

Village of Larchmont, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2022

Village of Larchmont, New York

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Independent Auditors' Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Larchmont, New York ("Village") as of and for the year ended May 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2022, and the respective changes in financial position and the respective budgetary comparison for the General Fund, Water Fund and Public Library Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended May 31, 2022 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, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended May 31, 2022 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 for the year ended May 31, 2022 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2022.

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, 2021 (not presented herein), and have issued our report thereon dated December 15, 2021 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, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 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 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2021.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

November 3, 2022

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Village of Larchmont, New York

Management's Discussion and Analysis (MD&A)
May 31, 2022

The following discussion and analysis of the Village of Larchmont, New York ("Village") financial statements provides an overview of the financial activities of the Village for the fiscal year ended May 31, 2022. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section to enhance your understanding of the Village's financial performance.

Financial Highlights

- On the government-wide financial statements, at the conclusion of fiscal year 2022, the total liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources by \$(17,378,557) (net position), an increase of approximately \$3,400,000 as compared to fiscal year 2021. A deficit of \$(36,307,257) exists for unrestricted net position which is largely the result of the recognition of the liability for other post-employment benefit liabilities ("OPEB") in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 75 "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*". At May 31, 2022, the Village's OPEB obligations of \$33,611,025 are reflected as a liability on the government-wide financial statements, and thus impacts the unrestricted net position calculation.
- At the close of fiscal year 2021-22, the Village's governmental funds reported a combined fund balance of \$7,467,980 an increase of \$1,241,911. Approximately 61.6% of this amount or \$4,597,780 is available for spending at the Village's discretion as unassigned fund balances.
- At the end of the fiscal year 2021-22, unassigned fund balance for the General Fund was \$4,908,409 or approximately 27% of total General Fund expenditures.
- At the end of the current fiscal year, the Village had total bonded debt outstanding of \$6,385,000. As required by New York State Law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village. The Village also paid down its short-term capital borrowings or bond anticipation notes (BANs") by \$310,000. The balance of such BANs at May 31, 2022 is \$1,792,300.
- The government-wide financial statements must report certain items in accordance with the pronouncements of the GASB. The GASB is charged with developing the accounting rules that apply to governments, including school districts and BOCES. One of the most significant of these standards, GASB Statement No. 75, requires the Village to recognize the financial impact associated with OPEB liabilities. These liabilities include any benefits provided to retirees, other than a pension, including health insurance, life insurance, vision, dental, etc. This standard requires the Village to report the *total*, rather than *net*, OPEB liability related to its employees, since New York State has not authorized the establishment of an irrevocable trust to set aside assets for this purpose. The prior standard under the provisions of GASB Statement No. 45 allowed for the amortization of prior service costs over a thirty-year period. As a result of the provisions of GASB Statement No. 75, the Village's total OPEB liability as of May 31, 2022 is \$33,611,025. The OPEB liability is reflected on the government-wide Statement of Net Position and impacts the total net position calculation. More detailed information about the Village's OPEB obligations reported in accordance with the provisions of GASB Statement No. 75 is presented in note 3E in the notes to financial statements. Also noteworthy is that this standard parallels the pension standard under the provisions of GASB

Statement No. 68, “*Accounting and Financial Reporting for Pensions*”, presented in note 3E as well. At May 31, 2022, the Village also reported in its Statement of Net Position a liability of \$728,519 for its proportionate share of the Police and Fire Retirement System (“PFRS”) net pension liabilities. For the Employee Retirement System (ERS), the Village reported in its Statement of Net Position an asset for its proportionate share of the net pension asset of \$1,015,101.

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 financial statements. This report 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 (for example, uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Village include general government support, public safety, health, transportation, culture and recreation, home and community services and interest.

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. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. 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 may be 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 four major governmental funds: The General Fund, Water Fund, Public Library 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 Special Purpose, Sewer, and Parking Funds are grouped together as non-major governmental funds.

Budgetary comparison statements have been provided for the General Fund, Water Fund and Public Library 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. In accordance with the provisions of GASB Statement No. 84, "*Fiduciary Activities*", the Village had no such activity to report in this category.

Notes to Financial Statements

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

Other Information

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

Government-Wide Financial Analysis

Over time net position may serve as one measure of a government's financial position. The Village's governmental net position had improved by \$3,409,305 from a year ago, decreasing from \$(20,787,862) to \$(17,378,557). The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Villages governmental activities.

The following table (Table 1) reflects the condensed Statement of Net Position:

	May 31,	
	2022	2021
Current Assets	\$ 13,287,859	\$ 10,621,266
Capital Assets, net	24,472,093	25,197,902
Total Assets	37,759,952	35,819,168
Deferred Outflows of Resources	13,039,002	15,317,138
Current Liabilities	3,576,197	4,358,957
Long-Term Liabilities	41,832,861	54,459,995
Total Liabilities	45,409,058	58,818,952
Deferred Inflows of Resources	22,768,453	13,105,216
Net Position		
Net Investment in Capital Assets	16,404,138	16,000,602
Restricted	2,524,562	2,411,680
Unrestricted	(36,307,257)	(39,200,144)
Total Net Position	\$ (17,378,557)	\$ (20,787,862)

By far, the largest component of the Village's net position is its investment in capital assets, less any debt 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 investment in capital assets, is reported net of the related debt, it should be noted that the resources needed to repay this debt must also be provided from other sources, since capital assets alone cannot be used to liquidate these liabilities.

Restricted net position amounts to \$2,524,562 and is restricted for capital projects, debt service and special purpose.

The remainder of the Village's net position \$(36,307,257) is considered unrestricted.

Overall, net position increased by \$3,409,305.

The following table (Table 2) reflects the changes in Net Position:

**CHANGES IN NET POSTION
FISCAL YEARS ENDED MAY 31,**

	<u>2022</u>	<u>2021</u>
REVENUES		
Program Revenues		
Charges for services	\$ 7,240,047	\$ 6,541,153
Operating grants and contributions	233,644	78,855
Capital grants and contributions	339,124	935,251
	<u>7,812,815</u>	<u>7,555,259</u>
Total Program Revenues		
General Revenues:		
Real property taxes	15,343,351	15,009,703
Other tax items	38,465	27,959
Non-property taxes	1,640,299	1,501,424
Unrestricted use of money and property	948	398
Sale of property and compensation for loss	7,152	25,380
Unrestricted State aid	458,615	370,273
Miscellaneous	177,283	95,308
Insurance recoveries	24,836	105,295
	<u>17,690,949</u>	<u>17,135,740</u>
Total General Revenues		
Total Revenues	<u>25,503,764</u>	<u>24,690,999</u>
PROGRAM EXPENSES		
General government support	2,009,231	2,604,947
Public safety	10,673,835	11,668,033
Health	53,000	53,000
Transportation	1,730,603	1,759,230
Culture and recreation	3,516,186	3,692,998
Home and community services	3,958,948	3,957,263
Interest	152,656	202,348
	<u>22,094,459</u>	<u>23,937,819</u>
Total Expenses		
Change in Net Position	3,409,305	753,180
Net Position - Beginning	<u>(20,787,862)</u>	<u>(21,541,042)</u>
Net Position - Ending	<u>\$ (17,378,557)</u>	<u>\$ (20,787,862)</u>

The Village's total revenues for 2022 were \$25,503,764. The cost for all programs and services totaled \$22,094,459. The analysis below separately considers the operations of governmental activities.

Governmental Activities

Revenues:

Revenues increased from the prior year in all program revenue categories by a total of \$812,765. The increase in revenue was driven by the increase in charges for services of \$698,894 (primarily due to the new metered parking revenue and an increase in parking permit revenue) and the increase in Real Property Taxes of \$333,648. Tax revenues of \$17,022,115 (67%) in 2022 and \$16,539,086 (67%) in 2021, comprised of real property taxes, other tax items (penalties and interest) and non-property taxes, represent the largest revenue sources.

Real property taxes increased to \$15,343,351 in 2022 from \$15,009,703 in 2021, or by \$333,648 which was predominately due to an increase in the total tax levy and total assessed values.

Expenses:

The total cost of all governmental activities in 2022 was \$22,094,459. This is approximately a 7.7% (\$1,843,360) decrease from \$23,937,819 in 2021.

Table 2 presents the cost to each of the Villages largest programs – General Government Support decreased by \$595,716, Public Safety decreased by \$994,198, Transportation decreased by \$28,627, Culture and Recreation decreased by \$176,812 and Home and Community Services increased by \$1,685. There was no discernable significant reason for each of these changes in expense exclusive of any previous content as discussed. However, expenses within each program were influenced by increases in compensated absences and employee benefits, including OPEB liabilities, which were allocated to each program expense in accordance with GASB Statement No. 75.

