

Village of Mamaroneck, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2019

Village of Mamaroneck, New York

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Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Mamaroneck, New York ("Village") as of and for the year ended May 31, 2019, and the related notes to the financial statements which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Village, as of May 31, 2019, and the respective changes in financial position and the respective budgetary comparison for the General and Water funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Notes 2E and 3F in the notes to financial statements which disclose the effects of the Village's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*". Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit for the year ended May 31, 2019 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules for the year ended May 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended May 31, 2019 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2019.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2018 (not presented herein), and have issued our report thereon dated November 21, 2018, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2018 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2018.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2019 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 the effectiveness of the Village's 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.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
November 21, 2019

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Village of Mamaroneck, New York

Management's Discussion and Analysis (MD&A) as of May 31, 2019

Introduction

The management of the Village of Mamaroneck offers this overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2019 to readers of the Village's financial statements. This document should be read and considered in conjunction with the basic financial statements, which immediately follow this section, in order to enhance the understanding of the Village's financial performance.

Financial Highlights and Comparative Information

- ❖ In the prior year, the Village implemented the provisions of the Governmental Accounting Standards Board ("GASB") Statement No. 68, "Accounting and Financial Reporting for Pensions". This pronouncement established new accounting and financial reporting requirements associated with the Village's participation in the cost sharing multiple employer pension plans administered by the New York State and Local Employees' Retirement System ("ERS") and the New York state and Local Police and Fire Retirement System ("PFRS"). Under the new standards, cost-sharing employers are required to report in their government-wide financial statements a net pension liability (asset), pension expense and pension-related deferred inflows and outflows of resources based on their proportionate share of the collective amounts for all of the municipalities and school districts in the plan. At May 31, 2019 the Village reported in its Statement of Net Position a liability of \$4,758,529 for its proportionate share of the ERS and PFRS pension liabilities. More detailed information about the Village's pension plan reporting in accordance with the provisions of GASB Statement No. 68, including amounts reported as pension expense and deferred inflows/outflows of resources, is presented in the notes to the financial statements.
- ❖ On the government-wide financial statements, the assets and deferred outflows of resources of the Village exceeded the liabilities and deferred inflows of resources at the close of 2017-2018 by \$13,231,021. At the conclusion of fiscal year 2018-2019, liabilities exceeded assets and deferred outflows of resources by \$35,308,682.
- ❖ For the year ended May 31, 2019, the Village implemented the provisions of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")". This statement addresses accounting and financial reporting for OPEB by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. This statement supersedes the provisions of GASB Statement No. 45, "Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions". The primary distinction between the two standards is that since no mechanism exists under current New York State law for New York municipalities and school districts to pre-fund these obligations in an irrevocable trust, entities must now report their total OPEB liability as opposed to the net OPEB liability that has been reported under the prior standard. As a result, the net position for governmental activities on the government-wide financial statements reflects a change in accounting principle adjustment of \$ (45,451,739) to the

opening net position originally reported as of May 31, 2018 of \$13,231,021, thereby restating the opening net position to \$(32,220,718).

- ❖ As of the close of 2017-2018, the Village's governmental funds reported combined ending fund balances of \$12,619,706, of which \$6,159,834 was unassigned. The majority of these funds is included in the General Fund and is available for spending at the Village's discretion.
- ❖ As of the close of 2018-2019, the Village's governmental funds reported combined ending fund balances of \$9,761,502, of which \$2,539,021 was unassigned.
- ❖ At the end of FY 2018-2019, the unassigned fund balance for the General Fund increased by 4.17% from \$11,240,906 to \$11,709,851, which equates to 32.3% of total General Fund expenditures budgeted for 2018-2019.
- ❖ During the current fiscal year, the Village Bonded the short-term debt of \$4,991,713. The Village's bond rating by Moody's Investors Services, Inc. remained Aa2.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

Governmental Funds

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

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

The Village maintains three major governmental funds: the General Fund, Water Fund and the Capital Projects Fund. This information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Debt Service, Sewer and Special Purpose Funds are grouped together as non-major governmental funds.

The Village adopts budgets for the General Fund, Water Fund and Debt Service Fund. Budgetary comparison statements are provided for the General Fund and Water Fund within the basic financial statements to demonstrate compliance with the respective budgets.

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements and include individual fund financial statements and schedules of "budgets to actual" comparisons.

Government-wide Financial Analysis

As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the Village of Mamaroneck, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$35,308,682 for fiscal year ended 2019. A portion of the Village's net position is its investment in capital assets (land, buildings and improvements, infrastructure, machinery and equipment, and construction-in-progress), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Village's investments in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

The following table reflects the condensed Statement of Net Position:

	May 31,	
	2019	2018
Current Assets	\$ 26,972,945	\$ 27,077,368
Capital Assets, net	62,670,501	61,820,328
Total Assets	89,643,446	88,897,696
Deferred Outflows of Resources	5,048,950	7,040,704
Current Liabilities	7,915,010	4,728,914
Long-Term Liabilities	120,367,299	71,637,426
Total Liabilities	128,282,309	76,366,340
Deferred Inflows of Resources	1,718,769	6,341,039
Net Position		
Net Invested in Capital Assets	33,194,502	54,744,601
Restricted	2,865,585	4,508,464
Unrestricted	(71,368,769)	(46,022,044)
Total Net Position	\$ (35,308,682)	\$ 13,231,021

Change in Net Position

	2019	2018
REVENUES		
Program Revenues		
Charges for services	\$ 7,112,192	\$ 7,249,284
Operating grants and contributions	528,049	414,599
Capital grants and contributions	584,408	291,311
Total Program Revenues	8,224,649	7,955,194
General Revenues		
Real property taxes	25,282,703	24,629,989
Other tax items	270,190	203,397
Non-property taxes	3,391,867	3,357,131
Unrestricted use of money and property	26,729	31,508
Sale of property and compensation for loss	60,727	37,765
Unrestricted State aid	576,588	568,434
Insurance recoveries	274,426	161,683
Miscellaneous	-	7,206
Total General Revenues	29,883,230	28,997,113
Total Revenues	38,107,879	36,952,307
PROGRAM EXPENSES		
General government support	9,635,184	8,671,915
Public safety	17,110,068	17,994,189
Health	473,347	370,274
Transportation	3,906,455	3,735,343
Economic Opportunity and Development	5,549	2,724
Culture and recreation	4,479,166	4,115,097
Home and community services	4,462,681	4,018,281
Interest	1,123,393	1,257,115
Total Expenses	41,195,843	40,164,938
Change in Net Position	(3,087,964)	(3,212,631)
Net Position Beginning, as reported	13,231,021	16,443,652
Cumulative Effect of Change in Accounting Principle	(45,451,739)	-
Net Position - Beginning, as restated	(32,220,718)	16,443,652
Net Position - Ending	\$ (35,308,682)	\$ 13,231,021

Governmental Activities

Governmental activities decreased the Village's net position by \$3,087,964 prior to cumulative effect of change in accounting principle of (\$45,451,739).

For the fiscal year ended May 31, 2019, revenues from governmental activities totaled \$38,107,879. Real estate property tax revenues for Fiscal Year 2018-2019 were \$25,282,703. Total tax revenues (\$28,944,760), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (75.95%). Total Program Revenues were \$8,224,649.

For the fiscal year ended May 31, 2019, expenses from governmental activities totaled \$41,195,843. The largest components of governmental activities' expenses are public safety \$17,110,068 (41.53%), home and community services \$4,462,681 (10.83%), general government support \$9,635,184 (23.39%), Culture and Recreation \$4,479,166 (10.87%) and Transportation \$3,906,455 (9.49%). Public Safety includes the following: Police, Fire & Safety Inspection and Animal Control. Home and Community Services includes the following: Zoning, Planning, Storm and Sanitary Sewers, Refuse Collection & Recycling, and Shade Trees. General Government Support includes the following: Board of Trustees, Village Manager, Village Treasurer, Village Offices, Clerk, Law, Management Information Systems, Central Communications, Central Garage, Central Supplies, Central Printing and Mail, Unallocated Insurance, Consulting Fees, Bonding Expenses, Taxes on Village Property, Judgments and Claims and Contingency. Transportation includes the following: Highway Maintenance, Snow Removal, Street and Traffic Lights.

Financial Analysis of the Village's Funds

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

Fund Balance Reporting

GASB issued Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective for financial statements for the fiscal period ending June 30, 2011; therefore they are reflected in this analysis for the first time. Statement No. 54 abandons the reserved and unreserved classifications of fund balance and replaces them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale and principal of endowments.

Restricted – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year and that require the same level of formal action to remove the constraint.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of

the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

Unassigned – represents the residual classification for the government's General Fund and could report a surplus or deficit. In funds other than the General Fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

According to GASB, these changes were made to bring greater clarity and consistency to fund balance reporting.

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, the total of assigned and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year the Village's governmental funds reported combined ending fund balances of \$9,761,502 which included a negative \$9,170,560 Capital Projects fund balance, and a positive \$2,430,725 Water fund balance. \$6,560,223 of the total ending fund balance constitutes assigned and unassigned fund balance. Of this amount, \$600,000 of this fund balance has been appropriated for use in the 2019-2020 budget. A portion of fund balance \$2,865,585 restricted to indicate that it is not available for new spending because it has already been restricted to trusts (\$1,083,106), debt service (\$1,614,616), debt service designated for subsequent years (\$158,000), and law enforcement (\$9,863).

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, total fund balance of the General Fund was \$13,416,078, of which \$1,360,940 was assigned: \$760,940 for encumbrances and \$600,000 appropriated for 2019-20 budget.

Actual results of general fund operations resulted in an increase in the General Fund Balance by \$409,008. Revenues and Other Financing Sources were \$36,322,132 which was \$483,815 or 1.35% more than the final budget. Expenditures were \$35,913,124 which was \$2,457,741 or 6.84% less than the final budget.

The major areas where revenues exceeded budget were: Non-Property taxes of \$241,867, Licenses and Permits of \$93,466, and Fines and forfeitures of \$32,058 for emergency assistance.

The major areas where spending was less than budgeted were General government support of \$567,023, Public Safety \$691,319, and Employee Benefits of \$428,011.

The Capital Projects Fund has an unassigned deficit of \$9,170,560, which is normal due to the fact that this includes short-term bond anticipation notes. These short-term notes will be paid off over a period of five years from their dates of issue. As of May 31, 2019, the majority of capital projects are financed by short and long term debt.

General Fund Budgetary Highlights

The difference between the appropriations in the original adopted budget and the appropriations in the final amended budget for the General Fund was an increase of \$1,711,762. This increase was to provide funding for various programs, functional categories, and transfers to the Capital Projects Fund.

Capital Assets and Debt Administration

Capital Assets

The value of the Village's investment in capital assets for governmental activities at May 31, 2019, net of accumulated depreciation, was \$62,670,501. This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment and construction-in-progress.

Major capital asset activity during the current fiscal year is depicted in the following chart:

Capital Assets

	2019	2018
Capital Assets, not being depreciated:		
Land	\$ 2,843,273	\$ 2,843,273
Construction-in-Progress	7,222,826	6,247,166
Total Capital Assets, not being depreciated	10,066,099	9,090,439
Capital Assets, being depreciated:		
Buildings and improvements	73,462,706	70,424,492
Infrastructure	21,540,810	21,469,191
Machinery and equipment	18,988,571	18,346,546
Total Capital Assets, being depreciated	113,992,087	110,240,229
Less Accumulated Depreciation for:		
Infrastructure	37,904,870	35,672,711
Buildings and Improvements	8,234,991	7,785,933
Machinery and Equipment	15,247,824	14,051,696
Total Accumulated Depreciation	61,387,685	57,510,340
Total Capital Assets being Depreciated, Net	52,604,402	52,729,889
Capital Assets, net	<u>\$ 62,670,501</u>	<u>\$ 61,820,328</u>

Long-Term Debt/Short-Term Debt

At the end of the fiscal 2019 year, the Village had total bonded debt outstanding of \$35,524,998.

Total short-term and long-term debt outstanding at May 31, 2019 was \$40,516,711. As required by New York State Law, all bonds and notes issued by the Village are general obligation bonds, backed by the full faith and credit of the Village.

Known as the "constitutional debt limit", and pursuant to New York State Local Finance Law §104, the Village must limit total outstanding long-term debt to no more than 2% of the five-year average full valuation of real property. At May 31, 2019, the Village's five-year average full valuation was \$4,060,672,966 and the constitutional debt limit is \$81,213,459.

