



**VILLAGE OF TARRYTOWN, NEW YORK**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION**

**AS OF AND FOR THE YEAR ENDED  
MAY 31, 2020**

**TOGETHER WITH AUDITOR'S REPORTS**

**VILLAGE OF TARRYTOWN, NEW YORK**  
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**NawrockiSmith**

**CERTIFIED PUBLIC ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of the  
Village of Tarrytown, New York:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, the remaining fund information and the fiduciary funds of the Village of Tarrytown, New York (the "Village"), as of and for the year ended May 31, 2020, and the related notes to 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.

***Auditor's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

***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, the remaining fund information and the fiduciary funds of the Village of Tarrytown, New York, as of May 31, 2020, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

# NawrockiSmith

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of funding progress for the retiree health plan, and pension schedules on pages 3-13 and 53-62, respectively, 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 ("GASB"), who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was 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 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 other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2020, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Melville, New York  
October 1, 2020



**VILLAGE OF TARRYTOWN, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
AS OF AND FOR THE YEAR ENDED MAY 31, 2020**

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The following is a discussion and analysis of the Village of Tarrytown, New York's (the "Village") financial performance for the fiscal year ended May 31, 2020. This section is a summary of the Village's financial activities based on currently known facts, decisions or conditions. It is also based on both the Village-wide and fund-based financial statements. The results of the current year are discussed in comparison with the prior year, with an emphasis placed on the current year. This section is only an introduction and should be read in conjunction with the Village's financial statements, which immediately follow this section.

**FINANCIAL HIGHLIGHTS**

- The Village's governmental activities total assets and deferred outflows of resources amounted to \$116,018,925, and total liabilities and deferred inflows of resources amounted to \$152,900,088, resulting in a net deficit position of \$36,881,163. This consists of \$30,721,875 invested in capital assets, net of related debt, a restricted portion of \$5,336,762 and a deficit unrestricted portion of \$72,939,800.
- The Village's net position decreased \$87,483 in 2020.
- The Village's total outstanding indebtedness decreased \$3,710,270 as a result of the debt service payments and amortization of premium on bonds payable.
- Total Village's revenues from governmental activities increased \$534,124 and expenses increased \$2,128,270 from 2019.
- The Village's General Fund fund balance increased \$1,245,812, compared to a decrease of \$318,286 in the prior year.
- General Fund expenditures were under budget by approximately \$1.8 million, in part due to the COVID-19 pandemic.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts: required supplementary information including management's discussion and analysis (this section), the basic financial statements and other supplementary information. The financial statements include two kinds of financial statements that present different views of the Village:

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

**VILLAGE OF TARRYTOWN, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

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

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

<b>Table A-1: Major Features of the Village-Wide and Fund Financial Statements</b>			
	Village-Wide Financial Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire Village (except fiduciary funds)	The activities of the Village that are not proprietary or fiduciary	Instances in which the Village administers resources on behalf of someone else
Required financial statements	<ul style="list-style-type: none"> <li>Statement of Net Position</li> <li>Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>Balance Sheet</li> <li>Statement of Revenues, Expenditures and Changes in Fund Balance</li> </ul>	<ul style="list-style-type: none"> <li>Statement of Assets, Liabilities and Net Position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/deferred outflows of resources/liability/deferred inflows of resources information	All assets, deferred outflows of resources, liabilities and deferred inflows of resources, both financial and capital, short-term and long-term	Generally, assets and deferred outflows of resources expected to be used up and liabilities and deferred inflows of resources that come due or available during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred outflows of resources (if any), liabilities and deferred inflows of resources (if any), both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All additions and deductions during the year, regardless of when cash is received or paid

**VILLAGE OF TARRYTOWN, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

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**Village-Wide Financial Statements**

The Village-wide financial statements report information about the Village as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two Village-wide financial statements report the Village's net position and how they have changed. Net position - the difference between the Village's assets, deferred outflows of resources, liabilities and deferred inflows of resources - is one way to measure the Village's financial health or *position*.

- Over time, increases or decreases in the Village's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the Village's overall health, you need to consider additional non-financial factors such as availability of Federal funding and the condition of buildings and other facilities.

In the Village-wide financial statements, the Village's activities are shown as *governmental activities*; most of the Village's basic services are included here. Property taxes, charges for services, operating grants and capital grants finance most of these activities.

**Fund Financial Statements**

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

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

The Village has two kinds of funds:

- *Governmental funds*: Most of the Village's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the fund financial statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs. Because this information does not encompass the additional long-term focus of the Village-wide financial statements, reconciliations of the Village-wide and fund financial statements are provided which explain the relationship (or differences) between them.
- *Fiduciary funds*: The Village is the trustee or fiduciary, for assets that belong to others. The Village is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The Village excludes these activities from the Village-wide financial statements because it cannot use these assets to finance its operations.

**VILLAGE OF TARRYTOWN, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE**

Financial Highlights:

Net position:

The Village's total assets and deferred outflows of resources on May 31, 2020 were \$116,018,925, an increase of \$12,771,781 over the prior year. Total liabilities and deferred inflows of resources were \$152,900,088 an increase of \$12,859,264 over the prior year. The result is a net deficit position of \$36,881,163, a decrease of \$87,483 over the prior year.

- Working capital of \$10,115,460 as of May 31, 2020 compared with May 31, 2019 working capital of \$8,604,192. The increase in working capital is mainly the result of an increase in cash, offset by an increase in bond anticipation notes payable.
- Net investment in capital assets increased \$9,831,890 as result of current year capital asset additions, and a reduction of bonds and other debt that are directly related to those capital assets, offset by the current year depreciation charges.
- Net position decreased \$87,483 for the year ended May 31, 2020. Unrestricted net deficit increased to \$72,790,122, as a result of the increase in the net pension liability and total OPEB liability.

**Table A-2:** Condensed Statements of Net Position - Governmental Activities

	<u>5/31/20</u>	<u>5/31/19</u>	<u>\$ Change</u>	<u>% Change</u>
Current assets	\$ 19,251,773	\$ 14,460,028	\$ 4,791,745	33.1
Noncurrent assets	1,826,570	8,318,356	(6,491,786)	(78.0)
Capital assets, net	<u>82,731,408</u>	<u>76,557,889</u>	<u>6,173,519</u>	8.1
Total assets	<u>\$ 103,809,751</u>	<u>\$ 99,336,273</u>	<u>\$ 4,473,478</u>	4.5
Deferred outflows of resources	<u>\$ 12,209,174</u>	<u>\$ 3,910,871</u>	<u>\$ 8,298,303</u>	212.2
Current liabilities	\$ 9,136,313	\$ 5,855,836	\$ 3,280,477	56.0
Noncurrent liabilities	<u>140,163,399</u>	<u>132,819,846</u>	<u>7,343,553</u>	5.5
Total liabilities	<u>\$ 149,299,712</u>	<u>\$ 138,675,682</u>	<u>\$ 10,624,030</u>	7.7
Deferred inflows of resources	<u>\$ 3,600,376</u>	<u>\$ 1,365,142</u>	<u>\$ 2,235,234</u>	163.7
Net position:				
Net investment in capital assets	\$ 30,721,875	\$ 20,889,985	\$ 9,831,890	47.1
Restricted	5,187,084	11,502,707	(6,315,623)	(54.9)
Unrestricted	<u>(72,790,122)</u>	<u>(69,186,372)</u>	<u>(3,603,750)</u>	(5.2)
Total net position	<u>\$ (36,881,163)</u>	<u>\$ (36,793,680)</u>	<u>\$ (87,483)</u>	(0.2)



**VILLAGE OF TARRYTOWN, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

Change in Net Position

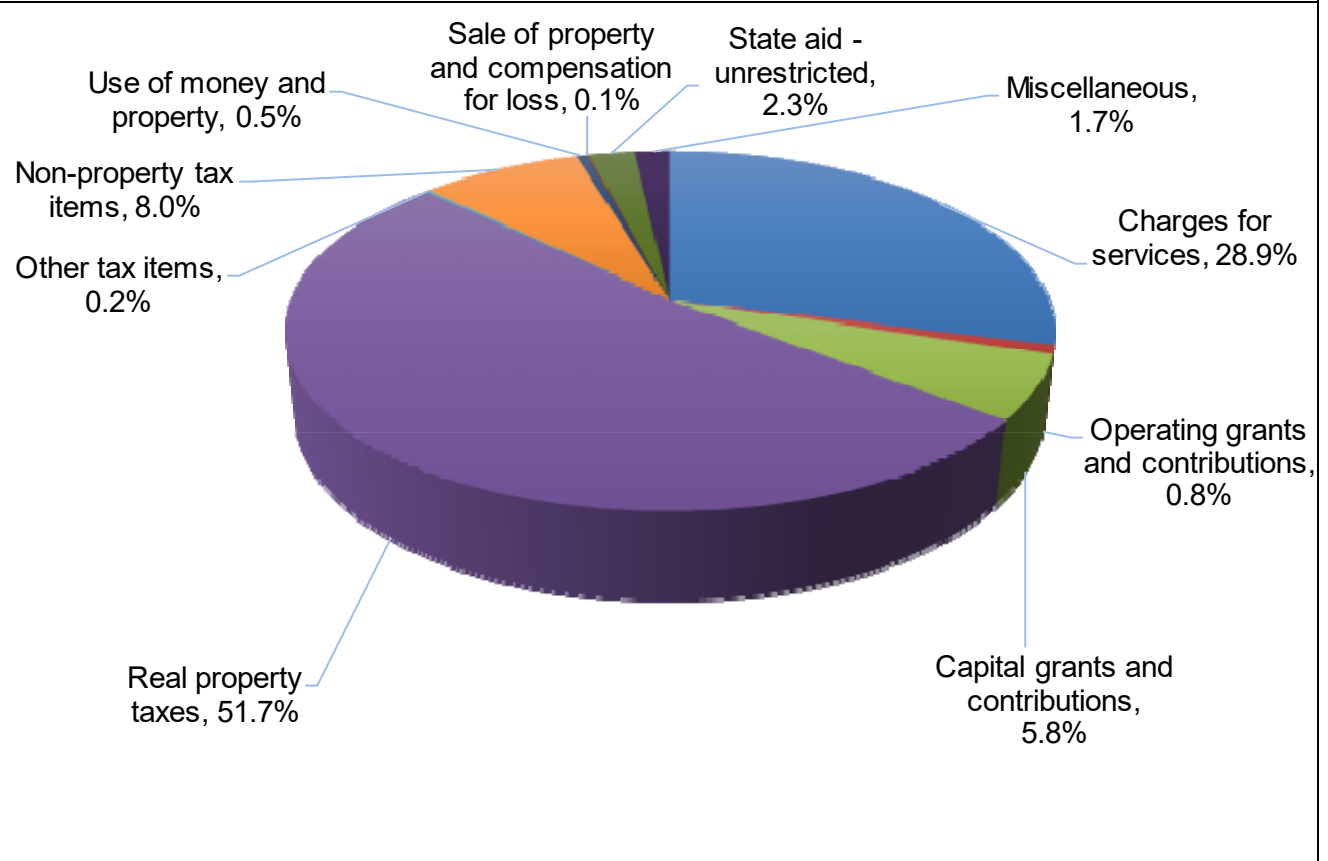
The Village's program revenues for the year ended May 31, 2020 were \$11,852,321, a decrease of \$572,375 from 2019, which is primarily related to a decrease in charges for services, offset by an increase in capital grants and contributions. General revenues of \$21,541,131 is an increase of \$1,106,499 over last year. Total revenues were \$33,393,452, which is an increase of \$534,124. Expenses increased \$2,128,270 as a result of increases in general government and public safety expenses. This resulted in a negative change in net position for the year ended May 31, 2020 of \$87,483. The table below outlines a comparison of revenues and expenses for the Village for the years ended May 31, 2020 and May 31, 2019.

