

Town/Village of Harrison, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2021

Town/Village of Harrison, New York

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet - Governmental Funds	17
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Revenues, Expenditures and Changes in Fund Balances Budget and Actual - General and Special Districts Funds	23
Proprietary Funds	
Statement of Net Position	25
Statement of Revenues, Expenses and Changes in Net Position	26
Statement of Cash Flows	27
Fiduciary Fund	
Statement of Fiduciary Net Position	28
Statement of Changes in Fiduciary Net Position	29
Notes to Financial Statements	30
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Changes in the Town/Village's Total OPEB Liability and Related Ratios	67
New York State and Local Employees' Retirement System	
Schedule of the Town/Village's Proportionate Share of the Net Pension Liability	68
Schedule of Contributions	68
New York State and Local Police and Fire Retirement System	
Schedule of the Town/Village's Proportionate Share of the Net Pension Liability	69
Schedule of Contributions	69
Fire Service Awards Program	
Schedule of Changes in the Town/Village's Total Pension Liability	70
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Combining Balance Sheet - Sub Funds	71
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Sub Funds	72
General Fund - Town	
Comparative Balance Sheet - Sub-Fund	73
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Sub-Fund	74

Town/Village of Harrison, New York

Table of Contents (Concluded)

	<u>Page No.</u>
Schedule of Revenues and Other Financing Sources Compared to Budget - Sub-Fund	76
Schedule of Expenditures and Other Financing Uses Compared to Budget - Sub-Fund	79
General Fund - Village	
Comparative Balance Sheet - Sub-Fund	82
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Sub-Fund	83
Schedule of Revenues and Other Financing Sources Compared to Budget - Sub-Fund	85
Schedule of Expenditures and Other Financing Uses Compared to Budget - Sub-Fund	87
Debt Service Fund	
Comparative Balance Sheet	89
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	90
Capital Projects Fund	
Comparative Balance Sheet	92
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	93
Special Districts Fund	
Combining Balance Sheet - Sub Funds	94
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Sub Funds	96
Non-Major Governmental Funds	
Combining Balance Sheet	98
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	100
Highway Fund	
Comparative Balance Sheet	102
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	103
Public Library Fund	
Comparative Balance Sheet	105
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	106
Special Purpose Fund	
Comparative Balance Sheet	108
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	109
Internal Service Fund	
Health Benefits Fund	
Comparative Statement of Net Position	110
Comparative Statement of Revenues, Expenses and Changes in Net Position	111
Comparative Statement of Cash Flows	112

Independent Auditors' Report

**The Honorable Supervisor/Mayor and Town/Village Board
of the Town/Village of Harrison, New York**

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town/Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town/Village's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended December 31, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town/Village's basic financial statements. The individual fund financial statements and schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2021 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves for the year ended December 31, 2021 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America the basic financial statements of the Town/Village as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated June 29, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information was subjected to the audit procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

July 8, 2022

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Town/Village of Harrison, New York

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

Introduction

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

Financial Highlights

- ❖ On the government-wide financial statements, the liabilities and deferred inflows of resources of the governmental activities of the Town/Village exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$161,762,012. Of this amount, a deficit of (\$212,828,779) is unrestricted. This deficit results primarily from the accrual of certain operating liabilities pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 34, which will be satisfied in future years, including borrowings for judgments and claims, retirement system obligations, compensated absences and the accrual of the Town/Village's annual other postemployment benefit obligations in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"* ("OPEB") coupled with the reporting of the Town/Village's proportionate share of the net pension liability in accordance with GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"*. The business-type activities reflected a net deficit of \$485,032.
- ❖ The Town/Village is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the Town/Village has recognized substantial liabilities in the government-wide financial statements for these benefits. As of December 31, 2021, the Town/Village had liabilities of \$238.08 million for other postemployment benefits recorded in accordance with the provisions of GASB Statement No. 75, OPEB and \$5.22 million for its proportionate share of the net pension liabilities of the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") recorded in accordance with the provision of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"*. More detailed information about the Town/Village's OPEB and pension reporting is presented in Note 3F in the notes to financial statements.
- ❖ As of the close of the current fiscal year, the Town/Village's governmental funds reported combined ending fund balances of \$69,293,399, an increase of \$3,291,215 from the previous fiscal year.
- ❖ At the end of the current fiscal year, unassigned fund balance for the General Fund was \$21,081,333 or 35.7% of total General Fund expenditures and other financing uses for 2021. This is an increase of \$5,045,022 from the previous year and was primarily caused by expenditure savings in all categories, revenues in excess of budget

particularly in the area of licenses and permits as well as amounts set aside and restricted for capital projects.

- ❖ During the current fiscal year, the Town/Village issued \$12,685,000 in public improvement/judgments and claims bonds and retired \$7,012,200 of general obligation bonded debt. The Town also issued \$8,475,000 in bond anticipation notes for governmental activities in the Fire Protection District No. 2 and \$15,650,000 in bond anticipation notes for business-type activities in the Enterprise Fund – Harrison Meadows Country Club for the purchase of and improvements to the facility.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town/Village's basic financial statements, which 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 supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town/Village's finances, in a manner similar to a private-sector business. The Harrison Parking Authority ("Authority") is a discretely presented component unit of the primary government. Presently, the Town/Village is not liable for Authority debt. All operating revenues in excess of the Authority's cost of operations are retained by the Authority. Since the Town/Village does not guarantee the Authority's debt and the Authority does not provide services entirely or almost entirely to the Town/Village, the financial statements of the Authority have been reflected as a discretely presented component unit. Separate financial statements have been issued for the Authority.

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

The statement of activities presents information showing how the Town/Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes, earned but unused vacation leave, certain pension obligations OPEB).

The government-wide financial statements distinguish functions of the Town/Village that are governmental activities (those principally supported by taxes and revenues from other governments) and functions of the Town/Village that are business-type activities (those that are intended to recover all or a significant portion of their costs through user fees and charges). The governmental activities of the Town/Village include general government support, public safety, health, transportation, economic assistance and opportunity, culture and recreation, home and community services and interest.

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town/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 Town/Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town/Village maintains seven individual governmental funds: the General Fund, Debt Service Fund, Capital Projects Fund, Special Districts Fund, Highway Fund, Public Library Fund and the Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects Fund and the Special District's Fund, all of which are considered to be major funds. Data for the other three governmental funds, which are considered non-major funds, is combined into a single, aggregated presentation. Individual information on each of these non-major governmental funds is provided in the form of combining and individual fund schedules and statements elsewhere in this report.

The Town/Village adopts annual budgets for the General Fund, Debt Service Fund, Special Districts Fund, Highway Fund, and Public Library Fund. A budgetary comparison statement has been provided for the General Fund and the Special District Fund within the basic financial statements to demonstrate compliance with the respective budget.

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

Proprietary Fund

The Town/Village maintains an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are used to accumulate and allocate costs internally among the Town/Village's various functions. The Town/Village uses an enterprise fund to account for the activities of the Harrison Meadows Country Club. These services are classified as business-type activities in the government-wide financial statements. The Town/Village uses an internal service fund to account for its self-insured health benefits. These services have been classified as governmental activities in the government-wide financial statements because they

predominantly benefit governmental, rather than business-type functions. The Internal Service Fund is combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service fund is provided in the form of individual fund statements elsewhere in this report.

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Town/Village programs. The Town/Village maintains an Agency Fund. The Town/Village holds resources in this fund purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment and remittance of resources to the appropriate individual, organization or government.

The Custodial Fund is primarily utilized to account for real property taxes collected for other governments.

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found following the basic financial statements section of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the Town/Village's other postemployment benefit obligations, schedule of proportionate share of the net pension liability for ERS and PFRS, schedule of contributions for ERS and PFRS, schedule of changes in the total pension liability for the Fire Service Awards program, combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town/Village, liabilities and deferred inflows of resources exceeded assets deferred outflows of resources by \$161,762,012 at the close of the most recent fiscal year. By far, the largest portion of the Town/Village's net position is its net investment in capital assets (land, buildings and improvements, infrastructure, machinery and equipment, vehicles and construction- in-progress), less any related debt outstanding that was used to acquire those assets which totals \$36,031,612. The Town/Village uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Town/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.

Net Position

	December 31,		
	2021		2020
	Governmental Activities	Business-Type Activities	Governmental Activities
Current Assets	\$ 93,040,529	\$ 1,540,914	\$ 79,367,728
Capital Assets, Net	123,982,379	13,650,000	113,032,778
Total Assets	217,022,908	15,190,914	192,400,506
Deferred Outflows of Resources	74,686,586	-	73,805,922
Current Liabilities	17,427,287	15,675,946	7,295,951
Long-term Liabilities	351,482,148	-	348,838,901
Total Liabilities	368,909,435	15,675,946	356,134,852
Deferred Inflows of Resources	84,562,071	84,692,451	89,066,052
Net Position			
Net Investment in Capital Assets	36,031,612	-	42,030,603
Restricted	15,035,155	-	14,866,539
Unrestricted	(212,828,779)	(485,032)	(235,891,618)
Total Net Position	\$ (161,762,012)	\$ (485,032)	\$ (178,994,476)

Current assets increased in governmental activities by \$13,672,801 from the prior year due to an increase in cash and equivalents based on revenues received in excess of budget and overall expenditure savings coupled with an increase in prepaid expenses.

Capital assets, net of depreciation for governmental activities increased \$10,949,607 due to continued activity as it relates to the Westchester Joint Water Works.

Current liabilities in governmental activities increased \$10,131,336 from the previous year due to an increase in capital expenditures.

Long-term liabilities, which consist of bonds, energy performance contract, net pension liability, claims payable, OPEB liability, total pension liability and compensated absences increased the governmental activities by \$2,643,247 from the previous year for governmental activities mainly from the decrease in net pension liability due the retirement systems coupled with an increase in OPEB liability.

An additional portion of the Town/Village's net position, \$15,035,155, represents resources that are subject to external restrictions on how they may be used. The restrictions are as follows:

	December 31,	
	2021	2020
Capital projects	\$ 7,098,369	\$ 8,189,446
Law enforcement	75,593	75,593
Worker's compensation	331,485	-
Debt service	4,281,058	4,342,037
Trusts	2,542,062	1,547,206
Parklands	706,588	712,257
Total Net Position	\$ 15,035,155	\$ 14,866,539

The remaining balance of unrestricted net position, which is a deficit of (\$212,828,779), must be financed from future operations. This deficit does not mean that the Town/Village does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including other postemployment benefit obligations, retirement incentives and other pension obligations and compensated absences that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payments are made.

Change in Net Position

	December 31,		
	2021		2020
	Governmental Activities	Business-Type Activities	Governmental Activities
REVENUES			
Program Revenues			
Charges for Services	\$ 13,484,000	\$ 14,165	\$ 8,607,838
Operating Grants and Contributions	559,733	-	566,984
Capital Grants and Contributions	388,613	-	709,134
General Revenues:			
Real Property Taxes	53,122,904	-	54,763,561
Other Tax Items	2,488,429	-	2,410,019
Non-Property Taxes	7,291,481	-	6,327,795
Unrestricted Use of Money and Property	167,450	133,182	397,444
Sale of property and Compensation for loss	22,156	-	11,072
Unrestricted State Aid	2,529,544	-	1,598,868
Miscellaneous	1,199,759	-	1,419,492
Insurance recoveries	1,281,798	-	2,267,974
Gain on sale of equipment	130,350		165,978
Transfers	(71,981)	71,981	-
Total Revenues	82,594,236	219,328	79,246,159
EXPENSES			
General Government			
Support	12,170,626	-	11,939,218
Public Safety	28,905,495	-	30,095,249
Health	516,457	-	510,259
Transportation	8,251,377	-	7,220,352
Economic Opportunity and Development	105,636	-	135,248
Culture and Recreation	6,772,131	-	6,298,830
Home and Community Services	6,267,356	-	6,412,827
Interest	2,372,694	-	2,643,886
Harrison Meadows Country Club	-	704,360	-
Total Expenses	65,361,772	704,360	65,255,869
Change in Net Position	17,232,464	(485,032)	13,990,290
NET POSITION			
Beginning	(178,994,476)	-	(192,984,766)
Ending	\$ (161,762,012)	\$ (485,032)	\$ (178,994,476)

Governmental Activities

Governmental activities increased the Town/Village's net position by \$17,232,464.

For the fiscal year ended December 31, 2021, revenues from governmental activities totaled \$82,554,236. Tax revenues (\$62,902,814), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (76%). Last year tax revenues represented 80%, (\$63,501,375) and total revenue was \$79,246,159.

The largest components of governmental activities' expenses are public safety (44%), general government support (19%), culture and recreation (10%) and transportation (13%). This is comparative to last year when the largest components of governmental activities' expenses were public safety (46%), general government support (18%), culture and recreation (10%) and transportation (11%).

Business-Type Activities

In May 2021, the Town/Village acquired the Harrison Meadows Country Club for \$13,650,000. The Harrison Meadows Country Club is treated as an enterprise fund whereas the operations are financed and operated in a manner similar to private enterprises and provide services to the public.

For the year ended December 31, 2021 revenues from business-type activities totaled \$160,729 while expenses aggregated \$704,360 resulting in a net deficit of \$485,032. The full operation of the County Club will begin in 2022 where the Town/Village anticipates that the Country Club will operate at full capacity and that such deficit will be eliminated.

Financial Analysis of the Town/Village's Funds

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

Governmental Funds

The focus of the Town/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 Town/Village's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town/Village itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the Town/Village Board.

As of the end of the current fiscal year, the Town/Village's governmental funds reported combined ending fund balances of \$69,293,399 an increase of \$3,291,215 from the prior year fund balance. The nonspendable fund balance component is \$2,800,554 and consists of amounts representing prepaid expenditures and long-term receivables. Prepaid expenditures have been established to account for a portion of the ERS and PFRS and health insurance payments made in advance. Long-term receivables, representing amounts due from the Parking Authority (a component unit of the Town/Village), have been classified as nonspendable to indicate that the amounts will not be collected in sufficient time to use the funds to satisfy liabilities of the current period. Fund balance of \$33,618,451 is restricted for capital projects, law enforcement, debt service, pension benefits, trusts and parklands. The assigned fund

balance classification aggregates \$12,793,061, consisting of purchases on order in the amount of \$233,083 in the General Fund, \$120,416 in the Special Districts Fund, \$225,773 in the Highway Fund and amounts available to be used at the Town/Village's discretion in funds other than the General Fund (\$9,624,422 in the Special Districts Fund, \$2,145,140 for highway purposes and \$444,205 for library purposes in the non-major funds). The remaining fund balance of \$21,081,333 is unassigned and represents the remaining positive fund balance in the General Fund after the amounts have been restricted, committed or assigned for other purposes.

The General Fund is the primary operating fund of the Town/Village. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$21,081,333. This is an increase of \$5,045,022 from last year where the unassigned fund balance was \$16,036,311. Revenues and other financing sources were \$61,884,408, which was \$3,726,762 more than the final budget, primarily from higher than anticipated real property tax collections, higher than anticipated sales tax revenues which exceeded the budget by \$464,437, other tax items including hotel taxes which fell short of the budget by \$341,327, departmental income such as parks and recreation charges which exceeded the budget by \$45,599, all of which were mostly due to changes after the impact of the COVID-19 pandemic. This can be truly seen by building permit revenue which exceeded the budget by \$2,805,354, mortgage tax revenues which exceeded the budget by \$674,772 and various miscellaneous revenues which exceeded the budget by \$207,641. Savings were also achieved throughout all expenditure categories due to tight controls on expenditures as well as the continued impact of the COVID-19 pandemic.

The Debt Service Fund reflects a restricted fund balance of \$4,265,355 at the end of the current fiscal year, a decrease of \$66,178 from the previous year. The Town/Village issued \$12,685,000 in public improvement bonds for capital projects and tax certiorari's. The Town/Village did retire \$7,012,220 of long-term bonded indebtedness for capital construction.

The Capital Projects Fund reflects a restricted fund balance of \$15,666,561 at the end of the current fiscal year, a decrease of \$1,267,617 from the previous year. Total revenues, inclusive of bonds issued and transfers totaled \$15,849,668. Capital outlay expenditures and transfers totaled \$17,117,285.

The Special Districts Fund's total fund balance at the end of the current fiscal year was \$11,997,442, an increase of \$1,066,434. This was due in part to an increase in real property taxes, offset by a decrease in water rents in Water District No. 2 and expenditures savings in the area of public safety.

The non-major governmental funds consisting of the Highway, Public Library and Special Purpose funds reflected an aggregate fund balance of \$6,465,863, an increase of \$625,440 from the prior year. This was due primarily from increased real property tax revenues and offset by expenditure decrease in the area of transportation in the Highway Fund and culture and recreation in the Library Fund coupled with increases in employee benefits.

General Fund Budgetary Highlights

There was a difference between the original and final revenue budget for the General Fund of \$3,614,213. The difference is attributable to a decrease in fines and forfeitures and use of money and property offset by increases in building permits, mortgage tax revenues, sales tax revenues and State aid revenues.

The difference between the expenditures originally budgeted and the final appropriation budget for the General Fund was \$2,838,221. These favorable variances were mainly in the areas of

general government support, public safety, transportation, culture and recreation and home and community services.

Capital Assets and Debt Administration

Capital Assets

The Town/Village's net investment in capital assets for governmental activities at December 31, 2021, net of \$121,782,168 of accumulated depreciation, was \$123,982,379. This investment in capital assets includes land, buildings and improvements, infrastructure, vehicles, machinery and equipment and construction-in-progress. The business-type activities reported \$13,650,000 in land and construction-in-progress for the purchase of the Harrison Meadows Country Club.