Village Funds Financial Analysis

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

Governmental Funds

As the Village completed the year, its governmental funds reported a combined fund balance of \$7,467,980, which is an increase from last year's total of \$6,226,069. Exclusive of the Capital Projects Fund, the combined ending fund balance was \$7,778,609.

- Overall, the Village's combined ending fund balance increased by \$1,241,911, 19.9% when compared to the previous fiscal year. This increase in the overall combined fund balance is due to the actual results of operations achieved within each fund relative to its respective positive or negative impact on the fund balance within that particular fund. The overall increase in fund balance during the current fiscal year was primarily influenced by the accounting practice that's applied to the Capital Projects Fund in determining its fund balance, whereby, short-term financing sources in the form of BANs are recognized as a permanent source of funding or revenue only and immediately upon pay-down or conversion to long-term debt. This difference in the treatment and recognition of long-term debt as a source of revenue as contrasted with the lack of recognition for short-term debt may directly influence the direction and ultimately the creation of a positive or deficit fund balance within the Capital Projects Fund in a given year.

- Of the combined fund balance amount, the unassigned portion was comprised of \$4,597,780, which is available for spending at the Village's discretion. The remainder of the fund balance is either non-spendable, restricted or assigned. At the close of the fiscal year the General Fund reported \$445,313 in non-spendable fund balance and \$250,903 in restricted fund balance. The remainder of funds had balances for non-spendable prepaid expenditures of \$54,301, which consists of the Water Fund and Public Library Fund, respectively. Total assigned fund balance is \$1,549,970: \$508,787 in the Water Fund, \$276,324 in the Public Library Fund and \$764,859 for Non-Major Governmental Funds.

General Fund

- For Fiscal Year 2021-22, the General Fund experienced an increase in fund balance in the amount of \$549,540 (11%) from \$5,055,085 to \$5,604,625.
- As the Village closed fiscal year 2021-2022, the Village had positive variance in revenues when compared to the budget (exclusive of other financing uses) of \$1,157,895. The primary reasons for the positive variance were mortgage tax revenues over-performed by approximately \$200,000, sales tax revenue over-performed by over \$500,000, and licenses and permits revenues over-performed by approximately \$360,000, when compared to the budget.
- Expenditures came in at the close of the fiscal year with a negative variance when compared to the budget of \$362,935, this is related to Public Safety which was \$976,106 over budget primarily due to overtime, and several retirements during the year. This was offset by employee benefits which had appropriations at a net savings of \$376,467 when compared to the budget, primarily in Workers Compensation and Health Insurance. Also offsetting the overages of Public Safety is General Government Support and Transportation which together had a net savings over the budget of \$166,370 with no individually significant reason for the variance.

Water Fund

- The Water Fund reflects an assigned fund balance of \$508,787. Departmental revenue of \$2.82 million underbudgeted by approximately \$90,000 as compared to the final budget of approximately \$2.91 million. There was a deficiency in total expenditures of \$(69,668) (exclusive of other financing uses). The majority of the deficiency was due to a settlement payment of \$200,000, for the 2017 reconstruction project of the Water Storage and Distribution System, which was offset by savings in Home and Community Services and Employee Benefits. Total revenues exceeded total expenditures by \$75,091 before factoring in other financing sources and uses. The Village has worked assiduously to implement various cost saving measures to reduce inefficiencies that directly relate to water distribution and the systems infrastructure. During 2016-17, the Village converted short term debt to long term general obligation bonds, and authorized the issuance of \$1.4 million in new money for the reconstruction of the Water Storage and Distribution System. In an effort to maintain a self-supporting fund, the Village increased water rates accordingly to support new debt.

Public Library Fund

- The fund balance of the Public Library Fund decreased from \$435,162 to \$319,530 or by \$115,632. This is due to the fact that the Library appropriated an additional \$137,000 of its fund balance during the year for the HVAC and Roof Repair Capital Projects.
- Sources of revenue for the Public Library Fund were received as planned, actual revenue of \$2,306,978 inclusive of inter-fund transfers, produced a variance of \$(2,066) when compared to its budgeted amount of \$2,309,044. The total expenditures exclusive of other financing sources are \$2,235,610, produced a variance of \$73,434 when compared to its budgeted amount of \$2,309,044. There was no individually significant reason for the variance in expense.

Capital Projects Fund

- The fund balance within the Capital Projects Fund, as stated previously, the lack of recognition for short-term debt may directly influence the direction and ultimately the creation of a positive or deficit fund balance within the Capital Projects Fund in a given year. The fund balance at the end of this fiscal year was at a deficit of \$(310,629), which is an increase of \$659,456 from the prior year. The deficiency of revenue over capital outlay expenditures is reported as \$(636,298). The Library has submitted documentation to receive \$500,000 in federal assistance for Award Management (“SAM”) grants which should be received during 2022-2023. Additionally, the Village will receive its share for the eligible work performed on the Sanitary Sewer Evaluation Study (“SSES”) grant administered by the City of New Rochelle, New York. Finally, the Parking Improvements Capital Project has a dedicated source of revenue in the new meter fees to apply to the BAN.
- BANs in the amount of \$1,792,300 were outstanding and were reported as a liability in the Capital Projects Fund at year end. A majority of the capital projects were financed previously by long-term debt. It should be noted that in accordance with accounting principles, the proceeds of BANs initially issued on a short-term basis to finance the purchase or construction costs associated with capital projects are not recognized as an “other financing source”. In essence, bond anticipation notes are recognized as sources of revenue only to the extent that they are redeemed through means of an inter-fund transfers from other governmental funds, or upon receipt of proceeds from grants or donations, or upon conversion to permanent financing through the issuance of serial bonds.
- The existence of any deficits on capital projects within this fund are the result of a lack of permanent financing to support the on-going expenditures of a given capital project(s). Any currently existing deficits within this fund will be eliminated with the subsequent receipt or issuance of authorized financing.

Non-Major Governmental Funds

- The combined effect of the Special Purpose, Sewer, and Parking funds contributed positively toward fund balance with an overall increase of \$191,456.
- The Special Purpose Fund (Trust Fund) balance is \$556,708 at the end of this fiscal year as compared to \$542,159 for the prior year.
- The Sewer Fund balance is \$660,999 at the end of this fiscal year as compared to \$587,952 for the prior year.

- The Parking Fund is a new fund at the start of this fiscal year with an ending fund balance of \$103,860.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2022, net of accumulated depreciation, was \$24,472,093. This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment and construction-in-progress. The amount represents a net decrease (including additions, deletions and depreciation expense) of \$725,809.

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

Capital Assets

Asset	May 31,	
	2022	2021
Land	\$ 57,213	\$ 57,213
Buildings and improvements	20,774,326	20,739,015
Infrastructure	21,204,904	20,973,394
Machinery and equipment	8,498,338	8,219,037
Construction-in-progress	2,774,228	2,420,866
Less - accumulated depreciation	(28,836,916)	(27,211,623)
Total (net of depreciation)	\$ 24,472,093	\$ 25,197,902

Long-term Debt /Short-Term Debt

At the end of the current fiscal year, the Village had total bonded general obligation debt outstanding of \$6,385,000. As required by New York State Law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village. In the aggregate, bonded indebtedness decreased by \$710,000 during the course of the 2021-22 fiscal year. As stated previously short-term debt decreased with note payments of \$310,000 for short term borrowing. The balance as of May 31, 2022 is \$1,792,300.

Additional information on the Village's long-term and short-term debt can be found in Notes 3D and 3E in notes to financial statements.

Current and Next Year's Budget

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. The maximum

amount the levy could be for fiscal year 2022 is \$55,951,974, which exceeded the approved levy by \$40,657,337.

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. This law requires that local governments maintain any property tax levy increase to no more than 2 percent or the rate of inflation, whichever is less.

The Tax Levy increase for 2021-2022 for the Village budget was within the limit. The 2022-23 Village budget was again within the allowable limit.

Requests for Information

This financial report is designed to provide a general overview of the Village of Larchmont, New York. Questions and comments concerning any of the information provided in this report should be addressed to: Treasurer, Village of Larchmont, 120 Larchmont Avenue, Larchmont, New York 10538.

