

**INCORPORATED VILLAGE OF  
NORTH HAVEN**

**COUNTY OF SUFFOLK - STATE OF NEW YORK**

*FINANCIAL STATEMENTS*  
Year Ended May 31, 2021

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
Year Ended May 31, 2021**

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## **INDEPENDENT AUDITORS' REPORT**

To the Honorable Mayor and Board of Trustees of the  
Incorporated Village of North Haven:

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

We have audited the accompanying financial statements of the governmental activities and each major fund of the Incorporated Village of North Haven (the "Village"), as of and for the year ended May 31, 2021 and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we express no such opinion. An audit 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 opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Incorporated Village of North Haven, as of May 31, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1 to the financial statements, the Village has restated opening fund balance to correct a misstatement. Our opinion is not modified with respect to this matter.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in the total OPEB liability and related ratios, budgetary comparison information, the schedule of the Village's proportionate share of the net pension liability, and the schedule of the Village's contributions – ERS, be presented to supplement the basic financial statements. Such information, although are 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. 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 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.



Satty, Levine & Ciacco, CPAs P.C.  
Melville, New York  
January 31, 2022

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)  
MAY 31, 2021**

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As management of the Incorporated Village of North Haven (the "Village"), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2021. Please read it in conjunction with the financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

As reflected in the government-wide financial statements, the assets and deferred outflows of resources of the Village exceeded its liabilities and deferred inflows of resources at May 31, 2021 fiscal year by \$2,689,627 (net position), of which \$862,415 is unrestricted and may be used to meet the Village's ongoing obligations to citizens and creditors in accordance with the Village's fund designation and fiscal policies.

As reflected in the fund financial statements as of the close of the current fiscal year, the Village's government funds reported an ending fund balance of \$1,649,219. Of this amount, \$392,688 is nonspendable, \$62,434 is restricted, \$251,637 is assigned, and \$942,460 is unassigned.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

The Statement of Net Position presents information on all of the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future years.

The government-wide financial statements distinguish functions and programs of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from programs that are intended to recover all or a significant portion of their costs through user fees and charges.

The governmental activities of the Village include general government support, building department, contracted fire services, roads and highways and parks and recreation.

The government-wide financial statements can be found on pages 10 and 11 of this report.

**Fund Financial Statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental and fiduciary funds.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)  
MAY 31, 2021**

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**Governmental Funds** – Governmental funds are used to account for essentially the same functions and programs reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statements of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains two governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, and Special Revenue Fund.

The Village adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements and reconciliations can be found on pages 12 – 15 of this report.

**Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Village's own programs.

The village has no fiduciary funds to report.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 - 32 of this report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$2,689,627 at the close of the most recent fiscal year.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)  
MAY 31, 2021**

**VILLAGE'S NET POSITION**

	<b>Governmental Activities</b>		
	<b>2021</b>	<b>2020</b>	<b>Increase (Decrease)</b>
Current and other assets	\$ 1,792,808	\$ 952,130	\$ 840,678
Capital assets	1,764,778	1,775,501	(10,723)
Total assets	3,557,586	2,727,631	829,955
Deferred outflows of resources	272,967	199,887	73,080
Total assets and deferred outflows of resources	3,830,553	2,927,518	903,035
Current liabilities	116,363	40,587	75,776
Non-current liabilities	769,183	867,943	(98,760)
Total liabilities	885,546	908,530	(22,984)
Deferred inflows of resources	255,380	7,263	248,117
Total liabilities and deferred inflows of resources	1,140,926	915,793	225,133
Net position:			
Net investment in capital assets	1,764,778	1,775,501	(10,723)
Restricted	62,434	26,071	36,363
Unrestricted	862,415	210,153	652,262
Total net position	\$ 2,689,627	\$ 2,011,725	\$ 677,902

Currently, the largest portion of the Village's net position of \$1,764,778 reflects its net investment in capital assets (e.g. land, buildings, improvements and machinery and equipment.). Capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the Village's net position, \$62,434, represents resources that are subject to external restrictions on how they may be used.

The remaining balance of unrestricted net position of \$862,415 may be used to meet the Village's ongoing obligations to citizens and creditors.

Current assets increased over the prior year by \$840,678, primarily as a result of an increase in prepaid expenses of \$385,391 (mostly due to a prior period adjustment) and an increase in cash of \$446,308 (mostly from revenues exceeding expenditures).

Deferred outflows of resources increased by \$73,080, both from pension and other postemployment benefits, primarily due to changes in actuary assumptions.

Current liabilities increased by \$75,776, mostly due to higher planning board deposits and maintenance bonds.

See independent auditors' report and notes to the financial statements.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)  
MAY 31, 2021**

Non-current liabilities decreased by \$98,760, due to a steep decline in the proportionate share of net pension liability, partially offset by an increase in the other postemployment benefits liability.

Deferred inflows of resources increased by \$248,117, primarily due to net differences between projected and actual earnings on pension plan investments.

The net investment in capital assets decreased from the prior year by \$10,723, primarily as a result of current year depreciation on capital assets exceeding current year asset additions. During the current fiscal year the Village expended \$54,318 on drainage and road repairs.

A portion of the Village's net position, \$62,434, represents resources that are subject to external restrictions on how they may be used. There was an increase of \$36,363, mostly due to transfers to the employee benefit reserve.

The remaining balance of unrestricted net position of \$862,415 may be used to meet the Village's ongoing obligations to citizens and creditors

**VILLAGE'S CHANGES IN NET POSITION**

	<b>Governmental Activities</b>		
	<b>2021</b>	<b>2020</b>	<b>Increase (Decrease)</b>
Revenues:			
Program revenues/charges for services	\$ 535,878	\$ 253,862	\$ 282,016
Capital grants	35,810	29,415	6,395
General revenues:			
Property taxes	1,221,422	1,000,333	221,089
Non-property taxes	54,067	27,594	26,473
Unrestricted investment earnings	1,619	9,047	(7,428)
State and federal aid	248,567	172,240	76,327
Miscellaneous	3,454	7,668	(4,214)
Total Revenues	<u>2,100,817</u>	<u>1,500,159</u>	<u>600,658</u>
Expenses:			
General government	606,140	738,798	(132,658)
Public safety	865,484	789,984	75,500
Transportation	127,802	118,319	9,483
Culture and recreation	67,971	46,816	21,155
Home and community	124,652	86,815	37,837
Total Expenses	<u>1,792,049</u>	<u>1,780,732</u>	<u>11,317</u>
Change in Net Position	308,768	(280,573)	589,341
Net Position – Beginning (restated)	<u>2,380,859</u>	<u>2,292,298</u>	<u>88,561</u>
Net Position – Ending	<u>\$ 2,689,627</u>	<u>\$ 2,011,725</u>	<u>\$ 677,902</u>

See independent auditors' report and notes to the financial statements.