**Table A-3:** Changes in Net Position from Operating Results - Governmental Activities Only

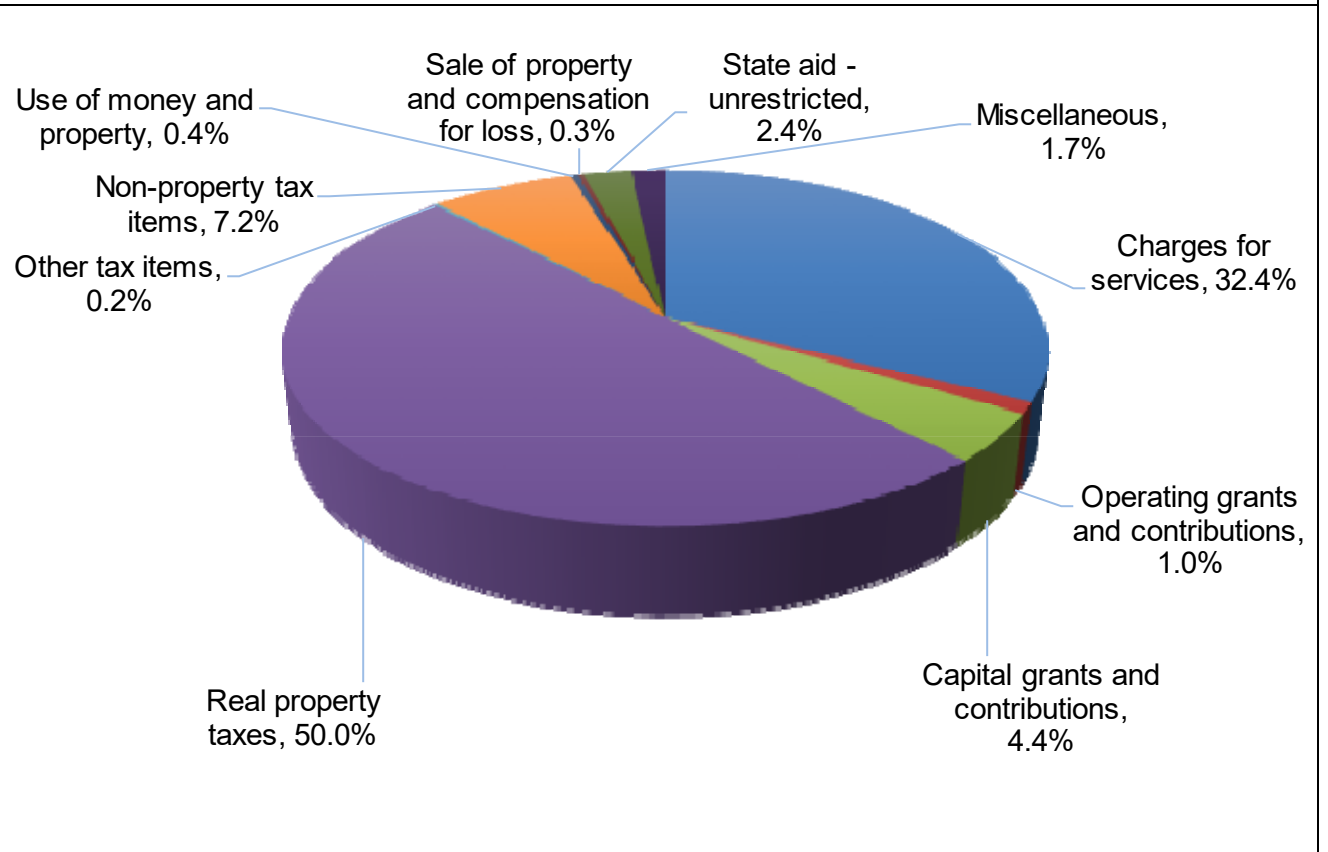
	<u>5/31/20</u>	<u>5/31/19</u>	<u>\$ Change</u>	<u>% Change</u>
<b>Revenues</b>				
Program revenues:				
Charges for services, fees, fines and forfeitures	\$ 9,653,446	\$ 10,657,465	\$ (1,004,019)	(9.4)
Operating grants and contributions	251,496	310,480	(58,984)	(19.0)
Capital grants and contributions	1,947,379	1,456,751	490,628	33.7
General revenues:				
Real property taxes	17,263,266	16,420,607	842,659	5.1
Other tax items	73,817	58,914	14,903	25.3
Non-property tax items	2,673,290	2,372,555	300,735	12.7
State aid - unrestricted	771,692	796,415	(24,723)	(3.1)
Use of money and property	184,397	139,942	44,455	31.8
Sale of property and compensation for loss	17,014	77,378	(60,364)	(78.0)
Miscellaneous	557,655	568,821	(11,166)	(2.0)
Total revenues	<u>33,393,452</u>	<u>32,859,328</u>	<u>534,124</u>	1.6
<b>Expenses</b>				
General government	5,667,023	4,966,024	700,999	14.1
Public safety	14,547,845	13,393,352	1,154,493	8.6
Health	10,835	11,476	(641)	(5.6)
Transportation	2,786,139	2,787,410	(1,271)	(0.0)
Economic opportunity and assistance	49,735	65,111	(15,376)	(23.6)
Culture and recreation	3,942,962	3,855,258	87,704	2.3
Home and community services	4,657,976	4,683,805	(25,829)	(0.6)
Debt service - interest	1,818,420	1,590,229	228,191	14.3
Total expenses	<u>33,480,935</u>	<u>31,352,665</u>	<u>2,128,270</u>	6.8
Increase (decrease) in net position	(87,483)	1,506,663	(1,594,146)	(105.8)
Total net position, beginning of year	<u>(36,793,680)</u>	<u>(38,300,343)</u>	<u>1,506,663</u>	3.9
Total net position, end of year	<u>\$ (36,881,163)</u>	<u>\$ (36,793,680)</u>	<u>\$ (87,483)</u>	(0.2)

**VILLAGE OF TARRYTOWN, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Table A-4: Sources of Revenues for Fiscal Year 2020**

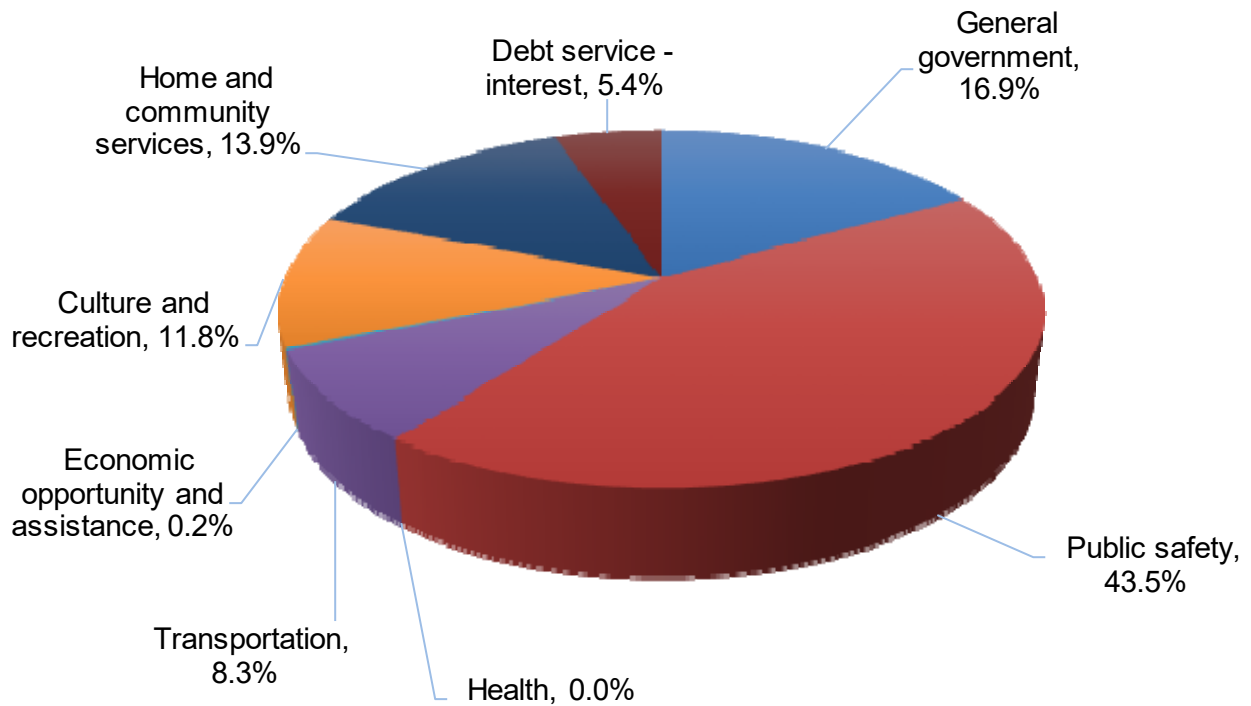


**Table A-5: Sources of Revenues for Fiscal Year 2019**

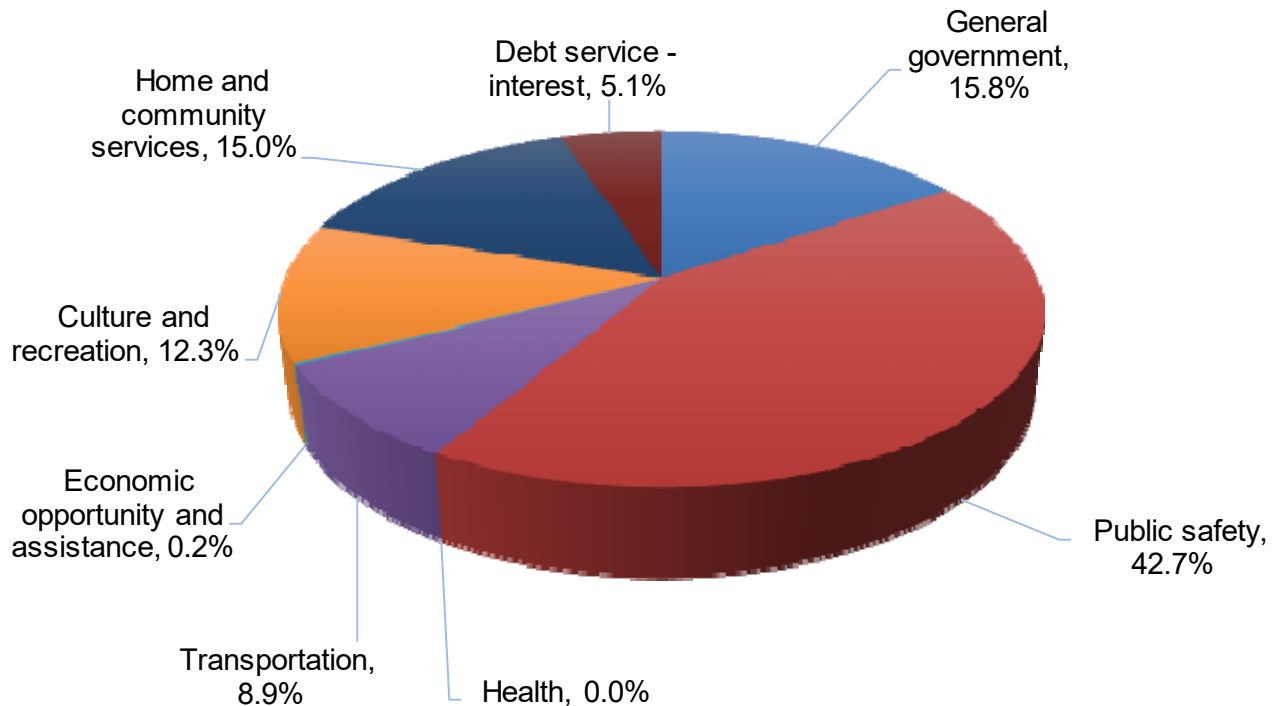


**VILLAGE OF TARRYTOWN, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Table A-6:** Expenses for Fiscal Year 2020



**Table A-7:** Expenses for Fiscal Year 2019



**VILLAGE OF TARRYTOWN, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

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**Governmental Activities**

Revenues for the Village's governmental activities were consistent with the Village-wide operating results. Governmental expenditures exceed Village-wide expenditures due principally to payment for capital assets and long-term debt.

The primary program activities of the Village included:

- Police enforcement
- Fire protection
- Street maintenance
- Street lighting
- Snow removal
- Recreational activities
- Code enforcement
- Refuse disposal
- Sewage treatment
- Zoning

Substantially all of the Village's revenues are generated through real property taxes, charges for services, non-property tax items, operating grants and capital grants.

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

**Governmental Funds**

Variances between years for the fund financial statements are not the same as variances between years for the Village-wide financial statements. The Village's governmental funds are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Based on this presentation, governmental funds do not include long-term debt liabilities for the funds' projects and capital assets purchased by the funds. Governmental funds will include the proceeds received from the issuance of debt, the current payments for capital assets and the current payments for debt.

The Village's fund financial statements show the following variations year over year:

- General Fund total assets increased \$780,764. The increase was generally due to an increase in cash and due from other governments, offset by a decrease in prepaid expenses.
- General Fund total liabilities decreased \$465,048 due to decreases in accounts payable and unearned revenue.
- General Fund reported an excess of revenues over expenditures, before other financing sources (uses), of \$1,576,637. Total change in fund balance including all sources was an increase of \$1,245,812, compared to a decrease of \$318,286 in the previous year.
- General Fund revenues decreased \$25,103, mainly due to an increase in real property taxes offset by a decrease in licenses and permits.
- General Fund expenditures increased \$97,546, primarily due to an increase employee benefits.
- General Fund other financing uses were \$330,825 as a result of transfers out to the Capital Projects Fund and Library Fund exceeding transfers in from the Water Fund.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

- Water Fund total assets increased \$537,680 as a result of an increase in cash.
- Water Fund total liabilities decreased \$134,670 primarily as a result of a decrease in accounts payable.
- Water Fund departmental revenue increased \$111,003, primarily due to increased metered sales.
- Water Fund expenditures decreased \$166,107, primarily due to a decrease in home and community services.

