

Village of Ardsley, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2020

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds	17
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	21
Statement of Assets and Liabilities - Fiduciary Fund	22
Notes to Financial Statements	23
Required Supplementary Information	
New York State and Local Employees' Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability	52
Schedule of Contributions	52
New York State and Local Police and Fire Retirement System	
Schedule of the Village's Proportionate Share of the Net Pension Liability	53
Schedule of Contributions	53
Other Post Employment Benefits -	
Schedule of Change in the Village's Total OPEB Liability and Related Ratios	54
Fire Service Award Program	
Schedule of Changes in Total Pension Liability and Related Ratios	55
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Combining Balance Sheet – Sub-Funds	56
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Sub - Funds	58
Comparative Balance Sheet – Sub - Fund	59
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Sub – Fund	60
Schedule of Revenues and Other Financing Sources Compared to Budget – Sub-Fund	62
Schedule of Expenditures and Other Financing Uses Compared to Budget – Sub-Fund	64
Capital Projects Fund	
Comparative Balance Sheet	67
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	68
Project-Length Schedule	69

Village of Ardsley, New York

Table of Contents (Concluded)

Non-Major Governmental Funds	
Combining Balance Sheet	71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	72
Public Library Fund	
Comparative Balance Sheet	73
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	74
Special Purpose Fund	
Comparative Balance Sheet	76
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	77

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Ardsley, New York ("Village") as of and for the year ended May 31, 2020 and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village, as of May 31, 2020 and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 4B in the notes to the financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of COVID-19 ("Coronavirus"). Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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, 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 and Other Information

Our audit for the year ended May 31, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules for the year ended May 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended May 31, 2020 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, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2020.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2019 (not presented herein), and have issued our report thereon dated October 31, 2019 which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 31, 2019 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 2019 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2019.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

December 3, 2020

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Village of Ardsley, New York

Management's Discussion and Analysis May 31, 2020

Introduction

The Village of Ardsley, New York ("Village"), presents this Management's Discussion and Analysis ("MD&A") as an overview of the Village's financial activities for the fiscal year ended May 31, 2020. This MD&A focuses on current year activities, resulting changes, and currently known facts and should be read in conjunction with the basic financial statements and the notes to the Village's financial statements which immediately follow this section.

Much of our typical activity that would have taken place in the Spring was put on hold due to the COVID-19 pandemic. However, there are a number of things we can share that went forward this past year. The following is a brief outline of other noteworthy changes and events that took place in this fiscal year:

- Interior renovations were completed on the Community Center to facilitate greater programming space and ensure ADA compliance.
- Contracts were finalized for engineering and contract management for the Village's new highway garage project and conceptual design was initiated.
- New consultants were hired to move the Local Waterfront Revitalization Plan and Comprehensive Plan forward, finalize the studies and plan documents and coordinate public input sessions on the plan.
- The Village also completed various road improvements during 2019-2020.
- Brand new tennis courts have been completed in Pascone Park.
- New Village-wide financial software has been installed that allows for greater management and project tracking options.
- Renovation of a commercial property in the heart of the Village began in earnest and was slated for occupancy in the Spring of 2020, but that was delayed because of the pandemic. This project includes ground floor retail uses, 3 apartments on the second floor and the continued use of the existing laundromat.
- A number of new businesses have opened during the year and 115 building permits were issued at an estimated total cost of \$3.9 million.

The Village looks forward to these activities and to taking a fresh look at its operations and infrastructure needs.

Financial Highlights

- At May 31, 2020 the Village reported in its Statement of Net Position a liability of \$5,774,946 for its proportionate share of the Employees' Retirement System ("ERS") and the Police and Fire Retirement System ("PFRS") net pension liabilities. More detailed information about the Village's pension plan reporting in accordance with the provisions of the Government Accounting Standards Board ("GASB") Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in the notes to the financial statements.
- On the government-wide financial statements, the liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources at the

close of the most recent fiscal year by \$25,591,113. Of this amount, the unrestricted amount is a deficit of \$28,950,852. This deficit is due to the Other Post Employment Benefits liability ("OPEB") obligation of \$29,403,859.

- At the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$22,884,615, inclusive of the Capital Projects Fund of \$15,095,100. The General Fund's unassigned fund balance is \$4,581,621 and is available for spending at the Village's discretion. This represents 35% of the total General Fund expenditures and other financing uses.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to 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 present the Village as a single, unified entity and are intended to give the reader a broad perspective of the Village's financial condition. These statements closely resemble the financial statements of a private sector entity.

The statement of net position presents financial information on all of the Village's assets, liabilities and deferred inflows/outflows of resources, with the difference between the two 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 Village is improving or deteriorating.

The statement of activities presents information indicating how the Village's net position changed during the 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 (e.g., uncollected taxes and earned but unused vacation leave).

The governmental activities of the Village include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental 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 assessing 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 funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village maintains two major governmental funds: the General Fund and the Capital Projects Fund. Major funds have their information presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances. The Public Library Fund and Special Purpose Fund are grouped together as non-major governmental funds.

The Village adopts annual budgets for the General Fund and the Public Library Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements to demonstrate compliance with the respective budget.

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 Village programs. The Village maintains one type of fiduciary fund, the Agency Fund. Resources are held in the Agency Fund by the Village 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 Pension Trust Fund which accounts for the Service Awards Program for volunteer firefighters is accounted for in the General Fund.

Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

Additional statements and schedules can be found immediately following the notes to financial statements and include individual fund financial statements 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 Village, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$25,591,113 at the close of the most recent fiscal year.

The deficit of the net position is common among many municipalities due to the changes in GASB pronouncements (OPEB, net pension liability and length of service award program).

A portion of the Village's net position is its net investment in capital assets of \$1,936,232 (land, buildings and improvements, machinery and equipment and infrastructure), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to its citizens and as a result these assets are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Position

	Governmental Activities	
	2020	2019
Current Assets	\$ 23,884,676	\$ 8,582,329
Capital Assets, net	10,795,917	10,027,644
Total Assets	34,680,593	18,609,973
Deferred Outflows of Resources	6,363,448	1,947,191
Current Liabilities	1,259,683	4,106,838
Long-term Liabilities	62,073,205	39,212,548
Total Liabilities	63,332,888	43,319,386
Deferred Inflows of Resources	3,302,266	2,336,335
Net Position		
Net Investment in Capital Assets	1,936,232	2,166,462
Restricted	1,423,507	531,898
Unrestricted	(28,950,852)	(27,796,917)
Total Net Position	\$ (25,591,113)	\$ (25,098,557)

A portion of the Village's net position is restricted and represents resources that are subject to external restrictions on how they may be used. The restricted net position is to be used for the following purposes:

	May 31,	
	2020	2019
Debt Service	\$ 1,347,400	\$ 443,623
Special Purpose	76,107	88,275
	<u>\$ 1,423,507</u>	<u>\$ 531,898</u>

Change in Net Position

	Year Ended May 31,	
	2020	2019
REVENUES		
Program Revenues		
Charges for Services	\$ 1,270,713	\$ 1,365,866
Operating Grants and Contributions	276,236	547,355
Capital Grants and Contributions	137,916	4,525
Total Program Revenues	<u>1,684,865</u>	<u>1,917,746</u>
General Revenues		
Real Property Taxes	11,163,868	10,492,508
Other Tax Items	34,827	63,142
Non-Property Taxes	1,179,313	1,033,709
Unrestricted Use of Money and Property	20,846	21,949
Sale of Property and Compensation for Loss	48,720	21,794
Unrestricted State Aid	135,182	142,381
Miscellaneous	518,780	131,851
Total General Revenues	<u>13,101,536</u>	<u>11,907,334</u>
Total Revenues	<u>14,786,401</u>	<u>13,825,080</u>
PROGRAM EXPENSES		
General Government Support	3,037,954	2,643,220
Public Safety	7,124,242	6,435,377
Health	150,115	128,545
Transportation	2,348,702	2,008,858
Economic Opportunity and Development	8,618	11,241
Culture and Recreation	1,198,200	1,102,159
Home and Community Services	816,826	913,497
Interest	594,300	273,183
Total Expenses	<u>15,278,957</u>	<u>13,516,080</u>
Change in Net Position	<u>(492,556)</u>	<u>309,000</u>
NET POSITION		
Beginning, as reported	(25,098,557)	(5,020,054)
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(20,387,503)</u>
Beginning, as restated	<u>(25,098,557)</u>	<u>(25,407,557)</u>
Ending	<u><u>\$ (25,591,113)</u></u>	<u><u>\$ (25,098,557)</u></u>

Governmental Activities

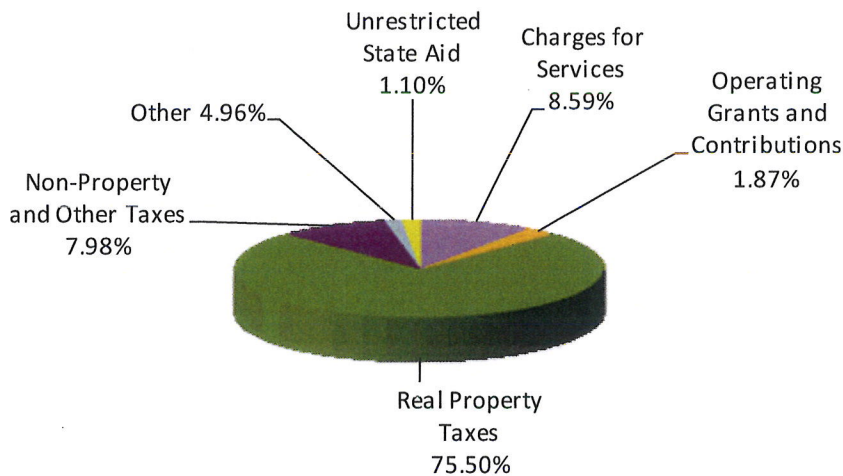
Governmental activities decreased the Village's net position by \$492,556.

For the fiscal year ended May 31, 2020, revenues from governmental activities totaled \$14,786,401. Program revenues are 11% of this total and 89% is attributable to taxes and other sources. The major changes are as follows:

Revenues:

- Real property tax revenues increased by \$671,360. This was the result of a higher tax levy.
- Operating grants and contributions decreased by \$271,119. The decrease was due to a grant received from the Dormitory Authority of the State of New York ("DASNY") in the prior year.
- Non-Property taxes increased by \$145,604 due to an increase in sales tax.
- Miscellaneous increased by \$386,929 due to the final payment for the Rivertown Square settlement.