Economic Factors and Next Year's Budgets and Rates

Even though the Federal Reserve Board has kept interest rates low, the economy remains fragile and weak. There has been slight movement in home sales and refinancing. As a result, the Mortgage Tax again had a slight increase, but remains less than in previous years. Also, due to low interest rates, the Village's interest earnings are anticipated to be significantly lower again for 2019-2020. There continues to be some improvement in consumer spending as evidenced in the continued increase in Sales Tax Revenues distributed by Westchester County.

The Village appropriated unrestricted general fund balance in the amount of \$600,000 for expenditures in FY 2019-2020.

Chapter 97 of the Laws of 2011 established a tax levy limit on all local governments in New York State, effective January 1, 2012. This law requires that local governments maintain any property tax levy increase to no more than 2 per cent or the rate of inflation, whichever is less. While the Village Board of Trustees voted to over-ride the property cap tax limit, the actual tax levy limit remained within two percent.

The 2019-20 tax levy for Village of Mamaroneck was also within the allowable limit although the tax over-ride was approved for 2019-20.

Requests for Information

This financial report is designed to provide a general overview of the Village of Mamaroneck's finances. Questions and comments concerning any of the information provided in this report should be addressed to Agostino Fusco, Clerk-Treasurer, Village of Mamaroneck, 123 Mamaroneck Avenue, Mamaroneck, New York, 10543.

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Village of Mamaroneck, New York

Statement of Net Position

May 31, 2019

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 14,584,235
Receivables	
Accounts	1,851,845
State and Federal aid	41,913
Due from other governments	10,494,952
Capital assets	
Not being depreciated	10,066,099
Being depreciated, net	52,604,402
	<hr/>
Total Assets	89,643,446
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	5,048,950
	<hr/>
LIABILITIES	
Accounts payable	2,156,364
Accrued liabilities	81,442
Due to other governments	21,562
Due to retirement systems	395,362
Bond anticipation notes payable	4,991,713
Accrued interest payable	268,567
Non-current liabilities	
Due within one year	2,451,000
Due in more than one year	117,916,299
	<hr/>
Total Liabilities	128,282,309
	<hr/>
DEFERRED INFLOWS OF RESOURCES	1,718,769
	<hr/>
NET POSITION	
Net investment in capital assets	33,194,502
Restricted	
Law enforcement	9,863
Special purpose	1,083,106
Debt service	1,772,616
Unrestricted	(71,368,769)
	<hr/>
Total Net Position	\$ (35,308,682)
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The notes to the financial statements are an integral part of this statement.

Village of Mamaroneck, New York

Statement of Activities
Year Ended May 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
General government support	\$ 9,635,184	\$ 1,363,446	\$ -	\$ -
Public safety	17,110,068	1,220,872	308,441	41,000
Health	473,347	-	-	-
Transportation	3,906,455	1,290,530	-	-
Economic opportunity and development	5,549	26,575	-	-
Culture and recreation	4,479,166	1,394,964	-	-
Home and community services	4,462,681	1,815,805	219,608	153,714
Interest	1,123,393	-	-	389,694
Total Governmental Activities	<u>\$ 41,195,843</u>	<u>\$ 7,112,192</u>	<u>\$ 528,049</u>	<u>\$ 584,408</u>

General revenues

Real property taxes

Other tax items

Payments in lieu of taxes

Interest and penalties on real property taxes

Non-property taxes

Non-property tax distribution from County

Utilities gross receipts taxes

Unrestricted use of money and property

Sale of property and compensation for loss

Unrestricted State aid

Insurance recoveries

Total General Revenues

Change in Net Position

Net Position - Beginning, as reported

Cumulative Effect of Change in Accounting Principle

Net Position - Beginning, as restated

Net Position - Ending

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

<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Position</u>	
\$	(8,271,738)
	(15,539,755)
	(473,347)
	(2,615,925)
	21,026
	(3,084,202)
	(2,273,554)
	<u>(733,699)</u>
	<u>(32,971,194)</u>
	25,282,703
	47,623
	222,567
	3,059,645
	332,222
	26,729
	60,727
	576,588
	<u>274,426</u>
	<u>29,883,230</u>
	<u>(3,087,964)</u>
	13,231,021
	<u>(45,451,739)</u>
	<u>(32,220,718)</u>
\$	<u><u>(35,308,682)</u></u>

Village of Mamaroneck, New York

Balance Sheet
Governmental Funds
May 31, 2019

	General	Water	Capital Projects
ASSETS			
Cash and equivalents	\$ 6,922,484	\$ 2,812,087	\$ 2,616,374
Other receivables			
Accounts	814,510	897,993	-
State and Federal aid	25,913	-	16,000
Due from other governments	10,494,952	-	-
Due from other funds	6,097,657	2,171	-
Total Assets	\$ 24,355,516	\$ 3,712,251	\$ 2,632,374
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 501,386	\$ 6,132	\$ 1,645,706
Accrued liabilities	81,442	-	-
Due to other funds	374,686	1,275,394	5,165,515
Due to other governments	21,562	-	-
Unearned revenues	9,565,000	-	-
Due to retirement systems	395,362	-	-
Bond anticipation notes payable	-	-	4,991,713
Total Liabilities	10,939,438	1,281,526	11,802,934
Fund balances (deficits)			
Restricted	9,863	-	-
Committed	335,694	-	-
Assigned	1,360,940	2,430,725	-
Unassigned	11,709,581	-	(9,170,560)
Total Fund Balances (Deficits)	13,416,078	2,430,725	(9,170,560)
Total Liabilities and Fund Balances (Deficits)	\$ 24,355,516	\$ 3,712,251	\$ 2,632,374

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

<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
\$ 2,233,290	\$ 14,584,235
139,342	1,851,845
-	41,913
-	10,494,952
1,763,280	7,863,108
<u>\$ 4,135,912</u>	<u>\$ 34,836,053</u>

\$ 3,140	\$ 2,156,364
-	81,442
1,047,513	7,863,108
-	21,562
-	9,565,000
-	395,362
-	4,991,713
<u>1,050,653</u>	<u>25,074,551</u>

2,855,722	2,865,585
-	335,694
229,537	4,021,202
-	2,539,021
<u>3,085,259</u>	<u>9,761,502</u>
<u>\$ 4,135,912</u>	<u>\$ 34,836,053</u>

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Village of Mamaroneck, New York

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position Year Ended May 31, 2019

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

Fund Balances - Total Governmental Funds	\$ 9,761,502
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>62,670,501</u>
Governmental funds do not report the effect of losses on refunding bonds, assets or liabilities related to net pension liabilities and other post employment benefit obligations whereas these amounts are deferred and amortized in the statement of activities.	
Deferred amounts on net pension liabilities	1,576,425
Deferred amounts on other post employment benefits	1,178,121
Deferred amounts on refunding bonds	<u>575,635</u>
	<u>3,330,181</u>
Other long-term assets are not available to pay for current-period expenditures and therefore, are reported as unearned in the funds.	
Departmental income	<u>9,565,000</u>
Long-term and other liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(268,567)
Bonds payable	(37,572,148)
Claims payable	(416,186)
Compensated absences	(1,587,048)
Net pension liability	(4,758,529)
Other post employment benefit obligations payable	<u>(76,033,388)</u>
	<u>(120,635,866)</u>
Net Position of Governmental Activities	<u>\$ (35,308,682)</u>

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

Village of Mamaroneck, New York

Statement of Revenues, Expenditures and
 Changes in Fund Balances
 Governmental Funds
 Year Ended May 31, 2019

	General	Water	Capital Projects
REVENUES			
Real property taxes	\$ 25,282,703	\$ -	\$ -
Other tax items	270,190	-	-
Non-property taxes	3,391,867	-	-
Departmental income	3,046,994	-	-
Intergovernmental charges	853,222	-	-
Use of money and property	232,279	9,618	-
Licenses and permits	1,032,066	-	-
Fines and forfeitures	1,011,558	-	-
Sale of property and compensation for loss	60,727	-	-
State aid	696,492	-	194,714
Miscellaneous	169,608	1,196,267	-
Total Revenues	36,047,706	1,205,885	194,714
EXPENDITURES			
Current			
General government support	6,488,210	-	-
Public safety	10,165,102	-	-
Health	211,319	-	-
Transportation	1,449,340	-	-
Economic opportunity and development	2,867	-	-
Culture and recreation	2,567,182	-	-
Home and community services	1,966,106	63,435	-
Employee benefits	10,326,690	-	-
Debt service			
Refunding bond issuance costs	-	-	-
Principal	1,752,007	555,029	-
Interest	948,004	162,338	-
Capital outlay	-	-	4,287,499
Total Expenditures	35,876,827	780,802	4,287,499
Excess (Deficiency) of Revenues Over Expenditures	170,879	425,083	(4,092,785)
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	274,426	-	-
Issuance premium	-	-	-
Refunding bonds issued	-	-	-
Payment to refunded bond escrow agent	-	-	-
Transfers in	-	-	36,297
Transfers out	(36,297)	-	-
Total Other Financing Sources	238,129	-	36,297
Net Change in Fund Balances	409,008	425,083	(4,056,488)
FUND BALANCES (DEFICITS)			
Beginning of Year	13,007,070	2,005,642	(5,114,072)
End of Year	\$ 13,416,078	\$ 2,430,725	\$ (9,170,560)

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

Non-Major	Total Governmental Funds
\$ -	\$ 25,282,703
-	270,190
-	3,391,867
-	3,046,994
-	853,222
96,277	338,174
-	1,032,066
-	1,011,558
-	60,727
-	891,206
788,871	2,154,746
885,148	38,333,453
-	6,488,210
-	10,165,102
-	211,319
-	1,449,340
-	2,867
9,273	2,576,455
180,347	2,209,888
-	10,326,690
133,123	133,123
242,964	2,550,000
88,371	1,198,713
-	4,287,499
654,078	41,599,206
231,070	(3,265,753)
-	274,426
1,803,487	1,803,487
13,925,000	13,925,000
(15,595,364)	(15,595,364)
-	36,297
-	(36,297)
133,123	407,549
364,193	(2,858,204)
2,721,066	12,619,706
\$ 3,085,259	\$ 9,761,502

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Village of Mamaroneck, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended May 31, 2019

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

Net Change in Fund Balances - Total Governmental Funds \$ (2,858,204)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay expenditures	4,762,514
Depreciation expense	<u>(3,912,341)</u>
	<u>850,173</u>

Revenues that were reported in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Departmental income	<u>(500,000)</u>
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Refunding bonds issued	(13,925,000)
Issuance premium	(1,803,487)
Payment to refunded bond escrow agent	15,595,364
Principal paid on bonds	2,550,000
Amortization of loss on refunding and issuance premium	<u>7,635</u>
	<u>2,424,512</u>

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

Accrued interest	67,685
Claims	(19,095)
Compensated absences	26,353
Pension liabilities	(745,860)
Other post employment benefit obligations	<u>(2,333,528)</u>
	<u>(3,004,445)</u>

Change in Net Position of Governmental Activities	<u><u>\$ (3,087,964)</u></u>
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The notes to the financial statements are an integral part of this statement.

