

Village of Washingtonville, New York

Financial Statements and
Supplementary Information

Year Ended February 28, 2021

Village of Washingtonville, New York

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Independent Auditors' Report

**The Honorable Mayor and Board of Trustees
of the Village of Washingtonville, New York**

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the governmental activities and each major fund of the Village of Washingtonville, New York ("Village") as of and for the year ended February 28, 2021, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Because of the matter described in the "Basis for Disclaimer of Opinions" paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for our audit opinions.

Basis for Disclaimer of Opinions

We were unable to satisfy ourselves by applying auditing procedures to the balance sheet, revenue and expenditure account balances. In addition, we were unable to confirm or verify account balances through document observation or testing of controls to confirm the efficiency and effectiveness of internal controls over financial reporting. As of the date of our auditors' report, management was still in the process of rectifying system deficiencies. As a result of these matters, we were unable to determine whether adjustments were necessary in order to conclude the financial statements are free from material misstatements.

Disclaimer Opinions

Because of the significance of the matter described in the “Basis for Disclaimer of Opinions” paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for our audit opinions on the respective financial position of the governmental activities and each major fund of the Village, as of February 28, 2021. Accordingly, we do not express opinions these financial statements.

Other Matters

Required Supplementary Information

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

Management has omitted Management's Discussion and Analysis and budgetary comparison information that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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. Our disclaimer of opinion on the basic financial statements is not affected by this missing information.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

August 16, 2024

Village of Washingtonville, New York

Statement of Net Position

February 28, 2021

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 679,685
Receivables	
Water rents	195,631
Sewer rents	270,483
Due from other governments	166,148
Restricted cash	159,722
Capital assets	
Not being depreciated	3,599,743
Being depreciated, net	19,952,465
Total Assets	25,023,877
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	2,206,190
OPEB related	2,221,666
Total Deferred Outflows of Resources	4,427,856
LIABILITIES	
Accounts payable	396,863
Due to other governments	593,230
Due to retirement systems	416,436
Deposits payable	203,918
Unearned revenues	174,705
Accrued interest payable	33,927
Non-current liabilities	
Due within one year	1,698,833
Due in more than one year	22,286,632
Total Liabilities	25,804,544
DEFERRED INFLOWS OF RESOURCES	
Pension related	108,037
OPEB related	964,131
Total Deferred Inflows of Resources	1,072,168
NET POSITION	
Net investment in capital assets	11,225,006
Unrestricted	(8,649,985)
Total Net Position	\$ 2,575,021

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

Village of Washingtonville, New York

Statement of Activities
Year Ended February 28, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 989,183	\$ 929	\$ 3,805	\$ -	\$ (984,449)
Public safety	4,759,820	123,344	-	-	(4,636,476)
Transportation	1,527,468	180,612	-	-	(1,346,856)
Culture and recreation	101,165	4,469	-	-	(96,696)
Home and community services	1,644,316	1,531,940	-	347,539	235,163
Interest	87,034	-	-	-	(87,034)
Total Governmental Activities	\$ 9,108,986	\$ 1,841,294	\$ 3,805	\$ 347,539	(6,916,348)
General revenues					
Real property taxes					3,565,284
Other tax items					
Payments in lieu of taxes					38,999
Interest and penalties on real property taxes					112
Non-property taxes					
Non-property tax distribution from County					959,696
Franchise fees					125,658
Utilities gross receipts taxes					58,143
Unrestricted State aid					67,766
Miscellaneous					154,539
Total General Revenues					4,970,197
Change in Net Position					(1,946,151)
NET POSITION					
Beginning					4,521,172
Ending					\$ 2,575,021

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

Village of Washingtonville, New York

Balance Sheet
Governmental Funds
February 28, 2021

	General	Water	Sewer
ASSETS			
Cash and equivalents	\$ 348,387	\$ 131,460	\$ 143,890
Restricted cash	-	-	-
Receivables			
Water rents	-	195,631	-
Sewer rents	-	-	270,483
Due from other governments	166,148	-	-
Due from other funds	586	-	-
Advances to other funds	1,395,000	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 1,910,121</u>	<u>\$ 327,091</u>	<u>\$ 414,373</u>
LIABILITIES AND FUND BALANCE (DEFICITS)			
Liabilities			
Accounts payable	\$ 83,683	\$ 20,930	\$ 71,289
Due to other governments	593,230	-	-
Due to retirement systems	416,436	-	-
Due to other funds	35,356	586	-
Advances from other funds	-	-	-
Deposits payable	203,918	-	-
Unearned revenues	-	74,580	100,125
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>1,332,623</u>	<u>96,096</u>	<u>171,414</u>
Fund balances (deficits)			
Nonspendable	1,395,000	-	-
Assigned	-	230,995	242,959
Unassigned	(817,502)	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances (Deficits)	<u>577,498</u>	<u>230,995</u>	<u>242,959</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,910,121</u>	<u>\$ 327,091</u>	<u>\$ 414,373</u>