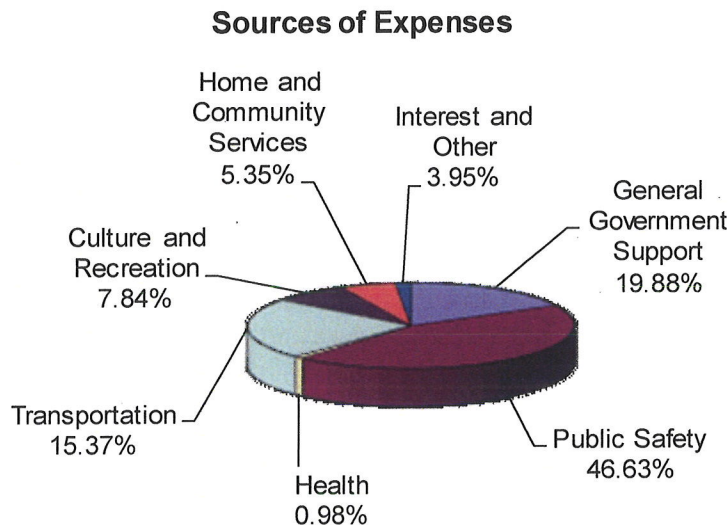
Revenues by Sources



Total expenses for governmental activities were \$15,278,957.

Expenses:

- Public safety expenses increased by \$688,865.
- Transportation expenses increased by \$339,844 due to street maintenance and street lighting.



Financial Analysis of the Village's Funds

Fund Balance Reporting

Governmental Accounting Standards Board ("GASB") issued its Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in February 2009. The requirements of GASB Statement No. 54 became effective for financial statements for the Village's fiscal period ending May 31, 2012; GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

Assigned fund balance, in the General Fund, will represent amounts constrained either by the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Village's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Village's policy to use fund balance in the following order: committed, assigned, and unassigned.

These changes were made to reflect spending constraints on resources, rather than availability for appropriations and to bring greater clarity and consistency to fund balance reporting. This pronouncement should result in an improvement in the usefulness of fund balance information.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, assigned and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year the Village's governmental funds reported combined ending fund balances of \$22,884,615 (this is inclusive of the capital projects fund \$15,095,100). \$4,581,621 of the total ending fund balance constitutes unassigned fund balance in the General Fund. A portion of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted for prepaid expenditures (\$306,607) restricted for debt service (\$1,347,440), special purpose (\$76,107) and pension benefits (\$1,618,449).

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, the fund balance of the General Fund was \$7,686,944. When the FY 2019-2020 General Fund budget was adopted, it anticipated to use \$246,870 of the fund balance. Actual results of operations resulted in an increase of Fund Balance of \$1,711,416.

Revenues and other financing sources were \$14,946,410 which was \$1,471,625 or 9.8% more than the final budget. Expenditures and other financing uses were \$13,234,994 which was \$486,661 or 3.5%, less than the final budget.

The major areas where revenues were more than budget were: non-property taxes by \$232,313, fines and forfeitures by \$65,633, miscellaneous sources by \$485,771 and other financing sources \$651,185.

The major areas where the spending was less than budgeted was in general government support by \$159,063; transportation \$77,179, culture and recreation \$84,386 and employee benefits \$85,294.

The Capital Projects Fund ended the year with a fund balance of \$15,095,100 due to the issuance of a bond to finance various projects throughout the Village.

General Fund Budgetary Highlights

Expenditures and other financing uses were \$486,661 less than the final budget.

Capital Asset and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2020, net of \$8,666,235 of accumulated depreciation, was \$10,795,917. This investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure.

Major capital asset activity during the current fiscal year included the following –

- Vehicle/Truck purchases
- Tennis Court improvements
- Curbing

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

Capital Assets

	Government Activities	
	2020	2019
Capital Assets, Not Being Depreciated		
Land	\$ 1,226,906	\$ 1,226,906
Construction in progress	108,213	-
Total assets not being depreciated	1,335,119	1,226,906
Capital Assets Being Depreciated		
Building and Improvements	9,522,595	9,118,137
Machinery and Equipment	5,541,765	5,310,449
Infrastructure	3,062,673	2,309,858
Total assets being depreciated	18,127,033	16,738,444
Less Accumulated Depreciation for		
Building and Improvements	4,763,945	4,441,504
Machinery and Equipment	3,406,933	3,065,415
Infrastructure	495,357	430,787
Total accumulated depreciation	8,666,235	7,937,706
Total Capital Assets being Depreciated, net	\$ 9,460,798	\$ 8,800,738
Capital Assets, net	\$ 10,795,917	\$ 10,027,644

Long-term Debt

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$22,500,000. In accordance with New York State Law, the Village issues general obligation bonds, backed by the full faith and credit of the Village.

During the current fiscal year the Village issued \$17,060,000 of public improvement serial bonds to finance the cost of various capital projects.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the Village is subject to a "constitutional debt limit". This debt limit is calculated by taking 7% of the latest five-year average full valuation of all taxable real property within the Village. At May 31, 2020, the Village's five year average full valuation was \$1,022,311,673, thereby establishing a constitutional debt limit of \$71,561,817.

The Village's underlying rating on its outstanding bonds by Moody's Investors Service is Aa2 positive.

Economic Factors and Next Year's Budgets and Rates

Increases in personnel services due to contractual raise in grades, contractual and supply expenses, increases in Employee Benefits and increased Debt Service costs, were all factors that were taken into consideration in development and preparation of the FY 2020-2021 budget.

The Village appropriated \$300,000 of the general fund balance for expenditures in FY 2020-2021 from debt service.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Meredith S. Robson, Village of Ardsley, 507 Ashford Avenue, Ardsley, New York 10502.

Village of Ardsley, New York

Statement of Net Position

May 31, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 5,811,773
Investments	16,704,337
Receivables	
Taxes	333,127
Accounts	191,648
State and Federal aid	122,667
Due from other governments	414,517
Prepaid expenses	306,607
Capital assets	
Not being depreciated	1,335,119
Being depreciated, net	<u>9,460,798</u>
 Total Assets	 <u>34,680,593</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>6,363,448</u>
 LIABILITIES	
Accounts payable	327,097
Accrued liabilities	227,940
Due to retirement systems	168,071
Unearned revenues	8,120
Accrued interest payable	528,455
Non-current liabilities	
Due within one year	785,000
Due in more than one year	<u>61,288,205</u>
 Total Liabilities	 <u>63,332,888</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>3,302,266</u>
 NET POSITION	
Net investment in capital assets	1,936,232
Restricted	
Debt service	1,347,400
Special purpose	76,107
Unrestricted	<u>(28,950,852)</u>
 Total Net Position	 <u><u>\$ (25,591,113)</u></u>

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

Village of Ardsley, New York

Statement of Activities
Year Ended May 31, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 3,037,954	\$ 226,570	\$ -	\$ -	\$ (2,811,384)
Public safety	7,124,242	565,595	-	-	(6,558,647)
Health	150,115	-	120,503	-	(29,612)
Transportation	2,348,702	57,482	112,585	-	(2,178,635)
Economic opportunity and development	8,618	2,050	-	-	(6,568)
Culture and recreation	1,198,200	340,871	1,494	-	(855,835)
Home and community services	816,826	78,145	41,654	39,200	(657,827)
Interest	594,300	-	-	98,716	(495,584)
Total Governmental Activities	\$ 15,278,957	\$ 1,270,713	\$ 276,236	\$ 137,916	(13,594,092)
General revenues					
Real property taxes					11,163,868
Other tax items					
Interest and penalties on real property taxes					34,827
Non-property taxes					
Non-property tax distribution from County					881,194
Hotel occupancy tax					77,743
Franchise fees					118,324
Utilities gross receipts taxes					102,052
Unrestricted use of money and property					20,846
Sale of property and compensation for loss					48,720
Unrestricted State aid					135,182
Miscellaneous					518,780
Total General Revenues					13,101,536
Change in Net Position					(492,556)
NET POSITION					
Beginning of Year					(25,098,557)
End of Year					\$ (25,591,113)

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

Village of Ardsley, New York

Balance Sheet
Governmental Funds
May 31, 2020

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
ASSETS				
Cash and equivalents	\$ 4,449,473	\$ 1,248,683	\$ 113,617	\$ 5,811,773
Investments	2,610,368	14,093,969	-	16,704,337
Taxes receivable	333,127	-	-	333,127
Other receivables				
Accounts	191,648	-	-	191,648
State and Federal aid	122,667	-	-	122,667
Due from other governments	414,517	-	-	414,517
Due from other funds	651,185	516,907	-	1,168,092
	1,380,017	516,907	-	1,896,924
Prepaid expenditures	306,607	-	-	306,607
Total Assets	<u>\$ 9,079,592</u>	<u>\$ 15,859,559</u>	<u>\$ 113,617</u>	<u>\$ 25,052,768</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 211,277	\$ 113,274	\$ 2,546	\$ 327,097
Accrued liabilities	219,440	-	8,500	227,940
Due to other funds	516,907	651,185	-	1,168,092
Due to retirement systems	168,071	-	-	168,071
Unearned revenues	8,120	-	-	8,120
Total Liabilities	1,123,815	764,459	11,046	1,899,320
Deferred inflows of resources				
Deferred tax revenues	268,833	-	-	268,833
Total Liabilities and Deferred Inflows of Resources	1,392,648	764,459	11,046	2,168,153
Fund balances				
Nonspendable	306,607	-	-	306,607
Restricted	2,727,423	15,095,100	76,107	17,898,630
Assigned	71,293	-	26,464	97,757
Unassigned	4,581,621	-	-	4,581,621
Total Fund Balances	7,686,944	15,095,100	102,571	22,884,615
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 9,079,592</u>	<u>\$ 15,859,559</u>	<u>\$ 113,617</u>	<u>\$ 25,052,768</u>

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

Village of Ardsley, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position Year Ended May 31, 2020

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

Fund Balances - Total Governmental Funds	\$ 22,884,615
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>10,795,917</u>
Governmental funds do not report the effect of losses on refunding bonds and assets or liabilities related to net pension assets (liabilities) and post employment benefit obligations whereas these amounts are deferred and amortized in the statement of activities	
Deferred amounts on net pension liabilities	3,999,011
Deferred loss on refunding bonds	119,613
Deferred amounts on post employment benefit liabilities	(1,530,820)
Deferred amounts on fire service award program	<u>473,378</u>
	<u>3,061,182</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>268,833</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(528,455)
Bonds payable	(23,835,932)
Compensated absences	(198,259)
Net pension liability	(5,774,946)
Total pension liability - fire service award program	(2,860,209)
Other post employment benefit liability	<u>(29,403,859)</u>
	<u>(62,601,660)</u>
Net Position of Governmental Activities	<u>\$ (25,591,113)</u>