Village of Larchmont, New YorkStatement of Net Position
May 31, 2022

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 10,321,260
Receivables	
Taxes	12,526
Accounts	195,304
Water rents	659,748
Sewer rents	58,573
State and Federal aid	171,870
Due from other governments	353,863
Prepaid expenses	499,614
Net pension asset - ERS	1,015,101
Capital assets	
Not being depreciated	2,831,441
Being depreciated, net	21,640,652
	<hr/>
Total Assets	37,759,952
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	7,033,066
OPEB related	6,005,936
	<hr/>
Total Deferred Outflows of Resources	13,039,002
	<hr/>
LIABILITIES	
Accounts payable	427,109
Accrued liabilities	682,726
Deposits payable	19,130
Employee payroll deductions	17,661
Due to retirement systems	330,492
Unearned revenues	262,179
Bond anticipation notes payable	1,792,300
Accrued interest payable	44,600
Non-current liabilities	
Due within one year	901,000
Due in more than one year	40,931,861
	<hr/>
Total Liabilities	45,409,058
	<hr/>
DEFERRED INFLOWS OF RESOURCES	
Taxes collected in advance	1,260,655
Pension related	9,767,524
OPEB related	11,740,274
	<hr/>
Total Deferred Inflows of Resources	22,768,453
	<hr/>
NET POSITION	
Net investment in capital assets	16,404,138
Restricted	
Capital projects	1,703,946
Debt service	263,908
Special purpose	556,708
Unrestricted	(36,307,257)
	<hr/>
Total Net Position	\$ (17,378,557)
	<hr/> <hr/>

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

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Village of Larchmont, New York

Statement of Activities
Year Ended May 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 2,009,231	\$ 1,279	\$ -	\$ -	\$ (2,007,952)
Public safety	10,673,835	353,688	30,034	-	(10,290,113)
Health	53,000	-	-	-	(53,000)
Transportation	1,730,603	1,011,306	-	95,609	(623,688)
Culture and recreation	3,516,186	1,839,873	86,534	234,616	(1,355,163)
Home and community services	3,958,948	4,033,901	117,076	-	192,029
Interest	152,656	-	-	8,899	(143,757)
Total Governmental Activities	\$ 22,094,459	\$ 7,240,047	\$ 233,644	\$ 339,124	(14,281,644)
General revenues					
Real property and special assessment taxes					15,343,351
Other tax items					38,465
Interest and penalties on real property taxes					118,116
Non-property taxes					1,522,183
Utilities gross receipts tax					948
Non-property tax distribution from County					7,152
Unrestricted use of money and property					458,615
Sale of property and compensation for loss					177,283
Unrestricted State aid					24,836
Miscellaneous					
Insurance recoveries					
Total General Revenues					17,690,949
Change in Net Position					3,409,305
Net Position - Beginning					(20,787,862)
Net Position - Ending					\$ (17,378,557)

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

Village of Larchmont, New York

Balance Sheet
 Governmental Funds
 May 31, 2022

	General Fund	Water Fund	Public Library Fund
ASSETS			
Cash and equivalents	\$ 7,183,514	\$ 142,706	\$ 376,376
Taxes receivable	12,526	-	-
Other receivables			
Accounts	176,859	-	7,138
Water rents	-	659,748	-
Sewer rents	-	-	-
State and Federal aid	171,870	-	-
Due from other governments	353,863	-	-
Due from other funds	-	-	-
	<u>702,592</u>	<u>659,748</u>	<u>7,138</u>
Prepaid expenditures	445,313	11,095	43,206
Total Assets	<u>\$ 8,343,945</u>	<u>\$ 813,549</u>	<u>\$ 426,720</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 232,055	\$ 89,947	\$ 35,067
Accrued liabilities	465,669	175,415	41,642
Deposits payable	19,130	-	-
Employee payroll deductions	17,661	-	-
Due to other funds	170,178	4,986	9,570
Due to retirement systems	300,534	9,047	20,911
Unearned revenues	260,912	1,267	-
Bond anticipation notes payable	-	-	-
Total Liabilities	<u>1,466,139</u>	<u>280,662</u>	<u>107,190</u>
Deferred inflows of resources			
Deferred tax revenues	12,526	-	-
Taxes collected in advance	1,260,655	-	-
Total Deferred Inflows of Resources	<u>1,273,181</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,739,320</u>	<u>280,662</u>	<u>107,190</u>
Fund balances (deficits)			
Nonspendable	445,313	11,095	43,206
Restricted	250,903	13,005	-
Assigned	-	508,787	276,324
Unassigned	4,908,409	-	-
Total Fund Balances (Deficits)	<u>5,604,625</u>	<u>532,887</u>	<u>319,530</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 8,343,945</u>	<u>\$ 813,549</u>	<u>\$ 426,720</u>

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,236,232	\$ 1,382,432	\$ 10,321,260
-	-	12,526
11,307	-	195,304
-	-	659,748
-	58,573	58,573
-	-	171,870
-	-	353,863
297,245	137,489	434,734
308,552	196,062	1,874,092
-	-	499,614
\$ 1,544,784	\$ 1,578,494	\$ 12,707,492
\$ 63,113	\$ 6,927	\$ 427,109
-	-	682,726
-	-	19,130
-	-	17,661
-	250,000	434,734
-	-	330,492
-	-	262,179
1,792,300	-	1,792,300
1,855,413	256,927	3,966,331
-	-	12,526
-	-	1,260,655
-	-	1,273,181
1,855,413	256,927	5,239,512
-	-	499,614
-	556,708	820,616
-	764,859	1,549,970
(310,629)	-	4,597,780
(310,629)	1,321,567	7,467,980
\$ 1,544,784	\$ 1,578,494	\$ 12,707,492

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Village of Larchmont, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position May 31, 2022

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

Total Fund Balances - Governmental Funds	\$ 7,467,980
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	2,831,441
Capital assets - depreciable	50,477,568
Accumulated depreciation	<u>(28,836,916)</u>
	<u>24,472,093</u>
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	12,526
Net pension assets - ERS	<u>1,015,101</u>
	<u>1,027,627</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	7,033,066
Deferred outflows - OPEB related	6,005,936
Deferred inflows - pension related	(9,767,524)
Deferred inflows - OPEB related	<u>(11,740,274)</u>
	<u>(8,468,796)</u>
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the funds.	
Accrued interest payable	(44,600)
General obligation bonds payable	(6,385,000)
Compensated absences	(1,108,317)
Net pension liability	(728,519)
Total OPEB liability	<u>(33,611,025)</u>
	<u>(41,877,461)</u>
Net Position of Governmental Activities	<u>\$ (17,378,557)</u>

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

Village of Larchmont, New York

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended May 31, 2022

	General Fund	Water Fund	Public Library Fund
REVENUES			
Real property taxes	\$ 15,424,424	\$ -	\$ -
Other tax items	38,465	-	-
Non-property taxes	1,640,299	-	-
Departmental income	1,158,496	2,822,143	1,321,976
Intergovernmental charges	91,053	-	-
Use of money and property	156,919	200	146
Licenses and permits	890,109	-	-
Fines and forfeitures	277,938	-	-
Sale of property and compensation for loss	7,152	-	2,406
State aid	488,649	-	5,047
Federal aid	116,756	-	-
Miscellaneous	177,283	120	26,157
Total Revenues	<u>20,467,543</u>	<u>2,822,463</u>	<u>1,355,732</u>
EXPENDITURES			
Current			
General government support	2,233,249	255,336	22,274
Public safety	7,432,047	-	-
Health	53,000	-	-
Transportation	873,964	-	-
Culture and recreation	590,464	-	1,638,340
Home and community services	1,698,060	1,943,412	-
Employee benefits	4,801,550	209,215	574,996
Debt service			
Principal	510,966	279,034	-
Interest	62,539	60,375	-
Refunding bond issuance costs	42,162	-	-
Capital outlay	-	-	-
Total Expenditures	<u>18,298,001</u>	<u>2,747,372</u>	<u>2,235,610</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,169,542</u>	<u>75,091</u>	<u>(879,878)</u>
OTHER FINANCING SOURCES (USES)			
Refunding bonds issued	2,260,000	-	-
Payment to refunded bond escrow agent	(2,217,838)	-	-
Insurance recoveries	24,836	-	-
Transfers in	120,000	2,000	951,246
Transfers out	(1,807,000)	(120,000)	(187,000)
Total Other Financing Sources (Uses)	<u>(1,620,002)</u>	<u>(118,000)</u>	<u>764,246</u>
Net Change in Fund Balances	549,540	(42,909)	(115,632)
FUND BALANCES (DEFICITS)			
Beginning of Year	<u>5,055,085</u>	<u>575,796</u>	<u>435,162</u>
End of Year	<u>\$ 5,604,625</u>	<u>\$ 532,887</u>	<u>\$ 319,530</u>