**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)  
MAY 31, 2021**

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**Revenue Categories:**

Program Revenues – includes charges for services which provide a direct benefit to the purchaser, including fees for recreational and community events and building permits. Revenue contributed by external governments that are restricted to supporting these types of programs are also classified as program revenues as either operating or capital grants.

General Revenues – includes revenues that are available to fund the overall government and to provide a benefit to all taxpayers in the Village. This includes real property taxes and miscellaneous funds that may be generated during the course of the year, such as sales on excess equipment and insurance property loss claims received.

The Village's revenues increased by \$600,658. This increase is primarily due to increases in program revenues – mainly building permits which increased \$247,580 - and property taxes, which increased \$221,089 due to budgeted tax increases.

**Expense Categories:**

The Village's expenses increased by \$11,317, less than 1%. There were some variances among functions, but these were due primarily to current year reclassification of expenses.

**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

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

**Governmental Funds** – The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Village's net resources available for spending at the end of the year.

At the end of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$1,649,219 (an increase of \$737,676 in comparison to the prior year). Of this total amount \$942,460 constitutes unassigned fund balance, which is available for spending at the Village's discretion.

**General Fund** – The General Fund is the chief operating fund of the Village. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$942,460, while total fund balance reached \$1,623,120. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 56% of total fund expenditures, while total fund balance represents 96% of that total fund expenditures.

The fund balance of the Village's General Fund increased by \$737,664 during the current fiscal year. The key factors were a prior period adjustment of \$346,292 and higher building permit revenues.

**Special Revenue Fund** – The fund balance in the Special Revenue Fund increased during the current fiscal year by \$12. The key factor was interest income.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)  
MAY 31, 2021**

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**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Village's General Fund adopted budget for the fiscal year ended May 31, 2021 was \$1,834,500. The Village's General Fund final budget for the fiscal year ended May 31, 2021 was \$1,834,500.

The final budget was funded through a combination of anticipated revenues and designated fund balance. The major funding sources were real property taxes of \$1,206,910, licenses and permits of \$230,000, state aid of \$202,940, and appropriated fund balance of \$125,000.

The General Fund performed favorably compared to budgeted revenues and expenditures.

Actual revenues of \$2,096,420 compared to the final budget of \$1,709,500, resulted in a positive variance of \$386,920. The most significant part of the variance consisted of a surplus of licenses and permits of \$252,890.

Actual expenditures and encumbrances for the year were \$1,721,048 compared to the final budget of \$1,834,500 with a positive variance to budget of \$113,452. This variance is primarily the result of budgeted line items being less than projected, with public safety being the most favorable variance.

**CAPITAL ASSETS**

The Village's investment in capital assets for its governmental type activities as of May 31, 2021, amounts to \$1,764,778 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, infrastructure, structures, miscellaneous, and machinery and equipment.

<b><u>As of May 31,</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Land	\$ 805,944	\$ 805,944
Construction in Progress	-	5,004
Buildings	276,140	291,608
Infrastructure	378,681	345,646
Land improvements	12,964	14,200
Machinery and equipment	18,522	22,659
Miscellaneous	272,527	290,440
Totals	<u>\$ 1,764,778</u>	<u>\$ 1,775,501</u>

Additional information on the Village's capital assets is shown in Note 5 on page 24 of this report.

**DEBT ADMINISTRATION**

The Village borrows money in order to acquire land and equipment, and to construct buildings and improvements or infrastructure. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. As of May 31, 2021, the Village had no indebtedness for capital assets.

However, additional information on the Village's other long term liabilities is shown on Note 6 on page 25 of this report.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)  
MAY 31, 2021**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The 2022 budget appropriations are \$1,918,926 which is a 4.6% increase over the current year's budget. Most of the appropriations budget are equal to or less than the prior year with the exception of fire and ambulance protection contracts which increased by 9.4%, and the leaf pick up program which increased by 52% due to reinstituting overall leaf pick up for residents who reside on public roads. In addition, the animal control program costs have decreased by 32%. While the expenditure side of the budget increased, the Board of Trustees worked diligently to conform with the Property Tax Cap limit. Property tax collections will increase by \$42,124, about a 3.5% increase over the prior year. The Board also approved a special assessment to cover the cost of the leaf pick up program in the amount of \$49,500. With the appropriation of \$200,000 of unrestricted fund balance and the increase in taxable assessed value, the overall tax rate decreased by 4.07%.

**REQUEST FOR INFORMATION**

The financial report is designed to provide our citizens, customers, investors and creditors with general overview of the Village's finances and to show the Village's accountability for the money it receives. Questions concerning any information provided in this report should be addressed to the Village at 335 Ferry Road, Sag Harbor, NY 11963.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
STATEMENT OF NET POSITION  
MAY 31, 2021**

	<b>GOVERNMENTAL ACTIVITIES</b>
<b><u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u></b>	
<b>CURRENT ASSETS:</b>	
Cash	\$ 1,224,759
Restricted cash	62,434
Tax sale certificates	18,052
Due from other governments	84,215
Other receivables	10,660
Prepaid expenditures	392,688
TOTAL CURRENT ASSETS	<u>1,792,808</u>
<b>NON-CURRENT ASSETS:</b>	
Land	810,948
Other capital assets, net of depreciation	953,830
TOTAL NON-CURRENT ASSETS	<u>1,764,778</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Pension related benefits	176,588
Other postemployment benefits	96,379
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>272,967</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b><u>\$ 3,830,553</u></b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u></b>	
<b>CURRENT LIABILITIES:</b>	
Accounts payable and accrued liabilities	\$ 46,228
Due to retirement system	6,997
Deposits	63,138
TOTAL CURRENT LIABILITIES	<u>116,363</u>
<b>NON-CURRENT LIABILITIES:</b>	
Proportionate share of net pension liability	783
Compensated absences	40,396
Postemployment benefits other than pensions	728,004
TOTAL NON-CURRENT LIABILITIES	<u>769,183</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Pension related benefits	227,608
Other postemployment benefits	27,772
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>255,380</u>
<b>NET POSITION:</b>	
Net investment in capital assets	1,764,778
Restricted for:	
Employee benefits accrued liability reserve	36,335
Parkland Trust	26,099
Unrestricted	862,415
TOTAL NET POSITION	<u>2,689,627</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b><u>\$ 3,830,553</u></b>

See independent auditors report and notes to the financial statements.

INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
STATEMENT OF ACTIVITIES  
FOR THE YEARS ENDED MAY 31, 2021

FUNCTION/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION GOVERNMENTAL ACTIVITIES
		CHARGES FOR SERVICES	OPERATING GRANTS	CAPITAL GRANTS	
GOVERNMENTAL ACTIVITIES					
General government	\$ 606,140	\$ 25,363	\$ -	\$ -	\$ (580,777)
Public safety	865,484	479,890	-	-	(385,594)
Transportation	127,802	-	-	35,810	(91,992)
Culture and recreation	67,971	30,625	-	-	(37,346)
Home and community	124,652	-	-	-	(124,652)
TOTAL GOVERNMENTAL ACTIVITIES	<u>\$ 1,792,049</u>	<u>\$ 535,878</u>	<u>\$ -</u>	<u>\$ 35,810</u>	<u>(1,220,361)</u>
<b>GENERAL REVENUES:</b>					
Property taxes - levied for general purposes					1,205,497
Interest and penalties on real property tax items					15,925
Non-property tax items					54,067
Use of money and property					1,619
Other unclassified revenue					3,454
State and federal aid					248,567
TOTAL GENERAL REVENUES					<u>1,529,129</u>
CHANGE IN NET POSITION					308,768
NET POSITION - BEGINNING (as restated)					<u>2,380,859</u>
NET POSITION - ENDING					<u>\$ 2,689,627</u>

See independent auditors report and notes to the financial statements.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
GOVERNMENTAL FUNDS BALANCE SHEET  
MAY 31, 2021**

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	TOTAL
<b>ASSETS:</b>			
Cash	\$ 1,224,759	\$ -	\$ 1,224,759
Restricted cash	36,335	26,099	62,434
Tax sale certificates	18,052	-	18,052
Due from other governments	84,215	-	84,215
Other receivables	10,660	-	10,660
Prepaid expenditures	392,688	-	392,688
<b>TOTAL ASSETS</b>	<b>\$ 1,766,709</b>	<b>\$ 26,099</b>	<b>\$ 1,792,808</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>LIABILITIES:</b>			
Accounts payable and accrued liabilities	\$ 46,228	\$ -	\$ 46,228
Due to retirement systems	6,997	-	6,997
Deposits	63,138	-	63,138
<b>TOTAL LIABILITIES</b>	<b>116,363</b>	<b>-</b>	<b>116,363</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Unavailable revenues	27,226	-	27,226
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>143,589</b>	<b>-</b>	<b>143,589</b>
<b>FUND BALANCES:</b>			
Nonspendable:			
Prepaid expenses	392,688	-	392,688
Restricted:			
Parkland Trust	-	26,099	26,099
Employee benefits accrued liability reserve	36,335	-	36,335
Assigned:			
Park improvements	35,637	-	35,637
Encumbrances	16,000	-	16,000
Appropriated fund balance	200,000	-	200,000
Unassigned	942,460	-	942,460
<b>TOTAL FUND BALANCES</b>	<b>1,623,120</b>	<b>26,099</b>	<b>1,649,219</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 1,766,709</b>	<b>\$ 26,099</b>	<b>\$ 1,792,808</b>

See independent auditors report and notes to the financial statements.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
MAY 31, 2021**

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TOTAL GOVERNMENTAL FUND BALANCES	\$	1,649,219
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Amounts reported for governmental activities in the Statement of Net Position are different because

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.	1,764,778
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Receivables that will be collected in the future, but are not available within 60 days of year end, are deferred in the governmental funds balances sheet.	27,226
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.

Compensated Absences	(40,396)
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Proportionate share of long-term asset and liability, and deferred outflows and inflows associated with participation in the state retirement system are not current financial resources or obligations and are not reported in the governmental funds balance sheet.

Deferred outflows of resources	176,588	
Deferred inflows of resources	(227,608)	
Net pension liability - proportionate share	<u>(783)</u>	(51,803)

Long-term liabilities, and deferred outflows and inflows associated with other post-employment benefits are not current financial resources or obligations and are not reported in the governmental funds balance sheet.

Deferred outflows of resources	96,379	
Deferred inflows of resources	(27,772)	
Other post-employment benefits liability	<u>(728,004)</u>	(659,397)

NET POSITION OF GOVERNMENTAL ACTIVITIES:	\$	<u><u>2,689,627</u></u>
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**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEARS ENDED MAY 31, 2021**

	<b>GOVERNMENTAL FUND TYPES</b>		<b>TOTAL</b>
	<b>GENERAL</b>	<b>SPECIAL REVENUE</b>	
<b>REVENUES:</b>			
Real property taxes	\$ 1,210,287	\$ -	\$ 1,210,287
Interest and penalties on real property tax items	15,925	-	15,925
Non property tax items	54,067	-	54,067
Departmental income	52,988	-	52,988
Use of money and property	1,605	12	1,617
Licenses and permits	482,890	-	482,890
Other unclassified revenue	3,455	-	3,455
State and federal aid	275,203	-	275,203
<b>TOTAL REVENUES</b>	<b>2,096,420</b>	<b>12</b>	<b>2,096,432</b>
<b>EXPENDITURES:</b>			
General government support	435,369	-	435,369
Public safety	799,910	-	799,910
Transportation	138,047	-	138,047
Culture and recreation	43,620	-	43,620
Home and community services	124,368	-	124,368
Employee benefits	163,734	-	163,734
<b>TOTAL EXPENDITURES</b>	<b>1,705,048</b>	<b>-</b>	<b>1,705,048</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>391,372</b>	<b>12</b>	<b>391,384</b>
<b>FUND BALANCES - BEGINNING (as restated)</b>	<b>1,231,748</b>	<b>26,087</b>	<b>1,257,835</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 1,623,120</b>	<b>\$ 26,099</b>	<b>\$ 1,649,219</b>

See independent auditors report and notes to the financial statements.



**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEARS ENDED MAY 31, 2021**

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NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	391,384
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the government wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital asset additions	54,318	
Depreciation expense	<u>(65,041)</u>	(10,723)

Governmental funds report revenues not collected within 60 days of year end as deferred inflows until subsequently collected. These transactions are recorded as revenues when earned in the statement of activities.	4,383
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On the Statement of Activities the actual and projected long term expenditures for compensated absences are reported whereas on the governmental funds only the actual expenditures are recorded for compensated absences.	(18,303)
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Changes in the Village's other post-employment benefits liability, and changes to the Village's deferred outflows and inflows related to other post-employment benefits do not affect current financial resources and are also not reported in the governmental funds.

Deferred outflows of resources	30,100	
Deferred inflows of resources	(27,772)	
Other post-employment benefits liability	<u>(73,535)</u>	(71,207)

Changes in the Village's proportionate share of pension liability, and changes to the Village's deferred outflows and inflows related to pensions do not affect current financial resources and are also not reported in the governmental funds.

