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**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
AUDIT REPORT  
FOR THE YEAR ENDED  
MAY 31, 2019**

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
MAY 31, 2019**

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## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members  
of the Village Board  
Village of Hastings-on-Hudson  
Hastings-on-Hudson, New York

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the fiduciary fund of the Village of Hastings-on-Hudson, as of and for the year ended May 31, 2019, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the fiduciary fund of the Village of Hastings-on-Hudson, as of May 31, 2019, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**DRAFT****Emphasis of Matter**

As discussed in Note 3 to the financial statements, management has adopted Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. Our opinion is not modified with respect to that matter.

**Other Matters*****Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental schedules on pages 3 through 16 and 68 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Hastings-on-Hudson's basic financial statements. The other supplementary information on pages 75 through 77 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other supplementary has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2019 on our consideration of the Village's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with *Government Auditing Standards* in considering Village of Hastings-on-Hudson's internal control over financial reporting.

Montgomery, New York  
November 21, 2019

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
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The following is a discussion and analysis of the Village of Hastings-on-Hudson's financial performance for the year ended May 31, 2019. The Village of Hastings-on-Hudson discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Village's financial activity, (c) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

This section is a summary of the Village's financial activities based on currently known facts, decisions, or conditions. It is also based on both the government-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the Village's financial statements, which immediately follow this section.

**FINANCIAL HIGHLIGHTS**

- The liabilities and deferred inflows of the Village of Hastings-on-Hudson exceeded its assets and deferred outflows at the close of the fiscal years 2019 and 2018 by \$21,931,272 and \$21,194,981, as restated, (net position) respectively.
- Revenue, as reflected in the governmental funds statement, decreased by \$1,144,871 compared to the prior year. This decrease is primarily attributable to a decrease in income in the Capital Fund.
- The General Fund ended the year with actual revenues more than the budgeted amounts by \$18,704.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,760,999 at 10.90% of the total general fund expenditures.
- During the year the fund balance of the General Fund decreased by \$79,565.

VILLAGE OF HASTINGS-ON-HUDSON  
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**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: MD&A (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Village:

- The first two statements are *government-wide* financial statements that provide both short-term and long-term information about the Village's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the Village, reporting the Village's operations in more detail than the government-wide statements. The fund financial statements concentrate on the Village's most significant funds.
- The *government fund statements* tell how basic services were financed in the short term as well as what remains for future spending.
- *Fiduciary funds* statements provide information about the financial relationships in which the Village acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the Village's budget for the year.

Figure A-1 summarizes the major features of the Village's financial statements, including the portion of the Village's activities they cover and the types of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

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**Major Features of the Government-Wide and Fund Financial Statements**

	Government-Wide	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire Government (except fiduciary funds)	The activities of the Village that are not proprietary or fiduciary, such as general support, police protection, building code enforcement, planning and zoning, and various other services	Instances in which the Village administrators resources on behalf of someone else, such as bid deposits, engineering fees, and street opening deposits.
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net position</li> <li>• Statement of changes in fiduciary net position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities and deferred inflows of resources both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long term liabilities included	All assets, deferred outflows of resources(if any) both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid



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**GOVERNMENT-WIDE STATEMENTS**

The government-wide statements report information about the Village as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the Village's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Village's net position and how it has changed. Net Position, the difference between the Village's assets and liabilities, are one way to measure the Village's financial health or position.

- Over time, increases or decreases in the Village's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the Village's overall health, you need to consider additional non-financial factors such as changes in the Village's property tax base and the condition of facilities and infrastructures.

In the government-wide financial statements, the Village's activities are shown as governmental activities. Most of the Village's basic services are included here, such as home and community services, road maintenance, and administration costs. Property taxes and charges for services finance most of these activities.

**FUND FINANCIAL STATEMENTS**

The fund financial statements provide more detailed information about the Village's funds, focusing on its most significant or "major" funds - not the Village as a whole. Funds are accounting devices the Village uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The Village establishes other funds to control and to manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues.

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The Village has two kinds of funds:

- **Governmental Funds:** Most of the Village's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciling statements (Statement 4 and Statement 6) have been added to explain the relationship (or differences) between them.
- **Fiduciary Funds-Agency Funds:** The Village acts in an agency capacity for assets that are ultimately transferred to others, such as payroll withholdings. The Village excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

### FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

For the year ended May 31, 2019, the Village restated its beginning net position as a requirement of implementing GASB Statement No. 75. Beginning of the year net position was decreased by \$24,040,662 from \$2,845,681 to \$(21,194,981). For more information, see Note 12. The Village's net position at the fiscal year end is \$(21,931,272). This is a \$736,291 decrease under last year's net position of \$(21,194,981). The following table provides a summary of the Village's net position:

**Figure A-2**

<b>Condensed Statement of Net Position</b>	<b>2019</b>	<b>As Restated 2018</b>	<b>Total Dollar Change</b>	<b>Total % Change</b>
Current Assets	\$ 6,306,178	\$ 7,227,447	\$ (921,269)	-12.75%
Non-Current Assets	21,679,909	21,656,583	23,326	0.11%
<b>Total Assets</b>	<b>27,986,087</b>	<b>28,884,030</b>	<b>(897,943)</b>	<b>-3.11%</b>
<b>Deferred Outflows of Resources</b>	<b>1,357,547</b>	<b>2,527,741</b>	<b>(1,170,194)</b>	<b>-46.29%</b>
Current Liabilities	1,285,362	1,259,513	25,849	2.05%
Non-Current Liabilities	47,367,818	49,620,388	(2,252,570)	-4.54%
<b>Total Liabilities</b>	<b>48,653,180</b>	<b>50,879,901</b>	<b>(2,226,721)</b>	<b>-4.38%</b>
<b>Deferred Inflows of Resources</b>	<b>2,621,726</b>	<b>2,501,523</b>	<b>120,203</b>	<b>4.81%</b>
Net Investment in Capital Assets	11,234,909	10,033,283	1,201,626	11.98%
Restricted	3,074,019	4,090,014	(1,015,995)	-24.84%
Unrestricted	(36,240,200)	(35,318,278)	(921,922)	-2.61%
<b>Total Net Position</b>	<b>\$ (21,931,272)</b>	<b>\$ (21,194,981)</b>	<b>\$ (736,291)</b>	<b>-3.47%</b>

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The schedule on the following page and supporting graphs provides a summary of revenues, expenses and changes in net position for the fiscal years ended May 31, 2019 and 2018:

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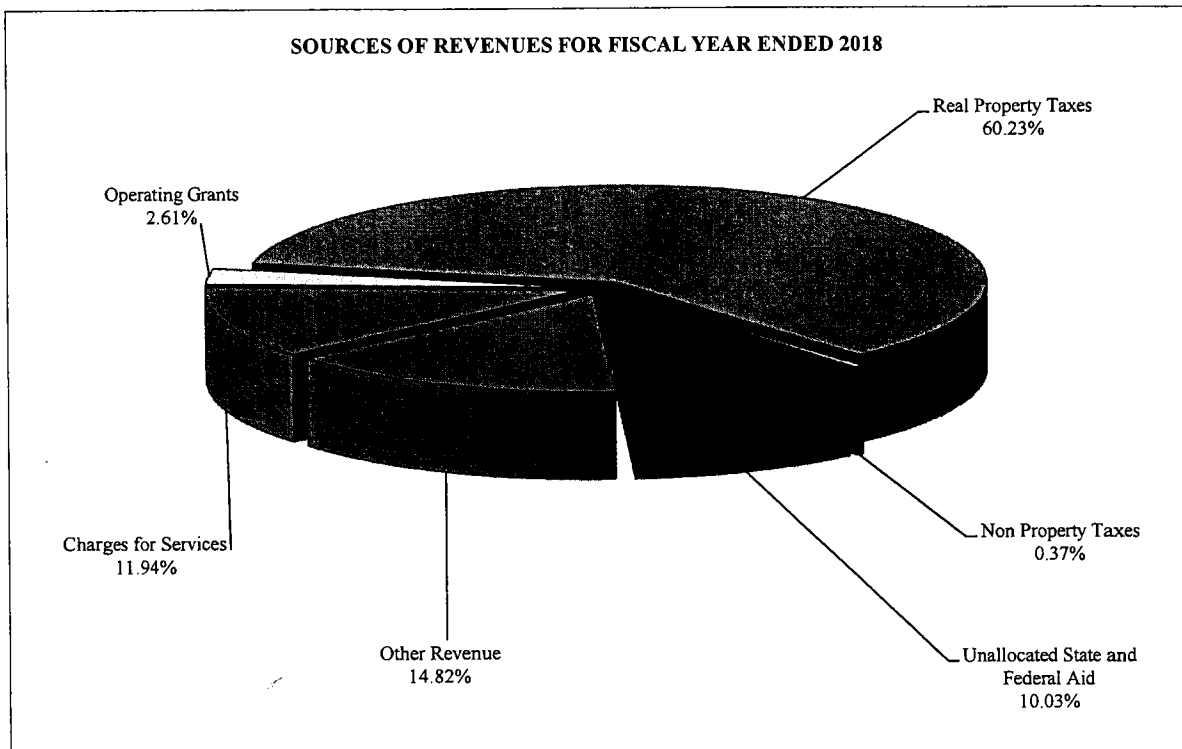
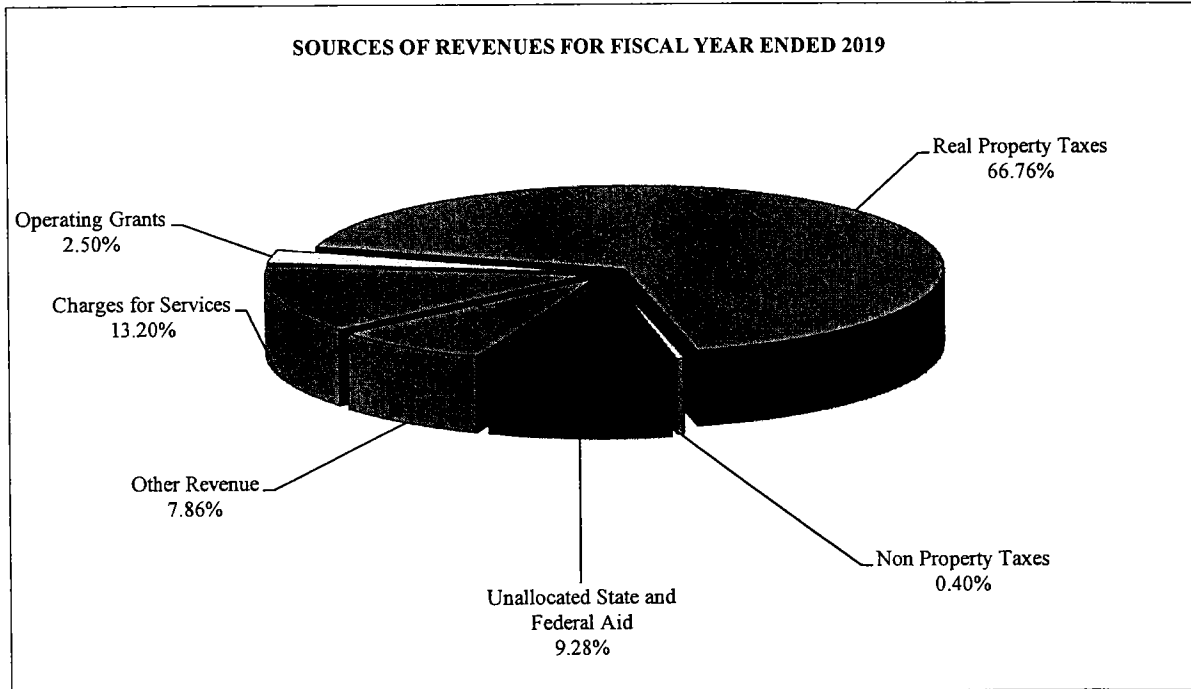
**Figure A-3**