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 15,424,424
-	-	38,465
-	-	1,640,299
-	531,260	5,833,875
-	-	91,053
-	36	157,301
-	-	890,109
-	-	277,938
-	-	9,558
31,950	-	525,646
-	-	116,756
298,257	52,760	554,577
330,207	584,056	25,560,001
-	-	2,510,859
-	-	7,432,047
-	-	53,000
-	66,851	940,815
-	33,174	2,261,978
-	32,912	3,674,384
-	-	5,585,761
-	-	790,000
-	4,663	127,577
-	-	42,162
966,505	-	966,505
966,505	137,600	24,385,088
(636,298)	446,456	1,174,913
-	-	2,260,000
-	-	(2,217,838)
-	-	24,836
1,295,754	-	2,369,000
-	(255,000)	(2,369,000)
1,295,754	(255,000)	66,998
659,456	191,456	1,241,911
(970,085)	1,130,111	6,226,069
\$ (310,629)	\$ 1,321,567	\$ 7,467,980

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Village of Larchmont, 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, 2022

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 1,241,911</u>
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	899,484
Depreciation expense	<u>(1,625,293)</u>
	<u>(725,809)</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>(81,073)</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Refunding bonds issued	(2,260,000)
Payment to refunded bond escrow agent	2,217,838
Principal paid on general obligation bonds	<u>790,000</u>
	<u>747,838</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	12,759
Compensated absences	883,864
Changes in pension liabilities and related deferred outflows and inflows of resources	1,275,460
Changes in OPEB liabilities and related deferred outflows and inflows of resources	92,193
Amortization of loss on refunding bonds	<u>(37,838)</u>
	<u>2,226,438</u>
Change in Net Position of Governmental Activities	<u><u>\$ 3,409,305</u></u>

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

Village of Larchmont, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Water and Public Library Funds
Year Ended May 31, 2022

	General			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 15,327,637	\$ 15,327,637	\$ 15,424,424	\$ 96,787
Other tax items	22,000	22,000	38,465	16,465
Non-property taxes	1,110,000	1,110,000	1,640,299	530,299
Departmental income	1,442,828	1,442,828	1,158,496	(284,332)
Intergovernmental charges	46,025	46,025	91,053	45,028
Use of money and property	175,711	175,711	156,919	(18,792)
Licenses and permits	530,125	530,125	890,109	359,984
Fines and forfeitures	227,836	227,836	277,938	50,102
Sale of property and compensation for loss	25,000	25,000	7,152	(17,848)
State aid	337,486	264,486	488,649	224,163
Federal aid	25,000	25,000	116,756	91,756
Miscellaneous	40,000	113,000	177,283	64,283
Total Revenues	19,309,648	19,309,648	20,467,543	1,157,895
EXPENDITURES				
Current				
General government support	2,308,563	2,309,063	2,233,249	75,814
Public safety	6,455,941	6,455,941	7,432,047	(976,106)
Health	53,000	53,000	53,000	-
Transportation	964,520	964,520	873,964	90,556
Culture and recreation	635,335	634,835	590,464	44,371
Home and community services	1,702,937	1,702,939	1,698,060	4,879
Employee benefits	5,178,017	5,178,017	4,801,550	376,467
Debt service				
Principal	481,611	481,611	510,966	(29,355)
Interest	112,978	112,978	62,539	50,439
Refunding bond issuance costs	-	42,162	42,162	-
Total Expenditures	17,892,902	17,935,066	18,298,001	(362,935)
Excess (Deficiency) of Revenues Over Expenditures	1,416,746	1,374,582	2,169,542	794,960
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	2,260,000	2,260,000	-
Payment to refunded bond escrow agent	-	(2,217,838)	(2,217,838)	-
Insurance recoveries	55,000	55,000	24,836	(30,164)
Transfers in	121,500	121,500	120,000	(1,500)
Transfers out	(1,593,246)	(2,005,397)	(1,807,000)	198,397
Total Other Financing Sources (Uses)	(1,416,746)	(1,786,735)	(1,620,002)	166,733
Net Change in Fund Balances	-	(412,153)	549,540	961,693
FUND BALANCES				
Beginning of Year	-	412,153	5,055,085	4,642,932
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,604,625</u>	<u>\$ 5,604,625</u>

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

Water				Public Library			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,912,604	2,912,604	2,822,143	(90,461)	1,323,623	1,323,623	1,321,976	(1,647)
-	-	-	-	-	-	-	-
2,100	2,100	200	(1,900)	1,500	1,500	146	(1,354)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	3,000	3,000	2,406	(594)
-	-	-	-	4,175	4,175	5,047	872
-	-	-	-	-	-	-	-
-	-	120	120	25,500	25,500	26,157	657
<u>2,914,704</u>	<u>2,914,704</u>	<u>2,822,463</u>	<u>(92,241)</u>	<u>1,357,798</u>	<u>1,357,798</u>	<u>1,355,732</u>	<u>(2,066)</u>
79,333	79,333	255,336	(176,003)	24,750	24,750	22,274	2,476
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,991,042	1,991,042	1,943,412	47,630	1,658,950	1,658,950	1,638,340	20,610
266,642	266,642	209,215	57,427	625,344	625,344	574,996	50,348
274,389	274,389	279,034	(4,645)	-	-	-	-
66,298	66,298	60,375	5,923	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,677,704</u>	<u>2,677,704</u>	<u>2,747,372</u>	<u>(69,668)</u>	<u>2,309,044</u>	<u>2,309,044</u>	<u>2,235,610</u>	<u>73,434</u>
237,000	237,000	75,091	(161,909)	(951,246)	(951,246)	(879,878)	71,368
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,000	2,000	2,000	-	951,246	951,246	951,246	-
(155,000)	(155,000)	(120,000)	35,000	(50,000)	(187,000)	(187,000)	-
<u>(153,000)</u>	<u>(153,000)</u>	<u>(118,000)</u>	<u>35,000</u>	<u>901,246</u>	<u>764,246</u>	<u>764,246</u>	<u>-</u>
84,000	84,000	(42,909)	(126,909)	(50,000)	(187,000)	(115,632)	71,368
<u>(84,000)</u>	<u>(84,000)</u>	<u>575,796</u>	<u>659,796</u>	<u>50,000</u>	<u>187,000</u>	<u>435,162</u>	<u>248,162</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532,887</u>	<u>\$ 532,887</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 319,530</u>	<u>\$ 319,530</u>

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Note 1 - Summary of Significant Accounting Policies

The Village of Larchmont, New York (“Village”) was established in 1891 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 Mayor 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, culture and recreation, home and community services and general and administrative support.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local 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 Village's significant accounting policies are described below:

A. Financial Reporting Entity

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

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

The Larchmont Public Library (“Library”) was established by the Village for the benefit of its residents and also serves the residents of the unincorporated portion of the Town of Mamaroneck, New York (“Town”). The Library was granted a Charter by the State Board of Regents as provided in Article 5 of the Education Law of the State of New York. The Library is fiscally supported by the Village and Town through an inter-municipal agreement. Although the Library is a separate legal entity, the Village and Town appoint Library trustees, raise taxes and finance the Library's operations through the transfer of funds to the Library. The Village has title to real property used by the Library and issues all Library indebtedness which is supported by the full faith and credit of the Village.

B. Government-Wide Financial Statements

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

The Statement of Net Position presents the financial position of the Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers

Note 1 - Summary of Significant Accounting Policies (Continued)

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. 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.

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is excluded from the government-wide financial statements.

C. Fund Financial Statements

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

Fund Categories

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

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

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 funds of the Village are as follows:

Water Fund - The Water Fund is used to record the water utility operations of the Village, which render services on a user charge basis to the general public.

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 1 - Summary of Significant Accounting Policies (Continued)

Public Library Fund - The Public Library Fund is used to account for the activities of the Village's public library. The major revenue of this fund is departmental income.

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

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

Special Revenue Funds -

Special 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.

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

Parking Fund - The Parking Fund is used to account for parking fees received within the Village.

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Village on behalf of others. In accordance with the provisions of GASB Statement No. 84, "Fiduciary Activities", the Village had no such activity to report in this fund category.