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

Capital Projects	Recreation	Total Governmental Funds
\$ 50,383	\$ 5,565	\$ 679,685
159,722	-	159,722
-	-	195,631
-	-	270,483
-	-	166,148
-	35,356	35,942
-	-	1,395,000
<u>\$ 210,105</u>	<u>\$ 40,921</u>	<u>\$ 2,902,611</u>

\$ 220,961	\$ -	\$ 396,863
-	-	593,230
-	-	416,436
-	-	35,942
1,395,000	-	1,395,000
-	-	203,918
-	-	174,705
<u>1,615,961</u>	<u>-</u>	<u>3,216,094</u>

-	-	1,395,000
-	40,921	514,875
<u>(1,405,856)</u>	<u>-</u>	<u>(2,223,358)</u>
<u>(1,405,856)</u>	<u>40,921</u>	<u>(313,483)</u>

<u>\$ 210,105</u>	<u>\$ 40,921</u>	<u>\$ 2,902,611</u>
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Village of Washingtonville, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position February 28, 2021

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

Fund Balances - Total Governmental Funds	<u>\$ (313,483)</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	3,599,743
Capital assets - depreciable	31,765,383
Accumulated depreciation	<u>(11,812,918)</u>
	<u>23,552,208</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	2,206,190
Deferred outflows - OPEB related	2,221,666
Deferred inflows - pension related	(108,037)
Deferred inflows - OPEB related	<u>(964,131)</u>
	<u>3,355,688</u>
Long-term and other liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(33,927)
General obligation bonds payable	(11,113,204)
Bond anticipation notes payable	(1,105,000)
Capital lease payable	(108,998)
Compensated absences	(336,151)
Net pension liability - ERS	(516,492)
Net pension liability - PFRS	(2,021,190)
Total OPEB liability	<u>(8,784,430)</u>
	<u>(24,019,392)</u>
Net Position of Governmental Activities	<u><u>\$ 2,575,021</u></u>

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

Village of Washingtonville, New York

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended February 28, 2021

	General	Water	Sewer
REVENUES			
Real property taxes	\$ 3,565,284	\$ -	\$ -
Other tax items	39,111	-	-
Non-property taxes	1,143,497	-	-
Departmental income	14,659	642,501	879,739
Intergovernmental revenue	22,126	-	-
Licenses and permits	180,612	-	-
Fines and forfeitures	101,218	-	-
State aid	67,766	-	-
Miscellaneous	154,539	-	-
Total Revenues	5,288,812	642,501	879,739
EXPENDITURES			
Current			
General government support	660,976	-	-
Public safety	2,115,715	-	-
Transportation	916,791	-	-
Culture and recreation	60,661	-	-
Home and community services	8,322	375,180	647,757
Employee benefits	1,834,397	-	-
Debt service			
Principal	145,929	125,000	169,570
Interest	32,099	10,487	34,226
Capital outlay	-	-	-
Total Expenditures	5,774,890	510,667	851,553
Excess (Deficiency) of Revenues Over Expenditures	(486,078)	131,834	28,186
OTHER FINANCING SOURCES (USES)			
Bond anticipation notes issued	-	-	-
Capital leases issued	-	-	-
Insurance recoveries	3,805	-	-
Transfers in	875,000	-	-
Transfers out	(20,000)	-	-
Total Other Financing Sources	858,805	-	-
Net Change in Fund Balances	372,727	131,834	28,186
FUND BALANCES (DEFICITS)			
Beginning of Year	204,771	99,161	214,773
End of Year	\$ 577,498	\$ 230,995	\$ 242,959

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

Capital Projects	Recreation	Total Governmental Funds
\$ -	\$ -	\$ 3,565,284
-	-	39,111
-	-	1,143,497
-	-	1,536,899
-	-	22,126
-	-	180,612
-	-	101,218
347,539	-	415,305
-	439	154,978
347,539	439	7,159,030
-	-	660,976
-	-	2,115,715
-	-	916,791
-	-	60,661
-	-	1,031,259
-	-	1,834,397
-	-	440,499
-	-	76,812
2,406,816	-	2,406,816
2,406,816	-	9,543,926
(2,059,277)	439	(2,384,896)
2,080,312	-	2,080,312
147,715	-	147,715
-	-	3,805
20,000	-	895,000
(875,000)	-	(895,000)
1,373,027	-	2,231,832
(686,250)	439	(153,064)
(719,606)	40,482	(160,419)
\$ (1,405,856)	\$ 40,921	\$ (313,483)