As of May 31, 2020, the Village's governmental funds had a combined fund balance of \$16,371,284, which is a decrease of \$4,599,742 from the previous year. Fund balances for the Village's governmental funds for the past two years were distributed as follows:

	<u>5/31/20</u>	<u>5/31/19</u>	<u>\$ Change</u>	<u>% Change</u>
General Fund	\$ 13,116,447	\$ 11,870,635	\$ 1,245,812	10.5
Water Fund	1,144,669	472,319	672,350	142.4
Capital Projects Fund	650,501	7,200,067	(6,549,566)	(91.0)
Sewer Fund	415,632	538,979	(123,347)	(22.9)
Library Fund	155,533	58,304	97,229	166.8
Special Purpose Fund	888,502	830,722	57,780	7.0
Total fund balances	<u>\$ 16,371,284</u>	<u>\$ 20,971,026</u>	<u>\$ (4,599,742)</u>	(21.9)

**General Fund Budgetary Highlights**

Reference is made to the budget vs. actual schedules on pages 53 - 55 which presents budget and actual results for the Village's General Fund, Water Fund, and Library Fund.

- Actual revenues (before appropriations of fund balance) in the General Fund were less than budgeted revenues by \$489,957 primarily due to less than expected miscellaneous revenues.
- Actual expenditures in the General Fund were less than budgeted by \$1,795,769 primarily due to less than anticipated spending in general government, transportation and employee benefits.
- Actual revenues in the Water Fund were less than budget by \$438,011 primarily due to departmental income coming in under budget.
- Actual expenditures in the Water Fund were less than anticipated by \$1,060,361 due to less than budgeted spending on home and community services.
- Actual revenues in the Library Fund were less than budget by \$10,668 primarily due to non-property tax items and departmental income coming in under budget.
- Actual expenditures in the Library Fund were less than anticipated by \$147,897 primarily due to less than budgeted spending on culture and recreation and employee benefits.

**VILLAGE OF TARRYTOWN, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of May 31, 2020, the Village had invested \$82,731,408, net of depreciation, in a broad range of capital assets, including land, buildings and building improvements, machinery and equipment, infrastructure and construction-in-progress.

**Table A-9:** Capital Assets (net of depreciation)

	<u>5/31/20</u>	<u>5/31/19</u>	<u>\$ Change</u>	<u>% Change</u>
Land	\$ 16,218,487	\$ 15,743,487	\$ 475,000	3.0
Buildings and building improvements	17,632,731	17,961,522	(328,791)	(1.8)
Machinery and equipment	6,314,482	5,085,756	1,228,726	24.2
Infrastructure	27,177,516	26,265,519	911,997	3.5
Construction-in-progress	15,388,192	11,501,605	3,886,587	33.8
Totals	<u>\$ 82,731,408</u>	<u>\$ 76,557,889</u>	<u>\$ 6,173,519</u>	8.1

**Long-Term Liabilities**

As of May 31, 2020, the Village had total outstanding long-term liabilities of \$64,366,062.

The Village's current outstanding bonded indebtedness was \$52,091,478 as of May 31, 2020. The Village currently has nine outstanding bonds, maturing at various times through the year ending May 31, 2038.

Pursuant to New York State Local Finance Law §104, the Village's outstanding long-term debt must be no more than 7% of the five-year average full valuation of real property. This is also known as the "constitutional debt limit". At May 31, 2020, the Village had exhausted 6.4% of its limit.

In accordance with GASB Statement No. 68, the Village has accrued \$10,394,977 for their proportionate share of the New York State Local Retirement Systems net pension liability. The Village makes a yearly payment for their proportionate share of the pension's funds expense.

**Table A-10:** Long-Term Liabilities

	<u>5/31/20</u>	<u>5/31/19</u>	<u>\$ Change</u>	<u>% Change</u>
Bonds payable, net	\$ 52,091,478	\$ 55,801,748	\$ (3,710,270)	(6.6)
Net pension liability	10,394,977	3,188,099	7,206,878	226.1
Compensated absences	1,879,607	1,680,112	199,495	11.9
Totals	<u>\$ 64,366,062</u>	<u>\$ 60,669,959</u>	<u>\$ 3,696,103</u>	6.1

**VILLAGE OF TARRYTOWN, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

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**FACTORS BEARING ON THE FUTURE OF THE VILLAGE**

At the time these financial statements were prepared and audited, the Village was aware of the following existing circumstances that could significantly affect its financial health in the future:

- In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic. The extent of the impact of COVID-19 on the Village's operational and financial performance, and cash flow needs will depend on certain developments, including the duration and spread of the outbreak, impact on funding sources, employees and vendors, all of which are uncertain and cannot be predicted as of the date of these financial statements.
- The "Tax Levy Limitation Law" which was enacted on June 24, 2011 restricts the amount of property taxes that may be levied by or on behalf of a Village in a particular year. Although there are exceptions, exemptions and overrides to the limitation, the new Law is expected to make budgetary decisions more difficult.
- The possibility of New York State allowing for the establishment of other post-employment benefit reserve funds is being discussed in the legislature. This would allow for the Village to set aside monies to meet other post-employment retirement benefits such as health insurance. The establishment of that reserve would increase the Village's ability to plan for the future.

**CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the Village's citizens, taxpayers, customers and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact:

Attention: Village Treasurer  
Village of Tarrytown, New York  
One Depot Plaza  
Tarrytown, New York 10591  
(914) 631-7873

**VILLAGE OF TARRYTOWN, NEW YORK**  
**STATEMENT OF NET POSITION**  
**MAY 31, 2020**

**ASSETS**

Current assets:	
Cash:	
Unrestricted	\$ 13,547,130
Service awards program asset	3,360,514
Receivables:	
Accounts receivable	257,107
Taxes	63,031
Water rents	861,996
Due from other governments	1,106,995
Due from fiduciary funds	55,000
Noncurrent assets:	
Restricted cash	1,826,570
Capital assets:	
Non-depreciable capital assets	31,606,679
Depreciable capital assets, net	51,124,729
Total assets	<u>103,809,751</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred charge from refunding bonds	81,945
Pension related	7,056,272
LOSAP related	663,642
OPEB related	4,407,315
Total deferred outflows of resources	<u>12,209,174</u>

**LIABILITIES**

Current liabilities:	
Payables:	
Accounts payable	302,027
Accrued expenses	436,272
Bond anticipation note payable	3,633,370
Due to employees' retirement system	264,735
Interest payable	421,477
Retainage payable	350,142
Unearned revenues	70,655
Noncurrent liabilities due within one year:	
Bonds payable, net	3,657,635
Noncurrent liabilities due in more than one year:	
Bonds payable, net	48,433,843
Net pension liability - proportionate share	10,394,977
Total pension liability - LOSAP	5,167,490
Other post-employment benefits	74,287,482
Compensated absences	1,879,607
Total liabilities	<u>149,299,712</u>

**DEFERRED INFLOWS OF RESOURCES**

Pension related	282,575
LOSAP related	312,949
OPEB related	3,004,852
Total deferred inflows of resources	<u>3,600,376</u>

**NET POSITION**

Net investment in capital assets	30,721,875
Restricted:	
Capital Projects	650,501
Debt service	1,176,069
Service award program	3,360,514
Unrestricted	(72,790,122)
Total net position	<u>\$ (36,881,163)</u>

The accompanying notes are an integral  
part of this statement.



**VILLAGE OF TARRYTOWN, NEW YORK**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED MAY 31, 2020**

	<b>Expenses</b>	<b>Program Revenues</b>			<b>Net (Expense) Revenue and Change in Net Position</b>
		<b>Charges for Services, Fees, Fines and Forfeitures</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
Functions and programs:					
Primary government -					
General government	\$ 5,667,023	\$ 1,578,313	\$ 41,119	\$ 318,391	\$ (3,729,200)
Public safety	14,547,845	5,440,318	141,734	1,097,469	(7,868,324)
Health	10,835	-	-	-	(10,835)
Transportation	2,786,139	969,359	25,254	195,548	(1,595,978)
Economic opportunity and assistance	49,735	-	-	-	(49,735)
Culture and recreation	3,942,962	871,906	22,715	175,889	(2,872,452)
Home and community services	4,657,976	793,550	20,674	160,082	(3,683,670)
Debt service - interest	1,818,420	-	-	-	(1,818,420)
Total primary government	<u>\$ 33,480,935</u>	<u>\$ 9,653,446</u>	<u>\$ 251,496</u>	<u>\$ 1,947,379</u>	<u>(21,628,614)</u>
General revenues:					
Real property taxes					17,263,266
Other tax items					73,817
Non-property tax items					2,673,290
State aid - unrestricted					771,692
Use of money and property					184,397
Sale of property and compensation for loss					17,014
Miscellaneous					557,655
Total general revenues					<u>21,541,131</u>
Change in net position					(87,483)
Total net position, beginning of year					<u>(36,793,680)</u>
Total net position, end of year					<u>\$ (36,881,163)</u>

The accompanying notes are an integral  
part of this statement.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**MAY 31, 2020**

	<b>Major Funds</b>				
	<b>Special Revenue Fund</b>				
	<b>General Fund</b>	<b>Water Fund</b>	<b>Capital Projects Fund</b>	<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>					
Cash:					
Unrestricted	\$ 8,534,774	\$ 796,687	\$ 3,705,423	\$ 510,246	\$ 13,547,130
Restricted	-	254,893	650,501	921,176	1,826,570
Service awards program assets	3,360,514	-	-	-	3,360,514
Receivables:					
Accounts receivable	179,933	-	-	77,174	257,107
Taxes	63,031	-	-	-	63,031
Water rents	-	861,996	-	-	861,996
Due from state and federal	16,397	-	-	-	16,397
Due from other governments	1,090,598	-	-	-	1,090,598
Due from other funds	570,000	-	85,000	-	655,000
Due from fiduciary funds	55,000	-	-	-	55,000
Total assets	<u>\$ 13,870,247</u>	<u>\$ 1,913,576</u>	<u>\$ 4,440,924</u>	<u>\$ 1,508,596</u>	<u>\$ 21,733,343</u>
<b>LIABILITIES</b>					
Payables:					
Accounts payable	\$ 62,528	\$ 77,726	\$ 157,053	\$ 4,720	\$ 302,027
Accrued expenses	390,080	17,635	-	28,557	436,272
Bond anticipation note payable	-	-	3,633,370	-	3,633,370
Due to employees' retirement system	230,463	18,620	-	15,652	264,735
Due to other funds	74	654,926	-	-	655,000
Unearned revenues	70,655	-	-	-	70,655
Total liabilities	<u>753,800</u>	<u>768,907</u>	<u>3,790,423</u>	<u>48,929</u>	<u>5,362,059</u>
<b>FUND BALANCE</b>					
Fund balance:					
Nonspendable	338,964	-	-	-	338,964
Restricted	3,360,514	254,893	650,501	921,176	5,187,084
Assigned	1,580,587	889,776	-	538,491	3,008,854
Unassigned	7,836,382	-	-	-	7,836,382
Total fund balance	<u>13,116,447</u>	<u>1,144,669</u>	<u>650,501</u>	<u>1,459,667</u>	<u>16,371,284</u>
Total liabilities and fund balance	<u>\$ 13,870,247</u>	<u>\$ 1,913,576</u>	<u>\$ 4,440,924</u>	<u>\$ 1,508,596</u>	<u>\$ 21,733,343</u>

The accompanying notes are an integral  
part of this balance sheet.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**MAY 31, 2020**

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Total Fund Balance - Governmental Funds \$ 16,371,284

Amounts reported for governmental activities in the Statement of Net Position are different due to the following:

Capital assets less accumulated depreciation are included in the Statement of Net Position:

Capital assets:		
Non-depreciable	\$ 31,606,679	
Depreciable	87,713,604	
Accumulated depreciation	<u>(36,588,875)</u>	82,731,408

Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period and accordingly are not reported in the fund financial statements. However, these liabilities are included in the Statement of Net Position:

Bonds payable, net	(52,091,478)	
Other post-employment benefits	(74,287,482)	
Compensated absences	(1,879,607)	
Retainage payable	<u>(350,142)</u>	(128,608,709)

Governmental funds do not report the effect of losses on refunding bonds whereas these amounts are deferred and amortized in the Statement of Activities.