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*. 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 when they have been earned and 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 and the

Note 1 - Summary of Significant Accounting Policies (Continued)

amounts are expected to be collected within one year of the fiscal year. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability and other postemployment benefit liabilities are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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 Federal Deposit Insurance Corporation ("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 Measurement 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40, *"Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2022.

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 June. The Village is responsible for the billing and collection of its own taxes. The Village 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 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, 2022, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

Inventories - There are no inventory values presented in the balance sheets of the respective funds of the 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.

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2022

Note 1 - Summary of Significant Accounting Policies (Continued)

assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the 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).

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings and Improvements	20-50
Machinery and Equipment	8-15
Infrastructure	10-65

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 sheets.

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$195,397 in American Rescue Plan Act funds received in advance and \$65,515 for parking fees and day camp fees received in advance in the General Fund and \$1,267 in the Water Fund for other fees received in advance. 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 includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

The Village reported deferred inflows of resources of \$12,526 for real property taxes not expected to be collected within sixty days of the subsequent fiscal year and \$1,260,655 for taxes collected in advance of lien date in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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 Fund expenditures.

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

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

Other Postemployment Benefit Liability ("OPEB") – In addition to providing pension benefits, the Village provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No.75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"*.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

Fund Balances - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the 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, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Assigned fund balance, in the General Fund, represents amounts constrained either by the policies of the Village's Board for amounts assigned for balancing the subsequent year's budget or the Village's Treasurer for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

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

F. Encumbrances

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, Water and Public Library funds. Encumbrances outstanding at year-end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities. The Village has not implemented an encumbrance system.

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 3, 2022.

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2022

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 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 and Water funds. The management control of the Public Library Fund is performed by the Larchmont Public Library Board of Directors.
- f) Budgets for General, Water, Sewer and Public Library funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Special Purpose Fund since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year. The budget for the Public Library Fund is adopted in accordance with the laws and regulations of the Board of Regents of the New York State Education Department and an inter-municipality agreement with the Village and Town.
- 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 increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in General, Water, Sewer and Public Library funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the 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 2022 fiscal year was \$55,951,974 which exceeded the actual levy by \$40,657,337.

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 2 - Stewardship, Compliance and Accountability (Continued)

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

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

C. Expenditures in Excess of Budget

General Fund		
General Government Support		
Board of Trustees	\$	4,513
Justice		16,158
Supervisor		37,241
Budget		16,744
Law		117,263
Personnel		26,951
Buildings		50,814
Central garage		43,664
Unallocated insurance		6,111
Metropolitan commuter transportation mobility tax		3,476
Public Safety		
Police		663,250
Fire department		304,780
Safety inspection		13,814
Transportation		
Street lighting		24,502

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2022

Note 2 - Stewardship, Compliance and Accountability (Continued)

Culture and Recreation		
Playgrounds and recreation	\$	19,300
Band concerts		1,603
Celebrations		8,179
Home and Community Services		
Planning		21,328
Sanitary sewers		2,134
Shade trees		6,551
Emergency tenant protection fees		1,840
Employee Benefits		
Social security		102,470
Debt Service		
Principal - Serial bonds		29,355
Interest - Bond anticipation notes		1,880
Other Financing Uses		
Transfer out - Water Fund		2,000
Water Fund		
General Government Support		176,003
Debt Service		
Principal		4,645

In addition, the entire General Fund and Water Fund exceeded their budgetary provisions by \$164,538 and \$69,668, respectively.

D. Capital Projects Fund Deficits

The deficits in various individual projects arise 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 payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. This deficit will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficit, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at May 31, 2022 consisted of the following:

Tax Liens	\$	<u>12,526</u>
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Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$12,526, which represent an estimate of the receivable which will not be collected within the sixty days of the subsequent year.

B. Interfund Receivables/Payable

The composition of due from/to other funds at May 31, 2022 were as follows:

Fund	Due From	Due To
General	\$ -	\$ 170,178
Water	-	4,986
Public Library	-	9,570
Capital Projects	297,245	-
Non-Major Governmental	137,489	250,000
	<u>\$ 434,734</u>	<u>\$ 434,734</u>

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

C. Capital Assets

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

	Balance June 1, 2021	Additions	Deletions	Balance May 31, 2022
Capital Assets, not being depreciated:				
Land	\$ 57,213	\$ -	\$ -	\$ 57,213
Construction-in-progress	2,420,866	353,362	-	2,774,228
Total Capital Assets, not being depreciated	<u>\$ 2,478,079</u>	<u>\$ 353,362</u>	<u>\$ -</u>	<u>\$ 2,831,441</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 20,739,015	\$ 35,311	\$ -	\$ 20,774,326
Machinery and equipment	8,219,037	279,301	-	8,498,338
Infrastructure	20,973,394	231,510	-	21,204,904
Total Capital Assets, being depreciated	<u>49,931,446</u>	<u>546,122</u>	<u>-</u>	<u>50,477,568</u>
Less Accumulated Depreciation for:				
Buildings and improvements	7,483,686	796,671	-	8,280,357
Machinery and equipment	6,094,963	407,290	-	6,502,253
Infrastructure	13,632,974	421,332	-	14,054,306
Total Accumulated Depreciation	<u>27,211,623</u>	<u>1,625,293</u>	<u>-</u>	<u>28,836,916</u>
Total Capital Assets, being depreciated, net	<u>\$ 22,719,823</u>	<u>\$ (1,079,171)</u>	<u>\$ -</u>	<u>\$ 21,640,652</u>
Capital Assets, net	<u>\$ 25,197,902</u>	<u>\$ (725,809)</u>	<u>\$ -</u>	<u>\$ 24,472,093</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 39,142
Public Safety	127,732
Transportation	573,465
Culture and Recreation	760,927
Home and Community Services	<u>124,027</u>
	<u>\$ 1,625,293</u>

D. Short-Term Capital Borrowings - Bond Anticipation Notes

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2021	New Issues	Note Payments	Balance May 31, 2022
Sanitation Sewer Evaluation Study	2017	06/15/22	1.00 %	\$ 200,000	\$ -	\$ 100,000	\$ 100,000
Various capital projects	2018	06/15/22	1.00	302,300	-	50,000	252,300
Various capital projects	2021	06/15/22	1.00	975,000	-	35,000	940,000
Various capital projects	2021	02/10/23	0.89	625,000	-	125,000	500,000
				<u>\$ 2,102,300</u>	<u>\$ -</u>	<u>\$ 310,000</u>	<u>\$ 1,792,300</u>

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

Interest expense of \$5,072, \$1,600 and \$3,063 were recorded in the fund financial statements in the General, Sewer and Parking funds, respectively. Interest expense of \$16,232 was recorded in the government-wide financial statements for governmental activities.

E. Long-Term Liabilities

The changes in the Village's long-term liabilities during the year ended May 31, 2022 are summarized as follows:

	Balance, June 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2022	Due Within One-Year
General Obligation Bonds Payable	\$ 7,095,000	\$ 2,260,000	\$ 2,970,000	\$ 6,385,000	\$ 790,000
Other Non-Current Liabilities:					
Compensated Absences	1,992,181	1,819	885,683	1,108,317	111,000
Net Pension Liability - ERS	12,241	-	12,241	-	-
Net Pension Liability - PFRS	2,236,428	-	1,507,909	728,519	-
Other Postemployment Benefit Liability	<u>43,124,145</u>	<u>(8,647,678)</u>	<u>865,442</u>	<u>33,611,025</u>	<u>-</u>
Total Other Non-Current Liabilities	<u>47,364,995</u>	<u>(8,645,859)</u>	<u>3,271,275</u>	<u>35,447,861</u>	<u>111,000</u>
Total Long-Term Liabilities	<u>\$ 54,459,995</u>	<u>\$ (6,385,859)</u>	<u>\$ 6,241,275</u>	<u>\$ 41,832,861</u>	<u>\$ 901,000</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

Each governmental fund's liability for compensated absences, net pension liability and other postemployment benefit liability is liquidated by the General, Water or Public Library funds. The Village's indebtedness for general obligations bonds and loans are liquidated by the General and Water funds.