Village of Washingtonville, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended February 28, 2021

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

Net Change in Fund Balances - Total Governmental Funds	\$ (153,064)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	2,039,747
Depreciation expense	<u>(869,936)</u>
	<u>1,169,811</u>

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

Bond anticipation notes issued	(2,080,312)
Capital leases issued	(147,715)
Principal paid on general obligation bonds	200,000
Principal paid on bond anticipation notes	148,500
Principal paid on capital leases	<u>91,999</u>
	<u>(1,787,528)</u>

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

Accrued interest	(10,222)
Changes in pension liabilities and related deferred outflows and inflows of resources	(530,471)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(634,677)</u>
	<u>(1,175,370)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (1,946,151)</u></u>
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The notes to the financial statements are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

The Village of Washingtonville, New York ("Village") was established in 1895 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Mayor serves as the Chief Executive Officer and the Chief Fiscal Officer. The Village provides the following services to its residents: public safety, transportation, culture and recreation, home and community services and general government support.

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

A. Financial Reporting Entity

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

B. Government-Wide Financial Statements

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

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

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. The Village has elected to treat each governmental fund as a major fund as provided by the provisions of GASB Statement No. 34 *“Basic Financial Statements – and Management’s Discussion and Analysis – For State and Local Governments”*. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements’ governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village’s resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

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

General Fund - The General Fund constitutes the primary fund of the Village in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

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

Water Fund - The Water Fund is used to record the water utility operations of the Village, which renders services on a user charge basis.

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

Recreation Fund - The Recreation Fund is used to account for recreational activities financed from related charges and fees.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Village has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Investments - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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

Risk Disclosure

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

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at February 28, 2021.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Village does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The Village's investment policy limits the amount on deposit at each of its banking institutions.

Restricted Cash - Restricted cash in the Capital Projects Fund consists of funds held in escrow by a State Agency.

Note 1 - Summary of Significant Accounting Policies (Continued)

Taxes Receivable - Village real property taxes are levied annually on March 1, and become a lien on that date. Taxes are collected during the period March 1 to March 31 at face value and from April 1 to October 31 with interest added. The uncollected balance is then sent to the County of Orange, New York ("County") and the Village is thereby assured of 100% tax collection. Responsibility for the collection of unpaid taxes rests with the County.

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

Due From/To Other Funds - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of February 28, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of donation.

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

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

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	20-50
Machinery and Equipment	3-20
Infrastructure	15-50

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

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

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

The Village reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the government-wide financial statements. These amounts are detailed in the discussion of the Village's pension and other postemployment benefit liabilities in Note 3D.

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

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

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

Net Pension Liability- The net pension liability represents the Village's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension

Note 1 - Summary of Significant Accounting Policies (Continued)

Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68”.

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

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

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

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

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

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

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

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity’s highest level of decision making authority. The Board of Trustees is the highest level of decision making authority for the Village that can,

Note 1 - Summary of Significant Accounting Policies (Continued)

by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board of Trustees.

Assigned fund balance, in the General Fund, represents amounts constrained either by the policies of the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

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

F. Encumbrances

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

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is August 16, 2024.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The Village generally follows the procedures enumerated below in establishing the budgetary process. Management has omitted the budgetary comparison information that accounting principles generally accepted in the United States of America requires to be presented to supplement the financial statements. Such missing information, although not 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.

- a) On or before December 20, the budget officer submits a tentative operating budget for the fiscal year commencing the following March 1st to the Village Clerk. The tentative budget includes proposed expenditures and the means of financing.
- b) On or before December 31, the Village Clerk presents the tentative budget to the Board of Trustees.
- c) On or before January 20, the Board of Trustees conducts public hearing(s) on the tentative budget to obtain taxpayer comments.
- d) After the public hearing(s) and on or before February 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for General, Water and Sewer funds.
- f) Budgets for General, Water and Sewer funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted by the Board of Trustees for the Recreation Fund.
- g) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board. However, the Mayor is authorized to transfer certain budgeted amounts within departments.
- h) Appropriations in General, Water and Sewer funds lapse at the end of the fiscal year, except outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the Board of Trustees.

B. Property Tax Limitations

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five-year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2020-2021 was \$8,167,057 which exceeded the actual levy (inclusive of exclusions) by \$4,779,505.

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board of Trustees may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

C. Fund Deficits

The Capital Projects Fund had an unassigned deficit of \$(1,405,856) at February 28, 2021. The Village addressed this deficit in October 2023 through the issuance of a New York State approved deficit bond anticipation note that will be refinanced on a long-term basis in 2025.