	2019 Amount	%	2018 Amount	%	\$ Change	% Change
<b>REVENUES (Chart Figure A-4)</b>						
PROGRAM REVENUES						
Charges for Services	\$ 2,205,534	13.20%	\$ 2,130,873	11.94%	\$ 74,661	3.50%
Operating Grants	417,586	2.50%	465,126	2.61%	(47,540)	-10.22%
GENERAL REVENUES						
Real Property Taxes	11,152,307	66.76%	10,748,124	60.23%	404,183	3.76%
Non Property Taxes	66,191	0.40%	66,010	0.37%	181	0.00%
Unallocated State and Federal Aid	1,549,724	9.28%	1,789,496	10.03%	(239,772)	-13.40%
Other Revenues	1,313,026	7.86%	2,644,251	14.82%	(1,331,225)	-50.34%
	<u>16,704,368</u>	<u>100.00%</u>	<u>17,843,880</u>	<u>100.00%</u>	<u>(1,139,512)</u>	<u>-6.39%</u>
<b>EXPENDITURES (Chart Figure A-5)</b>						
General Government	1,947,096	11.16%	2,075,598	11.80%	(128,502)	-6.19%
Public Safety	4,318,038	24.76%	4,334,951	24.64%	(16,913)	-0.39%
Health	74,129	0.43%	32,504	0.18%	41,625	128.06%
Transportation	1,179,758	6.76%	1,292,380	7.35%	(112,622)	-8.71%
Economic Assistance and Opportunity	31,423	0.18%	46,545	0.26%	(15,122)	-32.49%
Culture and Recreation	1,410,305	8.09%	1,454,845	8.27%	(44,540)	-3.06%
Home and Community Services	2,414,598	13.84%	2,537,524	14.42%	(122,926)	-4.84%
Interest on Debt	319,796	1.83%	340,409	1.93%	(20,613)	-6.06%
Employee Benefits	4,440,689	25.46%	4,226,412	24.02%	214,277	5.07%
Depreciation	1,304,827	7.48%	1,251,541	7.11%	53,286	4.26%
	<u>17,440,659</u>	<u>100.00%</u>	<u>17,592,709</u>	<u>100.00%</u>	<u>(152,050)</u>	<u>-0.86%</u>
INCREASE (DECREASE) IN NET POSITION	<u>\$ (736,291)</u>		<u>\$ 251,171</u>		<u>\$ (987,462)</u>	

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Figure A-4

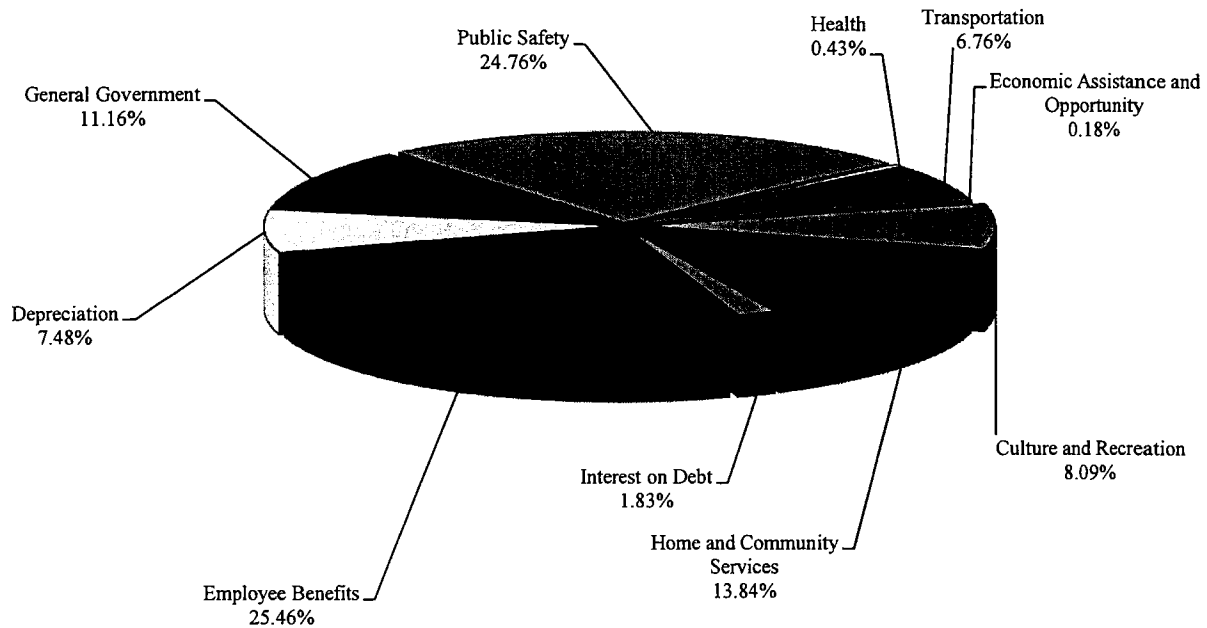


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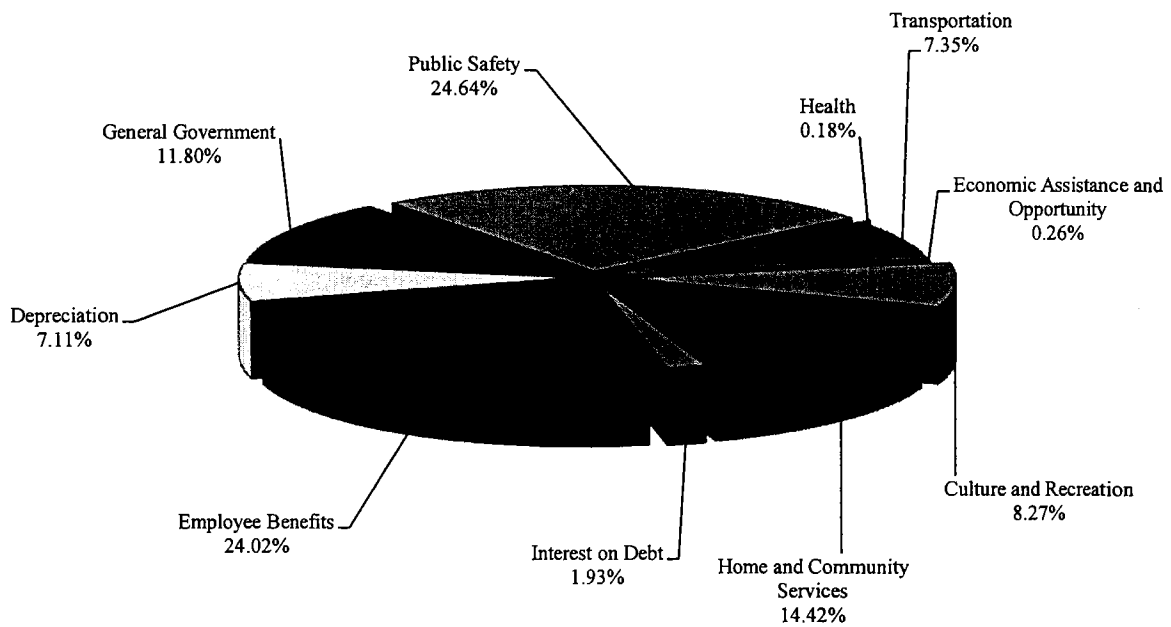
Figure A-5

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EXPENSES FOR THE FISCAL YEAR ENDED 2019



EXPENSES FOR THE FISCAL YEAR ENDED 2018

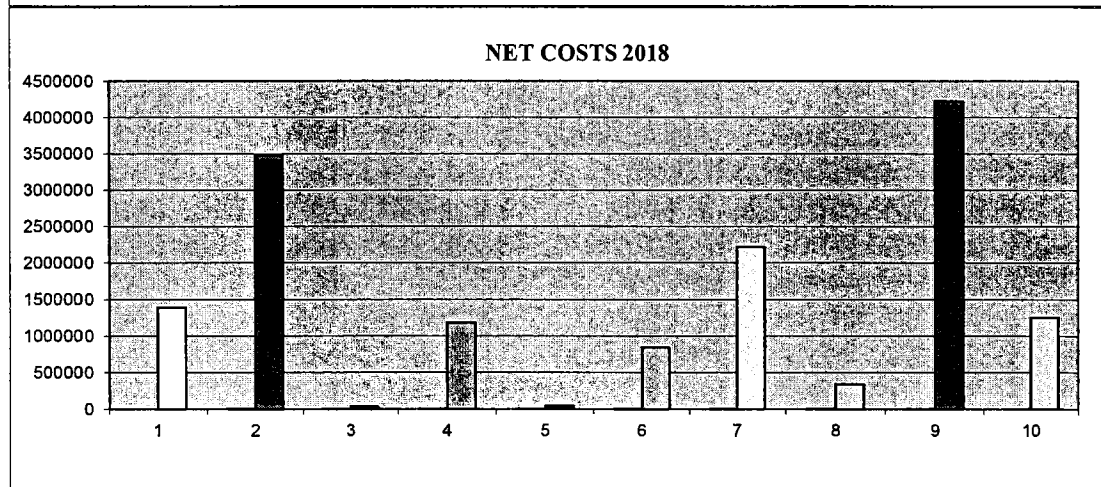
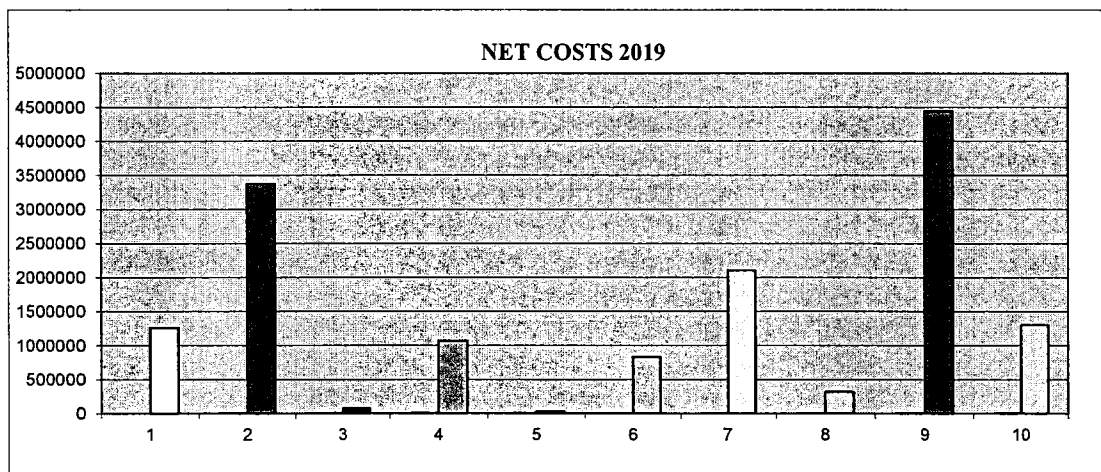


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Figure A-6

PROGRAMS	Total Costs of Services 2019	Net Costs of Services 2019	Total Costs of Services 2018	Net Costs of Services 2018
1 General Government	\$ 1,947,096	\$ 1,261,224	\$ 2,075,598	\$ 1,386,010
2 Public Safety	4,318,038	3,377,065	4,334,951	3,475,268
3 Health	74,129	74,129	32,504	32,504
4 Transportation	1,179,758	1,069,504	1,292,380	1,179,811
5 Economic Assistance and Opportunity	31,423	31,423	46,545	46,545
6 Culture and Recreation	1,410,305	833,368	1,454,845	839,202
7 Home and Community Services	2,414,598	2,105,514	2,537,524	2,219,008
8 Interest on Debt	319,796	319,796	340,409	340,409
9 Employee Benefits	4,440,689	4,440,689	4,226,412	4,226,412
10 Depreciation	1,304,827	1,304,827	1,251,541	1,251,541
<b>Total Costs</b>	<b>\$ 17,440,659</b>	<b>\$ 14,817,539</b>	<b>\$ 17,592,709</b>	<b>\$ 14,996,710</b>



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**Figure A-6 (Continued)**

Total costs of services provided by the Village (Figure A-6) for the fiscal years ended May 31, 2019 and 2018 were \$17,440,559 and \$17,592,709, respectively. These costs were offset by charges for services of \$2,205,534, and grants and contributions of \$417,586, resulting in net cost of services of \$14,817,539. This is a \$179,171 decrease over last year's total net costs of \$14,996,710.

The Village's governmental funds are reported in the fund statements with a modified accrual basis that uses a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements. The major governmental funds of the Village consist of the General Fund, Capital Fund, Pool Fund, Library Fund, Special Purpose Fund, and Debt Service Fund. The total fund balances allocated between restricted, assigned, and unassigned fund balance for each of these funds is as follows:

**Figure A-7**

	May 31, 2019		
	Restricted	Assigned	Unassigned
General	\$ 243,184	\$ 78,791	\$ 1,760,999
Capital Projects	1,307,867	0	0
Pool	328,736	0	0
Library	0	0	(3,915)
Special Purpose	1,178,655	0	0
Debt Service	15,577	0	0

	May 31, 2018		
	Restricted	Assigned	Unassigned
General	\$ 339,600	\$ 67,803	\$ 1,755,136
Capital Projects	2,298,486	0	0
Pool	330,612	0	0
Library	0	0	(8,446)
Special Purpose	997,126	0	0
Debt Service	124,190	0	0



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**GENERAL FUND BUDGETARY HIGHLIGHTS**

Over the course of the year, the Village revised the general fund budgets to reflect additional changes in budgeted revenues and expenditures. Actual revenues were more than revised budget estimates by \$18,704 and actual expenditures were equal to budgeted expenditures. Figure A-8 summarizes the general funds original and revised budgets, actual expenditures and the variances for the year ended May 31, 2019.