Village of Mamaroneck, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General and Water Funds
Year Ended May 31, 2019

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 25,267,407	\$ 25,267,407	\$ 25,282,703	\$ 15,296
Other tax items	197,318	197,318	270,190	72,872
Non-property taxes	3,150,000	3,150,000	3,391,867	241,867
Departmental income	2,667,131	2,841,701	3,046,994	205,293
Intergovernmental charges	842,282	842,282	853,222	10,940
Use of money and property	201,392	201,392	232,279	30,887
Licenses and permits	938,600	938,600	1,032,066	93,466
Fines and forfeitures	979,500	979,500	1,011,558	32,058
Sale of property and compensation for loss	40,500	40,500	60,727	20,227
State aid	873,882	873,882	696,492	(177,390)
Federal aid	1,000	1,000	-	(1,000)
Miscellaneous	195,000	195,000	169,608	(25,392)
Total Revenues	35,354,012	35,528,582	36,047,706	519,124
EXPENDITURES				
Current				
General government support	6,206,698	7,055,233	6,488,210	567,023
Public safety	10,557,909	10,856,421	10,165,102	691,319
Health	200,437	222,656	211,319	11,337
Transportation	1,770,140	1,768,622	1,449,340	319,282
Economic opportunity and development	2,000	2,860	2,867	(7)
Culture and recreation	2,593,668	2,736,810	2,567,182	169,628
Home and community services	2,227,471	2,229,734	1,966,106	263,628
Employee benefits	10,393,250	10,754,701	10,326,690	428,011
Debt service				
Principal	1,752,006	1,752,007	1,752,007	-
Interest	955,524	955,524	948,004	7,520
Total Expenditures	36,659,103	38,334,568	35,876,827	2,457,741
Excess (Deficiency) of Revenues Over Expenditures	(1,305,091)	(2,805,986)	170,879	2,976,865
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	75,000	99,735	274,426	174,691
Transfers in	210,000	210,000	-	(210,000)
Transfers out	-	(36,297)	(36,297)	-
Total Other Financing Sources (Uses)	285,000	273,438	238,129	(35,309)
Net Change in Fund Balances	(1,020,091)	(2,532,548)	409,008	2,941,556
FUND BALANCES				
Beginning of Year	1,020,091	2,532,548	13,007,070	10,474,522
End of Year	\$ -	\$ -	\$ 13,416,078	\$ 13,416,078

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

Water Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,500	2,500	9,618	7,118
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
835,000	835,000	1,196,267	361,267
837,500	837,500	1,205,885	368,385
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
25,000	25,000	63,435	(38,435)
-	-	-	-
555,028	555,028	555,029	(1)
162,338	162,338	162,338	-
742,366	742,366	780,802	(38,436)
95,134	95,134	425,083	329,949
-	-	-	-
-	-	-	-
(50,000)	(50,000)	-	50,000
(50,000)	(50,000)	-	50,000
45,134	45,134	425,083	379,949
(45,134)	(45,134)	2,005,642	2,050,776
\$ -	\$ -	\$ 2,430,725	\$ 2,430,725

Village of Mamaroneck, New York

Statement of Assets and Liabilities
Fiduciary Fund
May 31, 2019

	<u>Agency</u>
ASSETS	
Cash and equivalents	<u>\$ 857,590</u>
LIABILITIES	
Accounts payable	\$ 622,620
Employee payroll deductions	19,444
Deposits	<u>215,526</u>
Total Liabilities	<u>\$ 857,590</u>

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

Note 1 - Summary of Significant Accounting Policies

The Village of Mamaroneck, New York ("Village") was established in 1895 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Manager serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Village conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Village's more significant accounting policies:

A. Financial Reporting Entity

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

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

B. Government-Wide Financial Statements

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Fund Financial Statements

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

Fund Categories

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

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

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

Water Fund - The Water Fund is used to account for distributions from the Westchester Joint Water Works.

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

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

Special Revenue Funds

Sewer Fund - The Sewer Fund is used to account for the operation and maintenance of the Village's sewer system.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. The Village's Agency Fund is primarily utilized to account for various deposits that are payable to other jurisdictions or individuals.

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

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

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

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

Risk Disclosure

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2019.

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

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

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

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

Due From/To Other Funds - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of May 31, 2019, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

<u>Class</u>	<u>Life in Years</u>
Infrastructure	10-65
Buildings and improvements	20-50
Machinery and equipment	5-10

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

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

Unearned revenues in fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$9,565,000 for amounts due from the Mamaroneck Public Library for outstanding bonds, in the General Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
New York State and Local Employees' Retirement System	\$ 1,226,547	\$ 652,684
New York State and Local Police and Fire Retirement System	2,068,647	1,066,085
Other Post Employment Benefits	1,178,121	-
Deferred Amounts on Refunding Bonds	575,635	-
	<u>\$ 5,048,950</u>	<u>\$ 1,718,769</u>

The amounts reported as deferred outflows of resources and deferred inflows of resources in relation to its pension obligations are detailed in the discussion of the Village's pension plans in Note 3F.

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

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

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

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

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors or laws or regulations of

Note 1 - Summary of Significant Accounting Policies (Continued)

other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for law enforcement, special purpose and debt service. The balance is classified as unrestricted.

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

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

F. Encumbrances

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

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 21, 2019.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) On or before March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, 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 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for General, Water and Debt Service funds.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- f) Budgets for General, Water and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Sewer and 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 modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in General, Water and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

B. Property Tax Limitation

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2018-2019 fiscal year was \$82,303,199, inclusive of exclusions, which exceeded the actual levy by \$57,035,792.

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

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

Note 2 - Stewardship, Compliance and Accountability (Continued)

year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

C. Capital Projects Fund Project Deficits

The unassigned deficit in the Capital Projects Fund of \$9,170,560 arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits where no bond anticipation notes are outstanding arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

D. Excess of Actual Expenditures Over Budget

The following category of expenditures exceeded their budgetary authorization by the amount indicated:

General Fund		
Economic Opportunity and Development		
Publicity	\$	7
Home and Community Services		
Sanitary Sewers		30
Water Fund		
Home and Community Services		
Meter Installation and Hydrant Rentals		38,435
Debt Service		
Principal – Serial Bonds		1

The following capital projects exceeded their budgetary authorization by the amounts indicated below:

Taylor Lane Site Clean-up	\$	7,880
Wayfinding Signage Master Plan		8,272
Sanitary Sewer Inflow and Infiltration		184,651
New Sidewalk - Orienta and Old Boston Post Road		84,837
Warren Ave. Playground		1,399
Marine Ed Center Expansion		6,599
Custom Bench for Court Room		4,900
A-1320 WJWW Replace Boom and Turbidity		9
A-1329 WJWW Bayhead Asbestos Replacement		32,833
Retrofitting of Multi-Parking Meter		820
A-1342 to 14 Inch Valve Purchase Street		25,561
A-1343 Replace 740 Linear		89,394
A-1344 to 14-inch Valve N Barry Avenue		21,496
A-1345 to 14-inch Valve Mamaroneck Avenue		51,382

Note 2 - Stewardship, Compliance and Accountability (Continued)

E. Cumulative Effect of Change in Accounting Principle

For the year ended May 31, 2019, the Village implemented GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("OPEB")". This statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governments by establishing standards for recognizing and measuring liabilities, deferred outflows/inflows of resources and expenses/expenditures. This statement identified the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to the periods of employee service. As a result of adopting these standards, the government-wide financial statements reflect a cumulative effect for the change in accounting principle of (\$45,451,739).

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at May 31, 2019 consisted of the following:

Prior years	\$	33,337
Less - Allowance for uncollectible taxes		<u>33,337</u>
	\$	<u><u>-</u></u>

B. Due From/To Other Funds

The balances reflected as due from/to other funds at May 31, 2019 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 6,097,657	\$ 374,686
Water	2,171	1,275,394
Capital Projects	-	5,165,515
Non-Major Governmental	<u>1,763,280</u>	<u>1,047,513</u>
	<u>\$ 7,863,108</u>	<u>\$ 7,863,108</u>

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

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)
May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

C. Capital Assets

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

Class	Balance June 1, 2018	Additions	Deductions	Balance May 31, 2019
Capital Assets, not being depreciated:				
Land	\$ 2,843,273	\$ -	\$ -	\$ 2,843,273
Construction-in-Progress	6,247,166	4,287,499	3,311,839	7,222,826
Total Capital Assets, not being depreciated	<u>\$ 9,090,439</u>	<u>\$ 4,287,499</u>	<u>\$ 3,311,839</u>	<u>\$ 10,066,099</u>
Capital Assets, being depreciated:				
Infrastructure	\$ 70,424,492	\$ 3,038,214	\$ -	\$ 73,462,706
Buildings and Improvements	21,469,191	71,619	-	21,540,810
Machinery and Equipment	18,346,546	677,021	34,996	18,988,571
Total Capital Assets, being depreciated	<u>110,240,229</u>	<u>3,786,854</u>	<u>34,996</u>	<u>113,992,087</u>
Less Accumulated Depreciation for:				
Infrastructure	35,672,711	2,232,159	-	37,904,870
Buildings and Improvements	7,785,933	449,058	-	8,234,991
Machinery and Equipment	14,051,696	1,231,124	34,996	15,247,824
Total Accumulated Depreciation	<u>57,510,340</u>	<u>3,912,341</u>	<u>34,996</u>	<u>61,387,685</u>
Total Capital Assets, being depreciated, net	<u>\$ 52,729,889</u>	<u>\$ (125,487)</u>	<u>\$ -</u>	<u>\$ 52,604,402</u>
Capital Assets, net	<u>\$ 61,820,328</u>	<u>\$ 4,162,012</u>	<u>\$ 3,311,839</u>	<u>\$ 62,670,501</u>

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

General Government Support	\$ 340,797
Public Safety	853,919
Health	258,267
Transportation	1,323,567
Economic Opportunity and Development	2,682
Culture and Recreation	241,104
Home and Community Services	892,005
Total Depreciation Expense	<u>\$ 3,912,341</u>

D. Accrued Liabilities

Accrued liabilities at May 31, 2019 were as follows:

	General Fund
Payroll and employee benefits	<u>\$ 81,442</u>

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)
May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

E. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Interest Rate	Balance June 1, 2018	New Issues	Balance May 31, 2019
Bond Anticipation Notes Various Purposes	2019	03/26/20	3.00 %	<u>\$ 2,568,133</u>	<u>\$ 2,423,580</u>	<u>\$ 4,991,713</u>

Interest expenditures of \$42,888 were recorded in the fund financial statements as follows: \$38,057 in the General Fund and \$4,831 in the Sewer Fund. Interest expense of \$67,847 was recorded in the government-wide financial statements for governmental activities.

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

F. Long-Term Liabilities

The following table summarizes the changes in the Village's long-term indebtedness for the year ended May 31, 2019:

	Balance June 1, 2018	Cumulative Effect of Change in Accounting Principle*	Balance as Restated June 1, 2018	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2019	Due Within One-Year
General Obligation Bonds Payable							
Capital construction	\$ 25,579,921	\$ -	\$ 25,579,921	\$ 13,925,000	\$ 13,544,923	\$ 25,959,998	\$ 1,735,000
Judgement and claims	3,925,077	-	3,925,077	-	3,925,077	-	-
Other	10,065,000	-	10,065,000	-	500,000	9,565,000	515,000
	39,569,998	-	39,569,998	13,925,000	17,970,000	35,524,998	2,250,000
Plus							
Unamortized premium on bonds	285,373	-	285,373	1,803,487	41,710	2,047,150	-
Other Non-Current Liabilities	39,855,371	-	39,855,371	15,728,487	18,011,710	37,572,148	2,250,000
Claims Payable	397,091	-	397,091	70,046	50,951	416,186	42,000
Compensated Absences	1,613,401	-	1,613,401	134,647	161,000	1,587,048	159,000
Net Pension Liability	2,701,563	-	2,701,563	2,056,966	-	4,758,529	-
Other Post Employment Benefit Obligations Payable	27,070,000	45,451,739	72,521,739	7,924,477	4,412,828	76,033,388	-
Total Other Non-Current Liabilities	31,782,055	45,451,739	77,233,794	10,186,136	4,624,779	82,795,151	201,000
Total Long-Term Liabilities	<u>\$ 71,637,426</u>	<u>\$ 45,451,739</u>	<u>\$ 117,089,165</u>	<u>\$ 25,914,623</u>	<u>\$ 22,636,489</u>	<u>\$ 120,367,299</u>	<u>\$ 2,451,000</u>

*See Note 2E.

Each governmental fund's liability for general obligation bonds, claims, compensated absences, net pension liability and other post employment benefit obligations is liquidated by the General, Water and Sewer funds.

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)**General Obligation Bonds Payable**

General obligation bonds payable at May 31, 2019 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2019
Various Public Improvements and Judgements and Claims	2011	\$ 24,315,000	May, 2031	2.75 - 4.50 %	1,094,998
Various Public Improvements	2016	10,731,652	March, 2037	2.00 - 2.50	9,940,000
Refunding	2017	10,895,000	August, 2033	3.00	10,565,000
Refunding	2019	13,925,000	August 2030	1.30 - 2.00	13,925,000
					<u>\$ 35,524,998</u>

Interest expenditures of \$1,155,825 were recorded in the fund financial statements in the following funds:

Fund	Amount
General	\$ 909,947
Water	162,338
Sewer	<u>83,540</u>
	<u>\$ 1,155,825</u>

Interest expense of \$1,055,546 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of May 31, 2019, including interest payments of \$8,148,492 are as follows:

Year Ending May 31,	Principal	Interest
2020	\$ 2,250,000	\$ 967,474
2021	2,110,000	1,050,463
2022	2,235,000	970,213
2023	2,230,000	886,688
2024	2,300,000	801,338
2025-2029	12,810,000	2,634,338
2030-2034	9,675,000	767,525
2035-2037	1,914,998	70,453
	<u>\$ 35,524,998</u>	<u>\$ 8,148,492</u>

Note 3 - Detailed Notes on All Funds (Continued)

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

Refunding Bonds

During the current fiscal year, the Village issued \$13,925,000 in serial bonds with interest rates ranging from 1.3% to 2.0%, depending on maturity. The proceeds were used to refund \$15,420,000 of the 2011A public improvement serial bonds bearing interest at 2.75% to 4.5%, depending on maturity. The net proceeds of \$15,595,364 (net of a \$1,803,487 re-offering premium and after payment of \$133,123 in underwriting fees and other issuance costs) were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2011A serial bonds. As a result, the 2011A serial bonds are considered defeased and the liability for those serial bonds has been removed from the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$308,487 and the premium received was \$1,803,487. These amounts are being netted against the new debt and amortized over the remaining life of the refunded debt. The refunding reduced its total debt service payments over 9 years by \$1,632,269 and to obtain a net present value economic gain of \$1,469,950.