Asset	Capital Assets December 31,		
	2021		2020
	Governmental Activities	Business - Activities	Governmental Activities
Land	\$ 4,990,727	\$ 7,234,500	\$ 4,033,954
Construction-in-progress	22,760,667	6,415,500	11,416,244
Buildings and improvements	47,802,767	-	47,771,586
Infrastructure	141,256,125	-	137,885,009
Machinery and equipment	7,298,244	-	6,879,354
Vehicles	21,656,017	-	21,811,726
Less - accumulated depreciation	(121,782,168)	-	(116,765,095)
Total (net of depreciation)	<u>\$ 123,982,379</u>	<u>\$ 13,650,000</u>	<u>\$ 113,032,778</u>

Additional information on the Town/Village's capital assets can be found in Note 3D in the notes to financial statements.

Long-term Debt and Short-Term Capital Borrowings

During the current fiscal year, the Town/Village retired \$7,012,200 of principal on general obligation bonds through budgetary appropriations. The Town/Village issued \$12,685,000 in general obligation bonds in 2021.

At the end of the current fiscal year, the Town/Village had total bonded debt outstanding of \$91,237,335 (\$89,717,319 for capital construction and \$1,520,016 for judgments and claims). As required by New York State Law, all bonds issued by the Town/Village are general obligation bonds, backed by the full faith and credit of the Town/Village.

During 2021, the Town/Village issued \$8,475,000 in bond anticipation notes for governmental activities in the Fire Protection District No. 2 and \$15,650,000 in bond anticipation notes for business-type activities in the Enterprise Fund – Harrison Meadows Country Club for the purchase of and improvements to the facility.

Additional information on the Town/Village's short-term and long-term debt can be found in Note 3F and 3G in the notes to financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Town/Village of Harrison, New York's finances for all those with an interest in those finances. Questions and comments concerning any of the information provided in this report should be addressed to Maureen MacKenzie, Comptroller, Town/Village of Harrison, 1 Heineman Place, Harrison, New York 10528.

Town/Village of Harrison, New York

Statement of Net Position
December 31, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Harrison Parking Authority
ASSETS				
Cash and equivalents	\$ 81,149,934	\$ 2,078,412	\$ 83,228,346	\$ 26,398
Investments	1,660,475	-	1,660,475	-
Receivables				
Taxes	2,496,015	-	2,496,015	-
Accounts	2,548,918	-	2,548,918	-
State and Federal aid	1,774,635	-	1,774,635	-
Due from component unit	364,550	-	364,550	-
Internal balances	537,498	(537,498)	-	-
Deposit	72,500	-	72,500	-
Prepaid expenses	2,436,004	-	2,436,004	-
Capital assets				
Not being depreciated	27,751,394	13,650,000	41,401,394	-
Being depreciated, net	96,230,985	-	96,230,985	-
Total Assets	217,022,908	15,190,914	232,213,822	26,398
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding bonds	1,405,371	-	1,405,371	-
Pension related	28,462,662	-	28,462,662	-
Length of service awards program	876,516	-	876,516	-
OPEB related	43,942,037	-	43,942,037	-
Total Deferred Outflows of Resources	74,686,586	-	74,686,586	-
LIABILITIES				
Accounts payable	3,854,478	25,946	3,880,424	2,500
Accrued liabilities	700,000	-	700,000	-
Bond anticipation notes payable	8,475,000	15,650,000	24,125,000	-
Due to other governments	87,418	-	87,418	-
Deposits payable	2,313,037	-	2,313,037	-
Employee payroll tax deductions	16,006	-	16,006	-
Unearned revenues	1,484,252	-	1,484,252	-
Due to primary government	-	-	-	364,550
Accrued interest payable	397,096	-	397,096	-
Non-current liabilities				
Due within one year	6,656,405	-	6,656,405	-
Due in more than one year	344,925,743	-	344,925,743	-
Total Liabilities	368,909,435	15,675,946	384,585,381	367,050
DEFERRED INFLOWS OF RESOURCES				
Pension related	29,658,342	-	29,658,342	-
Length of service awards program	211,278	-	211,278	-
OPEB related	54,692,451	-	54,692,451	-
Total Deferred Inflows of Resources	84,562,071	-	84,562,071	-
NET POSITION				
Net investment in capital assets	36,031,612	-	36,031,612	-
Restricted for				
Capital projects	7,098,369	-	7,098,369	-
Law enforcement	75,593	-	75,593	-
Worker's compensation	331,485	-	331,485	-
Debt service	4,281,058	-	4,281,058	-
Trusts	2,542,062	-	2,542,062	-
Parklands	706,588	-	706,588	-
Unrestricted	(212,828,779)	(485,032)	(213,313,811)	(340,652)
Total Net Position	\$ (161,762,012)	\$ (485,032)	\$ (162,247,044)	\$ (340,652)

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

Town/Village of Harrison, New York

Statement of Activities
Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government support	\$ 12,170,626	\$ 5,362,701	\$ 20,000	\$ -
Public safety	28,905,495	2,439,309	280,316	-
Health	516,457	-	-	-
Transportation	8,251,377	517,643	173,636	325,360
Economic opportunity and development	105,636	-	-	-
Culture and recreation	6,772,131	1,914,108	48,006	-
Home and community services	6,267,356	3,250,239	37,775	-
Interest	2,372,694	-	-	63,253
Total Governmental Activities				
Primary Government	<u>\$ 65,361,772</u>	<u>\$ 13,484,000</u>	<u>\$ 559,733</u>	<u>\$ 388,613</u>
Business-type activities				
Harrison Meadows Country Club	<u>\$ 704,360</u>	<u>\$ 14,165</u>	<u>\$ -</u>	<u>\$ -</u>
Component unit				
Harrison Parking Authority	<u>\$ 18,423</u>	<u>\$ 74,175</u>	<u>\$ -</u>	<u>\$ -</u>
General revenues				
Real property taxes				
Other tax items				
Payments in lieu of taxes				
Interest and penalties on real property taxes				
Hotel tax				
Services for other governments				
Utilities gross receipts taxes				
Non-property taxes				
Non-property tax distribution from County				
Franchise fees				
Unrestricted use of money and property				
Sale of property and compensation for loss				
Unrestricted State aid				
Miscellaneous				
Insurance recoveries				
Gain on sale of equipment				
Transfers				
Total General Revenues				
Change in Net Position				
NET POSITION				
Beginning				
Ending				

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		Component Unit
Governmental Activities	Business-type Activities	Harrison Parking Authority
\$ (6,787,925)	\$ -	\$ -
(26,185,870)	-	-
(516,457)	-	-
(7,234,738)	-	-
(105,636)	-	-
(4,810,017)	-	-
(2,979,342)	-	-
(2,309,441)	-	-
(50,929,426)	-	-
\$ -	\$ (690,195)	\$ -
\$ -	\$ -	\$ 55,752
53,122,904	-	-
666,582	-	-
843,395	-	-
233,673	-	-
38,761	-	-
706,018	-	-
6,664,437	-	-
627,044	-	-
167,450	133,182	7
22,156	-	-
2,529,544	-	-
1,199,759	-	-
1,281,798	-	-
130,350	-	-
(71,981)	71,981	-
68,161,890	205,163	7
17,232,464	(485,032)	55,759
(178,994,476)	-	(396,411)
\$ (161,762,012)	\$ (485,032)	\$ (340,652)

Town/Village of Harrison, New York

Balance Sheet
Governmental Funds
December 31, 2021

	General	Debt Service	Capital Projects
ASSETS			
Cash and equivalents	\$ 29,983,580	\$ 4,265,355	\$ 26,584,216
Investments	-	-	-
	<u>29,983,580</u>	<u>4,265,355</u>	<u>26,584,216</u>
Taxes receivable	<u>2,496,015</u>	<u>-</u>	<u>-</u>
Other receivables			
Accounts	798,543	-	-
State and Federal aid	1,774,375	-	-
Due from component unit	364,550	-	-
Due from other funds	539,142	-	-
	<u>3,476,610</u>	<u>-</u>	<u>-</u>
Deposits	<u>72,500</u>	<u>-</u>	<u>-</u>
Prepaid expenditures	<u>1,697,972</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 37,726,677</u>	<u>\$ 4,265,355</u>	<u>\$ 26,584,216</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 858,331	\$ -	\$ 2,442,565
Bond anticipation note payable	-	-	8,475,000
Due to other governments	87,418	-	-
Deposits payable	2,135,971	-	-
Employee payroll tax deductions	16,006	-	-
Unearned revenues	1,484,252	-	-
Due to other funds	-	-	-
Total Liabilities	<u>4,581,978</u>	<u>-</u>	<u>10,917,565</u>
Deferred inflows of resources			
Deferred tax revenues	<u>2,246,611</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,828,589</u>	<u>-</u>	<u>10,917,565</u>
Fund balances			
Nonspendable	2,062,522	-	-
Restricted	7,521,150	4,265,355	15,666,651
Assigned	233,083	-	-
Unassigned	21,081,333	-	-
Total Fund Balances	<u>30,898,088</u>	<u>4,265,355</u>	<u>15,666,651</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 37,726,677</u>	<u>\$ 4,265,355</u>	<u>\$ 26,584,216</u>

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

Special Districts	Non-Major Governmental	Total Governmental Funds
\$ 9,457,658	\$ 6,359,257	\$ 76,650,066
1,660,475	-	1,660,475
11,118,133	6,359,257	78,310,541
-	-	2,496,015
1,553,011	62,294	2,413,848
-	260	1,774,635
-	-	364,550
-	-	539,142
1,553,011	62,554	5,092,175
-	-	72,500
335,959	402,073	2,436,004
\$ 13,007,103	\$ 6,823,884	\$ 88,407,235
\$ 333,003	\$ 180,955	\$ 3,814,854
-	-	8,475,000
-	-	87,418
-	177,066	2,313,037
-	-	16,006
-	-	1,484,252
1,644	-	1,644
334,647	358,021	16,192,211
675,014	-	2,921,625
1,009,661	358,021	19,113,836
335,959	402,073	2,800,554
1,916,645	3,248,650	32,618,451
9,744,838	2,815,140	12,793,061
-	-	21,081,333
11,997,442	6,465,863	69,293,399
\$ 13,007,103	\$ 6,823,884	\$ 88,407,235

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Town/Village of Harrison, New YorkReconciliation of Governmental Funds Balance Sheet to
The Government-Wide Statement of Net Position
December 31, 2021

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

Total Fund Balances - Governmental Funds	\$ 69,293,399
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	27,751,394
Capital assets - depreciable	218,013,153
Accumulated depreciation	<u>(121,782,168)</u>
	123,982,379
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	28,462,662
Deferred outflows - length of service awards program	876,516
Deferred outflows - OPEB related	43,942,037
Deferred inflows - pension related	(29,658,342)
Deferred inflows - length of service awards program	(211,278)
Deferred inflows - OPEB related	<u>(54,692,451)</u>
	(11,280,856)
Internal Service Fund is used by management to charge the costs of health insurance claims to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the statement of net position.	<u>3,895,314</u>
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	<u>2,921,625</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	(397,096)
General obligation bonds payable	(91,237,335)
Energy performance contract debt	(1,202,513)
Compensated absences	(1,723,838)
Fire service award's total pension liability	(2,904,028)
Employees' retirement system's net pension liability	(47,120)
Police and Fire retirement system's net pension liability	(5,171,176)
Claims payable	(5,591,642)
Total OPEB Liability	<u>(238,076,539)</u>
	(346,351,287)
Governmental funds report the effect of premiums, discounts and refundings when debt is first issued, whereas these amounts are deferred or amortized in the statement of activities.	
Premium on bonds	(5,627,957)
Deferred outflows on refunding bonds	<u>1,405,371</u>
	(4,222,586)
Net Position of Governmental Activities	<u>\$ (161,762,012)</u>

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

Town/Village of Harrison, New York

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

	General	Debt Service	Capital Projects
REVENUES			
Real property taxes	\$ 38,921,884	\$ -	\$ -
Other tax items	2,488,429	-	-
Non-property taxes	7,291,481	-	-
Departmental income	2,833,002	-	-
Use of money and property	262,039	62,903	-
Licenses and permits	5,398,951	-	-
Fines and forfeitures	394,568	-	-
Sale of property and compensation for loss	22,156	-	-
State aid	2,544,961	-	196,360
Federal aid	13,150	-	-
Miscellaneous	1,153,824	100	129,000
Total Revenues	61,324,445	63,003	325,360
EXPENDITURES			
Current			
General government support	9,943,756	-	-
Public safety	23,814,581	-	-
Health	516,457	-	-
Transportation	334,453	-	-
Economic opportunity and development	109,603	-	-
Culture and recreation	3,292,740	-	-
Home and community services	3,108,946	-	-
Employee benefits	9,626,094	-	-
Debt service			
Principal	-	7,171,337	-
Interest	-	2,730,344	-
Capital outlay	-	-	17,037,554
Total Expenditures	50,746,630	9,901,681	17,037,554
Excess (Deficiency) of Revenues Over Expenditures	10,577,815	(9,838,678)	(16,712,194)
OTHER FINANCING SOURCES (USES)			
Bonds issued	338,163	-	12,346,837
Issuance premium	45,837	120,589	1,673,597
Insurance recoveries	15,613	-	-
Sale of equipment	130,350	-	-
Transfers in	30,000	9,651,911	1,503,874
Transfers out	(8,204,642)	-	(79,731)
Total Other Financing Sources (Uses)	(7,644,679)	9,772,500	15,444,577
Net Change in Fund Balances	2,933,136	(66,178)	(1,267,617)
FUND BALANCES			
Beginning of Year	27,964,952	4,331,533	16,934,268
End of Year	\$ 30,898,088	\$ 4,265,355	\$ 15,666,651

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

Special Districts	Non-Major Governmental	Total Governmental Funds
\$ 6,325,635	\$ 8,591,316	\$ 53,838,835
-	-	2,488,429
-	-	7,291,481
3,247,049	78,075	6,158,126
141,667	25,627	492,236
-	-	5,398,951
-	-	394,568
-	-	22,156
125,000	140,539	3,006,860
-	3,913	17,063
20,964	1,491,472	2,795,360
<u>9,860,315</u>	<u>10,330,942</u>	<u>81,904,065</u>
64,341	-	10,008,097
3,395,743	-	27,210,324
-	-	516,457
-	4,954,347	5,288,800
-	-	109,603
-	1,797,054	5,089,794
559,818	79,310	3,748,074
1,910,068	2,765,309	14,301,471
-	-	7,171,337
-	-	2,730,344
-	-	17,037,554
<u>5,929,970</u>	<u>9,596,020</u>	<u>93,211,855</u>
<u>3,930,345</u>	<u>734,922</u>	<u>(11,307,790)</u>
-	-	12,685,000
-	-	1,840,023
-	-	15,613
-	-	130,350
-	-	11,185,785
<u>(2,863,911)</u>	<u>(109,482)</u>	<u>(11,257,766)</u>
<u>(2,863,911)</u>	<u>(109,482)</u>	<u>14,599,005</u>
1,066,434	625,440	3,291,215
<u>10,931,008</u>	<u>5,840,423</u>	<u>66,002,184</u>
<u>\$ 11,997,442</u>	<u>\$ 6,465,863</u>	<u>\$ 69,293,399</u>

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Town/Village of Harrison, New York

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

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

Net Change in Fund Balances - Total Governmental Funds	\$ 3,291,215
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	16,620,169
Depreciation expense	(5,670,568)
	<u>10,949,601</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>(715,931)</u>
Bond proceeds and other long-term debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other long-term 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 issued, whereas these amounts are deferred and amortized on the statement of activities.	
General obligation bonds issued	(12,685,000)
Issuance premium	(1,774,088)
Principal paid on general obligation bonds	7,012,200
Principal paid on energy performance contract	159,137
	<u>(7,287,751)</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	(27,423)
Compensated absences	(289,018)
Claims payable	(315,205)
Fire service award's total pension liabilities	(146,022)
Changes in pension liabilities and related deferred outflows and inflows of resources	1,340,159
Changes in OPEB liabilities and related deferred outflows and inflows of resources	8,954,162
Amortization of loss on refunding bonds and issuance premium	385,073
	<u>9,901,726</u>
Internal service funds are used by management to charge the cost of health claims to individual funds. The change in net position of the internal service funds are reported within governmental activities.	<u>1,093,604</u>
Change in Net Position of Governmental Activities	<u>\$ 17,232,464</u>