**Figure A-8**

<b>Condensed Budgetary Comparison General Fund</b>	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES</b>				
Real property taxes	\$ 11,091,268	\$ 11,091,268	\$ 11,090,309	\$ (959)
Real property tax items	30,000	30,000	21,558	(8,442)
State and Federal Aid	2,121,590	2,121,590	1,964,965	(156,625)
Departmental income	1,454,694	1,816,491	1,816,491	0
All other	744,750	806,752	990,291	183,539
<b>Total Revenues</b>	<b>\$ 15,507,302</b>	<b>\$ 15,931,101</b>	<b>\$ 15,949,805</b>	<b>\$ 18,704</b>
<b>Other financing Sources</b>	<b>\$ 160,000</b>	<b>\$ 433,241</b>	<b>\$ 124,190</b>	
<b>EXPENDITURES</b>				
General government support	\$ 1,934,761	\$ 1,845,052	\$ 1,845,052	\$ 0
Public safety	3,790,999	4,007,319	4,007,319	0
Transportation	989,693	1,105,567	1,105,567	0
Culture & recreation	1,172,286	1,219,651	1,219,651	0
Home & community service	1,196,757	1,336,280	1,336,280	0
Employee benefits	4,221,294	4,269,847	4,269,847	0
<b>Total Expenditures</b>	<b>\$ 13,464,835</b>	<b>\$ 13,854,677</b>	<b>\$ 13,854,677</b>	<b>\$ 0</b>
<b>Other financing uses</b>	<b>\$ 2,202,467</b>	<b>\$ 2,298,883</b>	<b>\$ 2,298,883</b>	

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**CAPITAL ASSETS**

The Village records expenditures for land, buildings, equipment, machinery and infrastructures (roads) as capital assets in the Statement of Net Position. Annual depreciation expense is recorded in the Statement of Activities to reflect the use of these assets over their useful lives. Land and construction in progress are not subject to depreciation. The Village's depreciation methods, assumptions regarding useful lives and capitalization thresholds are described in Notes 1 and 6 in the Notes to the Financial Statements.

Under the implementation standards of GASB 34, the Village is considered a small government, and as such is required only to recognize infrastructures on a prospective (going forward) basis. The Village has maintained detailed, separate records of infrastructure additions since 2003. The Village has elected to include infrastructure additions since 2003 in the capital assets section of the Statement of Net Position, as management believes their inclusion provides the reader with a more complete accounting of the Village's investment in capital resources.

In 2019, the Village expended \$1,328,153 on capital additions. Figure A-9 reflects the changes in net capital assets.

**Figure A-9**

Changes in Net Capital Assets	Governmental Activities		Total
	2019	2018	Dollar Change
Land	\$ 6,332,206	\$ 6,332,206	\$ 0
Land Improvements	2,117,809	1,918,072	199,737
Building Improvements	7,875,929	8,184,834	(308,905)
Machinery & Equipment	1,784,649	1,985,670	(201,021)
Infrastructure	3,569,316	3,235,801	333,515
<b>Total</b>	<b>\$ 21,679,909</b>	<b>\$ 21,656,583</b>	<b>\$ 23,326</b>

Major additions in 2019 included:

Land Improvements	\$ 356,378
Buildings and Improvements	10,231
Infrastructure	612,239
Machinery & Equipment	<u>349,305</u>
<b>Total</b>	<b><u>\$ 1,328,153</u></b>

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
MAY 31, 2019**

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**DEBT ADMINISTRATION**

Debt, both short-term and long-term, decreased by \$1,178,300 during 2019.

Detailed information regarding the Village's short and long-term debt is presented in more detail in Note 7 in the current year's notes to the financial statements. Figure A-10 reflects the changes in the Village's debt for 2019.

**Figure A-10**

Outstanding Debt	Governmental Activities		Total
	2019	2018	Dollar Change
Serial Bonds	\$ 10,445,000	\$ 11,623,300	\$ (1,178,300)

**FINANCIAL CONTACT**

The Village's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the Village's finances and to demonstrate the Village's accountability. If you have questions about the report or need additional financial information, contact Mary Beth Murphy, Village Manager, Village of Hastings-on-Hudson, 7 Maple Avenue, Hastings-on-Hudson, New York 10706.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
STATEMENT OF NET POSITION  
GOVERNMENTAL ACTIVITIES  
MAY 31, 2019**

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**ASSETS**

Cash and Cash Equivalents	\$ 4,920,299
Restricted Cash	243,184
Accounts Receivable	388,857
State and Federal Aid Receivable	738,851
Due from Fiduciary Funds	14,987
Non Depreciable Capital Assets	6,332,206
Capital Assets (Net of Accumulated Depreciation)	15,347,703
<b>TOTAL ASSETS</b>	<b><u>27,986,087</u></b>

**DEFERRED OUTFLOWS OF RESOURCES**

Pensions	1,126,064
Deferred Charges	231,483
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b><u>1,357,547</u></b>

**LIABILITIES**

Current Liabilities:	
Accounts Payable	259,399
Accrued Liabilities	206,612
Due to Employees' Retirement System	180,817
Unearned Revenues	576,913
Accrued Interest Payable	61,621
Long-Term Liabilities:	
Due and Payable Within One Year:	
Bonds Payable (including an unamortized bond premium of \$44,803)	1,179,803
Due and Payable More Than One Year:	
Bonds Payable (including an unamortized bond premium of \$186,681)	9,496,680
Net Pension Liability - Proportionate Share	1,935,041
Other Postemployment Benefits Payable	34,092,658
Compensated Absences	663,636
<b>TOTAL LIABILITIES</b>	<b><u>48,653,180</u></b>

**DEFERRED INFLOWS OF RESOURCES**

Pensions	682,762
Other Postemployment Benefits	1,938,964
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>2,621,726</u></b>

**NET POSITION**

Net Investment in Capital Assets	11,234,909
Restricted	3,074,019
Unrestricted	(36,240,200)
<b>TOTAL NET POSITION</b>	<b><u>\$ (21,931,272)</u></b>

See notes to financial statements.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
STATEMENT OF ACTIVITIES  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2019**

		Program Revenues		Net (Expense) Revenue and Change in Net Position
			Operating Grants and Contributions	
	Expenses	Charges for Services		Governmental Activities
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities:				
General Government	\$ (2,598,683)	\$ 685,872	\$ 0	\$ (1,912,811)
Public Safety	(6,878,425)	743,896	197,077	(5,937,452)
Health	(92,500)	0	0	(92,500)
Transportation	(1,693,024)	41,820	68,434	(1,582,770)
Economic Assistance and Opportunity	(213,639)	0	0	(213,639)
Culture and Recreation	(2,515,876)	576,937	0	(1,938,939)
Home and Community Services	(3,128,717)	157,009	152,075	(2,819,633)
Interest on Debt	(319,796)	0	0	(319,796)
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ (17,440,659)</b>	<b>\$ 2,205,534</b>	<b>\$ 417,586</b>	<b>(14,817,539)</b>
<b>GENERAL REVENUES</b>				
Real Property Taxes				11,130,749
Real Property Tax Items				21,558
Non Property Taxes				66,191
Departmental Income				841,097
Use of Money and Property				276,823
Unallocated State and Federal Aid				1,549,724
Sale of Property and Compensation for Loss				38,659
Miscellaneous				156,447
<b>TOTAL GENERAL REVENUES</b>				<b>14,081,248</b>
<b>CHANGE IN NET POSITION</b>				<b>(736,291)</b>
<b>NET POSITION - BEGINNING OF YEAR, As Restated</b>				<b>(21,194,981)</b>
<b>NET POSITION - END OF YEAR</b>				<b>\$ (21,931,272)</b>

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See notes to financial statements.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
BALANCE SHEET - GOVERNMENTAL FUNDS  
MAY 31, 2019**

	General	Capital Projects	Pool	Library	Special Purpose	Debt Service	Total Governmental Funds
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 1,288,743	\$ 1,624,321	\$ 617,051	\$ 22,700	\$ 1,367,484	\$ 0	\$ 4,920,299
Restricted Cash	243,184	0	0	0	0	0	243,184
Accounts Receivable, Net	388,857	0	0	0	0	0	388,857
Due from Other Funds	444,618	0	20,000	0	0	15,577	480,195
State and Federal Aid Receivable	738,851	0	0	0	0	0	738,851
<b>TOTAL ASSETS</b>	<u>\$ 3,104,253</u>	<u>\$ 1,624,321</u>	<u>\$ 637,051</u>	<u>\$ 22,700</u>	<u>\$ 1,367,484</u>	<u>\$ 15,577</u>	<u>\$ 6,771,386</u>
<b>LIABILITIES</b>							
Accounts Payable	\$ 219,670	\$ 26,805	\$ 8,635	\$ 2,965	\$ 1,324	\$ 0	\$ 259,399
Accrued Liabilities	155,371	0	0	19,295	31,946	0	206,612
Due to Other Funds	20,000	289,649	0	0	155,559	0	465,208
Due to Employees' Retirement System	176,462	0	0	4,355	0	0	180,817
Unearned Revenues - Taxes	172,543	0	0	0	0	0	172,543
Unearned Revenues - Other	277,233	0	299,680	0	0	0	576,913
<b>TOTAL LIABILITIES</b>	<u>1,021,279</u>	<u>316,454</u>	<u>308,315</u>	<u>26,615</u>	<u>188,829</u>	<u>0</u>	<u>1,861,492</u>
<b>FUND BALANCES</b>							
Restricted	243,184	1,307,867	328,736	0	1,178,655	15,577	3,074,019
Assigned	78,791	0	0	0	0	0	78,791
Unassigned	1,760,999	0	0	(3,915)	0	0	1,757,084
<b>TOTAL FUND BALANCES</b>	<u>2,082,974</u>	<u>1,307,867</u>	<u>328,736</u>	<u>(3,915)</u>	<u>1,178,655</u>	<u>15,577</u>	<u>4,909,894</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 3,104,253</u>	<u>\$ 1,624,321</u>	<u>\$ 637,051</u>	<u>\$ 22,700</u>	<u>\$ 1,367,484</u>	<u>\$ 15,577</u>	<u>\$ 6,771,386</u>

See notes to financial statements.

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**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEETS  
TO THE STATEMENT OF NET POSITION  
MAY 31, 2019**

	Total Governmental Funds	Long-Term Assets Liabilities	Reclassifications and Eliminations	Statement of Net Position Totals
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 4,920,299	\$ 0	\$ 0	\$ 4,920,299
Restricted Cash	243,184	0	0	243,184
State & Federal Aid Receivable	738,851	0	0	738,851
Due from Other Funds	480,195	0	(480,195)	0
Due from Fiduciary Funds	0	0	14,987	14,987
Other Receivables, Net	388,857	0	0	388,857
Non Depreciable Capital Assets	0	6,332,206		6,332,206
Capital Assets, Net	0	15,347,703	0	15,347,703
<b>TOTAL ASSETS</b>	<b>6,771,386</b>	<b>21,679,909</b>	<b>(465,208)</b>	<b>27,986,087</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pensions	0	1,126,064	0	1,126,064
Deferred Charges	0	231,483	0	231,483
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>0</b>	<b>1,357,547</b>	<b>0</b>	<b>1,357,547</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 6,771,386</b>	<b>\$ 23,037,456</b>	<b>\$ (465,208)</b>	<b>\$ 29,343,634</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 259,399	\$ 0	\$ 0	\$ 259,399
Accrued Liabilities	206,612	61,621	0	268,233
Bond Payable	0	10,676,483	0	10,676,483
Due to Other Funds	465,208	0	(465,208)	0
Due to Employees' Retirement System	180,817	0	0	180,817
Other Postemployment Benefits Payable	0	34,092,658	0	34,092,658
Compensated Absences Payable	0	663,636	0	663,636
Net Pension Liability - Proportionate Share	0	1,935,041	0	1,935,041
Unearned Revenues- Other	576,913	0	0	576,913
Unearned Revenues- Taxes	172,543	(172,543)	0	0
<b>TOTAL LIABILITIES</b>	<b>1,861,492</b>	<b>47,256,896</b>	<b>(465,208)</b>	<b>48,653,180</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pensions	0	682,762	0	682,762
Other Postemployment Benefits	0	1,938,964	0	1,938,964
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>0</b>	<b>2,621,726</b>	<b>0</b>	<b>2,621,726</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>1,861,492</b>	<b>49,878,622</b>	<b>(465,208)</b>	<b>51,274,906</b>
<b>TOTALS FUND BALANCES/NET POSITION</b>	<b>4,909,894</b>	<b>(26,841,166)</b>	<b>0</b>	<b>(21,931,272)</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/NET POSITION</b>	<b>\$ 6,771,386</b>	<b>\$ 23,037,456</b>	<b>\$ (465,208)</b>	<b>\$ 29,343,634</b>

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See notes to financial statements.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED MAY 31, 2019**

