i) may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.
- (b) The Obligor has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Obligation; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law now existing or hereafter enacted by said State or the Federal government affecting the enforcement of creditors' rights.
- (c) Interest on the Obligation is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Interest on the Obligation is not a specific preference item for purposes of the federal alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Obligation.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage Certificate and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Obligation) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, this opinion is not intended to, and may not, be relied upon in connection with any such actions, events or matters. Our engagement with respect to the Obligation has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Obligation to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Obligation and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipal corporations such as the Obligor in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Obligation has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Obligor, together with other legally available sources of revenue, if any, will be sufficient to enable the Obligor to pay the principal of or interest on the Obligation as the same respectively become due and payable. Reference should be made to the Official Statement prepared by the Obligor in relation to the Obligation for factual information which, in the judgement of the Obligor, could materially affect the ability of the Obligor to pay such principal and interest. While we have participated in the preparation of such Official Statement, we have not verified the accuracy, completeness or fairness of factual information contained therein and, accordingly, we express no opinion as to whether the Obligor, in connection with the sale of the Obligation, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

Very truly yours,

/es

APPENDIX C

**AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

Town of Ossining, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2021

Town of Ossining, 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	15
Statement of Activities	1
Fund Financial Statements	
Balance Sheet - Governmental Funds	17
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Town Outside Villages, Highway and Special Districts Funds	23
Internal Service Fund	
Statement of Net Position	26
Statement of Cash Flows	27
Fiduciary Fund	
Statement of Fiduciary Net Position	28
Statement of Changes in Fiduciary Net Position	29
Notes to Financial Statements	30
Required Supplementary Information	
Other Postemployment Benefits - Schedule of Changes in the Town's Total OPEB Liability and Related Ratios	60
New York State and Local Employees' Retirement System Schedule of Town's Proportionate Share of the Net Pension Liability Schedule of Contributions	61
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Comparative Balance Sheet	62
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	63
Schedule of Revenues Compared to Budget	65
Schedule of Expenditures and Other Financing Uses Compared to Budget	67
Town Outside Villages Fund	
Comparative Balance Sheet	69
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	70
Schedule of Revenues Compared to Budget	72
Schedule of Expenditures and Other Financing Uses Compared to Budget	74

Town of Ossining, New York

Table of Contents (Concluded)

	<u>Page No.</u>
Highway Fund	
Comparative Balance Sheet	76
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	77
Special Districts Fund	
Combining Balance Sheet - Sub-Funds	79
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Sub-Funds	81
Capital Projects Fund	
Comparative Balance Sheet	83
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	84
Project-Length Schedule	85
Non-Major Governmental Funds	
Combining Balance Sheet	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	88
Special Purpose Fund	
Comparative Balance Sheet	89
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	90
Debt Service Fund	
Comparative Balance Sheet	91
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	92
Internal Service Fund - Workers' Compensation Benefits Fund	
Comparative Statement of Net Position	94
Comparative Statement of Revenues, Expenses and Changes in Net Position	95
Comparative Statement of Cash Flows	96



Independent Auditors' Report

**The Honorable Supervisor and Town Board
of the Town of Ossining, New York**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Ossining, New York ("Town") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town, as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparison for the General, Town Outside Village, Highway, and Special Districts funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Our audit for the year ended December 31, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2021 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 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 for the year ended December 31, 2021, 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 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 Town as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated June 1, 2020 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 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 related directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information was subjected to the audit 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 December 31, 2020.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
June 2, 2022

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Town of Ossining, New York

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

Introduction

As management of the Town of Ossining, New York ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2021. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2021 are as follows:

- The Town's government-wide financial statements reflect liabilities and deferred inflows of resources exceeding assets and deferred outflows of resources by \$528,189 at the close of the most recent fiscal year. However, the unrestricted portion of net position, which is available to meet the ongoing obligations of the Town, reflects a deficit of \$6,957,590 at December 31, 2021. The unrestricted net position improved by \$863,933 from the prior year.
- The Town is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the Town has recognized substantial liabilities in the government-wide financial statements for these benefits. As of December 31, 2021, the Town had liabilities of \$19.93 million for other postemployment benefits recorded in accordance with the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" ("OPEB") and \$10,853 for its proportionate share of the net pension liabilities of the New York State and Local Employees' Retirement System ("ERS") recorded in accordance with the provision of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*". More detailed information about the Town's OPEB and pension reporting is presented in Note 3F in the notes to financial statements.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$11,151,444, of which \$116,024 is nonspendable. Restricted funds total \$842,761 primarily for capital projects, cable TV, debt service, trusts and parklands. Assigned fund balance totals \$7,335,125, of which \$149,892 is assigned for purchases on order. Unassigned fund balance for the General Fund totaled \$4,167,531. Overall, the Town's governmental funds had a moderate decrease in fund balance (\$214,040) resulting mainly from the Capital Projects Fund presenting as a deficit of \$1,309,997.
- At the end of the current fiscal year, unassigned fund balance for the General Fund, \$4,167,531, was 75% of total General Fund expenditures and other financing uses.
- During the current fiscal year, the Town retired \$457,696 of general obligation debt. The Town issued \$1,240,000 serial bonds to advance refund 2012 serial bond obligations. The Town's total outstanding general obligation bonds payable at December 31, 2021 totaled \$3,820,000.

- Throughout the current fiscal year, the Town redeemed \$104,934 of short-term capital debt. The Town issued \$2,642,923 in short-term debt for McCarthy Drive Road Rehabilitation (\$2,350,000), Nutrition Electric Bus (\$132,311), and \$160,612 for Parks Roads and Parking Lot Paving. The Town's short-term capital borrowing obligations at fiscal year end totaled \$2,969,984 for capital projects.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

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

The *statement of activities* presents information showing how the Town'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, real property taxes, earned but unused vacation leave and OPEB obligations).

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

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, 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 Town can be divided into three categories: governmental funds, proprietary 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 Town maintains seven individual governmental funds: the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Funds, Capital Projects Fund, Debt Service Fund and Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Town Outside Villages, Highway, Special Districts and Capital Projects Funds. These funds are considered to be major funds. The Debt Service and Special Purpose funds are not considered major funds and are combined into a single aggregated presentation.

The Town adopts annual budgets for the General Fund, Town Outside Villages Fund, Highway Fund and Special Districts Funds. Budgetary comparison statements have been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets.

The governmental fund financial statements can be found in the basic financial statements section of this report.

Proprietary Funds

The Town maintains one type of proprietary fund. The Internal Service Fund is used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its workers' compensation benefits (the Workers' Compensation Benefits Fund) for claims incurred through December 31, 2008 when the Town was self-insured. The liability for claims incurred prior to January 1, 2009 is recorded in the Internal Service Fund. In 2009, the Town changed its workers' compensation program to a municipal consortium program. These services are now classified as governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found in the basic financial statements section of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Town programs. The Town maintains only one type of fiduciary fund that is known as a Custodial Fund. The Custodial Fund reports resources, not in a trust, they are held by the Town for other parties outside of the Town's reporting entity and, in the case of the Town, primarily to account for real property taxes collected for other governments.

The financial statements for the fiduciary funds can be found in the basic financial statements section of this report.

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. The notes to the financial statements can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the Town's other post employment benefit obligations, long-term obligations for pension benefits, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. For the Town, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$528,189 at the close of the most recent fiscal year.

The following table reflects the condensed Statement of Net Position:

	December 31,	
	2021	2020
Current Assets	\$ 17,785,118	\$ 14,067,289
Capital Assets, net	10,447,791	8,859,228
Total Assets	28,232,909	22,926,517
Deferred Outflow of Resources	4,667,489	4,878,789
Current Liabilities	5,167,643	1,401,316
Long-term Liabilities	23,835,288	26,511,178
Total Liabilities	29,002,931	27,912,494
Deferred Inflow of Resources	4,425,656	1,706,918
NET POSITION		
Net Investment in Capital Assets	5,945,853	5,630,852
Restricted	483,548	376,565
Unrestricted	(6,957,590)	(7,821,523)
Total Net Position	\$ (528,189)	\$ (1,814,106)

Current assets increased by \$3,717,829 from the prior year for increased cash and equivalents.

Current liabilities increased by \$3,766,327 from the prior year reflective of short-term Bond Anticipation Notes and accounts payable for capital projects.

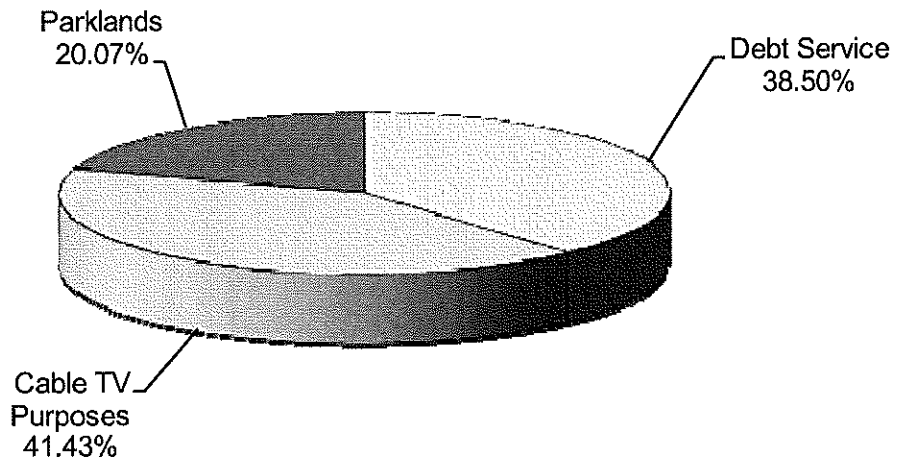
Long-term liabilities for bonds decreased \$457,696 from payment of general obligation bonds. Net pension liability decreased 2,853,581, OPEB liability increased \$652,594, compensated absences decreased \$17,227 while claims payable increased from the previous year.

The net position of the Town for the current reporting period includes infrastructure amounts for items such as roads, sewer and drainage net of accumulated depreciation and debt outstanding. The current improvements for these infrastructure items are reported in the capital asset section. Although the Town's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

The restricted net position, of \$483,548, represents resources that are subject to external restrictions on their use, or the respective fund that the restricted resources are allocated. In following the guidelines set forth by GASB Statement No. 54, the restricted categories are summarized as follows:

	December 31,	
	2021	2020
Debt Service	\$ 186,184	\$ 202,995
Cable Television Purposes	200,322	173,028
Parklands	97,042	542
	<u>\$ 483,548</u>	<u>\$ 376,565</u>

Restricted Net Position



The remaining balance of unrestricted net position, which is a deficit of \$6,957,590, must be financed from future operations. This deficit does not mean that the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including certain claims, compensated absences, net pension liability,

and other post employment benefit obligations that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payments are made.

**Changes in Net Position
December 31,**

	2021	2020
Program Revenues		
Charges for Services	\$ 1,595,546	\$ 1,458,230
Operating Grants and Contributions	209,678	142,260
Capital Grants and Contributions	116,401	47,318
General Revenues		
Real Property Taxes	11,893,245	11,559,293
Other Tax Items	906,987	819,996
Non-Property Taxes	1,320,371	1,120,608
Unrestricted Use of Money and Property	5,021	57,372
Sale of Property and Compensation for Loss	1,051	15,685
Unrestricted State Aid	1,126,344	748,547
Miscellaneous	205,163	191,400
	17,379,807	16,160,709
Program Expenses		
General Government Support	4,372,759	4,421,221
Public Safety	3,613,654	3,885,094
Health	1,021,835	946,411
Transportation	2,865,085	2,734,465
Economic Opportunity and Development	704,337	854,771
Culture and Recreation	1,644,271	1,420,679
Home and Community Services	1,773,372	1,700,738
Interest	98,577	110,853
	16,093,890	16,074,232
Change in Net Position	1,285,917	86,477
NET POSITION		
Beginning	(1,814,106)	(1,900,583)
Ending	\$ (528,189)	\$ (1,814,106)

Governmental Activities

Governmental activities increased the Town's net position during 2021 by \$1,285,917. For the fiscal year ended December 31, 2021, revenues from governmental activities totaled \$17,379,807. Tax revenues of \$14,120,603, comprised of real property taxes, other tax items and non-property taxes, represented the largest revenue source (81%).

The largest components of governmental activities expenses were general government support \$4,372,759 (27%), public safety \$3,613,654 (22%), and transportation \$2,865,085 (18%). The increases in public safety expenses is reflective of an increase of 3% to the Police Intermunicipal Agreement ("IMA") contract.

The major changes in 2021 vs. 2020 were as follows:

Revenues:

- ❖ The increase in real property taxes resulted from increases in assessed value allowing the tax rates to be reduced and in compliance with the tax cap. The General Fund tax rate decreased .46%, the Town Outside Villages Fund tax rate decreased .84%.
- ❖ Charges for services revenue increased government-wide 9.42%, from \$1,458,230 to \$1,595,546, with revenues for home and community services increasing from \$420,197 to \$543,544 reflective of increased nutrition program revenues impacted from COVID restrictions in 2020. Public safety service revenue decreased from \$344,266 to \$263,860. General government support revenues increased \$51,368, Health charges for service increased \$17,080 from \$313,667 for increased ambulance charges.
- ❖ Non-property tax distribution from County in the form of sales tax increased by 17.83% and is reflective of the 1% sales tax rate increase.
- ❖ Revenues categorized as operating grants and contributions increased from \$142,260 to \$209,678 at year end with significant increases transportation (\$83,627) and general government support (\$25,999) for FEMA reimbursement, and decrease in home and community services for IBM Sewer IMA revenues (\$11,798).