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

Town/Village of Harrison, New York

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

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 38,782,492	\$ 38,782,492	\$ 38,921,884	\$ 139,392
Other tax items	2,586,582	2,586,582	2,488,429	(98,153)
Non-property taxes	6,870,000	6,870,000	7,291,481	421,481
Departmental income	1,957,100	2,787,403	2,833,002	45,599
Use of money and property	450,000	450,000	262,039	(187,961)
Licenses and permits	2,518,600	2,518,600	5,398,951	2,880,351
Fines and forfeitures	1,910,000	1,910,000	394,568	(1,515,432)
Sale of property and compensation for loss	5,000	5,000	22,156	17,156
State aid	1,208,400	1,208,400	2,544,961	1,336,561
Federal aid	-	-	13,150	13,150
Miscellaneous	571,755	591,755	1,153,824	562,069
Total Revenues	56,859,929	57,710,232	61,324,445	3,614,213
EXPENDITURES				
Current				
General government support	9,955,355	11,279,788	9,943,756	1,336,032
Public safety	23,878,425	24,720,839	23,814,581	906,258
Health	517,200	517,200	516,457	743
Transportation	330,099	351,197	334,453	16,744
Economic opportunity and development	180,384	159,286	109,603	49,683
Culture and recreation	3,790,648	3,820,648	3,292,740	527,908
Home and community services	2,986,742	3,116,252	3,108,946	7,306
Employee benefits	9,752,992	9,619,641	9,626,094	(6,453)
Total Expenditures	51,391,845	53,584,851	50,746,630	2,838,221
Excess of Revenues Over Expenditures	5,468,084	4,125,381	10,577,815	6,452,434
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	13,414	15,613	2,199
Bonds issued	-	338,163	338,163	-
Issuance premium	-	45,837	45,837	-
Sale of equipment	20,000	20,000	130,350	110,350
Transfers in	-	30,000	30,000	-
Transfers out	(6,931,585)	(8,197,340)	(8,204,642)	(7,302)
Total Other Financing Uses	(6,911,585)	(7,749,926)	(7,644,679)	105,247
Net Change in Fund Balances	(1,443,501)	(3,624,545)	2,933,136	6,557,681
FUND BALANCES				
Beginning of Year	1,443,501	3,624,545	27,964,952	24,340,407
End of Year	\$ -	\$ -	\$ 30,898,088	\$ 30,898,088

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

Special Districts Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 6,325,636	\$ 6,325,636	\$ 6,325,635	\$ (1)
-	-	-	-
-	-	-	-
3,242,209	3,242,209	3,247,049	4,840
6,500	6,500	141,667	135,167
-	-	-	-
-	-	-	-
-	-	-	-
-	-	125,000	125,000
-	-	-	-
31,800	31,800	20,964	(10,836)
9,606,145	9,606,145	9,860,315	254,170
66,880	67,412	64,341	3,071
3,819,442	3,874,694	3,395,743	478,951
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
709,756	669,029	559,818	109,211
2,225,295	2,197,174	1,910,068	287,106
6,821,373	6,808,309	5,929,970	878,339
2,784,772	2,797,836	3,930,345	1,132,509
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(2,836,963)	(2,910,551)	(2,863,911)	46,640
(2,836,963)	(2,910,551)	(2,863,911)	46,640
(52,191)	(112,715)	1,066,434	1,179,149
52,191	112,715	10,931,008	10,818,293
\$ -	\$ -	\$ 11,997,442	\$ 11,997,442

Town/Village of Harrison, New York

Statement of Net Position
Proprietary Funds
December 31, 2021

	Business-Type Activities - Enterprise Fund - Harrison Meadows Country Club	Governmental Activities- Internal Service Fund
ASSETS		
Cash and equivalents	\$ 2,078,412	\$ 4,499,868
Accounts receivable	-	135,070
Capital assets		
Not being depreciated	13,650,000	-
Total Assets	15,728,412	4,634,938
LIABILITIES		
Accounts payable	25,946	39,624
Bond anticipation notes payable	15,650,000	
Accrued liabilities	-	700,000
Due to other funds	537,498	-
Total Liabilities	16,213,444	739,624
NET POSITION		
Unrestricted	\$ (485,032)	\$ 3,895,314

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

Town/Village of Harrison, New York

Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds Year Ended December 31, 2021

	Business-type Activities - Enterprise Fund - Harrison Meadows Country Club	Governmental Activities- Internal Service Fund
OPERATING REVENUES		
Charges for services	\$ 14,165	\$ 14,280,753
Insurance recoveries	-	1,266,185
Total Operating Revenues	14,165	15,546,938
OPERATING EXPENSES		
Personal services	548,178	-
Utilities	129,117	-
Insurance	2,295	1,117,944
Employee benefits	-	13,080,410
Contractual	-	254,980
Miscellaneous	24,770	-
Total Operating Expenses	704,360	14,453,334
Operating Income (Loss)	(690,195)	1,093,604
NONOPERATING REVENUES		
Interest income	133,182	-
Income (Loss) Before Transfers	(557,013)	1,093,604
Transfers in	101,981	-
Transfers out	(30,000)	-
Total Transfers	71,981	-
Change in Net Position	(485,032)	1,093,604
NET POSITION		
Beginning of Year	-	2,801,710
End of Year	\$ (485,032)	\$ 3,895,314

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

Town/Village of Harrison, New York

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2021

	Business-type Activities Enterprise Fund	Governmental Activities- Internal Service Fund
	Harrison Meadows Country Club	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 551,663	\$ 14,280,753
Cash received from insurance recoveries	-	2,030,294
Cash payments to employees	(548,178)	
Cash payments to vendors	(130,236)	(254,980)
Cash payments to insurance carriers and claimants	-	(15,043,384)
Net Cash from Operating Activities	(126,751)	1,012,683
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfer out	(30,000)	-
Transfers in	101,981	-
Net Cash from Non-Capital Financing Activities	71,981	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Bond anticipation notes issued	15,650,000	-
Acquisition and construction of capital assets	(13,650,000)	-
Net Cash From Capital and Related Financing Activities	2,000,000	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	133,182	-
Net Change in Cash and Equivalents	2,078,412	1,012,683
CASH AND EQUIVALENTS		
Beginning of Year	-	3,487,185
End of Year	\$ 2,078,412	\$ 4,499,868
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ (690,195)	\$ 1,093,604
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Accounts receivable	-	764,109
Accounts payable	25,946	(320,030)
Due to other funds	537,498	-
Accrued liabilities	-	(525,000)
Net Cash from Operating Activities	\$ (126,751)	\$ 1,012,683

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

Town/Village of Harrison, New York

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2021

	<u>Custodial Fund</u>
ASSETS	
Cash and equivalents	\$ 8,306,930
Real property taxes receivable for other governments	<u>45,769,964</u>
 Total Assets	 <u><u>\$ 54,076,894</u></u>
 LIABILITIES	
Due to other governments	<u><u>\$ 54,076,894</u></u>

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

Town/Village of Harrison, New York

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

	<u>Custodial Fund</u>
ADDITIONS	
Real property taxes collected for other governments	\$ 144,662,972
DEDUCTIONS	
Payments of real property taxes to other governments	<u>144,662,972</u>
Net Change in Fiduciary Net Position	-
NET POSITION	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

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

Town/Village of Harrison, New York

Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies

The Town of Harrison, New York was established in 1696. The Village of Harrison, New York was established in 1975. The Village of Harrison is coterminous with the Town of Harrison and the Village Board is comprised of the members of the Town Board. New York State law has designated certain government functions as a Town responsibility, while other functions are the responsibility of Village government. For financial reporting purposes all references to the entity are captioned Town/Village. The Town/Village operates in accordance with both Town and Village Law and the various other applicable laws of the State of New York. The Town Board and the Village Board of Trustees are the legislative bodies responsible for overall operation. The Town Supervisor/Village Mayor serves as the chief executive and chief financial officer. The Town/Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The financial statements of the Town/Village have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town/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 Town/Village, b) organizations for which the Town/Village is financially accountable and c) other organizations for which the nature and significance of their relationship with the Town/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 Town/Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town/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, the following component unit is included in the Town/Village's reporting entity because of its operational relationship with the Town/Village.

The Harrison Parking Authority ("Authority") was formed in 2004, for the purpose of constructing, operating and maintaining a parking structure in the Town/Village. The Authority is a public benefit corporation organized under the Laws of the State of New York. Members of the Authority are appointed by the Mayor for a specified term. These members are also members of the Town/Village Board. While the Town/Village will provide the accounting services, Authority members have complete responsibility for the Authority and accountability for fiscal matters. Presently, the Town/Village is not liable for Authority debt. All operating revenues in excess of the Authority's cost of operations are retained by the Authority. Since the Town/Village does not guarantee the Authority's debt and the Authority does not provide services entirely or almost entirely to the Town/Village, the financial statements of the Authority have been reflected as a discretely presented component unit.

Complete financial statements can be obtained from its administrative office located at the Town/Village of Harrison, New York, 1 Heineman Place, Harrison, New York 10528.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Town/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 primary government is reported separately from the legally separate component unit.

The Statement of Net Position presents the financial position of the Town/Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town/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. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the Town/Village's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

C. Fund Financial Statements

The accounts of the Town/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/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town/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 and Proprietary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

presentation. The Town/Village's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

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

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

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

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

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 fund of the Town/Village is as follows:

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town/Village's water, sewer and fire protection districts. The major revenues of this fund are real property taxes and departmental income.

The Town/Village also reports the following non-major governmental funds:

Special Revenue Funds:

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York.

Public Library Fund - The Public Library Fund is used to account for the activities of the Town/Village's Public Library.

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

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

- b. Proprietary Fund - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Town/Village has established its Health Benefits Fund as an internal service fund. The Enterprise fund accounts for the operations of the Harrison Meadows Country Club.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Town/Village on behalf of others. The Custodial Fund is primarily utilized to account for real property taxes collected for other governments.

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and as 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, total pension liability, net pension liability, certain claims and other postemployment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Note 1 - Summary of Significant Accounting Policies (Continued)

Component Unit

The component unit is presented on the basis of accounting that most accurately reflects its activities. The component unit is accounted for on the economic resources measurement focus. This measurement focus emphasizes the determination of net income. With this measurement focus, all assets and liabilities (whether current or non-current) associated with the operation of this fund are included on the balance sheet. Operating statements present increases (revenues) and decreases (expenses) in total net position. The component unit is accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

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

Cash and Equivalents, Investments and Risk Disclosure

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

The Town/Village's deposits and investment policies are governed by State statutes. The Town/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 Town/Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town/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 (except Length of Service Awards Program investments, which are discussed below) - 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 Town/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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Length of Service Awards Program Investments

Fire Service Awards Program - The program policy allows investments in the following: (1) fixed income mutual funds; (2) international equities; (3) United States government obligations; and (4) mixed assets. Investments of the Length of Service Awards Program are invested in accordance with a statutory prudent person rule in accordance with an investment policy adopted by the Town/Village. These investments are measured using level 1 inputs.

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town/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 Town/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 Town/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 Town/Village's name. The Town/Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2021.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The Town/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 Town/Village's investment policy limits the amount on deposit at each of its banking institutions.

Taxes Receivable - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town/Village collects town/village, highway, special districts, county and school district taxes. Town/Village taxes for the period January 1st to December 31st are levied on January 1st and are due on February 1st, with the first half payable without penalty until February 28th/29th and the second half payable without penalty until June 30th. County of Westchester ("County") taxes are due April 1st and are payable without penalty to April 30th. School district taxes for the period July 1st to June 30th are levied on July 1st and are due September 1st, with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town/Village guarantees the full payment of the

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

County and school district warrants and assumes the responsibility for uncollected taxes. The Town/Village also has the responsibility for conducting in-rem foreclosure proceedings.

The Town/Village functions in both a fiduciary and guarantor relationship with the County and the school districts located within the Town/Village with respect to the collection and payment of real property taxes levied by such jurisdictions. The County Charter provides for the Town/Village to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town/Village must remit to the County sixty percent of the amount levied by May 25th and satisfy the balance of forty percent by October 15th. With respect to school district taxes, the Charter provides that the Town/Village satisfy the warrant of the school district by April 5th. Thus the Town's/Village's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town/Village must satisfy its obligations regardless of the amounts collected. County and school districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "*Fiduciary Activities*", and therefore have been accounted for within the Custodial Fund.

Deposit - The Town/Village made a deposit of \$72,500 for the purchase of property, in the General Fund - Town. These funds were placed in escrow in the name of the Town/Village.

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

Due From Component Unit - the due from component unit represents amounts advanced to the Authority in the form of a note plus accrued interest. The note is due on demand.

Due From/To Other Funds - During the course of its operations, the Town/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 December 31, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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/or 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.

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

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Town/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 the donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Town/Village chose to include all such items regardless of their acquisition date or amount. The Town/Village was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Infrastructure	15-50
Machinery and equipment	5-20
Vehicles	5-8

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 sheet.

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town/Village has reported unearned revenues of \$1,484,252 in American Rescue Plan Act funds received in advance in the General Fund - Village. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

The Town/Village has reported deferred outflows of resources of \$1,405,371 for a deferred loss on refunding bonds in the government-wide Statement of Net Position. This amount results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

The Town/Village has reported deferred inflows of resources of \$2,246,611 for real property taxes not expected to be collected in the first sixty days of the subsequent year in the General Fund and \$675,014 for amounts not available in the current year in the Special Districts Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The Town/Village reported deferred amounts on refunding bonds resulting from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is being deferred and amortized over the shorter of the life of the refunded or refunding debt.

The Town/Village has also reported deferred outflows of resources and deferred inflows of resources in relation to its pension, fire service award and other postemployment benefit liabilities in the government-wide financial statement for governmental activities. These amounts are detailed in the discussion of the Town/Village's pension, fire service award and other postemployment benefit liabilities in Note 3.

Long-Term Liabilities - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of 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 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 leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide financial statements 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.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Pension Liability - The net pension liability represents the Town/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 Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68."*

Other Postemployment Benefit Liability ("OPEB") - In addition to providing pension benefits, the Town/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"*.

Total Pension Liability - Length of Service Award Programs - The total pension liability for the Fire Service Awards Program is presented in accordance with the provisions of GASB Statement No. 73, *"Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68."*

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

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

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the Town/Village or through external restrictions imposed by creditors, grantors, or laws or regulations of the governments. Restricted net position for the Town/Village includes restricted for capital projects, law enforcement, debt service, trust and parklands.

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

Fund Balances - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town/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:

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town/Village Board is the highest level of decision making authority for the Town/Village that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town/Village removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town/Village Board.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town/Village Board for amounts assigned for balancing the subsequent year's budget or the Town/Village Comptroller/Treasurer for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

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 applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town/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 Town/Village's policy to use fund balance in the following order: committed, assigned, and unassigned.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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, Special Districts, Highway and Public Library 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 July 8, 2022.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget advisory committee an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget advisory committee, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town/Village Board.
- d) The Town/Village Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town/Village Board shall become the preliminary budget.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

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

B. Property Tax Limitation

The Village component of the Town/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 redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2021 inclusive of exclusions, was \$170,558,897 which exceeded the actual levy by \$160,468,943.

Under New York State Town Law, the Town is not limited as to the maximum amount of real property taxes which may be raised. However, Chapter 97 of the New York State Laws of 2011, as amended ("*Tax Levy Limitation Law*") modified previous law by imposing a limit on the amount of real property taxes a local government may levy. The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town/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 with the result expressed as a decimal to four places. The Town/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 Town/Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town/Village. The Town/Village Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town/Village Board first enacts, by a vote of at least sixty percent of the total voting power of the Town/Village Board, a local law to override such limit for such coming fiscal year.

C. Fund Deficits

The Special Districts Fund - Fire Protection District No. 5 reflects a deficit of \$1,644 as of December 31, 2021. The Town/Village will address this deficit in the ensuing year.

D. Expenditures in Excess of Budget

The following functional expenditures exceeded their budgetary authorizations by the amounts indicated:

General Fund - Town	
Employee Benefits	
Health, dental and life insurance	\$ 75,881
Other Financing Uses	
Transfers Out - Debt service fund	13,916
General Fund - Village	
General Government Support	
Judgements and claims	5,981
Debt Service Fund	
Interest	
Serial bonds	4,748
Highway Fund	
Current - Transportation	140

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

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

Town/Village taxes	\$	452,221
County taxes		249,770
Tax liens		<u>1,794,024</u>
	\$	<u>2,496,015</u>

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$2,246,611, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

B. Due From Component Unit

The due from component unit of \$364,550 as of December 31, 2021 represents amounts advanced in 2006, 2007, 2008 and 2017 to the Authority plus accrued interest. Interest is payable at 4%. The note is due on demand.

C. Due From/To Other Funds

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 539,142	\$ -
Special Districts	-	1,644
Enterprise - Harrison Meadows Country Club	<u>-</u>	<u>537,498</u>
	<u>\$ 539,142</u>	<u>\$ 539,142</u>

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.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

D. Capital Assets

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

Class	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$ 4,033,954	\$ 956,773	\$ -	\$ 4,990,727
Construction-in-progress	11,416,244	11,369,304	(24,881)	22,760,667
Total Capital Assets, not being depreciated	<u>\$ 15,450,198</u>	<u>\$ 12,326,077</u>	<u>\$ (24,881)</u>	<u>\$ 27,751,394</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 47,771,586	\$ 31,181	\$ -	\$ 47,802,767
Infrastructure	137,885,009	3,371,116	-	141,256,125
Machinery and equipment	6,879,354	425,814	(6,924)	7,298,244
Vehicles	21,811,726	490,862	(646,571)	21,656,017
Total Capital Assets, being depreciated	<u>214,347,675</u>	<u>4,318,973</u>	<u>(653,495)</u>	<u>218,013,153</u>
Less Accumulated Depreciation for:				
Buildings and improvements	16,319,850	1,189,723	-	17,509,573
Infrastructure	79,845,430	2,698,112	-	82,543,542
Machinery and equipment	5,666,764	352,596	(6,924)	6,012,436
Vehicles	14,933,051	1,430,137	(646,571)	15,716,617
Total Accumulated Depreciation	<u>116,765,095</u>	<u>5,670,568</u>	<u>(653,495)</u>	<u>121,782,168</u>
Total Capital Assets, being depreciated, net	<u>\$ 97,582,580</u>	<u>\$ (1,351,595)</u>	<u>\$ -</u>	<u>\$ 96,230,985</u>
Capital Assets, net	<u>\$ 113,032,778</u>	<u>\$ 10,974,482</u>	<u>\$ (24,881)</u>	<u>\$ 123,982,379</u>
Business Type Activities				
Capital Assets, not being depreciated				
Land	\$ -	\$ 7,234,500	\$ -	\$ 7,234,500
Construction-in-progress	-	6,415,500	-	6,415,500
	<u>\$ -</u>	<u>\$ 13,650,000</u>	<u>\$ -</u>	<u>\$ 13,650,000</u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
 December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Governmental Activities	
General Government Support	\$ 596,594
Public Safety	763,381
Transportation	1,984,875
Culture and Recreation	682,833
Home and Community Services	<u>1,642,885</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 5,670,568</u>

E. Accrued Liabilities - Unpaid Claim Liabilities

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

An analysis of the activity of unpaid claim liabilities in the Internal Service Fund is as follows:

	<u>2021</u>	<u>2020</u>
Balance - Beginning of Year	\$ 1,225,000	\$ 1,800,000
Provision for Claims and Claims Adjustment Expenses	13,080,410	13,695,463
Claims and Claims Adjustment Expenses Paid	<u>(13,605,410)</u>	<u>(14,270,463)</u>
Balance - End of Year	<u>\$ 700,000</u>	<u>\$ 1,225,000</u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

F. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Interest Rate	Balance January 1, 2021	New Issues	Redemptions	Balance December 31, 2021
Governmental Activities - Fire District #2	8/10/2021	8/10/2022	1.00 %	\$ -	\$ 8,475,000	\$ -	\$ 8,475,000
Business-Type Activities - Harrison Meadows County Club	7/13/2021	7/13/2022	1.00	-	15,650,000	-	15,650,000
				<u>\$ -</u>	<u>\$ 24,125,000</u>	<u>\$ -</u>	<u>\$ 24,125,000</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgements or settled claims are recorded in the fund paying the claim. Principle payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgements 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. The Town/Village also issued bond anticipation notes for its Enterprise Fund – Harrison Meadows Country Club for the purchase and improvements to the facility.