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

Village of Ardsley, New York

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

Year Ended May 31, 2020

	General	Capital Projects	Non-Major Governmental	Total Governmental Funds
REVENUES				
Real property taxes	\$ 11,140,622	\$ -	\$ -	\$ 11,140,622
Other tax items	34,827	-	-	34,827
Non-property taxes	1,179,313	-	-	1,179,313
Departmental income	577,351	-	278,301	855,652
Net change in fair value of investments	21,799	-	-	21,799
Use of money and property	20,846	98,716	371	119,933
Licenses and permits	175,009	-	-	175,009
Fines and forfeitures	190,633	-	-	190,633
Sale of property and compensation for loss	47,920	-	-	47,920
State aid	289,421	-	1,277	290,698
Federal aid	120,503	-	-	120,503
Miscellaneous	518,780	39,200	28,266	586,246
Total Revenues	14,317,024	137,916	308,215	14,763,155
EXPENDITURES				
Current				
General government support	1,889,657	-	-	1,889,657
Public safety	3,911,792	-	-	3,911,792
Health	148,635	-	-	148,635
Transportation	1,493,661	-	-	1,493,661
Economic opportunity and development	8,618	-	-	8,618
Culture and recreation	369,253	-	475,105	844,358
Home and community services	549,852	-	-	549,852
Employee benefits	3,311,933	-	164,673	3,476,606
Debt service				
Principal	555,000	-	-	555,000
Interest	247,554	-	-	247,554
Capital outlay	-	1,372,158	-	1,372,158
Total Expenditures	12,485,955	1,372,158	639,778	14,497,891
Excess (Deficiency) of Revenues Over Expenditures	1,831,069	(1,234,242)	(331,563)	265,264
OTHER FINANCING SOURCES (USES)				
Bonds issued		17,060,000		17,060,000
Issuance premium	651,185	551,890	-	1,203,075
Transfers in	-	423,047	333,487	756,534
Transfers out	(756,534)	-	-	(756,534)
Total Other Financing Sources (Uses)	(105,349)	18,034,937	333,487	18,263,075
Net Change in Fund Balances	1,725,720	16,800,695	1,924	18,528,339
FUND BALANCES (DEFICITS)				
Beginning of Year	5,961,224	(1,705,595)	100,647	4,356,276
End of Year	\$ 7,686,944	\$ 15,095,100	\$ 102,571	\$ 22,884,615

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

Village of Ardsley, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended May 31, 2020

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

Net Change in Fund Balances - Total Governmental Funds	\$ 18,528,339
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	1,496,802
Depreciation expense	(728,529)
	<u>768,273</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>23,246</u>
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Long-term debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of 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 first issued, whereas these amounts are deferred and amortized on the statement of activities.

Bonds issued	(17,060,000)
Issuance premium	(1,203,075)
Principal paid on serial bonds	555,000
Amortization of premium on bonds	65,168
Amortization of loss on refunding bonds	(9,831)
	<u>(17,652,738)</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	(402,083)
Compensated absences	(55,639)
Pension liabilities	(1,181,764)
Other post employment benefit liabilities	(520,190)
	<u>(2,159,676)</u>

Change in Net Position of Governmental Activities	<u>\$ (492,556)</u>
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The notes to the financial statements are an integral part of this statement.

Village of Ardsley, New York

Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
General Fund
Year Ended May 31, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 11,163,868	\$ 11,163,868	\$ 11,140,622	\$ (23,246)
Other tax items	36,600	36,600	34,827	(1,773)
Non-property taxes	947,000	947,000	1,179,313	232,313
Departmental income	590,167	590,167	577,351	(12,816)
Net change in fair value of investments	-	-	21,799	21,799
Use of money and property	10,000	10,000	20,846	10,846
Licenses and permits	194,000	194,000	175,009	(18,991)
Fines and forfeitures	125,000	125,000	190,633	65,633
Sale of property and compensation for loss	12,000	12,000	47,920	35,920
State aid	238,141	238,141	289,421	51,280
Federal aid	125,000	125,000	120,503	(4,497)
Miscellaneous	33,009	33,009	518,780	485,771
Total Revenues	13,474,785	13,474,785	14,317,024	842,239
EXPENDITURES				
Current				
General government support	2,267,932	2,048,720	1,889,657	159,063
Public safety	3,794,989	3,958,371	3,911,792	46,579
Health	153,132	153,132	148,635	4,497
Transportation	1,605,317	1,570,840	1,493,661	77,179
Economic opportunity and development	17,042	17,042	8,618	8,424
Culture and recreation	410,054	453,639	369,253	84,386
Home and community services	559,087	571,090	549,852	21,238
Employee benefits	3,446,888	3,389,732	3,311,933	77,799
Debt service				
Principal	555,000	555,000	555,000	-
Interest	247,555	247,555	247,554	1
Total Expenditures	13,056,996	12,965,121	12,485,955	479,166
Excess of Revenues Over Expenditures	417,789	509,664	1,831,069	1,321,405
OTHER FINANCING SOURCES (USES)				
Issuance premium	-	-	651,185	651,185
Transfers out	(664,659)	(756,534)	(756,534)	-
Total Other Financing Uses	(664,659)	(756,534)	(105,349)	651,185
Net Change in Fund Balance	(246,870)	(246,870)	1,725,720	1,972,590
FUND BALANCE				
Beginning of Year	246,870	246,870	5,961,224	5,714,354
End of Year	\$ -	\$ -	\$ 7,686,944	\$ 7,686,944

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

Village of Ardsley, New York

Statement of Assets and Liabilities

Fiduciary Funds

May 31, 2020

	<u>Agency</u>
ASSETS	
Cash and equivalents	<u>\$ 230,715</u>
LIABILITIES	
Account payable	\$ 77,653
Deposits payable	<u>153,062</u>
	<u>\$ 230,715</u>

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

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Note 1 - Summary of Significant Accounting Policies

The Village of Ardsley, New York ("Village") was established in 1896 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as the Administrative Officer and the Chief Budget Officer and the Village Treasurer serves as the chief financial officer. The 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 accounting policies of the Village conform to generally accepted accounting principles as applicable 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 following is a summary of the Village's more significant accounting policies:

A. Financial Reporting Entity

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following blended component unit is included in the Village's reporting entity because of its operational or financial relationship with the Village. Blended component units, though legally separate entities, are in substance, part of the Village's operations. The blended component unit serves or benefits the Village almost exclusively. Financial information from this component unit is combined with that of the Village. The following represents the Village's component unit.

The Ardsley Public Library ("Library"), is a separate legal entity, the Village appoints Library trustees, raises taxes and finances the Library's operations through the transfer of funds to the Library, has title to real property used by the Library and issues all Library indebtedness which is supported by the full faith and credit of the Village.

B. Government-Wide Financial Statements

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

The Statement of Net Position presents the financial position of the Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Village does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental 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.

C. Fund Financial Statements

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

Fund Categories

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

The non-major special revenue funds of the Village are as follows:

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

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

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. The Agency Fund accounts for employee payroll tax withholdings and deposits that are payable to other jurisdictions or individuals.

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 is reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The Agency Fund has no measurement focus but utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon 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. 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 net pension liability, total pension liabilities, compensated absences and other post employment benefit liabilities are recorded only 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)

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

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

Investments (except Length of Service Award Program investments which are discussed in Note 3A) - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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

The Village participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to Articles 3A and 5G of General Municipal Law of the State of New York. CLASS has designated Public Trust Advisors, LLC as its registered investment advisor. Public Trust Advisors, LLC is registered with the Securities and Exchange Commission ("SEC"), and is subject to all of the rules and regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of May 31st. CLASS investments totaled \$15,126,964 at May 31, 2020.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Village's position in the pool is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days. CLASS is rated AAAM by Standard & Poor's. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from Public Trust Advisors, LLC, 717 17th Street, Suite 1850, Denver, CO 80202.

Risk Disclosure

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

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40, *"Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2020.

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

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

Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of June 1st and are levied and payable in two installments due in June and December. The Village has the responsibility for the billing and collection of its own taxes.

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

Due From/To Other Funds - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as May 31, 2020,

Note 1 - Summary of Significant Accounting Policies (Continued)

balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/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.

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

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Village chose to include all such items regardless of their acquisition date or amount. The Village was able to estimate historical cost for the initial reporting period of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price-level index to deflate the cost to the 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 is not depreciated. Property, plant, equipment and infrastructure of the 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	10-40
Machinery and equipment	5-10
Infrastructure	20-50

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

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This

Note 1 - Summary of Significant Accounting Policies (Continued)

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 will sometimes report 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.

Deferred outflows and inflows of resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
New York State and Local Employees' Retirement System	\$ 1,566,309	\$ 53,758
New York State and Local Police and Fire Retirement System	2,583,696	97,236
Deferred Loss on Refunding Bonds	119,613	-
Other Post Employment Benefit Liabilities	1,564,302	3,095,122
Fire Service Award Program	529,528	56,150
	<u>\$ 6,363,448</u>	<u>\$ 3,302,266</u>

The Village reported deferred inflows of resources of \$268,833 for real property taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The amount reported deferred for the deferred loss on refunding bonds 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 refunding or refunded debt.

The amounts reported as deferred outflows of resources and deferred inflows of resources in relation to the Village's pension and other postemployment benefits liabilities are detailed in Note 3G.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Net Pension Liability - The net pension liability represents the Village's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System and the New York State 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"*.

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes net investment in capital assets, restricted for debt service and special purpose. The balance is classified as unrestricted.

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 Village is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

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

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Village Board of Trustees is the highest level of decision making authority for the 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 entity removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the Village Board of Trustees.

Note 1 - Summary of Significant Accounting Policies (Continued)

Assigned fund balance, in the General Fund, represents amounts constrained either by the policies of the Village Board of Trustees, the entity's highest level of decision making authority or a person with delegated authority from the governing board to assign amounts for a specific intended purpose. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all 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 amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations is generally employed as an extension of formal budgetary integration in the General and 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, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 ("Coronavirus") pandemic and the mitigation responses, and such differences may be material (See Note 4B).

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 December 3, 2020.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) On or before March 20th, the budget officer submits to the Village Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Village Board of Trustees may meet to discuss and review the tentative budget in a series of budget work sessions after March 20th and up to April 30th.
- c) The Village Board of Trustees must conduct a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for the General and Public Library funds.
- f) Budgets for the General and Public Library funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted by the Village Board of Trustees for the Special Purpose Fund.
- g) The Village Board of Trustees 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 Village Board of Trustees. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Village Board of Trustees.
- h) Appropriations in the General and Public Library 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 Village Board of Trustees.

B. Property Tax Limitations

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for 2019-2020 was \$20,446,233 which exceeded the actual levy (inclusive of exclusions) by \$9,282,365.

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Village to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States with the result expressed as a decimal to four places. The Village is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Village, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Village. The Village Board of Trustees may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

C. Expenditures in Excess of Budget

The following functional expenditure category exceeded its budgetary authorization by amount indicated:

Public Library Fund –	
Employee benefits	\$ 929

Note 3 - Detailed Notes on All Funds

A. Investments

Investments of the Service Award Program are invested in accordance with a statutory prudent person rule and in accordance with an investment policy adopted by the Village.