Expenses:

- ❖ General government support expenditures in all funds decreased by 1%, or \$48,462 overall, attributable to expenses decreasing for OPEB costs, GASB Statement No. 68 retirement costs and minimal decreases in general government support expenditures.
- ❖ Public safety expenses decreased by \$271,440 in 2021, due to the allocation of depreciation expense and OPEB liability.
- ❖ Program expenses for Transportation increased 4.78%, or \$130,620, relating to contractual increases, and increases to depreciation expenses (\$167,684).
- ❖ An increase of 15.74% or \$223,592 for culture and recreation resulted from an increase in operating expenditures impacted in 2020 for COVID restrictions.

Financial Analysis of the Town's Funds

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

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$11,151,444, a net decrease of \$214,040 from the prior year amount. Nonspendable fund balance totaled \$116,024 at the end of the period. Restricted fund balance of \$842,761 is reported for Cable Television Purposes (\$200,322) in the Town Outside Villages Fund, debt service (\$186,184) and parklands (\$456,255) in the Special Purpose Fund. Assigned fund balance for outstanding purchases (\$149,892), and major funds (\$7,185,233) totaled \$7,335,125. Unassigned fund balance retains a balance of \$2,857,534 comprised of the positive unassigned fund balance of \$4,167,531 in the General Fund and negative unassigned fund balance in Capital Projects Fund of \$1,309,997 at year end.

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$4,167,531, representing 98% of the total General Fund balance of \$4,250,530. The nonspendable fund balance component is \$75,819 and consists of amounts representing prepaid expenditures. Prepaid expenditures have been established to account for a portion of the New York State retirement payments made in advance. Assigned funds of \$7,180 represents purchases on order.

The Town Outside Villages Fund contains activity primarily for public safety expenditures, and assigned fund balance at fiscal year end totaled \$5,006,626, representing 96% of the total Town Outside Villages Fund balance of \$5,212,322. Prepaid expenditures classified as nonspendable total \$5,374 and restricted fund balance of \$200,322 represents funds for Cable Television Purposes.

The Highway Fund contains activity for transportation expenditures, and assigned fund balance at fiscal year end totaled \$1,430,405, representing 98% of the total Highway Fund balance amount of \$1,463,341. Nonspendable fund balance of \$32,936 represents prepaid expenditures, and included in assigned fund balance is \$87,571 for purchases on order.

The Special Districts Fund contains activity for the operation and maintenance of the Town's water, sewer, lighting, fire protection, refuse and garbage, and ambulance districts. The assigned fund balance at fiscal year end totaled \$890,914 representing 99% of the total Special Districts Fund balance amount of \$891,048. Nonspendable fund balance of \$134 represents prepaid expenditures and \$1,434 is assigned for purchases on order and is included in assigned fund balance.

General Fund Budgetary Highlights

The General Fund actual results of operations resulted in an increase of \$726,984 in total fund balance with an increase of \$728,818 for unassigned fund balance at the close of the fiscal year. Revenues and other financing sources were \$6,298,743, which was \$574,940 more than the final budget. The major areas where revenues exceeded anticipated budget amounts were Other Tax Items (\$745,886 vs \$464,463) resulting from increased revenues for property tax penalties

(\$277,936), License and permits (\$7,863), use of money and property (\$11,827), federal aid (\$43,570), increased mortgage tax (\$883,364 vs. \$461,488) representing current real estate market activities. Expenditures and other financing uses were \$5,571,759, which was \$313,044 less than the final budget. The major areas where spending was less than budgeted was General Government Support (\$123,069), Economic Opportunity and Development (\$42,846), Culture and Recreation (\$74,391) and Employee Benefits (\$63,446).

The difference between the appropriations originally budgeted and the final appropriation budget for the General Fund was \$136,345 (\$5,748,458 vs. \$5,884,803). Transfers out increased by \$136,345 for Community Center Kitchen (\$130,000) and (\$6,345) for Parks outdoor fitness equipment capital project expenditures.

Town Outside Villages Fund Budgetary Highlights

The Town Outside Villages Fund ("TOV") operations for the fiscal year resulted in an increase to fund balance of \$412,211 due to revenues of \$4,688,656 being higher than expenditures and other financing uses of \$4,276,445.

Actual revenues and other financings sources of \$4,688,656 were higher than the final budget amount of \$3,966,684, an increase of \$721,972. Unanticipated revenues for building inspection fees exceeded the budget \$64,054, and sales tax distribution revenues of \$1,320,371 were higher than budgeted by \$570,371. Actual expenditures and other financing uses of \$4,276,445 were lower than budgeted resulting in a decrease of \$237,131 from the final budget of \$4,513,576. Expenditures showing the largest variance from budget to actual were General Government Support (\$77,446), Public Safety (\$4,260), Home and Community services (\$82,628) for contractual expenditures, and Employee Benefits (\$71,317) for lower state retirement and health costs.

Highway Fund Budgetary Highlights

The Highway Fund's operations for the fiscal year resulted in an increase to fund balance of \$220,808 due to expenditures and other financing uses of \$3,128,418 being less than revenues and other financing sources of \$3,349,226.

Revenues received were higher than budgeted with actual revenues and other financing sources totaling \$3,349,226, which was an increase of \$112,763 from the final budget amount of \$3,236,463. Actual expenditures and other financing uses for the fiscal year were \$3,128,418. This was a decrease of \$353,939 from the final budget of \$3,482,357. Actual results of operations resulted in decreased expenditures for Transportation expenses (\$195,141) due to reduced road maintenance, equipment repairs, snow expenses, and reduced Employee Benefits (\$120,632). Actual revenues exceeded the final budget for Sale of Property and Compensation for Loss (\$24,009), and Federal Aid for FEMA reimbursement (\$68,805).

Capital Assets and Indebtedness

The Town's net investment in capital assets for its governmental activities as of December 31, 2021, amounted to \$10,447,788 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

**Capital Assets
(Net of Depreciation)**

	2021	2020
Land	\$ 929,073	\$ 929,073
Construction-in-Progress	2,406,970	322,126
Buildings and Improvements	1,462,221	1,560,078
Machinery and Equipment	1,725,410	1,710,540
Infrastructure	3,924,117	4,337,411
	\$ 10,447,791	\$ 8,859,228

The following highlights the changes reflected in the major capital assets during the current fiscal year:

- Amounts expended resulted in an increase to construction-in-progress (\$2,084,844), increase to machinery and equipment (\$14,870), decreases to building and improvements (\$97,857), and infrastructure (\$413,294). Overall all capital asset categories resulted in a net increase of \$1,588,563 in capital assets, net of accumulated depreciation.
- The JCAP grant expenditures totaling \$6,555 and Parks Outdoor Equipment (\$196,345) reduced construction-in-progress (CIP) and increased equipment. Increases to CIP include Sewer Lift Generators (\$173,898), Parks Paving (\$105,300), McCarthy Drive Road Rehabilitation (\$1,443,483), Morningside Drive Paving (\$526,648), and Nutrition Community Center Kitchen (\$21,881) for a \$2,084,844 total increase.
- Additional information on the Town's capital assets can be found in Note 3C of this report.

Long-Term / Short-Term Indebtedness

At the end of the current fiscal year, the Town had total bonded indebtedness of \$3,820,000 classified as long-term debt. The Town paid \$457,696 in principal on outstanding obligations and issued advance refunding bonds of \$1,240,000 during the fiscal year. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

Short-term debt for the Town totaled \$2,969,984 in the form of bond anticipation notes (BAN's). The Town redeemed \$104,934, and issued additional short-term debt of \$2,642,923. The Town renewed various BAN's totaling \$327,061 which mature in 2022.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which a Town may incur. The State Constitution provides that the Town may not contract indebtedness in any amount greater than seven percent of the average full value of taxable real property in the Town for the most recent five years. Certain indebtedness is excluded in ascertaining the Town's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the Town's authority to issue debt subject to the limit. The Town had used \$3,997,918, or 1.19%, of the constitutional debt limit leaving \$331,921,390 remaining to be used when the constitutional debt limit was calculated in July 2020.

Additional information on the Town's long-term debt can be found in Note 3F of this report.

Requests for Information

This financial report is designed to provide a general overview of the Town of Ossining, New York's finances for all those with an interest in those finances. Questions and comments concerning any of the information provided in this report should be addressed to Dale M. Brennan, 16 Croton Avenue, Ossining, New York 10562.

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Town of Ossining, New YorkStatement of Net Position
December 31, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 15,419,058
Investments	20,458
Receivables	
Taxes, net	1,668,489
Accounts	114,543
State and Federal aid	30,313
Due from other governments	416,233
Prepaid expenses	116,024
Capital assets	
Not being depreciated	3,336,043
Being depreciated, net	7,111,748
Total Assets	<u>28,232,909</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	2,549,931
OPEB related	2,117,558
Total Deferred Outflows of Resources	<u>4,667,489</u>
LIABILITIES	
Accounts payable	1,449,987
Accrued liabilities	290,888
Deposits payable	105,921
Employee payroll deductions	934
Due to other governments	4,674
Unearned revenues	308,666
Bond anticipation notes payable	2,969,984
Accrued interest payable	36,589
Non-current liabilities	
Due within one year	452,200
Due in more than one year	23,383,088
Total Liabilities	<u>29,002,931</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	3,170,260
OPEB related	1,255,396
Total Deferred Inflows of Resources	<u>4,425,656</u>
NET POSITION	
Net investment in capital assets	5,945,853
Restricted for	
Debt service	186,184
Cable television purposes	200,322
Parklands	97,042
Unrestricted	(6,957,590)
Total Net Position	<u>\$ (528,189)</u>

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

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Town of Ossining, New York

Statement of Activities
Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 4,372,759	\$ 394,553	\$ 26,867	\$ 64,117	\$ (3,887,222)
Public safety	3,613,654	263,860	-	-	(3,349,794)
Health	1,021,835	330,747	-	-	(691,088)
Transportation	2,865,085	45,104	85,056	30,000	(2,704,925)
Economic opportunity and development	704,337	-	93,378	-	(610,959)
Culture and recreation	1,644,271	17,738	-	-	(1,626,533)
Home and community services	1,773,372	543,544	4,377	-	(1,225,451)
Interest	98,577	-	-	22,284	(76,293)
Total Governmental Activities	\$ 16,093,890	\$ 1,595,546	\$ 209,678	\$ 116,401	(14,172,265)
General revenues					
Real property taxes					11,893,245
Other tax items					
Franchise fees					160,863
Payments in lieu of taxes					18,188
Interest and penalties on real property taxes					727,936
Non-property taxes					
Non-property tax distribution from County					1,320,371
Unrestricted use of money and property					5,021
Sale of property and compensation for loss					1,051
Unrestricted State aid					1,126,344
Miscellaneous					205,163
Total General Revenues					15,458,182
Change in Net Position					1,285,917
NET POSITION					
Beginning					(1,814,106)
Ending					\$ (528,189)

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

Town of Ossining, New York

Balance Sheet
 Governmental Funds
 December 31, 2021

	General	Town Outside Villages	Highway	Special Districts
ASSETS				
Cash and equivalents	\$ 4,345,439	\$ 4,964,658	\$ 1,528,146	\$ 1,137,196
Investments	-	-	-	-
Taxes receivable, net	1,668,489	-	-	-
Other receivables				
Accounts	80,680	33,830	33	-
State and Federal aid	30,313	-	-	-
Due from other governments	30,069	355,518	2,729	27,580
Due from other funds	175,242	-	-	-
	<u>316,304</u>	<u>389,348</u>	<u>2,762</u>	<u>27,580</u>
Prepaid expenditures	75,819	5,374	32,936	134
Total Assets	<u>\$ 6,406,051</u>	<u>\$ 5,359,380</u>	<u>\$ 1,563,844</u>	<u>\$ 1,164,910</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 106,734	\$ 33,274	\$ 70,577	\$ 273,862
Accrued liabilities	249,434	7,473	29,926	-
Deposits payable	1,105	104,816	-	-
Employee payroll deductions	934	-	-	-
Due to other governments	4,674	-	-	-
Due to other funds	65	20	-	-
Unearned revenues	293,176	1,475	-	-
Bond anticipation notes payable	-	-	-	-
Total Liabilities	656,122	147,058	100,503	273,862
Deferred inflows of resources				
Deferred tax revenues	1,499,399	-	-	-
Total Liabilities and Deferred Inflows of Resources	<u>2,155,521</u>	<u>147,058</u>	<u>100,503</u>	<u>273,862</u>
Fund balances				
Nonspendable	75,819	5,374	32,936	134
Restricted	-	200,322	-	-
Assigned	7,180	5,006,626	1,430,405	890,914
Unassigned	4,167,531	-	-	-
Total Fund Balances	<u>4,250,530</u>	<u>5,212,322</u>	<u>1,463,341</u>	<u>891,048</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 6,406,051</u>	<u>\$ 5,359,380</u>	<u>\$ 1,563,844</u>	<u>\$ 1,164,910</u>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ 2,614,643	\$ 825,775	\$ 15,415,857
-	20,458	20,458
-	-	1,668,489
-	-	114,543
-	-	30,313
-	337	416,233
-	30,456	205,698
-	30,793	766,787
-	1,761	116,024
<u>\$ 2,614,643</u>	<u>\$ 878,787</u>	<u>\$ 17,987,615</u>