G. Long-Term Liabilities

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

	Balance January 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2021	Due Within One Year
General Obligation Bonds Payable:					
Capital Construction	\$ 83,741,222	\$ 12,346,837	\$ 6,772,070	\$ 89,315,989	\$ 5,512,969
Judgments and claims	1,823,313	338,163	240,130	1,921,346	248,966
Plus - Unamortized premium on bonds	4,472,381	1,774,088	618,512	5,627,957	-
	<u>90,036,916</u>	<u>14,459,088</u>	<u>7,630,712</u>	<u>96,865,292</u>	<u>5,761,935</u>
Energy performance contract debt	<u>1,361,650</u>	<u>-</u>	<u>159,137</u>	<u>1,202,513</u>	<u>163,470</u>
	<u>91,398,566</u>	<u>14,459,088</u>	<u>7,789,849</u>	<u>98,067,805</u>	<u>5,925,405</u>
Other Non-Current Liabilities:					
Compensated absences	1,434,820	432,018	143,000	1,723,838	172,000
Total Pension Liability - Length of service award program	2,227,221	748,757	71,950	2,904,028	-
Net pension liability	26,908,042	-	21,689,746	5,218,296	-
Claims payable	5,276,437	2,173,918	1,858,713	5,591,642	559,000
Other postemployment benefit liability	<u>221,593,815</u>	<u>23,132,610</u>	<u>6,649,886</u>	<u>238,076,539</u>	<u>-</u>
Total Other Non-Current Liabilities	<u>257,440,335</u>	<u>26,487,303</u>	<u>30,413,295</u>	<u>253,514,343</u>	<u>731,000</u>
Total Long-Term Liabilities	<u>\$ 348,838,901</u>	<u>\$ 40,946,391</u>	<u>\$ 38,203,144</u>	<u>\$ 351,582,148</u>	<u>\$ 6,656,405</u>

Liabilities for general obligation bonds and energy performance contract debt are liquidated by the Debt Service Fund. Each fund's liability for compensated absences, total pension liability, net pension liability - length of service award program, claims and other postemployment benefit liabilities are liquidated by the respective fund.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued) December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

General Obligation Bonds Payable

General obligation bonds payable at December 31, 2021 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2021
Refunding Bonds	2011	\$ 10,280,000	May, 2022	4.000 %	\$ 50,000
Public Improvements	2012	9,970,135	December, 2032	2.000-2.500	6,055,000
Public Improvements and Tax Certiorari	2013	7,963,063	December, 2033	3.000-4.000	380,000
Refunding Bonds	2013	15,775,000	December, 2028	3.000-5.000	1,555,000
Public Improvements and Tax Certiorari	2014	4,757,880	December, 2027	2.000-2.375	2,560,000
Public Improvements	2015	7,344,015	September, 2035	2.000	5,790,000
Refunding Bonds	2017	5,610,000	June, 2027	5.000-3.250	2,120,000
Public Improvements and Tax Certiorari	2017	9,349,300	December, 2036	3.000	7,715,000
Public Improvements	2017	800,000	December, 2032	2.500-3.000	650,000
Public Improvements and Tax Certiorari	2017	4,346,000	December, 2031	4.000	3,135,000
Public Improvements	2018	18,623,600	November, 2044	3.500-5.000	17,555,000
Public Improvements	2019	12,415,000	December, 2049	2.000-5.000	12,080,000
Environmental Facilities Corporation	2019	221,735	February, 2029	-	177,335
Public Improvements	2020	4,455,000	October, 2040	2.000-5.000	4,455,000
Public Improvement Refunding Bonds	2020	4,140,000	March, 2025	5.000	3,365,000
Public Improvement Refunding Bonds	2020	10,425,000	March, 2033	2.000	10,310,000
Public Improvements	2020	600,000	November, 2035	1.790	600,000
Public Improvements	2021	12,346,837	June, 2035	2.000-5.000	12,346,837
Tax Certiorari	2021	338,163	June, 2035	2.000-5.000	338,163
					<u>\$ 91,237,335</u>

Interest expenditures of \$2,681,845 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$2,324,195 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt and energy performance contract debt outstanding as of December 31, 2021, including interest payments of \$26,423,390 are as follows:

Year Ending December 31,	General Obligation Bonds		Energy Performance Contract		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 5,761,935	\$ 2,969,581	\$ 163,470	\$ 28,085	\$ 5,925,405	\$ 2,997,666
2023	6,542,200	2,736,738	167,587	23,968	6,709,787	2,760,706
2024	6,327,200	2,476,947	171,808	19,747	6,499,008	2,496,694
2025	6,527,200	2,245,306	176,135	15,960	6,703,335	2,261,266
2026	5,792,200	2,028,209	180,571	10,984	5,972,771	2,039,193
2027-2031	26,406,600	7,325,916	342,942	8,541	26,749,542	7,334,457
2032-2036	18,780,000	3,770,339	-	-	18,780,000	3,770,339
2037-2041	7,865,000	1,964,906	-	-	7,865,000	1,964,906
2042-2046	5,575,000	699,163	-	-	5,575,000	699,163
2047-2049	1,660,000	99,000	-	-	1,660,000	99,000
	<u>\$ 91,237,335</u>	<u>\$ 26,316,105</u>	<u>\$ 1,202,513</u>	<u>\$ 107,285</u>	<u>\$ 92,439,848</u>	<u>\$ 26,423,390</u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Legal Debt Margin

The Town/Village is subject to legal limitations on the amount of debt that it may issue. The Town/Village's legal debt margin is 7% of the five year average full valuation of taxable real property. At December 31, 2021, that amount was \$596,959,323. As of December 31, 2021, the total outstanding debt applicable to the limit was \$77,075,420, which is 12.91% of the total debt limit.

Energy Performance Contract Debt Payable

The Town/Village, in 2018, entered into a \$1,694,781 contractual agreement to install energy savings equipment and/or to upgrade existing facilities to enhance performance. The terms of the contract provide for repayment over ten years, with monthly installments of \$15,844 through October 2028. Payments include interest at 2.35%. The contract further provides that the savings in energy costs resulting from these upgrades will equal or exceed the lease payment terms. The balance due at December 31, 2021 was \$1,202,513. Interest expenditures/expense of \$48,499 were recorded in the fund financial statements in the Debt Service Fund and in the government-wide financial statements for governmental activities.

Compensated Absences

The Town/Village is obligated to pay accumulated sick leave to CSEA employees who retire from the Town/Village in good standing. Bargaining unit members shall be paid for accumulated sick days exceeding 165, to a maximum of 215. The Town/Village is also obligated to pay accrued vacation leave up to a maximum of 30 days to CSEA employees and 21 days for firefighters. Police Officers and Teamsters must take vacation in the year it is earned. It may not be accumulated, except at management's convenience. The value of the compensated absences has been reflected in the government-wide financial statements.

Defined Benefit - Fire Service Awards Program

The Town/Village's financial statements are for the year ended December 31, 2021. The information contained in this note is based on information for the Town of Harrison – West Harrison Fire Department Service Award Program for the program year ending on December 31, 2021, which is the most recent program year for which complete information is available. The Program is accounted for in the Town/Village's financial statements within the Fire Protection District No. 1 Fund.

Plan description

The Town/Village established a defined benefit Service Award Program (referred to as a "LOSAP" - Length Of Service Award Program - under Section 457(e)(11) of the Internal Revenue Code) effective January 1, 2004 for the active volunteer firefighter members of the West Harrison Fire Department. This is a single employer defined benefit plan. The Program was established

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

pursuant to Article 11-A of the New York State General Municipal Law. The Program provides municipally-funded deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. The Town/Village is the Sponsor of the Program and the Program administrator.

An eligible Program Participant is defined to be an active volunteer firefighter who is at least 18 years of age and upon earning 50 or more points in a calendar year after 2000 under the provisions of the Program point system, is eligible to become a participant in the Program. Points are granted for the performance of certain activities in accordance with a system established by the Town/Village on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 62 or the participant's age after earning 50 program points), shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity.

Benefits provided

The monthly benefits are \$30 for each year of service credit, up to a maximum of 40 years. The benefits and refunds of the plan are recognized when due and payable in accordance with the terms of the plan. The Program also provides disability and death benefits. All death and disability benefits are self-insured and are paid from the Program Trust Fund. Separate financial statements are not issued by the Program.

Participants covered by the benefit terms.

At the December 31, 2021 measurement date, the following participants were covered by the benefit terms.

Inactive participants currently receiving benefits payments	18
Inactive participants entitled to but not yet receiving benefits payments	11
Active participants	<u>41</u>
Total	<u><u>70</u></u>

Contributions

New York State General Municipal Law §219(d) requires the Town/Village to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Town/Village.

Trust Assets. Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Town/Village. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement No. 73. The trust assets are recorded in the Fire Service Award Fund as investments and as a component of Restricted fund balance.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Measurement of Total Pension Liability

The total pension liability at the December 31, 2021 measurement date was determined using an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method: Entry Age Normal
Inflation: 2.25%
Salary Scale: None assumed

Mortality rates were based on RP-2014 Male Mortality Table without projection for mortality improvement.

Discount Rate. The discount rate used to measure the total pension liability was 1.93%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2021. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Services, AA by Fitch or AA by Standard & Poor's Rating Services.

Changes in the Total Pension Liability

Balance as of 12/31/19 measurement date	\$ 2,227,221
Service cost	80,274
Interest	74,052
Changes in benefit terms	-
Changes in assumptions or other inputs	563,878
Differences between expected and actual experience	30,553
Benefit payments	<u>(71,950)</u>
Balance as of 12/31/20 measurement date	<u><u>\$ 2,904,028</u></u>

Sensitivity of the Total Pension Liability to changes in the discount rate. The following presents the total pension liability of the Town/Village as of the December 31, 2021 measurement date, calculated using the discount rate of 1.93 percent, as well as what the Town/Village's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (0.93 percent) or 1-percentage point higher (2.93 percent) than the current rate:

	1% Decrease (0.93%)	Current Assumption (1.93%)	1% Increase (2.93%)
Total Pension Liability	<u><u>\$ 3,455,285</u></u>	<u><u>\$ 2,904,028</u></u>	<u><u>\$ 2,465,019</u></u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

For the year ended December 31, 2021, the Town/Village recognized pension expense of \$228,655 in the Fire Service Awards Fund. At December 31, 2021, the Town/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>
Differences between expected and actual experience	\$ 81,678	\$ 19,415
Changes of assumptions or other inputs	721,931	191,863
Benefit payments and administrative expenses subsequent to the measurement date	<u>72,907</u>	<u>-</u>
	<u><u>\$ 876,516</u></u>	<u><u>\$ 211,278</u></u>

\$72,907 reported as deferred outflows of resources related to pensions resulting from Town/Village transactions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the plan year ended December 31, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	
2022	\$ 52,527
2023	52,527
2024	52,527
2025	52,527
2026	52,527
Thereafter	<u>329,696</u>
	<u><u>\$ 592,331</u></u>

Pension Plans

New York State and Local Retirement System

The Town/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

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in plan net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the 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 Town/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/Option</u>	<u>Rate</u>
ERS-Town	2 75I	22.8%
	3 A14	18.0
	4 A15	18.0
	5 A15	15.0
	6 A15	10.5
ERS-Village	4 A15	18.0%
	6 A15	10.5
PFRS-Police	2 384D	30.4%
	5 384D	25.5
	6 375I	10.6
	6 384D	19.8
PFRS-Fire	2 384	25.2%
	2 384D	30.4
	6 384D	19.8

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
 December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2021, the Town/Village reported its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2021	March 31, 2021
Net pension liability	\$ 47,120	\$ 5,171,176
Town/Village's proportion of the net pension liability	0.0473216%	0.2978314%
Change in proportion since the prior measurement date	(0.0015955%)	0.0209431%

The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town/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 December 31, 2021, the Town/Village recognized its proportionate share of pension expense in the government-wide financial statements of \$99,574 for ERS and \$1,736,275 for PFRS. Pension expenditures of \$2,309,158 for ERS and \$3,045,813 for PFRS were recorded in the fund financial statements and were charged to the following funds:

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General - Town	\$ 1,359,388	\$ 2,516,830
General - Village	384,844	-
Special Districts	41,504	528,983
Non-Major Governmental		
Highway	375,545	-
Public Library	147,877	-
	<u>\$ 2,309,158</u>	<u>\$ 3,045,813</u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2021, the Town/Village reported its proportionate share of 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	\$ 575,463	\$ -	\$ 1,147,457	\$ -
Changes in assumptions	8,663,848	163,402	12,705,020	-
Net difference between projected and actual earnings on pension plan investments	-	13,535,639	-	15,205,540
Changes in proportion and differences between Town/Village contributions and proportionate share of contributions	689,302	121,293	495,138	632,468
Town/Village contributions subsequent to the measurement date	1,874,573	-	2,311,861	-
	<u>\$ 11,803,186</u>	<u>\$ 13,820,334</u>	<u>\$ 16,659,476</u>	<u>\$ 15,838,008</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 1,722,920	\$ -		
Changes in assumptions	21,368,868	163,402		
Net difference between projected and actual earnings on pension plan investments	-	28,741,179		
Changes in proportion and differences between Town/Village contributions and proportionate share of contributions	1,184,440	753,761		
Town/Village contributions subsequent to the measurement date	4,186,434	-		
	<u>\$ 28,462,662</u>	<u>\$ 29,658,342</u>		

The \$1,874,573 and \$2,311,861 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Town/Village's accrued contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the plan year ended March 31, 2022. 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 March 31,	ERS	PFRS
2022	\$ (625,639)	\$ (698,546)
2023	(131,011)	(110,101)
2024	(615,493)	(529,798)
2025	(2,519,578)	(2,697,264)
2026	-	2,545,316
	<u>\$ (3,891,721)</u>	<u>\$ (1,490,393)</u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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, 2021	March 31, 2021
Actuarial valuation date	April 1, 2020	April 1, 2020
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	4.4%
Inflation rate	2.7%	2.7%
Cost of living adjustments'	1.4%	1.4%

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

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

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.

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32 %	4.05 %
International Equity	15	6.30
Private Equity	10	6.75
Real Estate	9	4.95
Opportunistic/ARS Portfolio	3	4.50
Credit	4	3.63
Real Assets	3	5.95
Fixed Income	23	-
Cash	1	0.50
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.7%.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Town/Village's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Town/Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Town/Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 13,078,690</u>	<u>\$ 47,120</u>	<u>\$ (11,971,037)</u>
Town/Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 21,990,753</u>	<u>\$ 5,171,176</u>	<u>\$ (8,751,088)</u>

The components of the collective net pension liability as of the March 31, 2021 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 220,680,157,000	\$ 41,236,775,000	\$ 261,916,932,000
Fiduciary net position	<u>(220,580,583,000)</u>	<u>(39,500,500,000)</u>	<u>(260,081,083,000)</u>
Employers' net pension liability	<u>\$ 99,574,000</u>	<u>\$ 1,736,275,000</u>	<u>\$ 1,835,849,000</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>	<u>95.79%</u>	<u>99.30%</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 December 31, 2021 represent the employer contribution for the period of April 1, 2021 through December 31, 2021 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS and PFRS for the nine months ended December 31, 2021 were \$1,874,573 and \$2,311,861 respectively.

Voluntary Defined Contribution Plan

The Town/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 Town/Village will contribute 8%.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Employer contributions vest after 366 days of service. No current employees participated in this program.

Claims Payable

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

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

	Year Ended December 31,	
	2021	2020
Balance - Beginning of Year	\$ 5,276,437	\$ 3,407,818
Provision for Claims and Claims Adjustment Expenses	2,173,918	3,638,949
Claims and Claims Adjustment Expenses Paid	(1,858,713)	(1,770,330)
Balance - End of Year	<u>\$ 5,591,642</u>	<u>\$ 5,276,437</u>
Due Within One Year	<u>\$ 559,000</u>	<u>\$ 528,000</u>

The liability for general and workers' compensation claims is reflected in the government-wide financial statements in long-term liabilities.