General Obligation Bonds Payable

General obligation bonds payable at May 31, 2022 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2022
Various Village Purposes	2017	\$ 5,908,201	September, 2031	2.00 - 2.50 %	\$ 4,170,000
Refunding Bond	2021	2,260,000	August, 2029	.60 - 1.75	2,215,000
					\$ 6,385,000

Interest expenditures of \$57,467 and \$60,375 were recorded in the fund financial statements in the General and Water funds, respectively. Interest expense of \$136,424 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, 2022, including interest payments of \$605,119 are as follows:

Year Ending May 31,	Bonds	
	Principal	Interest
2023	\$ 790,000	\$ 112,013
2024	800,000	101,573
2025	815,000	90,068
2026	585,000	78,932
2027	595,000	68,176
2028-2032	2,800,000	154,357
	\$ 6,385,000	\$ 605,119

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

Note 3 - Detailed Notes on All Funds (Continued)

Advance Refunding

During the 2022 fiscal year, the Village issued \$2,260,000 in serial bonds with interest rates at .5% to 1.75%. The proceeds were used to advance refund \$725,000 of outstanding 2009 various purpose serial bonds bearing interest at 4.0% and \$1,455,000 of outstanding 2013 various purpose serial bonds bearing interest at 3.0% to 3.75%. The net proceeds of \$2,217,838 (after \$42,162 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 bonds. As a result, the 2009 and 2013 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 \$37,838. The Village advance refunded the 2009 and 2013 serial bonds to reduce its total debt service payments over nine years by \$148,039 and to obtain a net present value economic gain of \$139,067.

As of May 31, 2022, the defeased bonds have been called and are no longer outstanding.

Legal Debt Margin

The Village is subject to legal limitations on the amount of debt that it may issue. The Village's legal debt margin is 7% of the five year average full valuation of taxable real property. At May 31, 2022, that amount was \$335,919,308. As of May 31, 2022, the total outstanding debt applicable to the limit was \$8,177,300, which is 4.068% of the total debt limit.

Compensated Absences

In accordance with existing collective bargaining agreements, all employees may accumulate an unlimited amount of sick days. Upon retirement, Fire Department employees may be compensated for or paid 100% of regular sick days. At the individual discretion of each Fire Department employee, a portion or up to 100% of their sick days accumulated may be allocated towards defraying the cost of their healthcare in retirement. Upon retirement, Police Department employees may be compensated to a maximum of 80% of regular sick days, 20% of extended sick days and 39.5% of pre-2005 sick days, respectively, of such unused sick time. At the individual discretion of each Police Department employee, a portion or up to 100% of their sick days as accumulated may be allocated towards defraying the cost of their healthcare in retirement. Vacation time may be accumulated to a maximum of ten days for Public Library employees and an additional five days may be granted with the approval of the Director of the Library, however, such additional five days, if approved, must be used within a pre-determined period of time as set-forth in the Public Library's bargaining unit's contract. Police Department personnel may accumulate up to fifty days of vacation time if hired prior to March 1, 1984 or up to forty days if hired after that date. These respective accumulations in terms of days represent the maximum amounts of vacation time that may be paid out at the time of retirement. The value of the compensated absences has been reflected in the government-wide financial statements.

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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 2022 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	18.2 %
	4 A15	18.2
	5 A15	15.2
	6 A15/41J1	10.6
PFRS	2 384D	30.4 %
	5 384D *	25.5
	6 375I *	10.6
	6 384D *	19.8

* Indicates employees are required to make a contribution for this PFRS tier/plan.

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

At May 31, 2022, 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, 2022	March 31, 2022
Net pension liability (asset)	\$ (1,015,101)	\$ 728,519
Villages' proportion of the net pension liability	0.0124178 %	0.1282503 %
Change in proportion since the prior measurement date	0.0001248 %	(0.0005557) %

The net pension liability was measured as of March 31, 2022 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, 2022, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$56,735 for ERS and (\$708,394) for PFRS. Pension expenditures of \$547,416 for ERS and \$1,493,173 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 315,834	\$ 1,493,173
Water Fund	69,899	-
Library Fund	161,683	-
	<u>\$ 547,416</u>	<u>\$ 1,493,173</u>

At May 31, 2022, the Village reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>		<u>PFRS</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 76,875	\$ 99,711	\$ 392,750	\$ -
Changes of assumptions	1,694,090	28,586	4,360,343	-
Net difference between projected and actual earnings on pension plan investments	-	3,324,031	-	6,121,461
Changes in proportion and differences between Village contributions and proportionate share of contributions	47,283	60,113	131,437	133,622
Village contributions subsequent to the measurement date	70,659	-	259,629	-
	<u>\$ 1,888,907</u>	<u>\$ 3,512,441</u>	<u>\$ 5,144,159</u>	<u>\$ 6,255,083</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 469,625	\$ 99,711
Changes of assumptions	6,054,433	28,586
Net difference between projected and actual earnings on pension plan investments	-	9,445,492
Changes in proportion and differences between Village contributions and proportionate share of contributions	178,720	193,735
Village contributions subsequent to the measurement date	330,288	-
	\$ 7,033,066	\$ 9,767,524

\$70,659 and \$259,629 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 plan year ended March 31, 2023. 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:

Plan Year Ended March 31,	ERS	PFRS
2023	\$ (261,219)	\$ (280,584)
2024	(381,774)	(494,142)
2025	(874,720)	(1,441,223)
2026	(176,480)	815,594
2027	-	29,802
Thereafter	-	-
	\$ (1,694,193)	\$ (1,370,553)

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

	ERS	PFRS
Measurement Date	March 31, 2022	March 31, 2022
Actuarial valuation date	April 1, 2021	April 1, 2021
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	6.2%
Inflation rate	2.7%	2.7%
Cost of living adjustments	1.4%	1.4%

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32 %	3.30 %
International Equity	15	5.85
Private Equity	10	6.50
Real Estate	9	5.00
Opportunistic/ARS Portfolio	3	4.10
Credit	4	3.78
Real Assets	3	5.80
Fixed Income	23	0.00
Cash	<u>1</u>	(1.00)
	<u><u>100 %</u></u>	

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

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 2,612,859</u>	<u>\$ (1,015,101)</u>	<u>\$ (4,049,714)</u>
Village's proportionate share of the PFRS net pension liability (asset)	<u>\$ 8,103,648</u>	<u>\$ 728,519</u>	<u>\$ (5,376,130)</u>

The components of the collective net pension liability as of the March 31, 2022 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 223,874,888,000	\$ 42,237,292,000	\$ 266,112,180,000
Fiduciary net position	<u>232,049,473,000</u>	<u>41,669,250,000</u>	<u>273,718,723,000</u>
Employers' net pension liability	<u>\$ (8,174,585,000)</u>	<u>\$ 568,042,000</u>	<u>\$ (7,606,543,000)</u>
Fiduciary net position as a percentage of total pension liability	<u>103.65%</u>	<u>98.66%</u>	<u>102.86%</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, 2022 represent the employer contribution for the period of April 1, 2022 through May 31, 2022 based on paid ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions to ERS and PFRS as of May 31, 2022 were \$70,659 and \$259,629 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 Postemployment Benefit Liability ("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 postemployment 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

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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, 2022, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	74
Active employees	<u>74</u>
	<u><u>148</u></u>

The Village's total OPEB liability of \$33,611,025 was measured as of May 31, 2022, and was determined by an actuarial valuation as of June 1, 2021.

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

Inflation	3.00%
Salary increases	3.00%
Discount rate	3.70%
Healthcare cost trend rates	8.0% for 2022, decreasing by .5% per year to an ultimate rate of 5.0%
Retirees' share of benefit-related costs	Varies from 2% to 100%, depending on applicable retirement year and bargaining unit

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

Mortality rates were based on the Society of Actuaries Mortality Projection Scale MP-2020 and RP-2006 mortality table.

The Village's change in the total OPEB liability for the year ended May 31, 2022 is as follows:

Total OPEB Liability - Beginning of Year	\$ 43,124,145
Service Cost	1,260,399
Interest	678,794
Changes of benefit terms	-
Difference between expected and actual experience	1,531,681
Changes in assumptions	(12,118,552)
Benefit payments	<u>(865,442)</u>
Total OPEB Liability - End of Year	<u><u>\$ 33,611,025</u></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 (2.70%) or 1 percentage point higher (4.70%) than the current discount rate:

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (2.70%)	Current Discount Rate (3.70%)	1% Increase (4.70%)
Total OPEB Liability	\$ 39,355,053	\$ 33,611,025	\$ 27,867,016

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

	1% Decrease (7.0% decreasing to 4.0%)	Current Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	\$ 27,919,750	\$ 33,611,025	\$ 40,383,128

For the year ended May 31, 2022, the Village recognized OPEB expense of \$773,249 in the government-wide financial statements. At May 31, 2022, 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	\$ 4,542,338	\$ 9,694,842
Differences between expected and actual experience	1,463,598	2,045,432
	<u>\$ 6,005,936</u>	<u>\$ 11,740,274</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,	
2023	\$ (1,165,944)
2024	(1,165,947)
2025	(1,285,072)
2026	(2,117,375)
2027	-
Thereafter	-
	<u>\$ (5,734,338)</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

F. 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:

Transfers Out	Transfers in				Total
	General Fund	Water Fund	Public Library Fund	Capital Projects Fund	
General Fund	\$ -	\$ 2,000	\$ 951,246	\$ 853,754	\$ 1,807,000
Water Fund	120,000	-	-	-	120,000
Public Library Fund	-	-	-	187,000	187,000
Non-Major Governmental Funds	-	-	-	255,000	255,000
	<u>\$ 120,000</u>	<u>\$ 2,000</u>	<u>\$ 951,246</u>	<u>\$ 1,295,754</u>	<u>\$ 2,369,000</u>

Transfers are used to 1) move amounts earmarked in the operating funds to fulfill commitments for Capital Projects Fund expenditures and 2) move amounts earmarked in the operating funds to fulfill commitments of the General, Water, Public Library and Non-Major Governmental funds.