	General	Capital Projects	Pool	Library	Special Purpose	Debt Service	Total Governmental Funds
<b>REVENUES</b>							
Real Property Taxes	\$ 11,090,309	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,090,309
Real Property Tax Items	21,558	0	0	0	0	0	21,558
Non Property Tax Items	66,191	0	0	0	0	0	66,191
Departmental Income	1,816,491	0	454,262	10,259	146,207	0	2,427,219
Use of Money and Property	216,440	0	8,131	89	36,586	15,577	276,823
Licences and Permits	308,542	0	0	0	0	0	308,542
Fines and Forfeitures	310,870	0	0	0	0	0	310,870
Sale of Property and Compensation for Loss	38,659	0	0	0	0	0	38,659
Miscellaneous	115,780	40,667	0	0	0	0	156,447
State and Federal Aid	1,964,965	0	0	2,345	0	0	1,967,310
<b>TOTAL REVENUES</b>	<b>15,949,805</b>	<b>40,667</b>	<b>462,393</b>	<b>12,693</b>	<b>182,793</b>	<b>15,577</b>	<b>16,663,928</b>
<b>EXPENDITURES</b>							
General Government Support	1,845,052	0	0	0	0	0	1,845,052
Public Safety	4,007,319	0	0	0	0	0	4,007,319
Health	70,961	0	0	0	0	0	70,961
Transportation	1,105,567	0	0	0	0	0	1,105,567
Culture and Recreation	1,219,651	0	0	0	0	0	1,219,651
Home and Community Service	1,336,280	0	327,105	671,800	1,264	0	2,336,449
Employee Benefits	4,269,847	0	19,122	151,720	0	0	4,440,689
Capital Outlay	0	1,127,702	0	0	0	0	1,127,702
Debt Service	0	0	0	0	0	1,505,151	1,505,151
<b>TOTAL EXPENDITURES</b>	<b>13,854,677</b>	<b>1,127,702</b>	<b>346,227</b>	<b>823,520</b>	<b>1,264</b>	<b>1,505,151</b>	<b>17,658,541</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating Transfers In	124,190	96,416	0	893,938	0	1,505,151	2,619,695
Operating Transfers Out	(2,298,883)	0	(118,042)	(78,580)	0	(124,190)	(2,619,695)
<b>TOTAL FINANCING SOURCES (USES)</b>	<b>(2,174,693)</b>	<b>96,416</b>	<b>(118,042)</b>	<b>815,358</b>	<b>0</b>	<b>1,380,961</b>	<b>0</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(79,565)</b>	<b>(990,619)</b>	<b>(1,876)</b>	<b>4,531</b>	<b>181,529</b>	<b>(108,613)</b>	<b>(994,613)</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>2,162,539</b>	<b>2,298,486</b>	<b>330,612</b>	<b>(8,446)</b>	<b>997,126</b>	<b>124,190</b>	<b>5,904,507</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 2,082,974</b>	<b>\$ 1,307,867</b>	<b>\$ 328,736</b>	<b>\$ (3,915)</b>	<b>\$ 1,178,655</b>	<b>\$ 15,577</b>	<b>\$ 4,909,894</b>

See notes to financial statements.



**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
RECONCILIATION OF GOVERNMENTAL FUNDS REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2019**

	Total Governmental Funds	Long-Term Revenue and Expenses	Capital Related Items	Long-Term Debt Transactions	Reclassifications and Eliminations	Statement of Activities Totals
<b>REVENUES</b>						
Real Property Taxes	\$ 11,090,309	\$ 40,440	\$ 0	\$ 0	\$ 0	\$ 11,130,749
Real Property Tax Items	21,558	0	0	0	0	21,558
Non Property Tax Items	66,191	0	0	0	0	66,191
Departmental Income	2,427,219	0	0	0	0	2,427,219
Use of Money and Property	276,823	0	0	0	0	276,823
Licences and Permits	308,542	0	0	0	0	308,542
Fines and Forfeitures	310,870	0	0	0	0	310,870
Sale of Property and Compensation for Loss	38,659	0	0	0	0	38,659
Miscellaneous	156,447	0	0	0	0	156,447
State and Federal Aid	1,967,310	0	0	0	0	1,967,310
<b>TOTAL REVENUES</b>	<b>16,663,928</b>	<b>40,440</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,704,368</b>
<b>EXPENDITURES</b>						
General Government Support	1,845,052	213	147,978	0	605,440	2,598,683
Public Safety	4,007,319	835	581,473	0	2,288,798	6,878,425
Health	70,961	6	4,172	0	17,361	92,500
Transportation	1,105,567	168	116,564	0	470,724	1,693,024
Economic Assistance and Opportunity	0	60	41,382	0	172,197	213,639
Culture and Recreation	1,219,651	362	251,079	0	1,044,784	2,515,876
Home and Community Service	2,336,449	234	162,179	0	629,855	3,128,717
Employee Benefits	4,440,689	988,921	0	0	(5,429,610)	0
Capital Outlay	1,127,702	0	(1,328,153)	0	200,451	0
Debt Service	1,505,151	(7,055)	0	(1,178,300)	0	319,796
<b>TOTAL EXPENDITURES</b>	<b>17,658,541</b>	<b>983,744</b>	<b>(23,326)</b>	<b>(1,178,300)</b>	<b>0</b>	<b>17,440,659</b>
Excess (Deficiency) of Revenues Over Expenditures	(994,613)	(943,304)	23,326	1,178,300	0	(736,291)
<b>OTHER SOURCES (USES):</b>						
Operating Transfers In	2,619,695	0	0	0	(2,619,695)	0
Operating Transfers Out	(2,619,695)	0	0	0	2,619,695	0
<b>TOTAL OTHER SOURCES (USES)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE FOR THE YEAR</b>	<b>\$ (994,613)</b>	<b>\$ (943,304)</b>	<b>\$ 23,326</b>	<b>\$ 1,178,300</b>	<b>\$ 0</b>	<b>\$ (736,291)</b>

See notes to financial statements.

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**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
STATEMENT OF FIDUCIARY NET POSITION  
MAY 31, 2019**

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	AGENCY FUNDS	SERVICE AWARD PROGRAM
<b>ASSETS</b>		
Cash	\$ 32,664	\$ 0
Investments at Fair Value	<u>1,781,771</u>	<u>1,672,107</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,814,435</u></u>	<u><u>\$ 1,672,107</u></u>
<b>LIABILITIES</b>		
Due to Other Funds	\$ 14,987	\$ 0
Escrow Accounts	1,781,771	0
Guarantee & Bid Deposits	<u>17,677</u>	<u>0</u>
<b>TOTAL LIABILITIES</b>	<u>1,814,435</u>	<u>0</u>
<b>NET POSITION</b>		
Held in Trust for Plan Benefits	<u>0</u>	<u>1,672,107</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u><u>\$ 1,814,435</u></u>	<u><u>\$ 1,672,107</u></u>

See notes to financial statements.

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**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED MAY 31, 2019**

	SERVICE AWARD PROGRAM
<b>ADDITIONS</b>	
Earnings on Investment	\$ 48,975
Plan Contributions	<u>216,015</u>
TOTAL ADDITIONS	<u>264,990</u>
<b>DEDUCTIONS</b>	
Plan Benefits	<u>58,943</u>
TOTAL DEDUCTIONS	<u>58,943</u>
CHANGE IN PLAN POSITION	206,047
NET POSITION OF PLAN - BEGINNING OF YEAR	<u>1,466,060</u>
NET POSITION OF PLAN - END OF YEAR	<u><u>\$ 1,672,107</u></u>

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2019**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the Village of Hastings-on-Hudson have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

**A. Financial Reporting Entity**

The Village of Hastings-on-Hudson, which was incorporated in 1879, is governed by the laws of the State of New York and various local laws and ordinances. The Board of Trustees is the legislative body responsible for overall operations, the Mayor serves as Chief Executive Officer and the Village Manager serves as Chief Fiscal Officer.

The Village provides the following principal services: general administration, police protection, transportation (streets and highways), recreation, planning and zoning, public improvements, library and other home and community services.

All governmental activities and functions performed for the Village of Hastings-on-Hudson are its direct responsibility. No other governmental organization has been included or excluded from the reporting entity.

The financial reporting entity consists of the following, as defined by Governmental Accounting Standards Board (GASB) Statement #14, "The Financial Reporting Entity:"

1. The primary government which is the Village of Hastings-on-Hudson.
2. Organizations for which the primary government is financially accountable, and;
3. Other organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's general purpose financial statements to be misleading or incomplete.

The decision to include a potential component unit in the reporting entity is based on the criteria set forth in GASB Statement #14, including legal standing, fiscal dependency, and financial accountability.

Based on the application of the above criteria, no other entities are included in the reporting entity.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2019**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation**

**1. Government-wide Statements**

The Statement of Net Position and the Statement of Activities present financial information about the Village's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Government activities generally are financed through taxes, state aid, intergovernmental revenues, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**2. Fund Financial Statements**

The fund statements provide information about the Village's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major Governmental Funds, each displayed in a separate column.

The Village of Hastings-on-Hudson reports the following major Governmental Funds:

- **General Fund:** This is the Village's primary operating fund. It accounts for all financial transactions that are not required by law or other provision to be accounted for in other funds.
- **Library Fund:** The Library fund is used to account for the operations of the Village's Library.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basis of Presentation (Continued)**

**2. Fund Financial Statements (Continued)**

- **Special Revenue Funds:** Special revenue funds are established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for defined purposes. The special revenue funds of the Village are as follows:

Pool Fund – The Pool fund is used to account for the operations of the Village’s swimming pool.

Special Purpose Fund – The Special Purpose fund is used to account for assets held by the Village in accordance with the terms of a trust agreement.

- **Capital Projects Fund:** Established to account for capital improvements financed from current monies transferred from other funds, federal and state grants and proceeds of obligations.
- **Debt Service Fund:** The Debt Service fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on long-term debt.

The Village reports the following fiduciary funds:

- **Agency Fund:** The Agency fund accounts for employee payroll tax withholdings and deposits that are payable to other jurisdictions or individuals.
- **Service Award Program:** The Service award Program fund accounts for the Village’s Fire Service Awards Program.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the Village gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Material revenues that are accrued include real property taxes, state and federal aid, sales tax and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from federal and state grants are accrued when the expenditure is made.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**D. Property Taxes**

Village real property taxes are levied annually no later than June 1st, and become a lien on November 1st. Taxes are collected during the period June 1 to October 31.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Budgetary Data**

1. Budget Policies - The budget policies are as follows:

- a. No later than March 20, the budget officer submits a tentative budget to the Village Board for the fiscal year commencing the following June 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds except for capital projects fund and community development fund.
- b. After public hearings are conducted to obtain taxpayer comments, no later than April 15, the Village Board adopts the budget by May 1.
- c. All modifications of the budget must be approved by specific action of the Village Board.

2. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in all funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

3. Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

Budgetary controls for special grant funds are established in accordance with the applicable grant agreements which cover, in most cases, a period other than the Village's fiscal year.



**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Cash and Investments**

The Village of Hastings-on-Hudson's investment policies are governed by State statutes. In addition, the Village of Hastings-on-Hudson has its own written investment policy. Village of Hastings-on-Hudson's monies must be deposited in FDIC insured commercial banks or trust companies located within the State. The treasurer is authorized to use demand accounts and certificates of deposit.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities.

Deposits and investments at year-end were entirely covered by Federal Insurance or by collateral held by the Village's custodial bank in the Village's name.

**G. Accounts Receivable**

Accounts receivable are shown gross, with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that such allowance would not be material. All receivables are expected to be collected within the subsequent fiscal year.

**H. Due To/From Other Funds**

Amounts due to and due from within the same fund type have been eliminated in the Government-wide statements. A detailed description of the individual fund balances is provided subsequently in these notes.

**I. Inventories and Prepaid Items**

Purchases of inventoriable items are recorded as expenditures in the Government Funds at the time of purchase. Inventory-type items are considered immaterial and, consequently, are not provided in the government-wide statements.

Prepaid items represent payments made by the Village for which benefits extend beyond year-end.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Capital Assets**

Capital assets are reported at historical costs. The Village depreciates capital assets using the straight-line method over the estimated useful life of the assets. Capitalization thresholds (the dollar value above which capital asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Useful Life</u>
Land Improvements	\$ 5,000	20 years
Buildings and Improvements	5,000	20-50 years
Machinery & Equipment	5,000	5-30 years
Infrastructure	5,000	15-65 years

**K. Infrastructure**

The Village includes long-lived improvements to roads and other infrastructure as capital assets in the government-wide statements. Infrastructures are reported at historical costs and are depreciated using the straight-line method over their estimated useful lives.

Under the implementation standards of GASB 34, the Village is considered a small government, and as such is required only to recognize infrastructures on a prospective basis. Therefore, since the adoption of GASB 34, the Village has not retroactively reported infrastructures.

**L. Vested Employee Benefits**

The various collective bargain agreements provide for the payment of accumulated vacation and sick time upon separation of service. The liability for such accumulated time is reflected in the government-wide Statement of Net Position as a long-term liability. 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.

The Village's employees participate in the New York State Employees' Retirement System and New York State Police and Fire Retirement Systems.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**L. Vested Employee Benefits (Continued)**

In addition to providing pension benefits, the Village of Hastings-on-Hudson provides health insurance coverage for retired employees. Substantially all of the Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. Health care benefits are provided through an insurance company whose premiums are based on the benefits paid during the year for the community. The Village recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid.

**M. Unemployment Insurance**

Village employees are covered by unemployment insurance. The Village is exempt for federal unemployment insurance tax.