Other Postemployment Benefit Liability ("OPEB")

In addition to providing pension benefits, the Town/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 Town/Village may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Town/Village and the retired employee as noted below. Substantially all of the Town/Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Town/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.

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Inactive employees currently receiving benefit payments	488
Active employees	<u>246</u>
	<u><u>734</u></u>

The Town/Villages' total OPEB liability of \$238,076,539 was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2020.

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

Inflation	2.25%
Salary increase	2.75%
Discount rate	1.84%
Healthcare cost trend rates	4.5% for 2021, decreasing by up to .25% per year and decreasing to 3.784% for 2075 and later years
Retirees' share of benefit-related costs	Retirees are not required to contribute to retiree health benefits if they paid contributions toward healthcare benefit as an active employee for at least a defined number of years as per their bargaining unit.

The discount rate was based on the Fidelity General Obligation 20-year AA Municipal Bond Index.

Mortality rates were updated to the sex-distinct and job category-specific headcount weighted Pub-2010 Public Retirement Plans Mortality Tables for employees and healthy retirees, and then adjusted for mortality improvements with the scale MP-2019 mortality improvement scale on a generational basis.

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

Total OPEB Liability - Beginning of Year	\$ 221,593,815
Service cost	7,352,335
Interest	4,512,424
Differences between expected and actual experience	1,118,584
Changes in assumptions or other inputs	10,149,267
Benefit payments	<u>(6,649,886)</u>
Total OPEB Liability - End of Year	<u><u>\$ 238,076,539</u></u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The following presents the total OPEB liability of the Town/Village, as well as what the Town/Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1%) or 1 percentage point higher (3%) than the current discount rate:

	1% Decrease (0.84%)	Current Discount Rate (1.84%)	1% Increase (2.84%)
Total OPEB Liability	<u>\$ 285,965,612</u>	<u>\$ 238,076,539</u>	<u>\$ 200,924,488</u>

The following presents the total OPEB liability of the Town/Village, as well as what the Town/Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.0% decreasing to 2.784%) or 1 percentage point higher (6.0% decreasing to 4.784%) than the current healthcare cost trend rates:

	1% Decrease (3.5% decreasing to 2.784%)	Current Healthcare Cost Trend Rates (4.5% decreasing to 3.784%)	1% Increase (5.5% decreasing to 4.784%)
Total OPEB Liability	<u>\$ 194,096,933</u>	<u>\$ 238,076,539</u>	<u>\$ 296,730,357</u>

For the year ended December 31, 2021, the Town/Village recognized OPEB benefit of (\$2,304,276) in the government-wide financial statements. At December 31, 2021, the Town/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	\$ 42,868,932	\$ 4,805,452
Differences between expected and actual experience	<u>1,073,105</u>	<u>49,886,999</u>
	<u>\$ 43,942,037</u>	<u>\$ 54,692,451</u>

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

<u>Year Ended December 31,</u>	
2022	\$ (10,642,791)
2023	(3,276,191)
2024	1,560,254
2025	1,914,626
2026	(110,269)
Thereafter	<u>(196,043)</u>
	<u><u>\$ (10,750,414)</u></u>

H. Joint Venture

The Town/Village, together with the Town of Mamaroneck and Village of Mamaroneck, participate in the Westchester Joint Water Works. The purpose of the joint venture is to acquire, construct, provide, maintain and operate a water works system.

The following is an audited summary of special purpose financial information included in the financial statements of the joint venture.

Balance Sheet Date - December 31, 2021

Total Assets	\$ 11,688,959
Total Liabilities	70,109,674
Net Deficit	(58,420,715)
Total Revenues	26,680,788
Total Expenses	28,149,443
Decrease in Net Position	(1,468,655)

I. 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:

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Transfers Out	Transfers In				Total
	General Fund	Debt Service Fund	Capital Projects Fund	Enterprise Fund - Harrison Meadows Country Club	
General Fund	\$ -	\$ 6,938,887	\$ 1,163,774	\$ 101,981	\$ 8,204,642
Capital Projects Fund	-	79,731	-	-	79,731
Special Districts Fund	-	2,633,293	230,618	-	2,863,911
Non-Major Governmental Funds	-	-	109,482	-	109,482
Enterprise Fund - Harrison Meadows Country Club	30,000	-	-	-	30,000
	<u>\$ 30,000</u>	<u>\$ 9,651,911</u>	<u>\$ 1,503,874</u>	<u>\$ 101,981</u>	<u>\$ 11,287,766</u>

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

J. Net Position

The components of net position are detailed below:

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

Restricted for Capital Projects – the component of net position that reports the amount restricted for capital projects in accordance with New York State General Municipal Law Sections 6-c and 6-g.

Restricted for Law Enforcement - the component of net position that represents the proceeds of seized funds which are restricted by New York State for use in law enforcement activities.

Restricted for Debt Service - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

Restricted for Trusts - the component of net position that reports the amounts set aside in accordance with the terms of the grants.

Restricted for Parklands - the component of net position established pursuant to Section 277 of Town Law to report funds received by the Town/Village in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

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

Town/Village of Harrison, New York

Notes to Financial Statements (Continued) December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

K. Fund Balances

	2021						2020					
	General Fund	Debt Service Fund	Capital Projects Fund	Special Districts Fund	Non-Major Governmental Funds	Total	General Fund	Debt Service Fund	Capital Projects Fund	Special Districts Fund	Non-Major Governmental Funds	Total
Nonspendable:												
Prepaid expenditures	\$ 1,697,972	\$ -	\$ -	\$ 335,959	\$ 402,073	\$ 2,436,004	\$ 1,451,391	\$ -	\$ -	\$ 337,511	\$ 276,092	\$ 2,064,994
Long-term receivables	364,550	-	-	-	-	364,550	429,859	-	-	-	-	429,859
Total Nonspendable	2,062,522	-	-	335,959	402,073	2,800,554	1,881,250	-	-	337,511	276,092	2,494,853
Restricted:												
Law enforcement	75,593	-	-	-	-	75,593	75,593	-	-	-	-	75,593
Workers' compensation	331,485	-	-	-	-	331,485	331,485	-	-	-	-	331,485
Debt service	15,703	3,878,284	-	-	-	3,893,987	10,504	4,008,646	-	-	-	4,019,150
Debt service - Subsequent year's expenditures	-	387,071	-	-	-	387,071	-	322,887	-	-	-	322,887
Capital projects	7,098,369	-	15,666,651	-	-	22,765,020	8,189,446	-	16,934,268	-	-	25,123,714
Pension benefits	-	-	-	1,916,645	-	1,916,645	-	-	-	1,786,307	-	1,786,307
Trusts	-	-	-	-	2,542,062	2,542,062	-	-	-	-	1,547,206	1,547,206
Parklands	-	-	-	-	706,588	706,588	-	-	-	-	712,257	712,257
Total Restricted	7,521,150	4,265,355	15,666,651	1,916,645	3,248,650	32,618,451	8,607,028	4,331,533	16,934,268	1,786,307	2,259,463	33,918,599
Assigned:												
Purchases on order:												
General government support	163,730	-	-	-	-	163,730	200,092	-	-	-	-	200,092
Public safety	61,503	-	-	80,416	-	141,919	58,507	-	-	11,691	-	70,198
Transportation	3,000	-	-	-	225,773	228,773	-	-	-	-	10,251	10,251
Culture and recreation	4,850	-	-	-	-	4,850	21,607	-	-	-	4,374	25,981
Home and community services	-	-	-	40,000	-	40,000	57	-	-	40,500	-	40,557
	233,083	-	-	120,416	225,773	579,272	280,263	-	-	52,191	14,625	347,079
Subsequent year's expenditures	-	-	-	-	-	-	1,163,238	-	-	-	-	1,163,238
Major funds	-	-	-	9,624,422	-	9,624,422	-	-	-	8,754,999	-	8,754,999
Highway purposes	-	-	-	-	2,145,162	2,145,162	-	-	-	-	2,952,907	2,952,907
Library purposes	-	-	-	-	444,205	444,205	-	-	-	-	337,336	337,336
Total Assigned	233,083	-	-	9,744,838	2,815,140	12,793,061	1,443,501	-	-	8,807,190	3,304,868	13,555,559
Unassigned	21,081,333	-	-	-	-	21,081,333	16,033,173	-	-	-	-	16,033,173
Total Fund Balances	\$ 30,898,088	\$ 4,265,355	\$ 15,666,651	\$ 11,997,442	\$ 6,465,863	\$ 69,293,399	\$ 27,964,952	\$ 4,331,533	\$ 16,934,268	\$ 10,931,008	\$ 5,840,423	\$ 66,002,184

Town/Village of Harrison, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

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

Long-term Receivables have been classified as nonspendable to indicate the long-term nature of receivables due from the component unit which will not be collected in sufficient time to use the funds to satisfy liabilities of the current period. These funds are not "available" for appropriation or expenditure even though the amounts are a component of current assets.

Restricted for Workers' Compensation represents funds to be used for a specific purpose in accordance with Section 6-j of New York State General Municipal Law.

Restricted for Pension Benefits represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

Purchases on order are assigned and represent the Town/Village's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

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

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Town/Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage, personal injury and civil rights violations. There are also numerous tort claims pending against the Town/Village. Town/Village management has indicated there are individual tort claims for amounts in excess of insurance coverage. However, it is anticipated that insurance coverage will be sufficient to satisfy any resolution of the tort claims pending against the Town/Village. The Town/Village's claims administrator has reviewed the status of pending general liability and workers' compensation actions and has determined that the amounts reflected as liabilities in the Statement of Net Position are sufficient to satisfy any payments arising therefrom.

The Town/Village is a defendant, along with Westchester County and ten other municipalities in Westchester County, in claims brought under the citizen suit provision of the Federal Clean Water Act alleging that defects in the defendants' sanitary sewer systems are leading to discharges of sewage to long island sound. Plaintiffs seek injunctive relief in the form of sewer system infrastructure repairs as well as statutory penalties and attorneys' fees. No provision has been included in the financial statements.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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

B. Risk Management

The Town/Village purchases various conventional insurance policies to reduce its exposure to loss. The Town/Village is self-insured for workers' compensation and general/auto liability claims to the extent of \$550,000 and \$100,000, respectively, per occurrence, with a maximum potential annual liability of \$1 million for general liability for 2021. General liability and auto claims in excess of this amount are insured to a limit of \$11 million including property damage under an excess liability policy. Public officials' liability insurance Employment Practice Liability coverage is also maintained with a policy limit of \$875,000, after a self-insured retention of \$125,000. This coverage is also included in the excess \$10 million policy. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The Town/Village is self-insured for health benefits. A plan administrator has been retained to review and approve all claims. The Town/Village has specific stop-loss insurance, which establishes a maximum exposure limit of \$225,000 for each individual covered in the plan. At December 31, 2021, the Town/Village has recorded a liability of \$700,000 in the Internal Service Fund, which represents claims incurred and claims incurred but not reported.

C. Contingencies

Westchester Joint Water Works ("WJWW"), a joint venture of the Town/Village as reported in Note 3.G., is currently being fined by the New York State Health Department for not meeting a Supreme Court of the State of New York ruling requiring the construction of a filtration plant by December 3, 2008. These fines amount to \$64,667,500 as of December 31, 2021 and continue to accrue at \$13,750 a day. The Town/Village's share of these fines is approximately 54.4 % of the total.

Management of the WJWW has indicated that the State is holding in abeyance the imposition of these fines although they continue to be accrued by the WJWW. The Town/Village has not accrued their share in the Special District Fund – Water District as the expectation of management is that the fines will be suspended or replaced with a negotiated settlement as the WJWW signed an intermunicipal agreement with the County for a filtration plant alternative.

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

Town/Village of Harrison, New York

Notes to Financial Statements (Concluded)
December 31, 2021

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.

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

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Town/Village of Harrison, New York

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

	2021 (7)	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 7,352,335	\$ 5,657,369	\$ 5,554,058	\$ 6,514,679
Interest	4,512,424	5,253,215	9,499,558	9,260,731
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	1,118,584	(26,507,748) (6)	(96,534,310) (5)	1,306,864
Changes of assumptions or other inputs	10,149,267	24,338,495 (6)	55,116,799 (4)	(33,117,268)
Benefit payments	(6,649,886)	(7,537,704)	(7,489,272)	(5,974,734)
Net Change in Total OPEB Liability	16,482,724	1,203,627	(33,853,167)	(22,009,728)
Total OPEB Liability – Beginning of Year	221,593,815	220,390,188	254,243,355	276,253,083 (3)
Total OPEB Liability – End of Year	<u>\$ 238,076,539</u>	<u>\$ 221,593,815</u>	<u>\$ 220,390,188</u>	<u>\$ 254,243,355</u>
Town/Village's covered-employee payroll	<u>\$ 28,210,090</u>	<u>\$ 26,141,855</u>	<u>\$ 26,184,965</u>	<u>\$ 24,523,951</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>843.94%</u>	<u>847.66%</u>	<u>841.67%</u>	<u>1036.71%</u>

Notes to Schedule:

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

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

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

(4) The increase is attributable to: the rate used to discount future cash flows was updated from 3.71% to 2.75%, revised healthcare trend rates and the mortality assumption was revised to the sex-district RPH-2014 Mortality Tables and then adjusted for mortality improvements with scale MP-2015.

(5) The decrease in the liability from the difference between expected and actual experience results from the repeal of the "Cadillac Tax" from the Patient Protection and Affordable Care Act which was signed into law on December 20, 2019.

(6) The difference between expected and actual experience and changes of assumptions or other inputs can be attributable to the discount rate decreasing to 2.00% vs. 2.75%.

(7) The discount rate decreased from 2.00% to 1.84% which increased the liability.

Town/Village of Harrison, New York

Required Supplementary Information
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)(2)

Schedule of the Town/Village's Proportionate Share of the Net Pension Liability (2)							
	2021 (6)	2020 (4) (5)	2019	2018	2017	2016 (3)	2015
Town/Village's proportion of the net pension liability	<u>0.0473216%</u>	<u>0.0457261%</u>	<u>0.0470803%</u>	<u>0.0491528%</u>	<u>0.0506478%</u>	<u>0.0516169%</u>	<u>0.0552982%</u>
Town/Village's proportionate share of the net pension liability	<u>\$ 47,120</u>	<u>\$ 12,108,536</u>	<u>\$ 3,335,786</u>	<u>\$ 1,586,380</u>	<u>\$ 4,758,972</u>	<u>\$ 8,284,651</u>	<u>\$ 1,868,110</u>
Town/Village's covered payroll	<u>\$ 15,588,510</u>	<u>\$ 15,140,383</u>	<u>\$ 14,161,804</u>	<u>\$ 14,353,517</u>	<u>\$ 14,059,991</u>	<u>\$ 13,880,279</u>	<u>\$ 13,450,800</u>
Town/Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.30%</u>	<u>79.98%</u>	<u>23.55%</u>	<u>11.05%</u>	<u>33.85%</u>	<u>59.69%</u>	<u>13.89%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>99.95%</u>	<u>86.39%</u>	<u>96.27%</u>	<u>98.20%</u>	<u>94.70%</u>	<u>90.70%</u>	<u>97.90%</u>

Schedule of Contributions							
	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,499,431	\$ 2,205,937	\$ 2,055,489	\$ 2,120,094	\$ 2,118,957	\$ 2,131,643	\$ 2,447,573
Contributions in relation to the contractually required contribution	<u>(2,499,431)</u>	<u>(2,205,937)</u>	<u>(2,055,489)</u>	<u>(2,120,094)</u>	<u>(2,118,957)</u>	<u>(2,131,643)</u>	<u>(2,447,573)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town/Village's covered payroll	<u>\$ 15,995,579</u>	<u>\$ 15,306,798</u>	<u>\$ 15,011,623</u>	<u>\$ 14,248,238</u>	<u>\$ 14,171,397</u>	<u>\$ 14,193,012</u>	<u>\$ 13,963,555</u>
Contributions as a percentage of covered payroll	<u>15.63%</u>	<u>14.41%</u>	<u>13.69%</u>	<u>14.88%</u>	<u>14.95%</u>	<u>15.02%</u>	<u>17.53%</u>

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

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

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

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

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

(6) Decrease in the Town/Village's proportionate share of the net pension liability mainly attribute to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report.