Village of Ardsley, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

The Village had the following recurring fair value measurements as of May 31, 2020:

<u>Type of Investment</u>	<u>Fair Value</u>
U.S and International Equities Funds	\$ 743,809
Taxable Fixed Income	528,122
Cash and Equivalents	234,533
Life Insurance policies	70,909
	<u>\$ 1,577,373</u>

The Equities and Taxable Fixed Income funds are valued using Level 1 inputs, which are quoted prices in active markets for identical assets.

B. Taxes Receivable

Taxes receivable at May 31, 2020 consisted of the following:

Current Year	\$ 135,246
Prior Years	<u>197,881</u>
	<u>\$ 333,127</u>

C. Due From/To Other Funds

The balances reflected as due from/to other funds at May 31, 2020 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 651,185	\$ 516,907
Capital Projects	<u>516,907</u>	<u>651,185</u>
	<u>\$ 1,168,092</u>	<u>\$ 1,168,092</u>

The outstanding balances between funds result 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.

Village of Ardsley, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)**D. Capital Assets**

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

	Balance June 1, 2019	Additions	Balance May 31, 2020
Capital Assets, not being depreciated			
Land	\$ 1,226,906	\$ -	\$ 1,226,906
Construction-in-progress	-	108,213	108,213
	<u>1,226,906</u>	<u>108,213</u>	<u>1,335,119</u>
Capital Assets, being depreciated:			
Buildings and improvements	\$ 9,118,137	\$ 404,458	\$ 9,522,595
Machinery and equipment	5,310,449	231,316	5,541,765
Infrastructure	2,309,858	752,815	3,062,673
	<u>16,738,444</u>	<u>1,388,589</u>	<u>18,127,033</u>
Total Capital Assets, being depreciated			
Less Accumulated Depreciation for:			
Buildings and improvements	4,441,504	322,441	4,763,945
Machinery and equipment	3,065,415	341,518	3,406,933
Infrastructure	430,787	64,570	495,357
	<u>7,937,706</u>	<u>728,529</u>	<u>8,666,235</u>
Total Accumulated Depreciation			
Total Capital Assets, being depreciated, net	<u>\$ 8,800,738</u>	<u>\$ 660,060</u>	<u>\$ 9,460,798</u>

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

General Government Support	\$ 34,308
Public Safety	273,613
Transportation	257,363
Culture and Recreation	<u>163,246</u>
Total Depreciation Expense	<u>\$ 728,529</u>

E. Accrued Liabilities

Accrued liabilities at May 31, 2020 were as follows:

	General Fund	Public Library Fund
Payroll and employee benefits	<u>\$ 219,440</u>	<u>\$ 8,500</u>

Village of Ardsley, New York

Notes to Financial Statements (Continued) May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

F. Short-Term Capital Borrowings - Bond Anticipation Notes

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

Purpose	Year of Original Issue	Maturity Date	Balance June 1, 2019	Redeemed by Appropriation	Redeemed by Bonds	Balance May 31, 2020
Highway Garage	2016	08/01/19 %	\$ 486,145	\$ 243,072	\$ 243,073	\$ -
Various Village Purposes	2017	08/01/19	1,525,600	70,000	1,455,600	-
Land for Garage	2017	08/01/19	1,079,300	18,100	1,061,200	-
			<u>\$ 3,091,045</u>	<u>\$ 331,172</u>	<u>\$ 2,759,873</u>	<u>\$ -</u>

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

Interest expenditures of \$85,004 were recorded in the fund financial statements in the General Fund. Interest expense of \$14,168 was recorded in the government-wide financial statements.

G. Long-Term Liabilities

The following table summarizes changes in the Village's long-term indebtedness for the year ended May 31, 2020:

	Balance June 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2020	Due Within One Year
General Obligation Bonds Payable	\$ 5,995,000	\$ 17,060,000	\$ 555,000	\$ 22,500,000	\$ 765,000
Plus					
Unamortized premium on bonds	198,025	1,203,075	65,168	1,335,932	-
	<u>6,193,025</u>	<u>18,263,075</u>	<u>620,168</u>	<u>23,835,932</u>	<u>765,000</u>
Other Non-Current Liabilities:					
Net Pension Liability	1,626,615	4,148,331	-	5,774,946	-
Total Pension Liability - Length of service award program	2,526,662	400,087	66,540	2,860,209	-
Compensated Absences	142,620	69,639	14,000	198,259	20,000
Other Post Employment Benefit Liability	28,723,626	1,271,388	591,155	29,403,859	-
Total Other Non-Current Liabilities	<u>33,019,523</u>	<u>5,889,445</u>	<u>671,695</u>	<u>38,237,273</u>	<u>20,000</u>
Total Long-Term Liabilities	<u>\$ 39,212,548</u>	<u>\$ 24,152,520</u>	<u>\$ 1,291,863</u>	<u>\$ 62,073,205</u>	<u>\$ 785,000</u>

Note 3 - Detailed Notes on All Funds (Continued)

Each governmental fund's liability for general obligation bonds, net pension liability, total pension liability, compensated absences, and other post employment benefit liability are liquidated by the General Fund.

General Obligation Bonds Payable

General Obligation Bonds payable at May 31, 2020 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2020
Public Improvements	2012	\$ 1,211,500	March, 2027	2.00 - 2.750 %	\$ 610,000
Public Improvements	2016	3,364,370	August, 2035	2.00 - 3.375	2,375,000
Public Improvements	2017	2,945,000	August, 2031	2.00 - 5.000	2,455,000
Public Improvements	2019	17,060,000	May, 2042	2.00 - 5.000	17,060,000
					<u>\$ 22,500,000</u>

Interest expenditures of \$162,550 was recorded in the fund financial statements in the General Fund. Interest expense of \$580,132 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of May 31, 2020 including interest payments of \$7,442,917 are as follows:

Year Ended May 31,	Principal	Interest
2021	\$ 765,000	\$ 976,652
2022	1,025,000	678,170
2023	1,025,000	636,983
2024	1,055,000	593,781
2025	1,085,000	550,256
2026-2030	5,725,000	2,087,408
2031-2035	4,940,000	1,229,457
2036-2040	4,790,000	632,322
2041-2042	2,090,000	57,888
	<u>\$ 22,500,000</u>	<u>\$ 7,442,917</u>

Pension Plans

New York State and Local Retirement System

The Village participates in the New York State and Local Employees' Retirement System ("ERS") and the New York State and Local Police and Fire Retirement System ("PFRS") which are collectively referred to as the New York State and Local Retirement System ("System"). These

Note 3 - Detailed Notes on All Funds (Continued)

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

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2020 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	16.1 %
	4 A15	16.1
	5 A15	13.4
	6 A15	9.6
PFRS	2 375I	18.6
	2 384D	25.6
	5 384D	21.0
	6 384D	15.7

At May 31, 2020, the Village reported the following for its proportionate share of the net pension liability for ERS and PFRS.

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2020	March 31, 2020
Net pension liability	\$ 2,226,789	\$ 3,548,157
Village's proportion of the net pension liability	0.0084091 %	0.0663835 %
Change in proportion since the prior measurement date	0.0003702 %	0.0033546 %

Note 3 - Detailed Notes on All Funds (Continued)

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

For the year ended May 31, 2020, the Village recognized pension expense in the government-wide financial statements of \$831,644 for ERS and \$1,359,986 for PFRS. Pension expenditures of \$406,495 for ERS and \$678,851 for PFRS were recorded in the fund financial statements and were charged to the following funds:

Fund	ERS	PFRS
General	\$ 369,446	\$ 678,851
Library	37,049	-
	<u>\$ 406,495</u>	<u>\$ 678,851</u>

At May 31, 2020 the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 131,056	\$ -	\$ 236,270	\$ 59,431
Changes of assumptions	44,837	38,716	303,282	-
Net difference between projected and actual earnings on pension plan investments	1,141,560	-	1,597,847	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	187,198	15,042	339,885	37,805
Village contributions subsequent to the measurement date	61,658	-	106,412	-
	<u>\$ 1,566,309</u>	<u>\$ 53,758</u>	<u>\$ 2,583,696</u>	<u>\$ 97,236</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 367,326	\$ 59,431		
Changes of assumptions	348,119	38,716		
Net difference between projected and actual earnings on pension plan investments	2,739,407	-		
Changes in proportion and differences between Village contributions and proportionate share of contributions	527,083	52,847		
Village contributions subsequent to the measurement date	168,070	-		
	<u>\$ 4,150,005</u>	<u>\$ 150,994</u>		

\$61,658 and \$106,412 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement

Note 3 - Detailed Notes on All Funds (Continued)

date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2020. 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
2021	\$ 277,708	\$ 544,278
2022	369,712	564,905
2023	452,323	671,819
2024	351,150	551,342
2025	-	47,704

The total pension liability for the March 31, 2020 measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

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

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

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

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

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

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.

Note 3 - Detailed Notes on All Funds (Continued)

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	36 %	4.05 %
International Equity	14	6.15
Private Equity	10	6.75
Real Estate	10	4.95
Absolute Return Strategies	2	3.25
Opportunistic Portfolio	3	4.65
Real Assets	3	5.95
Bonds and Mortgages	17	0.75
Cash	1	0.00
Inflation Indexed Bonds	4	0.50
	<u>100 %</u>	

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

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

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

	<u>1% Decrease (5.8%)</u>	<u>Current Assumption (6.8%)</u>	<u>1% Increase (7.8%)</u>
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 4,086,786</u>	<u>\$ 2,226,789</u>	<u>\$ 513,723</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 6,344,178</u>	<u>\$ 3,548,157</u>	<u>\$ 1,044,258</u>

Village of Ardsley, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

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

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of May 31, 2020 represent the employer contribution for the period of April 1, 2019 through May 31, 2020 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Employee contributions are remitted monthly. Accrued retirement contributions to ERS and PFRS as of May 31, 2020 were \$61,658 and \$106,412, respectively.

Voluntary Defined Contribution Plan

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

Service Award Program

The Village, pursuant to Article 11-A of the General Municipal Law of the State of New York and legislative resolution, has established a Length of Service Award Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan established as a grantor/rabbi trust and, as such, the assets are subject to the claims of the Village's general creditors. The Program is accounted for in the Village's financial statements within the General Fund.

Active volunteer firefighters, upon attainment of age 18, and upon earning 50 or more points in a calendar year after 1990 under the provisions of the Program point system, are eligible to become participants in the Program. Points are granted for the performance of certain activities in accordance with a system established by the 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. The monthly benefits are \$20 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. The trustees of the Program, which are the members of the Village's Board, are authorized to invest the funds in authorized investment vehicles.

Note 3 - Detailed Notes on All Funds (Continued)

Administrative costs are paid by the Village from the General Fund. Separate financial statements are not issued by the Program.