Note 3 - Detailed Notes on All Funds

A. Interfund Receivables/Payables

The balances reflected as due from/to other funds at February 28, 2021 were as follows:

Due From Other Funds	Due To Other Funds		
	General	Water	Total
General	\$ -	\$ 586	\$ 586
Recreation	35,356	-	35,356
	<u>\$ 35,356</u>	<u>\$ 586</u>	<u>\$ 35,942</u>

Village of Washingtonville, New York

Notes to Financial Statements (Continued)

February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

<u>Advance To Other Funds</u>	<u>Advance From Other Funds Capital Projects</u>
General	<u>\$ 1,395,000</u>

The advances payable to the General Fund from the Capital Projects Fund relate to working capital loans. This is an estimate of the balance not expected to be collected in the subsequent year.

B. Capital Assets

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

	<u>Balance March 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance February 28, 2021</u>
Capital Assets, not being depreciated:				
Land	\$ 3,599,743	\$ -	\$ -	\$ 3,599,743
Construction-in-progress	13,099,844	2,129,766	15,229,610	-
Total Capital Assets, not being depreciated	<u>\$ 16,699,587</u>	<u>\$ 2,129,766</u>	<u>\$ 15,229,610</u>	<u>\$ 3,599,743</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 4,462,800	\$ 182,005	\$ -	\$ 4,644,805
Machinery and equipment	4,189,092	158,015	24,500	4,322,607
Infrastructure	7,998,400	14,799,571	-	22,797,971
Total Capital Assets, being depreciated	<u>16,650,292</u>	<u>15,139,591</u>	<u>24,500</u>	<u>31,765,383</u>
Less Accumulated Depreciation for:				
Buildings and improvements	2,923,028	114,209	-	3,037,237
Machinery and equipment	3,392,259	113,442	24,500	3,481,201
Infrastructure	4,652,195	642,285	-	5,294,480
Total Accumulated Depreciation	<u>10,967,482</u>	<u>869,936</u>	<u>24,500</u>	<u>11,812,918</u>
Total Capital Assets, being depreciated, net	<u>\$ 5,682,810</u>	<u>\$ 14,269,655</u>	<u>\$ -</u>	<u>\$ 19,952,465</u>
Capital Assets, net	<u>\$ 22,382,397</u>	<u>\$ 16,399,421</u>	<u>\$ 15,229,610</u>	<u>\$ 23,552,208</u>

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 88,236
Public Safety	110,316
Transportation	43,976
Culture and Recreation	14,351
Home and Community Services	613,057
	<u>\$ 869,936</u>

C. Short-Term Capital Borrowings - Bond Anticipation Notes

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

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance March 1, 2020	New Issues	Redemptions	Balance February 28, 2021
Various	08/21/19	n/a	n/a %	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ -</u>

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

Interest expenditures/expense of \$29,414 were recorded in the fund financial statements in the General Fund and in the government-wide financial statements for governmental activities.

D. Long-Term Liabilities

The changes in the Village's long-term indebtedness during the year ended February 28, 2021 are summarized as follows:

	Balance March 1, 2020	New Issues/ Additions	Maturities and/or Payments	Balance February 28, 2021	Due Within One Year
General Obligation Bonds Payable	<u>\$ 1,630,000</u>	<u>\$ 9,683,204</u>	<u>\$ 200,000</u>	<u>\$ 11,113,204</u>	<u>\$ 500,000</u>
Bond Anticipation Notes Payable	<u>8,856,392</u>	<u>2,080,312</u>	<u>9,831,704</u>	<u>1,105,000</u>	<u>1,105,000</u>
Capital Leases Payable	<u>53,282</u>	<u>147,715</u>	<u>91,999</u>	<u>108,998</u>	<u>59,833</u>
Other Non-Current Liabilities:					
Net Pension Liability - ERS	151,605	364,887	-	516,492	-
Net Pension Liability - PFRS	513,185	1,508,005	-	2,021,190	-
Compensated Absences	336,151	-	-	336,151	34,000
Other Postemployment Benefit Liability	<u>7,194,551</u>	<u>1,679,387</u>	<u>89,508</u>	<u>8,784,430</u>	<u>-</u>
Total Long-Term Liabilities	<u>\$ 18,735,166</u>	<u>\$ 15,463,510</u>	<u>\$ 10,213,211</u>	<u>\$ 23,985,465</u>	<u>\$ 1,698,833</u>

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Each governmental fund's liability for net pension liability, compensated absences and other postemployment benefit liability is liquidated by the General, Water and Sewer funds. The Village's indebtedness for general obligation bonds is liquidated by the General and Water Funds and the bond anticipation notes is liquidated by the Capital Projects Fund.