Deferred charge on refunding bond	81,945
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Pension related items are not reported in the fund financial statements since they are not related to current financial resources. The pension related items included in the governmental activities consist of the following:

Total pension liability - LOSAP	(5,167,490)	
Deferred outflows of resources - LOSAP	663,642	
Deferred inflows of resources - LOSAP	(312,949)	
Net pension liability - proportionate share	(10,394,977)	
Deferred outflows of resources - pension related	7,056,272	
Deferred inflows of resources - pension related	(282,575)	
Deferred outflows of resources - OPEB	4,407,315	(7,035,614)
Deferred inflows of resources - OPEB	<u>(3,004,852)</u>	

Interest payable applicable to the Village's governmental activities are not due and payable in the current period and accordingly are not reported in the fund financial statements. However, these liabilities are included in the Statement of Net Position.

(421,477)

Net Position - Governmental Activities	<u><u>\$ (36,881,163)</u></u>
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The accompanying notes are an integral  
part of this statement.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED MAY 31, 2020**

	<b>Major Funds</b>				
		<b>Special Revenue Fund</b>			
	<b>General Fund</b>	<b>Water Fund</b>	<b>Capital Projects Fund</b>	<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>					
Real property taxes	\$ 17,263,266	\$ -	\$ -	\$ -	\$ 17,263,266
Other tax items	73,817	-	-	-	73,817
Non-property tax items	2,673,290	-	-	-	2,673,290
Departmental income	2,318,982	5,181,490	-	190,746	7,691,218
Intergovernmental revenue	322,010	-	-	758,003	1,080,013
Fines and forfeitures	604,112	-	-	-	604,112
Use of money and property	180,715	-	-	3,682	184,397
Licenses and permits	529,599	-	-	-	529,599
State and local aid	771,692	-	1,947,379	-	2,719,071
Sale of property and compensation for loss	17,014	-	-	-	17,014
Miscellaneous	242,935	2,843	-	305,737	551,515
Total revenues	24,997,432	5,184,333	1,947,379	1,258,168	33,387,312
<b>EXPENDITURES</b>					
Current -					
General government	2,851,274	35,904	-	48,608	2,935,786
Public safety	6,340,410	-	-	-	6,340,410
Health	10,835	-	-	-	10,835
Transportation	1,323,734	-	-	-	1,323,734
Economic opportunity and assistance	49,735	-	-	-	49,735
Culture and recreation	1,304,757	-	-	1,322,821	2,627,578
Home and community services	1,024,408	2,235,723	-	200,671	3,460,802
Employee benefits	6,531,911	393,657	-	422,139	7,347,707
Capital outlay	-	-	8,503,085	-	8,503,085
Debt service -					
Principal	2,709,891	829,487	-	64,262	3,603,640
Interest	1,273,840	482,212	-	33,830	1,789,882
Total expenditures	23,420,795	3,976,983	8,503,085	2,092,331	37,993,194
Excess (deficiency) of revenues over (under) expenditures	1,576,637	1,207,350	(6,555,706)	(834,163)	(4,605,882)
<b>OTHER FINANCING SOURCES (USES)</b>					
Premium on obligations	-	-	6,140	-	6,140
Transfers in	535,000	-	-	865,825	1,400,825
Transfers out	(865,825)	(535,000)	-	-	(1,400,825)
Total other financing sources (uses)	(330,825)	(535,000)	6,140	865,825	6,140
Change in fund balance	1,245,812	672,350	(6,549,566)	31,662	(4,599,742)
Fund balance, beginning of year	11,870,635	472,319	7,200,067	1,428,005	20,971,026
Fund balance, end of year	\$ 13,116,447	\$ 1,144,669	\$ 650,501	\$ 1,459,667	\$ 16,371,284

The accompanying notes are an integral part of this statement.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED MAY 31, 2020**

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Net Change in Fund Balance - Governmental Funds \$ (4,599,742)

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. The amount by which capital outlay exceeds depreciation expense in the current period is:

Capital outlay, net	\$ 8,972,403	
Depreciation expense	<u>(2,798,884)</u>	6,173,519

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.

Repayment of bond principal		3,603,640
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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:

Other postemployment benefits	(2,453,066)	
Compensated absences	(199,495)	
Amortization of deferred charge from refunding bond	(51,899)	
Amortization of bond premium	106,630	
Retainage payable	(350,142)	
Accrued interest costs	<u>(83,269)</u>	(3,031,241)

Changes in the proportionate share of the net pension liability reported in the Statement of Activities does not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

LOSAP related	(162,426)	
Pension related	<u>(2,071,233)</u>	<u>(2,233,659)</u>

Net Change in Net Position - Governmental Activities		<u><u>\$ (87,483)</u></u>
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The accompanying notes are an integral  
part of this statement.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**STATEMENT OF ASSETS, LIABILITIES AND NET POSITION**  
**FIDUCIARY FUNDS**  
**MAY 31, 2020**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 426,733
	<hr/>
Total assets	\$ 426,733
	<hr/>
<b>LIABILITIES</b>	
Accounts payable	\$ 26,375
Due to governmental funds	55,000
Other liabilities	345,358
	<hr/>
Total liabilities	\$ 426,733
	<hr/>

The accompanying notes are an integral  
part of this statement.

**VILLAGE OF TARRYTOWN, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED MAY 31, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Village of Tarrytown, New York (the "Village") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

**A. Financial reporting entity**

The Village of Tarrytown, New York, which was established in 1870 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 of the overall operation of the Village. The Mayor serves as Chief Executive Officer and the Treasurer serves as Chief Fiscal Officer. The Mayor and the Board of Trustees appoint the Village Treasurer. The Mayor, with ratification by the Board of Trustees, annually appoints the principal department heads.

The Village provides a full range of municipal services including general support, public safety, health, transportation, economic opportunity and assistance, culture and recreation, and home and community service.

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

**B. Basis of presentation**

**1. Village-wide financial statements**

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

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

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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2. Fund financial statements

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

The Village records its transactions in the fund types described below:

- a. Governmental funds - are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon the determination of financial position and changes in financial position (the sources, uses and balances of current financial resources). The following are the Village's governmental fund types:

Major Funds:

General Fund - the principal operating fund which includes all operations not required to be recorded in other funds.

Special Revenue Fund - used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following Special Revenue Fund is utilized:

Water Fund - used to account for water utility operations, which renders services on a user charge basis to the general public.

Capital Projects Fund - used to account for financial resources to be used for the acquisition, construction or resurfacing of major capital facilities and equipment.

Non-Major Funds:

Sewer Fund - special revenue fund used to account for the activities of the sewer operations of the Village, which renders service on a user charge basis to the general public.

Library Fund - special revenue fund used to account for the activities of the Village's Public Library.

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

- b. Fiduciary funds - used to account for assets held by the local government in a trustee or custodial capacity:

Agency Funds - used to account for money (and/or property) received and held in the capacity of trustee, custodian or agent.

C. Measurement focus and basis of accounting

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



**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Modified accrual basis - the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Village considers all revenues reported in the governmental funds to be available if the revenues are collected within a reasonable period of time after the end of the fiscal year, except for real property taxes, which are considered to be available if they are collected within 60 days after the end of the fiscal year.

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

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

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

D. Property taxes

Real property taxes attach as an enforceable lien on real property as of June 1<sup>st</sup> 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.

E. Interfund transactions

Interfund transactions have been eliminated from the Village-wide financial statements. In the fund financial statements, interfund transactions include:

1. Interfund revenues

Interfund revenues represent amounts charged for services or facilities provided by one fund to another fund. The amounts paid by the fund receiving the benefits of the service or facilities are reflected as an expenditure of the fund receiving the service.

2. Transfers

Other transactions between funds include loans and transfers of resources to service debt, residual equity transfers to close out completed capital projects and to allocate certain indirect expenses. The fund financial statements reflect such transfers as operating transfers.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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F. Cash and cash equivalents

Cash consists of funds deposited in demand accounts, time deposit accounts and certificates of deposit with maturities of less than three months from the date acquired by the Village.

G. Receivables

Receivables include amounts due from New York State and other governments or entities for services provided by the Village. Receivables are recorded and revenues are recognized as earned or as specific program expenditures are incurred. All receivables are deemed collectable; therefore no allowance account has been established.

H. Restricted assets

Certain assets are classified as restricted assets because their use is restricted by contractual agreements and/or regulations.

I. 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 Village-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 estimated fair market value at the date of donation.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the Village-wide financial statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings and building improvements	\$5,000	Straight line	15-40 years
Machinery and equipment	\$5,000	Straight line	5-10 years
Infrastructure	\$5,000	Straight line	40 years

J. Deferred outflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

K. Deferred inflows of resources/unearned revenues

Deferred inflows of resources are defined as an acquisition of net position by the government that is applicable to future periods. Deferred inflows are reported when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Unearned revenues arise when the Village receives resources before it has legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Village has legal claim to the resources, the deferred inflow/unearned revenue is removed and revenues are recorded.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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L. Long-term obligations

The liabilities for long-term obligations consisting of general long-term debt, proportionate share of the net pension liability, other post-employment benefit obligations and compensated absences are recognized in the Village-wide financial statements. Bond premiums, discounts and any prepaid bond insurance costs are deferred and amortized over the life of the bonds using the straight-line method, and bond issuance costs are recognized as an expense in the period incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, long-term obligations are not reported as liabilities. The debt proceeds (when applicable) are reported as other financing sources and payment of principal and interest are reported as expenditures when paid.

M. Compensated absences

The liability for vested or accumulated vacation or sick leave (compensated absences) is recorded as current and noncurrent obligations in the Village-wide financial statements. The current portion of this debt is estimated based on historical trends. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

Vested vacation and sick leave is recorded in governmental funds as a fund liability and expenditures, if payable from current resources.

N. Post-employment benefits

In addition to providing pension benefits, the Village provides health insurance coverage and survivor benefits for retired employees and their survivors that meet the requirements within the Village's policies. Substantially all of the Village's employees may become eligible for these benefits if they reach normal retirement age while working for the Village. Health care benefits and survivor benefits are provided through an insurance company whose premiums are based on the benefits paid during the year. The Village recognizes the cost of providing benefits by recording its share of insurance premiums as expenditures in the year paid. The liability for other post-employment benefits is recorded as a long-term obligation in the Village-wide financial statements.

O. Net position

In the Village-wide financial statements, there can be three classes of net position:

1. Net investment in capital assets: consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should not be included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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2. Restricted: consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.
3. Unrestricted: is the amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund financial statements

In the fund financial statements, there can be five classifications of fund balance:

1. Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance includes advances recorded in the General Fund of \$338,964.
2. Restricted - Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The Village has established the following restricted fund balance:

Capital Projects

Capital projects funds are used to account for and report financial resources that are restricted for capital outlays, including the acquisition or construction of capital facilities and other capital assets, and accordingly the Village has reflected its fund balance as such. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments

Debt Service

According to General Municipal Law §6-1, the Debt Service reserve must be established for the purpose of retiring the outstanding debt service payments on the general obligation bonds used to originally purchase the property. The funding of the reserve is from the proceeds of the sale of property or capital improvement.

Service award program

The Village sponsors a Length of Service Award Program for the ambulance corps and fire department, as described in Note 11. Those assets, in accordance with GASB Statement No. 73, are to be recorded within the governmental funds of the Village and are restricted by General Municipal Law Article 11-A.