Deferred outflows of resources	42,980	
Deferred inflows of resources	(220,345)	
Net pension liability - proportionate share	<u>190,597</u>	13,232
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$</u>	<u>308,766</u>

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 1. Summary of Significant Accounting Policies**

**A. Organization**

The Incorporated Village of North Haven (the "Village") was incorporated in 1932. The Village operates under a Board of Trustees form of government and provides the following services as authorized by its charter: general government, building department, contracted fire services, roads and highways and parks and recreation.

The financial statements of the Village have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing governmental accounting and financial reporting principles for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Village are discussed below.

**B. Financial Reporting Entity**

The Village is governed by the Village Law and other General Laws of the State of New York and various local laws. The Board of Trustees (the "Board") is the legislative body responsible for overall operations. The Mayor serves as chief executive officer and the Treasurer serves as chief fiscal officer.

All governmental activities and function/programs performed for the Village are its direct responsibility. No other governmental organizations have been included or excluded from the reporting entity.

The financial reporting consists of (a) the primary government which is the Village, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement No. 61.

**C. Basis of Presentation**

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 basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic resource measurement focus of the Statement of Activities, compared with the current financial measurement focus of the governmental funds.

**Government-wide Financial Statements**

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the activities of the Village. The effect of interfund activity, within the governmental column, has been removed from these statements.

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net position is reported in three components-net investment in capital assets; restricted net position; and unrestricted net position. The Village first utilizes restricted resources to finance qualifying activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other tax items are not included in program revenues but are reported instead as general revenues.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 1. Summary of Significant Accounting Policies** (continued)

**C. Basis of Presentation** (continued)

**Fund Financial Statements**

The Village segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Village has presented the following major governmental funds:

1. General fund is the general operating fund of the Village. It is used to account for and report all financial resources except those required to be accounted for in another fund.
2. Special Revenue fund is used to account for and report the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Special Revenue fund of the Village includes the Parkland Trust, which is used to account for activities related to improvements and land acquisitions for the parks.

**D. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures/expenses and the related assets and liabilities are recognized in the account and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus. Measurement focus is the determination of what is measured (i.e. expenditures or expenses).

Governmental activities in the government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred, except that:

1. Expenditures for prepaid expenses and inventory-type items are recognized at the time of purchase.
2. Principal and interest on indebtedness are not recognized as an expenditure until due.
3. Compensated absences such as vacation and sick leave, which vest or accumulate, are charged as an expenditure when paid.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 1. Summary of Significant Accounting Policies** (continued)

**E. Budgetary Data**

Budgets are adopted annually. All budget amounts provided in this report have been modified where necessary. The Village's procedures in establishing the budgetary data reflected in the financial statements are as follows:

1. On or before March 31<sup>st</sup>, the budget officer prepares estimates for each administrative unit.
2. No later than March 31<sup>st</sup>, the budget officer submits a tentative budget to the Board for the fiscal year commencing the following June 1<sup>st</sup>. This tentative budget includes proposed expenditures and the means of financing for the General Fund.
3. A public hearing is conducted by the Board to obtain comments.
4. No later than May 1<sup>st</sup>, the Board adopts the budget of the Village.

All modifications of the budget must be approved by the Board. However, the Treasurer is authorized to transfer certain budget amounts within departments.

**F. Cash, Cash Equivalents and Investments**

The Village primarily maintains its cash and investments in individual segregated accounts grouped by fund. All investments with an original maturity of three months or less when purchased are considered cash equivalents. Cash on deposit with financial institutions is collateralized in accordance with state statutes.

**G. Receivables**

Receivables include amounts due from federal, state and other governments or entities for services provided by the Village. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. No allowance for uncollectible accounts has been recorded since it is believed that such allowance would not be material.

**H. Prepaid Items**

Prepaid items in the fund and government-wide statements represent expenses paid that will benefit the subsequent period.

**I. Interfund Transactions**

The operations of the Village include transactions between funds. These transactions may be temporary in nature, such as with interfund borrowings. The Village typically loans resources between funds for the purpose of providing cash flow. These interfund receivables and payables are expected to be repaid within one year. Permanent transfers of funds include the transfer of expenditures and revenues to provide financing or other services.

In the government-wide statements, eliminations have been made for all interfund receivables and payables between the funds.

The governmental funds report all interfund transactions as originally recorded. Interfund receivables and payables are netted on the accompanying governmental funds balance sheet when it is the Village's practice to settle these amounts at a net balance based upon the right of legal offset.

A detailed disclosure by individual fund for interfund receivables, payables, and expenditures and revenue activity is provided subsequently in these Notes.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 1. Summary of Significant Accounting Policies** (continued)

**J. Capital Assets**

Capital assets are reported in the applicable governmental activities columns in the government-wide financial statements. All capital assets purchased or acquired with an original cost of \$500 or more and an estimated useful life in excess of one year are reported at historical cost or estimated historical cost if the actual historical cost is not available. Contributed assets are reported at a fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure assets for governmental activities after December 31, 1980, consisting of certain improvements other than buildings, including roads, curbs, sidewalks, drainage system, street lighting and sewer system are capitalized. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Land Improvements	20 years
Infrastructure	20 years
Machinery and Equipment	5-20 years
Miscellaneous	20 years

The Village evaluated prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Village's policy is to record an impairment loss in the period when the Village determines that the carrying amount of the asset will not be recoverable. At May 31, 2021, the Village has not recorded any such impairment losses.

**K. Collections in Advance**

Collections in advance represent a liability for fees which pertain to services that will be provided by the Village in the next fiscal year.

**L. Grant Advances**

Grant advances represent a liability for grant revenues collected in advance of eligible grant expenditures.

**M. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources, in the Statement of Net Position, represents a consumption of net position that applies to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Village reports items related to pensions and other postemployment benefits for these amounts. They represent the difference between expected and actual experience, changes in assumptions, the net difference between projected and actual investment earnings, changes in proportion and differences between employer contributions and proportionate share of contributions, and the Village's contributions to the pension systems subsequent to the measurement date.

Deferred inflows of resources, in the Statement of Net Position, represent 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 reports two items that qualify for reporting in this category. They are related to pension and other postemployment transactions reported in the government-wide Statement of Net Position. These represent the difference between expected and actual experience, changes of assumptions, the net difference between projected and actual investment earnings, changes in proportion and differences in employer contributions and proportionate share of contributions, and the Village's contributions to the pension system subsequent to the measurement date.

**N. Compensated Absences**

Compensated absences of the Village consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside of the control of the Village and the employee.

See independent auditors' report.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 1. Summary of Significant Accounting Policies** (continued)

**O. Accrued Liabilities and Long-Term Obligations**

Accrued liabilities and long-term obligations are reported in the government-wide financial statements. In the governmental funds, payables and accrued liabilities are paid timely and in full from current financial resources. Claims and judgments, and compensated absences that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements, when due. Long-term liabilities and obligations are liquidated through future budgetary appropriations of the general fund.