G. Net Position

The components of net position are detailed below:

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

Restricted for Capital Projects - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

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

Restricted for Special Purpose - the component of net position that reports the difference between assets and liabilities of certain programs with constraints placed on their use by either external parties and/or statute.

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2022					2021						
	General Fund	Water Fund	Public Library Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Water Fund	Public Library Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable -												
Prepaid expenditures	\$ 445,313	\$ 11,095	\$ 43,206	\$ -	\$ -	\$ 499,614	\$ 422,424	\$ 7,430	\$ 38,138	\$ -	\$ -	\$ 467,992
Restricted:												
Special purpose	-	-	-	-	556,708	556,708	-	-	-	-	542,159	542,159
Debt service	250,903	13,005	-	-	-	263,908	242,004	13,005	-	-	-	255,009
Total Restricted	250,903	13,005	-	-	556,708	820,616	242,004	13,005	-	-	542,159	797,168
Assigned:												
Subsequent year's expenditures	-	-	40,000	-	-	40,000	-	-	50,000	-	-	50,000
Subsequent year's expenditures - Sewer Fund	-	-	-	-	57,373	57,373	-	-	-	-	-	-
Sewer Fund	-	-	-	-	603,626	603,626	-	-	-	-	587,952	587,952
Parking Fund	-	-	-	-	103,860	103,860	-	-	-	-	-	-
Major funds	-	508,787	236,324	-	-	745,111	-	555,361	347,024	-	-	902,385
Total Assigned	-	508,787	276,324	-	764,859	1,549,970	-	555,361	397,024	-	587,952	1,540,337
Unassigned	4,908,409	-	-	(310,629)	-	4,597,780	4,390,657	-	-	(970,085)	-	3,420,572
Total Fund Balances (Deficits)	\$ 5,604,625	\$ 532,887	\$ 319,530	\$ (310,629)	\$ 1,321,567	\$ 7,467,980	\$ 5,055,085	\$ 575,796	\$ 435,162	\$ (970,085)	\$ 1,130,111	\$ 6,226,069

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2022

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.

Subsequent year's expenditures represent that at May 31, 2022, the Village Board has utilized the above amounts to be appropriated for the ensuing year's budget.

Assigned for Sewer, Public Library and Parking funds represent the component of fund balance that reports the difference between assets and liabilities of the Sewer, Public Library and Parking funds.

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 net deficit balance in the various capital projects.

I. Joint Ventures

The Village and the Town of Mamaroneck, New York participate in the Larchmont-Mamaroneck Joint Garbage Disposal Commission, a joint agency. Created in 1938 by an act of the New York State Legislature the formation of the Commission is to provide incineration of garbage and refuse services working together to achieve efficiencies in government operations.

The following is an audited summary of the financial information included in the financial statements of the joint agency.

Statement of Net Position Date - December 31, 2021:

Total Assets	\$	1,557,039
Deferred Outflows of Resources		4,202,074
Total Liabilities		12,632,577
Deferred Inflows of Resources		2,939,104
Net Position		(9,812,568)
Total Revenues		3,693,554
Total Expenditures		4,141,436
Change in Net Position		(447,882)

The Village, together with the Village of Mamaroneck, New York and the Town formed the Tri-Municipal Larchmont-Mamaroneck Cable TV Board of Control ("Board"). 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 Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2022

Note 3 - Detailed Notes on All Funds (Continued)

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

Balance Sheet Date - December 31, 2021:

Total Assets	\$	1,461,155
Net Position		1,461,155
Total Revenues		945,890
Total Expenses		808,957
Change in Net Position		136,933

Effective November 8, 2022 the Village withdrew from the Tri-Municipal Larchmont-Mamaroneck Cable TV agreement.

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 damage or personal injury. Of the claims currently pending, none are expected to have a material effect on the financial position of the Village, if adversely settled.

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

B. Risk Management

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains general liability insurance coverage with policy limits of \$1 million per occurrence \$3 million in aggregate and law enforcement liability insurance coverage with policy limits of \$1 million per occurrence \$3 million in aggregate. The public officials legal liability policy provides coverage up to \$1 million per each wrongful act \$3 million in aggregate. In addition, the Village maintains an umbrella liability policy, which provides coverage up to \$20 million. The Village also purchases conventional workers' compensation and medical insurance coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

C. 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.

Village of Larchmont, New York

Notes to Financial Statements (Concluded)
May 31, 2022

Note 5 - Subsequent Events

The Village, on June 14, 2022 renewed a bond anticipation note with a total authorized issue of \$735,000 due on June 14, 2023 with interest at 2.03%.

Note 6 - Recently Issued GASB Pronouncements

GASB Statement No. 87, "Leases", as amended by GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", establishes a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

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

Village of Larchmont, New York

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

	2022	2021	2020	2019
Total OPEB Liability:				
Service cost	\$ 1,260,399	\$ 1,162,453	\$ 1,080,770	\$ 702,730
Interest	678,794	1,006,429	1,109,201	1,054,510
Changes of benefit terms	-	(580,054)	-	-
Differences between expected and actual experience	1,531,681	(1,839,738)	(1,883,182)	714,765
Changes of assumptions or other inputs *	(12,118,552)	5,561,024	2,411,451	-
Benefit payments	(865,442)	(906,429)	(730,020)	(627,743)
Net Change in Total OPEB Liability	(9,513,120)	4,403,685	1,988,220	1,844,262
Total OPEB Liability – Beginning of Year	43,124,145	38,720,460	36,732,240	34,887,978 (3)
Total OPEB Liability – End of Year	<u>\$ 33,611,025</u>	<u>\$ 43,124,145</u>	<u>\$ 38,720,460</u>	<u>\$ 36,732,240</u>
Village's covered-employee payroll	<u>\$ 10,684,920</u>	<u>\$ 9,786,604</u>	<u>\$ 9,714,203</u>	<u>\$ 9,763,601</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>315%</u>	<u>441%</u>	<u>399%</u>	<u>376%</u>
* Discount Rate	<u>3.70%</u>	<u>1.59%</u>	<u>2.63%</u>	<u>3.05%</u>

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.

See independent auditors' report.

Village of Larchmont, New York

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

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

	2022 (4)	2021 (4)	2020 (3)	2019	2018	2017	2016
Village's proportion of the net pension liability (asset)	0.0124178%	0.0122930%	0.0130171%	0.0131525%	0.0138652%	0.0133163%	0.0128206%
Village's proportionate share of the net pension liability (asset)	\$ (1,015,101)	\$ 12,241	\$ 3,447,007	\$ 931,896	\$ 447,491	\$ 1,251,233	\$ 2,057,744
Village's covered payroll	\$ 3,835,249	\$ 3,719,349	\$ 3,731,142	\$ 3,885,866	\$ 4,059,292	\$ 3,946,754	\$ 3,507,130
Village's proportionate share of the net pension liability as a percentage of its covered payroll	(26.47)%	0.33%	92.38%	23.98%	11.02%	31.70%	58.67%
Plan fiduciary net position as a percentage of the total pension liability (asset)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%
Discount Rate	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

Schedule of Contributions

	2021	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 572,107	\$ 517,285	\$ 532,089	\$ 563,699	\$ 586,874	\$ 559,490	\$ 639,739
Contributions in relation to the contractually required contribution	(572,107)	(517,285)	(532,089)	(563,699)	(586,874)	(559,490)	(639,739)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 3,818,255	\$ 3,756,608	\$ 3,740,893	\$ 3,805,849	\$ 4,128,376	\$ 3,835,360	\$ 3,693,596
Contributions as a percentage of covered payroll	14.98%	13.77%	14.22%	14.81%	14.22%	14.59%	17.32%