3. Committed - Includes amounts that can only be used for the specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, i.e. the Board. The Village Board of Trustees is the decision-making authority that can, by Board resolution, commit fund balance. The Village has no committed fund balances as of May 31, 2020.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

4. Assigned - Includes amounts that are intended to be used for specific purposes that are neither considered restricted or committed, except for tax stabilization agreements. The intent can be expressed by the Board or through the Board delegating this responsibility to the Village administration through the budgetary process. The classification also includes the remaining positive fund balances for all governmental funds except for the General Fund. The Village reported amounts appropriated for special purposes of \$3,008,854 for the year ended May 31, 2020, within assigned fund balance.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriation, is employed in the governmental funds. Appropriations for all governmental funds lapse at year-end. However, encumbrances reserved against fund balances are re-appropriated in the ensuing year. Encumbrances are reported as assigned fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

5. Unassigned - Includes all other General Fund fund balance that does not meet the definition of the above four classifications and are deemed to be available for general use by the Village. The unassigned classification also includes negative residual balances of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

Fund balances for all governmental funds as of May 31, 2020 were distributed as follows:

	General	Water	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:					
Advances	\$ 338,964	\$ -	\$ -	\$ -	\$ 338,964
Total nonspendable	338,964	-	-	-	338,964
Restricted:					
Capital projects	-	-	650,501	-	650,501
Debt service	-	254,893	-	921,176	1,176,069
Service award program	3,360,514	-	-	-	3,360,514
Total restricted	3,360,514	254,893	650,501	921,176	5,187,084
Assigned:					
Designated for special purpose	380,587	889,776	-	538,491	1,808,854
Designated for subsequent year's expenditures	1,200,000	-	-	-	1,200,000
Total assigned	1,580,587	889,776	-	538,491	3,008,854
Unassigned	7,836,382	-	-	-	7,836,382
	<u>\$ 13,116,447</u>	<u>\$ 1,144,669</u>	<u>\$ 650,501</u>	<u>\$ 1,459,667</u>	<u>\$ 16,371,284</u>

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Net position and fund balance flow assumptions

Sometimes the Village will fund outlays for a particular purpose from both restricted (i.e. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Village's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Sometimes the Village will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned 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. It is the Village's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

P. Insurance

The Village assumes the liability for most risk including, but not limited to, property damage and personal injury liability. The Village maintains insurance policies in amounts and on terms generally standard for municipalities to insure against these liabilities. These insurance policies limit the overall exposure to Village assets by providing a third party insurer to assume the risk and liabilities relating to claims. Judgments and claims are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated.

Q. Estimates

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

**2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN FUND FINANCIAL STATEMENTS AND VILLAGE-WIDE FINANCIAL STATEMENTS**

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

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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A. Total fund balances of governmental funds vs. net position of governmental activities

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

B. Statement of Revenues, Expenditures and Changes in Fund Balance vs. Statement of Activities

Differences between the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balance and the Statement of Activities fall into one of five broad categories. The categories are shown below:

1. Long-term revenue/expense differences

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available", whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

2. Capital related differences

Capital related differences include the difference between proceeds from the sale of capital assets reported on fund financial statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the fund financial statements and depreciation expense on those items as recorded in the Statement of Activities.

3. Long-term debt transaction differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the fund financial statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.

4. Pension and LOSAP differences

Pension differences occur as a result of changes in the Village's proportion of the collective net pension liability and differences between the Village's contributions and its proportionate share of the total contributions to the pension systems. Differences also occur as a result of changes in the LOSAP total pension liability and related deferred inflows and outflows of resources.

5. OPEB differences

OPEB differences occur as a result of changes in the Village's total OPEB liability and differences between the Village's contributions and OPEB expense.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

A. Budgetary data

1. Budget policies

- a. On or before March 20<sup>th</sup>, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1<sup>st</sup>. The tentative budget includes the proposed expenditures and the means of financing.
- b. The Board of Trustees, on or before March 31<sup>st</sup>, meets to discuss and review the tentative budget.
- c. The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15<sup>th</sup>.
- d. After the public hearing and on or before May 1<sup>st</sup>, the Trustees meet to consider and adopt the budget.
- e. Formal budgetary integration is employed during the year as a management control device for General, Water, and Library Funds.
- f. Budgets for General, Water, and 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 Board for Sewer or Special Purpose Funds.
- g. The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h. Appropriations in General, Water and Library Funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappointed in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

2. Budget basis of accounting

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



**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**4. CASH AND CASH EQUIVALENTS AND INVESTMENTS - CUSTODIAL CREDIT, CONCENTRATION OF CREDIT AND INTEREST RATE RISKS**

The Village's investment policies are governed by State statutes. In addition, the Village has its own written investment policy. Village monies must be deposited in Federal Deposit Insurance Corporation ("FDIC") insured commercial banks or trust companies located within the State. The Village Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit at 105 percent of all deposits not covered by Federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal government. Underlying securities must have a market value of at least 105 percent of the cost of the repurchase agreement.

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

- Level 1 - U.S. Government equities, international equities, fixed income, mixed and other assets, and mutual funds totaling \$3,360,514 fluctuate in value in response to changes in interest rates and credit risk.

For purposes of reporting cash flow, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity.

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

GASB directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either:

- Uncollateralized
- Collateralized with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent but not in the Village's name

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Fund	Bank Balance	Carrying Amount	
General Fund	\$ 10,089,457	\$ 8,534,774	Insured (FDIC)/Collateralized
Water Fund	1,062,711	1,051,580	Insured (FDIC)
Capital Projects Fund	4,355,924	4,355,924	Insured (FDIC)
Sewer Fund	394,440	403,693	Insured (FDIC)
Library Fund	139,106	139,227	Insured (FDIC)
Special Purpose Fund	888,659	888,502	Insured (FDIC)
Agency Funds	426,733	426,733	Insured (FDIC)
	<u>\$ 17,357,030</u>	<u>\$ 15,800,433</u>	

Credit risk: State law limits investments to those authorized by State statutes. The Village has a written investment policy.

Interest-rate risk: Interest-rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates substantially increase, thereby affording potential purchasers more favorable rates on essentially equivalent securities. Accordingly, such investments would have to be held to maturity to avoid potential loss.

Concentration of credit risk: Credit risk can arise as a result of failure to adequately diversify investments. Concentration risk disclosure is required for positions of 5 percent or more in securities of a single issuer. Pooled investments are permissible investments and are excluded from this regulation, which is what the Village's portfolio is made up of.

**5. RECEIVABLES**

**A. Accounts and taxes receivable**

As of May 31, 2020, there was \$257,107 and \$63,031 in general accounts receivable and taxes receivable outstanding, respectively. The majority of the balances outstanding pertain to hotel tax, fines and fees and utility fees owed to the Village.

**B. Due from other governments**

As of May 31, 2020, there was \$1,090,598 due from other governments which consisted of amounts due from Westchester County and the Town of Greenburgh.

**6. INTERFUND BALANCES AND ACTIVITY**

Interfund receivable and payable balances as of May 31, 2020 primarily represent payment of grant and capital expenditures that will be reimbursed subsequent to year end. Balances at year end are stated as follows:

	Interfund		Interfund	
	<u>Receivable</u>	<u>Payable</u>	<u>Revenues</u>	<u>Expenditures</u>
General Fund	\$ 625,000	\$ 74	\$ 535,000	\$ 865,825
Water Fund	-	654,926	-	535,000
Capital Projects Fund	85,000	-	-	-
Non-Major Governmental Funds	-	-	865,825	-
Agency Funds	-	55,000	-	-
Totals	<u>\$ 710,000</u>	<u>\$ 710,000</u>	<u>\$ 1,400,825</u>	<u>\$ 1,400,825</u>

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**7. CAPITAL ASSETS**

Capital asset balances and activity for the year ended May 31, 2020 were as follows:

	Beginning Balance	Additions	Retirements/ Reclassifications	Ending Balance
Governmental activities:				
Capital assets not depreciated:				
Land	\$ 15,743,487	\$ 475,000	\$ -	\$ 16,218,487
Construction-in-progress	11,501,605	4,472,113	(585,526)	15,388,192
Total non-depreciable assets	27,245,092	4,947,113	(585,526)	31,606,679
Capital assets that are depreciated:				
Buildings and building improvements	28,487,253	-	585,526	29,072,779
Machinery and equipment	17,078,362	2,294,499	-	19,372,861
Infrastructure	37,537,173	1,730,791	-	39,267,964
Total depreciable assets	83,102,788	4,025,290	585,526	87,713,604
Less accumulated depreciation:				
Buildings and building improvements	10,525,731	914,317	-	11,440,048
Machinery and equipment	11,992,606	1,065,773	-	13,058,379
Infrastructure	11,271,654	818,794	-	12,090,448
Total accumulated depreciation	33,789,991	2,798,884	-	36,588,875
Total capital assets, net	\$ 76,557,889	\$ 6,173,519	\$ -	\$ 82,731,408

Depreciation expense was charged to governmental functions as follows:

General government	\$ 457,610
Public safety	1,577,346
Transportation	281,052
Culture and recreation	252,797
Home and community services	230,079
	<u>\$ 2,798,884</u>

**8. SHORT-TERM LIABILITIES**

Bond anticipation notes ("BANs") are used as temporary means of financing capital project expenditures in the Capital Projects Fund. State law requires that BANs issued for capital projects be converted to long-term obligations within seven years after the original issue date. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12-month period thereafter. Liabilities for BANs are generally accounted for in the Capital Projects Fund. BANs are expected to be paid from the proceeds of future bond issuances after renewal of these notes.

A summary of changes in short-term debt for the year ended May 31, 2020 is as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
BAN maturing on 11/19/2020 at 1.5%	\$ -	\$ 3,633,370	\$ -	\$ 3,633,370

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**9. LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Bonds payable	\$ 55,123,640	\$ -	\$ 3,603,640	\$ 51,520,000	\$ 3,545,000
Premium on bonds payable	678,108	-	106,630	571,478	112,635
Bonds payable, net	55,801,748	-	3,710,270	52,091,478	3,657,635
Net pension liability	3,188,099	7,206,878	-	10,394,977	-
Compensated absences	1,680,112	199,495	-	1,879,607	-
Total long-term liabilities	<u>\$ 60,669,959</u>	<u>\$ 7,406,373</u>	<u>\$ 3,710,270</u>	<u>\$ 64,366,062</u>	<u>\$ 3,657,635</u>

General obligation bonds - the Village borrows money in order to acquire land or equipment or to construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government.

The following is a summary of bonds payable:

Description of Issue	Issue Date	Final Maturity	Interest Rate	Outstanding at 5/31/2020
Public improvement serial bonds	11/1/2008	11/1/2028	3.25 - 5.00%	\$ 1,080,000
Public improvement refunding serial bonds	9/15/2010	9/15/2020	4.00%	590,000
Public improvement serial bonds	5/15/2013	5/15/2032	2.00 - 3.00%	4,250,000
Public improvement serial bonds	10/15/2013	10/15/2037	2.00 - 4.25%	22,580,000
Public improvement refunding serial bonds	3/15/2014	3/15/2025	2.00 - 2.25%	2,035,000
Public improvement serial bonds	4/1/2014	4/1/2032	2.50 - 3.50%	875,000
Public improvement serial bonds	6/15/2015	6/15/2035	2.00 - 3.50%	6,160,000
Public improvement serial bonds	6/15/2016	6/15/2036	3.00%	7,855,000
Public improvement serial bonds	12/15/2018	12/15/2033	3.00 - 5.00%	6,095,000
				<u>\$ 51,520,000</u>

The following table summarizes the Village's future bonded debt service requirements:

Year Ended	Principal	Interest	Total
<u>May 31,</u>			
2021	\$ 3,545,000	\$ 1,679,446	\$ 5,224,446
2022	3,025,000	1,578,693	4,603,693
2023	2,985,000	1,496,366	4,481,366
2024	2,985,000	1,407,734	4,392,734
2025	2,945,000	1,319,596	4,264,596
2026-2030	14,535,000	5,215,017	19,750,017
2031-2035	14,855,000	2,618,030	17,473,030
2036-2038	6,645,000	364,046	7,009,046
	<u>\$ 51,520,000</u>	<u>\$ 15,678,928</u>	<u>\$ 67,198,928</u>

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Interest on long-term debt for the year was comprised of:

Interest paid	\$ 1,789,882
Less interest accrued in the prior year	(338,208)
Plus interest accrued in the current year	421,477
Amortization of premiums and deferred charges	<u>(54,731)</u>
Interest expense	<u><u>\$ 1,818,420</u></u>

Other long-term debt - in addition to the above long-term debt, the Village had the following non-current liabilities:

Compensated absences - represents the value of earned and unused portion of the liability for compensated absences.

The liability for compensated absences is liquidated through the General Fund.