Claims Payable

The government-wide financial statements reflect the liability for self-insured workers' compensation claims (See Note 4). These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred, but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities in the government-wide financial statements is as follows:

	May 31,	
	2019	2018
Balance - Beginning of Year	\$ 397,091	\$ 412,080
Provision for Claims and Claims Adjustment Expenses	70,046	35,244
Claims and Claims Adjustment Expenses Paid	(50,951)	(50,233)
Balance - End of Year	<u>\$ 416,186</u>	<u>\$ 397,091</u>
Due Within One Year	<u>\$ 42,000</u>	<u>\$ 40,000</u>

Note 3 - Detailed Notes on All Funds (Continued)

Compensated Absences

Pursuant to collective bargaining agreements, substantially all full-time employees, with the exception of police officers are entitled to accumulate sick leave up to a maximum of 260 days. These employees may receive payment for accumulated sick leave in an amount which represents 50% of the difference between the amount accumulated and 165 days. Police officers are entitled to unlimited sick leave and therefore, are not compensated for such leave. Vacation time is required to be taken in the year earned by police officers but may be accumulated by other employees. The value of compensated absences has been reflected in the government-wide financial statements.

Pension Plans

New York State and Local Retirement System

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

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2019 are as follows:

	<u>Tier/Plan/Option</u>	<u>Rate</u>
ERS	1 75I/41J	21.6 %
	2 75I/41J	19.6
	3 A14/41J	15.8
	4 A15/41J	15.8
	5 A15/41J	13.0
	6 A15/41J1	9.3

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Tier/Plan/Option</u>	<u>Rate</u>
PFRS	2 384D	24.0 %
	5 384D	19.4
	6 384D	14.4

At May 31, 2019, the Village reported the following for its proportionate share of the net pension liability for ERS and PFRS:

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2019	March 31, 2019
Net pension liability	\$ 1,834,191	\$ 2,924,338
Village's proportion of the net pension liability	0.0258873 %	0.1743726 %
Change in proportion since the prior measurement date	(0.0006660) %	(0.0081213) %

The net pension liability was measured as of March 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended May 31, 2019, the Village recognized pension expense in the government-wide financial statements of \$1,321,523 for ERS and \$1,892,377 for PFRS. Pension expenditures of \$1,045,967 for ERS and \$1,422,073 for PFRS were recorded in the fund financial statements in the General Fund.

At May 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>	<u>ERS</u>	<u>PFRS</u>	<u>PFRS</u>
	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>
	<u>Outflows</u>	<u>Inflows</u>	<u>Outflows</u>	<u>Inflows</u>
	<u>of Resources</u>	<u>of Resources</u>	<u>of Resources</u>	<u>of Resources</u>
Differences between expected and actual experience	\$ 361,191	\$ 123,126	\$ 710,403	\$ 312,221
Changes of assumptions	461,041	-	1,062,490	-
Net difference between projected and actual earnings on pension plan investments	-	470,755	-	585,674
Changes in proportion and differences between Village contributions and proportionate share of contributions	259,638	58,803	45,069	168,190
Village contributions subsequent to the measurement date	144,677	-	250,685	-
	<u>\$ 1,226,547</u>	<u>\$ 652,684</u>	<u>\$ 2,068,647</u>	<u>\$ 1,066,085</u>

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)
May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

\$144,677 and \$250,685 reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the Village's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Year Ended March 31,	ERS	PFRS
2020	\$ 481,200	\$ 565,356
2021	(311,141)	(134,819)
2022	11,651	(35,125)
2023	247,476	311,692
2024	-	44,773

The total pension liability for the March 31, 2019 measurement date was determined by using an actuarial valuation date noted below, with update procedures used to roll forward the total pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

	ERS	PFRS
Measurement date	March 31, 2019	March 31, 2019
Actuarial valuation date	April 1, 2018	April 1, 2018
Investment rate of return	7.0% *	7.0% *
Salary scale	4.2%	5.0%
Inflation rate	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

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

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

Note 3 - Detailed Notes on All Funds (Continued)

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	36 %	4.55 %
International Equity	14	6.35
Private Equity	10	7.50
Real Estate	10	5.55
Absolute Return Strategies	2	3.75
Opportunistic Portfolio	3	5.68
Real Assets	3	5.29
Bonds and Mortgages	17	1.31
Cash	1	(0.25)
Inflation Indexed Bonds	4	1.25
	<u>100 %</u>	

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

The discount rate used to calculate the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 8,019,375</u>	<u>\$ 1,834,191</u>	<u>\$ (3,361,803)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 10,568,122</u>	<u>\$ 2,924,338</u>	<u>\$ (3,459,108)</u>

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The components of the collective net pension liability as of the March 31, 2019 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 189,803,429,000	\$ 34,128,100,000	\$ 223,931,529,000
Fiduciary net position	182,718,124,000	32,451,037,000	215,169,161,000
Employers' net pension liability	<u>\$ 7,085,305,000</u>	<u>\$ 1,677,063,000</u>	<u>\$ 8,762,368,000</u>
Fiduciary net position as a percentage of total pension liability	<u>96.27%</u>	<u>95.09%</u>	<u>96.09%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of May 31, 2019 represent the employer contribution for the period of April 1, 2019 through May 31, 2019 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions to ERS and PFRS for the two months ended May 31, 2019 were \$144,677 and \$250,685, respectively.

Voluntary Defined Contribution Plan

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

Other Post Employment Benefit Obligations ("OPEB")

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

At May 31, 2019, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	112
Active employees	<u>139</u>
	<u>251</u>

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The Village's total OPEB liability of \$76,033,388 was measured as of May 31, 2019, and was determined by an actuarial valuation as of June 1, 2018.

The total OPEB liability in the June 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary increases	3.0%, average, including inflation
Discount rate	3.05%
Healthcare cost trend rates	8.0% for 2019, decreasing 0.5% per year to an ultimate rate of 5.0% for 2025 and later years

The discount rate was based on S&P municipal bond 20-year high grade rate index as of May 31, 2019.

Mortality rates were based on RP-2014 mortality table and MP-2016 projection.

The actuarial assumptions used in the June 1, 2018 valuation for turnover and retirement for ERS and PFRS were based on rates developed in the report "Annual Report to the Comptroller on Actuarial Assumptions."

The Village's change in the total OPEB liability for the year ended May 31, 2019 is as follows:

Total OPEB Liability - Beginning of Year	\$ 72,521,739
Service cost	2,036,271
Interest	2,180,204
Changes of benefit terms	-
Differences between expected and actual experience	1,374,474
Changes in assumptions or other inputs	-
Benefit payments	<u>(2,079,300)</u>
Total OPEB Liability - End of Year	<u>\$ 76,033,388</u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.05%) or 1 percentage point higher (4.05%) than the current discount rate:

	1% Decrease (2.05%)	Current Assumption (3.05%)	1% Increase (4.05%)
Total OPEB Liability	<u>\$ 87,874,782</u>	<u>\$ 76,033,388</u>	<u>\$ 64,191,995</u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

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

	1% Decrease (7.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 62,955,577</u>	<u>\$ 76,033,388</u>	<u>\$ 91,648,276</u>

For the year ended May 31, 2019, the Village recognized OPEB expense of \$4,412,828 in the government-wide financial statements. At May 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 1,178,121	\$ -
Differences between expected and actual experience	-	-
	<u>\$ 1,178,121</u>	<u>\$ -</u>

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

Year Ended May 31,	
2020	\$ 196,353
2021	196,353
2022	196,353
2023	196,353
2024	196,353
Thereafter	196,356

G. Revenues and Expenditures**Interfund Transfers**

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

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

<u>Transfers Out</u>	<u>Transfers In Capital Projects Fund</u>
General Fund	<u>\$ 36,297</u>

Transfers are used to move funds earmarked in the operating funds to fulfill commitments for General and Capital Projects funds expenditures.

H. Net Position

The components of net position are detailed below:

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

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

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

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

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

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)
May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

I. Fund Balances

	2019					2018				
	General Fund	Water Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Water Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable -										
Prepaid expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,614	\$ -	\$ -	\$ -	\$ 400,614
Restricted:										
Law enforcement	9,863	-	-	-	9,863	9,765	-	-	-	9,765
Special purposes	-	-	-	1,083,106	1,083,106	-	-	-	868,234	868,234
Debt service	-	-	-	1,614,616	1,614,616	-	-	-	1,521,778	1,521,778
Debt service - for subsequent year's expenditures	-	-	-	158,000	158,000	-	-	-	157,300	157,300
Total Restricted	9,863	-	-	2,855,722	2,865,585	9,765	-	-	2,547,312	2,557,077
Committed -										
Capital Projects	335,694	-	-	-	335,694	335,694	-	-	-	335,694
Assigned -										
Purchases on order:										
General government support	330,746	-	-	-	330,746	186,122	-	-	-	186,122
Public safety	196,970	-	-	-	196,970	133,212	-	-	-	133,212
Health	11,327	-	-	-	11,327	437	-	-	-	437
Transportation	44,491	-	-	-	44,491	5,500	-	-	-	5,500
Culture and recreation	68,629	-	-	-	68,629	60,284	-	-	-	60,284
Home and community services	108,777	-	-	-	108,777	34,536	-	-	-	34,536
	760,940	-	-	-	760,940	420,091	-	-	-	420,091
Subsequent year's expenditures										
Major funds	600,000	-	-	-	600,000	600,000	-	-	-	600,000
Non-Major governmental funds										
Sewer Fund	-	-	-	229,537	229,537	-	-	-	173,754	173,754
Major funds	-	2,430,725	-	-	2,430,725	-	2,005,642	-	-	2,005,642
Total Assigned	1,360,940	2,430,725	-	229,537	4,021,202	1,020,091	2,005,642	-	173,754	3,199,487
Unassigned	11,709,581	-	(9,170,560)	-	2,539,021	11,240,906	-	(5,114,072)	-	6,126,834
Total Fund Balances	\$ 13,416,078	\$ 2,430,725	\$ (9,170,560)	\$ 3,085,259	\$ 9,761,502	\$ 13,007,070	\$ 2,005,642	\$ (5,114,072)	\$ 2,721,066	\$ 12,619,706

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

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

Prepaid Expenditures has been provided to account for certain payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Committed for Capital Projects represents amounts that have been established by the Village Board and will be utilized to fund costs associated with various capital projects in the future budgets.

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

Subsequent year's expenditures represent that at May 31, 2019, the Village Board has assigned the above amounts to be appropriated for the ensuing year's budget and for future court awarded property tax refunds.

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

J. Joint Venture

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

The following is an audited summary of the General Fund special purpose financial information as of and for the year ended December 31, 2018 of the joint venture.

Total Assets	\$ 15,068,891
Total Liabilities	57,524,990
Net Deficiency	(42,456,099)
Total Revenues	27,316,318
Total Expenses	27,428,756
Net decrease in Net Assets	(112,438)

The Village of Mamaroneck and the Village of Larchmont formed the Tri-Municipal Larchmont-Mamaroneck Cable TV Board of Control. The Board was organized to administer the franchise agreement with UA-Columbia Cablevision of Westchester. The franchise fees received are used to operate three public cable-TV channels, serving the community interests of Larchmont and Mamaroneck.

Village of Mamaroneck, New York

Notes to Financial Statements (Continued)

May 31, 2019

Note 3 - Detailed Notes on All Funds (Continued)

The following is an audited summary of financial information as of and for the year ended December 31, 2018 of the joint venture.