\$ 954,656	\$ 10,884	\$ 1,449,987
-	4,055	290,888
-	-	105,921
-	-	934
-	-	4,674
-	205,633	205,718
-	14,015	308,666
2,969,984	-	2,969,984
3,924,640	234,587	5,336,772
-	-	1,499,399
<u>3,924,640</u>	<u>234,587</u>	<u>6,836,171</u>
-	1,761	116,024
-	642,439	842,761
-	-	7,335,125
(1,309,997)	-	2,857,534
<u>(1,309,997)</u>	<u>644,200</u>	<u>11,151,444</u>
<u>\$ 2,614,643</u>	<u>\$ 878,787</u>	<u>\$ 17,987,615</u>

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Town of Ossining, New York

Reconciliation of Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position
December 31, 2021

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

Fund Balances - Total Governmental Funds	<u>\$ 11,151,444</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	3,336,043
Capital assets - depreciable	15,669,773
Accumulated depreciation	<u>(8,558,025)</u>
	<u>10,447,791</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	2,549,931
Deferred outflows - OPEB related	2,117,558
Deferred inflows - pension related	(3,170,260)
Deferred inflows - OPEB related	<u>(1,255,396)</u>
	<u>241,833</u>
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	<u>1,499,399</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(36,589)
General obligation bonds payable	(3,820,000)
Compensated absences	(69,273)
Net pension liability	(10,853)
Total OPEB liability	<u>(19,931,941)</u>
	<u>(23,868,656)</u>
Net Position of Governmental Activities	<u>\$ (528,189)</u>

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

Town of Ossining, New York

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2021

	General	Town Outside Villages	Highway	Special Districts
REVENUES				
Real property taxes	\$ 3,749,269	\$ 2,871,386	\$ 2,572,443	\$ 2,534,856
Other tax items	745,886	160,863	-	238
Non-property taxes	-	1,320,371	-	-
Departmental income	51,125	166,486	16,630	125,659
Intergovernmental charges	307,947	-	-	330,654
Use of money and property	40,227	2,348	800	697
Licenses and permits	13,363	4,800	-	-
Fines and forfeitures	97,083	-	-	-
Sale of property and compensation for loss	1,051	-	25,009	10,400
State aid	964,059	162,285	12,926	625
Federal aid	123,570	-	68,805	3,752
Miscellaneous	205,163	117	2,613	850
Total Revenues	6,298,743	4,688,656	2,699,226	3,007,731
EXPENDITURES				
Current				
General government support	2,494,422	388,497	166,843	99,990
Public safety	-	2,501,173	-	721,396
Health	-	-	-	1,021,835
Transportation	-	-	1,524,386	46,148
Economic opportunity and development	479,656	-	-	-
Culture and recreation	866,990	371,790	-	-
Home and community services	34,233	45,056	-	977,989
Employee benefits	1,194,343	292,752	611,346	-
Debt service				
Principal	-	-	-	-
Interest	648	-	541	1,869
Refunding bond issuance costs	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	5,070,292	3,599,268	2,303,116	2,869,227
Excess (Deficiency) of Revenues Over Expenditures	1,228,451	1,089,388	396,110	138,504
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	-	-	650,000	-
Transfers out	(501,467)	(677,177)	(825,302)	(169,653)
Total Other Financing Sources (Uses)	(501,467)	(677,177)	(175,302)	(169,653)
Net Change in Fund Balances	726,984	412,211	220,808	(31,149)
FUND BALANCES (DEFICITS)				
Beginning of Year	3,523,546	4,800,111	1,242,533	922,197
End of Year	<u>\$ 4,250,530</u>	<u>\$ 5,212,322</u>	<u>\$ 1,463,341</u>	<u>\$ 891,048</u>

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

Capital Projects	Non-Major Governmental	Total Governmental Funds
\$ -	\$ -	\$ 11,727,954
-	-	906,987
-	-	1,320,371
-	403,270	763,170
-	-	638,601
-	22,459	66,531
-	-	18,163
-	-	97,083
-	-	36,460
64,117	-	1,204,012
-	-	196,127
30,000	314	239,057
<u>94,117</u>	<u>426,043</u>	<u>17,214,516</u>
-	-	3,149,752
-	-	3,222,569
-	-	1,021,835
-	-	1,570,534
-	-	479,656
-	-	1,238,780
-	246,765	1,304,043
-	71,431	2,169,872
-	497,696	497,696
-	82,455	85,513
-	23,400	23,400
2,691,611	-	2,691,611
<u>2,691,611</u>	<u>921,747</u>	<u>17,455,261</u>
<u>(2,597,494)</u>	<u>(495,704)</u>	<u>(240,745)</u>
-	1,240,000	1,240,000
-	(1,213,295)	(1,213,295)
920,572	637,310	2,207,882
-	(34,283)	(2,207,882)
<u>920,572</u>	<u>629,732</u>	<u>26,705</u>
(1,676,922)	134,028	(214,040)
<u>366,925</u>	<u>510,172</u>	<u>11,365,484</u>
<u>\$ (1,309,997)</u>	<u>\$ 644,200</u>	<u>\$ 11,151,444</u>

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Town of Ossining, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2021

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

Net Change in Fund Balances - Total Governmental Funds \$ (214,040)

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	2,474,177
Depreciation expense	<u>(885,614)</u>
	<u>1,588,563</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Real property taxes	<u>165,291</u>
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Bond proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Refunding bonds issued	(1,240,000)
Payment to refunded bond escrow agent	1,213,295
Principal paid on bonds	<u>497,696</u>
	<u>470,991</u>

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

Accrued interest	231
Compensated absences	17,227
Changes in pension liabilities and related deferred outflows and inflows of resources	198,029
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(927,080)
Amortization of loss on refunding bonds	<u>(13,295)</u>
	<u>(724,888)</u>

Change in Net Position of Governmental Activities \$ 1,285,917

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

Town of Ossining, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Town Outside Villages, Highway and Special Districts Funds
Year Ended December 31, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 3,943,494	\$ 3,943,494	\$ 3,749,269	\$ (194,225)
Other tax items	464,463	464,463	745,886	281,423
Non-property taxes	-	-	-	-
Departmental income	43,700	43,700	51,125	7,425
Intergovernmental charges	315,558	315,558	307,947	(7,611)
Use of money and property	28,400	28,400	40,227	11,827
Licenses and permits	5,500	5,500	13,363	7,863
Fines and forfeitures	100,000	100,000	97,083	(2,917)
Sale of property and compensation for loss	-	-	1,051	1,051
State aid	529,688	529,688	964,059	434,371
Federal aid	80,000	80,000	123,570	43,570
Miscellaneous	213,000	213,000	205,163	(7,837)
Total Revenues	5,723,803	5,723,803	6,298,743	574,940
EXPENDITURES				
Current				
General government support	2,600,926	2,617,491	2,494,422	123,069
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	-	-	-	-
Economic opportunity and development	617,067	522,502	479,656	42,846
Culture and recreation	698,736	941,381	866,990	74,391
Home and community services	42,600	42,600	34,233	8,367
Employee benefits	1,422,434	1,257,789	1,194,343	63,446
Debt Service				
Interest	648	648	648	-
Total Expenditures	5,382,411	5,382,411	5,070,292	312,119
Excess (Deficiency) of Revenues Over Expenditures	341,392	341,392	1,228,451	887,059
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(366,047)	(502,392)	(501,467)	925
Total Other Financing Uses	(366,047)	(502,392)	(501,467)	925
Net Change in Fund Balances	(24,655)	(161,000)	726,984	887,984
FUND BALANCES				
Beginning of Year	24,655	161,000	3,523,546	3,362,546
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,250,530</u>	<u>\$ 4,250,530</u>

Town Outside Villages Fund				Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,873,641	\$ 2,873,641	\$ 2,871,386	\$ (2,255)	\$ 2,574,463	\$ 2,574,463	\$ 2,572,443	\$ (2,020)
140,000	140,000	160,863	20,863	-	-	-	-
750,000	750,000	1,320,371	570,371	-	-	-	-
103,250	103,250	166,486	63,236	5,000	5,000	16,630	11,630
-	-	-	-	-	-	-	-
15,000	15,000	2,348	(12,652)	5,000	5,000	800	(4,200)
-	-	4,800	4,800	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,000	1,000	25,009	24,009
84,793	84,793	162,285	77,492	1,000	1,000	12,926	11,926
-	-	-	-	-	-	68,805	68,805
-	-	117	117	-	-	2,613	2,613
<u>3,966,684</u>	<u>3,966,684</u>	<u>4,688,656</u>	<u>721,972</u>	<u>2,586,463</u>	<u>2,586,463</u>	<u>2,699,226</u>	<u>112,763</u>
468,068	465,943	388,497	77,446	214,397	203,882	166,843	37,039
2,494,892	2,505,433	2,501,173	4,260	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,563,902	1,719,527	1,524,386	195,141
-	-	-	-	-	-	-	-
371,790	371,790	371,790	-	-	-	-	-
100,964	127,684	45,056	82,628	-	-	-	-
399,205	364,069	292,752	71,317	877,088	731,978	611,346	120,632
-	-	-	-	541	541	541	-
<u>3,834,919</u>	<u>3,834,919</u>	<u>3,599,268</u>	<u>235,651</u>	<u>2,655,928</u>	<u>2,655,928</u>	<u>2,303,116</u>	<u>352,812</u>
131,765	131,765	1,089,388	957,623	(69,465)	(69,465)	396,110	465,575
-	-	-	-	150,000	650,000	650,000	-
(178,657)	(678,657)	(677,177)	1,480	(147,136)	(826,429)	(825,302)	1,127
(178,657)	(678,657)	(677,177)	1,480	2,864	(176,429)	(175,302)	1,127
(46,892)	(546,892)	412,211	959,103	(66,601)	(245,894)	220,808	466,702
46,892	546,892	4,800,111	4,253,219	66,601	245,894	1,242,533	996,639
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,212,322</u>	<u>\$ 5,212,322</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,463,341</u>	<u>\$ 1,463,341</u>

(Continued)

Town of Ossining, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Continued)
General, Town Outside Villages, Highway and Special Districts Funds
Year Ended December 31, 2021

	Special Districts Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 2,536,486	\$ 2,536,486	\$ 2,534,856	\$ (1,630)
Other tax items	247	247	238	(9)
Non-property taxes	-	-	-	-
Departmental income	167,284	167,284	125,659	(41,625)
Intergovernmental charges	-	330,654	330,654	-
Use of money and property	1,670	1,670	697	(973)
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	-	-	10,400	10,400
State aid	-	-	625	625
Federal aid	-	-	3,752	3,752
Miscellaneous	-	-	850	850
Total Revenues	<u>2,705,687</u>	<u>3,036,341</u>	<u>3,007,731</u>	<u>(28,610)</u>
EXPENDITURES				
Current				
General government support	146,683	132,468	99,990	32,478
Public safety	719,757	721,407	721,396	11
Health	642,616	1,023,270	1,021,835	1,435
Transportation	57,592	57,592	46,148	11,444
Economic opportunity and development	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	957,060	979,280	977,989	1,291
Employee benefits	-	-	-	-
Debt Service				
Interest	1,870	1,870	1,869	1
Total Expenditures	<u>2,525,578</u>	<u>2,915,887</u>	<u>2,869,227</u>	<u>46,660</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>180,109</u>	<u>120,454</u>	<u>138,504</u>	<u>18,050</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(180,109)	(180,109)	(169,653)	10,456
Total Other Financing Uses	<u>(180,109)</u>	<u>(180,109)</u>	<u>(169,653)</u>	<u>10,456</u>
Net Change in Fund Balances	-	(59,655)	(31,149)	28,506
FUND BALANCES				
Beginning of Year	-	59,655	922,197	862,542
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 891,048</u>	<u>\$ 891,048</u>

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

Town of Ossining, New York

Statement of Net Position
Internal Service Fund - Workers' Compensation Benefits Fund
December 31, 2021

	Governmental Activities Internal Service Fund
ASSETS	
Cash and equivalents	\$ 3,201
Due from other funds	20
	<hr/>
Total Assets	3,221
	<hr/>
LIABILITIES	
Current liabilities	
Current portion of claims payable	300
Claims payable, less current portion	2,921
	<hr/>
Total Liabilities	\$ 3,221
	<hr/> <hr/>

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

Town of Ossining, New York

Statement of Cash Flows
Internal Service Fund - Workers' Compensation Benefits Fund
Year Ended December 31, 2021

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from departmental charges	\$ 83
Cash payments to insurance carriers, claimants and other	<u>20</u>
Net Cash from Operating Activities	103
CASH AND EQUIVALENTS	
Beginning of Year	<u>3,098</u>
End of Year	<u>\$ 3,201</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES	
Income from operations	\$ -
Adjustments to reconcile income from operations to net cash from operating activities	
Changes in operating assets and liabilities	
Due from other funds	83
Claims payable	<u>20</u>
Net Cash from Operating Activities	<u>\$ 103</u>

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

Town of Ossining, New York

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2021

	<u>Custodial Fund</u>
ASSETS	
Cash and equivalents	\$ 13,577,231
Real property taxes receivable for other governments	<u>42,158,634</u>
Total Assets	<u>\$ 55,735,865</u>
LIABILITIES	
Due to other governments	<u>\$ 55,735,865</u>

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

Town of Ossining, New York

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended December 31, 2021

	<u>Custodial Fund</u>
ADDITIONS	
Real property taxes collected for other governments	\$ 126,678,937
DEDUCTIONS	
Payments of real property taxes to other governments	<u>126,678,937</u>
Net change in Fiduciary Net Position	-
NET POSITION	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

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

Town of Ossining, New York

Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies

The Town of Ossining, New York ("Town") was established in 1845 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as both the chief executive and chief financial officer. The Town 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 Town have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below:

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the Town, b) organizations for which the Town is financially accountable and c) other organizations for which the nature and significance of their relationship with the Town 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 Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Town as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

C. Fund Financial Statements

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

Fund Categories

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

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

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the Town are as follows:

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Town Outside Villages Fund - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town. The major revenues of this fund are real property taxes and non-property taxes. Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenue of this fund is real property taxes.