**10. PENSION PLANS**

Plan description

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

Benefits provided

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

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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*Tiers 1 and 2*

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

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

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

*Tiers 3, 4, and 5*

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

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

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

*Tier 6*

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

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

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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

*Special Plans*

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

*Ordinary Disability Benefits*

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

*Accidental Disability Benefits*

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

*Ordinary Death Benefits*

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

*Post-Retirement Benefit Increases*

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

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Contributions

The Systems are noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 (NYSERS) or January 9, 2010 (NYSPFRS) who generally contribute 3 percent of their salary for their entire length of service. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service. Under the authority of the RSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

<u>Year</u>	<u>NYSERS</u>	<u>NYSPFRS</u>
2020	\$ 787,642	\$ 1,042,925
2019	772,166	1,052,997
2018	792,561	1,110,933

Pension liabilities, pension expense, deferred outflows of resources and deferred inflows of resources related to pensions

At May 31, 2020, the Village reported a liability of \$4,416,106 for NYSERS and \$5,978,871 for NYSPFRS for its proportionate share of the net pension liability. 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 April 1, 2019. Update procedures were used to roll forward the pension liability to March 31, 2020. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

	<u>NYSERS</u>	<u>NYSPFRS</u>
Actuarial valuation date	April 1, 2019	April 1, 2019
Net pension liability	\$ 4,416,106	\$ 5,978,871
Village's portion of the Plans' total net position liability	0.016677%	0.111860%

For the year ended May 31, 2020, the Village recognized pension expense of \$1,651,570 for NYSERS and \$2,264,270 for NYSPFRS. At May 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

	Deferred Outflows of Resources - NYSERS	Deferred Outflows of Resources - NYSPFRS	Deferred Inflows of Resources - NYSERS	Deferred Inflows of Resources - NYSPFRS
Differences between expected experience and actual experience	\$ 259,906	\$ 398,130	\$ -	\$ (100,145)
Changes of assumptions	88,919	511,049	(76,780)	-
Net difference between projected and actual earnings on pension plan investments	2,263,910	2,692,474	-	-
Changes in proportion and differences between the Village's contributions and proportionate share of contributions	267,486	254,320	(46,902)	(58,748)
Employer contributions made subsequent to the measurement date	131,140	188,938	-	-
Total	<u>\$ 3,011,361</u>	<u>\$ 4,044,911</u>	<u>\$ (123,682)</u>	<u>\$ (158,893)</u>

Deferred outflows of resources related to pensions resulting from Village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended May 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	NYSERS	NYSPFRS
<u>For the year ended:</u>		
2021	\$ 516,737	\$ 828,584
2022	708,762	884,092
2023	855,385	1,067,404
2024	675,655	871,498
2025	-	45,502

Actuarial assumptions

The total pension liability at March 31, 2020 was determined by using an actuarial valuation as of April 1, 2019, with update procedures used to roll forward the total pension liability to March 31, 2020. The actuarial valuation used the following actuarial assumptions:

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

	NYSERS	NYSPFRS
Measurement date	March 31, 2020	March 31, 2020
Actuarial valuation date	April 1, 2019	April 1, 2019
Interest rate	6.80%	6.80%
Salary scale	4.20%	5.00%
Decrement tables	April 1, 2010 - March 31, 2015 System's Experience	April 1, 2010 - March 31, 2015 System's Experience
Inflation rate	2.50%	2.50%

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

The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2020 are summarized below:

	NYSERS and NYSPFRS	
Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return strategies	2.00%	3.25%
Bonds and mortgages	17.00%	0.75%
Cash	1.00%	0.00%
Domestic equity	36.00%	4.05%
Inflation-indexed bonds	4.00%	0.50%
International equity	14.00%	6.15%
Opportunistic portfolio	3.00%	4.65%
Private equity	10.00%	6.75%
Real assets	3.00%	5.95%
Real estate	10.00%	4.95%
	<u>100.00%</u>	

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Discount rate

The discount rate used to calculate the total pension liability was 6.80%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension liability to the discount rate assumption

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease (5.80%)	Current assumption (6.80%)	1% Increase (7.80%)
<b><u>NYSERS</u></b>			
Employer's proportionate share of the net pension liability	\$ 8,104,801	\$ 4,416,106	\$ 1,018,802
<b><u>NYSPPRS</u></b>			
Employer's proportionate share of the net pension liability	\$ 10,690,343	\$ 5,978,871	\$ 1,759,641

Pension plan fiduciary net position

The components of the current-year net pension liability of the employers as of April 1, 2019, were as follows:

	(Dollars in Thousands)		
	<u>NYSERS</u>	<u>NYSPPRS</u>	<u>Total</u>
Employers' total pension liability	\$ 194,596,261	\$ 35,309,017	\$ 229,905,278
Plan net position	<u>168,115,682</u>	<u>29,964,080</u>	<u>198,079,762</u>
Employers' net pension liability	<u>\$ 26,480,579</u>	<u>\$ 5,344,937</u>	<u>\$ 31,825,516</u>
Ratio of plan net position to the Employers' total pension liability	86.39%	84.86%	86.16%

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**11. LENGTH OF SERVICE AWARD PROGRAMS (COLLECTIVELY, "LOSAP" OR "PROGRAMS")**

Ambulance Corps Service Awards Program

Program Description

The Village sponsors a defined benefit LOSAP effective January 1, 2003 for active ambulance corps of the Village. The Program provides municipally-funded deferred compensation to ambulance corps to facilitate the recruitment and retention of active ambulance corps. The Village is the Sponsor of the Program and the Program Administrator.

Funding policy

The Program was established pursuant to Article 11-A of the New York State General Municipal Law. The Program is non-contributory. The Village is required to contribute the total amount sufficient to cover the normal cost of the plan.

Participation, vesting and service credit

In a defined benefit LOSAP, participating volunteers begin to be paid a Service Award upon attainment of the Program's Entitlement Age. An eligible Program Participant is defined by the Program Sponsor to be an active ambulance corps member who is at least 18 years of age and has earned one year of Service Award Program Service Credit. The amount of the service award paid to a participant is based upon the number of years of Service Credit the volunteer earned under the Program for performing active ambulance corps activities.

Participants acquire a non-forfeitable right to be paid a Service Award after earning credit for five years of service or upon attaining the Program's Entitlement Age while an active volunteer. The Program's Entitlement Age is 65. An active ambulance corps member earns a year of Service Award Program Service Credit for each calendar year after the establishment of the Program in which he or she accumulates fifty points. Points are granted for the performance of certain ambulance corps in accordance with a system established by the Sponsor on the basis of a statutory list of activities and point values. A Participant may also receive Service Award Program Service Credit for five years of active ambulance corps services rendered prior to the establishment of the Program as an active ambulance corps member of the Village.

Benefits

A Participant's Service Award benefit is paid as a continuous monthly payment life annuity. The amount payable each month equals \$20 for each year of service credit. The maximum number of years of Service Credit a Participant may earn under the Program is 20 years. Currently, there are no forms of payment of a volunteer's earned Service Award under the program.

Except in the Case of Pre-Entitlement Age death or total and permanent disablement, a Participant's Service Award will not be paid until he or she attains the Entitlement Age. Volunteers who are active after attaining the Entitlement Age and who may have commenced receiving a Service Award have the opportunity to earn Program credit and to thereby increase their Service Award payments. The Pre-Entitlement Age death and disability benefit is equal to the actuarial value of the Participant's earned Service Award at the time of death or disablement. If the participant was an active ambulance corps member at the time of death, the minimum death benefit is the lump sum equal to the present value of the accrued benefit. The Program does not provide extra line-of-duty death or disability benefits. All death and disability benefits are self-insured and are paid from the Program Trust Fund.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Participants covered by the benefit terms

At the December 31, 2019 measurement date, the following participants were covered by the benefit terms:

Inactive participants currently receiving benefit payments	9
Inactive participants entitled to but not yet receiving benefit payments	21
Active participants	<u>12</u>
Total	<u><u>42</u></u>

Contributions

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

Trust assets

Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Village. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement 73.

Measurement of Total Pension Liability

The total pension liability at the December 31, 2019 measurement date was determined using an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Scale:	N/A

Mortality rates were based on the RP-2014 Mortality Table (60/40 male/female blend) projected for mortality improvement to the year 2020 with scale MP-2017.

Discount rate

The discount rate used to measure the total pension liability was 3.26%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2019. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Service's, AA by Fitch, or AA by Standard & Poor's Rating Services.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Changes in the Total Pension Discount Rate

The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was 3.64% for the December 31, 2018 measurement date, and 3.26% for the December 31, 2019 measurement date.

Changes in the Total Pension Liability

Balance as of December 31, 2018 measurement date	\$ 875,840
Service cost	22,442
Interest	32,279
Changes of assumptions or other inputs	54,156
Differences between expected and actual experience	(32,643)
Benefit payments	<u>(22,966)</u>
Balance as of December 31, 2019 measurement date	<u>\$ 929,108</u>

Sensitivity of the total LOSAP pension liability to changes in the discount rate

The following presents the total LOSAP pension liability of the Village as of the December 31, 2019 measurement date, calculated using the discount rate of 3.26 percent, as well as what the Village's total LOSAP pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.26 percent) or 1-percentage point higher (4.26 percent) than the current rate:

	1% decrease (2.26%)	Current discount rate (3.26%)	1% increase (4.26%)
Total LOSAP pension liability	\$ 1,097,775	\$ 929,108	\$ 796,170

Pension expense, deferred outflows of resources and deferred inflows of resources related to LOSAP pensions

For the year ended December 31, 2019, the Village recognized pension expense of \$56,187. At December 31, 2019, the Village reported deferred outflows and deferred inflows of resources related to LOSAP pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (51,994)
Changes of assumptions or other inputs	93,303	(50,671)
Benefit payments and administrative expenses subsequent to the measurement date	<u>9,569</u>	<u>-</u>
Totals	<u>\$ 102,872</u>	<u>\$ (102,665)</u>

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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The Village reported \$9,569 as deferred outflows of resources related to LOSAP pensions resulting from Village transactions subsequent to the measurement date that will be recognized as a reduction of the total LOSAP pension liability in the year ended May 31, 2020.

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

Year ended December 31:

2020	\$ (1,827)
2021	(1,827)
2022	(1,827)
2023	(1,827)
2024	(6,130)
Thereafter	4,076

Firefighter Service Awards Program

Program Description

The Village sponsors a defined benefit LOSAP effective January 1, 2003 for active volunteer firefighters of the Village. The Program provides municipally-funded deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. The Village is the Sponsor of the Program and the Program Administrator.

Funding policy

The Program was established pursuant to Article 11-A of the New York State General Municipal Law. The Program is non-contributory. The Village is required to contribute the total amount sufficient to cover the normal cost of the plan.

Participation, vesting and service credit

In a defined benefit LOSAP, participating volunteers begin to be paid a Service Award upon attainment of the Program's Entitlement Age. An eligible Program Participant is defined by the Program Sponsor to be an active volunteer firefighter who is at least 18 years of age and has earned one year of Service Award Program Service Credit. The amount of the service award paid to a participant is based upon the number of years of Service Credit the volunteer earned under the Program for performing active volunteer firefighter activities.

Participants acquire a non-forfeitable right to be paid a Service Award after earning credit for five years of service or upon attaining the Program's Entitlement Age while an active volunteer. The Program's Entitlement Age is 60. An active volunteer firefighter earns a year of Service Award Program Service Credit for each calendar year after the establishment of the Program in which he or she accumulates fifty points. Points are granted for the performance of certain firefighter in accordance with a system established by the Sponsor on the basis of a statutory list of activities and point values. A Participant may also receive Service Award Program Service Credit for five years of active volunteer firefighting rendered prior to the establishment of the Program as an active volunteer firefighter of the Village.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Benefits

A Participant's Service Award benefit is paid as a continuous monthly payment life annuity. The amount payable each month equals \$20 for each year of service credit. The maximum number of years of Service Credit a Participant may earn under the Program in 20 years. Currently, there are no forms of payment of a volunteer's earned Service Award under the program.

Except in the Case of Pre-Entitlement Age death or total and permanent disablement, a Participant's Service Award will not be paid until he or she attains the Entitlement Age. Volunteers who are active after attaining the Entitlement Age and who may have commenced receiving a Service Award have the opportunity to earn Program credit and to thereby increase their Service Award payments. The Pre-Entitlement Age death and disability benefit is equal to the actuarial value of the Participant's earned Service Award at the time of death or disablement. If the participant was an active volunteer firefighter at the time of death, the minimum death benefit is the lump sum equal to the present value of the accrued benefit. The Program does not provide extra line-of-duty death or disability benefits. All death and disability benefits are self-insured and are paid from the Program Trust Fund.

Participants covered by the benefit terms

At the December 31, 2019 measurement date, the following participants were covered by the benefit terms:

Inactive participants currently receiving benefit payments	47
Inactive participants entitled to but not yet receiving benefit payments	21
Active participants	<u>84</u>
Total	<u><u>152</u></u>

Contributions

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

Trust assets

Although assets have been accumulated in an irrevocable trust such that the assets are dedicated to providing pensions to plan members in accordance with benefit terms, the trust assets are not legally protected from creditors of the Village. As such, the trust assets do not meet the criteria in paragraph 4 of GASB Statement 73.

Measurement of Total Pension Liability

The total pension liability at the December 31, 2019 measurement date was determined using an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:



**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Actuarial Cost Method:	Entry Age Normal
Inflation:	2.25%
Salary Scale:	N/A

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

Discount rate

The discount rate used to measure the total pension liability was 3.26%. This was the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2019. In describing this index, S&P Dow Jones Indices notes that the index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years and with a rating of at least Aa2 by Moody's Investors Service's, AA by Fitch, or AA by Standard & Poor's Rating Services.