Total Assets	\$	107,351
Total Liabilities		5,527
Net Assets		101,824
Total Revenues		768,092
Total Expenses		756,602
Net Decrease in Net Assets		11,490

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damages or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

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

There is a claim against the Village by a local golf course property owner for the Village's alleged failure to allow the plaintiff to rezone their property in order to construct condominiums. The claim for damages is \$55,000,000 of which the Village has insurance coverage of \$21,000,000. The Federal claims were dismissed on March 25, 2016 and the state claims were remanded to New York State Supreme Court. The plaintiff has appealed the Federal court's decision and the United States Court of Appeals affirmed the dismissal of those claims on November 18, 2016. On April 7, 2017 the State Supreme Court dismissed all claims against the zoning board of appeals but other causes of action against the Village and the Board of Trustees remain pending at this time. Plaintiffs seek to compel the Village Board to consider their rezoning application and find that the Village violated the Open Meetings Law. A discovery order was entered by the court and discovery is in preliminary stages. It is anticipated that a motion for summary judgment will be made once discovery is completed. The case is being defended by the Village's insurance company and legal counsel does not believe it is likely that there will be exposure to the Village.

The Village is defending a claim of excessive force by various police officers in which the plaintiff underwent spinal surgery and subsequently died of an apparent drug overdose. The case is now being prosecuted by his estate. Discovery is complete and there is a motion for a summary judgment. The Plaintiffs are seeking damages in the amount of \$3,000,000 in which the Village has submitted an answer with affirmative defenses and is vigorously defending the action under a reservation of rights letter from the insurance carrier.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

B. Contingencies

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

Westchester Joint Water Works ("WJWW") a joint venture of the Village as reported in note 3 is currently being fined by the New York State Health Department for not meeting a Supreme Court of the State of New York ruling requiring the construction of a filtration plant by December 3, 2008. These fines amount to \$49,597,500 as of December 31, 2018 and continue to accrue at \$13,750 a day. The Village' share of these fines is approximately \$13,340,000 or 26.9% of the total. Management of the WJWW has indicated that the State is holding in abeyance the imposition of these fines although they continue to be accrued by the WJWW. The Village has not accrued their share as the expectation of management is that the fines will be suspended or replaced with a negotiated settlement as the WJWW signed an inter-municipal agreement with the County for a filtration plant alternative.

The WJWW receives numerous additional notices of claims for money damages occurring from property damage or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the WJWW if adversely settled.

C. Risk Management

The Village was self-insured for general liability, auto physical damage, property and workers' compensation benefits through December 1, 1996. The Village's liability was limited to \$100,000 per occurrence for general liability and \$250,000 per occurrence up to a limit of \$1 million per year for workers' compensation. The estimated liability for the remaining claims has been recorded in the government-wide financial statements.

The Village, as of December 2, 1996, purchased various insurance coverages to reduce its exposure to loss. The Village maintains a general liability insurance policy with coverage up to \$1 million for each occurrence and \$3 million in the aggregate. The Village also maintains public officials liability insurance coverage with limits of \$1 million for each occurrence and \$3 million in the aggregate. The Village maintains two excess liability and public officials liability insurance policies with aggregate coverage of \$10 million for each policy that total \$20 million. The Village also purchases conventional health insurance and workers' compensation insurance with coverage at statutory levels. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

D. Tax Abatements

The Village has two real property tax abatement agreements with Sarah Neuman organized pursuant to Section 420-a of the Real Property Tax Law of the State of New York and Mamaroneck Towers, Pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York for the purpose of creating or preserving affordable housing in the Village.

Village of Mamaroneck, New York

Notes to Financial Statements (Concluded)
May 31, 2019

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

Generally, these agreements provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes ("PILOT") based on a percentage of shelter rents, and continue until the property no longer provides the required affordable housing or no longer complies with the requirements of the PHFL.

Copies of the agreements may be obtained from Agostino A Fusco, Clerk – Treasurer, 123 Mamaroneck Avenue, Mamaroneck, NY 10543, ClerkTreasurer@vomny.org. Information relevant to disclosure of these agreements for the fiscal year ended May 31, 2019 is as follows:

<u>Start Date</u>	<u>Agreement</u>	<u>Taxable Assessed Value</u>	<u>Tax Rate</u>	<u>Tax Value</u>	<u>PILOT Received</u>	<u>Taxes Abated</u>
06/13/1994	Sarah Neuman	\$ 25,680,000	6.6269	\$ 170,181	\$ 25,000	\$ 145,181
12/31/2014	Mamaroneck Towers	<u>11,250,000</u>	6.6269	<u>74,553</u>	<u>22,623</u>	<u>51,930</u>
		<u>\$ 36,930,000</u>		<u>\$ 244,734</u>	<u>\$ 47,623</u>	<u>\$ 197,111</u>

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Village of Mamaroneck, New York

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

	2019
Total OPEB Liability:	
Service cost	\$ 2,036,271
Interest	2,180,204
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	1,374,474
Benefit payments	(2,079,300)
Net Change in Total OPEB Liability	3,511,649
Total OPEB Liability – Beginning of Year	72,521,739 (3)
Total OPEB Liability – End of Year	\$ 76,033,388
Village's covered-employee payroll	\$ 15,288,199
Total OPEB liability as a percentage of covered-employee payroll	497.33%

Notes to Schedule:

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

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

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

Village of Mamaroneck, New York

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

	2019	2018	2017	2016
Village's proportion of the net pension liability	<u>0.0258873%</u>	<u>0.0265533%</u>	<u>0.0233639%</u>	<u>0.0251914%</u>
Village's proportionate share of the net pension liability	<u>\$ 1,834,191</u>	<u>\$ 856,993</u>	<u>\$ 2,195,326</u>	<u>\$ 4,043,296</u>
Village's covered payroll	<u>\$ 7,554,902</u>	<u>\$ 7,477,329</u>	<u>\$ 7,332,384</u>	<u>\$ 6,627,962</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>24.28%</u>	<u>11.46%</u>	<u>29.94%</u>	<u>61.00%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31st measurement date within the current fiscal year.

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

Village of Mamaroneck, New York**Required Supplementary Information - Schedule of Contributions
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 1,051,627	\$ 1,099,896	\$ 1,016,240	\$ 1,312,985
Contributions in relation to the contractually required contribution	<u>(1,051,627)</u>	<u>(1,099,896)</u>	<u>(1,016,240)</u>	<u>(1,312,985)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 7,545,549</u>	<u>\$ 7,496,079</u>	<u>\$ 7,153,913</u>	<u>\$ 6,665,438</u>
Contributions as a percentage of covered payroll	<u>13.94%</u>	<u>14.67%</u>	<u>14.21%</u>	<u>19.70%</u>

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

Village of Mamaroneck, New York

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

	2019	2018	2017	2016
Village's proportion of the net pension liability	<u>0.1743726%</u>	<u>0.1824939%</u>	<u>0.1809302%</u>	<u>0.2038508%</u>
Village's proportionate share of the net pension liability	<u>\$ 2,924,338</u>	<u>\$ 1,844,570</u>	<u>\$ 3,750,053</u>	<u>\$ 6,035,588</u>
Village's covered payroll	<u>\$ 6,673,105</u>	<u>\$ 6,420,690</u>	<u>\$ 6,700,136</u>	<u>\$ 6,395,581</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>43.82%</u>	<u>28.73%</u>	<u>55.97%</u>	<u>94.37%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>95.09%</u>	<u>96.93%</u>	<u>93.50%</u>	<u>90.20%</u>

Note - The amounts presented for each fiscal year were determined as of the March 31st measurement date within the current fiscal year.

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

Village of Mamaroneck, New York

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 1,441,046	\$ 1,599,645	\$ 1,495,680	\$ 1,683,734
Contributions in relation to the contractually required contribution	<u>(1,441,046)</u>	<u>(1,599,645)</u>	<u>(1,495,680)</u>	<u>(1,683,734)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered payroll	<u>\$ 6,644,457</u>	<u>\$ 6,546,207</u>	<u>\$ 6,424,300</u>	<u>\$ 6,375,845</u>
Contributions as a percentage of covered payroll	<u>21.69%</u>	<u>24.44%</u>	<u>23.28%</u>	<u>26.41%</u>

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

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Village of Mamaroneck, New York

General Fund Comparative Balance Sheet May 31,

	2019	2018
ASSETS		
Cash and equivalents	\$ 6,922,484	\$ 8,881,277
Taxes receivable, net of allowance for uncollectible taxes of \$33,337 in 2019 and \$34,012 in 2018	-	-
Other receivables		
Accounts	814,510	558,868
State and Federal aid	25,913	27,987
Due from other governments	10,494,952	12,157,467
Due from other funds	6,097,657	5,188,263
	17,433,032	17,932,585
Prepaid expenditures	-	400,614
Total Assets	\$ 24,355,516	\$ 27,214,476
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 501,386	\$ 573,780
Accrued liabilities	81,442	-
Due to other funds	374,686	3,148,630
Due to other governments	21,562	-
Unearned revenues	9,565,000	10,065,000
Due to retirement systems	395,362	419,996
Total Liabilities	10,939,438	14,207,406
Fund balance		
Nonspendable	-	400,614
Restricted	9,863	9,765
Committed	335,694	335,694
Assigned	1,360,940	1,020,091
Unassigned	11,709,581	11,240,906
Total Fund Balance	13,416,078	13,007,070
Total Liabilities and Fund Balance	\$ 24,355,516	\$ 27,214,476

See independent auditors' report.

Village of Mamaroneck, New York

General Fund

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

2019

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 25,267,407	\$ 25,267,407	\$ 25,282,703	\$ 15,296
Other tax items	197,318	197,318	270,190	72,872
Non-property taxes	3,150,000	3,150,000	3,391,867	241,867
Departmental income	2,667,131	2,841,701	3,046,994	205,293
Intergovernmental charges	842,282	842,282	853,222	10,940
Use of money and property	201,392	201,392	232,279	30,887
Licenses and permits	938,600	938,600	1,032,066	93,466
Fines and forfeitures	979,500	979,500	1,011,558	32,058
Sale of property and compensation for loss	40,500	40,500	60,727	20,227
State aid	873,882	873,882	696,492	(177,390)
Federal aid	1,000	1,000	-	(1,000)
Miscellaneous	195,000	195,000	169,608	(25,392)
Total Revenues	35,354,012	35,528,582	36,047,706	519,124
EXPENDITURES				
Current				
General government support	6,206,698	7,055,233	6,488,210	567,023
Public safety	10,557,909	10,856,421	10,165,102	691,319
Health	200,437	222,656	211,319	11,337
Transportation	1,770,140	1,768,622	1,449,340	319,282
Economic opportunity and development	2,000	2,860	2,867	(7)
Culture and recreation	2,593,668	2,736,810	2,567,182	169,628
Home and community services	2,227,471	2,229,734	1,966,106	263,628
Employee benefits	10,393,250	10,754,701	10,326,690	428,011
Debt service				
Principal	1,752,006	1,752,007	1,752,007	-
Interest	955,524	955,524	948,004	7,520
Total Expenditures	36,659,103	38,334,568	35,876,827	2,457,741
Excess (Deficiency) of Revenues Over Expenditures	(1,305,091)	(2,805,986)	170,879	2,976,865
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	75,000	99,735	274,426	174,691
Transfers in	210,000	210,000	-	(210,000)
Transfers out	-	(36,297)	(36,297)	-
Total Other Financing Sources (Uses)	285,000	273,438	238,129	(35,309)
Net Change in Fund Balance	(1,020,091)	(2,532,548)	409,008	2,941,556
FUND BALANCE				
Beginning of Year	1,020,091	2,532,548	13,007,070	10,474,522
End of Year	\$ -	\$ -	\$ 13,416,078	\$ 13,416,078

See independent auditors' report.