At the May 31, 2020 measurement date, the following participants were covered by the benefit terms:

Inactive participants entitled to but not yet receiving benefits payments	34
Active participants	<u>36</u>
Total	<u><u>70</u></u>

The General Municipal Law of the State of New York requires the Village to contribute an actuarially determined contribution on an annual basis. The actuarially determined contribution shall be appropriated annually by the Village's Board of Trustees.

The total pension liability at the May 31, 2020 measurement date was determined using an actuarial valuation as of that date.

The total pension liability in the May 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method: Entry Age Normal
Inflation: 2.00%
Salary Scale: None assumed
Mortality rates were based on the RP-2000-Unisex Mortality Table

The discount rate of 2.48% used to measure the total pension liability was based upon the Fidelity 20 Year- GO AA Bond Index. The Village's change in the total pension liability of the LOSAP program for the program year ended May 31, 2020 is as follows:

Total Pension Liability - Beginning of Period	\$ 2,526,662
Service cost	45,296
Interest	77,665
Changes of assumptions or other inputs	257,734
Differences between expected and actual experience	19,392
Benefit payments	<u>(66,540)</u>
Total Pension Liability - End of Period	<u><u>\$ 2,860,209</u></u>

The following presents the total pension liability of the Village as of the May 31, 2020 measurement date, calculated using the discount rate of 2.48 percent, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.48%) or 1-percentage point higher (3.48%) than the current rate:

Village of Ardsley, New York**Notes to Financial Statements (Continued)****May 31, 2020****Note 3 - Detailed Notes on All Funds (Continued)**

	1% Decrease (1.48%)	Current Assumption (2.48%)	1% Increase (3.48%)
Total Pension Liability	<u>\$ 3,345,000</u>	<u>\$ 2,860,209</u>	<u>\$ 2,473,000</u>

For the year ended May 31, 2020, the Village recognized pension expense in the government-wide financial statements of \$157,895. Pension expenditures of \$79,520,415 were recorded in the fund financial statement and charged to the General Fund. At May 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 444,568	\$ 56,150
Differences between expected and actual experience	84,960	-
	<u>\$ 529,528</u>	<u>\$ 56,150</u>

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

Year Ended December 31,	
2021	\$ 44,014
2022	44,014
2023	44,014
2024	44,014
2025	44,014
2026 and Thereafter	253,308

Compensated Absences

Pursuant to collective bargaining agreements, employees of the Department of Public Works and non-union full-time employees may accumulate up to 175 days of sick time. Upon retirement, these employees will be compensated for 50% of unused sick time at their current salary level. Effective June 1, 1994, police employees have unlimited sick leave. Prior to this date, police employees could accumulate up to 150 days of sick time. Days accumulated as of June 1, 1994 were frozen and police employees, at retirement, separation of service or upon written notification, may receive payment for 50% of these accumulated days at their hourly rate. Compensatory time for overtime hours may be accumulated by police employees. At the option of the employee, payment will be made either through additional compensation or compensatory time. Payment is limited to 150 hours. Compensatory time for police officers may accumulate without limit. Employees will be paid for this time, at their option. However, requests for payment must be made prior to February 1st of each year. Vacation time for employees of the Department of Public Works may be carried over to the subsequent year, and upon separation of service, employees will be compensated for any

Note 3 - Detailed Notes on All Funds (Continued)

unused days from the prior year. Vacation time for police and non-union employees is generally taken in the year earned and may not be accumulated.

Other Post Employment Benefit Obligations ("OPEB")

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

At May 31, 2020, the following employees were covered by the benefit terms:

Inactive participants entitled to but not yet receiving benefits payments	23
Active participants	42
	<hr/>
Total	65
	<hr/>

The Village's total OPEB liability of \$29,403,859 was measured as of May 31, 2020 and was determined by an actuarial valuation as of June 1, 2019.

The total OPEB liability in the June 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.00%
Discount rate	2.63%
Healthcare cost trend rates	8.0% for 2020, decreasing by up to .5% per year to an ultimate rate of 5.0%
Retirees' share of benefit-related costs	Varies from 0% to 100%, depending on applicable retirement year and bargaining unit

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

Mortality rates were based on the RP-2014 Mortality Tables for employees and healthy annuitants, and then adjusted for mortality improvements with scale MP-2016 projection mortality improvement scale on a fully generational basis.

The actuarial assumptions used in the June 1, 2019 valuation for turnover and retirement for ERS and PFRS were based on the April 1, 2010 to March 31, 2015 experience study released by the Retirement Systems Actuary and published in their August 2015 report.

Village of Ardsley, New York

Notes to Financial Statements (Continued)

May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

The Village's change in the total OPEB liability for the year ended May 31, 2020 is as follows:

Total OPEB Liability - Beginning of Year	\$	28,723,626
Service Cost		618,089
Interest		867,055
Difference between expected and actual experience		(2,090,919)
Change in assumptions or other inputs		1,877,163
Benefit payments		(591,155)
Total OPEB Liability - End of Year	\$	<u>29,403,859</u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) or 1 percentage point higher (3.63%) than the current discount rate:

	1% Decrease (1.63%)	Current Assumption (2.63%)	1% Increase (3.63%)
Total OPEB Liability	\$ <u>33,875,706</u>	\$ <u>29,403,859</u>	\$ <u>24,932,012</u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (7.0% decreasing to 4.0%) or 1 percentage point higher (9.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (7.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	\$ <u>24,133,157</u>	\$ <u>29,403,859</u>	\$ <u>35,752,290</u>

For the year ended May 31, 2020, the Village recognized OPEB expense of \$1,111,345 in the government-wide financial statements. At May 31, 2020, the Village reported 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	\$ 1,564,302	\$ -
Differences between expected and actual experience	-	3,095,122
	<u>\$ 1,564,302</u>	<u>\$ 3,095,122</u>

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 March 31,</u>	
2021	\$	(373,799)
2022		(373,799)
2023		(373,799)
2024		(373,799)
2025		(35,624)
Thereafter		-

H. Revenues and Expenditures

Interfund Transfers

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

	<u>Transfers In</u>		
<u>Transfers Out</u>	<u>Capital Projects Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
General Fund	<u>\$ 423,047</u>	<u>\$ 333,487</u>	<u>\$ 756,534</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and 2) move amounts earmarked in the operating funds to fulfill commitments for the Public Library Fund.

I. Net Position

The components of net position are detailed below:

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

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 Special Purpose - the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

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

Village of Ardsley, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2020					2019				
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total		General Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	
Nonspendable -										
Prepaid expenditures	\$ 306,607	\$ -	\$ -	\$ 306,607		\$ -	\$ -	\$ -	\$ -	
Restricted:										
Pension benefits	1,618,449	-	-	1,618,449		1,604,145	-	-	1,604,145	
Special purpose	-	-	76,107	76,107		-	-	88,275	88,275	
Capital projects	-	14,856,634	-	14,856,634		-	-	-	-	
Debt service	808,974	238,466	-	1,047,440		157,003	139,750	-	296,753	
Debt service - for subsequent year's expenditures	300,000	-	-	300,000		146,870	-	-	146,870	
Total Restricted	2,727,423	15,095,100	76,107	17,898,630		1,908,018	139,750	88,275	2,136,043	
Assigned:										
Purchases on order:										
Public safety	19,007	-	-	19,007		-	-	-	-	
Culture and recreation	30,850	-	-	30,850		-	-	-	-	
Contractual obligations	21,436	-	-	21,436		30,000	-	-	30,000	
Subsequent year's expenditures - General Fund	-	-	-	-		100,000	-	-	100,000	
Non-Major Governmental Fund										
Public Library	-	-	26,464	26,464		-	-	12,372	12,372	
Total Assigned	71,293	-	26,464	97,757		130,000	-	12,372	142,372	
Unassigned	4,581,621	-	-	4,581,621		3,923,206	(1,845,345)	-	2,077,861	
Total Fund Balances	\$ 7,686,944	\$ 15,095,100	\$ 102,571	\$ 22,884,615		\$ 5,961,224	\$ (1,705,595)	\$ 100,647	\$ 4,356,276	

Note 3 - Detailed Notes on All Funds (Continued)

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

Restricted for Pension Benefits represents funds set aside to be used for LOSAP pension benefits in accordance with Article 11-A of the General Municipal Law of the State of New York.

Assigned for Contractual Obligations - This is used to segregate a portion of fund balance of the General Fund for contractual obligations.

Subsequent year's expenditures represent that at May 31, 2020, the Board of Trustees 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 Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damages or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

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

B. Contingencies

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

Coronavirus

On March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of Coronavirus. This was followed by the President of the United States declaring the outbreak of Coronavirus a national emergency on March 13, 2020.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

Preceding these announcements, the Governor of the State of New York declared a state of emergency on March 7, 2020 and has since issued multiple Executive Orders regarding the pandemic. Furthermore, the Enacted 2020-21 New York State budget granted the Budget Director the authority to reduce state aid payments to local governments and school districts by any amount needed to achieve a balanced budget. The Budget Director is authorized, under Section 1(f) of Chapter 53 of the Laws of 2020, to withhold all or some of specific local aid payments during state fiscal year 2020-21, that began on April 1, 2020, if the budget is deemed unbalanced and if the Budget Director further determines that such withholding is necessary to respond to the direct and indirect economic financial and social effects of the Coronavirus pandemic ("Reduction Authority").

The ultimate size of any permanent reductions would depend in part on the availability of unrestricted Federal aid. The Federal government has not reached a consensus on additional recovery legislation at this time. Therefore, in the interim, without assurance of Federal aid, New York State has begun withholding a minimum of 20% of most municipal and school district aid payments to achieve the cash flow savings anticipated in the Executive Budget Financial Plan as updated for the Governor's amendments and forecast revisions pursuant to the Reduction Authority.

In addition to these New York State actions, the Village's economically sensitive revenues (i.e., sales tax distributions, mortgage tax, interest earnings, charges for services) are being negatively impacted. Meanwhile, the Village's expenditures on health and safety measures (personal protective equipment, sanitizing supplies, custodial overtime, technology acquisitions to support a safe working environment) will increase significantly.

The outbreak of the Coronavirus and the dramatic steps taken by the Federal government and New York State to address it will continue to negatively affect New York State and its local economies. The full impact of the Coronavirus on New York State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact on the Village's future operations and finances as a result of the Coronavirus is extremely difficult to predict due to uncertainties relating to its duration and severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including New York State, to contain or mitigate its effects. The spread of the outbreak or reemergence later in the year could have a material adverse financial effect on New York State and local municipalities, including the Village. The Village is continuously monitoring the situation and will take such proactive measures as may be required to maintain operations and meet its obligations. Given this level of uncertainty, management cannot reasonably estimate the actual impact on the Village's future financial position at this time.