Town/Village of Harrison, New York

Required Supplementary Information
New York State and Local Police and Fire Retirement System
Last Ten Fiscal Years (1)(2)

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

	2021 (6)	2020 (4) (5)	2019	2018	2017	2016 (3)	2015
Town/Village's proportion of the net pension liability	0.2978314%	0.2768883%	0.2630255%	0.2654318%	0.2790529%	0.3083435%	0.2923915%
Town/Village's proportionate share of the net pension liability	\$ 5,171,176	\$ 14,799,506	\$ 4,411,104	\$ 2,682,870	\$ 5,783,795	\$ 9,129,396	\$ 804,835
Town/Village's covered payroll	\$ 11,751,503	\$ 11,087,855	\$ 9,983,408	\$ 9,939,063	\$ 9,858,257	\$ 10,050,196	\$ 9,815,085
Town/Village's proportionate share of the net pension liability as a percentage of its covered payroll	44.00%	133.47%	44.18%	26.99%	58.67%	90.84%	8.20%
Plan fiduciary net position as a percentage of the total pension liability	95.79%	84.86%	95.09%	96.90%	93.50%	90.20%	99.00%

Schedule of Contributions

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 3,082,481	\$ 2,468,207	\$ 2,167,010	\$ 2,177,672	\$ 2,245,761	\$ 2,305,912	\$ 2,471,756
Contributions in relation to the contractually required contribution	(3,082,481)	(2,468,207)	(2,167,010)	(2,177,672)	(2,245,761)	(2,305,912)	(2,471,756)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town/Village's covered payroll	\$ 13,112,199	\$ 12,299,619	\$ 11,704,181	\$ 10,786,463	\$ 10,642,343	\$ 9,898,572	\$ 9,908,337
Contributions as a percentage of covered payroll	23.51%	20.07%	18.51%	20.19%	21.10%	23.30%	24.95%

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

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

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

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

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

(6) Decrease in the Town/Village's proportionate share of the net pension liability mainly attribute to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

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Town/Village of Harrison, New York

Required Supplementary Information - Schedule of Changes in the Town/Village's Total Pension Liability - Fire Service Awards Program Last Ten Fiscal Years (1)

Schedule of Changes in the Town/Village's Total Pension Liability					
	2021	2020	2019	2018	2017
Total Pension Liability					
Service cost	\$ 80,274	\$ 83,189	\$ 92,222	\$ 63,665	\$ 66,456
Interest	74,052	74,273	65,533	62,626	56,832
Changes in benefit terms	-	-	-	191,805	-
Changes in assumptions or other inputs	563,878	129,083	(158,057)	149,114	(137,637)
Differences between expected and actual experience	30,553	16,313	42,723	(29,244)	15,166
Benefit payments	(71,950)	(65,840)	(67,654)	(93,816)	(78,132)
Net Change in total pension liability	676,807	237,018	(25,233)	344,150	(77,315)
Total pension liability – beginning	2,227,221	1,990,203	2,015,436	1,671,286	1,748,601
Total pension liability – ending	\$ 2,904,028	\$ 2,227,221	\$ 1,990,203	\$ 2,015,436	\$ 1,671,286
Covered payroll	N/A	N/A	N/A	N/A	N/A
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

(1) Schedule is intended to show information for 10 years. Additional information will be displayed as it becomes available.

Notes to Required Supplementary information

Changes in assumptions or other inputs. The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate index and was as follows:

December 31, 2018: 3.16%
December 31, 2019: 3.64%
December 31, 2020: 3.26%
December 31, 2021: 1.93%

Trust Assets. There are no assets accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement No. 73 to pay related benefits.

Town/Village of Harrison, New York

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

	Town	Village	Totals	
			2021	2020
ASSETS				
Cash and equivalents	\$ 24,395,032	\$ 5,588,548	\$ 29,983,580	\$ 26,418,745
Taxes receivable	-	2,496,015	2,496,015	2,588,617
Other receivables				
Accounts	732,987	65,556	798,543	587,893
State and Federal aid	1,774,375	-	1,774,375	1,600,835
Due from component unit	-	364,550	364,550	429,859
Due from other governments	-	-	-	2,491
Due from other funds	539,142	-	539,142	122,524
	3,046,504	430,106	3,476,610	2,743,602
Deposits	72,500	-	72,500	-
Prepaid expenditures	1,375,522	322,450	1,697,972	1,451,391
Total Assets	<u>\$ 28,889,558</u>	<u>\$ 8,837,119</u>	<u>\$ 37,726,677</u>	<u>\$ 33,202,355</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 737,621	\$ 120,710	\$ 858,331	\$ 669,196
Due to other governments	-	87,418	87,418	30,469
Deposits payable	2,135,971	-	2,135,971	2,152,766
Employee payroll tax deduction	16,006	-	16,006	14,617
Unearned revenues	-	1,484,252	1,484,252	-
Total Liabilities	2,889,598	1,692,380	4,581,978	2,867,048
Deferred inflows of resources				
Deferred tax revenues	-	2,246,611	2,246,611	2,370,355
Total Liabilities and Deferred Inflows of Resources	<u>2,889,598</u>	<u>3,938,991</u>	<u>6,828,589</u>	<u>5,237,403</u>
Fund balances				
Nonspendable	1,375,522	687,000	2,062,522	1,881,250
Restricted	7,505,447	15,703	7,521,150	8,607,028
Assigned	233,083	-	233,083	1,440,363
Unassigned	16,885,908	4,195,425	21,081,333	16,036,311
Total Fund Balances	<u>25,999,960</u>	<u>4,898,128</u>	<u>30,898,088</u>	<u>27,964,952</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 28,889,558</u>	<u>\$ 8,837,119</u>	<u>\$ 37,726,677</u>	<u>\$ 33,202,355</u>

See independent auditors' report.

Town/Village of Harrison, New York

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

			Totals	
	Town	Village	2021	2020
REVENUES				
Real property taxes	\$ 28,692,538	\$ 10,229,346	\$ 38,921,884	\$ 39,230,103
Other tax items	-	2,488,429	2,488,429	2,410,019
Non-property taxes	7,291,481	-	7,291,481	6,327,795
Departmental income	2,833,002	-	2,833,002	1,615,980
Use of money and property	198,890	63,149	262,039	462,274
Licenses and permits	5,398,951	-	5,398,951	3,275,300
Fines and forfeitures	394,568	-	394,568	463,285
Sale of property and compensation for loss	-	22,156	22,156	11,072
State aid	1,280,189	1,264,772	2,544,961	1,645,277
Federal aid	13,150	-	13,150	1,678
Miscellaneous	682,893	470,931	1,153,824	1,419,492
Total Revenues	46,785,662	14,538,783	61,324,445	56,862,275
EXPENDITURES				
Current				
General government support	8,583,469	1,360,287	9,943,756	9,254,167
Public safety	23,814,581	-	23,814,581	22,297,983
Health	516,457	-	516,457	510,259
Transportation	334,453	-	334,453	304,724
Economic opportunity and development	109,603	-	109,603	106,375
Culture and recreation	3,292,740	-	3,292,740	2,927,725
Home and community services	233,937	2,875,009	3,108,946	2,934,565
Employee benefits	6,759,489	2,866,605	9,626,094	9,153,553
Total Expenditures	43,644,729	7,101,901	50,746,630	47,489,351
Excess of Revenues Over Expenditures	3,140,933	7,436,882	10,577,815	9,372,924
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	338,163	338,163	-
Issuance premium	-	45,837	45,837	-
Insurance recoveries	15,613	-	15,613	23,031
Sale of equipment	130,350	-	130,350	165,978
Transfers in	30,000	-	30,000	-
Transfers out	(1,473,391)	(6,731,251)	(8,204,642)	(8,765,957)
Total Other Financing Uses	(1,297,428)	(6,347,251)	(7,644,679)	(8,576,948)
Net Change in Fund Balances	1,843,505	1,089,631	2,933,136	795,976
FUND BALANCES				
Beginning of Year	24,156,455	3,808,497	27,964,952	27,168,976
End of Year	<u>\$ 25,999,960</u>	<u>\$ 4,898,128</u>	<u>\$ 30,898,088</u>	<u>\$ 27,964,952</u>

See independent auditors' report.

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Town/Village of Harrison, New York

General Fund - Town
Comparative Balance Sheet - Sub Fund
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	<u>\$ 24,395,032</u>	<u>\$ 23,524,248</u>
Receivables		
Accounts	732,987	531,356
State and Federal aid	1,774,375	1,600,835
Due from other funds	<u>539,142</u>	<u>122,524</u>
	<u>3,046,504</u>	<u>2,254,715</u>
Deposits	<u>72,500</u>	<u>-</u>
Prepaid expenditures	<u>1,375,522</u>	<u>1,141,094</u>
Total Assets	<u><u>\$ 28,889,558</u></u>	<u><u>\$ 26,920,057</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 737,621	\$ 596,219
Deposits payable	2,135,971	2,152,766
Employee payroll tax deductions	<u>16,006</u>	<u>14,617</u>
Total Liabilities	<u>2,889,598</u>	<u>2,763,602</u>
Fund balance		
Nonspendable	1,375,522	1,141,094
Restricted	7,505,447	8,596,524
Assigned	233,083	1,440,363
Unassigned	<u>16,885,908</u>	<u>12,978,474</u>
Total Fund Balance	<u>25,999,960</u>	<u>24,156,455</u>
Total Liabilities and Fund Balance	<u><u>\$ 28,889,558</u></u>	<u><u>\$ 26,920,057</u></u>

See independent auditors' report.

Town/Village of Harrison, New York

General Fund - Town

Comparative Schedule of Revenues, Expenditures and

Changes in Fund Balance - Budget and Actual - Sub Fund

Years Ended December 31,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 28,692,538	\$ 28,692,538	\$ 28,692,538	\$ -
Non-property taxes	6,870,000	6,870,000	7,291,481	421,481
Departmental income	1,957,100	2,787,403	2,833,002	45,599
Use of money and property	325,000	325,000	198,890	(126,110)
Licenses and permits	2,518,600	2,518,600	5,398,951	2,880,351
Fines and forfeitures	1,910,000	1,910,000	394,568	(1,515,432)
State aid	618,400	618,400	1,280,189	661,789
Federal aid	-	-	13,150	13,150
Miscellaneous	455,252	475,252	682,893	207,641
Total Revenues	43,346,890	44,197,193	46,785,662	2,588,469
EXPENDITURES				
Current				
General government support	8,991,308	9,923,860	8,583,469	1,340,391
Public safety	23,878,425	24,720,839	23,814,581	906,258
Health	517,200	517,200	516,457	743
Transportation	330,099	351,197	334,453	16,744
Economic opportunity and development	180,384	159,286	109,603	49,683
Culture and recreation	3,790,648	3,820,648	3,292,740	527,908
Home and community services	232,410	236,450	233,937	2,513
Employee benefits	6,693,059	6,693,059	6,759,489	(66,430)
Total Expenditures	44,613,533	46,422,539	43,644,729	2,777,810
Excess (Deficiency) of Revenues Over Expenditures	(1,266,643)	(2,225,346)	3,140,933	5,366,279
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	13,414	15,613	2,199
Sale of equipment	20,000	20,000	130,350	110,350
Transfers in	-	30,000	30,000	-
Transfers out	(193,720)	(1,459,475)	(1,473,391)	(13,916)
Total Other Financing Uses	(173,720)	(1,396,061)	(1,297,428)	98,633
Net Change in Fund Balance	(1,440,363)	(3,621,407)	1,843,505	5,464,912
FUND BALANCE				
Beginning of Year	1,440,363	3,621,407	24,156,455	20,535,048
End of Year	\$ -	\$ -	\$ 25,999,960	\$ 25,999,960

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 28,922,019	\$ 28,922,019	\$ 28,922,019	\$ -
6,870,000	6,870,000	6,327,795	(542,205)
1,957,100	2,218,473	1,615,980	(602,493)
325,000	325,000	342,682	17,682
2,518,600	2,518,600	3,275,300	756,700
1,910,000	1,910,000	463,285	(1,446,715)
732,252	618,400	845,843	227,443
-	-	1,678	1,678
341,400	455,252	1,170,188	714,936
43,576,371	43,837,744	42,964,770	(872,974)
8,892,315	8,829,631	7,976,035	853,596
23,347,724	23,644,030	22,297,983	1,346,047
517,200	517,200	510,259	6,941
335,174	344,857	304,724	40,133
181,861	181,861	106,375	75,486
3,832,028	3,829,863	2,927,725	902,138
231,050	233,610	229,358	4,252
6,435,086	6,520,258	6,510,233	10,025
43,772,438	44,101,310	40,862,692	3,238,618
(196,067)	(263,566)	2,102,078	2,365,644
-	23,004	23,031	27
20,000	20,000	165,978	145,978
-	-	-	-
(190,200)	(1,502,216)	(1,501,916)	300
(170,200)	(1,459,212)	(1,312,907)	146,305
(366,267)	(1,722,778)	789,171	2,511,949
366,267	1,722,778	23,367,284	21,644,506
\$ -	\$ -	\$ 24,156,455	\$ 24,156,455

Town/Village of Harrison, New York

General Fund - Town

Schedule of Revenues and Other Financing Sources Compared to Budget - Sub Fund

Year Ended December 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES	<u>\$ 28,692,538</u>	<u>\$ 28,692,538</u>	<u>\$ 28,692,538</u>	<u>\$ -</u>	<u>\$ 28,922,019</u>
NON-PROPERTY TAXES					
Non-property tax distribution from County	6,200,000	6,200,000	6,664,437	464,437	5,694,659
Franchise fees	<u>670,000</u>	<u>670,000</u>	<u>627,044</u>	<u>(42,956)</u>	<u>633,136</u>
	<u>6,870,000</u>	<u>6,870,000</u>	<u>7,291,481</u>	<u>421,481</u>	<u>6,327,795</u>
DEPARTMENTAL INCOME					
Clerk fees	7,000	8,303	13,429	5,126	10,424
Police fees	495,000	1,324,000	1,733,201	409,201	865,444
Fire inspection fees	200,000	200,000	271,030	71,030	221,450
Safety inspection fees	-	-	-	-	30,000
Parking meters and permit fees	340,000	340,000	296,960	(43,040)	337,128
Parks and recreation charges	865,000	865,000	467,703	(397,297)	111,600
Recreation commissions	2,500	2,500	3,403	903	249
Zoning fees	5,000	5,000	8,200	3,200	5,400
Community services	600	600	-	(600)	1,405
Planning Board fees	19,000	19,000	18,100	(900)	13,000
Planning Board parking fees	-	-	17,400	17,400	2,575
Senior lunch program fees	<u>23,000</u>	<u>23,000</u>	<u>3,576</u>	<u>(19,424)</u>	<u>17,305</u>
	<u>1,957,100</u>	<u>2,787,403</u>	<u>2,833,002</u>	<u>45,599</u>	<u>1,615,980</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	225,000	225,000	104,551	(120,449)	278,418
Rentals of real property	<u>100,000</u>	<u>100,000</u>	<u>94,339</u>	<u>(5,661)</u>	<u>64,264</u>
	<u>325,000</u>	<u>325,000</u>	<u>198,890</u>	<u>(126,110)</u>	<u>342,682</u>

LICENSES AND PERMITS

Street opening permits	80,000	80,000	144,018	64,018	76,853
Building permits	2,400,000	2,400,000	5,205,354	2,805,354	3,156,100
Wetlands permits	-	-	-	-	9,768
Bingo licenses	100	100	-	(100)	-
Dog license fund apportionment	3,500	3,500	4,234	734	4,146
Other licenses and permits	35,000	35,000	45,345	10,345	28,433
	<u>2,518,600</u>	<u>2,518,600</u>	<u>5,398,951</u>	<u>2,880,351</u>	<u>3,275,300</u>

FINES AND FORFEITURES

Fines and forfeited bail	<u>1,910,000</u>	<u>1,910,000</u>	<u>394,568</u>	<u>(1,515,432)</u>	<u>463,285</u>
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STATE AID

Mortgage tax	590,000	590,000	1,264,772	674,772	799,434
Youth programs	4,000	4,000	4,649	649	4,649
Bus shelters	24,400	24,400	460	(23,940)	24,847
Police grant	-	-	8,116	8,116	11,384
Justice court	-	-	2,192	2,192	5,529
	<u>618,400</u>	<u>618,400</u>	<u>1,280,189</u>	<u>661,789</u>	<u>845,843</u>

FEDERAL AID

Police grant	<u>-</u>	<u>-</u>	<u>13,150</u>	<u>13,150</u>	<u>1,678</u>
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MISCELLANEOUS

Refunds of prior year's expenditures	130,000	130,000	314,932	184,932	688,276
Gifts and donations	-	20,000	20,000	-	-
Medicare Part D reimbursement	185,000	185,000	155,168	(29,832)	218,547
AIM related payment	113,852	113,852	113,852	-	113,852
Unclassified	26,400	26,400	78,941	52,541	149,513
	<u>455,252</u>	<u>475,252</u>	<u>682,893</u>	<u>207,641</u>	<u>1,170,188</u>

TOTAL REVENUES

	<u>43,346,890</u>	<u>44,197,193</u>	<u>46,785,662</u>	<u>2,588,469</u>	<u>42,964,770</u>
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Town/Village of Harrison, New York

General Fund - Town

Schedule of Revenues and Other Financing Sources Compared to Budget - Sub Fund (Continued)

Year Ended December 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
OTHER FINANCING SOURCES					
Insurance recoveries	\$ -	\$ 13,414	\$ 15,613	\$ 2,199	\$ 23,031
Sale of equipment	20,000	20,000	130,350	110,350	165,978
Transfers in					
Enterprise Fund	-	30,000	30,000	-	-
TOTAL OTHER FINANCING SOURCES	<u>20,000</u>	<u>63,414</u>	<u>175,963</u>	<u>112,549</u>	<u>189,009</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 43,366,890</u>	<u>\$ 44,260,607</u>	<u>\$ 46,961,625</u>	<u>\$ 2,701,018</u>	<u>\$ 43,153,779</u>

See independent auditors' report.