2018

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 24,642,487	\$ 24,642,487	\$ 24,629,989	\$ (12,498)
167,066	167,066	225,715	58,649
3,060,000	3,060,000	3,357,131	297,131
2,469,550	2,469,550	3,129,016	659,466
868,384	868,384	875,233	6,849
218,322	218,320	302,716	84,396
848,300	848,302	1,460,173	611,871
919,000	919,000	1,102,338	183,338
40,400	40,400	37,765	(2,635)
950,000	979,500	630,953	(348,547)
-	-	-	-
194,000	194,000	176,814	(17,186)
34,377,509	34,407,009	35,927,843	1,520,834
5,921,094	6,506,791	6,310,316	196,475
10,310,214	10,138,665	9,999,382	139,283
187,137	211,247	210,727	520
1,879,131	1,505,591	1,498,640	6,951
2,000	2,000	42	1,958
2,579,702	2,450,500	2,384,591	65,909
2,335,458	2,078,698	2,039,446	39,252
9,625,045	9,520,849	9,344,334	176,515
1,682,248	1,697,619	1,697,619	-
988,720	988,720	988,719	1
35,510,749	35,100,680	34,473,816	626,864
(1,133,240)	(693,671)	1,454,027	2,147,698
160,000	160,000	161,683	1,683
160,000	160,000	260,000	100,000
(254,862)	(1,206,610)	(1,206,610)	-
65,138	(886,610)	(784,927)	101,683
(1,068,102)	(1,580,281)	669,100	2,249,381
1,068,102	1,580,281	12,337,970	10,757,689
\$ -	\$ -	\$ 13,007,070	\$ 13,007,070

Village of Mamaroneck, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
REAL PROPERTY TAXES	<u>\$ 25,267,407</u>	<u>\$ 25,267,407</u>	<u>\$ 25,282,703</u>	<u>\$ 15,296</u>	<u>\$ 24,629,989</u>
OTHER TAX ITEMS					
Payments in lieu of taxes	47,318	47,318	47,623	305	47,318
Interest and penalties on real property taxes	<u>150,000</u>	<u>150,000</u>	<u>222,567</u>	<u>72,567</u>	<u>178,397</u>
	<u>197,318</u>	<u>197,318</u>	<u>270,190</u>	<u>72,872</u>	<u>225,715</u>
NON-PROPERTY TAXES					
Non-property tax distribution from County	2,850,000	2,850,000	3,059,645	209,645	2,986,621
Utilities gross receipts taxes	<u>300,000</u>	<u>300,000</u>	<u>332,222</u>	<u>32,222</u>	<u>370,510</u>
	<u>3,150,000</u>	<u>3,150,000</u>	<u>3,391,867</u>	<u>241,867</u>	<u>3,357,131</u>
DEPARTMENTAL INCOME					
Engineering fees	1,200	1,200	50,486	49,286	52,753
Clerk/Treasurer fees	28,000	28,000	35,935	7,935	16,234
Police fees	131,200	301,200	188,895	(112,305)	267,098
Security alarm system	70,000	70,000	40,209	(29,791)	46,420
Parking lots and meters	1,195,200	1,195,200	1,290,530	95,330	1,334,668
Parks and recreation charges	246,831	251,401	308,611	57,210	231,879
Tennis fees	160,000	160,000	211,512	51,512	142,160
Day camp fees	290,000	290,000	341,192	51,192	513,654
Beach fees	112,400	112,400	124,959	12,559	105,227
Marina and dock fees	403,000	403,000	406,555	3,555	357,730
Vital statistics fees	10,000	10,000	9,890	(110)	12,230
Harbor master fees	300	300	16,685	16,385	11,828
Planning and zoning fees	<u>19,000</u>	<u>19,000</u>	<u>21,535</u>	<u>2,535</u>	<u>37,135</u>
	<u>2,667,131</u>	<u>2,841,701</u>	<u>3,046,994</u>	<u>205,293</u>	<u>3,129,016</u>

INTERGOVERNMENTAL CHARGES

Snow removal services	9,126	9,126	28,820	19,694	36,917
Sewer charges	-	-	-	-	3,990
Bus shelters	10,000	10,000	8,627	(1,373)	8,308
Selective enforcement	10,000	10,000	1,596	(8,404)	7,012
Transportation of prisoners	17,000	17,000	18,023	1,023	20,729
Library debt service reimbursement	796,156	796,156	796,156	-	798,277

	842,282	842,282	853,222	10,940	875,233
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USE OF MONEY AND PROPERTY

Earnings on investments	12,500	12,500	26,729	14,229	31,508
Rental of real property - Land	-	-	12,724	12,724	98,224
Other rental fees	188,892	188,892	192,826	3,934	172,984

	201,392	201,392	232,279	30,887	302,716
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LICENSES AND PERMITS

Use of streets	5,400	5,400	6,600	1,200	10,690
Permit fees	923,000	923,000	1,012,819	89,819	1,438,077
Dog licenses	4,700	4,700	5,065	365	4,995
Other	5,500	5,500	7,582	2,082	6,411

	938,600	938,600	1,032,066	93,466	1,460,173
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FINES AND FORFEITURES

Fines and forfeited bail	975,000	975,000	1,003,505	28,505	1,096,204
False alarm charges	4,500	4,500	8,053	3,553	6,134

	979,500	979,500	1,011,558	32,058	1,102,338
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**SALE OF PROPERTY AND COMPENSATION
FOR LOSS**

Sale of equipment	36,000	36,000	53,200	17,200	33,275
Recycling sales	4,000	4,000	7,209	3,209	4,205
Minor sales	500	500	318	(182)	285

	40,500	40,500	60,727	20,227	37,765
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Village of Mamaroneck, New York

General Fund

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

Year Ended May 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
STATE AID					
Per capita	\$ 149,682	\$ 149,682	\$ 149,682	\$ -	\$ 149,682
Mortgage tax	450,000	450,000	426,906	(23,094)	418,752
STAR program aid	-	-	-	-	18,218
Youth programs	4,000	4,000	-	(4,000)	-
Public safety	2,200	2,200	42,564	40,364	7,228
Navigation law enforcement	30,000	30,000	27,340	(2,660)	29,980
Consolidated Highway Improvement Program	237,000	237,000	-	(237,000)	-
Emergency disaster assistance	1,000	1,000	-	(1,000)	7,093
Other	-	-	50,000	50,000	-
	<u>873,882</u>	<u>873,882</u>	<u>696,492</u>	<u>(177,390)</u>	<u>630,953</u>
FEDERAL AID					
Emergency disaster assistance	1,000	1,000	-	(1,000)	-
MISCELLANEOUS					
Refunds of prior year's expenditures	20,000	20,000	-	(20,000)	7,206
Larchmont-Mamaroneck Cable TV distributions	174,000	174,000	169,608	(4,392)	169,608
Other	1,000	1,000	-	(1,000)	-
	<u>195,000</u>	<u>195,000</u>	<u>169,608</u>	<u>(25,392)</u>	<u>176,814</u>
TOTAL REVENUES	<u>35,354,012</u>	<u>35,528,582</u>	<u>36,047,706</u>	<u>519,124</u>	<u>35,927,843</u>
OTHER FINANCING SOURCES					
Insurance recoveries	75,000	99,735	274,426	174,691	161,683
Transfers in					
Capital Projects Fund	-	-	-	-	100,000
Water Fund	50,000	50,000	-	(50,000)	-
Debt Service Fund	160,000	160,000	-	(160,000)	160,000
TOTAL OTHER FINANCING SOURCES	<u>285,000</u>	<u>309,735</u>	<u>274,426</u>	<u>(35,309)</u>	<u>421,683</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 35,639,012</u>	<u>\$ 35,838,317</u>	<u>\$ 36,322,132</u>	<u>\$ 483,815</u>	<u>\$ 36,349,526</u>

See independent auditors' report.

Village of Mamaroneck, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2019

(With Comparative Actuals for 2018)

65

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative	\$ 42,300	\$ 345,635	\$ 263,141	\$ 82,494	\$ 40,889
Judicial	554,738	530,224	494,855	35,369	530,820
Mayor	15,000	15,000	9,589	5,411	11,162
Manager	812,855	743,320	620,454	122,866	561,249
Clerk/Treasurer	837,913	857,613	783,193	74,420	764,112
Assessment	-	-	-	-	-
Law	565,899	591,063	590,834	229	588,956
Engineer	76,820	209,572	167,609	41,963	193,572
Records management	25,100	25,101	20,048	5,053	21,736
Public works	510,089	516,136	476,889	39,247	492,548
Village hall	76,100	76,356	61,065	15,291	78,217
Administrative offices	110,055	118,674	111,283	7,391	92,784
Operation of buildings	47,550	47,550	31,669	15,881	30,279
Central garage	422,409	448,677	440,268	8,409	416,487
Central communications	147,000	272,378	263,531	8,847	248,814
Central printing and mailing	38,500	48,199	47,071	1,128	34,725
Central data processing	289,786	314,585	237,839	76,746	285,667
Unallocated insurance	1,030,284	1,105,044	1,105,044	-	1,064,516
Municipal association dues	8,500	8,500	6,801	1,699	7,201
Judgments and claims	-	-	(643)	643	10,273
Taxes and assessments	70,800	72,204	69,652	2,552	63,865
Refunds of real property taxes	325,000	640,753	640,753	-	723,561
MTA taxes	50,000	50,000	47,265	2,735	48,883
Contingency	150,000	18,649	-	18,649	-
	<u>6,206,698</u>	<u>7,055,233</u>	<u>6,488,210</u>	<u>567,023</u>	<u>6,310,316</u>

PUBLIC SAFETY

Police	8,090,126	8,254,657	7,702,433	552,224	7,594,819
Jail	4,500	4,500	3,009	1,491	3,666
Traffic control	138,501	158,026	142,338	15,688	142,068
Parking	408,584	432,392	426,837	5,555	434,652
Safety Committee	5,500	5,500	-	5,500	-
Electrical Department	97,348	98,609	94,891	3,718	94,225
Fire Department	788,670	877,384	852,751	24,633	800,712
Control of animals	29,500	29,500	27,826	1,674	27,006
Safety inspection	995,180	995,853	915,017	80,836	902,234

	10,557,909	10,856,421	10,165,102	691,319	9,999,382
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HEALTH

Insect control	14,000	26,033	26,033	-	12,400
Registrar of Vital Statistics	3,937	3,500	3,500	-	3,461
Community counseling service	42,500	50,368	49,468	900	42,500
Ambulance service	140,000	142,755	132,318	10,437	152,366

	200,437	222,656	211,319	11,337	210,727
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TRANSPORTATION

Street maintenance	1,062,440	1,064,330	1,051,958	12,372	1,022,758
Snow removal	277,500	266,851	231,102	35,749	321,693
Street lighting	181,000	186,500	155,598	30,902	146,581
Consolidated Highway Improvement Program	237,000	237,000	-	237,000	-
Off-street parking	12,200	13,941	10,682	3,259	7,608

	1,770,140	1,768,622	1,449,340	319,282	1,498,640
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**ECONOMIC OPPORTUNITY AND
DEVELOPMENT**

Publicity	2,000	2,860	2,867	(7)	42
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(Continued)

Village of Mamaroneck, New York

General Fund

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

Year Ended May 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
CULTURE AND RECREATION					
Parks and playgrounds	\$ 1,080,040	\$ 1,238,745	\$ 1,171,448	\$ 67,297	\$ 1,064,670
Community center	554,483	544,524	525,393	19,131	551,689
Council of the Arts	83,235	22,950	14,228	8,722	19,213
Beach	129,750	152,154	148,559	3,595	158,463
Marinas and docks	304,044	302,581	257,729	44,852	191,702
Youth programs	341,291	375,031	368,284	6,747	314,614
Library/Emelin Theatre	14,700	14,700	14,700	-	14,700
Historian	1,100	1,100	40	1,060	131
Celebrations	85,025	85,025	66,801	18,224	69,409
	<u>2,593,668</u>	<u>2,736,810</u>	<u>2,567,182</u>	<u>169,628</u>	<u>2,384,591</u>
HOME AND COMMUNITY SERVICES					
Board of Appeals	40,786	6,250	2,421	3,829	6,773
Planning	15,850	15,849	6,575	9,274	113,437
Sanitary sewers	-	-	30	(30)	67
Storm sewers	118,500	118,500	20,625	97,875	232
Refuse and garbage	1,729,454	1,756,213	1,637,302	118,911	1,537,970
Street cleaning	176,581	176,581	166,541	10,040	131,706
Community beautification	2,000	2,000	432	1,568	1,343
Shade trees	138,000	143,233	127,350	15,883	242,828
Emergency tenant protection	6,300	6,300	4,830	1,470	5,090
Coastal Zone Management	-	4,808	-	4,808	-
	<u>2,227,471</u>	<u>2,229,734</u>	<u>1,966,106</u>	<u>263,628</u>	<u>2,039,446</u>

EMPLOYEE BENEFITS

State retirement	1,091,932	1,091,932	1,045,967	45,965	1,095,318
State retirement - Police	1,583,721	1,583,721	1,422,073	161,648	1,492,978
Social security	1,233,392	1,233,392	1,077,618	155,774	1,079,606
Workers' compensation benefits	1,227,672	1,227,834	1,203,078	24,756	1,255,188
Hospital, medical and dental insurance	5,022,633	5,382,722	5,364,416	18,306	4,206,305
Life insurance	8,900	8,900	7,512	1,388	5,952
Unemployment benefits	45,000	45,000	37,462	7,538	30,207
Disability benefits	3,000	3,000	-	3,000	-
Police welfare fund	177,000	178,200	168,564	9,636	178,780
	<u>10,393,250</u>	<u>10,754,701</u>	<u>10,326,690</u>	<u>428,011</u>	<u>9,344,334</u>

DEBT SERVICE

Principal					
Serial bonds	1,752,006	1,752,007	1,752,007	-	1,697,619
Interest					
Serial bonds	909,947	909,947	909,947	-	988,719
Bond anticipation notes	45,577	45,577	38,057	7,520	-
	<u>955,524</u>	<u>955,524</u>	<u>948,004</u>	<u>7,520</u>	<u>988,719</u>
	<u>2,707,530</u>	<u>2,707,531</u>	<u>2,700,011</u>	<u>7,520</u>	<u>2,686,338</u>
TOTAL EXPENDITURES	<u>36,659,103</u>	<u>38,334,568</u>	<u>35,876,827</u>	<u>2,457,741</u>	<u>34,473,816</u>

OTHER FINANCING USES

Transfers out					
Capital Projects Fund	-	36,297	36,297	-	1,021,748
Sewer Fund	-	-	-	-	184,862
TOTAL OTHER FINANCING USES	<u>-</u>	<u>36,297</u>	<u>36,297</u>	<u>-</u>	<u>1,206,610</u>

TOTAL EXPENDITURES AND OTHER FINANCING USES

<u>\$ 36,659,103</u>	<u>\$ 38,370,865</u>	<u>\$ 35,913,124</u>	<u>\$ 2,457,741</u>	<u>\$ 35,680,426</u>
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See independent auditors' report.