C. Risk Management

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains a general liability insurance policy with coverage up to \$1 million for each occurrence and an umbrella policy with coverage up to \$10 million. The public officials' liability policy provides coverage up to \$1 million. The Village also purchases conventional workers' compensation insurance with coverage at statutory limits and medical insurance coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Village of Ardsley, New York

Notes to Financial Statements (Concluded)

May 31, 2020

Note 5 - Subsequent Events

The Village, in August 2020, issued a bond, in the amount of \$1,088,689 to finance the costs of the construction, maintenance and purchase of equipment, road reconstruction and improvement, and storm sewer improvements. The bonds mature annually through July 2037, with an interest rate of 1.49%.

Village of Ardsley, New York

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

	Schedule of the Village's Proportionate Share of the Net Pension Liability (2)				
	2020 (4)	2019	2018	2017	2016 (3)
Village's proportion of the net pension liability	0.0084091%	0.0080389%	0.0075707%	0.0082543%	0.0079419%
Village's proportionate share of the net pension liability	\$ 2,226,789	\$ 569,581	\$ 244,339	\$ 775,591	\$ 1,274,695
Village's covered payroll	\$ 2,908,192	\$ 2,641,989	\$ 2,505,643	\$ 2,483,991	\$ 2,484,759
Village's proportionate share of the net pension liability as a percentage of its covered payroll	76.57%	21.56%	9.75%	31.22%	51.30%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%

Schedule of Contributions

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 402,432	\$ 393,797	\$ 380,179	\$ 383,756	\$ 405,434
Contributions in relation to the contractually required contribution	(402,432)	(393,797)	(380,179)	(383,756)	(405,434)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 2,918,110	\$ 2,862,929	\$ 2,644,314	\$ 2,617,427	\$ 2,414,425
Contributions as a percentage of covered payroll	13.79%	13.76%	14.38%	14.66%	16.79%

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

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

(3) 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.

See independent auditors' report.

Village of Ardsley, New York

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

Schedule of the Village's Proportionate Share of the Net Pension Liability (2)				
	2020 (4)	2019	2018	2017
Village's proportion of the net pension liability	0.0663835%	0.0630289%	0.0676252%	0.0694456%
Village's proportionate share of the net pension liability	\$ 3,548,157	\$ 1,057,034	\$ 683,526	\$ 1,439,365
Village's covered payroll	\$ 3,196,411	\$ 2,949,578	\$ 3,017,455	\$ 2,927,982
Village's proportionate share of the net pension liability as a percentage of its covered payroll	111.00%	35.84%	22.65%	49.16%
Plan fiduciary net position as a percentage of the total pension liability	84.86%	95.09%	96.93%	93.50%

Schedule of Contributions

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 672,065	\$ 683,825	\$ 725,989	\$ 691,508	\$ 696,155
Contributions in relation to the contractually required contribution	(672,065)	(683,825)	(725,989)	(691,508)	(696,155)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 3,218,107	\$ 2,830,489	2,966,466	\$ 2,950,095	\$ 2,850,335
Contributions as a percentage of covered payroll	20.88%	24.16%	24.47%	23.44%	24.42%

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

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

(3) 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.

See independent auditors' report.

Village of Ardsley, New York

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

	2020	2019
Total OPEB Liability:		
Service cost	\$ 618,089	\$ 667,753
Interest	867,055	897,687
Difference between expected and actual experience	(2,090,919)	(2,029,036)
Changes of benefit terms	-	-
Changes of assumptions or other inputs	1,877,163 (4)	-
Benefit payments	(591,155)	(490,281)
Net Change in Total OPEB Liability	680,233	(953,877)
Total OPEB Liability - Beginning of Year	28,723,626	29,677,503 (3)
Total OPEB Liability - End of Year	<u>\$ 29,403,859</u>	<u>\$ 28,723,626</u>
Village's covered - employee payroll	<u>\$ 5,795,116</u>	<u>\$ 5,416,196</u>
Total OPEB liability as a percentage of covered- employee payroll	<u>507.39%</u>	<u>530.33%</u>

(1) Data not available prior to fiscal year 2019 implementation of Governmental 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 of paragraph 4 of GASB Statement No. 75 to pay related benefits.

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

(4) The discount rate used decreased from 3.05% to 2.63%.

See independent auditors' report.

Village of Ardsley, New York

Required Supplementary Information - Schedule of Changes in the Village's Total Pension Liability - Fire Service Awards Program Last Ten Fiscal Years (1) (2)

	2020	2019	* 2018
Total Pension Liability - Beginning of Period	\$ 2,526,662	\$ 2,205,603	\$ 2,190,967
Service cost	45,296	37,508	47,873
Interest	77,665	77,593	76,669
Changes of assumptions or other inputs	257,734	204,764	(66,424)
Differences between expected and actual experience	19,392	65,470	6,897
Benefit payments	(66,540)	(64,276)	(50,379)
Total Pension Liability - End of Period	<u>\$ 2,860,209</u>	<u>\$ 2,526,662</u>	<u>\$ 2,205,603</u>
Village's covered payroll	N/A	N/A	N/A
Total pension liability as a percentage of covered payroll	N/A	N/A	N/A

Notes to Schedule:

Changes in assumptions or other inputs. The discount rate used to measure the total pension liability was based upon the Fidelity 20-Year GO AA Bond Index and was as follows:

May 31, 2017	3.54%
May 31, 2018	3.57%
May 31, 2019	3.12%
May 31, 2020	2.48%

(1) No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statement Nos. 67 and 68" to pay related benefits.

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

See independent auditors' report.

Village of Ardsley, New York

General Fund

Combining Balance Sheet - Sub-Funds

May 31, 2020

(With Comparative Totals for 2019)

	General	Fire Service Award Program
ASSETS		
Cash and equivalents	\$ 4,408,397	\$ 41,076
Investments	1,032,995	1,577,373
Taxes receivable	333,127	-
Other receivables		
Accounts	191,648	-
State and Federal aid	122,667	-
Due from other governments	414,517	-
Due from other funds	651,185	-
	1,380,017	-
Prepaid expenditures	306,607	-
Total Assets	\$ 7,461,143	\$ 1,618,449
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 211,277	-
Accrued liabilities	219,440	-
Due to other funds	516,907	-
Due to retirement systems	168,071	-
Unearned revenues	8,120	-
Total Liabilities	1,123,815	-
Deferred inflows of resources		
Deferred tax revenues	268,833	-
Total Liabilities and Deferred Inflows of Resources	1,392,648	-
Fund balance		
Nonspendable	306,607	-
Restricted	1,108,974	1,618,449
Assigned	71,293	-
Unassigned	4,581,621	-
Total Fund Balance	6,068,495	1,618,449
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 7,461,143	\$ 1,618,449

See independent auditors' report.

Totals	
2020	2019
\$ 4,449,473	\$ 3,229,671
2,610,368	2,576,398
333,127	251,493
191,648	223,621
122,667	21,810
414,517	779,781
651,185	1,826
1,380,017	1,027,038
306,607	-
\$ 9,079,592	\$ 7,084,600

211,277	\$ 211,774
219,440	490,272
516,907	8,856
168,071	157,222
8,120	9,665
1,123,815	877,789
268,833	245,587
1,392,648	1,123,376
306,607	-
2,727,423	1,908,018
71,293	130,000
4,581,621	3,923,206
7,686,944	5,961,224
\$ 9,079,592	\$ 7,084,600

Village of Ardsley, New York

General Fund

Combining Schedule of Revenues, Expenditures and

Changes in Fund Balances - Sub-Funds

Year Ended May 31, 2020

(With Comparative Totals for 2019)

	General	Fire Service Award Program	Eliminations	2020	2019
REVENUES					
Real property taxes	\$ 11,140,622	\$ -	\$ -	\$ 11,140,622	\$ 10,492,116
Other tax items	34,827	-	-	34,827	63,142
Non-property taxes	1,179,313	-	-	1,179,313	1,033,709
Departmental income	577,351	75,920	(75,920)	577,351	601,555
Net change in fair value of investments	-	21,799	-	21,799	136,610
Use of money and property	20,846	-	-	20,846	21,949
Licenses and permits	175,009	-	-	175,009	279,100
Fines and forfeitures	190,633	-	-	190,633	207,278
Sale of property and compensation for loss	47,920	-	-	47,920	21,794
State aid	289,421	-	-	289,421	357,517
Federal aid	120,503	-	-	120,503	113,092
Miscellaneous	518,780	-	-	518,780	159,860
Total Revenues	14,295,225	97,719	(75,920)	14,317,024	13,487,722
EXPENDITURES					
Current					
General government support	1,889,657	-	-	1,889,657	1,912,563
Public safety	3,911,792	-	-	3,911,792	3,711,283
Health	148,635	-	-	148,635	127,024
Transportation	1,493,661	-	-	1,493,661	1,188,437
Economic opportunity and development	8,618	-	-	8,618	11,241
Culture and recreation	369,253	-	-	369,253	301,665
Home and community services	549,852	-	-	549,852	623,795
Employee benefits	3,304,438	83,415	(75,920)	3,311,933	3,188,786
Debt service					
Principal	555,000	-	-	555,000	540,000
Interest	247,554	-	-	247,554	244,200
Total Expenditures	12,478,460	83,415	(75,920)	12,485,955	11,848,994
Excess of Revenues Over Expenditures	1,816,765	14,304	-	1,831,069	1,638,728
OTHER FINANCING SOURCES (USES)					
Issuance premium	651,185	-	-	651,185	-
Transfers out	(756,534)	-	-	(756,534)	(645,924)
Total Other Financing Uses	(105,349)	-	-	(105,349)	(645,924)
Net Change in Fund Balance	1,711,416	14,304	-	1,725,720	992,804
FUND BALANCE					
Beginning of Year	4,357,079	1,604,145	-	5,961,224	4,968,420
End of Year	\$ 6,068,495	\$ 1,618,449	\$ -	\$ 7,686,944	\$ 5,961,224

See independent auditors' report.

Village of Ardsley, New York

General Fund - Sub - Fund
Comparative Balance Sheet
May 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 4,408,397	\$ 3,185,033
Investments	1,032,995	1,016,891
Taxes receivable	333,127	251,493
Other receivables		
Accounts	191,648	223,621
State and Federal aid	122,667	21,810
Due from other governments	414,517	779,781
Due from other funds	651,185	1,826
	1,380,017	1,027,038
Prepaid expenditures	306,607	-
Total Assets	\$ 7,461,143	\$ 5,480,455
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 211,277	\$ 211,774
Accrued liabilities	219,440	490,272
Due to other funds	516,907	8,856
Due to retirement systems	168,071	157,222
Unearned revenues	8,120	9,665
Total Liabilities	1,123,815	877,789
Deferred inflows of resources		
Deferred tax revenues	268,833	245,587
Total Liabilities and Deferred Inflows of Resources	1,392,648	1,123,376
Fund balance		
Nonspendable	306,607	-
Restricted	1,108,974	303,873
Assigned	71,293	130,000
Unassigned	4,581,621	3,923,206
Total Fund Balance	6,068,495	4,357,079
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 7,461,143	\$ 5,480,455

See independent auditors' report.