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, sewer, lighting, fire protection, refuse and garbage and ambulance districts. The major revenue of this fund is real property taxes.

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

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

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

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

- b. Proprietary Funds - Proprietary funds consist of an internal service fund. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Town has established its Workers' Compensation Benefits Fund as an internal service fund.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) – The Fiduciary Funds are used to account for assets held by the Town on behalf of others. The Custodial Fund is used to account for real property taxes collected for other governments.

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.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Governmental fund financial statements are reported using the *current financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability, certain claims and other 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.

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town 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 agreement and obligations of New York State or its political

Note 1 - Summary of Significant Accounting Policies (Continued)

subdivisions. The Town's investments of \$20,458 consists of certificates of deposits with original maturities of more than three months of the date of acquisition.

The Town 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 Town 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 Town 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 Town'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 Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 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 Town 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 Town'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 and are levied on January 1st. The Town collects county, town, highway and special districts taxes which are due April 1st and payable without penalty to April 30th. School districts taxes for the period July 1st to June 30th are levied on July 1st and are due on September 1st with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town guarantees the full payment of the County of Westchester, New York ("County") and school districts warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting in-rem foreclosure proceedings.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

The Town functions in both a fiduciary and guarantor relationship with the County and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and satisfy the balance of forty percent by October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligations regardless of the amounts collected. County and school districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "Fiduciary Activities", and therefore have been accounted for within the Custodial Fund.

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

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventoriable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

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

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town 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. Infrastructure assets consist of assets that were acquired or constructed subsequent to January 1, 2004. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

Unearned Revenues - Unearned revenues arise when assets are recognized before revenue recognition criteria has been satisfied. In government-wide financial statements, unearned revenues consist of amounts received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$284,102 in American Rescue Plan Act funds received in advance and other payments of \$9,074 received in advance in the General Fund and \$1,475 and \$14,015 for payments received in advance in the Town Outside Villages Fund and Non-Major Governmental - Special Purpose Fund, respectively. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

The Town has reported deferred inflows of resources of \$1,499,399 for real property taxes in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

The Town has also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the government-wide financial

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

statement for governmental activities. These amounts are detailed in the discussion of the Town's pension and other postemployment benefit liabilities in Note 3.

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

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

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

Net Pension Liability - The net pension liability represents the Town's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System. The financial reporting of this amount is 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 Town provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*".

Net Position - 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 Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted

Note 1 - Summary of Significant Accounting Policies (Continued)

net position for the Town includes restricted for debt service, cable television purposes and parklands.

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

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

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

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

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Town Comptroller 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 governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned and unassigned.

F. Encumbrances

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

G. Use of Estimates

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

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 is June 2, 2022.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Town Outside Villages, Highway, Special Districts and Debt Service funds.
- i) Budgets for General, Town Outside Villages, Highway, Special Districts and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Special Purpose or Proprietary funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.
- j) The Town 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 Town Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Town Board.
- k) Appropriations in the General, Town Outside Villages, Highway, Special Districts and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted or as amended by the Town Board.

B. Property Tax Limitation

Under New York State Town Law, the Town is not limited as to the maximum amount of real property taxes which may be raised. However, Chapter 97 of the New York State 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 Town to increase its

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

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 Department of Labor with the result expressed as a decimal to four places. The Town 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 Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

D. Capital Projects Fund Project Deficits

The deficit in various capital projects arise in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". 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. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficits, arise because of expenditures exceeding current financing on the projects and include the following project deficits (2018 Municipal Restructuring project of \$15,314 and the 2020 Comprehensive Plan of \$90,121). These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

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

Town and County taxes - Current	\$	212,696
Taxes receivable overdue		1,512,198
Property acquired for taxes		<u>38,148</u>
		1,763,042
Allowance for uncollectible taxes		<u>(94,553)</u>
	\$	<u>1,668,489</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$1,499,399, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

B. Interfund Receivables/Payables

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

Fund	Due From	Due To
General	\$ 175,242	\$ 65
Town Outside Villages	-	20
Non-Major Governmental	30,456	205,633
Internal Service - Workers' Compensation Benefits	20	-
	\$ 205,718	\$ 205,718

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

C. Capital Assets

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

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Capital Assets, not being depreciated:				
Land	\$ 929,073	\$ -	\$ -	\$ 929,073
Construction-in-Progress	322,126	2,287,744	202,900	2,406,970
Total Capital Assets, not being Depreciated	\$ 1,251,199	\$ 2,287,744	\$ 202,900	\$ 3,336,043
Capital Assets, being depreciated:				
Buildings and Improvements	\$ 3,786,724	\$ 25,413	\$ -	\$ 3,812,137
Machinery and Equipment	4,736,280	363,920	-	5,100,200
Infrastructure	6,757,436	-	-	6,757,436
Total Capital Assets, being Depreciated	15,280,440	389,333	-	15,669,773
Less Accumulated Depreciation for:				
Buildings and Improvements	2,226,646	123,270	-	2,349,916
Machinery and Equipment	3,025,740	349,050	-	3,374,790
Infrastructure	2,420,025	413,294	-	2,833,319
Total Accumulated Depreciation	7,672,411	885,614	-	8,558,025
Total Capital Assets, being Depreciated, net	\$ 7,608,029	\$ (496,281)	\$ -	\$ 7,111,748
Capital Assets, net	\$ 8,859,228	\$ 1,791,463	\$ 202,900	\$ 10,447,791

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Governmental Activities	
General Government Support	\$ 72,055
Public Safety	101
Transportation	522,728
Culture and Recreation	192,806
Home and Community Services	<u>97,924</u>
 Total Depreciation Expense	 <u>\$ 885,614</u>

D. Accrued Liabilities

Accrued liabilities at December 31, 2021 were as follows:

	Fund				Total
	General	Town Outside Villages	Highway	Non-Major Governmental	
Payroll and Employee Benefits	\$ 66,169	\$ 7,473	\$ 29,926	\$ 4,055	\$ 107,623
Other	<u>183,265</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>183,265</u>
	<u>\$ 249,434</u>	<u>\$ 7,473</u>	<u>\$ 29,926</u>	<u>\$ 4,055</u>	<u>\$ 290,888</u>

E. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2021	New Issues	Redemptions	Balance December 31, 2021
Various Capital Projects	2016	-	- %	\$ 80,000	-	\$ 80,000	-
Various Capital Projects	2019	8/5/2022	1.00	207,895	-	15,327	192,568
Various Capital Projects	2020	8/5/2022	1.00	144,100	-	9,607	134,493
Various Capital Projects	2021	8/5/2022	1.00	-	2,642,923	-	2,642,923
				<u>\$ 431,995</u>	<u>\$ 2,642,923</u>	<u>\$ 104,934</u>	<u>\$ 2,969,984</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.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$3,499 were recorded in the fund financial statements as follows:

<u>Fund</u>	<u>Amount</u>
General	\$ 648
Highway	541
Special Districts	1,869
Non-Major	441
	<u>\$ 3,499</u>

Interest expense of \$14,133 was recorded in the government-wide financial statements for governmental activities.

F. Long-Term Liabilities

The following table summarizes changes in the Town's long-term liabilities for the year ended December 31, 2021:

	<u>Balance January 1, 2021</u>	<u>New Issues/ Additions</u>	<u>Maturities and/or Payments</u>	<u>Balance December 31, 2021</u>	<u>Due Within One Year</u>
General Obligation Bonds Payable:					
Capital construction	\$ 3,690,624	\$ 717,374	\$ 1,110,623	\$ 3,297,375	\$ 379,608
Other	587,072	522,626	587,073	522,625	65,392
	<u>4,277,696</u>	<u>1,240,000</u>	<u>1,697,696</u>	<u>3,820,000</u>	<u>445,000</u>
Other Non-Current Liabilities:					
Claims Payable	3,201	2,422	2,402	3,221	300
Compensated Absences	86,500	1,443	18,670	69,273	6,900
Net Pension Liability	2,864,434	-	2,853,581	10,853	-
Other Postemployment Benefit Liability	19,279,347	1,254,089	601,495	19,931,941	-
Total Other Non-Current Liabilities	<u>22,233,482</u>	<u>1,257,954</u>	<u>3,476,148</u>	<u>20,015,288</u>	<u>7,200</u>
Total Long-Term Liabilities	<u>\$ 26,511,178</u>	<u>\$ 2,497,954</u>	<u>\$ 5,173,844</u>	<u>\$ 23,835,288</u>	<u>\$ 452,200</u>

Each governmental fund's liability for compensated absences, net pension liability and other postemployment benefit liabilities is liquidated by the respective fund. The Town's indebtedness for general obligation bonds is satisfied by the Debt Service Fund, which is funded primarily by the General, Town Outside Villages, Highway and Special Districts funds. Claims are paid by the Internal Service Fund - Workers' Compensation Benefits Fund, which is funded by the various governmental funds.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

General Obligation Bonds Payable

General obligation bonds payable at December 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 Rate</u>	<u>Amount Outstanding at December 31, 2021</u>
Public Improvements	2007	\$ 1,695,000	April, 2027	4.25 %	\$ 250,000
Public Improvements	2014	1,693,947	September, 2026	2.00 - 2.50	755,000
Public Improvements	2019	935,000	August, 2026	2.00	765,000
Public Improvements	2020	892,696	August, 2032	1.00 - 2.00	810,000
Refunding Bond	2021	1,240,000	February, 2032	.50 - 2.54	1,240,000
					<u>\$ 3,820,000</u>

Interest expenditures of \$82,014, were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$84,444 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2021 including interest payments of \$332,541 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 445,000	\$ 68,895
2023	525,000	60,935
2024	450,000	52,674
2025	540,000	43,668
2026	435,000	33,920
2027-2031	1,285,000	70,196
2032	140,000	2,253
	<u>\$ 3,820,000</u>	<u>\$ 332,541</u>

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

Advance Refunding

During the 2021 fiscal year, the Town issued \$1,240,000 in serial bonds with interest rates at .5% to 2.54%. The proceeds were used to advance refund \$1,200,000 of outstanding 2012 various

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

purpose serial bonds bearing interest at 2.5% to 3.0%. The net proceeds of \$1,213,295 (after \$26,705 in underwriting fees and other issuance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the 2012 serial bonds are considered defeased and the liability for those serial bonds has been removed from the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$13,295. The Town advance refunded the 2012 serial bonds to reduce its total debt service payments over eleven years by \$65,106 and to obtain a net present value economic gain of \$61,008.

As of December 31, 2021, the defeased bonds have been called and are no longer outstanding.

Legal Debt Margin

The Town is subject to legal limitations on the amount of debt that it may issue. The Town's legal debt margin is 7% of the five year average full valuation of taxable real property. At December 31, 2021, that amount was \$335,919,308. As of December 31, 2021, the total outstanding debt applicable to the limit was \$6,789,984, which is 2.021% of the total debt limit.

Claims Payable

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

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

	<u>2021</u>	<u>2020</u>
Balance - Beginning of Year	\$ 3,201	\$ 3,439
Provision for Claims and Claims Adjustment Expenses	2,422	358
Claims and Claims Adjustment Expenses Paid	<u>(2,402)</u>	<u>(596)</u>
Balance - End of Year	<u>\$ 3,221</u>	<u>\$ 3,201</u>
Due Within One Year	<u>\$ 300</u>	<u>\$ 300</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Compensated Absences

Sick leave for all Town employees may be accumulated, however, the Town is not required to pay accumulated sick leave upon retirement or termination. Employees covered under the Teamsters bargaining agreement may accumulate a maximum of 10 days of vacation which will be paid upon separation of service. Employees covered under the CSEA bargaining agreement forfeit vacation days not used by June 30th of the subsequent year. Certain employees are also eligible for compensation for terminal leave upon retirement. The value of compensated absences has been reflected in the government-wide financial statements.

Pension Plans

New York State and Local Employees' Retirement System

The Town participates in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS 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 ERS. 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 ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The ERS 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 ERS'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>
4 A15	16.1 %
5 A15	13.4
6 A15	9.6

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2021, the Town reported the following for its proportionate share of the net pension liability for ERS:

	<u>ERS</u>
Measurement date	March 31, 2021
Net pension liability	\$ 10,853
Town's proportion of the net pension liability	0.0108999 %
Change in proportion since the prior measurement date	0.0000828 %

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 Town's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2021, the Town recognized its proportionate share of pension expense in the government-wide financial statements of \$275,616 for ERS. Pension expenditures of \$473,645 for ERS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>
General Fund	\$ 308,204
Town Outside Village	23,827
Highway	131,242
Special Districts – Sewer	1,168
Special Purpose	<u>9,204</u>
Total	<u>\$ 473,645</u>

At December 31, 2021, the Town reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 132,550	\$ -
Changes of assumptions	1,995,602	37,638
Net difference between projected and actual earnings on pension plan investments	-	3,117,754
Changes in proportion and differences between Town contributions and proportionate share of contributions	55,639	14,868
Town contributions subsequent to the measurement date	<u>366,140</u>	<u>-</u>
	<u>\$ 2,549,931</u>	<u>\$ 3,170,260</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
 December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

\$366,140 reported as deferred outflows of resources related to ERS, resulting from the Town's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

<u>Year Ended</u> <u>March 31,</u>	
2022	\$ (166,500)
2023	(53,698)
2024	(163,798)
2025	(602,473)
Thereafter	<u>-</u>
	<u>\$ (986,469)</u>

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

	<u>ERS</u>
Measurement date	March 31, 2021
Actuarial valuation date	April 1, 2020
Investment rate of return	5.9% *
Salary scale	4.4%
Inflation rate	2.7%
Cost of living adjustments	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 are 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.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Best estimates of arithmetic real rates of return for each major asset class are summarized in the following table.