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Village of Mamaroneck, New York

Water Fund
Comparative Balance Sheet
May 31,

	2019	2018
ASSETS		
Cash and equivalents	\$ 2,812,087	\$ 2,663,690
Accounts receivable	897,993	577,528
Due from other funds	2,171	2,171
Total Assets	<u>\$ 3,712,251</u>	<u>\$ 3,243,389</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 6,132	\$ -
Due to other funds	1,275,394	1,237,747
Total Liabilities	1,281,526	1,237,747
Fund balance		
Assigned	2,430,725	2,005,642
Total Liabilities and Fund Balance	<u>\$ 3,712,251</u>	<u>\$ 3,243,389</u>

See independent auditors' report.

Village of Mamaroneck, New York

Water Fund

Comparative Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Years Ended May 31,

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ 2,500	\$ 2,500	\$ 9,618	\$ 7,118
Miscellaneous	835,000	835,000	1,196,267	361,267
Total Revenues	837,500	837,500	1,205,885	368,385
EXPENDITURES				
Current				
Home and community services	25,000	25,000	63,435	(38,435)
Debt service				
Principal	555,028	555,028	555,029	(1)
Interest	162,338	162,338	162,338	-
Total Expenditures	742,366	742,366	780,802	(38,436)
Excess (Deficiency) of Revenues Over Expenditures	95,134	95,134	425,083	329,949
OTHER FINANCING SOURCES (USES)				
Transfers out	(50,000)	(50,000)	-	50,000
Net Change in Fund Balance	45,134	45,134	425,083	379,949
FUND BALANCE				
Beginning of Year	(45,134)	(45,134)	2,005,642	2,050,776
End of Year	\$ -	\$ -	\$ 2,430,725	\$ 2,430,725

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,200	\$ 2,200	\$ 3,642	\$ 1,442
1,060,000	1,060,000	776,683	(283,317)
1,062,200	1,062,200	780,325	(281,875)
75,000	75,000	72,000	3,000
535,424	535,424	535,424	-
193,218	193,218	193,215	3
803,642	803,642	800,639	3,003
258,558	258,558	(20,314)	(278,872)
-	-	-	-
258,558	258,558	(20,314)	(278,872)
(258,558)	(258,558)	2,025,956	2,284,514
\$ -	\$ -	\$ 2,005,642	\$ 2,005,642

Village of Mamaroneck, New York

Water Fund

Schedule of Revenues Compared to Budget

Year Ended May 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
USE OF MONEY AND PROPERTY					
Earnings on investments	\$ 2,500	\$ 2,500	\$ 9,618	\$ 7,118	\$ 3,642
MISCELLANEOUS					
Distribution from Westchester Joint Water Works	835,000	835,000	1,196,267	361,267	776,683
TOTAL REVENUES	<u>837,500</u>	<u>837,500</u>	<u>1,205,885</u>	<u>368,385</u>	<u>780,325</u>

See independent auditors' report.

Village of Mamaroneck, New York

Water Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2019

(With Comparative Actuals for 2018)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2018 Actual
HOME AND COMMUNITY SERVICES					
Meter installation and hydrant rentals	\$ 25,000	\$ 25,000	\$ 63,435	\$ (38,435)	\$ 72,000
DEBT SERVICE					
Principal					
Serial bonds	555,028	555,028	555,029	(1)	535,424
Interest					
Serial bonds	162,338	162,338	162,338	-	193,215
	717,366	717,366	717,367	(1)	728,639
TOTAL EXPENDITURES	742,366	742,366	780,802	(38,436)	800,639
OTHER FINANCING USES					
Transfers out					
General Fund	50,000	50,000	-	50,000	-
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 792,366</u>	<u>\$ 792,366</u>	<u>\$ 780,802</u>	<u>\$ 11,564</u>	<u>\$ 800,639</u>

Village of Mamaroneck, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	<u>\$ 2,616,374</u>	<u>\$ 8,035</u>
Receivables		
State and Federal aid	16,000	-
Due from other funds	<u>-</u>	<u>3,535,013</u>
	<u>16,000</u>	<u>3,535,013</u>
Total Assets	<u><u>\$ 2,632,374</u></u>	<u><u>\$ 3,543,048</u></u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 1,645,706	\$ 829,402
Due to other funds	5,165,515	5,259,585
Bond anticipation notes payable	<u>4,991,713</u>	<u>2,568,133</u>
Total Liabilities	11,802,934	8,657,120
Fund deficit		
Unassigned	<u>(9,170,560)</u>	<u>(5,114,072)</u>
Total Liabilities and Fund Deficit	<u><u>\$ 2,632,374</u></u>	<u><u>\$ 3,543,048</u></u>

See independent auditors' report.

Village of Mamaroneck, New York

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

	<u>2019</u>	<u>2018</u>
REVENUES		
State aid	\$ 194,714	\$ -
EXPENDITURES		
Capital outlay	<u>4,287,499</u>	<u>3,155,285</u>
Deficiency of Revenues Over Expenditures	<u>(4,092,785)</u>	<u>(3,155,285)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	36,297	1,021,748
Transfers out	<u>-</u>	<u>(785,568)</u>
Total Other Financing Sources	<u>36,297</u>	<u>236,180</u>
Net Change in Fund Balance	(4,056,488)	(2,919,105)
FUND DEFICIT		
Beginning of Year	<u>(5,114,072)</u>	<u>(2,194,967)</u>
End of Year	<u><u>\$ (9,170,560)</u></u>	<u><u>\$ (5,114,072)</u></u>

See independent auditors' report.

Village of Mamaroneck, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project Through May 31, 2019

PROJECT	Authorization	Expenditures and Transfers	Unexpended Balance
Taylor Lane Site Clean-up	\$ 4,255,000	\$ 4,262,880	\$ (7,880)
Design Rye Lake Plant	18,113,900	1,670,190	16,443,710
Police Annex Building	585,111	585,111	-
Engine 42 Replacement	964,252	964,252	-
Storage Shed for Parks	50,000	7,500	42,500
Basketball and Tennis Court Rehabilitation	490,070	490,070	-
Taylor's Land Drainage Improvement	156,856	140,691	16,165
Mount Pleasant Gas Work	78,673	78,673	-
Vehicle GPS tracking	86,820	35,544	51,276
Replacement of Scotts Packs	125,820	125,820	-
Fireman Funds Insurance Company Grant	6,907	6,894	13
Versalift Insulated Telescoping Lift	49,837	49,837	-
Plow/Dump Truck	162,900	162,900	-
Plow/Salt/Dump Truck	195,580	195,580	-
Wayfinding Signage Master Plan	57,825	66,097	(8,272)
Home Elevation North James Street	377,987	377,987	-
Repairs to Parks Building	713,485	713,485	-
Tennis Court Remediation - HI Park	176,545	176,545	-
Sanitary Sewer Inflow and Infiltration	697,713	882,364	(184,651)
Grade Street Drainage Improvements	132,821	132,821	-
Illicit Discharge	25,000	15,723	9,277
Sanitation Truck	218,630	218,630	-
A-1298 WJWW Emergency Back Up Generators	322,096	168,382	153,714
A-1304 WJWW Project to Park Lane Booster Station	177,450	29,791	147,659
A-1314 A1172A WJWW KWBS Kenilworth	1,013,800	807,366	206,434
Engineer Scanner/Plotter/Printer	19,158	19,158	-
Ford Escape Village Engineer	22,939	22,939	-
Roof Mounted Railing System - 169 MT PL	115,000	115,000	-
Replace Worn Flooring and Carpeting	144,897	144,897	-
Municipality 5 Software	61,430	30,715	30,715
Tile Floor at Columbia House	16,000	15,215	785
EMS Generator	99,105	69,105	30,000
New Sidewalk - Orienta and Old Boston Post Road	107,944	192,781	(84,837)
ZZ - 137 Chips	601,900	601,877	23
LED Streetlight Replacement	664,194	565,922	98,272
Parks Dept. Payloader	89,999	89,999	-
Parks - Trucks	34,964	34,964	-
Harper TV30 Vacuum/Sweeper	62,004	62,004	-
Warren Ave. Playground	168,206	169,605	(1,399)
Marine Ed Center Expansion	60,616	67,215	(6,599)
Custom Bench for Court Room	75,514	80,414	(4,900)

Total Revenues and Transfers	Fund Balance (Deficit) at May 31, 2019	Bond Anticipation Notes Out- standing at May 31, 2019
\$ 3,846,001	\$ (416,879)	\$ -
3,677,300	2,007,110	-
525,299	(59,812)	59,812
600,000	(364,252)	364,252
50,000	42,500	-
220,000	(270,070)	270,070
156,856	16,165	15,152
34,683	(43,990)	43,990
-	(35,544)	-
-	(125,820)	125,820
6,907	13	-
5,000	(44,837)	44,836
-	(162,900)	162,900
-	(195,580)	195,580
50,000	(16,097)	-
-	(377,987)	-
697,555	(15,930)	-
-	(176,545)	176,545
119,608	(762,756)	-
35,256	(97,565)	97,565
-	(15,723)	-
-	(218,630)	218,630
318,114	149,732	-
177,450	147,659	-
794,600	(12,766)	-
-	(19,158)	19,158
-	(22,939)	22,939
-	(115,000)	115,000
50,000	(94,897)	94,897
-	(30,715)	30,715
-	(15,215)	15,215
-	(69,105)	69,105
4,242	(188,539)	188,540
253,347	(348,530)	-
565,922	-	-
-	(89,999)	89,999
-	(34,964)	34,964
-	(62,004)	62,004
-	(169,605)	168,205
-	(67,215)	60,615
948	(79,466)	74,566

(Continued)

Village of Mamaroneck, New York

Capital Projects Fund

Project-Length Schedule (Continued)