Village of Ardsley, New York

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

	2020			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 11,163,868	\$ 11,163,868	\$ 11,140,622	\$ (23,246)
Other tax items	36,600	36,600	34,827	(1,773)
Non-property taxes	947,000	947,000	1,179,313	232,313
Departmental income	590,167	590,167	577,351	(12,816)
Use of money and property	10,000	10,000	20,846	10,846
Licenses and permits	194,000	194,000	175,009	(18,991)
Fines and forfeitures	125,000	125,000	190,633	65,633
Sale of property and compensation for loss	12,000	12,000	47,920	35,920
State aid	238,141	238,141	289,421	51,280
Federal aid	125,000	125,000	120,503	(4,497)
Miscellaneous	33,009	33,009	518,780	485,771
Total Revenues	13,474,785	13,474,785	14,295,225	820,440
EXPENDITURES				
Current				
General government support	2,267,932	2,048,720	1,889,657	159,063
Public safety	3,794,989	3,958,371	3,911,792	46,579
Health	153,132	153,132	148,635	4,497
Transportation	1,605,317	1,570,840	1,493,661	77,179
Economic opportunity and development	17,042	17,042	8,618	8,424
Culture and recreation	410,054	453,639	369,253	84,386
Home and community services	559,087	571,090	549,852	21,238
Employee benefits	3,446,888	3,389,732	3,304,438	85,294
Debt service				
Principal	555,000	555,000	555,000	-
Interest	247,555	247,555	247,554	1
Total Expenditures	13,056,996	12,965,121	12,478,460	486,661
Excess of Revenues Over Expenditures	417,789	509,664	1,816,765	1,307,101
OTHER FINANCING SOURCES (USES)				
Issuance premium	-	-	651,185	651,185
Transfers out	(664,659)	(756,534)	(756,534)	-
Total Other Financing Uses	(664,659)	(756,534)	(105,349)	651,185
Net Change in Fund Balance	(246,870)	(246,870)	1,711,416	1,958,286
FUND BALANCE				
Beginning of Year	246,870	246,870	4,357,079	4,110,209
End of Year	\$ -	\$ -	\$ 6,068,495	\$ 6,068,495

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 10,560,944	\$ 10,560,944	\$ 10,492,116	\$ (68,828)
36,600	36,600	63,142	26,542
944,000	944,000	1,033,709	89,709
586,857	586,857	601,555	14,698
3,000	3,000	21,949	18,949
175,000	175,000	279,100	104,100
90,000	90,000	207,278	117,278
17,250	17,250	21,794	4,544
275,975	399,701	357,517	(42,184)
125,000	125,000	113,092	(11,908)
23,000	48,860	159,860	111,000
12,837,626	12,987,212	13,351,112	363,900
2,204,066	2,287,616	1,912,563	375,053
3,724,581	3,763,590	3,711,283	52,307
163,690	163,690	127,024	36,666
1,479,463	1,425,923	1,188,437	237,486
14,400	14,844	11,241	3,603
310,854	316,391	301,665	14,726
541,737	646,906	623,795	23,111
3,347,945	3,376,680	3,190,426	186,254
540,000	540,000	540,000	-
224,956	244,200	244,200	-
12,551,692	12,779,840	11,850,634	929,206
285,934	207,372	1,500,478	1,293,106
-	-	-	-
(637,068)	(645,924)	(645,924)	-
(637,068)	(645,924)	(645,924)	-
(351,134)	(438,552)	854,554	1,293,106
351,134	438,552	3,502,525	3,063,973
\$ -	\$ -	\$ 4,357,079	\$ 4,357,079

Village of Ardsley, New York

General Fund - Sub - Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended May 31, 2020
(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
REAL PROPERTY TAXES	\$ 11,163,868	\$ 11,163,868	\$ 11,140,622	\$ (23,246)	\$ 10,492,116
OTHER TAX ITEMS	36,600	36,600	34,827	(1,773)	63,142
Interest and penalties on real property taxes					
NON-PROPERTY TAXES					
Non-property tax distribution from County	700,000	700,000	881,194	181,194	719,612
Hotel occupancy taxes	55,000	55,000	77,743	22,743	81,854
Franchise fees	90,000	90,000	118,324	28,324	119,733
Utilities gross receipts taxes	102,000	102,000	102,052	52	112,510
	947,000	947,000	1,179,313	232,313	1,033,709
DEPARTMENTAL INCOME					
Tax advertising	300	300	-	(300)	528
Clerk fees	100	100	171	71	15
Police fees	12,250	12,250	2,093	(10,157)	305
Prisoner transportation	10,000	10,000	18,073	8,073	15,192
Special events	20,000	20,000	50,990	30,990	53,058
Safety inspection fees	1,500	1,500	1,725	225	2,525
Stop DWI fees	14,400	14,400	2,512	(11,888)	-
Registrar of Vital Statistics	1,700	1,700	2,050	350	1,130
Parking	39,000	39,000	57,145	18,145	41,185
Parks and recreation charges	55,800	55,800	34,950	(20,850)	53,877
Zoning fees	1,000	1,000	400	(600)	800
Planning board fees	1,000	1,000	-	(1,000)	3,650
Refuse removal	80,000	80,000	78,145	(1,855)	78,419
Fire protection	353,117	353,117	328,760	(24,357)	350,559
Snow removal	-	-	337	337	312
	590,167	590,167	577,351	(12,816)	601,555
USE OF MONEY AND PROPERTY					
Earnings on investments	10,000	10,000	20,846	10,846	21,949

LICENSES AND PERMITS

Permit fees	184,000	184,000	160,419	(23,581)	265,120
Alarm fees	10,000	10,000	14,590	4,590	13,980

FINES AND FORFEITURES

Fines and forfeited bail	194,000	194,000	175,009	(18,991)	279,100
	125,000	125,000	190,633	65,633	207,278

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of equipment	-	-	8,050	8,050	4,405
Other minor sales	2,000	2,000	1,730	(270)	5,174
Insurance recoveries	10,000	10,000	38,140	28,140	12,215

STATE AID

Mortgage tax	12,000	12,000	47,920	35,920	21,794
Consolidated Highway Improvement Aid	125,000	125,000	135,182	10,182	114,372
Dormitory Authority of the State of New York	112,585	112,585	112,585	-	104,780
Justice Court Grant	-	-	-	-	110,826
Youth programs	-	-	-	-	8,900
Other Public Safety	556	556	-	(556)	1,642
Community projects	-	-	41,654	41,654	92
	-	-	-	-	16,905

FEDERAL AID

Substance Abuse and Mental Health Services	238,141	238,141	289,421	51,280	357,517
	125,000	125,000	120,503	(4,497)	113,092

MISCELLANEOUS

Per capita	28,009	28,009	28,009	-	28,009
Other	5,000	5,000	490,771	485,771	131,851
	33,009	33,009	518,780	485,771	159,860

TOTAL REVENUES

	13,474,785	13,474,785	14,295,225	820,440	13,351,112
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OTHER FINANCING SOURCES

Issuance premium	-	-	651,185	651,185	-
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TOTAL REVENUES AND OTHER FINANCING SOURCES

	\$ 13,474,785	\$ 13,474,785	\$ 14,946,410	\$ 1,471,625	\$ 13,351,112
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See independent auditors' report.

Village of Ardsley, New York

General Fund - Sub - Fund Schedule of Expenditures and Other Financing Uses Compared to Budget Year Ended May 31, 2020 (With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 10,325	\$ 10,324	\$ 9,650	\$ 674	\$ 9,600
Justice	154,233	154,233	141,557	12,676	150,037
Mayor	55,300	55,300	40,466	14,834	45,925
Village Manager	255,813	255,813	246,417	9,396	253,621
Auditor	49,225	49,225	48,175	1,050	51,925
Treasurer	271,286	291,024	290,566	458	286,816
Village Clerk	138,024	140,842	138,341	2,501	125,868
Law	122,600	187,518	174,934	12,584	161,361
Buildings	147,100	153,816	151,638	2,178	176,684
Central data processing	70,660	70,660	61,744	8,916	43,715
Central garage	379,482	385,931	367,935	17,996	353,207
Unallocated insurance	171,000	144,332	144,332	-	148,645
Municipal association dues	4,250	4,292	4,292	-	4,292
Refund of real property taxes	250,000	63,699	19,524	44,175	40,118
Metropolitan commuter transportation mobility tax	20,134	20,134	17,747	2,387	16,259
Contractual expenses - COVID	-	25,077	25,077	-	-
Other	36,500	36,500	7,262	29,238	44,490
Contingency	132,000	-	-	-	-
	2,267,932	2,048,720	1,889,657	159,063	1,912,563
PUBLIC SAFETY					
Police	3,253,858	3,391,910	3,378,926	12,984	3,162,081
Traffic control	6,000	21,928	21,928	-	39,024
Fire department	352,514	361,916	336,519	25,397	340,383
Safety inspection	182,617	182,617	174,419	8,198	169,795
	3,794,989	3,958,371	3,911,792	46,579	3,711,283
HEALTH					
Youth Council	153,132	153,132	148,635	4,497	127,024

TRANSPORTATION

Street administration	294,266	301,002	289,399	11,603	291,201
Street maintenance	886,051	900,336	881,885	18,451	715,391
Snow removal	128,000	97,330	53,767	43,563	125,349
Street lighting	297,000	272,172	268,610	3,562	56,496

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Programs for the aging	1,605,317	1,570,840	1,493,661	77,179	1,188,437
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CULTURE AND RECREATION

Parks	271,176	271,176	230,170	41,006	215,207
Community center	103,222	146,807	111,068	35,739	56,532
Historian	1,500	1,500	1,490	10	1,460
Celebrations	10,000	10,000	8,341	1,659	10,033
CATV committee	24,156	24,156	18,184	5,972	18,433

HOME AND COMMUNITY SERVICES

Planning	4,500	4,500	-	4,500	1,466
Zoning	4,550	4,550	2,518	2,032	1,585
Sanitary sewers	16,000	17,971	15,433	2,538	13,345
Storm sewers	27,270	31,927	29,514	2,413	105,637
Refuse and garbage	455,967	455,967	455,593	374	452,634
Shade trees	30,000	35,375	35,375	-	31,191
Community beautification	17,000	17,000	10,457	6,543	15,184
Street cleaning	3,800	3,800	962	2,838	2,753

EMPLOYEE BENEFITS

State retirement	559,087	571,090	549,852	21,238	623,795
State retirement - Police	346,347	369,446	369,446	-	353,901
Service award program	680,729	678,851	678,851	-	677,884
Social security	80,000	80,000	79,520	480	80,000
Workers' compensation benefits	456,331	409,833	403,142	6,691	391,414
Unemployment benefits	335,387	303,316	303,316	-	305,751
Life insurance	-	192	192	-	338
Disability insurance	11,100	11,100	10,777	323	9,912
Medical and dental insurance	1,310	1,310	(390)	1,700	332
	1,535,684	1,535,684	1,459,584	76,100	1,370,894
	3,446,888	3,389,732	3,304,438	85,294	3,190,426

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Village of Ardsley, New York

General Fund - Sub - Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended May 31, 2020
(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
DEBT SERVICE					
Principal					
Serial bonds	\$ 555,000	\$ 555,000	\$ 555,000	\$ -	\$ 540,000
Interest					
Serial bonds	162,551	162,551	162,550	1	180,275
Bond anticipation notes	85,004	85,004	85,004	-	63,925
	247,555	247,555	247,554	1	244,200
	802,555	802,555	802,554	-	784,200
	13,056,996	12,965,121	12,478,460	486,661	11,850,634
TOTAL EXPENDITURES					
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	331,172	423,047	423,047	-	381,128
Public Library Fund	333,487	333,487	333,487	-	264,796
	664,659	756,534	756,534	-	645,924
TOTAL OTHER FINANCING USES					
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 13,721,655	\$ 13,721,655	\$ 13,234,994	\$ 486,661	\$ 12,496,558

See independent auditors' report.