**N. Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, 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. The government has two items that qualify for reporting in this category. The first item is related to pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension asset or liability and difference during the measurement period between the Village's contributions and its proportion share of total contributions to the pension systems not included in pension expense. Also, the Village contributions to the pension systems (PFRS and ERS Systems) subsequent to the measurement date. The second item relates to bond refunding.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has two items that qualify for reporting in this category. The first item is related to other postemployment benefits reported in the government-wide statements. For additional information on deferred inflows related to other postemployment benefits See Note 7. The second item is related to pensions reported in the Village-wide Statement of Net Position. This represents the effect of the net change in the Village's proportion of the collective net pension liability (ERS and PFRS System) and difference during the measurement periods between the Village's contributions and its proportionate share of total contributions to the pension systems not included in pension expense.

VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**O. Equity Classification**

**1. Government-wide Statements**

In the government-wide statements there are three classes of net position:

Net Investment in capital assets - consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted - reports net position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted - reports all other net position that do not meet the definition of the above two classifications and are deemed to be available for general use by the Village.

**2. Funds Statements**

The following is a brief description on the five fund balance classifications that the Village can utilize:

Nonspendable: Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted: Constraints have been imposed on the use of these amounts either (a) externally by creditors, grantors, contributors or laws or regulations of other governments; or (b) by law through constitutional provisions or enabling legislation. The Capital Reserve is made up of \$75,000 reserved for parks and \$168,184 reserved for other purposes.

Committed: Includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees.

Assigned: Includes amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. Assigned fund balance includes (a) all remaining amounts (except for negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed and (b) amounts in the General Fund that are intended to be used for a specific purpose. Assigned fund balance in the General Fund includes \$78,791 assigned for specific purposes through the issuance of purchase orders that encumbered the budget for the year ended May 31, 2019. This assignment is made when purchase orders are approved by the Purchasing Agent who is designated each year by the Board of Trustees at its annual reorganizational meeting pursuant to the Village's purchasing policy.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**O. Equity Classification (Continued)**

2. Funds Statements (Continued)

Unassigned: Includes fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, negative unassigned fund balance is reported.

**P. Restricted Resources**

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, it is the Village's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by legal requirements

**Q. Interfund Transfers**

The operations of the Village gives rise to certain transactions between funds, including transfers to provide services and construct assets. The amounts reported on the Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds for interfund transfers have been eliminated for the Statement of Activities. A detailed description of the individual fund transfers that occurred during the year is provided subsequently in these notes.

**R. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities and useful lives of long term assets.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**S. New Accounting Standards**

The Village has adopted all current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. At May 31, 2019, the Village implemented the following new standards issued by GASB:

- GASB Statement 85, *Omnibus 2017*, effective for the year ending May 31, 2019.
- GASB Statement 86, *Certain Debt Extinguishment Issues*, effective for the year ending May 31, 2019.

GASB has issued Statement 85, *Omnibus 2017*, which will enhance consistency in the application of accounting and financial reporting requirements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OBEB)). The Village has implemented Statement 85, as required.

GASB has issued Statement 86, *Certain Debt Extinguishment Issues*, which will increase consistency in accounting and financial reporting for debt extinguishments by establishing uniform guidance for derecognizing debt that is defeased in substance, regardless of how cash and other monetary assets placed in an irrevocable trust for the purpose of extinguishing that debt were acquired. The requirements of this Statement also will enhance consistency in financial reporting of prepaid insurance related to debt that has been extinguished. The Village has implemented Statement 86, as required.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL  
FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS**

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the government-wide statements, certain financial transactions are treated differently. The differences result primarily from the economic focus of the Statement of Activities, compared with the current financial resources focus of the government funds.

**A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities:**

Total fund balances of the Village's governmental funds differ from "net position" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the Governmental Fund Balance Sheet.

The basic financial statements contain a detailed reconciliation of the items creating the differences between fund balance reported in the Governmental Fund Statements and Net Position reported on the Statement of Net Position.

1. The costs of building and acquiring capital assets (land, buildings and equipment) financed from the governmental funds are reported as expenditures in the year they are incurred, and the assets do not appear on the Balance Sheet. However, the Statement of Net Position includes those capital assets among the assets of the Village as a whole, with their original costs capitalized and depreciation expensed annually over their useful lives.

Original Cost of Capital Assets	\$ 43,368,319
Accumulated Depreciation	<u>(21,688,410)</u>
Capital Assets, Net	<u>\$ 21,679,909</u>

2. Interest payable is recognized in the entity wide statements under full accrual accounting. No accrual is recognized in the governmental fund statements for interest that was not paid from current financial resources.

Interest Payable at May 31, 2019	<u>\$ 61,621</u>
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**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
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**NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL  
FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS (Continued)**

**A. Total Fund Balances of Governmental Funds vs. Net Position of Governmental  
Activities: (Continued)**

3. Long-term liabilities are reported in the Statement of Net Position, but not in the governmental funds, because they are not due and payable in the current period. Balances at year-end were:

Bonds and Notes Payable	\$ 10,445,000
Premium on Obligations	231,484
Other Postemployment Benefits	34,092,658
Deferred Inflows of Resources – OPEB	1,938,964
Compensated Absences	<u>663,636</u>
	<u>\$ 47,371,742</u>

4. In the Statement of Net Position, a liability is recognized for the Village's proportionate share of the net pension liability attributable to each defined benefit pension plan in which the Village participates. A net pension liability is measured as the proportionate share of the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service (proportionate share of total pension liability), net of the proportionate share of that pension plan's fiduciary net position. If a pension plan's fiduciary net position exceeds its total pension liability, the Village's proportionate share of the pension plan's net pension asset is recognized. Also, deferred outflows and inflows of resources related to pensions primarily result from contributions subsequent to the measurement date, as well as changes in the components of the net pension liability or asset. However, none of these amounts are included on the Balance Sheet as they are only recognized to the extent the pension liability is normally expected to be liquidated with expendable available financial resources. These balances at May 31, 2019 were as follows:

Deferred Outflows of Resources – Pension	\$ 1,126,064
Net Pension Liability, Proportionate Share (ERS & PFRS)	(1,935,041)
Deferred Inflows of Resources – Pension	<u>(682,762)</u>
	<u>\$ (1,491,739)</u>



**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS (Continued)**

**B. Explanation of Difference between Governmental Funds Operating Statement and the Statement of Activities:**

Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five broad categories. The amounts shown below represent these differences as follows:

- Long-term revenue differences arise because Governmental Funds report revenues only when they are considered “available”, whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because Governmental Funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.
- Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.
- Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the Governmental Fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.
- Pension plan transaction differences occur as a result of changes in the Village’s proportion of the collective net pension asset/liability and differences between the Village’s contributions and its proportionate share of the total contributions to the pension systems.
- Other Postemployment Benefit (OPEB) related differences occur as a result of changes in the Village’s total OPEB liability and differences between the Village’s contributions and OPEB expense.

The basic financial statements contain a detailed reconciliation of the items creating the differences between the change in fund balance reported in the Governmental Fund Statements and the change in net position reported in the Statement of Activities.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS (Continued)**

**B. Explanation of Difference between Governmental Funds Operating Statement and the Statement of Activities: (Continued)**

Explanation of Differences between Governmental Funds Operating Statement  
and the Statement of Activities and Changes in Net Position

Total Revenue and other Funding Sources:

Total revenues and other sources governmental funds (Statement 5)	\$ 16,663,928
Unearned Tax Revenue	<u>40,440</u>
Total Revenue of Governmental Activities (Statement 2)	<u>\$ 16,704,368</u>

Total Expenditures/Expenses:

Total expenditures reported in governmental funds (Statement 5)	\$ 17,658,541
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In the Statement of Activities, certain operating expenses (compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). The liability for compensated absences increased by \$1,878 during the year.

1,878

In the Statement of Activities, the expense for other postemployment benefits (OPEB) includes the changes in the OPEB liability such as service cost, interest cost and changes in benefit terms, as well as amortization of deferred outflows of resources and deferred inflows of resources related to OPEB. In the governmental funds, however, OPEB expenditures are measured by the amount of financial resources used (essentially the amount actually paid). This is the amount by which OPEB expense in the Statement of Activities exceeded the amount of financial resources used during the year.

780,960

When purchase or construction of capital assets is financed through governmental funds, the resources expended for those assets are reported as expenditures in the years they are incurred. However, in the Statement of Activities, the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital expenditures of \$1,328,153 is more than depreciation of \$1,304,827 in the current year.

(23,326)

(Increases) decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenue or expenditures in the governmental funds(PFRS of \$136,333 and ERS of \$71,628)

207,961

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND GOVERNMENT-WIDE STATEMENTS (Continued)**

**B. Explanation of Difference between Governmental Funds Operating Statement and the Statement of Activities: (Continued)**

Interest payable is recognized in the government-wide statements under full accrual accounting whereas it is not under the governmental fund statements. This is the amount by which interest payable for the current year is less than the interest payable for the prior year.

(7,055)

Repayment of debt service principal is an expenditure in the governmental funds, but reduces long-term liabilities in the Statement of Net Assets, and does not affect the Statement of Activities.

(1,178,300)

Total Expenses and Government Activities (Statement 2)

\$ 17,440,659

**NOTE 3. CHANGE IN ACCOUNTING PRINCIPLES**

For the year ended May 31, 2019, the Village implemented GASB Statement #75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of the statement requires the Village to report Other Postemployment Benefits (OPEB) liabilities, OPEB expenses, deferred outflows and deferred inflows of resources related to OPEB. See note 12 for the financial statement impact of the implementation of the statement.

**NOTE 4. CASH**

The Village of Hastings-on-Hudson's investment policies are governed by State statutes, as previously described in these notes. Deposits are valued at cost or cost plus interest and are categorized as either:

1. Insured or collateralized with securities held by the entity or by its agent in the entity's name;
2. Collateralized with securities held by the pledging financial institution's trust department or agency in the entity's name; or
3. Uncollateralized

	<u>1</u>	<u>2</u>	<u>3</u>
Governmental & Agency Funds	<u>\$ 7,283,553</u>	<u>\$ 0</u>	<u>\$ 0</u>

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 5. INTERFUND ACTIVITY**

Interfund receivables and payables at May 31, 2019, were as follows:

<u>Fund Type</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 444,618	\$ 20,000
Capital Project	0	289,649
Pool	20,000	0
Library	0	0
Special Purpose	0	155,559
Debt Service	15,577	0
Trust & Agency	0	14,987
Total	<u>\$ 480,195</u>	<u>\$ 480,195</u>

Interfund Transfers In and Interfund Transfers Out at May 31, 2019, were as follows:

<u>Fund Type</u>	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
General	\$ 124,190	\$ 2,298,883
Capital Project	96,416	0
Pool	0	118,042
Library	893,938	78,580
Special Purpose	0	0
Debt Service	1,505,151	124,190
Total	<u>\$ 2,619,695</u>	<u>\$ 2,619,695</u>

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 6. CAPITAL ASSETS**

Capital asset balances and activity for the year ended May 31, 2019, were as follows:

	Beginning Balance	Additions	Disposals and Reclass- ifications	Ending Balance
<u>Governmental Activities</u>				
Capital Assets that are not Depreciated:				
Land	\$ 6,332,206	\$ 0	\$ 0	\$ 6,332,206
Total Non-Depreciable Historical Cost	<u>6,332,206</u>	<u>0</u>	<u>0</u>	<u>6,332,206</u>
Capital Assets that are being Depreciated:				
Land Improvements	3,424,559	356,378	0	3,780,937
Buildings and Improvements	14,120,412	10,231	0	14,130,643
Machinery & Equipment	9,291,789	349,305	0	9,641,094
Infrastructure	<u>8,871,200</u>	<u>612,239</u>	<u>0</u>	<u>9,483,439</u>
Total Depreciable Historical Cost	<u>35,707,960</u>	<u>1,328,153</u>	<u>0</u>	<u>37,036,113</u>
Less Accumulated Depreciation:				
Land Improvements	1,506,487	156,641	0	1,663,128
Buildings and Improvements	5,935,578	319,136	0	6,254,714
Machinery & Equipment	7,306,119	550,326	0	7,856,445
Infrastructure	<u>5,635,399</u>	<u>278,724</u>	<u>0</u>	<u>5,914,123</u>
Total Accumulated Depreciation	<u>20,383,583</u>	<u>1,304,827</u>	<u>0</u>	<u>21,688,410</u>
Total Historical Cost, Net	<u>\$ 21,656,583</u>	<u>\$ 23,326</u>	<u>\$ 0</u>	<u>\$ 21,679,909</u>

Depreciation was charged to governmental functions as follows:

General Government Support	\$ 147,978
Public Safety	581,473
Transportation	116,564
Economic Assistance & Opportunity	41,382
Culture and Recreation	251,079
Health	4,172
Home and Community Services	<u>162,179</u>
Total Depreciation Expense	<u>\$ 1,304,827</u>

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**NOTE 7. LIABILITIES**

**A. Short-Term Debt**

Liabilities for bond anticipation notes (BAN's) are generally accounted for in the Capital Projects Fund. The notes or renewal thereof may not extend more than five years beyond the original date of issue unless a portion is redeemed within five years and within each 12 month period thereafter.