General Obligation Bonds Payable

General obligation bonds payable at February 28, 2021 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at February 28, 2021
Various Purposes	2006	\$ 1,415,000	August, 2021	4.125 %	\$ 130,000
Various Purposes	2018	1,495,000	March, 2034	3.000-3.125	1,300,000
NYS EFC Series 2020B	2021	9,683,204	October, 2050	0.230-2.917	9,683,204
					<u>\$ 11,113,204</u>

Interest expenditures of \$10,487 and \$11,492 were recorded in the fund financial statements in the Water and Sewer Funds, respectively. Interest expense of \$20,640 was recorded in the government-wide financial statements for governmental activities.

Bond Anticipation Notes Payable

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance March 1, 2020	New Issues	Redemptions	Balance at February 28, 2021
Waste Water Treatment Plant	10/25/18	12/31/20	Variable	\$ 8,856,392	\$ 975,312	\$ 9,831,704	\$ -
Various Purposes	08/19/20	08/19/21	1.25%	-	1,105,000	-	1,105,000
				<u>\$ 8,856,392</u>	<u>\$ 2,080,312</u>	<u>\$ 9,831,704</u>	<u>\$ 1,105,000</u>

The Village, pursuant to GASB guidance, has not recorded these liabilities in the fund financial statements since it has demonstrated an ability to consummate refinancing. The ability to consummate refinancing was evidenced by obtaining permanent financing or a renewal of the notes prior to the issuance of the financial statements (See Note 6).

Interest expenditures of \$22,734 were recorded in the fund financial statements in the General Fund and in the government-wide financial statements. Interest expense of \$34,295 was recorded in the government-wide financial statements for governmental activities.

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Capital Leases Payable

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at February 28, 2021
Dodge Charger	2020	\$ 41,584	September, 2021	6.90 %	\$ 13,841
Ford F150 Responder	2021	52,774	March, 2022	6.90	33,997
Two Ford Police Interceptor	2021	94,941	May, 2022	6.90	61,160
					<u>\$ 108,998</u>

Interest expenditures/expense of \$2,685 were recorded in the fund financial statements in the General Fund and in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded, bond anticipation notes and capital lease debt outstanding as of February 28, 2021, including interest payments of \$2,519,850 are as follows:

Year Ending February 28/29,	General Obligation Bonds		Bond Anticipation Notes		Capital Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 500,000	\$ 129,240	\$ 1,105,000	\$ 13,813	\$ 59,833	\$ 7,521	\$ 1,664,833	\$ 150,574
2023	368,204	148,833	-	-	49,165	3,392	417,369	152,225
2024	380,000	145,423	-	-	-	-	380,000	145,423
2025	385,000	141,822	-	-	-	-	385,000	141,822
2026	385,000	138,117	-	-	-	-	385,000	138,117
2027-2031	1,985,000	627,498	-	-	-	-	1,985,000	627,498
2032-2036	1,995,000	490,241	-	-	-	-	1,995,000	490,241
2037-2041	1,630,000	359,349	-	-	-	-	1,630,000	359,349
2042-2046	1,700,000	229,146	-	-	-	-	1,700,000	229,146
2047-2051	1,785,000	85,455	-	-	-	-	1,785,000	85,455
	<u>\$ 11,113,204</u>	<u>\$ 2,495,124</u>	<u>\$ 1,105,000</u>	<u>\$ 13,813</u>	<u>\$ 108,998</u>	<u>\$ 10,913</u>	<u>\$ 12,327,202</u>	<u>\$ 2,519,850</u>

The above general obligation bonds and bond anticipation notes are direct obligations of the Village for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property located within the Village.

Legal Debt Margin

The Village is subject to legal limitations on the amount of debt that it may issue. The Village's legal debt margin is 7% of the five year average full valuation of taxable real property.

Pension Plans

New York State and Local Retirement System

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These are cost-sharing, multiple-employer defined benefit pension plans. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held

Village of Washingtonville, New York

Notes to Financial Statements (Continued)

February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Village also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2021 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	4 A15	16.0%
	6 A15	9.5
PFRS	2 375G	18.1%
	2 384D	25.6
	5 384D	21.0
	6 384D	15.7

At February 28, 2021, the Village reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2020	March 31, 2020
Net pension liability	\$ 516,492	\$ 2,021,190
Villages' proportion of the net pension liability	0.0019505 %	0.0378150 %
Change in proportion since the prior measurement date	(0.0001892) %	0.0072148 %

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The net pension liability was measured as of March 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended February 28, 2021, the Village recognized pension expense in the government-wide financial statements of \$981,002 (\$204,894 for ERS and \$776,108 for PFRS). Pension expenditures of \$126,739 for ERS and \$323,792 for PFRS were recorded in the fund financial statements and were charged to the General Fund.