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.05 %
International Equity	15	6.15
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	1	0.50
	<u>100 %</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 Town's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Town'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:

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Town's proportionate share of the ERS net pension liability (asset)	<u>\$ 3,012,502</u>	<u>\$ 10,853</u>	<u>\$ (2,757,369)</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 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:

Total pension liability	\$ 220,680,157,000
Fiduciary net position	<u>220,580,583,000</u>
Employers' net pension liability	<u>\$ 99,574,000</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>

Employer contributions to ERS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2021 represent the employer contribution for the period of April 1, 2021 through December 31, 2021 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2021 were \$366,140.

Voluntary Defined Contribution Plan

The Town can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Town 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 Town provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Town and the retired employee as noted below. Substantially all of the Town's employees may become eligible for those benefits if they reach normal retirement age while working for the Town. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

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

Inactive employees currently receiving benefit payments	41
Active employees	<u>49</u>
	<u>90</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The Town's total OPEB liability of \$19,931,941 was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021.

The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.5%, average, including inflation
Discount rate	2.12%
Healthcare cost trend rates	7.5% for 2021, decreasing 0.5% per year to an ultimate rate of 5.0% for 2025 and later years
Retirees' share of benefit-related costs	Varies from 0% to 100%, depending on applicable retirement year and bargaining unit

The discount rate was based on the "Bond Buyer's 20 Bond Index" report.

Unisex pre-retirement mortality rates and postretirement mortality rates for healthy participants (sex distinct for non-police employees and retirees) were based on the projections scale MP-2019.

The actuarial assumptions used in the January 1, 2021 valuation were based on the most recent decrement tables for turnover, disability and retirement for ERS. ERS tables were based on a version released in 2015.

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

Total OPEB Liability - Beginning of Year	\$ 19,279,347
Service cost	834,027
Interest	420,062
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	<u>(601,495)</u>
Total OPEB Liability - End of Year	<u>\$ 19,931,941</u>

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current discount rate:

	1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability	<u>\$ 23,625,280</u>	<u>\$ 19,931,941</u>	<u>\$ 17,022,772</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.50% decreasing to 4.00%) or 1 percentage point higher (8.50% decreasing to 6.00%) than the current healthcare cost trend rates:

	1% Decrease (6.50% decreasing to 4.00%)	Current Healthcare Cost Trend Rates (7.50% decreasing to 5.00%)	1% Increase (8.50% decreasing to 6.00%)
Total OPEB Liability	<u>\$ 16,426,842</u>	<u>\$ 19,931,941</u>	<u>\$ 24,578,381</u>

For the year ended December 31, 2021, the Town recognized OPEB expense of \$1,528,575 in the government-wide financial statements. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 2,079,756	\$ 407,591
Differences between expected and actual experience	<u>37,802</u>	<u>847,805</u>
	<u>\$ 2,117,558</u>	<u>\$ 1,255,396</u>

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

Year Ended December 31,	
2022	\$ 274,486
2023	274,486
2024	344,702
2025	(42,276)
2026	(18,118)
Thereafter	<u>28,882</u>
	<u>\$ 862,162</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

G. Significant Commitments - Encumbrances

As discussed in Note 2A, Budgetary data, encumbrance accounting is utilized to the extent necessary to issue effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2021, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 7,180
Town Outside Village Fund	53,707
Highway Fund	<u>87,571</u>
	<u>\$ 148,458</u>

H. 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
	Highway Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ 216,345	\$ 285,122	\$ 501,467
Town Outside Villages Fund	650,000	-	27,177	677,177
Highway Fund	-	684,061	141,241	825,302
Special Districts Fund	-	16,274	153,379	169,653
Non-Major Governmental Funds	-	3,892	30,391	34,283
	<u>\$ 650,000</u>	<u>\$ 920,572</u>	<u>\$ 637,310</u>	<u>\$ 2,207,882</u>

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

I. 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.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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 Cable Television Purposes - the component of net position that represents funds restricted to provide enhancements to the Town's equipment used for public, educational or governmental ("PEG") video access services as delineated by the terms of the cable franchise agreement.

Restricted for Parklands - the component of net position that has been established pursuant to New York State Law. These amounts represent funds received by the Town in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

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

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2021					2020					Total		
	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund		Capital Projects Fund	Non-Major Governmental Funds
Nonspendable - Prepaid expenditures	\$ 75,819	\$ 5,374	\$ 32,996	\$ 134	\$ -	\$ 1,761	\$ 65,652	\$ 4,870	\$ 27,792	\$ 363	\$ -	\$ 2,670	\$ 101,347
Restricted:													
Capital projects	-	-	-	-	-	-	-	-	-	-	366,925	-	366,925
Cable television purposes	-	200,322	-	-	-	-	-	173,028	-	-	-	-	173,028
Debt service	-	-	-	-	-	164,563	-	-	-	-	-	202,985	202,985
Debt service - Subsequent year's expenditures	-	-	-	-	-	21,621	-	-	-	-	-	244,127	244,127
Trails	-	-	-	-	-	282,659	-	-	-	-	-	-	-
Trusts - Subsequent year's expenditures	-	-	-	-	-	76,354	-	-	-	-	-	59,838	59,838
Parklands	-	-	-	-	-	97,042	-	-	-	-	-	542	542
Total Restricted	-	200,322	-	-	-	642,439	-	173,028	-	-	366,925	507,502	1,047,455
Assigned:													
Purchase on order:													
General government support	7,180	7,180	-	-	-	-	13,980	-	-	-	-	-	13,980
Public safety	-	-	-	-	-	-	-	365	-	-	-	-	365
Health	-	-	-	1,434	-	-	-	-	1,434	-	-	-	1,434
Transportation	-	-	87,571	-	-	-	87,571	-	66,601	-	-	-	66,601
Home and community services	-	46,527	-	-	-	-	10,675	46,527	-	-	-	-	46,527
Major Funds	7,180	53,707	87,571	1,434	-	642,439	24,655	46,892	68,601	-	-	-	138,149
	-	4,952,919	1,342,634	889,480	-	7,185,233	-	4,576,321	1,148,140	921,834	-	-	6,645,295
Total Assigned	7,180	5,006,626	1,430,405	890,914	-	7,335,125	24,655	4,622,213	1,214,741	921,834	-	-	6,783,443
Unassigned	4,187,531	-	-	-	(1,309,897)	-	3,433,239	-	-	-	-	-	3,433,239
Total Fund Balances	\$ 4,260,530	\$ 5,212,922	\$ 1,463,341	\$ 891,048	\$ (1,309,897)	\$ 644,200	\$ 3,623,546	\$ 4,800,111	\$ 1,242,533	\$ 922,197	\$ 366,925	\$ 510,172	\$ 11,365,484

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

Purchases on order represent the Town'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.

Subsequent year's expenditures represent that at December 31, 2021, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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

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

B. Contingencies

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

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

C. Related Party Transactions

The Town has several intermunicipal agreements with the Village of Ossining, New York ("Village") to provide finance, information technology, water, sewer, recreation, engineering, clerk, police and fire protection services. These charges aggregated to approximately \$4.0 million for the year ended December 31, 2021. Additionally, the Town provides sewer, parking and clerk services to the Village.

Risk Management

The Town is insured for general liability and workers' compensation benefits. The Town purchases various conventional insurance policies to limit its exposure to loss. The general liability policy provides coverage of \$1 million per occurrence and \$2 million in the aggregate. The public officials liability policy provides coverage up to \$10 million. In addition, the Town has an excess liability policy which provides coverage up to \$10 million per occurrence and \$20 million in the aggregate. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The Town purchases conventional health insurance for its employees.

Note 5 - Tax Abatements

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

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

Copies of the agreements may be obtained from Dale Brennan, Comptroller, 16 Croton Avenue, Ossining, NY 10562, DBrennan@villageofossining.org. Information relevant to disclosure of these agreements for the fiscal year ended December 31, 2021 is as follows:

Start Date	Agreement	Fund	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated
9/29/2017 (original 9/9/1982)	Maple House Associates	General	\$ 12,753,600	\$ 0.75641	\$ 9,647	\$ 1,036	\$ 8,611
1/25/2005	The Pines at Narragansett	General	9,082,100	0.75641	6,870	879	5,991
1/25/2005	The Pines at Narragansett	Ambulance District	9,082,100	0.20513	1,863	238	1,625
6/1/2016 (original 3/23/2006)	Snowden House/ Standard Snowden Venture LP	General	12,284,000	0.75641	9,292	1,113	8,179
4/10/2014	Harbor Square Crossings LLC	General	53,427,000	0.75641	40,413	14,922	25,491
						<u>\$ 18,188</u>	<u>\$ 49,897</u>

Town of Ossining, New York

Notes to Financial Statements (Concluded)
December 31, 2021

Note 6 - 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.

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

Town of Ossining, New York

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

	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 834,027	\$ 686,393	\$ 529,274	\$ 612,181
Interest	420,062	473,155	622,441	554,039
Changes of benefit terms	-	(338,236)	-	-
Differences between expected and actual experience	-	(1,464,772)	-	-
Changes of assumptions or other inputs	-	1,412,834	3,528,133	(1,523,072)
Benefit payments	(601,495)	(563,709)	(511,580)	(458,873)
Net Change in Total OPEB Liability	652,594	205,665	4,168,268	(815,725)
Total OPEB Liability -- Beginning of Year	19,279,347	19,073,682	14,905,414	15,721,139
Total OPEB Liability -- End of Year	\$ 19,931,941	\$ 19,279,347	\$ 19,073,682	\$ 14,905,414
Town's covered-employee payroll	\$ 3,183,143	\$ 3,105,506	\$ 2,982,985	\$ 2,910,230
Total OPEB liability as a percentage of covered-employee payroll	626%	621%	639%	512%

Notes to Schedule:

- (1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for *Postemployment Benefits Other Than Pensions*".
- (2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.
- (3) Restated for the implementation of the provisions of GASB Statement No. 75.
- (4) Changes in assumptions or other inputs. The discount rate used to measure the total pension liability was as follows:
December 31, 2018: 3.44%
December 31, 2019: 2.74%
December 31, 2020: 2.12%

See independent auditors' report.

Town of Ossining, New York

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

	Schedule of Town's Proportionate Share of Net Pension Liability (2)						
	2021 (6)	2020 (4)(5)	2019	2018	2017	2016 (3)	2015
Town's proportion of the net pension liability	0.0108999%	0.0108171%	0.0106132%	0.0107289%	0.0108921%	0.0109087%	0.0099498%
Town's proportionate share of the net pension liability	\$ 10,853	\$ 2,864,434	\$ 751,977	\$ 346,270	\$ 1,023,450	\$ 1,750,882	\$ 336,130
Town's covered payroll	\$ 3,103,256	\$ 3,029,080	\$ 3,215,529	\$ 3,149,540	\$ 2,998,997	\$ 2,860,051	\$ 2,745,057
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.35%	94.56%	23.39%	10.99%	34.13%	61.22%	12.24%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.20%	94.70%	90.70%	97.90%

Schedule of Contributions

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 482,164	\$ 429,612	\$ 453,076	\$ 452,158	\$ 460,590	\$ 419,255	\$ 504,839
Contributions in relation to the contractually required contribution	(482,164)	(429,612)	(453,076)	(452,158)	(460,590)	(419,255)	(504,839)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 2,851,180	\$ 2,849,147	\$ 3,202,869	\$ 3,062,119	\$ 2,928,849	\$ 2,699,124	\$ 2,762,475
Contributions as a percentage of covered payroll	16.91%	15.08%	14.15%	14.77%	15.73%	15.53%	18.27%

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

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

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

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

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

(6) Decrease in the Town'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.

Town of Ossining, New York

General Fund
Comparative Balance Sheet
December 31,

	2021	2020
ASSETS		
Cash and equivalents	\$ 4,345,439	\$ 2,569,023
Taxes receivable		
Town and County taxes	212,696	360,529
Taxes receivable overdue	1,512,198	2,066,155
Property acquired for taxes	38,148	38,148
	1,763,042	2,464,832
Allowance for uncollectible taxes	(94,553)	(38,148)
	1,668,489	2,426,684
Other receivables		
Accounts	80,680	41,700
State and Federal aid	30,313	17,619
Due from other governments	30,069	154,325
Due from other funds	175,242	4,598
	316,304	218,242
Prepaid expenditures	75,819	65,652
Total Assets	<u>\$ 6,406,051</u>	<u>\$ 5,279,601</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 106,734	\$ 115,030
Accrued liabilities	249,434	283,685
Deposits payable	1,105	1,106
Employee payroll deductions	934	4,067
Due to other governments	4,674	18,059
Due to other funds	65	-
Unearned revenues	293,176	-
Total Liabilities	656,122	421,947
Deferred inflows of resources		
Deferred tax revenues	1,499,399	1,334,108
Total Liabilities and Deferred Inflows of Resources	2,155,521	1,756,055
Fund balance		
Nonspendable	75,819	65,652
Assigned	7,180	19,181
Unassigned	4,167,531	3,438,713
Total Fund Balance	4,250,530	3,523,546
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 6,406,051</u>	<u>\$ 5,279,601</u>

See independent auditors' report.