State law requires that BAN's issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BAN's 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. These temporary funds were borrowed to assist with financing the renovation and construction of various projects.

**B. Long-Term Debt**

**Bonds:** The Village of Hastings-on-Hudson borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers.

The following is a list of outstanding bonds at the Village of Hastings-on-Hudson for the year ending May 31, 2019.

<u>Description</u>	<u>Original Date of Issue</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Amount Outstanding at Year End</u>
Various 2006	8/15/2007	2,400,000	3.75%	8/15/2028	\$ 1,305,000
2014 Refunding	9/25/2014	5,075,000	4.00%	11/1/2025	3,680,000
2015 Bond	9/25/2014	3,598,800	4.00%	9/25/2024	2,245,000
2018 Bond	3/28/2018	3,473,300	3.00%	1/15/2033	3,215,000
Total Bonds Payable					<u>\$ 10,445,000</u>

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 7. LIABILITIES (Continued)**

**B. Long-Term Debt (Continued)**

Interest on long-term debt paid during the year was:

	Serial Bonds
Interest paid	\$ 326,851
Less: Interest accrued-prior year	(68,676)
Add: Interest accrued-current year	61,621
	<hr/>
Total Long-Term Interest	<u>\$ 319,796</u>

Long-term liability balances and activity for the year are summarized below:

	Beginning Balance	Issued	Redeemed	Ending Balance
<u>Governmental Activities</u>				
Serial Bonds	\$ 11,623,300	\$ 0	\$ 1,178,300	\$ 10,445,000
Premium on Obligations	276,287	0	44,803	231,484
	<hr/> 11,899,587	<hr/> 0	<hr/> 1,223,103	<hr/> 10,676,484
Other liabilities:				
Net Pension Liability - Proportionate Share	1,033,710	901,331	0	1,935,041
Other Postemployment Benefits Payable	35,250,662	1,828,583	2,986,587	34,092,658
Compensated Absences	661,757	1,879	0	663,636
Total Long-Term Liabilities	<u>\$ 48,845,716</u>	<u>\$ 2,731,793</u>	<u>\$ 4,209,690</u>	<u>\$ 47,367,819</u>

At May 31, 2019, the deferred amount on refunding includes unamortized premiums of \$231,483. This amount is being amortized over the life of the debt issuance to which it relates.

Activity for compensated absences is shown at net due the impracticability of determining these amounts separately. Payments of compensated absences are dependent upon future factors and, therefore, the timing of such payments cannot be determined. Compensated absences are reflected as a long-term liability in the Statement of Net Position.

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**NOTE 7. LIABILITIES (Continued)**

**B. Long-Term Debt (Continued)**

The following is a summary of the maturity of long-term indebtedness:

Year	Governmental Activities	
	Principal	Interest
2020	\$ 1,135,000	\$ 310,519
2021	1,165,000	256,268
2022	1,220,000	240,451
2023	1,255,000	198,932
2024	1,295,000	160,468
2025-2029	3,305,000	354,300
2030-2034	1,070,000	65,250
Total	<u>\$ 10,445,000</u>	<u>\$ 1,586,188</u>

**C. Other Postemployment Benefits**

General Information about the OPEB Plan

**Plan Description** – The Village’s defined benefit OPEB plan (“the Village’s OPEB plan”), provides OPEB for all permanent full-time general and public safety employees of the Village. The Village’s OPEB plan is a single-employer defined benefit OPEB plan administered by the Village.

**Benefits Provided** – The Village’s OPEB plan provides healthcare benefits for retirees and their dependents.

**Medical Benefits Program:**

The Plan is a fully insured plan. Current retiree premium rates provided by the Village include:

- a) Individual Pre-age 65: Generally \$1,015 per month.
- b) Family Pre-age 65: Generally \$2,348 per month.
- c) Individual Post-age 65: Generally \$444 per month.
- d) Family Post-age 65: Generally \$1,207 per month.



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**NOTE 7. LIABILITIES (Continued)**

**C. Other Postemployment Benefits (Continued)**

Adjustments to these premium rates to reflect the difference between the pre-age 65 active/retiree group (for which the current premium rates were based on) and the pre-age 65 retiree only group, were required in accordance with ASOP 6.

**Medicare Part B Premiums:**

Paid by the Village at \$134/mo.

Minimum eligibility requirements for other postemployment benefits are as follows:

- General: An employee must retire after age 55 with at least 20 years of service.
- Police Officers: An employee must retire with at least 20 years of service (no age requirement)

**Village Subsidy:**

The Village will contribute 100% of the NYSHIP/State Empire medical premium amounts for both individual and family (dependent) coverage.

**Funding Policy:**

The employer's funding policy is to contribute the current annual premium (net of employee contributions) for all retired participants (i.e., pay as you go). Current New York State law prohibits municipalities from pre-funding retiree medical benefit obligations in a Trust, although pre-funding moneys can arguably be "set aside" on the municipality's balance sheet.

Employees Covered by Benefit Terms – At May 31, 2019, the following employees were covered by the benefit terms

Inactive employees or beneficiaries currently receiving benefit payments	50
Active employees	<u>57</u>
Total Employees Covered by Benefit Terms	<u><u>107</u></u>

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**NOTE 7. LIABILITIES (Continued)**

**C. Other Postemployment Benefits (Continued)**

Total OPEB Liability

The Village's total OPEB liability of \$34,092,658 was measured as of May 31, 2019, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the May 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	6/1/2018 (6/1/2018 census)
Projected Salary Increases	3% per annum
Discount Rate	3.05% (2.05% and 4.05% are illustrated for sensitivity)
Rate of Inflation	3% per annum
Mortality	RP-2014 mortality table, MP-2016 projection
Withdrawal	Sarasson T-5 Table
Asset Valuation Method	Market value
Healthcare cost trend rates	8% decreasing to 5% ultimate
Marriage Rate	Wife is assumed to be same age as the husband. 70% of males and 50% of females are assumed married.
Participation Rate	100% of eligible retirees expected to participate.
Amortization Basis	For experience gains/losses, over the average expected future working lifetime of the active group.

The discount rate was based on S&P Municipal Bond 20 Year High Grade Rate Index as of May 31, 2019.

The actuarial assumptions used in the June 1, 2018 valuation were based on the results of an actuarial experience study for the period June 1, 2018 - May 31, 2019.

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**NOTE 7. LIABILITIES (Continued)**

**C. Other Postemployment Benefits (Continued)**

Changes in the Total OPEB Liability

Balance at May 31, 2018	<u>\$ 35,250,662</u>
<u>Changes for the Year:</u>	
Service cost	765,718
Interest	1,062,865
Differences between expected and actual experience	(2,181,334)
Benefit payments	<u>(805,253)</u>
Net Changes	<u>(1,158,004)</u>
Balance at May 31, 2019	<u><u>\$ 34,092,658</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.05 percent) or 1 percentage point higher (4.05 percent) than the current discount rate:

	1% Decrease (2.05%)	Current Discount Rate (3.05%)	1% Increase (4.05%)
Total OPEB Liability	<u>\$ 39,505,207</u>	<u>\$ 34,092,658</u>	<u>\$ 28,678,775</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	Trend Rate Less 1%	Current Health Care Cost Trend Rates	Trend Rate Plus 1%
Total OPEB Liability	<u>\$ 28,188,605</u>	<u>\$ 34,092,658</u>	<u>\$ 41,152,470</u>

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**NOTE 7. LIABILITIES (Continued)**

**C. Other Postemployment Benefits (Continued)**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to OPEB

For the year ended May 31, 2019, the Village recognized OPEB expense of \$765,718. At May 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 0	\$ 1,938,964
Changes of assumptions or other inputs	0	0
Village's contributions subsequent to the measurement date	<u>0</u>	<u>0</u>
Total	<u><u>\$ 0</u></u>	<u><u>\$ 1,938,964</u></u>

Village contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended May 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending May 31,</u>	<u>Amount</u>
2020	\$ (242,370)
2021	(242,370)
2022	(242,370)
2023	(242,370)
2024	(242,370)
Annually Thereafter (3 years)	(242,370)

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**NOTE 7. LIABILITIES (Continued)**

**D. Service Award Program**

The Village pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Award Program ("Program") for volunteer firefighters, upon attainment of age 18 and completion of one year of service, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant upon attainment of entitlement age and one year of plan participation shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of 20 years. The Program also provides disability and death benefits. The trustees of the Program, which are members of the Village's Board, are authorized to invest the funds in other investment vehicles. Separate financial statements are not issued by the program.

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>May 31, 2019</u>
Active Members	110
Vested -- Terminated	43
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	18

The Village is required to contribute the amounts necessary to finance the plan as actuarially determined using the entry age normal frozen initial liability cost method. The Plan was established effective June 1, 1993. The Plan was amended January 1, 2007 to allow participants to earn service credit after entitlement age. The balance of the unfunded actuarial accrued liability is \$1,003,904, which resulted from the prior years' service cost when the plan was initially adopted. The remaining amortization period is 14 years. The assumed investment rate of return is 4.75% and there are no cost of living adjustments.

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**NOTE 7. LIABILITIES (Continued)**

**D. Service Award Program (Continued)**

The Village's annual Program cost, the percentage of the annual Program cost contributed to the plan and the net award obligation for the current and two preceding fiscal years were as follows:

	Annual Required Contribution	Actual Contribution	Percentage of Annual Program Cost Contributed
6/1/2018	\$ 233,679	\$ 237,711	102%
6/1/2017	\$ 217,299	\$ 216,963	100%
6/1/2016	\$ 202,830	\$ 207,051	102%

The above information is based on the LOSAP actuarial report for May 31, 2019, which is the most recent available report.

**NOTE 8. PENSION PLANS**

**Plan Description**

The Village participates in the New York State and Local Employees' Retirement System (ERS). ERS and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as New York State and Local Retirement System (the ERS System). These are cost-sharing multiple-employer defined benefit retirement systems. The net position of the ERS System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in fiduciary net position allocated to the ERS System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the ERS System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2014, he was elected for a new term commencing January 1, 2015. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

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**NOTE 8. PENSION PLANS (Continued)**

**ERS and PFRS Benefits Provided**

The ERS System provides retirement benefits as well as death and disability benefits.

*Tiers 1 and 2*

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

*Tiers 3, 4, and 5*

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with 10 or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

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**NOTE 8. PENSION PLANS (Continued)**

**ERS and PFRS Benefits Provided (Continued)**

*Tiers 3, 4, and 5 (Continued)*

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4 and 5 members, each year of final average salary is limited to no more than 10 percent of the average of the previous two years.

*Tier 6*

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have 10 years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with 10 or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

*Special Plans*

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

*Ordinary Disability Benefits*

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after 10 years of service; in some cases, they are provided after five years of service.

*Accidental Disability Benefits*

For all eligible Tier 1 and Tier 2 ERS and PFRS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.



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**NOTE 8. PENSION PLANS (Continued)**  
**ERS and PFRS Benefits Provided (Continued)**

*Ordinary Death Benefits*

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

*Post-Retirement Benefit Increases*

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for 10 years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

**Funding Policy**

The Systems are noncontributory, except for employees who joined the Systems after July 27, 1976 and prior to January 1, 2010, who contribute 3% of their salary for the first ten years of membership. For employees who joined after January 1, 2010, employees in NYSERS contribute 3% of their salary throughout their active membership. For NYSERS, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the NYSERS fiscal year ending March 31. The Village's contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

	ERS	PFRS
2019	\$ 427,956	\$ 627,241
2018	\$ 414,274	\$ 594,653
2017	\$ 423,727	\$ 571,793

Village contributions made to the Systems were equal to 100% of the contributions required for each year.

**VILLAGE OF HASTINGS-ON-HUDSON  
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**NOTE 8. PENSION PLANS (Continued)**

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

At May 31, 2019, the Village reported the following asset/(liability) for its proportionate share of the net pension liability/(asset) for each of the Systems. The net pension asset/(liability) was measured as of March 31, 2019 for ERS and PFRS. The total pension asset/(liability) used to calculate the net pension asset/(liability) was determined by an actuarial valuation. Village's proportion of the net pension asset/(liability) was based on a projection of the Village's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and PFRS Systems in reports provided to the Village.