At February 28, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 30,398	\$ -	\$ 134,590	\$ 33,855
Changes of assumptions	10,400	8,980	172,763	-
Net difference between projected and actual earnings on pension plan investments	264,779	-	910,205	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	81,301	19,186	185,318	46,016
Village contributions subsequent to the measurement date	117,212	-	299,224	-
	<u>\$ 504,090</u>	<u>\$ 28,166</u>	<u>\$ 1,702,100</u>	<u>\$ 79,871</u>
Total				
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 164,988	\$ 33,855		
Changes of assumptions	183,163	8,980		
Net difference between projected and actual earnings on pension plan investments	1,174,984	-		
Changes in proportion and differences between Village contributions and proportionate share of contributions	266,619	65,202		
Village contributions subsequent to the measurement date	416,436	-		
	<u>\$ 2,206,190</u>	<u>\$ 108,037</u>		

Village of Washingtonville, New York

Notes to Financial Statements (Continued)

February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

\$117,212 and \$299,224 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended February 28/29,	ERS	PFRS
2022	\$ 75,416	\$ 305,206
2023	93,389	309,779
2024	107,817	376,918
2025	82,090	308,502
2026	-	22,600
	<u>\$ 358,712</u>	<u>\$ 1,323,005</u>

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

	ERS	PFRS
Measurement Date	March 31, 2020	March 31, 2020
Actuarial valuation date	April 1, 2019	April 1, 2019
Investment rate of return	6.8% *	6.8% *
Salary scale	4.2%	5.0%
Inflation rate	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

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

Annuitant mortality rates are based on the April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018.

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

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

Village of Washingtonville, New York

Notes to Financial Statements (Continued)

February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	36 %	4.05 %
International Equity	14	6.15
Private Equity	10	6.75
Real Estate	10	4.95
Absolute Return Strategies	2	3.25
Opportunistic Portfolio	3	4.65
Real Assets	3	5.95
Bonds and Mortgages	17	0.75
Cash	1	-
Inflation Indexed Bonds	4	0.50
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%.

The discount rate used to calculate the total pension liability was 6.8%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 6.8%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.8%) or 1 percentage point higher (7.8%) than the current rate:

	<u>1% Decrease (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase (7.8%)</u>
Village's proportionate share of the ERS net pension liability	<u>\$ 947,909</u>	<u>\$ 516,492</u>	<u>\$ 119,155</u>
Village's proportionate share of the PFRS net pension liability	<u>\$ 3,613,928</u>	<u>\$ 2,021,190</u>	<u>\$ 594,856</u>

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The components of the collective net pension liability as of the March 31, 2020 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 194,596,261,000	\$ 35,309,017,000	\$ 229,905,278,000
Fiduciary net position	168,115,682,000	29,964,080,000	198,079,762,000
Employers' net pension liability	<u>\$ 26,480,579,000</u>	<u>\$ 5,344,937,000</u>	<u>\$ 31,825,516,000</u>
Fiduciary net position as a percentage of total pension liability	<u>86.39%</u>	<u>84.86%</u>	<u>86.16%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of February 28, 2021 represent the employer contribution for the period of April 1, 2020 through February 28, 2021 based on paid ERS and PFRS wages multiplied by the employers' contribution rate, by tier.

Voluntary Defined Contribution Plan

The Village can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the Village will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Compensated Absences

Under the terms of existing collective bargaining agreements, employees are entitled to accumulate sick and vacation leave based upon the terms of their respective collective bargaining agreements. Payments upon separation of service varies with each agreement. The Village's liability for accumulated sick and vacation leave has been recorded in the government-wide financial statements.

Other Postemployment Benefit Obligations ("OPEB")

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Village and the retired employee as noted below. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

Village of Washingtonville, New York

Notes to Financial Statements (Continued)
February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At February 28, 2021, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	8
Active employees	<u>27</u>
	<u>35</u>

The Village's total OPEB liability of \$8,784,430 was measured as of February 28, 2021, and was determined by an actuarial valuation as of March 1, 2020.

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

Salary increases	3.00%
Discount rate	1.21%
Healthcare cost trend rates	8.0% for 2021, decreasing to an ultimate rate of 5.0% for 2027 and later years
Retirees' share of benefit-related costs	Varies from 10% to 100%, depending on applicable retirement year and bargaining unit

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

Mortality rates were based on the RP-2006 mortality table projected fully generationally using projection scale MP-2020.

The actuarial assumptions used in the March 1, 2020 valuation were based on published municipal bond indices.