Town of Ossining, New York

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

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 3,943,494	\$ 3,943,494	\$ 3,749,269	\$ (194,225)
Other tax items	464,463	464,463	745,886	281,423
Departmental income	43,700	43,700	51,125	7,425
Intergovernmental charges	315,558	315,558	307,947	(7,611)
Use of money and property	28,400	28,400	40,227	11,827
Licenses and permits	5,500	5,500	13,363	7,863
Fines and forfeitures	100,000	100,000	97,083	(2,917)
Sale of property and compensation for loss	-	-	1,051	1,051
State aid	529,688	529,688	964,059	434,371
Federal aid	80,000	80,000	123,570	43,570
Miscellaneous	213,000	213,000	205,163	(7,837)
Total Revenues	5,723,803	5,723,803	6,298,743	574,940
EXPENDITURES				
Current				
General government support	2,600,926	2,617,491	2,494,422	123,069
Economic opportunity and development	617,067	522,502	479,656	42,846
Culture and recreation	698,736	941,381	866,990	74,391
Home and community services	42,600	42,600	34,233	8,367
Employee benefits	1,422,434	1,257,789	1,194,343	63,446
Debt service				
Interest	648	648	648	-
Total Expenditures	5,382,411	5,382,411	5,070,292	312,119
Excess of Revenues Over Expenditures	341,392	341,392	1,228,451	887,059
OTHER FINANCING USES				
Transfers out	(366,047)	(502,392)	(501,467)	925
Net Change in Fund Balance	(24,655)	(161,000)	726,984	887,984
FUND BALANCE				
Beginning of Year	24,655	161,000	3,523,546	3,362,546
End of Year	\$ -	\$ -	\$ 4,250,530	\$ 4,250,530

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 3,800,357	\$ 3,800,357	\$ 3,793,177	\$ (7,180)
465,745	465,745	654,232	188,487
55,000	55,000	36,475	(18,525)
305,363	305,363	289,414	(15,949)
68,958	68,958	51,128	(17,830)
1,000	1,000	5,197	4,197
160,000	160,000	69,664	(90,336)
-	-	15,685	15,685
672,688	672,688	683,475	10,787
79,000	79,000	88,966	9,966
61,000	61,000	191,400	130,400
<u>5,669,111</u>	<u>5,669,111</u>	<u>5,878,813</u>	<u>209,702</u>
2,511,702	2,557,114	2,256,100	301,014
612,461	612,461	530,876	81,585
661,806	717,053	646,072	70,981
42,600	42,600	35,420	7,180
1,349,149	1,248,490	1,178,573	69,917
<u>7,950</u>	<u>7,950</u>	<u>7,947</u>	<u>3</u>
<u>5,185,668</u>	<u>5,185,668</u>	<u>4,654,988</u>	<u>530,680</u>
<u>483,443</u>	<u>483,443</u>	<u>1,223,825</u>	<u>740,382</u>
<u>(505,667)</u>	<u>(510,829)</u>	<u>(510,826)</u>	<u>3</u>
(22,224)	(27,386)	712,999	740,385
<u>22,224</u>	<u>27,386</u>	<u>2,810,547</u>	<u>2,783,161</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,523,546</u>	<u>\$ 3,523,546</u>

Town of Ossining, New York

General Fund
 Schedule of Revenues Compared to Budget
 Year Ended December 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES	\$ 3,943,494	\$ 3,943,494	\$ 3,749,269	\$ (194,225)	\$ 3,793,177
OTHER TAX ITEMS					
Payments in lieu of taxes	14,463	14,463	17,950	3,487	15,524
Interest and penalties on real property taxes	450,000	450,000	727,936	277,936	638,708
	464,463	464,463	745,886	281,423	654,232
DEPARTMENTAL INCOME					
Reimbursement for tax sale advertising	8,000	8,000	7,296	(704)	5,660
Clerk fees	7,500	7,500	6,664	(836)	4,902
Charging station fees	-	-	888	888	172
Greenwaste fees	12,000	12,000	1,833	(10,167)	3,256
Public health fees	10,000	10,000	15,416	5,416	14,720
Parks and recreation fees	5,000	5,000	17,738	12,738	6,500
Marina and dock fees	1,200	1,200	1,290	90	1,265
	43,700	43,700	51,125	7,425	36,475
INTERGOVERNMENTAL CHARGES					
Reimbursement for clerk services	315,558	315,558	307,947	(7,611)	289,414
USE OF MONEY AND PROPERTY					
Earnings on investments	15,000	15,000	5,021	(9,979)	32,114
Rental of real property	13,400	13,400	35,206	21,806	19,014
	28,400	28,400	40,227	11,827	51,128
LICENSES AND PERMITS					
Dog license fees	5,500	5,500	13,363	7,863	5,197
FINES AND FORFEITURES					
Fines and forfeited bail	100,000	100,000	97,083	(2,917)	69,664

**SALE OF PROPERTY AND
COMPENSATION FOR LOSS**

Minor sales	-	-	1,051	1,051	3,010
Insurance recoveries	-	-	-	-	12,675
STATE AID					
Mortgage tax	461,488	461,488	883,364	421,876	632,366
Supplemental Nutrition Assistance Program	63,200	63,200	12,576	(50,624)	50,241
Other	5,000	5,000	68,119	63,119	868
	529,688	529,688	964,059	434,371	683,475
FEDERAL AID					
Emergency disaster assistance	-	-	26,867	26,867	-
Title III B	13,000	13,000	13,299	299	13,208
Title III C-1	32,000	32,000	49,038	17,038	38,681
Title III C-2	15,000	15,000	20,041	5,041	20,041
Commodity funding	20,000	20,000	14,325	(5,675)	17,036
	80,000	80,000	123,570	43,570	88,966
MISCELLANEOUS					
Aim Related Payment	151,000	151,000	151,987	987	151,987
Call-A-Cab	18,000	18,000	8,684	(9,316)	6,666
Senior Nutrition Program	28,000	28,000	21,847	(6,153)	20,076
Refund of prior year's expenditures	-	-	10,206	10,206	-
Gifts and donations	5,000	5,000	750	(4,250)	-
Other	11,000	11,000	11,689	689	12,671
	213,000	213,000	205,163	(7,837)	191,400
TOTAL REVENUES					
	\$ 5,723,803	\$ 5,723,803	\$ 6,298,743	\$ 574,940	\$ 5,878,813

See independent auditors' report.

Town of Ossining, New York

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

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 47,448	\$ 47,448	\$ 47,348	\$ 100	\$ 47,298
Town Justice	637,480	637,460	618,244	19,216	542,257
Supervisor	159,857	176,422	168,134	8,288	164,714
Auditor	22,592	22,592	19,627	2,965	19,222
Tax Collector	195,340	195,340	185,130	10,210	183,146
Assessor	499,492	558,742	540,343	18,399	448,841
Town Clerk	210,332	218,152	216,119	2,033	193,699
Town Attorney	111,696	121,856	110,765	11,091	93,265
Personnel	2,500	3,375	3,333	42	2,304
Engineer	5,028	5,028	5,027	1	5,027
Elections	82,400	82,465	81,994	471	75,750
Buildings	212,436	212,436	196,821	15,615	193,027
Central communications	45,072	45,072	33,315	11,757	27,772
Central data processing	159,514	170,769	165,049	5,720	151,472
Unallocated insurance	62,768	68,213	66,399	1,814	59,849
Judgments and claims	25,000	25,000	24,240	760	31,895
Filing fees	-	-	-	-	-
Taxes on Town owned property	5,000	5,000	3,558	1,442	4,631
Metropolitan commuter transportation mobility tax	7,666	7,666	6,907	759	6,835
Miscellaneous	8,000	8,000	2,069	5,931	5,096
Contingency	101,305	6,455	-	6,455	-
	<u>2,600,926</u>	<u>2,617,491</u>	<u>2,494,422</u>	<u>123,069</u>	<u>2,256,100</u>

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Veteran's services	6,000	6,000	3,108	2,892	2,890
Nutrition - C-1	88,620	82,195	68,175	14,020	64,628
Nutrition - C-2	33,500	39,925	38,940	985	34,084
Transportation support services	468,967	367,847	346,498	21,349	411,945
Supplemental Nutrition Assistance Program	16,500	23,055	22,755	300	15,479
R.U.O.K. Program	3,480	3,480	180	3,300	1,850
	<u>617,067</u>	<u>522,502</u>	<u>479,656</u>	<u>42,846</u>	<u>530,876</u>

CULTURE AND RECREATION

Parks	586,270	828,915	807,059	21,856	589,961
Youth programs	51,748	51,748	39,273	12,475	43,010
Celebrations	39,418	39,418	8,618	30,800	1,791
Parks sewer lift stations	21,300	21,300	12,040	9,260	11,310
	<u>698,736</u>	<u>941,381</u>	<u>866,990</u>	<u>74,391</u>	<u>646,072</u>

HOME AND COMMUNITY SERVICES

Refuse and garbage	42,600	42,600	34,233	8,367	35,420
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EMPLOYEE BENEFITS

State retirement	401,804	308,804	308,204	600	298,588
Social security	172,482	172,482	155,001	17,481	153,025
Workers' compensation benefits	25,170	25,170	12,138	13,032	12,376
Life and dental insurance	55,000	61,600	46,863	14,737	51,154
Unemployment benefits	5,000	5,000	-	5,000	1,675
Disability insurance	3,000	3,000	2,245	755	2,475
Hospital and medical insurance	759,978	681,733	669,892	11,841	659,280
	<u>1,422,434</u>	<u>1,257,789</u>	<u>1,194,343</u>	<u>63,446</u>	<u>1,178,573</u>

DEBT SERVICE

Bond anticipation notes	648	648	648	-	7,947
Interest					

TOTAL EXPENDITURES

	<u>5,382,411</u>	<u>5,382,411</u>	<u>5,070,292</u>	<u>312,119</u>	<u>4,654,988</u>
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OTHER FINANCING USES

Transfers out					
Debt Service Fund	186,047	186,047	185,122	925	213,698
Capital Projects Fund	80,000	216,345	216,345	-	197,128
Special Purpose Fund	100,000	100,000	100,000	-	100,000
	<u>366,047</u>	<u>502,392</u>	<u>501,467</u>	<u>925</u>	<u>510,826</u>

TOTAL OTHER FINANCING USES

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TOTAL EXPENDITURES AND OTHER FINANCING USES

	<u>\$ 5,748,458</u>	<u>\$ 5,884,803</u>	<u>\$ 5,571,759</u>	<u>\$ 313,044</u>	<u>\$ 5,165,814</u>
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See independent auditors' report.

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Town of Ossining, New York

Town Outside Villages Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 4,964,658	\$ 4,592,658
Receivables		
Accounts	33,830	32,608
Due from other governments	<u>355,518</u>	<u>314,668</u>
	<u>389,348</u>	<u>347,276</u>
Prepaid expenditures	<u>5,374</u>	<u>4,870</u>
Total Assets	<u>\$ 5,359,380</u>	<u>\$ 4,944,804</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 33,274	\$ 13,638
Accrued liabilities	7,473	6,333
Deposits payable	104,816	124,494
Due to other funds	20	103
Unearned revenues	<u>1,475</u>	<u>125</u>
Total Liabilities	<u>147,058</u>	<u>144,693</u>
Fund balance		
Nonspendable	5,374	4,870
Restricted	200,322	173,028
Assigned	<u>5,006,626</u>	<u>4,622,213</u>
Total Fund Balance	<u>5,212,322</u>	<u>4,800,111</u>
Total Liabilities and Fund Balance	<u>\$ 5,359,380</u>	<u>\$ 4,944,804</u>

See independent auditors' report.