Long-term obligations represent the Village's future obligations or future economic outflows. The liabilities are reported as due within one year or due in more than one year in the Statement of Net Position.

**P. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Q. Other Benefits**

Eligible Village employees participate in the New York State Employees' Retirement System.

In addition to providing pension benefits, the Village provides post-employment health insurance coverage for retired employees. The Village accounts for these postemployment benefits in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans*. In the government-wide statements, postemployment costs are measured and disclosed using the accrual basis of accounting. The cost of providing these benefits is recorded as an expenditure in the governmental funds in the year paid.

**R. Short-Term Debt**

The Village may issue bond anticipation notes (BANs) in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BANs issued for capital purposes be converted to long-term financing within five years after the original issue date.

**S. Insurance**

The Village insures against the liability for most risk including, but not limited to, property damage and personal injury liability. Judgment and claims are recorded when it is possible that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.

**T. Equity Classifications**

**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, construction or improvement of those assets.

Restricted net position – 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 net position – reports all other net position that do not meet the definition of “restricted” or “net investment in capital assets” and are deemed to be available for general use by the Village.

See independent auditors' report.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 1. Summary of Significant Accounting Policies** (continued)

**T. Equity Classifications** (continued)

**Governmental Fund Financial Statements**

In the fund statements, governmental fund equity is classified as fund balance and may consist of five classifications; nonspendable, restricted, committed, assigned and unassigned; however the Village only utilizes the following four:

Nonspendable – The nonspendable fund balance classification 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. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted – Consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation. Restricted fund balances, including reserves in accordance with New York State law, are created to satisfy legal restrictions, plan for future expenditures or relate to resources not available for general use or appropriation. These reserve funds are established through Board action or voter approval and a separate identity must be maintained for each reserve. Earnings on the invested resources become part of the respective reserve funds; however, separate bank accounts are not necessary for each reserve fund.

Parkland Trust – the reserve for Parkland Trust reports funds which are restricted by General Municipal Law Section 6-1 for capital expenditures related to parks, playgrounds and recreational designated areas.

Assigned – Consists of amounts that are subject to a purpose constraint that represents an intended use established by the Village’s Board. The purpose of the assignment must be narrower than the purpose of the general fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance. Assigned fund balance may include an amount appropriated to partially fund the subsequent year’s budget and may also include encumbrances not classified as restricted at the end of the year.

Unassigned – Represents the residual classification for the Village’s general fund and could report a surplus or deficit. In funds other than the general fund, unassigned classification should be used only to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted or assigned.

The Board shall delegate the authority to assign fund balance, for encumbrance purposes, to the person(s) to whom it has delegated the authority to sign purchase orders.

In circumstances where an expenditure is incurred for a purpose for which amounts are available in multiple fund balance classifications (that is restricted, if any, assigned or unassigned) the expenditure is to be spent first from the restricted fund balance to the extent appropriated by either budget vote or board approved budget revision and then from the assigned fund balance to the extent that there is an assignment and then from the unassigned fund balance.

The Village segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 1. Summary of Significant Accounting Policies** (continued)

**U. Prior Period Adjustment**

During the year ended May 31, 2021, the Village determined that prepaid expenses were understated in the previous year. This resulted in the Village restating beginning fund balance in the general fund and restating beginning net position. The Village also determined that unavailable tax revenues were understated in the previous year. This resulted in the Village restating beginning fund balance in the general fund. This had no effect on net position. The following table shows the effect of the restatement as of June 1, 2020.

	Debit/(Credit) Balance		
	As Originally Stated	Restatement Amount	As Restated
General Fund			
Prepaid expenses	\$ 7,297	\$ 369,134	\$ 376,431
Unavailable revenues	-	(22,842)	(22,842)
Nonspendable fund balance	(7,297)	(369,134)	(376,431)
Unassigned fund balance	(720,734)	22,842	(697,892)
Total fund balance	(885,456)	(346,292)	(1,231,748)
Governmental Activities			
Prepaid expenses	7,297	369,134	376,431
Unrestricted net position (deficit)	(210,137)	(369,134)	(579,271)
Total net position	\$ (2,011,725)	\$ (369,134)	\$ (2,380,859)

**Note 2. Budget Basis of Accounting**

The Village Clerk prepares a proposed budget for approval by the Board for the General Fund, the only fund with a legally adopted budget. Appropriations are adopted at the program line item level.

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) that may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Appropriations authorized in the current year are increased by the planned use of specific reserves, and budget amendments approved by the Board as a result of selected new revenue sources not included in the original budget (when permitted by law). These supplemental appropriations may occur subject to legal restrictions, if the Board approves them because of a need that exists, which was not determined at the time the budget was adopted.

Budgets are adopted annually on a basis consistent with GAAP. Appropriations authorized for the year are increased by the amount of encumbrances carried forward from the prior year. Budgets are established and used for individual Capital Project Fund expenditures as approved by the Board. The maximum project amount authorized is based primarily upon the cost of the project, plus any requirements for external borrowings, not annual appropriations. These budgets do not lapse and are carried over to subsequent fiscal years until the completion of the projects.

**Note 3. Real Property Taxes**

Village real property taxes are levied annually no later than June 1<sup>st</sup>, and become a lien on the first day of the levy year. Taxes are collected during the period June 1<sup>st</sup> to July 1<sup>st</sup> without penalty or interest. Thereafter penalty and interest are imposed pursuant to the Real Property Tax Law.

After the return of tax warrant and certification to the Board of the uncollected tax items, an annual sale of the tax liens is held pursuant to the provisions of the Real Property Tax Law.

See independent auditors' report.



**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 4. Cash and Investments**

The Village investment policies are governed by state statutes. In addition, the Village has its own written investment policy. Village 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. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements, and obligations of New York State or its localities.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the federal government. Underlying securities must have a market value of at least 100 percent of the cost of the repurchasing agreement.

Custodial credit risk for deposits exist when, in the event of the failure of a depository financial institution, a government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

Governmental Accounting Standards Board Statement No. 40 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 with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent but not in the Village's name.

In accordance with General Municipal Law, collateral is required for that portion of deposits not covered by Federal Deposit Insurance Corporation or security in the form of a letter of credit (LOC) from the Federal Home Loan Bank (FHLB) is required. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

**Deposits**

Bank balances for the Village's Cash at May 31, 2021 consisted of:

Checking - interest bearing	\$	216,627
Money market - interest bearing		<u>303,051</u>
Total	\$	<u>519,678</u>
Amount FDIC insured	\$	250,000
Collateral held by Village's custodial banks		<u>269,678</u>
	\$	<u>519,678</u>

At May 31, 2021, the cash in banks were entirely collateralized by the FDIC insurance, FHLB/LOC or securities held by the bank, in trust or third party, in the name of the Village.