The Village's change in the total OPEB liability for the year ended February 28, 2021 is as follows:

Total OPEB Liability - Beginning of Year	\$ 7,194,551
Service Cost	352,549
Interest	178,745
Changes of benefit terms	-
Differences between expected and actual experience	(333,604)
Changes in assumptions or other inputs	1,481,697
Benefit payments	<u>(89,508)</u>
Total OPEB Liability - End of Year	<u>\$ 8,784,430</u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (0.21%) or 1 percentage point higher (2.21%) than the current discount rate:

	1% Decrease (0.21%)	Current Discount Rate (1.21%)	1% Increase (2.21%)
Total OPEB Liability	<u>\$ 9,933,173</u>	<u>\$ 8,784,430</u>	<u>\$ 7,635,686</u>

Village of Washingtonville, New York

Notes to Financial Statements (Continued)

February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

	1% Decrease (7.0% decreasing to 4.0%)	Current Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 6,950,145</u>	<u>\$ 8,784,430</u>	<u>\$ 11,058,310</u>

For the year ended February 28, 2021, the Village recognized OPEB expense of \$724,185 in the government-wide financial statements. At February 28, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 2,221,666	\$ -
Differences between expected and actual experience	<u>-</u>	<u>964,131</u>
	<u>\$ 2,221,666</u>	<u>\$ 964,131</u>

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

Year Ended February 28/29,	
2022	\$ 192,892
2023	192,892
2024	192,892
2025	192,892
2026	192,892
Thereafter	<u>293,075</u>
	<u>\$ 1,257,535</u>

Village of Washingtonville, New York

Notes to Financial Statements (Continued)

February 28, 2021

Note 3 - Detailed Notes on All Funds (Continued)

E. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers In		Total
	General Fund	Capital Projects Fund	
General Fund	\$ -	\$ 20,000	\$ 20,000
Capital Projects Fund	875,000	-	875,000
	<u>\$ 875,000</u>	<u>\$ 20,000</u>	<u>\$ 895,000</u>

Transfers are used to 1) move funds earmarked in the operating funds to fulfill commitments for the Capital Projects Fund and 2) move amounts in the Capital Projects Fund to the General Fund for reimbursement of capital expenditures incurred in the General Fund.

F. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended bond proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

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

G. Fund Balances

	General Fund	Water Fund	Sewer Fund	Capital Projects Fund	Recreation Fund	Total
Nonspendable						
Advances	\$ 1,395,000	\$ -	\$ -	\$ -	\$ -	\$ 1,395,000
Assigned						
Sewer	\$ -	\$ -	\$ 242,959	\$ -	\$ -	\$ 242,959
Water	-	230,995	-	-	-	230,995
Recreation	-	-	-	-	40,921	40,921
Total Assigned	-	230,995	242,959	-	40,921	514,875
Unassigned	(817,502)	-	-	(1,405,856)	-	(2,223,358)
Total Fund Balances (Deficits)	<u>\$ 577,498</u>	<u>\$ 230,995</u>	<u>\$ 242,959</u>	<u>\$ (1,405,856)</u>	<u>\$ 40,921</u>	<u>\$ (313,483)</u>

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described below.

Advances have been established to indicate the long-term nature of funds advanced to the Capital Projects Fund. The amounts are classified in the General Fund as nonspendable to indicate that these funds do not represent "available" spendable resources even though they are a component of current assets.

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Village is involved in various claims and lawsuits arising in the normal course of operations. Management believes any financial responsibility that may be incurred in settlement of such claims and lawsuits would not be material to the Village's financial position.

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

B. Contingencies

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. The amount of expenditures, which may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

C. Risk Management

The Village purchases various conventional insurance coverages to reduce its exposure to loss. The Village maintains general liability and public official's liability insurance coverage with policy limits of \$1 million per occurrence. In addition, the Village maintains an excess catastrophe liability policy with a coverage limit of \$15 million for each occurrence. The law enforcement liability policy provides coverage up to \$1 million. In addition, the Village purchases workers' compensation insurance with coverage at statutory limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 5 - Recently Issued GASB Pronouncements

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

GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*" provides guidance on the accounting and financial reporting for subscription-based information technology arrangements ("SBITAs") for government end users. This Statement defines a SBITA and establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding liability. The Statement also provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, as well as detailing the requirements for note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 101, "*Compensated Absences*" provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

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

Note 6 - Subsequent Events

On August 18, 2021, the Village issued a bond anticipation notes payable in the amount of \$1,025,000 with an interest rate of 0.3%

On August 17, 2022, the Village issued a bond anticipation notes payable in the amount of \$945,000 with an interest rate of 3.875%.