Inception of Project Through May 31, 2019

PROJECT	Authorization	Expenditures and Transfers	Unexpended Balance
Building Department Vehicles	\$ 22,803	\$ 22,803	\$ -
Harbor Patrol Boat Motors	34,890	34,890	-
Electric Vehicle and Charging Station	45,000	16,979	28,021
Fire Chiefs Vehicle	55,885	55,885	-
Fire Department Portable Radios	169,519	169,519	-
Ambulance Service Roof	273,588	273,588	-
Parks - Water Wheel	41,795	41,795	-
Street Scape Maintenance Fayette Avenue	40,000	37,500	2,500
John Deere Field Mower	27,263	27,263	-
Pavilion Floor Restoration	30,375	30,191	184
Stanley Avenue Poured in Place Surface	70,000	60,768	9,232
Sanitary Sewer System	97,750	74,673	23,077
Sanitation Truck	358,832	358,832	-
A-1310 WJWW Replace 16' Water Main - BA	1,856,400	1,844,226	12,174
A-1377 WJWW 1000 Ft. Water Main Hoyt Avenue	500,000	7,015	492,985
A-1320 WJWW Replace Boom and Turbidity	287,890	287,899	(9)
A-1321 WJWW Replace Chlorinators Rye Lake Plant	163,800	147,553	16,247
A-1322 WJWW Replace - 500 Ft. Asbestos	266,426	266,426	-
A-1325 WJWW Replace 250 Ft. Asbestos	138,521	138,521	-
A-1329 WJWW Bayhead Asbestos Replacement	125,000	157,833	(32,833)
A-1330 WJWW Water Main Replacement Douglas Circle	160,200	133,439	26,761
A-1331 WJWW Water Main Replacement S Barry Avenue	172,084	172,084	-
A-1332 WJWW Water Main Replacement Clafin Avenue	280,844	280,844	-
A-1333 WJWW Water Main Replacement Constable Drive	500,000	345,285	154,715
Treatment Plant	25,000	25,000	-
New Motor for Police Boat	22,648	22,648	-
Retrofitting of Multi-Parking Meter	47,030	47,850	(820)
Hillside Avenue Bridge	294,842	237,685	57,157
Kubota RTV	26,809	26,809	-
Toro Riding Lawn Mower	75,447	75,447	-
Lateral Rushmore and Orienta	306,800	214,778	92,022
Sanitary Sewer CCTV Rushmore	84,850	77,809	7,041
A-1315 Larchmont Weaver Street	851,400	11,432	839,968
A-1316 Flagler Drive Water Main Replacement	3,300,000	1,062,602	2,237,398
A-1342 to 14 Inch Valve Purchase Street	108,350	133,911	(25,561)
A-1343 Replace 740 Linear	422,000	511,394	(89,394)
A-1344 to 14-inch Valve N Barry Avenue	100,878	122,374	(21,496)
A-1345 to 14-inch Valve Mamaroneck Avenue	114,552	165,934	(51,382)
A-1340 NJWW Mamaroneck Avenue Water Main	206,130	103,065	103,065
HVAC Replacements	88,152	62,702	25,450
Accela Asset Management Software	277,815	33,075	244,740
Acradis Sewer Specs Repair Sanitary	34,600	25,690	8,910
A-1346 Kenilworth Water	1,096,000	389,581	706,419
A-1350 Skibo Lane Water Main Replacement	375,000	350,893	24,107
A-1351 Replacement Nonfunct Water	50,000	41,987	8,013
A-1352 NJWW UV Treatment Facility	2,144,000	16,151	2,127,849
A-1354 Seven Oaks Lane Water Main	575,000	110,669	464,331
Totals	\$ 47,925,116	\$ 23,502,240	\$ 24,422,876

See independent auditors' report.

Total Revenues and Transfers	Fund Balance (Deficit) at May 31, 2019	Bond Anticipation Notes Out- standing at May 31, 2019
\$ -	\$ (22,803)	\$ 22,803
-	(34,890)	34,890
16,000	(979)	-
-	(55,885)	55,885
-	(169,519)	-
-	(273,588)	273,588
-	(41,795)	41,798
40,000	2,500	-
-	(27,263)	27,263
-	(30,191)	30,191
-	(60,768)	60,768
-	(74,673)	-
-	(358,832)	358,832
586,950	(1,257,276)	-
500,000	492,985	-
191,000	(96,899)	-
163,800	16,247	-
200,000	(66,426)	66,426
125,000	(13,521)	13,521
-	(157,833)	-
-	(133,439)	133,440
-	(172,084)	172,084
-	(280,844)	280,845
-	(345,285)	345,286
25,000	-	-
-	(22,648)	-
-	(47,850)	-
294,842	57,157	-
-	(26,809)	26,809
-	(75,447)	-
-	(214,778)	214,778
-	(77,809)	-
-	(11,432)	11,432
-	(1,062,602)	-
-	(133,911)	-
-	(511,394)	-
-	(122,374)	-
-	(165,934)	-
-	(103,065)	-
-	(62,702)	-
-	(33,075)	-
-	(25,690)	-
-	(389,581)	-
-	(350,893)	-
-	(41,987)	-
-	(16,151)	-
-	(110,669)	-
<u>\$ 14,331,680</u>	<u>\$ (9,170,560)</u>	<u>\$ 4,991,713</u>

Village of Mamaroneck, New York

Combining Balance Sheet
Non-Major Governmental Funds
May 31, 2019
(With Comparative Totals for 2018)

	Sewer Fund	Special Purpose Fund	Debt Service Fund
ASSETS			
Cash and equivalents	\$ 691,262	\$ 743,609	\$ 798,419
Accounts receivable	139,342	-	-
Due from other funds	448,446	340,637	974,197
Total Assets	<u>\$ 1,279,050</u>	<u>\$ 1,084,246</u>	<u>\$ 1,772,616</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 2,000	\$ 1,140	\$ -
Due to other funds	1,047,513	-	-
Total Liabilities	<u>1,049,513</u>	<u>1,140</u>	<u>-</u>
Fund balances			
Restricted	-	1,083,106	1,772,616
Assigned	229,537	-	-
Total Fund Balances	<u>229,537</u>	<u>1,083,106</u>	<u>1,772,616</u>
Total Liabilities and Fund Balances	<u>\$ 1,279,050</u>	<u>\$ 1,084,246</u>	<u>\$ 1,772,616</u>

See independent auditors' report.

Total Non-Major Governmental Funds	
2019	2018
\$ 2,233,290	\$ 1,684,646
139,342	117,256
<u>1,763,280</u>	<u>1,475,041</u>
<u>\$ 4,135,912</u>	<u>\$ 3,276,943</u>
\$ 3,140	\$ 1,351
<u>1,047,513</u>	<u>554,526</u>
<u>1,050,653</u>	<u>555,877</u>
2,855,722	2,547,312
<u>229,537</u>	<u>173,754</u>
<u>3,085,259</u>	<u>2,721,066</u>
<u>\$ 4,135,912</u>	<u>\$ 3,276,943</u>

Village of Mamaroneck, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended May 31, 2019
(With Comparative Totals for 2018)

	Sewer Fund	Special Purpose Fund	Debt Service Fund
REVENUES			
Use of money and property	\$ 604	\$ 2,135	\$ 93,538
Miscellaneous	550,334	238,537	-
Total Revenues	550,938	240,672	93,538
EXPENDITURES			
Current			
General government support	-	-	-
Culture and recreation	-	9,273	-
Home and community services	163,820	16,527	-
Debt service			
Refunding bond issuance costs	-	-	133,123
Principal	242,964	-	-
Interest	88,371	-	-
Total Expenditures	495,155	25,800	133,123
Excess (Deficiency) of Revenues Over Expenditures	55,783	214,872	(39,585)
OTHER FINANCING SOURCES (USES)			
Issuance premium	-	-	1,803,487
Refunding bonds issued	-	-	13,925,000
Payment to refunded bond escrow agent	-	-	(15,595,364)
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources	-	-	133,123
Net Change in Fund Balances	55,783	214,872	93,538
FUND BALANCES			
Beginning of Year	173,754	868,234	1,679,078
End of Year	\$ 229,537	\$ 1,083,106	\$ 1,772,616

See independent auditors' report.

Total Non-Major Governmental Funds	
2019	2018
\$ 96,277	\$ 3,325
788,871	632,174
885,148	635,499
-	1,500
9,273	20,751
180,347	187,378
133,123	-
242,964	203,611
88,371	119,346
654,078	532,586
231,070	102,913
1,803,487	26,504
13,925,000	-
(15,595,364)	-
-	870,430
-	(160,000)
133,123	736,934
364,193	839,847
2,721,066	1,881,219
\$ 3,085,259	\$ 2,721,066

Village of Mamaroneck, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	2019	2018
ASSETS		
Cash and equivalents	\$ 691,262	\$ 162,409
Accounts receivable	139,342	117,256
Due from other funds	448,446	449,619
Total Assets	<u>\$ 1,279,050</u>	<u>\$ 729,284</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,000	\$ 1,004
Due to other funds	1,047,513	554,526
Total Liabilities	1,049,513	555,530
Fund balance		
Assigned	229,537	173,754
Total Liabilities and Fund Balance	<u>\$ 1,279,050</u>	<u>\$ 729,284</u>

See independent auditors' report.

Village of Mamaroneck, New York

Sewer Fund

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

	2019	2018
REVENUES		
Use of money and property	\$ 604	\$ 102
Miscellaneous	550,334	456,347
Total Revenues	550,938	456,449
EXPENDITURES		
Current		
General government support	-	1,500
Home and community services	163,820	169,267
Debt service		
Principal	242,964	203,611
Interest	88,371	119,346
Total Expenditures	495,155	493,724
Excess (Deficiency) of Revenues Over Expenditures	55,783	(37,275)
OTHER FINANCING SOURCES		
Transfers in	-	184,862
Net Change in Fund Balance	55,783	147,587
FUND BALANCE		
Beginning of Year	173,754	26,167
End of Year	\$ 229,537	\$ 173,754

See independent auditors' report.

Village of Mamaroneck, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	2019	2018
ASSETS		
Cash and equivalents	\$ 743,609	\$ 726,901
Due from other funds	340,637	141,680
	<u> </u>	<u> </u>
Total Assets	<u>\$ 1,084,246</u>	<u>\$ 868,581</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,140	\$ 347
 Fund balance		
Restricted	<u>1,083,106</u>	<u>868,234</u>
	<u> </u>	<u> </u>
Total Liabilities and Fund Balance	<u>\$ 1,084,246</u>	<u>\$ 868,581</u>

See independent auditors' report.

Village of Mamaroneck, New York

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

	<u>2019</u>	<u>2018</u>
REVENUES		
Use of money and property	\$ 2,135	\$ 1,693
Miscellaneous	<u>238,537</u>	<u>175,827</u>
Total Revenues	<u>240,672</u>	<u>177,520</u>
EXPENDITURES		
Current		
Culture and recreation	9,273	20,751
Home and community services	<u>16,527</u>	<u>18,111</u>
Total Expenditures	<u>25,800</u>	<u>38,862</u>
Excess of Revenues Over Expenditures	214,872	138,658
FUND BALANCE		
Beginning of Year	<u>868,234</u>	<u>729,576</u>
End of Year	<u><u>\$ 1,083,106</u></u>	<u><u>\$ 868,234</u></u>

See independent auditors' report.

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Village of Mamaroneck, New York

Debt Service Fund
Comparative Balance Sheet
May 31,

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and equivalents	\$ 798,419	\$ 795,336
Due from other funds	<u>974,197</u>	<u>883,742</u>
Total Assets	<u>\$ 1,772,616</u>	<u>\$ 1,679,078</u>
FUND BALANCE		
Restricted	<u>\$ 1,772,616</u>	<u>\$ 1,679,078</u>

See independent auditors' report.

Village of Mamaroneck, New York

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

	2019			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ 2,000	\$ 2,000	\$ 93,538	\$ 91,538
EXPENDITURES				
Debt service				
Refunding bond issuance costs	-	133,123	133,123	-
Excess (Deficiency) of Revenues Over Expenditures	2,000	(131,123)	(39,585)	91,538
OTHER FINANCING SOURCES (USES)				
Issuance premium	-	1,803,487	1,803,487	-
Issuance of refunding bonds	-	13,925,000	13,925,000	-
Payment to refunded bonds escrow agent	-	(15,595,364)	(15,595,364)	-
Transfers in	-	-	-	-
Transfers out	(160,000)	(160,000)	-	160,000
Total Other Financing Sources (Uses)	(160,000)	(26,877)	133,123	160,000
Net Change in Fund Balance	(158,000)	(158,000)	93,538	251,538
FUND BALANCE				
Beginning of Year	158,000	158,000	1,679,078	1,521,078
End of Year	\$ -	\$ -	\$ 1,772,616	\$ 1,772,616

See independent auditors' report.

2018			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,700	\$ 2,700	\$ 1,530	\$ (1,170)
-	-	-	-
2,700	2,700	1,530	(1,170)
-	-	26,504	26,504
-	-	-	-
-	-	-	-
-	-	685,568	685,568
(160,000)	(160,000)	(160,000)	-
(160,000)	(160,000)	552,072	712,072
(157,300)	(157,300)	553,602	710,902
157,300	157,300	1,125,476	968,176
\$ -	\$ -	\$ 1,679,078	\$ 1,679,078

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**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***

Independent Auditors' Report

**The Honorable Mayor and Board of Trustees
Of the Village of Mamaroneck, 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 and the aggregate remaining fund information of the Village of Mamaroneck, New York ("Village") as of and for the year ended May 31, 2019 and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated November 21, 2019.

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 opinions 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 Village'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.

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 direct and 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 Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

November 21, 2019