	ERS	PFRS
Actuarial Valuation Date	3/31/2019	3/31/2019
Net Pension Asset/(Liability)	\$ (757,939)	\$ (1,177,102)
Town's Portion of the Plan's Total Net Pension Asset/(Liability)	0.0106973%	0.0701883%

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**NOTE 8. PENSION PLANS (Continued)**

For the year ended May 31, 2019, the Village's recognized pension expense of \$499,584 for ERS and the actuarial value \$763,574 for PFRS. At May 31, 2019 the Village's reported deferred outflows of resources and deferred inflows of resources related to pensions for the following sources:

	Deferred Outflows of Resources		
	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 149,254	\$ 285,951	\$ 435,205
Changes of Assumptions	190,515	427,672	618,187
Net difference between projected and actual earnings on pension plan investments	0	0	0
Changes in proportion and difference between the Village's contributions and proportionate share of contributions	21,335	51,337	72,672
Village's contributions subsequent to the measurement date	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 361,104</u>	<u>\$ 764,960</u>	<u>\$ 1,126,064</u>

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**NOTE 8. PENSION PLANS (Continued)**

	Deferred Inflows or Resources		
	<u>ERS</u>	<u>PFRS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 50,879	\$ 125,675	\$ 176,554
Changes of Assumptions	0	0	0
Net difference between projected and actual earnings on pension plan investments	194,529	235,745	430,274
Changes in proportion and difference between the Village's contributions and proportionate share of contributions	22,327	53,607	75,934
Village's contributions subsequent to the measurement date	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 267,735</u>	<u>\$ 415,027</u>	<u>\$ 682,762</u>

Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended May 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended:	<u>ERS</u>	<u>PFRS</u>
2020	\$ 159,172	\$ 227,839
2021	(154,424)	(42,731)
2022	(16,512)	(3,460)
2023	105,133	134,680
2024	0	33,606

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**NOTE 8. PENSION PLANS (Continued)**

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuation used the following actuarial assumptions.

Significant actuarial assumptions used in the valuations were as follows:

	ERS	PFRS
Inflation Rate	2.5%	2.5%
Projected Salary Increases	4.20%	5.00%
Projected Cost of Living Adjustments	1.3%	1.3%
Investment Rate of Return	7.0% compounded annually, net of investment expenses	7.0% compounded annually, net of investment expenses
Decrement	Actuarial experience study for the period April 1, 2010 to March 31, 2015	Actuarial experience study for the period April 1, 2010 to March 31, 2015
Mortality Improvement	Society of Actuaries Scale MP-2014	Society of Actuaries Scale MP-2014

For ERS and PFRS, annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014.

For ERS and PFRS, the actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2019**

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**NOTE 8. PENSION PLANS (Continued)**

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized below:

Measurement Date	ERS & PFRS	
	March 31, 2019	
	Target	Long-term
	Allocation	expected real
		rate of return
<u>Asset Class:</u>		
Domestic Equity	36%	4.55%
International Equity	14%	6.35%
Private Equity	10%	7.50%
Real Estate	10%	5.55%
Absolute Return Strategies	2%	3.75%
Opportunistic Portfolio	3%	5.68%
Real Assets	3%	5.29%
Bonds and Mortgages	17%	1.31%
Cash	1%	-0.25%
Inflation-indexed bonds	4%	1.25%
Total	100%	

Discount Rate

The discount rate used to calculate the total pension liability was 7.0% for ERS and PFRS. 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. Based upon the 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.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2019**

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**NOTE 8. PENSION PLANS (Continued)**

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.0% for ERS and PFRS, as well as what the Village's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0% for ERS and PFRS) or 1-percentage-point higher (8.0% for ERS and PFRS) than the current rate:

	1% Decrease 6.00%	Current Assumption 7.00%	1% Increase 8.00%
<u>ERS</u>			
Employer's Proportionate Share of the Net Pension Asset/(Liability)	\$ (3,313,831)	\$ (757,939)	\$ 1,389,191
	1% Decrease 6.00%	Current Assumption 7.00%	1% Increase 8.00%
<u>PFRS</u>			
Employer's Proportionate Share of the Net Pension Asset/(Liability)	(4,253,869)	(1,177,102)	1,392,356

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the respective measurements dates were as follows:

	(Dollars in Thousands)	
	ERS	PFRS
Measurement Date	March 31, 2019	March 31, 2019
Employers' total pension asset/(liability)	\$ (189,803,429)	\$ (34,128,100)
Plan net position	182,718,124	32,451,037
Employer's net pension asset/(liability)	<u>\$ (7,085,305)</u>	<u>\$ (1,677,063)</u>
Ratio of plan net position to the employers' total pension asset/(liability)	96.27%	95.09%

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2019**

**DRAFT**

**NOTE 8. PENSION PLANS (Continued)**

Payables to the Pension Plan

For ERS and PFRS, employer contributions are paid annually based on the System's fiscal year which ends on March 31<sup>st</sup>. Accrued retirement contributions as of May 31, 2019 represent the projected employer contributions for the period of April 1, 2018 through May 31, 2019 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of May 31, 2019 amounted to \$180,817.

**NOTE 9. RISK MANAGEMENT**

The Village is exposed to various risks of loss including, but not limited to, torts, thefts of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Management believes such coverage is sufficient to preclude any significant uninsured loss. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.

**NOTE 10. CONTINGENCIES**

**A. Grant Program**

The Village has received grants which are subject to audit by agencies of the State and Federal governments. Such audits may result in disallowances and a request for a return of funds to the Federal and State governments. Based on past audits, the Village administration believes disallowances, if any, will be immaterial

**B. Litigation**

The Village is party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accrual or provision for loss contingencies that may result from these proceedings. While the outcome cannot be predicted, due to the insurance coverage maintained, the Village believes that any settlement not covered by insurance would not have a material adverse effect on the financial condition of the Village.

**NOTE 11. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through November 21, 2019, that date these financial statements were available to be issued.



**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2019**

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**NOTE 12. RESTATEMENT OF NET POSITION**

For the fiscal year ended May 31, 2019, the Village implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statements 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. GASB Statement 75 requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position (if any). The Village's net position has been restated as follows:

Net Positon Beginning of Year, as Previously Stated	\$ 2,845,681
<u>GASB Statement 75 Implementation</u>	
Removal of Total OPEB Liability under Statement 45	11,210,000
Restated Total OPEB Liability under Statement 75	(35,250,662)
Net Change in Net Position for Statement 75 Implementation	(24,040,662)
Net Position Beginning of Year, As Restated	\$ (21,194,981)

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

To the Mayor and Members  
of the Village Board  
Village of Hastings-on-Hudson  
Hastings-on-Hudson, N.Y.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the fiduciary funds of Village of Hastings-on-Hudson, as of and for the year ended May 31, 2019, and the related notes to the financial statements, which collectively comprise the Village of Hastings-on-Hudson's basic financial statements and have issued our report thereon dated November 21, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Village of Hastings-on-Hudson's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of Hastings-on-Hudson's internal control. Accordingly, we do not express an opinion on the effectiveness of Village of Hastings-on-Hudson's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies, identified as findings 2019-001 and 2019-002.

To the Mayor and Members  
of the Village Board of the  
Village of Hastings-on-Hudson

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### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Hastings-on-Hudson's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Montgomery, New York  
November 21, 2019

VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED MAY 31, 2019

**DRAFT**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

Material weakness(es) identified?

\_\_\_ Yes    X No

Significant deficiencies identified that are  
not considered to be material weaknesses

X Yes    \_\_\_ No

Noncompliance material to financial statements noted?

\_\_\_ Yes    X No

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED MAY 31, 2019**

**DRAFT**

**SECTION II - FINANCIAL STATEMENT FINDINGS**

**Finding 2019-001 Limited Segregation of Duties**

- Condition:** The auditor found instances where segregation of duties was limited. Limitations in control activities may be addressed through additional management oversight. Through interviews with management and staff we were able to satisfy ourselves that direct involvement and knowledge of these activities reduced the potential for errors or irregularities.
- Criteria:** Segregation of duties relates to how various duties are assigned to different people within the organization. Generally, the responsibility for authorizing transactions, recording transactions, and maintaining custody of assets should be assigned to different people so that no single person is in a position to both commit and conceal errors, irregularities or fraud.
- Cause:** Limited resources and personnel available contribute directly to the level of segregation achieved. Another factor is the organizational structure and the assignment of responsibilities within that structure.
- Effect:** The financial statements could have been significantly misstated due to errors or irregularities and fraud or misappropriation could occur and not be detected without adequate segregation of duties and responsibilities.
- Recommendation:** We recommend that the management review the responsibilities of business staff, as well as the duties actually being performed currently. This review should focus on segregating the functions for authorizing transactions, recording transactions, and maintaining custody of assets. As part of this review, management should consider whether the current staffing level is sufficient to achieve the desired internal control. It may be necessary to hire additional staff.

**Finding 2019-002 Management Oversight and Monitoring**

- Condition:** The Auditor found instances where oversight and monitoring by management were not documented. Through interviews with management and related personnel we were able to satisfy ourselves that the necessary oversight and monitoring was performed.
- Criteria:** Effective internal control over financial reporting requires management oversight and monitoring to establish reasonable assurance that financial reporting is being reliably and accurately completed. Documentation of this oversight and monitoring is necessary to insure that this criteria is met.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED MAY 31, 2019**

**DRAFT**

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

- Cause: These activities are often informal and performed as a part of the overall management of the entity's operations. Management's close involvement in operations will typically identify inaccuracies in financial data.
- Effect: The financial statements could have been significantly misstated without adequate documentation and performance of oversight functions.
- Recommendation: We recommend that management formally document its review of all elements of the financial data reflected in the financial reporting. This would include but not be limited to ledger account reconciliations, journal entries, trial balances, revenue status and budget status reports.

Management has not completed a response to the above findings as of the date of this report. Government Auditing Standards requires management's responses and planned corrective action to be included in this report.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF REVENUES AND EXPENDITURES COMPARED TO BUDGET  
GENERAL FUND  
FOR THE YEAR ENDED MAY 31, 2019**

DRAFT

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Real Property Taxes	\$ 11,091,268	\$ 11,091,268	\$ 11,090,309	\$ (959)
Real Property Tax Items	30,000	30,000	21,558	(8,442)
Non-Property Tax Items	65,000	65,000	66,191	1,191
Departmental Income	1,454,694	1,816,491	1,816,491	0
Use of Money and Property	165,000	165,000	216,440	51,440
Licences and Permits	225,500	287,502	308,542	21,040
Fines and Forfeitures	280,000	280,000	310,870	30,870
Sale of Property and Compensation for Loss	9,250	9,250	38,659	29,409
Miscellaneous	65,000	65,000	115,780	50,780
State and Federal Aid	2,121,590	2,121,590	1,964,965	(156,625)
<b>TOTAL REVENUES</b>	<b>15,507,302</b>	<b>15,931,101</b>	<b>15,949,805</b>	<b>\$ 18,704</b>
<b>OTHER SOURCES</b>				
Appropriated Fund Balance	0	62,459	0	
Interfund Transfers	160,000	160,000	124,190	
<b>TOTAL REVENUES AND OTHER SOURCES</b>	<b>\$ 15,667,302</b>	<b>\$ 16,153,560</b>	<b>\$ 16,073,995</b>	
<b>EXPENDITURES</b>				
General Government Support	\$ 1,934,761	\$ 1,845,052	\$ 1,845,052	\$ 0
Public Safety	3,790,999	4,007,319	4,007,319	0
Health	159,045	70,961	70,961	0
Transportation	989,693	1,105,567	1,105,567	0
Culture and Recreation	1,172,286	1,219,651	1,219,651	0
Home and Community Services	1,196,757	1,336,280	1,336,280	0
Employee Benefits	4,221,294	4,269,847	4,269,847	0
<b>TOTAL EXPENDITURES</b>	<b>13,464,835</b>	<b>13,854,677</b>	<b>13,854,677</b>	<b>0</b>
<b>OTHER USES</b>				
Operating Transfers Out	2,202,467	2,298,883	2,298,883	0
<b>TOTAL EXPENDITURES AND OTHER USES</b>	<b>\$ 15,667,302</b>	<b>\$ 16,153,560</b>	<b>\$ 16,153,560</b>	<b>\$ 0</b>

See paragraph on supplemental schedules in auditor's report.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF REVENUES AND EXPENDITURES COMPARED TO BUDGET  
POOL FUND  
FOR THE YEAR ENDED MAY 31, 2019**

DRAFT

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Departmental Income	\$ 436,100	\$ 436,100	\$ 454,262	\$ 18,162
Use of Money and Property	2,000	2,000	8,131	6,131
<b>TOTAL REVENUES</b>	<u>\$ 438,100</u>	<u>\$ 438,100</u>	<u>\$ 462,393</u>	<u>\$ 24,293</u>
<b>EXPENDITURES</b>				
Home and Community Service	\$ 304,000	\$ 304,000	\$ 327,105	\$ (23,105)
Employee Benefits	16,058	16,058	19,122	(3,064)
<b>TOTAL EXPENDITURES</b>	<u>320,058</u>	<u>320,058</u>	<u>346,227</u>	<u>(26,169)</u>
<b>OTHER USES</b>				
Operating Transfers Out	118,042	118,042	118,042	0
<b>TOTAL EXPENDITURES AND OTHER USES</b>	<u>\$ 438,100</u>	<u>\$ 438,100</u>	<u>\$ 464,269</u>	<u>\$ (26,169)</u>

See paragraph on supplemental schedule in auditor's report.