Town of Ossining, New York

Town Outside Villages Fund
 Comparative Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 Years Ended December 31,

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 2,873,641	\$ 2,873,641	\$ 2,871,386	\$ (2,255)
Other tax items	140,000	140,000	160,863	20,863
Non-property taxes	750,000	750,000	1,320,371	570,371
Departmental income	103,250	103,250	166,486	63,236
Use of money and property	15,000	15,000	2,348	(12,652)
Licenses and permits	-	-	4,800	4,800
Sale of property and compensation for loss	-	-	-	-
State Aid	84,793	84,793	162,285	77,492
Miscellaneous	-	-	117	117
Total Revenues	3,966,684	3,966,684	4,688,656	721,972
EXPENDITURES				
Current				
General government support	468,068	465,943	388,497	77,446
Public safety	2,494,892	2,505,433	2,501,173	4,260
Culture and recreation	371,790	371,790	371,790	-
Home and community services	100,964	127,684	45,056	82,628
Employee benefits	399,205	364,069	292,752	71,317
Total Expenditures	3,834,919	3,834,919	3,599,268	235,651
Excess of Revenues Over Expenditures	131,765	131,765	1,089,388	957,623
OTHER FINANCING USES				
Transfers out	(178,657)	(678,657)	(677,177)	1,480
Net Change in Fund Balance	(46,892)	(546,892)	412,211	959,103
FUND BALANCE				
Beginning of Year	46,892	546,892	4,800,111	4,253,219
End of Year	\$ -	\$ -	\$ 5,212,322	\$ 5,212,322

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,766,414	\$ 2,766,414	\$ 2,766,414	\$ -
144,978	144,978	161,178	16,200
750,000	750,000	1,120,608	370,608
103,250	103,250	282,912	179,662
23,158	23,158	13,247	(9,911)
-	-	-	-
-	-	739	739
84,793	84,793	116,181	31,388
-	-	36	36
<u>3,872,593</u>	<u>3,872,593</u>	<u>4,461,315</u>	<u>588,722</u>
471,998	427,978	405,509	22,469
2,451,906	2,457,786	2,445,768	12,018
366,659	366,659	366,657	2
33,111	135,641	74,755	60,886
391,164	326,774	294,391	32,383
<u>3,714,838</u>	<u>3,714,838</u>	<u>3,587,080</u>	<u>127,758</u>
<u>157,755</u>	<u>157,755</u>	<u>874,235</u>	<u>716,480</u>
<u>(187,628)</u>	<u>(225,468)</u>	<u>(225,465)</u>	<u>3</u>
<u>(29,873)</u>	<u>(67,713)</u>	<u>648,770</u>	<u>716,483</u>
<u>29,873</u>	<u>67,713</u>	<u>4,151,341</u>	<u>4,083,628</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,800,111</u>	<u>\$ 4,800,111</u>

Town of Ossining, New York

Town Outside Villages Fund
 Schedule of Revenues Compared to Budget
 Year Ended December 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES	\$ 2,873,641	\$ 2,873,641	\$ 2,871,386	\$ -	\$ 2,766,414
OTHER TAX ITEMS					
Franchise fees	140,000	140,000	160,863	20,863	156,330
Payments in lieu of taxes	-	-	-	-	4,848
NON-PROPERTY TAXES					
Non-property tax distribution from County	750,000	750,000	1,320,371	570,371	1,120,608
DEPARTMENTAL INCOME					
Alarm fees and fines	9,500	9,500	9,445	(55)	8,948
Building inspection fees	90,000	90,000	154,054	64,054	263,946
Zoning fees	750	750	700	(50)	1,550
Planning Board fees	2,000	2,000	1,750	(250)	7,950
Other fees	1,000	1,000	537	(463)	518
USE OF MONEY AND PROPERTY					
Earnings on investments	103,250	103,250	166,486	63,236	282,912
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Minor sales	15,000	15,000	2,348	(12,652)	13,247
	-	-	-	-	739

STATE AID						
Mortgage tax	84,793	84,793	162,285	77,492	116,181	
MISCELLANEOUS						
Refund of prior year's expenditures	-	-	117	117	-	
Unclassified	-	-	-	-	36	
	-	-	117	117	36	
TOTAL REVENUES	\$ 3,966,684	\$ 3,966,684	\$ 4,688,656	\$ 724,227	\$ 4,461,315	

See independent auditors' report.

Town of Ossining, New York

Town Outside Villages Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended December 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Supervisor	\$ 52,400	\$ 58,925	\$ 48,309	\$ 10,616	\$ 44,356
Auditor	13,645	13,645	13,580	65	13,387
Attorney	54,058	60,308	60,121	187	76,549
Engineer	85,457	85,457	85,456	1	85,456
Central communications	12,000	16,390	9,208	7,182	4,632
Central data processing	110,365	114,120	110,160	3,960	105,611
Unallocated insurance	25,198	25,198	19,646	5,552	18,152
Judgments and claims	24,090	24,090	10,636	13,454	31,988
Filing fees	-	-	-	-	-
Intermunicipal Agreement study	35,000	35,450	30,608	4,842	24,613
Metropolitan commuter transportation mobility tax	855	855	773	82	765
Tax and assessments on property	5,000	5,000	-	5,000	-
Contingency	50,000	26,505	-	26,505	-
	<u>468,068</u>	<u>465,943</u>	<u>388,497</u>	<u>77,446</u>	<u>405,509</u>
PUBLIC SAFETY					
Police	2,280,046	2,280,046	2,280,046	-	2,207,605
Control of animals	11,652	11,652	11,652	-	11,652
Building inspection	203,194	213,735	209,475	4,260	226,511
	<u>2,494,892</u>	<u>2,505,433</u>	<u>2,501,173</u>	<u>4,260</u>	<u>2,445,768</u>
CULTURE AND RECREATION					
Intermunicipal Agreement with Village of Ossining	371,790	371,790	371,790	-	366,657

HOME AND COMMUNITY SERVICES

Zoning Board	9,130	9,130	6,702	2,428	790
Planning Board	37,351	49,571	20,277	29,294	20,140
Storm Water Management	7,456	7,456	3,121	4,335	2,500
Environmental Advisory Council	47,027	61,527	14,956	46,571	51,325
	<u>100,964</u>	<u>127,684</u>	<u>45,056</u>	<u>82,628</u>	<u>74,755</u>

EMPLOYEE BENEFITS

State retirement	33,221	24,415	23,827	588	22,179
Social security	19,890	19,890	17,404	2,486	17,214
Workers' compensation benefits	20,000	8,620	6,653	1,967	6,308
Life and dental insurance	9,750	9,750	6,158	3,592	4,486
Disability insurance	-	-	-	-	-
Hospital and medical insurance	316,344	301,394	238,710	62,684	244,204
	<u>399,205</u>	<u>364,069</u>	<u>292,752</u>	<u>71,317</u>	<u>294,391</u>
TOTAL EXPENDITURES	<u>3,834,919</u>	<u>3,834,919</u>	<u>3,599,268</u>	<u>235,651</u>	<u>3,587,080</u>

OTHER FINANCING USES

Transfers out					
Highway Fund	150,000	650,000	650,000	-	150,000
Capital Projects Fund	-	-	-	-	37,840
Debt Service Fund	28,657	28,657	27,177	1,480	37,625
	<u>178,657</u>	<u>678,657</u>	<u>677,177</u>	<u>1,480</u>	<u>225,465</u>

TOTAL OTHER FINANCING USES**TOTAL EXPENDITURES
AND OTHER FINANCING USES**

	<u>\$ 4,013,576</u>	<u>\$ 4,513,576</u>	<u>\$ 4,276,445</u>	<u>\$ 237,131</u>	<u>\$ 3,812,545</u>
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Town of Ossining, New York

Highway Fund
 Comparative Balance Sheet
 December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 1,528,146	\$ 1,273,377
Receivables		
Accounts	33	2,550
Due from other governments	<u>2,729</u>	<u>3,203</u>
	<u>2,762</u>	<u>5,753</u>
Prepaid expenditures	<u>32,936</u>	<u>27,792</u>
Total Assets	<u>\$ 1,563,844</u>	<u>\$ 1,306,922</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 70,577	\$ 38,128
Accrued liabilities	<u>29,926</u>	<u>26,261</u>
Total Liabilities	<u>100,503</u>	<u>64,389</u>
Fund balance		
Nonspendable	32,936	27,792
Assigned	<u>1,430,405</u>	<u>1,214,741</u>
Total Fund Balance	<u>1,463,341</u>	<u>1,242,533</u>
Total Liabilities and Fund Balance	<u>\$ 1,563,844</u>	<u>\$ 1,306,922</u>

See independent auditors' report.

Town of Ossining, New York

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

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 2,574,463	\$ 2,574,463	\$ 2,572,443	\$ (2,020)
Other tax items	-	-	-	-
Departmental income	5,000	5,000	16,630	11,630
Use of money and property	5,000	5,000	800	(4,200)
Sale of property and compen- sation for loss	1,000	1,000	25,009	24,009
State aid	1,000	1,000	12,926	11,926
Federal aid	-	-	68,805	68,805
Miscellaneous	-	-	2,613	2,613
Total Revenues	<u>2,586,463</u>	<u>2,586,463</u>	<u>2,699,226</u>	<u>112,763</u>
EXPENDITURES				
Current				
General government support	214,397	203,882	166,843	37,039
Transportation	1,563,902	1,719,527	1,524,386	195,141
Employee benefits	877,088	731,978	611,346	120,632
Debt service				
Interest				
Bond anticipation notes	541	541	541	-
Total Expenditures	<u>2,655,928</u>	<u>2,655,928</u>	<u>2,303,116</u>	<u>352,812</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(69,465)</u>	<u>(69,465)</u>	<u>396,110</u>	<u>465,575</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	650,000	650,000	-
Transfers out	(147,136)	(826,429)	(825,302)	1,127
Total Other Financing Sources (Uses)	<u>2,864</u>	<u>(176,429)</u>	<u>(175,302)</u>	<u>1,127</u>
Net Change in Fund Balance	<u>(66,601)</u>	<u>(245,894)</u>	<u>220,808</u>	<u>466,702</u>
FUND BALANCE				
Beginning of Year	<u>66,601</u>	<u>245,894</u>	<u>1,242,533</u>	<u>996,639</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,463,341</u>	<u>\$ 1,463,341</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,478,400	\$ 2,478,400	\$ 2,478,400	\$ -
4,435	4,435	4,343	(92)
5,000	5,000	14,150	9,150
12,000	12,000	3,472	(8,528)
1,000	1,000	16,265	15,265
1,000	1,000	1,429	429
-	-	-	-
-	-	-	-
<u>2,501,835</u>	<u>2,501,835</u>	<u>2,518,059</u>	<u>16,224</u>
155,950	184,550	171,372	13,178
1,495,676	1,484,936	1,311,963	172,973
870,294	852,434	642,288	210,146
4,191	4,191	4,190	1
<u>2,526,111</u>	<u>2,526,111</u>	<u>2,129,813</u>	<u>396,298</u>
<u>(24,276)</u>	<u>(24,276)</u>	<u>388,246</u>	<u>412,522</u>
150,000	150,000	150,000	-
(152,495)	(152,495)	(152,492)	3
<u>(2,495)</u>	<u>(2,495)</u>	<u>(2,492)</u>	<u>3</u>
<u>(26,771)</u>	<u>(26,771)</u>	<u>385,754</u>	<u>412,525</u>
<u>26,771</u>	<u>26,771</u>	<u>856,779</u>	<u>830,008</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,242,533</u>	<u>\$ 1,242,533</u>

Town of Ossining, New York

Special Districts Fund
 Combining Balance Sheet - Sub-Funds
 December 31, 2021
 (With Comparative Totals for 2020)

	Sewer Districts			
	Townwide Water	Conso- lidated	North State Road	Lighting
ASSETS				
Cash and equivalents	\$ 40,601	\$ 418,830	\$ 20,126	\$ 104,157
Receivables				
Accounts	-	-	-	-
Due from other governments	34	23,833	-	83
	34	23,833	-	83
Prepaid expenditures	-	134	-	-
Total Assets	<u>\$ 40,635</u>	<u>\$ 442,797</u>	<u>\$ 20,126</u>	<u>\$ 104,240</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 159	\$ 170,751	\$ -	\$ 4,955
Accrued Liabilities	-	-	-	-
Total Liabilities	<u>159</u>	<u>170,751</u>	<u>-</u>	<u>4,955</u>
Fund balances				
Nonspendable	-	134	-	-
Assigned	40,476	271,912	20,126	99,285
Total Fund Balances	<u>40,476</u>	<u>272,046</u>	<u>20,126</u>	<u>99,285</u>
Total Liabilities and Fund Balances	<u>\$ 40,635</u>	<u>\$ 442,797</u>	<u>\$ 20,126</u>	<u>\$ 104,240</u>

See independent auditors' report.

Fire Protection	Refuse and Garbage	Ambulance	Totals	
			2021	2020
\$ 93,317	\$ 337,268	\$ 122,897	\$ 1,137,196	\$ 1,044,882
-	-	-	-	46,037
757	687	2,186	27,580	38,553
757	687	2,186	27,580	84,590
-	-	-	134	363
<u>\$ 94,074</u>	<u>\$ 337,955</u>	<u>\$ 125,083</u>	<u>\$ 1,164,910</u>	<u>\$ 1,129,835</u>
\$ 2,947	\$ 45,297	\$ 49,753	\$ 273,862	\$ 207,477
-	-	-	-	161
2,947	45,297	49,753	273,862	207,638
-	-	-	134	363
91,127	292,658	75,330	890,914	921,834
91,127	292,658	75,330	891,048	922,197
<u>\$ 94,074</u>	<u>\$ 337,955</u>	<u>\$ 125,083</u>	<u>\$ 1,164,910</u>	<u>\$ 1,129,835</u>

Town of Ossining, New York

Special Districts Fund
 Combining Schedule of Revenues, Expenditures and Changes
 In Fund Balances - Sub-Funds
 Year Ended December 31, 2021
 (With Comparative Totals for 2020)

	Sewer Districts			
	Townwide Water	Conso- lidated	North State Road	Lighting
REVENUES				
Real property taxes	\$ 33,748	\$ 290,622	\$ -	\$ 83,580
Other tax items	-	-	-	-
Departmental income	-	125,659	-	-
Intergovernmental charges	-	-	-	-
Sale of property and compensation for loss	-	10,400	-	-
State Aid	-	625	-	-
Federal Aid	-	3,752	-	-
Use of money and property	27	206	6	52
Miscellaneous	-	-	-	-
Total Revenues	<u>33,775</u>	<u>431,264</u>	<u>6</u>	<u>83,632</u>
EXPENDITURES				
Current				
General government support	1,173	25,954	-	2,837
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	-	-	-	46,148
Home and community services	-	315,988	-	-
Debt service				
Bond anticipation notes				
Interest	-	1,869	-	-
Total Expenditures	<u>1,173</u>	<u>343,811</u>	<u>-</u>	<u>48,985</u>
Excess (Deficiency) of Revenues Over Expenditures	32,602	87,453	6	34,647
OTHER FINANCING USES				
Transfers out	<u>(31,716)</u>	<u>(107,297)</u>	<u>-</u>	<u>(19,639)</u>
Net Change in Fund Balances	886	(19,844)	6	15,008
FUND BALANCES				
Beginning of Year	<u>39,590</u>	<u>291,890</u>	<u>20,120</u>	<u>84,277</u>
End of Year	<u>\$ 40,476</u>	<u>\$ 272,046</u>	<u>\$ 20,126</u>	<u>\$ 99,285</u>

See independent auditors' report.