On October 5, 2023, the Village issued a deficit bond anticipation notes payable in the amount of \$4,400,000 with an interest rate of 7.25%.

Village of Washingtonville, New York

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

	February 28, 2021	February 29, 2020	February 28, 2019
Total OPEB Liability:			
Service cost	\$ 352,549	\$ 283,113	\$ 311,910
Interest	178,745	206,271	212,090
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(333,604)	(321,897)	(641,732)
Changes of assumptions or other inputs	1,481,697	1,223,538	-
Benefit payments	<u>(89,508)</u>	<u>(46,694)</u>	<u>(46,576)</u>
Net Change in Total OPEB Liability	1,589,879	1,344,331	(164,308)
Total OPEB Liability – Beginning of Year	<u>7,194,551</u>	<u>5,850,220</u>	<u>6,014,528</u> (3)
Total OPEB Liability – End of Year	<u>\$ 8,784,430</u>	<u>\$ 7,194,551</u>	<u>\$ 5,850,220</u>
Village's covered-employee payroll	<u>\$ 2,609,071</u>	<u>\$ 2,628,975</u>	<u>\$ 2,412,346</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>336.69%</u>	<u>273.66%</u>	<u>242.51%</u>
Discount Rate	<u>1.21%</u>	<u>2.50%</u>	<u>3.54%</u>

Notes to Schedule:

(1) Data not available prior to fiscal year 2019 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.

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

Village of Washingtonville, New York

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

Schedule of the Village's Proportionate Share of the Net Pension Liability (2)

	March 31, 2020 (3)	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Village's proportion of the net pension liability	0.0019505%	0.0021397%	0.0021926%	0.0025417%	0.0025886%	0.0025509%
Village's proportionate share of the net pension liability	\$ 516,492	\$ 151,605	\$ 70,765	\$ 238,828	\$ 415,478	\$ 86,174
Village's covered payroll	\$ 798,892	\$ 750,027	\$ 712,277	\$ 948,978	\$ 924,385	\$ 941,955
Village's proportionate share of the net pension liability as a percentage of its covered payroll	64.65%	20.21%	9.94%	25.17%	44.95%	9.15%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%
Discount Rate	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%

Schedule of Contributions

	February 28, 2021	February 29, 2020	February 28, 2019	February 28, 2018	February 28, 2017	February 29, 2016
Contractually required contribution	\$ 113,621	\$ 122,152	\$ 139,574	\$ 135,474	\$ 142,272	\$ 121,122
Contributions in relation to the contractually required contribution	(113,621)	(122,152)	(139,574)	(135,474)	(142,272)	(121,122)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 798,892	\$ 750,027	\$ 725,429	\$ 948,978	\$ 924,385	\$ 941,955
Contributions as a percentage of covered payroll	14.22%	16.29%	19.24%	14.28%	15.39%	12.86%

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

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

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

Village of Washingtonville, New York

Required Supplementary Information - Schedule of the
Village's Proportionate Share of the Net Pension Liability
New York State and Local Police and Fire Retirement System
Last Ten Fiscal Years (1)

Schedule of the Village's Proportionate Share of the Net Pension Liability (2)

	March 31, 2020 (3)	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Village's proportion of the net pension liability	0.0378150%	0.0306002%	0.0291053%	0.0322109%	0.0356626%	0.0294486%
Village's proportionate share of the net pension liability	\$ 2,021,190	\$ 513,185	\$ 294,184	\$ 667,621	\$ 1,055,895	\$ 81,060
Village's covered payroll	\$ 1,499,605	\$ 1,364,869	\$ 1,387,451	\$ 1,551,022	\$ 1,580,943	\$ 1,502,071
Village's proportionate share of the net pension liability as a percentage of its covered payroll	134.78%	37.60%	21.20%	43.04%	66.79%	5.40%
Plan fiduciary net position as a percentage of the total pension liability	84.86%	95.09%	96.93%	93.50%	90.20%	99.00%
Discount rate	6.80%	7.00%	7.00%	7.00%	7.00%	7.50%

Schedule of Contributions

	February 28, 2021	February 29, 2020	February 28, 2019	February 28, 2018	February 28, 2017	February 29, 2016
Contractually required contribution	\$ 293,067	\$ 300,139	\$ 347,163	\$ 307,195	\$ 307,195	\$ 277,506
Contributions in relation to the contractually required contribution	(293,067)	(300,139)	(347,163)	(307,195)	(307,195)	(277,506)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 1,499,605	\$ 1,364,869	\$ 1,412,728	\$ 1,551,022	\$ 1,580,943	\$ 1,502,071
Contributions as a percentage of covered payroll	19.54%	21.99%	24.57%	19.81%	19.43%	18.47%

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

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

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