**Investments**

The Village participates in a multi-municipal cooperation investment pool agreement pursuant to New York State General Municipal Law Article 5-G, Section 119-0, whereby it holds a portion of the investments in cooperation with other participants. These investments are highly liquid and considered to be cash equivalents. The pool is authorized to invest in various securities issued by the United States and its agencies. The Village's share of investment at May 31, 2021 was \$773,710. This amount represents the cost of the investment pool shares and is considered to approximate market value. These investments are not subject to risk categorization and are not subject to fair market measurement disclosures as they meet the criteria for an external investment pool.

See independent auditors' report.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

**Note 4. Cash and Investments** (continued)

Total investments of the cooperative as of June 30, 2020 were \$3,367,388,471, which consisted of \$218,847,408 in repurchase agreements and \$2,065,434,436 in U.S. Government Treasury Securities. The cooperative also had \$1,083,106,627 in collateralized bank deposits. The New York Cooperative Liquid Asset Securities System (NYCLASS) is rated AAAM by Standard and Poor's Rating Agency. Additional information concerning NYCLASS is presented in the annual report of 2020, available at: <https://www.newyorkclass.org/>

**Note 5. Change in Capital Assets**

Capital assets transactions for the year ended May 31, 2021 were as follows:

	Beginning Balance	Addition / Transfers	Retirements / Transfers	Ending Balance
Non-Depreciable Capital Assets				
Land	\$ 805,944	\$ -	\$ -	\$ 805,944
Construction in progress	5,004	-	(5,004)	-
Total Non-Depreciable Capital Assets	810,948	-	(5,004)	805,944
Depreciable Capital Assets				
Buildings	618,193	-	-	618,193
Infrastructure	496,022	54,318	5,004	555,344
Land improvements	42,317	-	-	42,317
Machinery and equipment	87,211	-	-	87,211
Miscellaneous	449,032	-	-	449,032
Total Depreciable Capital Assets	1,692,775	54,318	5,004	1,752,097
Less: Accumulated Depreciation				
Buildings	326,585	15,468	-	342,053
Infrastructure	150,376	26,287	-	176,663
Land improvements	28,117	1,236	-	29,353
Machinery and equipment	64,552	4,137	-	68,689
Miscellaneous	158,592	17,913	-	176,505
Total Accumulated Depreciation	728,222	\$ 65,041	\$ -	793,263
Depreciable Capital Assets, Net of Accumulated Depreciation	964,553			958,834
Total Net Capital Assets	\$ 1,775,501			\$ 1,764,778

Depreciation expense was charged to functions/programs as follows:

General government	\$ 21,562
Roads and highways	26,287
Culture and recreation	16,908
Home and community services	284
Total governmental activities depreciation expense	\$ 65,041

See independent auditors' report.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

**Note 6. Long-Term Liabilities**

The following is a summary of changes in long-term liabilities for the period ended May 31, 2021:

	Beginning Balance	Additions	Reductions	Ending Balance	Due in one year
Net pension liability	\$ 191,380	\$ -	\$ (190,597)	\$ 783	\$ -
Compensated absences	22,094	18,302	-	40,396	-
Other postemployment benefits	654,469	92,211	(18,676)	728,004	-
<b>TOTALS</b>	<b>\$ 867,943</b>	<b>\$ 110,513</b>	<b>\$ (209,273)</b>	<b>\$ 769,183</b>	<b>\$ -</b>

The general fund has typically been used to liquidate long-term liabilities.

The Village has the following non-current liabilities:

Compensated Absences – Village employees are granted vacation and sick leave and earn compensatory absences in varying amounts based primarily on length of service and service position. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave and unused compensatory absences at various rates subject to certain maximum limitations.

Other Postemployment Benefits – In addition to providing retirement benefits, the Village provides postemployment health insurance coverage for retired employees. Additional information can be found subsequently in these notes.

Net Pension Liability – Proportionate Share – The Village reports as an asset and/or liability its portion of the collective net pension asset and/or liability in the New York State Employees Retirement System. Additional information can be found subsequently in these notes.

**Note 7. Pension Plan**

**State Wide Local Government Retirement System**

**Plan Description**

The Village participates in the New York State and Local Employees' Retirement System (ERS) and the Public Employees' Group Life Insurance Plan collectively known as NYSLRS. These are cost-sharing multiple-employer retirement systems. The NYSLRS provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the NYSLRS. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the NYSLRS and for the custody and control of its funds. The NYSLRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244 or found at: [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php)

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

**Note 7. Pension Plan** (continued)

**Funding Policy**

The NYSLRS is noncontributory for employees who joined the New York State and Local Employees' Retirement System before July 27, 1976. Those joining after July 27, 1976 and before January 1, 2010 with less than ten years of membership are required to contribute 3% of their annual salary. Those joining on or after January 1, 2010 and before April 1, 2012 are required to contribute 3% of their salary throughout their active membership. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, depending upon their salary, throughout their active membership. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The Village is required to contribute at an actuarially determined rate. The required contributions for the current year and two preceding years were equal to 100% of the contributions required and were as follows:

2021	\$	35,047
2020	\$	29,183
2019	\$	18,679

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

At May 31, 2021, the Village reported a liability of \$783 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2020. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plans relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS System to the Village:

	<u>ERS</u>
Actuarial valuation date	April 1, 2020
Net pension liability	\$ 783
Village's portion of the Plan's total net pension expense	0.0007826%

For the year ended May 31, 2021 the Village recognized pension expense of \$22,630. At May 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
	<u>ERS</u>	<u>ERS</u>
Differences between expected and actual experience	\$ 9,517	\$ -
Changes in assumptions	143,282	2,702
Net differences between projected and actual investment earnings on pension plan investments	-	223,851
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,792	1,055
Employer contributions subsequent to the measurement date	6,997	-
Total	<u>\$ 176,588</u>	<u>\$ 227,608</u>

See independent auditors' report.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 7. Pension Plan** (continued)

The Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended May 31, 2021. Other amounts reports as the net balance of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>For the year ended:</u>	<u>ERS</u>
2022	\$ (9,046)
2023	(336)
2024	(7,435)
2025	(41,200)
2026	-
Thereafter	-
	<u>\$ (58,017)</u>

**Actuarial Assumptions**

The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021. The actuarial valuation used the following actuarial assumptions.

	<u>ERS</u>
Investment rate of return	5.90%
COLA	1.4%
Salary scale	4.4%
Decrement tables	April 1, 2015 - March 31, 2020 System's Experience
Inflation rate	2.7%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 Systems experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2020.

The previous actuarial assumptions as of April 1, 2019 used April 1, 2010 – March 2015 System experience, mortality improvements based on the Society of Actuaries Scale MP-2018, inflation of 2.5%, cost-of-living adjustments of 1.3%, salary increases of 4.5% (ERS), and investment rate of return of 6.8%.