Town/Village of Harrison, New York

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

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 81,940	\$ 81,940	\$ 81,940	\$ -	\$ 82,077
Town Justice	995,299	995,299	791,610	203,689	759,485
Supervisor	302,529	302,529	302,020	509	408,133
Municipal Exec	168,926	168,926	168,434	492	-
Finance	467,357	467,357	461,683	5,674	459,673
Auditor	38,675	38,675	38,675	-	38,675
Receiver of Taxes	166,398	166,398	164,908	1,490	191,817
Purchasing	163,552	170,713	168,827	1,886	160,742
Assessor	206,853	206,853	199,850	7,003	160,722
Town Clerk	253,069	257,872	255,316	2,556	243,337
Archive Grant	540	540	-	540	879
Town Attorney	1,036,119	1,036,119	974,135	61,984	777,676
Engineer	553,916	529,032	370,920	158,112	337,270
Elections	49,200	49,200	47,727	1,473	48,652
Commissioner of Public Works	392,477	398,094	397,377	717	377,598
Central services	443,237	443,237	443,128	109	516,258
Buildings	1,561,578	1,794,173	1,756,240	37,933	1,624,906
Central garage	948,580	964,906	950,818	14,088	892,706
Central data processing	455,104	469,356	467,773	1,583	387,699
Special items					
Special services	195,760	195,760	159,280	36,480	208,522
General code	6,000	3,412	1,195	2,217	3,013
Youth Council	351	351	-	351	486
Unallocated insurance	228,000	228,000	203,462	24,538	149,507
Purchase of property	-	725,000	-	725,000	-
Taxes and assessments on property	108,000	110,548	110,547	1	106,616
Metropolitan commuter transportation mobility tax	32,748	32,748	32,504	244	29,686
Contingent account	135,100	86,822	35,100	51,722	9,900
	<u>8,991,308</u>	<u>9,923,860</u>	<u>8,583,469</u>	<u>1,340,391</u>	<u>7,976,035</u>

PUBLIC SAFETY

Police	12,321,929	13,161,503	12,873,834	287,669	11,780,085
Employee benefits - Police	10,305,677	10,295,103	9,844,833	450,270	9,411,221
Youth forum	47,197	47,197	46,879	318	56,406
Traffic control	244,686	258,100	178,301	79,799	218,679
Fire inspection	135,737	135,519	132,475	3,044	125,851
Control of animals	49,500	49,718	49,718	-	49,045
Safety inspection	773,699	773,699	688,541	85,158	656,696

23,878,425	24,720,839	23,814,581	906,258	22,297,983
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HEALTH

Ambulance	517,200	517,200	516,457	743	510,259
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TRANSPORTATION

Street lighting	330,099	351,197	334,453	16,744	304,724
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ECONOMIC OPPORTUNITY AND DEVELOPMENT

Community services	180,384	159,286	109,603	49,683	106,375
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CULTURE AND RECREATION

Parks, playgrounds and recreation	3,526,448	3,556,448	3,035,271	521,177	2,685,487
Celebrations	22,000	22,000	17,250	4,750	2,000
Historian	2,200	2,200	219	1,981	238
Public library	240,000	240,000	240,000	-	240,000

3,790,648	3,820,648	3,292,740	527,908	2,927,725
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HOME AND COMMUNITY SERVICES

Zoning	600	600	430	170	593
Planning	143,850	147,850	145,507	2,343	140,805
Council for the arts	82,500	82,500	82,500	-	82,500
ETPA administrative charge	5,460	5,500	5,500	-	5,460

232,410	236,450	233,937	2,513	229,358
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(Continued)

Town/Village of Harrison, New York

General Fund - Town

Schedule of Expenditures and Other Financing Uses Compared to Budget - Sub Fund (Continued)

Year Ended December 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 1,422,239	\$ 1,359,388	\$ 1,359,388	\$ -	\$ 1,227,935
Social security	736,820	708,806	704,627	4,179	669,669
Workers' compensation benefits	300,000	402,601	402,600	1	372,627
Disability benefits	10,000	10,000	8,391	1,609	8,925
Unemployment benefits	2,500	2,500	-	2,500	47,739
Welfare benefits	28,000	28,000	26,838	1,162	27,550
Health, dental and life insurance	4,193,500	4,181,764	4,257,645	(75,881)	4,155,788
	<u>6,693,059</u>	<u>6,693,059</u>	<u>6,759,489</u>	<u>(66,430)</u>	<u>6,510,233</u>
TOTAL EXPENDITURES	<u>44,613,533</u>	<u>46,422,539</u>	<u>43,644,729</u>	<u>2,777,810</u>	<u>40,862,692</u>
OTHER FINANCING USES					
Transfers out					
Debt Service Fund	193,720	193,720	207,636	(13,916)	193,416
Capital Projects Fund	-	1,163,774	1,163,774	-	1,308,500
Harrison Meadows Country Club Fund	-	101,981	101,981	-	-
	<u>193,720</u>	<u>1,459,475</u>	<u>1,473,391</u>	<u>(13,916)</u>	<u>1,501,916</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 44,807,253</u>	<u>\$ 47,882,014</u>	<u>\$ 45,118,120</u>	<u>\$ 2,763,894</u>	<u>\$ 42,364,608</u>

See independent auditors' report.

Town/Village of Harrison, New York

General Fund - Village
Comparative Balance Sheet - Sub Fund
December 31,

	2021	2020
ASSETS		
Cash and equivalents	\$ 5,588,548	\$ 2,894,497
Taxes receivable	2,496,015	2,588,617
Receivables		
Accounts	65,556	56,537
Due from component unit	364,550	429,859
Due from other governments	-	2,491
	430,106	488,887
Prepaid expenditures	322,450	310,297
Total Assets	<u>\$ 8,837,119</u>	<u>\$ 6,282,298</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 120,710	\$ 72,977
Due to other governments	87,418	30,469
Unearned revenue	1,484,252	-
Total Liabilities	1,692,380	103,446
Deferred inflows of resources		
Deferred tax revenues	2,246,611	2,370,355
Total Liabilities and Deferred Inflows of Resources	<u>3,938,991</u>	<u>2,473,801</u>
Fund balance		
Nonspendable	687,000	740,156
Restricted	15,703	10,504
Unassigned	4,195,425	3,057,837
Total Fund Balance	<u>4,898,128</u>	<u>3,808,497</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 8,837,119</u>	<u>\$ 6,282,298</u>

See independent auditors' report.

Town/Village of Harrison, New York

General Fund - Village

Comparative Schedule of Revenues, Expenditures and

Changes in Fund Balance - Budget and Actual - Sub Fund

Years Ended December 31,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 10,089,954	\$ 10,089,954	\$ 10,229,346	\$ 139,392
Other tax items	2,586,582	2,586,582	2,488,429	(98,153)
Use of money and property	125,000	125,000	63,149	(61,851)
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	5,000	5,000	22,156	17,156
State aid	590,000	590,000	1,264,772	674,772
Miscellaneous	116,503	116,503	470,931	354,428
Total Revenues	13,513,039	13,513,039	14,538,783	1,025,744
EXPENDITURES				
Current				
General government support	964,047	1,355,928	1,360,287	(4,359)
Home and community services	2,754,332	2,879,802	2,875,009	4,793
Employee benefits	3,059,933	2,926,582	2,866,605	59,977
Total Expenditures	6,778,312	7,162,312	7,101,901	60,411
Excess of Revenues Over Expenditures	6,734,727	6,350,727	7,436,882	1,086,155
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	338,163	338,163	-
Issuance premium	-	45,837	45,837	-
Transfers out	(6,737,865)	(6,737,865)	(6,731,251)	6,614
Total Other Financing Uses	(6,737,865)	(6,353,865)	(6,347,251)	6,614
Net Change in Fund Balance	(3,138)	(3,138)	1,089,631	1,092,769
FUND BALANCE				
Beginning of Year	3,138	3,138	3,808,497	3,805,359
End of Year	\$ -	\$ -	\$ 4,898,128	\$ 4,898,128

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 10,541,217	\$ 10,541,217	\$ 10,308,084	\$ (233,133)
2,602,386	2,602,386	2,410,019	(192,367)
125,000	125,000	119,592	(5,408)
19,000	19,000	-	(19,000)
5,000	5,000	11,072	6,072
590,000	590,000	799,434	209,434
131,503	131,503	249,304	117,801
14,014,106	14,014,106	13,897,505	(116,601)
942,140	1,280,786	1,278,132	2,654
2,721,385	2,708,739	2,705,207	3,532
3,037,060	2,766,060	2,643,320	122,740
6,700,585	6,755,585	6,626,659	128,926
7,313,521	7,258,521	7,270,846	12,325
(7,319,042)	(7,264,042)	(7,264,041)	1
(7,319,042)	(7,264,042)	(7,264,041)	1
(5,521)	(5,521)	6,805	12,326
5,521	5,521	3,801,692	3,796,171
\$ -	\$ -	\$ 3,808,497	\$ 3,808,497

Town/Village of Harrison, New York

General Fund - Village
Schedule of Revenues and Other Financing Sources - Sub Fund
Year Ended December 31, 2021
(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES	<u>\$ 10,089,954</u>	<u>\$ 10,089,954</u>	<u>\$ 10,229,346</u>	<u>\$ 139,392</u>	<u>\$ 10,308,084</u>
OTHER TAX ITEMS					
Payments in lieu of taxes	666,582	666,582	666,582	-	682,470
Interest and penalties on real property taxes	650,000	650,000	843,395	193,395	869,037
Hotel tax	575,000	575,000	233,673	(341,327)	161,579
Services for other governments	40,000	40,000	38,761	(1,239)	37,871
Utilities gross receipts taxes	<u>655,000</u>	<u>655,000</u>	<u>706,018</u>	<u>51,018</u>	<u>659,062</u>
	<u>2,586,582</u>	<u>2,586,582</u>	<u>2,488,429</u>	<u>(98,153)</u>	<u>2,410,019</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	<u>125,000</u>	<u>125,000</u>	<u>63,149</u>	<u>(61,851)</u>	<u>119,592</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of recycled materials	<u>5,000</u>	<u>5,000</u>	<u>22,156</u>	<u>17,156</u>	<u>11,072</u>
STATE AID					
Mortgage tax	<u>590,000</u>	<u>590,000</u>	<u>1,264,772</u>	<u>674,772</u>	<u>799,434</u>
MISCELLANEOUS					
Refunds of prior year's expenditures	50,000	50,000	388,459	338,459	162,431
AIM related payment	66,203	66,203	66,203	-	66,203
Miscellaneous	<u>300</u>	<u>300</u>	<u>16,269</u>	<u>15,969</u>	<u>20,670</u>
	<u>116,503</u>	<u>116,503</u>	<u>470,931</u>	<u>354,428</u>	<u>249,304</u>
TOTAL REVENUES	<u>13,513,039</u>	<u>13,513,039</u>	<u>14,538,783</u>	<u>1,025,744</u>	<u>13,897,505</u>

OTHER FINANCING SOURCES

Bonds issued	-	338,163	338,163	-	-
Issuance premium	-	45,837	45,837	-	-
	<u>-</u>	<u>384,000</u>	<u>384,000</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>384,000</u>	<u>384,000</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 13,513,039</u>	<u>\$ 13,897,039</u>	<u>\$ 14,922,783</u>	<u>\$ 1,025,744</u>	<u>\$ 13,897,505</u>

See independent auditors' report.

Town/Village of Harrison, New York

General Fund - Village

Schedule of Expenditures and Other Financing Uses Compared to Budget - Sub Fund

Year Ended December 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Auditor	\$ 18,325	\$ 18,325	\$ 16,945	\$ 1,380	\$ 18,325
Law	141,409	141,409	141,409	-	137,892
Special items					
Special services	1,500	1,500	1,260	240	1,215
Bond and note issuance costs	-	-	-	-	-
Unallocated insurance	121,000	148,029	148,029	-	117,470
Taxes and assessments on property	108,000	109,042	109,041	1	105,146
Judgments and claims	565,639	929,434	935,415	(5,981)	890,190
Metropolitan commuter transportation mobility tax	8,174	8,189	8,188	1	7,894
	964,047	1,355,928	1,360,287	(4,359)	1,278,132
HOME AND COMMUNITY SERVICES					
Refuse and garbage collection	2,754,332	2,879,802	2,875,009	4,793	2,705,207
EMPLOYEE BENEFITS					
State retirement	395,243	384,844	384,844	-	340,612
Social security	183,919	188,491	188,490	1	179,195
Workers' compensation benefits	550,000	425,116	425,115	1	296,703
Disability benefits	3,171	3,171	2,459	712	2,337
Unemployment benefits	3,600	3,014	2,716	298	2,665
Welfare benefits	26,000	26,000	23,750	2,250	23,275
Health, dental and life insurance	1,898,000	1,895,946	1,839,231	56,715	1,798,533
	3,059,933	2,926,582	2,866,605	59,977	2,643,320
TOTAL EXPENDITURES	6,778,312	7,162,312	7,101,901	60,411	6,626,659

OTHER FINANCING USES

Transfers out

Debt Service Fund

<u>6,737,865</u>	<u>6,737,865</u>	<u>6,731,251</u>	<u>6,614</u>	<u>7,264,041</u>
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**TOTAL EXPENDITURES AND OTHER
FINANCING USES**

<u>\$ 13,516,177</u>	<u>\$ 13,900,177</u>	<u>\$ 13,833,152</u>	<u>\$ 67,025</u>	<u>\$ 13,890,700</u>
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See independent auditors' report.

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Town/Village of Harrison, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 4,265,355	\$ 4,327,205
Accounts receivable	<u>-</u>	<u>4,328</u>
 Total Assets	 <u><u>\$ 4,265,355</u></u>	 <u><u>\$ 4,331,533</u></u>
 FUND BALANCE		
Restricted	<u><u>\$ 4,265,355</u></u>	<u><u>\$ 4,331,533</u></u>

Town/Village of Harrison, New York

Debt Service Fund

Comparative Schedule of Revenues, Expenditures and Changes in

Fund Balance - Budget and Actual

Years Ended December 31,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Use of money and property	\$ -	\$ -	\$ 62,903	\$ 62,903
Miscellaneous	-	-	100	100
Total Revenues	-	-	63,003	63,003
EXPENDITURES				
Debt service				
Refunding bond issuance costs	-	-	-	-
Principal				
Serial bonds	6,990,000	6,990,000	7,012,200	(22,200)
Energy performance contract	153,653	159,137	159,137	-
	7,143,653	7,149,137	7,171,337	(22,200)
Interest				
Serial bonds	2,677,097	2,677,097	2,681,845	(4,748)
Energy performance contract	40,067	48,499	48,499	-
	2,717,164	2,725,596	2,730,344	(4,748)
Total Expenditures	9,860,817	9,874,733	9,901,681	(26,948)
Deficiency of Revenues Over Expenditures	(9,860,817)	(9,874,733)	(9,838,678)	36,055
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	-	-
Issuance premium	-	-	120,589	120,589
Payment to refunding bond escrow agent	-	-	-	-
Transfers in	9,537,930	9,551,846	9,651,911	100,065
Total Other Financing Sources	9,537,930	9,551,846	9,772,500	220,654
Net Change in Fund Balance	(322,887)	(322,887)	(66,178)	256,709
FUND BALANCE				
Beginning of Year	322,887	322,887	4,331,533	4,008,646
End of Year	\$ -	\$ -	\$ 4,265,355	\$ 4,265,355

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ 111,501	\$ 111,501
-	-	4,428	4,428
-	-	115,929	115,929
-	283,338	283,338	-
7,200,800	7,200,800	7,200,800	-
153,653	153,653	153,653	-
7,354,453	7,354,453	7,354,453	-
2,815,484	2,815,484	2,809,584	5,900
36,547	40,063	39,763	300
2,852,031	2,855,547	2,849,347	6,200
10,206,484	10,493,338	10,487,138	6,200
(10,206,484)	(10,493,338)	(10,371,209)	122,129
-	14,565,000	14,565,000	-
-	898,154	1,060,533	162,379
-	(15,179,816)	(15,179,816)	-
9,931,967	9,935,483	9,947,032	11,549
9,931,967	10,218,821	10,392,749	173,928
(274,517)	(274,517)	21,540	296,057
274,517	274,517	4,309,993	4,035,476
\$ -	\$ -	\$ 4,331,533	\$ 4,331,533

Town/Village of Harrison, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 26,584,216	\$ 18,451,208
Deposit	<u>-</u>	<u>95,000</u>
Total Assets	<u><u>\$ 26,584,216</u></u>	<u><u>\$ 18,546,208</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,442,565	\$ 1,611,940
Bond anticipation note payable	<u>8,475,000</u>	<u>-</u>
Total Liabilities	10,917,565	1,611,940
FUND BALANCE		
Restricted	<u>15,666,651</u>	<u>16,934,268</u>
Total Liabilities and Fund Balance	<u><u>\$ 26,584,216</u></u>	<u><u>\$ 18,546,208</u></u>

See independent auditors' report.

Town/Village of Harrison, New York

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

	2021	2020
REVENUES		
State aid	\$ 196,360	\$ 574,832
Miscellaneous	129,000	17,807
Total Revenues	325,360	592,639
EXPENDITURES		
Capital outlay	17,037,554	8,410,568
Deficiency of Revenues Over Expenditures	(16,712,194)	(7,817,929)
OTHER FINANCING SOURCES (USES)		
Bonds issued	12,346,837	5,055,000
Issuance premium	1,673,597	215,932
Transfers in	1,503,874	2,114,000
Transfers out	(79,731)	-
Total Other Financing Sources	15,444,577	7,384,932
Net Change in Fund Balance	(1,267,617)	(432,997)
FUND BALANCE		
Beginning of Year	16,934,268	17,367,265
End of Year	<u>\$ 15,666,651</u>	<u>\$ 16,934,268</u>

See independent auditors' report.