**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF REVENUES AND EXPENDITURES COMPARED TO BUDGET  
LIBRARY FUND  
FOR THE YEAR ENDED MAY 31, 2019**

DRAFT

	Original Budget	Adjusted Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>				
Departmental Income	\$ 15,000	\$ 15,000	\$ 10,259	\$ (4,741)
Use of Money and Property	100	100	89	(11)
State Aid	2,300	2,300	2,345	45
<b>TOTAL REVENUES</b>	<u>17,400</u>	<u>17,400</u>	<u>12,693</u>	<u>(4,707)</u>
<b>OTHER SOURCES</b>				
Operating Transfers In	893,938	893,938	893,938	0
<b>TOTAL REVENUES AND OTHER SOURCES</b>	<u>\$ 911,338</u>	<u>\$ 911,338</u>	<u>\$ 906,631</u>	<u>\$ (4,707)</u>
<b>EXPENDITURES</b>				
Home and Community Services	\$ 673,970	\$ 686,714	\$ 671,800	\$ 14,914
Employee Benefits	158,788	146,044	151,720	(5,676)
<b>TOTAL EXPENDITURES</b>	<u>832,758</u>	<u>832,758</u>	<u>823,520</u>	<u>9,238</u>
<b>OTHER USES</b>				
Operating Transfers Out	78,580	78,580	78,580	0
<b>TOTAL EXPENDITURES AND OTHER USES</b>	<u>\$ 911,338</u>	<u>\$ 911,338</u>	<u>\$ 902,100</u>	<u>\$ 9,238</u>

See paragraph on supplemental schedules in auditor's report.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF THE LOCAL GOVERNMENT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED MAY 31, 2019**

DRAFT

NYSERS Pension Plan  
Last 10 Fiscal Years\*

	<u>3/31/2019</u>	<u>3/31/2018</u>	<u>3/31/2017</u>	<u>3/31/2016</u>
Village's proportion of the net pension asset/(liability)	0.0106973%	0.0105883%	0.0110142%	0.0110989%
Village's proportionate share of the net pension asset/(liability)	\$ (757,939)	\$ (341,732)	\$ (1,034,921)	\$ (1,781,405)
Village's covered-employee payroll	\$ 3,092,229	\$ 2,862,240	\$ 2,866,934	\$ 2,755,498
Village's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	-24.51%	-11.94%	-36.10%	-64.65%
Plan fiduciary net position as a percentage of the total pension liability	96.27%	98.24%	94.70%	90.70%

NYSPFRS Pension Plan  
Last 10 Fiscal Years\*

	<u>3/31/2019</u>	<u>3/31/2018</u>	<u>3/31/2017</u>	<u>3/31/2016</u>
Village's proportion of the net pension asset/(liability)	0.070188%	0.068461%	0.071768%	0.074240%
Village's proportionate share of the net pension asset/(liability)	\$ (1,177,102)	\$ (691,978)	\$ (1,487,501)	\$ (2,198,082)
Village's covered-employee payroll	\$ 2,962,993	\$ 2,709,020	\$ 2,624,775	\$ 2,224,279
Village's proportionate share of the net pension asset/(liability) as a percentage of its covered-employee payroll	-39.73%	-25.54%	-56.67%	-98.82%
Plan fiduciary net position as a percentage of the total pension liability	95.09%	96.93%	93.50%	90.20%

\* GASB 68 requires that the past 10 years of information be presented. Due to the fact that this statement was implemented for the year ended May 31, 2016, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 68.

See paragraph on supplementary schedules included in auditor's report.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF LOCAL GOVERNMENT CONTRIBUTIONS  
FOR THE YEAR ENDED MAY 31, 2019**

**DRAFT**

NYSERS Pension Plan  
Last 10 Fiscal Years\*

	<u>3/31/2019</u>	<u>3/31/2018</u>	<u>3/31/2017</u>	<u>3/31/2016</u>
Contractually required contribution	\$ 427,956	\$ 414,274	\$ 423,727	\$ 517,307
Contributions in relation to the contractually required contribution	<u>427,956</u>	<u>414,274</u>	<u>423,727</u>	<u>517,307</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 3,092,229	\$ 2,862,240	\$ 2,866,934	\$ 2,755,498
Contributions as a percentage of its covered-employee payroll	13.84%	14.47%	14.78%	18.77%

NYSPPRS Pension Plan  
Last 10 Fiscal Years\*

	<u>3/31/2019</u>	<u>3/31/2018</u>	<u>3/31/2017</u>	<u>3/31/2016</u>
Contractually required contribution	\$ 627,241	\$ 594,653	\$ 571,793	\$ 615,113
Contributions in relation to the contractually required contribution	<u>627,241</u>	<u>594,653</u>	<u>571,793</u>	<u>615,113</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered Employee Payroll	\$ 2,962,993	\$ 2,709,020	\$ 2,624,775	\$ 2,224,279
Contributions as a percentage of its covered-employee payroll	21.17%	21.95%	21.78%	27.65%

\* GASB 68 requires that the past 10 years of information be presented. Due to the fact that this statement was implemented for the year ended May 31, 2016, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 68.

See paragraph on supplementary schedules included in auditor's report.

**VILLAGE OF HASTINGS-ON-HUDSON**  
**HASTINGS-ON-HUDSON, NEW YORK**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**FOR THE YEAR ENDED MAY 31, 2019**

DRAFT

	<u>05/31/19</u>	<u>05/31/18</u>
<u>Total OPEB Liability</u>		
Service cost	\$ 765,718	\$ 0
Interest	1,062,865	0
Changes of benefit terms	0	0
Differences between expected and actual experience	(2,181,334)	0
Changes in assumptions or other inputs	0	35,250,662
Benefit payments	<u>(805,253)</u>	<u>0</u>
Net change in total OPEB liability	(1,158,004)	35,250,662
Total OPEB liability-beginning	<u>35,250,662</u>	<u>0</u>
Total OPEB liability-ending	<u><u>\$ 34,092,658</u></u>	<u><u>\$ 35,250,662</u></u>
Covered-employee payroll	\$ 7,121,802	\$ 7,121,802
Total OPEB liability as a percentage of covered-employee payroll	478.71%	494.97%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75 to pay related benefits.

\* GASB 75 requires that the past 10 years of information be presented. Due to the fact that this statement was implemented for the year ended May 31, 2019, prior year information is not available for 10 years. The data will be accumulated over time and presented according to GASB 75.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF FUNDING PROGRESS FOR THE SERVICE AWARD PROGRAM  
FOR THE YEAR ENDED MAY 31, 2019**

DRAFT

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Annual Required Contribution	Percentage Contributed
6/1/2018	\$ 1,672,107	\$ 2,471,740	\$ 799,633	67.65%	\$ 233,679	100%
6/1/2017	1,466,060	2,382,604	916,544	62.00%	217,299	100%
6/1/2016	1,271,903	2,195,845	923,942	61.00%	202,830	100%
6/1/2015	1,079,147	2,011,339	932,192	54.00%	197,963	100%
6/1/2014	909,662	1,746,238	836,576	51.00%	176,139	100%
6/1/2013	743,194	1,549,706	806,512	47.96%	165,831	100%
6/1/2012	674,853	1,203,860	529,007	56.06%	150,640	100%
6/1/2011	649,992	1,195,657	545,665	54.36%	147,168	100%
6/1/2010	636,005	1,269,964	633,959	50.08%	125,744	100%
6/1/2009	541,622	1,162,378	620,756	46.60%	110,798	100%

See paragraph on supplemental schedules in auditor's report.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
CAPITAL FUND BALANCE SCHEDULE BY PROJECT  
FOR THE YEAR ENDED MAY 31, 2019**

Project	Authorization	Expenditures and Transfers	Unexpended Balance	Methods of Financing					Fund Balance (Deficit) May 31, 2019
				Proceeds of Obligations	State and Federal Aid	Interfund Transfers	Miscellaneous	Totals	
Municipal Building Plaza	\$ 125,000	\$ 119,181	\$ 5,819	\$ 125,000	\$ 0	\$ 0	\$ 0	\$ 125,000	\$ 5,819
Sidewalks and Related Areas	153,000	149,706	3,294	153,000	0	0	0	153,000	3,294
Washington and Maple Ave Sidewalk	155,000	140,184	14,816	90,000	101,500	0	40,487	231,987	91,803
Warburton Bridge Fence	103,000	0	103,000	103,000	0	0	0	103,000	103,000
Police Car	142,200	142,200	0	0	0	0	235,786	235,786	93,586
Hillside Ave Sidewalks	61,000	57,500	3,500	0	0	61,000	0	61,000	3,500
Tennis Courts/Union Town/Saw Mills	601,074	601,074	0	0	0	104,897	420,000	524,897	(76,177)
Street Resurfacing 2016-2017	340,000	300,581	39,419	0	0	340,000	0	340,000	39,419
Street Resurfacing 2017-2018	2,148,800	1,823,333	325,467	1,948,800	0	0	200,000	2,148,800	325,467
Justice Court Improvements	20,462	20,462	0	0	20,462	0	0	20,462	0
Hudson River Estuary	25,355	25,355	0	0	9,552	0	0	9,552	(15,803)
Quarry Park	1,300,000	341,650	958,350	0	0	0	1,302,814	1,302,814	961,164
Quarry Trail	115,500	159,500	(44,000)	0	70,750	0	0	70,750	(88,750)
Action Plant CED Energy	24,058	24,058	0	0	0	0	0	0	(24,058)
Fire Department Ambulance	30,617	30,617	0	0	0	0	0	0	(30,617)
Sewer Jet	78,755	78,755	0	0	0	0	0	0	(78,755)
Electric Vehicle Charging Station	16,000	5,025	10,975	0	0	0	0	0	(5,025)
	<u>\$ 5,439,821</u>	<u>\$ 4,019,181</u>	<u>\$ 1,420,640</u>	<u>\$ 2,419,800</u>	<u>\$ 202,264</u>	<u>\$ 505,897</u>	<u>\$ 2,199,087</u>	<u>\$ 5,327,048</u>	<u>\$ 1,307,867</u>

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See paragraph on supplemental schedules in auditor's report.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
SCHEDULE OF INDEBTEDNESS  
FOR THE YEAR ENDED MAY 31, 2019**

Schedule 9

	<u>Interest Rate</u>	<u>Date of Original Issue</u>	<u>Maturity</u>	<u>Outstanding Beginning of Fiscal Year</u>	<u>Issued During Year</u>	<u>Paid During Year</u>	<u>Outstanding End of Year</u>	<u>Amount of Interest Paid During Year</u>	<u>Amount of Accrued Int @ 5/31/19</u>	<u>Due Within Next Year</u>
<b><u>SERIAL BONDS</u></b>										
Various 2006	3.75%	8/15/2007	8/15/2028	\$ 1,425,000	\$ 0	\$ 120,000	\$ 1,305,000	\$ 55,706	\$ 14,346	\$ 125,000
2014 Refunding	4.00%	9/25/2014	11/1/2025	4,130,000	0	450,000	3,680,000	124,900	12,502	470,000
2015 Bond	4.00%	9/25/2014	9/25/2024	2,595,000	0	350,000	2,245,000	67,050	18,698	355,000
2018 Bond	3.00%	3/28/2018	1/15/2033	3,473,300	0	258,300	3,215,000	79,195	16,075	185,000
TOTAL SERIAL BONDS				<u>11,623,300</u>	<u>0</u>	<u>1,178,300</u>	<u>10,445,000</u>	<u>326,851</u>	<u>61,621</u>	<u>1,135,000</u>
 TOTAL INDEBTEDNESS				<u>\$ 11,623,300</u>	<u>\$ 0</u>	<u>\$ 1,178,300</u>	<u>\$ 10,445,000</u>	<u>\$ 326,851</u>	<u>\$ 61,621</u>	<u>\$ 1,135,000</u>

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See paragraph on supplemental schedules in auditor's report.

**VILLAGE OF HASTINGS-ON-HUDSON  
HASTINGS-ON-HUDSON, NEW YORK  
NET INVESTMENT IN CAPITAL ASSETS  
FOR THE YEAR ENDED MAY 31, 2019**

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CAPITAL ASSETS, NET		\$ 21,679,909
ADDITIONS:		
Deferred Amount of Refunding		<div style="display: flex; justify-content: flex-end;"> <div style="text-align: right; margin-right: 10px;">231,483</div> <div style="border-top: 1px solid black; width: 50px;"></div> </div>
		21,911,392
DEDUCTIONS:		
Short-Term Portion of Bonds Payable	\$ 1,179,803	
(including an unamortized bond premium of \$44,803)		
Long-Term Portion of Bonds Payable	<div style="display: flex; justify-content: flex-end;"> <div style="text-align: right; margin-right: 10px;">9,496,680</div> <div style="border-top: 1px solid black; width: 50px;"></div> </div>	
(including an unamortized bond premium of \$186,680)		
Total Deductions		<div style="display: flex; justify-content: flex-end;"> <div style="text-align: right; margin-right: 10px;">10,676,483</div> <div style="border-top: 1px solid black; width: 50px;"></div> </div>
NET INVESTMENT IN CAPITAL ASSETS		<div style="display: flex; justify-content: flex-end;"> <div style="text-align: right; margin-right: 10px;">\$ 11,234,909</div> <div style="border-top: 3px double black; width: 50px;"></div> </div>

See paragraph on supplemental schedules in auditor's report.