Village of Ardsley, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 1,248,683	\$ 1,382,273
Investments	14,093,969	
Due from other funds	<u>516,907</u>	<u>8,856</u>
Total Assets	<u>\$ 15,859,559</u>	<u>\$ 1,391,129</u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 113,274	\$ 5,679
Due to other funds	651,185	-
Bond anticipation notes payable	<u>-</u>	<u>3,091,045</u>
Total Liabilities	764,459	3,096,724
Fund balance (Deficit)		
Restricted	15,095,100	139,750
Unassigned	<u>-</u>	<u>(1,845,345)</u>
Total Fund Balance (Deficit)	<u>15,095,100</u>	<u>(1,705,595)</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 15,859,559</u>	<u>\$ 1,391,129</u>

See independent auditors' report.

Village of Ardsley, New York**Capital Projects Fund
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balance
Years Ended May 31,**

	<u>2020</u>	<u>2019</u>
REVENUES		
Use of money and property	\$ 98,716	\$ 1,097
Miscellaneous	<u>39,200</u>	<u>3,428</u>
Total Revenues	137,916	4,525
EXPENDITURES		
Capital outlay	<u>1,372,158</u>	<u>179,148</u>
Deficiency of Revenues Over Expenditures	<u>(1,234,242)</u>	<u>(174,623)</u>
OTHER FINANCING SOURCES		
Bonds issued	17,060,000	-
Issuance premium	551,890	-
Transfers in	<u>423,047</u>	<u>381,128</u>
Total Other Financing Sources	<u>18,034,937</u>	<u>381,128</u>
Net Change in Fund Balance	16,800,695	206,505
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>(1,705,595)</u>	<u>(1,912,100)</u>
End of Year	<u>\$ 15,095,100</u>	<u>\$ (1,705,595)</u>

See independent auditors' report.

Village of Ardsley, New York

Capital Projects Fund
 Project-Length Schedule
 Inception of Project Through May 31, 2020

Project	Authorization	Expenditures and Transfers	Unexpended Balance
Acquisition of Cable Equipment	\$ 255,454	\$ 173,454	\$ 82,000
Street Reconstruction	140,483	140,483	-
Safe Route to School	475,000	322,926	152,074
Highway Equipment 2014-2015	230,324	230,324	-
Planning - Drainage	27,280	-	27,280
Planning - Drainage 2016-17	51,000	-	51,000
Purchase and Installation - Parking Meters 2016-17	23,015	2,000	21,015
Pascon Park 2017-2018	63,050	50,768	12,282
Highway Garage-Engineering Costs 2015-16	1,033,540	111,100	922,440
Highway Garage - Land 2017-18	1,105,356	1,105,356	-
Highway - Garage	13,000,000	-	13,000,000
Pickup Truck 2017-18	115,000	101,653	13,347
Dump Truck 2017-18	225,000	222,687	2,313
Tennis Court - Pascone Park	501,000	428,673	72,327
Street Paving 2017-2018	1,202,000	1,202,000	-
Sidewalk - Heatherdell Road Guiderail	300,000	40,401	259,599
Sidewalk Maintenance- Heatherdell	347,980	347,980	-
Highway Car #2	58,000	46,351	11,649
Highway Mack/Leach Packer #14	230,000	4,600	225,400
Road Resurfacing	428,364	428,364	-
Parking Lot Lighting	30,500	609	29,891
Flood Control	45,000	42,550	2,450
Summit Ave Storm Sewer Upgrade	124,000	1,685	122,315
Pascone Park Storage/Sewer Upgrade	250,000	1,363	248,637
Totals	<u>\$ 20,261,346</u>	<u>\$ 5,005,327</u>	<u>\$ 15,256,019</u>

See independent auditors' report.

Total Revenues	Fund Balance at May 31, 2020
\$ 255,454	\$ 82,000
140,483	-
446,567	123,641
230,324	-
27,280	27,280
51,000	51,000
23,015	21,015
63,050	12,282
1,033,540	922,440
1,105,356	-
13,000,000	13,000,000
115,000	13,347
225,000	2,313
501,000	72,327
1,202,000	-
300,000	259,599
347,980	-
58,000	11,649
230,000	225,400
428,364	-
30,500	29,891
45,000	2,450
1,685	-
1,363	-
<u>\$ 19,861,961</u>	<u>\$ 14,856,634</u>

Village of Ardsley, New York**Non-Major Governmental Funds****Combining Balance Sheet**

May 31, 2020

(With Comparative Totals for 2019)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2020	2019
ASSETS				
Cash and equivalents	<u>\$ 37,510</u>	<u>\$ 76,107</u>	<u>\$ 113,617</u>	<u>\$ 117,282</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 2,546	\$ -	\$ 2,546	\$ 7,951
Accrued Liabilities	8,500	-	8,500	6,858
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,826</u>
Total Liabilities	11,046	-	11,046	16,635
Fund balances				
Restricted	-	76,107	76,107	88,275
Assigned	<u>26,464</u>	<u>-</u>	<u>26,464</u>	<u>12,372</u>
Total Fund Balances	<u>26,464</u>	<u>76,107</u>	<u>102,571</u>	<u>100,647</u>
Total Liabilities and Fund Balances	<u>\$ 37,510</u>	<u>\$ 76,107</u>	<u>\$ 113,617</u>	<u>\$ 117,282</u>

See independent auditors' report.

Village of Ardsley, New York**Non-Major Governmental Funds****Combining Statement of Revenues, Expenditures and Changes
in Fund Balances**

Year Ended May 31, 2020

(With Comparative Totals for 2019)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2020	2019
REVENUES				
Departmental income	\$ 278,301	\$ -	\$ 278,301	\$ 277,933
Use of money and property	217	154	371	252
State aid	1,277	-	1,277	1,276
Miscellaneous	-	28,266	28,266	52,980
Total Revenues	279,795	28,420	308,215	332,441
EXPENDITURES				
Current				
Culture and recreation	434,517	40,588	475,105	461,520
Employee benefits	164,673	-	164,673	149,846
Total Expenditures	599,190	40,588	639,778	611,366
Deficiency of Revenues Over Expenditures	(319,395)	(12,168)	(331,563)	(278,925)
OTHER FINANCING SOURCES				
Transfers in	333,487	-	333,487	264,796
Net Change in Fund Balances	14,092	(12,168)	1,924	(14,129)
FUND BALANCES				
Beginning of Year	12,372	88,275	100,647	114,776
End of Year	\$ 26,464	\$ 76,107	\$ 102,571	\$ 100,647

See independent auditors' report.

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Village of Ardsley, New York

Public Library Fund
Comparative Balance Sheet
May 31,

	2020	2019
ASSETS		
Cash and equivalents	<u>\$ 37,510</u>	<u>\$ 21,853</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,546	\$ 2,623
Accrued Liabilities	<u>8,500</u>	<u>6,858</u>
Total Liabilities	11,046	9,481
Fund balance		
Assigned	<u>26,464</u>	<u>12,372</u>
Total Liabilities and Fund Balance	<u>\$ 37,510</u>	<u>\$ 21,853</u>

See independent auditors' report.

Village of Ardsley, New York

Public Library Fund

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

	2020			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 280,764	\$ 280,764	\$ 278,301	\$ (2,463)
Use of money and property	100	100	217	117
State aid	1,276	1,276	1,277	1
Total Revenues	282,140	282,140	279,795	(2,345)
EXPENDITURES				
Current				
Culture and recreation	451,883	451,883	434,517	17,366
Employee benefits	163,744	163,744	164,673	(929)
Total Expenditures	615,627	615,627	599,190	16,437
Deficiency of Revenues Over Expenditures	(333,487)	(333,487)	(319,395)	14,092
OTHER FINANCING SOURCES				
Transfers in	333,487	333,487	333,487	-
Net Change in Fund Balance	-	-	14,092	14,092
FUND BALANCE				
Beginning of Year	-	-	12,372	12,372
End of Year	\$ -	\$ -	\$ 26,464	\$ 26,464

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 311,597	\$ 311,597	\$ 277,933	\$ (33,664)
50	50	224	174
1,264	1,264	1,276	12
312,911	312,911	279,433	(33,478)
427,504	427,504	408,967	18,537
150,203	150,203	149,846	357
577,707	577,707	558,813	18,894
(264,796)	(264,796)	(279,380)	(14,584)
264,796	264,796	264,796	-
-	-	(14,584)	(14,584)
-	-	26,956	26,956
\$ -	\$ -	\$ 12,372	\$ 12,372

Village of Ardsley, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	<u>\$ 76,107</u>	<u>\$ 95,429</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ 5,328
Due to other funds	<u>-</u>	<u>1,826</u>
Total Liabilities	-	7,154
Fund balance		
Restricted	<u>76,107</u>	<u>88,275</u>
Total Liabilities and Fund Balance	<u>\$ 76,107</u>	<u>\$ 95,429</u>

See independent auditors' report.

Village of Ardsley, New York

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

	<u>2020</u>	<u>2019</u>
REVENUES		
Use of money and property	\$ 154	\$ 28
Miscellaneous	<u>28,266</u>	<u>52,980</u>
Total Revenues	<u>28,420</u>	<u>53,008</u>
EXPENDITURES		
Current		
Culture and recreation	<u>40,588</u>	<u>52,553</u>
Excess (Deficiency) of Revenues Over Expenditures	(12,168)	455
FUND BALANCE		
Beginning of Year	<u>88,275</u>	<u>87,820</u>
End of Year	<u><u>\$ 76,107</u></u>	<u><u>\$ 88,275</u></u>

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