Town/Village of Harrison, New York

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

	Water District No. 2	Sewer Rent
ASSETS		
Cash and equivalents	\$ 5,385,800	\$ 108,502
Investments	-	-
Accounts receivable	900,019	434,923
Prepaid expenditures	-	44,809
Total Assets	<u>\$ 6,285,819</u>	<u>\$ 588,234</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES FUND BALANCES (DEFICITS)		
Liabilities		
Accounts payable	\$ 1,308	\$ 4,634
Due to other funds	-	-
Total Liabilities	1,308	4,634
Deferred inflows of resources		
Deferred tax revenue	<u>675,014</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>676,322</u>	<u>-</u>
Fund balances (deficits)		
Nonspendable	-	44,809
Restricted	-	-
Assigned	<u>5,609,497</u>	<u>538,791</u>
Total Fund Balances (Deficits)	<u>5,609,497</u>	<u>583,600</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 6,285,819</u>	<u>\$ 588,234</u>

See independent auditors' report.

Fire Protection Districts				Fire Service Awards Program	Totals	
No. 1	No. 2	No. 3	No. 5		2021	2020
\$ 1,200,768	\$ 2,713,982	\$ 3,313	\$ -	\$ 45,293	\$ 9,457,658	\$ 8,358,933
-	-	-	-	1,660,475	1,660,475	1,341,812
-	3,978	-	-	214,091	1,553,011	2,775,084
92,322	198,828	-	-	-	335,959	337,511
<u>\$ 1,293,090</u>	<u>\$ 2,916,788</u>	<u>\$ 3,313</u>	<u>\$ -</u>	<u>\$ 1,919,859</u>	<u>\$ 13,007,103</u>	<u>\$ 12,813,340</u>
\$ 262,159	\$ 61,148	\$ 540	\$ -	\$ 3,214	\$ 333,003	\$ 492,607
-	-	-	1,644	-	1,644	122,524
262,159	61,148	540	1,644	3,214	334,647	615,131
-	-	-	-	-	675,014	1,267,201
-	-	-	-	-	1,009,661	1,882,332
92,322	198,828	-	-	-	335,959	337,511
-	-	-	-	1,916,645	1,916,645	1,786,307
938,609	2,656,812	2,773	(1,644)	-	9,744,838	8,807,190
1,030,931	2,855,640	2,773	(1,644)	1,916,645	11,997,442	10,931,008
<u>\$ 1,293,090</u>	<u>\$ 2,916,788</u>	<u>\$ 3,313</u>	<u>\$ -</u>	<u>\$ 1,919,859</u>	<u>\$ 13,007,103</u>	<u>\$ 12,813,340</u>

Town/Village of Harrison, New York

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

	Water District No. 2	Sewer Rent
REVENUES		
Real property taxes	\$ 194,460	\$ -
Departmental income	1,616,568	1,589,971
Use of money and property	17,592	31
State aid	-	-
Miscellaneous	-	-
Total Revenues	<u>1,828,620</u>	<u>1,590,002</u>
EXPENDITURES		
Current		
General government support	-	-
Public safety	-	-
Home and community services	63,493	496,325
Employee benefits	-	147,473
Total Expenditures	<u>63,493</u>	<u>643,798</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,765,127</u>	<u>946,204</u>
OTHER FINANCING SOURCES (USES)		
Transfers out	<u>(1,973,520)</u>	<u>(580,207)</u>
Net Change in Fund Balances	(208,393)	365,997
FUND BALANCES (DEFICITS)		
Beginning of Year	<u>5,817,890</u>	<u>217,603</u>
End of Year	<u>\$ 5,609,497</u>	<u>\$ 583,600</u>

See independent auditors' report.

Fire Protection Districts				Fire Service Awards Program	Eliminations	Totals	
No. 1	No. 2	No. 3	No. 5			2021	2020
\$ 931,566	\$ 5,128,763	\$ 32,273	\$ 38,573	\$ -	\$ -	\$ 6,325,635	\$ 6,387,150
38,573	1,937	-	-	109,304	(109,304)	3,247,049	2,512,051
4,663	15,623	91	-	103,667	-	141,667	221,017
-	125,000	-	-	-	-	125,000	-
-	20,964	-	-	-	-	20,964	45,357
974,802	5,292,287	32,364	38,573	212,971	(109,304)	9,860,315	9,165,575
7,813	55,779	523	226	-	-	64,341	72,308
723,609	2,628,009	32,223	38,573	82,633	(109,304)	3,395,743	3,301,021
-	-	-	-	-	-	559,818	544,503
2,696	1,759,899	-	-	-	-	1,910,068	1,773,381
734,118	4,443,687	32,746	38,799	82,633	(109,304)	5,929,970	5,691,213
240,684	848,600	(382)	(226)	130,338	-	3,930,345	3,474,362
(240,821)	(69,363)	-	-	-	-	(2,863,911)	(2,822,575)
(137)	779,237	(382)	(226)	130,338	-	1,066,434	651,787
1,031,068	2,076,403	3,155	(1,418)	1,786,307	-	10,931,008	10,279,221
\$ 1,030,931	\$ 2,855,640	\$ 2,773	\$ (1,644)	\$ 1,916,645	\$ -	\$ 11,997,442	\$ 10,931,008

Town/Village of Harrison, New York

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

	Highway	Public Library	Special Purpose
ASSETS			
Cash and equivalents	\$ 2,582,458	\$ 511,103	\$ 3,265,696
Receivables			
Accounts	54,776	-	7,518
State and Federal aid	-	260	-
	54,776	260	7,518
Prepaid expenditures	335,867	66,206	-
Total Assets	<u>\$ 2,973,101</u>	<u>\$ 577,569</u>	<u>\$ 3,273,214</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 135,249	\$ 21,142	\$ 24,564
Unearned revenue	-	-	-
Deposits payable	131,050	46,016	-
Total Liabilities	266,299	67,158	24,564
Fund balances			
Nonspendable	335,867	66,206	-
Restricted	-	-	3,248,650
Assigned	2,370,935	444,205	-
Total Fund Balances	2,706,802	510,411	3,248,650
Total Liabilities and Fund Balances	<u>\$ 2,973,101</u>	<u>\$ 577,569</u>	<u>\$ 3,273,214</u>

See independent auditors' report.

Total Non-Major Governmental Funds	
2021	2020
\$ 6,359,257	\$ 5,859,057
62,294	75,043
260	260
62,554	75,303
402,073	276,092
\$ 6,823,884	\$ 6,210,452
\$ 180,955	\$ 165,166
-	975
177,066	203,888
358,021	370,029
402,073	276,092
3,248,650	2,259,463
2,815,140	3,304,868
6,465,863	5,840,423
\$ 6,823,884	\$ 6,210,452

Town/Village of Harrison, New York

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

	Highway	Public Library	Special Purpose
REVENUES			
Real property taxes	\$ 5,978,193	\$ 2,613,123	\$ -
Departmental income	76,665	1,410	-
Use of money and property	17,730	4,808	3,089
State aid	103,210	37,329	-
Federal aid	-	3,913	-
Miscellaneous	52,236	1,220	1,438,016
	<u>6,228,034</u>	<u>2,661,803</u>	<u>1,441,105</u>
EXPENDITURES			
Current			
Transportation	4,954,347	-	-
Culture and recreation	-	1,504,446	292,608
Home and community services	-	-	79,310
Employee benefits	1,746,989	1,018,320	-
	<u>6,701,336</u>	<u>2,522,766</u>	<u>371,918</u>
Total Expenditures			
	<u>6,701,336</u>	<u>2,522,766</u>	<u>371,918</u>
Excess (Deficiency) of Revenues Over Expenditures	(473,302)	139,037	1,069,187
OTHER FINANCING USES			
Transfers out	-	(29,482)	(80,000)
	<u>-</u>	<u>(29,482)</u>	<u>(80,000)</u>
Net Change in Fund Balances	(473,302)	109,555	989,187
FUND BALANCES			
Beginning of Year	3,180,104	400,856	2,259,463
	<u>3,180,104</u>	<u>400,856</u>	<u>2,259,463</u>
End of Year	\$ 2,706,802	\$ 510,411	\$ 3,248,650
	<u>\$ 2,706,802</u>	<u>\$ 510,411</u>	<u>\$ 3,248,650</u>

See independent auditors' report.

Total Non-Major Governmental Funds	
2021	2020
\$ 8,591,316	\$ 8,421,896
78,075	75,999
25,627	43,664
140,539	120,307
3,913	2,000
1,491,472	687,511
10,330,942	9,351,377
4,954,347	4,011,643
1,797,054	1,785,625
79,310	61,395
2,765,309	2,719,910
9,596,020	8,578,573
734,922	772,804
(109,482)	(472,500)
625,440	300,304
5,840,423	5,540,119
<u>\$ 6,465,863</u>	<u>\$ 5,840,423</u>

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Town/Village of Harrison, New York

Highway Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 2,582,458	\$ 3,218,099
Receivables		
Accounts	54,776	60,021
Prepaid expenditures	<u>335,867</u>	<u>216,946</u>
Total Assets	<u><u>\$ 2,973,101</u></u>	<u><u>\$ 3,495,066</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 135,249	\$ 148,137
Unearned revenue	-	975
Deposits payable	<u>131,050</u>	<u>165,850</u>
Total Liabilities	<u>266,299</u>	<u>314,962</u>
Fund balance		
Nonspendable	335,867	216,946
Assigned	<u>2,370,935</u>	<u>2,963,158</u>
Total Fund Balance	<u>2,706,802</u>	<u>3,180,104</u>
Total Liabilities and Fund Balance	<u><u>\$ 2,973,101</u></u>	<u><u>\$ 3,495,066</u></u>

See independent auditors' report.

Town/Village of Harrison, New York

Highway Fund

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

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 5,978,193	\$ 5,978,193	\$ 5,978,193	\$ -
Departmental income	83,000	83,000	76,665	(6,335)
Use of money and property	10,000	10,000	17,730	7,730
State aid	125,000	125,000	103,210	(21,790)
Miscellaneous	11,000	11,000	52,236	41,236
Total Revenues	6,207,193	6,207,193	6,228,034	20,841
EXPENDITURES				
Current				
Transportation	4,319,988	4,954,207	4,954,347	(140)
Employee benefits	1,897,456	1,752,702	1,746,989	5,713
Total Expenditures	6,217,444	6,706,909	6,701,336	5,573
Deficiency of Revenues Over Expenditures	(10,251)	(499,716)	(473,302)	26,414
FUND BALANCE				
Beginning of Year	10,251	499,716	3,180,104	2,680,388
End of Year	\$ -	\$ -	\$ 2,706,802	\$ 2,706,802

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 5,797,501	\$ 5,797,501	\$ 5,797,501	\$ -
83,000	83,000	73,922	(9,078)
10,000	10,000	30,426	20,426
125,000	125,000	112,761	(12,239)
11,000	16,169	86,292	70,123
6,026,501	6,031,670	6,100,902	69,232
4,189,381	4,307,462	4,011,643	295,819
1,841,048	1,841,136	1,705,912	135,224
6,030,429	6,148,598	5,717,555	431,043
(3,928)	(116,928)	383,347	500,275
3,928	116,928	2,796,757	2,679,829
\$ -	\$ -	\$ 3,180,104	\$ 3,180,104

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Town/Village of Harrison, New York

Public Library Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 511,103	\$ 394,350
Due from State and Federal aid	260	260
Prepaid expenditures	<u>66,206</u>	<u>59,146</u>
Total Assets	<u><u>\$ 577,569</u></u>	<u><u>\$ 453,756</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 21,142	\$ 14,862
Deposits payable	<u>46,016</u>	<u>38,038</u>
Total Liabilities	<u>67,158</u>	<u>52,900</u>
Fund balance		
Nonspendable	66,206	59,146
Assigned	<u>444,205</u>	<u>341,710</u>
Total Fund Balance	<u>510,411</u>	<u>400,856</u>
Total Liabilities and Fund Balance	<u><u>\$ 577,569</u></u>	<u><u>\$ 453,756</u></u>

See independent auditors' report.

Town/Village of Harrison, New York

Public Library Fund

Comparative Schedule of Revenues, Expenditures and Changes in

Fund Balance - Budget and Actual

Years Ended December 31,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 2,613,123	\$ 2,613,123	\$ 2,613,123	\$ -
Departmental income	12,000	12,000	1,410	(10,590)
Use of money and property	3,200	3,200	4,808	1,608
State aid	8,000	8,000	37,329	29,329
Federal Aid	-	-	3,913	3,913
Miscellaneous	-	-	1,220	1,220
Total Revenues	<u>2,636,323</u>	<u>2,636,323</u>	<u>2,661,803</u>	<u>25,480</u>
EXPENDITURES				
Current				
Culture and recreation	1,566,730	1,605,730	1,504,446	101,284
Employee benefits	<u>1,073,967</u>	<u>1,073,967</u>	<u>1,018,320</u>	<u>55,647</u>
Total Expenditures	<u>2,640,697</u>	<u>2,679,697</u>	<u>2,522,766</u>	<u>156,931</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,374)	(43,374)	139,037	182,411
OTHER FINANCING USES				
Transfers out	<u>-</u>	<u>-</u>	<u>(29,482)</u>	<u>29,482</u>
Net Change in Fund Balance	(4,374)	(43,374)	109,555	211,893
FUND BALANCE				
Beginning of Year	<u>4,374</u>	<u>43,374</u>	<u>400,856</u>	<u>357,482</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 510,411</u>	<u>\$ 569,375</u>

See independent auditors' report.

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,624,395	\$ 2,624,395	\$ 2,624,395	\$ -
12,000	12,000	2,077	(9,923)
3,200	3,200	8,265	5,065
8,000	8,000	7,546	(454)
-	-	2,000	2,000
-	-	260	260
2,647,595	2,647,595	2,644,543	(3,052)
1,597,239	1,597,239	1,489,319	107,920
1,069,541	1,069,541	1,013,998	55,543
2,666,780	2,666,780	2,503,317	163,463
(19,185)	(19,185)	141,226	160,411
-	-	-	-
(19,185)	(19,185)	141,226	160,411
19,185	19,185	259,630	240,445
\$ -	\$ -	\$ 400,856	\$ 400,856

Town/Village of Harrison, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 3,265,696	\$ 2,246,608
Accounts receivable	<u>7,518</u>	<u>15,022</u>
 Total Assets	 <u><u>\$ 3,273,214</u></u>	 <u><u>\$ 2,261,630</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 24,564	\$ 2,167
 Fund balance		
Restricted	<u>3,248,650</u>	<u>2,259,463</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 3,273,214</u></u>	 <u><u>\$ 2,261,630</u></u>

See independent auditors' report.

Town/Village of Harrison, New York

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

	<u>2021</u>	<u>2020</u>
REVENUES		
Use of money and property	\$ 3,089	\$ 4,973
Miscellaneous	<u>1,438,016</u>	<u>600,959</u>
Total Revenues	<u>1,441,105</u>	<u>605,932</u>
EXPENDITURES		
Current		
Culture and recreation	292,608	296,306
Home and community services	<u>79,310</u>	<u>61,395</u>
Total Expenditures	<u>371,918</u>	<u>357,701</u>
Excess of Revenues Over Expenditures	1,069,187	248,231
OTHER FINANCING USES		
Transfers out	<u>(80,000)</u>	<u>(472,500)</u>
Net Change in Fund Balance	989,187	(224,269)
FUND BALANCE		
Beginning of Year	<u>2,259,463</u>	<u>2,483,732</u>
End of Year	<u>\$ 3,248,650</u>	<u>\$ 2,259,463</u>

See independent auditors' report.

Town/Village of Harrison, New York

Internal Service Fund - Health Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 4,499,868	\$ 3,487,185
Accounts receivable	<u>135,070</u>	<u>899,179</u>
Total Assets	<u>4,634,938</u>	<u>4,386,364</u>
LIABILITIES		
Accounts payable	39,624	359,654
Accrued liabilities	<u>700,000</u>	<u>1,225,000</u>
Total Liabilities	<u>739,624</u>	<u>1,584,654</u>
NET POSITION		
Unrestricted	<u>\$ 3,895,314</u>	<u>\$ 2,801,710</u>

See independent auditors' report.

Town/Village of Harrison, New York

Internal Service Fund - Health Benefits Fund

Comparative Statement of Revenues, Expenses and Changes in Net Position

Years Ended December 31,

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Charges for services	\$ 14,280,753	\$ 13,869,686
Insurance recoveries	<u>1,266,185</u>	<u>2,244,943</u>
Total Operating Revenues	<u>15,546,938</u>	<u>16,114,629</u>
OPERATING EXPENSES		
Insurance	1,117,944	826,567
Employee benefits	13,080,410	13,695,463
Contractual	<u>254,980</u>	<u>242,524</u>
Total Operating Expenses	<u>14,453,334</u>	<u>14,764,554</u>
Income from Operations	1,093,604	1,350,075
NET POSITION		
Beginning of Year	<u>2,801,710</u>	<u>1,451,635</u>
End of Year	<u><u>\$ 3,895,314</u></u>	<u><u>\$ 2,801,710</u></u>

See independent auditors' report.

Town/Village of Harrison, New York

Internal Service Fund - Health Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from charges for services	\$ 14,280,753	\$ 13,869,686
Cash received from insurance recoveries	2,030,294	2,682,560
Cash payments to vendors	(254,980)	(242,524)
Cash payments to insurance carriers and claimants	<u>(15,043,384)</u>	<u>(14,928,895)</u>
Net Cash from Operating Activities	1,012,683	1,380,827
CASH AND EQUIVALENTS		
Beginning of Year	<u>3,487,185</u>	<u>2,106,358</u>
End of Year	<u><u>\$ 4,499,868</u></u>	<u><u>\$ 3,487,185</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 1,093,604	\$ 1,350,075
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	764,109	437,617
Accounts payable	(320,030)	168,135
Accrued liabilities	<u>(525,000)</u>	<u>(575,000)</u>
Net Cash from Operating Activities	<u><u>\$ 1,012,683</u></u>	<u><u>\$ 1,380,827</u></u>

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