Fire Protection	Refuse and Garbage	Ambulance	Totals	
			2021	2020
\$ 757,691	\$ 687,734	\$ 681,481	\$ 2,534,856	\$ 2,499,643
-	-	238	238	243
-	-	-	125,659	183,727
-	-	330,654	330,654	313,667
-	-	-	10,400	-
-	-	-	625	-
-	-	-	3,752	-
126	187	93	697	4,204
-	850	-	850	-
<u>757,817</u>	<u>688,771</u>	<u>1,012,466</u>	<u>3,007,731</u>	<u>3,001,484</u>
25,512	23,121	21,393	99,990	117,425
721,396	-	-	721,396	693,458
-	-	1,021,835	1,021,835	946,411
-	-	-	46,148	40,709
-	662,001	-	977,989	919,673
-	-	-	1,869	3,184
<u>746,908</u>	<u>685,122</u>	<u>1,043,228</u>	<u>2,869,227</u>	<u>2,720,860</u>
10,909	3,649	(30,762)	138,504	280,624
<u>(4,756)</u>	<u>(4,608)</u>	<u>(1,637)</u>	<u>(169,653)</u>	<u>(231,367)</u>
6,153	(959)	(32,399)	(31,149)	49,257
<u>84,974</u>	<u>293,617</u>	<u>107,729</u>	<u>922,197</u>	<u>872,940</u>
<u>\$ 91,127</u>	<u>\$ 292,658</u>	<u>\$ 75,330</u>	<u>\$ 891,048</u>	<u>\$ 922,197</u>

Town of Ossining, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ 2,614,643</u>	<u>\$ 846,758</u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 954,656	\$ 47,838
Bond anticipation notes payable	<u>2,969,984</u>	<u>431,995</u>
Total Liabilities	<u>3,924,640</u>	<u>479,833</u>
Fund balance (deficit)		
Restricted	-	366,925
Unassigned	<u>(1,309,997)</u>	<u>-</u>
Total Fund Balance (Deficit)	<u>(1,309,997)</u>	<u>366,925</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 2,614,643</u>	<u>\$ 846,758</u>

See independent auditors' report.

Town of Ossining, New York

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

	<u>2021</u>	<u>2020</u>
REVENUES		
State aid	\$ 64,117	\$ 47,318
Miscellaneous	<u>30,000</u>	<u>-</u>
Total Revenues	94,117	47,318
EXPENDITURES		
Capital outlay	<u>2,691,611</u>	<u>921,823</u>
Deficiency of Revenues Over Expenditures	(2,597,494)	(874,505)
OTHER FINANCING SOURCES (USES)		
Bonds issued	-	892,696
Transfers in	920,572	415,618
Transfers out	<u>-</u>	<u>(35,936)</u>
Total Other Financing Sources	<u>920,572</u>	<u>1,272,378</u>
Net Change in Fund Balance	(1,676,922)	397,873
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>366,925</u>	<u>(30,948)</u>
End of Year	<u>\$ (1,309,997)</u>	<u>\$ 366,925</u>

See independent auditors' report.

Town of Ossining, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project through December 31, 2021

PROJECT	Project Budget	Expenditures and Transfers	Unexpended Balance
Old Albany Post Road Dead-End	\$ 1,775,000	\$ 1,771,905	\$ 3,095
Town-wide Revaluation	2,020,000	1,618,342	401,658
2017 Cedar Lane Park Electric Restoration	85,000	27,542	57,458
2017 Cedar Lane Park Electric Revitalization	146,254	139,824	6,430
2017 Ryder Park Revitalization	260,618	260,560	58
2017 Ryder Park Revitalization	63,011	48,849	14,162
Dale Cemetery Site Work	488,120	486,570	1,550
McCarthy Drive Improvement	175,000	117,990	57,010
2018 Reuben House	15,000	10,000	5,000
2018 Municipal Restructuring	22,445	15,314	7,131
2018 North State Road Bike Lane	80,417	66,309	14,108
2018 Ryder Caretaker Cottage	40,000	36,159	3,841
2019 Dodge Ram	71,518	71,518	-
2019 Dodge Ram	58,371	58,371	-
2019 Sewer Lift Station	100,000	85,199	14,801
2019 Cedar Lane Dog Park	1,695	-	1,695
2020 Comprehensive Plan	143,000	133,121	9,879
2020 Sewer Lift Station	144,100	96,449	47,651
2021 McCarthy Drive Road Rehabilitation	2,350,000	1,443,483	906,517
2021 Electric Bus	207,311	-	207,311
2021 Parks Paving	160,612	105,300	55,312
2021 Nutrition Kitchen	260,000	21,881	238,119
2021 Morningside Drive	975,950	524,648	451,302
Totals	\$ 9,643,422	\$ 7,139,334	\$ 2,504,088

See independent auditors' report.

Total Revenues	Fund Balance (Deficit) at December 31, 2021	Bond Anticipation Notes Outstanding at December 31, 2021
\$ 1,775,000	\$ 3,095	\$ -
1,800,000	181,658	-
85,000	57,458	-
146,254	6,430	-
260,618	58	-
63,011	14,162	-
488,120	1,550	-
175,000	57,010	-
15,000	5,000	-
-	(15,314)	-
80,417	14,108	-
40,000	3,841	-
9,536	(61,982)	61,982
7,784	(50,587)	50,587
20,002	(65,197)	79,999
1,695	1,695	-
43,000	(90,121)	-
9,607	(86,842)	134,493
-	(1,443,483)	2,350,000
-	-	132,311
-	(105,300)	160,612
130,000	108,119	-
679,293	154,645	-
<u>\$ 5,829,337</u>	<u>\$ (1,309,997)</u>	<u>\$ 2,969,984</u>

Town of Ossining, New York

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

	Special Purpose	Debt Service	Total Non-Major Governmental Funds	
			2021	2020
ASSETS				
Cash and equivalents	\$ 669,982	\$ 155,793	\$ 825,775	\$ 537,380
Investments	20,458	-	20,458	20,458
Receivables				
Due from other governments	337	-	337	361
Due from other funds	65	30,391	30,456	-
	402	30,391	30,793	361
Prepaid expenditures	1,761	-	1,761	2,670
Total Assets	<u>\$ 692,603</u>	<u>\$ 186,184</u>	<u>\$ 878,787</u>	<u>\$ 560,869</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 10,884	\$ -	\$ 10,884	\$ 29,234
Accrued liabilities	4,055	-	4,055	2,850
Due to other funds	205,633	-	205,633	4,598
Unearned revenues	14,015	-	14,015	14,015
Total Liabilities	<u>234,587</u>	<u>-</u>	<u>234,587</u>	<u>50,697</u>
Fund balances				
Nonspendable	1,761	-	1,761	2,670
Restricted	456,255	186,184	642,439	507,502
Total Fund Balances	<u>458,016</u>	<u>186,184</u>	<u>644,200</u>	<u>510,172</u>
Total Liabilities and Fund Balances	<u>\$ 692,603</u>	<u>\$ 186,184</u>	<u>\$ 878,787</u>	<u>\$ 560,869</u>

See independent auditors' report.

Town of Ossining, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Special Purpose	Debt Service	Total Non-Major Governmental Funds	
			2021	2020
REVENUES				
Departmental income	\$ 403,270	\$ -	\$ 403,270	\$ 222,921
Use of money and property	175	22,284	22,459	4,335
Sale of property and compensation for loss	-	-	-	4,750
Miscellaneous	314	-	314	55
Total Revenues	403,759	22,284	426,043	232,061
EXPENDITURES				
Current				
Home and community services	246,765	-	246,765	214,824
Employee benefits	71,431	-	71,431	69,102
Debt service				
Principal	-	497,696	497,696	450,000
Interest	441	82,014	82,455	100,680
Refunding bond issuance costs	-	23,400	23,400	-
Total Expenditures	318,637	603,110	921,747	834,606
Excess (Deficiency) of Revenues Over Expenditures	85,122	(580,826)	(495,704)	(602,545)
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	1,240,000	1,240,000	-
Payment to refunded bond escrow agent	-	(1,213,295)	(1,213,295)	-
Transfers in	100,000	537,310	637,310	718,480
Transfers out	(34,283)	-	(34,283)	(128,012)
Total Other Financing Sources	65,717	564,015	629,732	590,468
Net Change in Fund Balances	150,839	(16,811)	134,028	(12,077)
FUND BALANCES				
Beginning of Year	307,177	202,995	510,172	522,249
End of Year	\$ 458,016	\$ 186,184	\$ 644,200	\$ 510,172

See independent auditors' report.

Town of Ossining, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ 669,982</u>	<u>\$ 334,385</u>
Investments	<u>20,458</u>	<u>20,458</u>
Receivables		
Due from other governments	337	361
Due from other funds	<u>65</u>	<u>-</u>
	<u>402</u>	<u>361</u>
Prepaid expenditures	<u>1,761</u>	<u>2,670</u>
Total Assets	<u><u>\$ 692,603</u></u>	<u><u>\$ 357,874</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 10,884	\$ 29,234
Accrued liabilities	4,055	2,850
Due to other funds	205,633	4,598
Unearned revenues	<u>14,015</u>	<u>14,015</u>
Total Liabilities	<u>234,587</u>	<u>50,697</u>
Fund balance		
Nonspendable	1,761	2,670
Restricted	<u>456,255</u>	<u>304,507</u>
Total Fund Balance	<u>458,016</u>	<u>307,177</u>
Total Liabilities and Fund Balance	<u><u>\$ 692,603</u></u>	<u><u>\$ 357,874</u></u>

See independent auditors' report.

Town of Ossining, New York

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

	2021	2020
REVENUES		
Departmental income	\$ 403,270	\$ 222,921
Use of money and property	175	422
Sale of property and compensation for loss	-	4,750
Miscellaneous	314	55
Total Revenues	<u>403,759</u>	<u>228,148</u>
EXPENDITURES		
Current		
Home and community services	246,765	214,824
Employee benefits	71,431	69,102
Debt Service		
Interest	441	5,736
Total Expenditures	<u>318,637</u>	<u>289,662</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>85,122</u>	<u>(61,514)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	100,000	100,000
Transfers out	(34,283)	(128,012)
Total Other Financing Sources (Uses)	<u>65,717</u>	<u>(28,012)</u>
Net Change in Fund Balance	150,839	(89,526)
FUND BALANCE		
Beginning of Year	<u>307,177</u>	<u>396,703</u>
End of Year	<u>\$ 458,016</u>	<u>\$ 307,177</u>

See independent auditors' report.

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Town of Ossining, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 155,793	\$ 202,995
Due from other funds	<u>30,391</u>	<u>-</u>
Total Assets	<u>\$ 186,184</u>	<u>\$ 202,995</u>
FUND BALANCE		
Restricted	<u>\$ 186,184</u>	<u>\$ 202,995</u>

See independent auditors' report.

Town of Ossining, New York

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

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 22,284	\$ 22,284
EXPENDITURES				
Debt service				
Principal				
Serial bonds	497,696	497,696	497,696	-
Interest				
Serial bonds	96,002	96,002	82,014	13,988
Refunding bond issuance costs	-	26,705	23,400	3,305
	96,002	122,707	105,414	17,293
Total Expenditures	593,698	620,403	603,110	17,293
Deficiency of Revenues Over Expenditures	(593,698)	(620,403)	(580,826)	39,577
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	1,240,000	1,240,000	-
Payment to refunded bond escrow agent	-	(1,213,295)	(1,213,295)	-
Transfers in	551,298	551,298	537,310	(13,988)
Total Other Financing Sources	551,298	578,003	564,015	(13,988)
Net Change in Fund Balance	(42,400)	(42,400)	(16,811)	25,589
FUND BALANCE				
Beginning of Year	42,400	42,400	202,995	160,595
End of Year	\$ -	\$ -	\$ 186,184	\$ 186,184

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2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ 3,913	\$ 3,913
487,616	487,616	450,000	37,616
94,952	94,952	94,944	8
-	-	-	-
94,952	94,952	94,944	8
582,568	582,568	544,944	37,624
(582,568)	(582,568)	(541,031)	41,537
-	-	-	-
-	-	-	-
582,568	582,568	618,480	35,912
582,568	582,568	618,480	35,912
-	-	77,449	77,449
-	-	125,546	125,546
\$ -	\$ -	\$ 202,995	\$ 202,995

Town of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 3,201	\$ 3,098
Due from other funds	<u>20</u>	<u>103</u>
Total Assets	<u>3,221</u>	<u>3,201</u>
LIABILITIES		
Current liabilities		
Current portion of claims payable	300	300
Claims payable, less current portion	<u>2,921</u>	<u>2,901</u>
Total Liabilities	<u>\$ 3,221</u>	<u>\$ 3,201</u>

See independent auditors' report.

Town of Ossining, New York

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

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Departmental charges	\$ -	\$ 358
OPERATING EXPENSES		
Employee benefits	-	<u>358</u>
Income from Operations	-	-
NET POSITION		
Beginning of Year	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

Town of Ossining, New York

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

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from departmental charges	\$ 83	\$ 596
Cash payments to insurance carriers, claimants and other	<u>20</u>	<u>(596)</u>
Net Cash from Operating Activities	103	-
CASH AND EQUIVALENTS		
Beginning of Year	<u>3,098</u>	<u>3,098</u>
End of Year	<u>\$ 3,201</u>	<u>\$ 3,098</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ -	\$ -
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Due from other funds	83	238
Claims payable	<u>20</u>	<u>(238)</u>
Net Cash from Operating Activities	<u>\$ 103</u>	<u>\$ -</u>

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