Changes in the Total Pension Discount Rate

The discount rate used to measure the total pension liability was based on the yield to maturity of the S&P Municipal Bond 20 Year High Grade Rate Index and was 3.64% for the December 31, 2018 measurement date, and 3.26% for the December 31, 2019 measurement date.

Changes in the Total Pension Liability

Balance as of December 31, 2018 measurement date	\$ 3,910,745
Service cost	112,284
Interest	143,374
Changes of assumptions or other inputs	215,398
Differences between expected and actual experience	24,961
Benefit payments	<u>(168,380)</u>
Balance as of December 31, 2019 measurement date	<u><u>\$ 4,238,382</u></u>

Sensitivity of the total LOSAP pension liability to changes in the discount rate

The following presents the total LOSAP pension liability of the Village as of the December 31, 2019 measurement date, calculated using the discount rate of 3.26 percent, as well as what the Village's total LOSAP pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.26 percent) or 1-percentage point higher (4.26 percent) than the current rate:

	1% decrease (2.26%)	Current discount rate (3.26%)	1% increase (4.26%)
Total LOSAP pension liability	\$ 4,898,509	\$ 4,238,382	\$ 3,706,486

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

Pension expense, deferred outflows of resources and deferred inflows of resources related to LOSAP pensions

For the year ended December 31, 2019, the Village recognized pension expense of \$313,876. At December 31, 2019, the Village reported deferred outflows and deferred inflows of resources related to LOSAP pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 106,846	\$ -
Changes of assumptions or other inputs	382,322	(210,284)
Benefit payments and administrative expenses subsequent to the measurement date	<u>71,602</u>	<u>-</u>
Totals	<u><u>\$ 560,770</u></u>	<u><u>\$ (210,284)</u></u>

The Village reported \$71,602 as deferred outflows of resources related to LOSAP pensions resulting from Village transactions subsequent to the measurement date that will be recognized as a reduction of the total LOSAP pension liability in the year ended May 31, 2020.

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

Year ended December 31:

2020	\$ 49,236
2021	49,236
2022	49,236
2023	49,236
2024	49,236
Thereafter	32,704

**12. OTHER POSTEMPLOYMENT BENEFITS ("OPEB")**

A. General information about the OPEB plan

Plan description

The Village's defined benefit OPEB plan, provides OPEB for all permanent full-time employees of the Village. The plan is a single employer defined benefit OPEB plan administered by the District. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board of Trustees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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Benefits provided

The Village provides healthcare and life insurance benefits for retirees and their dependents. The benefit terms are dependent of which contract each employee falls under. The specifics of each contract are on file at the Village offices and are available upon request.

Employees covered by benefit terms

As of June 1, 2019, the date of the most recent actuarial valuation, the following employees were covered by the benefit terms:

Inactive participants currently receiving benefit payments	78
Active participants	<u>92</u>
Total	<u><u>170</u></u>

B. Total OPEB liability

The Village's total OPEB liability of \$74,287,482 was measured as of May 31, 2020, and determined by an actuarial valuation as of June 1, 2019.

Actuarial assumptions and other inputs

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

Inflation	3.00%
Salary increases	Based on assumptions used in NYSERS April 1, 2015 actuarial valuation
Discount rate	2.63%
Healthcare cost trend rates	8.0% for 2020, decreasing 0.5% per year to an ultimate rate of 5.0% in 2026
Retirees' share of benefit-related costs	Rates increase in accordance with health care trend rates

The discount rate was based on the May 31, 2020 S&P Municipal Bond 20-year High Grade Rate Index.

Mortality rates were based on the RP-2014 Total Dataset Mortality Table projected to the valuation date with scale MP-2016.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**C. Changes in the total OPEB liability**

Balance as of May 31, 2019	\$ 71,073,572
Service cost	1,474,083
Interest	2,145,289
Changes of assumptions or other inputs	4,672,824
Differences between expected and actual experience	(3,605,822)
Benefit payments	(1,472,464)
	<u>Balance as of May 31, 2020</u>
	<u>\$ 74,287,482</u>

**Sensitivity of the total OPEB liability to changes in the discount rate**

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.63%) or one 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	\$ 85,409,122	\$ 74,287,482	\$ 63,165,842

**Sensitivity of the total OPEB liability to changes in healthcare cost trend rates**

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (7.00%) or one percentage point higher (9.00%) than the current discount rate:

	1% decrease (7.00% decreasing to 4.00%)	Current assumption (8.00% decreasing to 5.00%)	1% increase (9.00% decreasing to 6.00%)
Total OPEB liability	\$ 61,226,837	\$ 74,287,482	\$ 89,955,203

**D. OPEB expense, deferred outflows of resources and deferred inflows of resources related to OPEB**

For the year ended May 31, 2020, the Village recognized OPEB expense of \$3,540,183. At May 31, 2020, the Village reported deferred outflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 513,295	\$ (3,004,852)
Changes of assumptions or other inputs	3,894,020	-
Totals	<u>\$ 4,407,315</u>	<u>\$ (3,004,852)</u>

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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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 May 31:</u>	
2021	\$ 306,158
2022	306,158
2023	306,158
2024	306,158
2025	177,831

**13. COMMITMENTS AND CONTINGENCIES**

A. Risk management and litigation

In common with other municipalities, the Village receives numerous notices of claims. Although the eventual outcome of the claims cannot presently be determined, it is the opinion of the Village and Village Attorney, unless otherwise set forth herein and apart from matters provided for by applicable insurance coverage, there are no significant claims or actions pending in which the Village has not asserted a substantial and adequate defense, nor which, if determined against the Village, would have a material adverse effect on the financial condition of the Village, in view of the Village's ability to fund the same through use of appropriate funding mechanisms provided by the Local Finance Law. The Village is insured for workers' compensation insurance and disability insurance.

B. Government grants

The Village receives grants which are subject to audit by agencies of the federal government, New York State and local governments. Such audits may result in disallowances and a request for a return of funds. Based on past experience, the Village Administration believes disallowances, if any, would be immaterial.

C. Property tax cap

In June 2011, the New York State Legislature enacted Chapter 97, Laws of 2011 Real Property Tax Levy Cap and Mandate Relief Provisions. For fiscal years beginning in 2012-2013 through at least June 15, 2020, growth in the property tax levy (the total amount to be raised through property taxes charged on a municipality's taxable assessed value of property) will be capped at 2% or the rate of inflation, whichever is less, with some exceptions. The New York State Comptroller recently set the allowable levy growth factor for local governments for fiscal years beginning June 1, 2019, at 1.02% (before exemptions). Local governments can exceed the tax levy limit by a 60% vote of the governing body, or by local law.

D. COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic. The extent of the impact of COVID-19 on the Village's operational and financial performance, and cash flow needs will depend on certain developments, including the duration and spread of the outbreak, impact on funding sources, employees and vendors, all of which are uncertain and cannot be predicted as of the date of these financial statements.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

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**14. FUTURE CHANGES IN ACCOUNTING STANDARDS**

The Village will evaluate the impact each of these upcoming pronouncements may have on its financial statements and will implement them as applicable and when material. The following is a list of GASB pronouncements issued but not yet effective:

<u>GASB Statement No.</u>	<u>GASB Accounting Standard</u>	<u>Effective Fiscal Year</u>
Statement No. 84	Fiduciary Activities	May 31, 2021
Statement No. 87	Leases	May 31, 2022
Statement No. 89	Accounting For Interest Cost Incurred Before The End Of A Construction Period	May 31, 2022
Statement No. 90	Majority Equity Interests - An Amendment Of GASB Statements No. 14 And No. 61	May 31, 2021
Statement No. 91	Conduit Debt Obligations	May 31, 2023

**15. SUBSEQUENT EVENTS**

The Village has evaluated subsequent events occurring after the Statement of Net Position through the date of October 1, 2020, which is the date the financial statements were available to be issued. Based on this evaluation, the Village has determined that no subsequent events have occurred, which require disclosure in the financial statements.

**VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED MAY 31, 2020**

	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Year-End Encumbrances</b>	<b>Variance</b>
<b>REVENUES</b>					
Real property taxes	\$ 17,263,266	\$ 17,263,266	\$ 17,263,266		\$ -
Other tax items	56,500	56,500	73,817		17,317
Non-property tax items	2,320,000	2,320,000	2,673,290		353,290
Departmental income	2,410,123	2,410,123	2,318,982		(91,141)
Intergovernmental revenue	316,000	316,000	322,010		6,010
Fines and forfeitures	615,000	615,000	604,112		(10,888)
Use of money and property	137,800	137,800	180,715		42,915
Licenses and permits	660,000	660,000	529,599		(130,401)
State and local aid	907,500	907,500	771,692		(135,808)
Sale of property and compensation for loss	28,500	28,500	17,014		(11,486)
Miscellaneous	772,700	772,700	242,935		(529,765)
Total revenues	25,487,389	25,487,389	24,997,432		(489,957)
<b>EXPENDITURES</b>					
Current -					
General government	3,714,234	3,714,234	2,851,274	\$ -	862,960
Public safety	6,520,569	6,520,569	6,340,410	-	180,159
Health	11,800	11,800	10,835	-	965
Transportation	1,520,636	1,520,636	1,323,734	-	196,902
Economic opportunity and assistance	68,124	68,124	49,735	-	18,389
Culture and recreation	1,249,439	1,249,439	1,304,757	-	(55,318)
Home and community services	1,123,818	1,123,818	1,024,408	-	99,410
Employee benefits	6,996,403	6,996,403	6,531,911	-	464,492
Debt service -					
Principal	2,726,845	2,726,845	2,709,891	-	16,954
Interest	1,284,696	1,284,696	1,273,840	-	10,856
Total expenditures	25,216,564	25,216,564	23,420,795	\$ -	1,795,769
Excess of revenues over expenditures	270,825	270,825	1,576,637		1,305,812
<b>OTHER FINANCING SOURCES (USES)</b>					
Premium on obligations	250,000	250,000	-		(250,000)
Transfers in	535,000	535,000	535,000		-
Transfers out	(1,055,825)	(1,055,825)	(865,825)		190,000
Total other financing sources (uses)	(270,825)	(270,825)	(330,825)		(60,000)
Change in fund balance	\$ -	\$ -	1,245,812		\$ 1,245,812
Fund balance, beginning of year			11,870,635		
Fund balance, end of year			\$ 13,116,447		

**Note to Required Supplementary Information**

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
WATER FUND  
FOR THE YEAR ENDED MAY 31, 2020**

	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Year-End Encumbrances</b>	<b>Variance</b>
<b>REVENUES</b>					
Departmental income	\$ 5,606,344	\$ 5,606,344	\$ 5,181,490		\$ (424,854)
Miscellaneous	16,000	16,000	2,843		(13,157)
Total revenues	<u>5,622,344</u>	<u>5,622,344</u>	<u>5,184,333</u>		<u>(438,011)</u>
<b>EXPENDITURES</b>					
Current -					
General government	69,500	69,500	35,904	\$ -	33,596
Home and community services	3,258,068	3,258,068	2,235,723	-	1,022,345
Employee benefits	425,871	425,871	393,657	-	32,214
Debt service -					
Principal	812,544	812,544	829,487	-	(16,943)
Interest	471,361	471,361	482,212	-	(10,851)
Total expenditures	<u>5,037,344</u>	<u>5,037,344</u>	<u>3,976,983</u>	<u>\$ -</u>	<u>1,060,361</u>
Excess of revenues over expenditures	<u>585,000</u>	<u>585,000</u>	<u>1,207,350</u>		<u>622,350</u>
<b>OTHER FINANCING USES</b>					
Transfers out	<u>(585,000)</u>	<u>(585,000)</u>	<u>(535,000)</u>		<u>50,000</u>
Total other financing uses	<u>(585,000)</u>	<u>(585,000)</u>	<u>(535,000)</u>		<u>50,000</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	672,350		<u>\$ 672,350</u>
Fund balance, beginning of year			<u>472,319</u>		
Fund balance, end of year			<u>\$ 1,144,669</u>		

**Note to Required Supplementary Information**

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.



**VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
LIBRARY FUND  
FOR THE YEAR ENDED MAY 31, 2020**

	<b>Adopted Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Year-End Encumbrances</b>	<b>Variance</b>
<b>REVENUES</b>					
Non-property tax items	\$ 10,000	\$ 10,000	\$ -		\$ (10,000)
Departmental income	65,616	65,616	56,207		(9,409)
Intergovernmental revenue	758,003	758,003	758,003		-
Miscellaneous	45,500	45,500	54,241		8,741
Total revenues	879,119	879,119	868,451		(10,668)
<b>EXPENDITURES</b>					
Current -					
General government	52,238	52,238	48,608	\$ -	3,630
Culture and recreation	1,216,641	1,216,641	1,125,423	-	91,218
Employee benefits	443,739	443,739	390,615	-	53,124
Debt service -					
Principal	48,407	48,407	48,478	-	(71)
Interest	23,919	23,919	23,923	-	(4)
Total expenditures	1,784,944	1,784,944	1,637,047	\$ -	147,897
Deficiency of revenues under expenditures	(905,825)	(905,825)	(768,596)		137,229
<b>OTHER FINANCING SOURCES</b>					
Appropriated fund balance	40,000	40,000	-		(40,000)
Transfers in	865,825	865,825	865,825		-
Total other financing sources	905,825	905,825	865,825		(40,000)
Change in fund balance	\$ -	\$ -	97,229		\$ 97,229
Fund balance, beginning of year			58,304		
Fund balance, end of year			\$ 155,533		

**Note to Required Supplementary Information**

Budgets are adopted on the modified accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**VILLAGE OF TARRYTOWN, NEW YORK**  
**SCHEDULE OF CHANGES IN THE VILLAGE'S TOTAL PENSION LIABILITY**  
**FIRE SERVICE AWARD PROGRAM**  
**LAST THREE FISCAL YEARS\***

Measurement date as of:	December 31, 2019	December 31, 2018	December 31, 2017
Total pension liability:			
Service cost	\$ 112,284	\$ 132,172	\$ 113,223
Interest	143,374	129,045	133,555
Changes of assumptions or other inputs	215,398	(270,364)	299,584
Differences between expected and actual experience	24,961	48,470	73,110
Benefit payments	<u>(168,380)</u>	<u>(160,220)</u>	<u>(148,960)</u>
Net change in total pension liability	327,637	(120,897)	470,512
Total pension liability, beginning of year	<u>3,910,745</u>	<u>4,031,642</u>	<u>3,561,130</u>
Total pension liability, end of year	<u><u>\$ 4,238,382</u></u>	<u><u>\$ 3,910,745</u></u>	<u><u>\$ 4,031,642</u></u>
Covered employee payroll	N/A	N/A	N/A
Total pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A

**Note to Required Supplementary Information**

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

December 31, 2019: 3.26%  
December 31, 2018: 3.64%  
December 31, 2017: 3.16%

*Trust assets:* There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 73 to pay related benefits. The trust assets are not legally protected from creditors to the Village.

*\* Ten years of historical information was not available upon implementation of GASB Statement No. 73. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.*

**VILLAGE OF TARRYTOWN, NEW YORK**  
**SCHEDULE OF CHANGES IN THE VILLAGE'S TOTAL PENSION LIABILITY**  
**AMBULANCE SERVICE AWARD PROGRAM**  
**LAST THREE FISCAL YEARS\***

Measurement date as of:	December 31, 2019	December 31, 2018	December 31, 2017
Total pension liability:			
Service cost	\$ 22,442	\$ 31,020	\$ 35,900
Interest	32,279	29,909	31,862
Changes of assumptions or other inputs	54,156	(68,768)	71,397
Differences between expected and actual experience	(32,643)	(19,907)	(16,017)
Benefit payments	<u>(22,966)</u>	<u>(23,746)</u>	<u>(37,430)</u>
Net change in total pension liability	53,268	(51,492)	85,712
Total pension liability, beginning of year	<u>875,840</u>	<u>927,332</u>	<u>841,620</u>
Total pension liability, end of year	<u>\$ 929,108</u>	<u>\$ 875,840</u>	<u>\$ 927,332</u>
Covered employee payroll	N/A	N/A	N/A
Total pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A

**Note to Required Supplementary Information**

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

December 31, 2019: 3.26%  
December 31, 2018: 3.64%  
December 31, 2017: 3.16%

*Trust assets:* There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 73 to pay related benefits. The trust assets are not legally protected from creditors to the Village.

*\* Ten years of historical information was not available upon implementation of GASB Statement No. 73. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.*

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF CHANGES IN THE VILLAGE'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST TWO FISCAL YEARS\***

Measurement date as of:	May 31, 2020	May 31, 2019
Total OPEB liability:		
Service cost	\$ 1,474,083	\$ 1,349,893
Interest	2,145,289	2,061,966
Changes of assumptions or other inputs	4,672,824	-
Differences between expected and actual experience	(3,605,822)	769,943
Benefit payments	<u>(1,472,464)</u>	<u>(1,427,362)</u>
Net change in total OPEB liability	3,213,910	2,754,440
Total OPEB liability, beginning of year	<u>71,073,572</u>	<u>68,319,132</u>
Total OPEB liability, end of year	<u><u>\$ 74,287,482</u></u>	<u><u>\$ 71,073,572</u></u>
Covered employee payroll	\$ 11,626,507	\$ 11,173,173
Total OPEB liability as a percentage of covered-employee payroll	638.95%	636.11%

**Note to Required Supplementary Information**

*\* Ten years of historical information was not available upon implementation of GASB Statement No. 75. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.*

*The Village has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits, as New York State currently does not allow villages to establish this type of trust. The Village contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis.*

VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - NYSERS  
LAST TEN FISCAL YEARS\*  
(Dollar amounts in thousands)

	(A) 2020	2019	2018	2017	(B) 2016	2015	2014	**2013	**2012	**2011
Village's proportionate share of the net pension liability	0.01668%	0.01745%	0.01720%	0.11871%	0.01720%	0.01582%	0.01582%	N/A	N/A	N/A
Village's proportionate share of the net pension liability	\$ 4,416	\$ 1,236	\$ 554	\$ 1,515	\$ 2,761	\$ 534	\$ 715	N/A	N/A	N/A
Village's covered payroll	\$ 5,304	\$ 5,182	\$ 5,199	\$ 4,934	\$ 5,003	N/A	N/A	N/A	N/A	N/A
Village's proportionate share of the net pension liability as a percentage of covered payroll	83.25%	23.85%	10.66%	30.71%	55.18%	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%	97.20%	N/A	N/A	N/A

\* The amounts presented for each fiscal year were determined (bi-annually) as of March 31st.

(A) 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.

(B) 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.

Not Available = N/A

**\*\*Note to Required Supplementary Information**

\* Ten years of historical information was not available upon implementation of GASB Statement No. 68. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

**VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - NYSPFRS  
LAST TEN FISCAL YEARS\*  
(Dollar amounts in thousands)**

	(A) 2020	2019	2018	2017	(B) 2016	2015	2014	**2013	**2012	**2011
Village's proportionate share of the net pension liability	0.11186%	0.11640%	0.11871%	0.10834%	0.10434%	0.10311%	0.10311%	N/A	N/A	N/A
Village's proportionate share of the net pension liability	\$ 5,979	\$ 1,952	\$ 1,200	\$ 2,245	\$ 3,089	\$ 284	\$ 429	N/A	N/A	N/A
Village's covered payroll	\$ 4,912	\$ 5,053	\$ 4,892	\$ 4,587	\$ 4,587	N/A	N/A	N/A	N/A	N/A
Village's proportionate share of the net pension liability as a percentage of covered payroll	121.73%	38.63%	24.53%	48.95%	67.35%	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	84.86%	95.09%	96.93%	93.46%	90.24%	99.03%	98.48%	N/A	N/A	N/A

\* The amounts presented for each fiscal year were determined (bi-annually) as of March 31st.

(A) 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.

(B) 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.

Not Available = N/A

**\*\*Note to Required Supplementary Information**

\* Ten years of historical information was not available upon implementation of GASB Statement No. 68. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF VILLAGE PENSION CONTRIBUTIONS - NYERS  
LAST TEN FISCAL YEARS\*  
(Dollar amounts in thousands)**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contribution	\$ 788	\$ 772	\$ 793	\$ 773	\$ 1,015	\$ 890	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	<u>788</u>	<u>772</u>	<u>793</u>	<u>773</u>	<u>1,015</u>	<u>890</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Village's covered-employee payroll	\$ 5,353	\$ 5,109	\$ 5,199	\$ 4,934	\$ 5,003	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	14.71%	15.11%	15.24%	15.66%	20.29%	N/A	N/A	N/A	N/A	N/A

Not Available = N/A

**Note to Required Supplementary Information**

\* Ten years of historical information was not available upon implementation of GASB Statement No. 68. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.

VILLAGE OF TARRYTOWN, NEW YORK  
SCHEDULE OF VILLAGE PENSION CONTRIBUTIONS - NYSPFRS  
LAST TEN FISCAL YEARS\*  
(Dollar amounts in thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 1,043	\$ 1,053	\$ 1,111	\$ 1,046	\$ 939	\$ 1,227	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution	1,043	1,053	1,111	1,046	939	1,227	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A
Village's covered-employee payroll	\$ 4,885	\$ 5,010	\$ 4,892	\$ 4,587	\$ 4,587	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	21.35%	21.02%	22.71%	22.81%	20.46%	N/A	N/A	N/A	N/A	N/A

Not Available = N/A

**Note to Required Supplementary Information**

\* Ten years of historical information was not available upon implementation of GASB Statement No. 68. An additional year of historical information will be added each year subsequent to the year of implementation until ten years of historical data is available.



**OTHER  
SUPPLEMENTARY  
INFORMATION**

**VILLAGE OF TARRYTOWN, NEW YORK  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
MAY 31, 2020**

	<b>Sewer Fund</b>	<b>Library Fund</b>	<b>Special Purpose Fund</b>	<b>Total Non-Major Governmental Funds</b>
<b>ASSETS</b>				
Cash:				
Unrestricted	\$ 402,299	\$ 107,947	\$ -	\$ 510,246
Restricted	1,394	31,280	888,502	921,176
Accounts receivable	14,008	63,166	-	77,174
Total assets	<u>\$ 417,701</u>	<u>\$ 202,393</u>	<u>\$ 888,502</u>	<u>\$ 1,508,596</u>
<b>LIABILITIES</b>				
Payables:				
Accounts payable	\$ 565	\$ 4,155	\$ -	\$ 4,720
Accrued expenses	1,504	27,053	-	28,557
Due to employees' retirement system	-	15,652	-	15,652
Total liabilities	<u>2,069</u>	<u>46,860</u>	<u>-</u>	<u>48,929</u>
<b>FUND BALANCE</b>				
Fund balance:				
Restricted	1,394	31,280	888,502	921,176
Assigned	414,238	124,253	-	538,491
Total fund balance	<u>415,632</u>	<u>155,533</u>	<u>888,502</u>	<u>1,459,667</u>
Total liabilities and fund balance	<u>\$ 417,701</u>	<u>\$ 202,393</u>	<u>\$ 888,502</u>	<u>\$ 1,508,596</u>

**OTHER  
SUPPLEMENTARY  
INFORMATION**

**VILLAGE OF TARRYTOWN, NEW YORK  
COMBINING SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED MAY 31, 2020**

	<b>Sewer Fund</b>	<b>Library Fund</b>	<b>Special Purpose Fund</b>	<b>Total Non-Major Governmental Funds</b>
<b>REVENUES</b>				
Departmental income	\$ 134,539	\$ 56,207	\$ -	\$ 190,746
Intergovernmental revenue	-	758,003	-	758,003
Use of money and property	-	-	3,682	3,682
Miscellaneous	-	54,241	251,496	305,737
Total revenues	134,539	868,451	255,178	1,258,168
<b>EXPENDITURES</b>				
Current -				
General government	-	48,608	-	48,608
Culture and recreation	-	1,125,423	197,398	1,322,821
Home and community services	200,671	-	-	200,671
Employee benefits	31,524	390,615	-	422,139
Debt service -				
Principal	15,784	48,478	-	64,262
Interest	9,907	23,923	-	33,830
Total expenditures	257,886	1,637,047	197,398	2,092,331
Excess (deficiency) of revenues over (under) expenditures	(123,347)	(768,596)	57,780	(834,163)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	865,825	-	865,825
Total other financing sources (uses)	-	865,825	-	865,825
Change in fund balance	(123,347)	97,229	57,780	31,662
Fund balance, beginning of year	538,979	58,304	830,722	1,428,005
Fund balance, end of year	\$ 415,632	\$ 155,533	\$ 888,502	\$ 1,459,667



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

To the Board of Trustees of the  
Village of Tarrytown, New York:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the remaining fund information and the fiduciary funds of the Village of Tarrytown, New York (the "Village"), as of and for the year ended May 31, 2020, and the related notes to financial statements which collectively comprise the Village's financial statements, and have issued our report thereon dated October 1, 2020.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

# NawrockiSmith

## ***Compliance and Other Matters***

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

## ***Purpose of this Report***

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

Melville, New York  
October 1, 2020

A handwritten signature in black ink that reads "Nawrocki Smith LLP". The signature is written in a cursive, flowing style.