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 returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 (for ERS) are summarized below:

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

**Note 7. Pension Plan** (continued)

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	32.00%	4.05%
International equity	15.00%	6.30%
Private equity	10.00%	6.75%
Real estate	9.00%	4.95%
Opportunistic/ARS portfolio	3.00%	4.50%
Credit	4.00%	3.63%
Real assets	3.00%	5.95%
Fixed income	23.00%	0.00%
Cash	1.00%	0.50%
	<u>100.00%</u>	

The real rate of return is net of the long-term inflation assumption of 2.00%.

**Discount Rate**

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon 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.

**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 5.9%, 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% point lower (4.9%) or 1% point higher (6.9%) than the current rate:

<u>ERS</u>	<u>1% Decrease (4.90%)</u>	<u>Current Assumptions (5.90%)</u>	<u>1% Increase (6.90%)</u>
Village's proportionate share of the net pension liability/(asset)	<u>\$ 216,294</u>	<u>\$ 783</u>	<u>\$ (197,976)</u>

**Pension Plan Fiduciary Net Position**

The components of the current-year net pension liability of the employers as of March 31, 2021, were as follows:

	<u>ERS</u> <i>(Dollars in Thousands)</i>
Employers' total pension liability	\$ 220,680,157
Plan net position	<u>(220,580,583)</u>
Employers' net pension assets/(liability)	<u>\$ 99,574</u>
Ratio of plan net position to the employers' total pension liability	99.95%

See independent auditors' report.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 7. Pension Plan** (continued)

ERS employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Contributions as of May 31, 2021 represent the projected employer contribution for the period of April 1, 2020 through March 31, 2021 based on estimated ERS wages, multiplied by the employer's contribution rate, by tier.

**Note 8. Other Postemployment Benefits – (OPEB)**

**Plan Description**

The Village provides post-employment (health insurance) coverage to retired employees and their families and eligible dependents through the New York State Health Insurance Plan (NYSHIP). Substantially all of the Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. The New York State Department of Civil Service administers NYSHIP, which is an agent multiemployer defined benefit plan. The plan does not issue a stand-alone financial report. The benefit levels, employee contributions and employer contributions are governed by the Village's contractual agreements.

**Benefits and Contributions**

The Plan provides a specified percentage of the retiree health premium (and, if applicable, the retiree's spouse's premium) charged by the insurance carrier, is paid by the Village. Beginning June 1, 2010 retired participants are provided with health coverage under the Empire Plan. Within the Empire Plan, family and individual options are available.

For current retirees the Village pays 75% of the premium for health coverage for the employee only, while the retiree is still alive. Family and surviving spouse benefits are not provided.

For all future retirees, the Village will pay 75% of the individual employee's health premium and 0% of the excess premium (i.e. the difference between the family premium and the individual premium).

At this time there is no New York State statute providing local governments with the authority for establishing a postemployment benefits trust. Since the Village cannot fund the OPEB liability at this time, the required contribution is based on a projected pay-as-you-go financing requirement. The contribution requirements of Plan members and the Village are established by the Board. For the year ended May 31, 2021, the Village recognized a general fund expenditure of \$18,676 for currently enrolled retirees.

**Employees Covered by Benefit Terms**

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

Inactive participants currently receiving benefit payments	2
Inactive participants entitled to but not yet receiving benefit payments	-
Active participants	3
	<hr/>
	5
	<hr/>

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

**Note 8. Other Postemployment Benefits – (OPEB)** (continued)

**Total OPEB Liability and Actuarial Assumptions**

The Village's total OPEB liability of \$728,004 was measured as of May 31, 2021, and was determined by an actuarial valuation report dated July 28, 2021. Calculation of the total OPEB liability was performed using the entry age normal, as a level percentage of salary actuarial cost method. The following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate:	2.0% (20 Year AA Municipal GO Bond Rate Index as of 5/31/21) 2.5% (20 Year AA Municipal GO Bond Rate Index as of 6/1/20)
Salary increases:	2.5%
Medical inflation rate:	Pre-65 – 6.25% ultimately down to 4.50% after 7 years Post-65 – 7.00% ultimately down to 4.50% after 7 years Medicare Part B – 4.50%
Retirement Age:	Age 62 with 10 years of service
Mortality:	SOA RP-2014 Total Dataset

**Changes in the Total OPEB Liability**

Balance as of June 1, 2020	\$ 654,469
Service cost	51,221
Interest	16,128
Difference between actual and expected experience	6,810
Change in assumptions	18,052
Benefit payments	(18,676)
Net changes	73,535
Balance as of May 31, 2021	<u>\$ 728,004</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% lower (1.0%) or 1% higher (3.0%) than the current discount rate:

	1% Decrease (1.0%)	Current Assumptions (2.0%)	1% Increase (3.0%)
Total OPEB Liability	<u>\$ 849,868</u>	<u>\$ 728,004</u>	<u>\$ 630,534</u>

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend**

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% lower or 1% higher than the baseline rates (year one) discussed in the earlier table:

	1% Decrease	Current Assumptions	1% Increase
Total OPEB Liability	<u>\$ 616,674</u>	<u>\$ 728,004</u>	<u>\$ 870,377</u>

See independent auditors' report.



**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 8. Other Postemployment Benefits – (OPEB) (continued)**

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

The total OPEB expense for the year ended May 31, 2021 was \$89,883. At May 31, 2021, the Village reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 90,704	\$ 27,772
Experience (gain) / loss	5,675	-
Total	<u>\$ 96,379</u>	<u>\$ 27,772</u>

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

<u>Year Ending May 31,</u>	
2022	\$ 22,534
2023	22,536
2024	15,247
2025	4,143
2026	4,147
Thereafter	-
Totals	<u>\$ 68,607</u>

**Note 9. Commitments and Contingencies**

**Government Grants**

The Village is a recipient of various government grants. These grants are administered by various agencies. These grants are subject to various compliance and financial audits by the respective agencies administering the grants, which could result in certain disallowances. The Board believes that they have substantially complied with the rules and regulations as specified under the various grant agreements as well as the rules and regulations of the respective agency for each grant.

**Tax Certiorari**

There are presently pending against the Village a number of real property tax review proceedings requesting reductions in assessed valuations of various properties for both past and current years. The financial exposures in these cases are indeterminable at this time.

**Other**

The Village is subject to litigation in the ordinary conduct of its affairs. Management does not believe however, that such litigation, individually or in the aggregate, is likely to have a material effect on the financial statements.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2021**

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**Note 9. Commitments and Contingencies** (continued)

**COVID-19 Pandemic**

The Village's operations were affected by the ongoing outbreak of the coronavirus disease 2019 (COVID-19) which in March 2020, was declared a pandemic by the World Health Organization. The ultimate disruption caused by the outbreak is uncertain; and management, at this time, cannot reasonably estimate the amount of impact it will have on the Village's financial position, operations and cash flows. Possible areas that may be affected include, but are not limited to, disruption of the Village's revenue and labor workforce, change in assumptions used for long term liabilities and the decline in the value of investments and capital assets owned by the Village.

**Note 10. Subsequent Events**

The Village has evaluated events and transactions that occurred through January 31, 2022, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements. The following events were noted:

**Relief through the American Rescue Plan Act**

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. The Village's estimated award is \$91,000, which will be used to combat the negative effects of the public health emergency in the local economy. The Village received 50% of the funds in July 2021, with the remaining expected a year later. The funds are to cover costs incurred by December 31, 2024.

**Note 11. Recent Accounting Pronouncements**

The GASB has issued the following Statements which will be effective in future years:

- Statement No. 87, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*.
- Statement No. 93, *Replacement of Interbank Offered Rates*.
- Statement No. 94, *Public-Private and Public-Public partnerships and Availability Payment Arrangements*.
- Statement No. 96, *Subscription-Based Information Technology Arrangements*.
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement 32*

The Village is currently evaluating the impact of these statements on the financial statements, and will implement them as applicable and when material.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS (Unaudited)  
YEAR ENDED MAY 31, 2021**

	2021	2020	2019
<b>Total OPEB Liability</b>			
Service cost	\$ 51,221	\$ 49,963	\$ 41,889
Interest	16,128	16,786	16,734
Differences between actual and expected experience	6,810	-	-
Changes in benefit terms	-	-	-
Changes in assumptions	18,052	55,528	36,427
Benefit payments	(18,676)	(18,583)	(18,238)
Net Change In Total OPEB Liability	73,535	103,694	76,812
Total OPEB Liability - Beginning	654,469	550,775	473,963
<b>Total OPEB liability - Ending (a)</b>	<b>728,004</b>	<b>654,469</b>	<b>550,775</b>
Plan Fiduciary Net Position (b)	*N/A	*N/A	*N/A
<b>Net OPEB Liability - Ending (a) - (b)</b>	<b>\$ 728,004</b>	<b>\$ 654,469</b>	<b>\$ 550,775</b>
Plans Fiduciary Net Position As A Percentage Of The Total OPEB Liability	0%	0%	0%
Covered-Employee Payroll	\$ 208,754	\$ 184,454	\$ 184,454
Net OPEB Liability As A Percentage Of Covered-employee Payroll	348.7%	354.8%	298.6%

\*N/A - Current regulations do not permit the Village to fund the OPEB obligation, it is a "pay-as-you-go" and no assets accumulate

**Notes to Required Supplementary Information**

**Changes of assumptions:**

Based on changing discount rate from 2.5% (prior year) to 2.0% (based on 20 year AA Municipal General Obligation Bond Rate Index, as of 5/31/21)

**Plan Assets:**

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

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (Unaudited)  
FOR THE YEARS ENDED MAY 31, 2021**

	<b>Original Budget</b>	<b>Modified Budget</b>	<b>Actual</b>	<b>Encumbrances</b>	<b>Variance Favorable (Unfavorable)</b>
<b>REVENUES:</b>					
Real property taxes	\$ 1,206,910	\$ 1,206,910	\$ 1,210,287		\$ 3,377
Interest and penalties on tax items	6,000	6,000	15,925		9,925
Non property tax items	30,000	30,000	54,067		24,067
Departmental income	25,650	25,650	52,988		27,338
Use of money and property	8,000	8,000	1,605		(6,395)
Licenses and permits	230,000	230,000	482,890		252,890
Other unclassified revenue	-	-	3,455		3,455
State and federal aid	202,940	202,940	275,203		72,263
<b>TOTAL REVENUES</b>	<b>1,709,500</b>	<b>1,709,500</b>	<b>2,096,420</b>		<b>386,920</b>
<b>OTHER FINANCING SOURCES:</b>					
Appropriated Fund Balance	125,000	125,000			
Carryover encumbrances	-	-			
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 1,834,500</b>	<b>\$ 1,834,500</b>			
<b>EXPENDITURES:</b>					
General government support	\$ 469,000	\$ 469,885	\$ 435,369	\$ 16,000	\$ 18,516
Public safety	891,500	850,665	799,910	-	50,755
Transportation	130,000	148,470	138,047	-	10,423
Culture and recreation	53,000	44,980	43,620	-	1,360
Home and community services	120,000	149,500	124,368	-	25,132
Employee benefits	171,000	171,000	163,734	-	7,266
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,834,500</b>	<b>\$ 1,834,500</b>	<b>\$ 1,705,048</b>	<b>\$ 16,000</b>	<b>\$ 113,452</b>

See independent auditors report and notes to the financial statements.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (Unaudited)  
MAY 31, 2021**

<u>NYSLRS Pension Plan</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Village's proportion of the net pension liability ERS	.0007826%	.0007227%	.0005054%	.0005178%	0.0501500%
Village's proportionate share of the net pension liability ERS	\$ 783	\$ 191,380	\$ 35,806	\$ 16,712	\$ 47,126
Village's covered-employee payroll ERS	\$ 270,551	\$ 226,792	\$ 144,766	\$ 143,595	\$ 228,025
Village's proportionate share of the net pension liability as a percentage of its covered-employee ERS	0.29%	84.39%	24.73%	11.64%	20.67%
Plan fiduciary net position as a percentage of the total pension liability ERS	99.95%	86.39%	96.27%	98.24%	94.70%

See independent auditors report and notes to the financial statements.

**INCORPORATED VILLAGE OF NORTH HAVEN  
COUNTY OF SUFFOLK - STATE OF NEW YORK  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE VILLAGE'S PENSION CONTRIBUTIONS - ERS (Unaudited)  
FOR THE YEARS ENDED MAY 31,**

<b>NYSLRS Pension Plan</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Contractually required contribution	\$ 35,047	\$ 29,183	\$ 18,679	\$ 18,501	\$ 31,640	\$ 18,203	\$ 47,897	\$ 48,774	\$ 40,185	\$ 34,739
Contributions in relation to the contractually required contribution	35,047	29,183	18,679	18,501	31,640	18,203	47,897	48,774	40,185	34,739
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered-employee payroll	\$ 270,551	\$ 226,792	\$ 144,766	\$ 143,595	\$ 228,025	\$ 182,165	\$ 232,743	\$ 253,923	\$ 218,370	\$ 218,366
Contributions as a percentage of covered-employee payroll	12.95%	12.87%	12.90%	12.88%	13.88%	9.99%	20.58%	19.21%	18.40%	15.91%

See independent auditors report and notes to the financial statements.