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

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

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

(4) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

Village of Larchmont, New York

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

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

	2022 (4)	2021 (4)	2020 (3)	2019	2018	2017	2016
Village's proportion of the net pension liability	0.1282503%	0.1288060%	0.1350099%	0.1403553%	0.1385891%	0.1241061%	0.1191251%
Village's proportionate share of the net pension liability	\$ 728,519	\$ 2,236,428	\$ 7,216,193	\$ 2,353,848	\$ 1,400,799	\$ 2,572,287	\$ 3,527,041
Village's covered payroll	\$ 5,657,893	\$ 5,527,756	\$ 5,567,356	\$ 5,497,867	\$ 5,522,742	\$ 5,290,390	\$ 4,334,983
Village's proportionate share of the net pension liability as a percentage of its covered payroll	12.88%	40.46%	129.62%	42.81%	25.36%	48.62%	81.36%
Plan fiduciary net position as a percentage of the total pension liability	98.66%	95.79%	84.86%	95.09%	96.93%	93.50%	90.20%
Discount Rate	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

Schedule of Contributions

	2021	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,490,170	\$ 1,261,501	\$ 1,206,695	\$ 1,225,601	\$ 1,207,674	\$ 1,057,400	\$ 938,068
Contributions in relation to the contractually required contribution	(1,490,170)	(1,261,501)	(1,206,695)	(1,225,601)	(1,207,674)	(1,057,400)	(938,068)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 5,639,680	\$ 5,557,650	\$ 5,528,831	\$ 5,490,561	\$ 5,529,317	\$ 5,211,394	\$ 4,807,051
Contributions as a percentage of covered payroll	26.42%	22.70%	21.83%	22.32%	21.84%	20.29%	19.51%

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

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

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

(4) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains.

See independent auditors' report.

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Village of Larchmont, New York

General Fund
Comparative Balance Sheet
May 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 7,183,514	\$ 2,757,979
Taxes receivable	12,526	114,736
Other receivables		
Accounts	176,859	240,056
State and Federal aid	171,870	179,031
Due from other governments	353,863	363,527
Due from other funds	-	2,236,022
	<u>702,592</u>	<u>3,018,636</u>
Prepaid expenditures	445,313	422,424
Total Assets	<u>\$ 8,343,945</u>	<u>\$ 6,313,775</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 232,055	\$ 243,570
Accrued liabilities	465,669	529,196
Deposits payable	19,130	4,973
Employee payroll deductions	17,661	15,771
Due to other funds	170,178	-
Due to retirement systems	300,534	302,966
Unearned revenues	260,912	68,615
Total Liabilities	<u>1,466,139</u>	<u>1,165,091</u>
Deferred inflows of resources		
Deferred tax revenues	12,526	93,599
Taxes collected in advance	1,260,655	-
Total Deferred Inflows of Resources	<u>1,273,181</u>	<u>93,599</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,739,320</u>	<u>1,258,690</u>
Fund balance		
Nonspendable	445,313	422,424
Restricted	250,903	242,004
Unassigned	4,908,409	4,390,657
Total Fund Balance	<u>5,604,625</u>	<u>5,055,085</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 8,343,945</u>	<u>\$ 6,313,775</u>

See independent auditors' report.

Village of Larchmont, New York

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

	2022			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 15,327,637	\$ 15,327,637	\$ 15,424,424	\$ 96,787
Other tax items	22,000	22,000	38,465	16,465
Non-property taxes	1,110,000	1,110,000	1,640,299	530,299
Departmental income	1,442,828	1,442,828	1,158,496	(284,332)
Intergovernmental charges	46,025	46,025	91,053	45,028
Use of money and property	175,711	175,711	156,919	(18,792)
Licenses and permits	530,125	530,125	890,109	359,984
Fines and forfeitures	227,836	227,836	277,938	50,102
Sale of property and compensation for loss	25,000	25,000	7,152	(17,848)
State aid	337,486	264,486	488,649	224,163
Federal aid	25,000	25,000	116,756	91,756
Miscellaneous	40,000	113,000	177,283	64,283
Total Revenues	19,309,648	19,309,648	20,467,543	1,157,895
EXPENDITURES				
Current				
General government support	2,308,563	2,309,063	2,233,249	75,814
Public safety	6,455,941	6,455,941	7,432,047	(976,106)
Health	53,000	53,000	53,000	-
Transportation	964,520	964,520	873,964	90,556
Culture and recreation	635,335	634,835	590,464	44,371
Home and community services	1,702,937	1,702,939	1,698,060	4,879
Employee benefits	5,178,017	5,178,017	4,801,550	376,467
Debt service				
Principal	481,611	481,611	510,966	(29,355)
Interest	112,978	112,978	62,539	50,439
Refunding bond issuance costs	-	42,162	42,162	-
Total Expenditures	17,892,902	17,935,066	18,298,001	(362,935)
Excess of Revenues Over Expenditures	1,416,746	1,374,582	2,169,542	794,960
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	2,260,000	2,260,000	-
Payment to refunded bond escrow agent	-	(2,217,838)	(2,217,838)	-
Insurance recoveries	55,000	55,000	24,836	(30,164)
Transfers in	121,500	121,500	120,000	(1,500)
Transfers out	(1,593,246)	(2,005,397)	(1,807,000)	198,397
Total Other Financing Uses	(1,416,746)	(1,786,735)	(1,620,002)	166,733
Net Change in Fund Balance	-	(412,153)	549,540	961,693
FUND BALANCE				
Beginning of Year	-	412,153	5,055,085	4,642,932
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,604,625</u>	<u>\$ 5,604,625</u>

See independent auditors' report.

2021			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 14,983,039	\$ 14,983,039	\$ 14,928,421	\$ (54,618)
22,000	22,000	27,959	5,959
960,000	960,000	1,501,424	541,424
1,542,828	1,542,828	980,462	(562,366)
54,700	54,700	75,296	20,596
175,711	175,711	149,581	(26,130)
430,125	430,125	679,796	249,671
327,836	327,836	122,179	(205,657)
25,000	25,000	25,380	380
262,486	189,486	382,372	192,886
-	-	10,067	10,067
40,000	113,000	95,308	(17,692)
<u>18,823,725</u>	<u>18,823,725</u>	<u>18,978,245</u>	<u>154,520</u>
2,578,125	2,177,126	2,107,090	70,036
6,387,291	6,649,490	6,630,446	19,044
58,000	53,000	53,000	-
977,571	978,890	923,313	55,577
616,651	481,875	462,265	19,610
1,638,957	1,713,247	1,684,154	29,093
4,906,712	4,926,204	4,278,729	647,475
454,031	454,031	454,031	-
127,532	129,474	129,242	232
-	-	-	-
<u>17,744,870</u>	<u>17,563,337</u>	<u>16,722,270</u>	<u>841,067</u>
<u>1,078,855</u>	<u>1,260,388</u>	<u>2,255,975</u>	<u>995,587</u>
-	-	-	-
-	-	-	-
55,000	55,000	105,295	50,295
129,000	129,000	337,114	208,114
<u>(1,262,855)</u>	<u>(1,444,388)</u>	<u>(1,444,388)</u>	<u>-</u>
<u>(1,078,855)</u>	<u>(1,260,388)</u>	<u>(1,001,979)</u>	<u>258,409</u>
-	-	1,253,996	1,253,996
-	-	3,801,089	3,801,089
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,055,085</u>	<u>\$ 5,055,085</u>

Village of Larchmont, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended May 31, 2022
 (With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
REAL PROPERTY TAXES					
Real property taxes	\$ 15,294,637	\$ 15,294,637	\$ 15,375,877	\$ 81,240	\$ 14,891,247
Special assessment taxes	33,000	33,000	48,547	15,547	37,174
	<u>15,327,637</u>	<u>15,327,637</u>	<u>15,424,424</u>	<u>96,787</u>	<u>14,928,421</u>
OTHER TAX ITEMS					
Interest and penalties on real property taxes	<u>22,000</u>	<u>22,000</u>	<u>38,465</u>	<u>16,465</u>	<u>27,959</u>
NON-PROPERTY TAXES					
Utilities gross receipts tax	110,000	110,000	118,116	8,116	107,164
Non-property tax distribution from County	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,522,183</u>	<u>522,183</u>	<u>1,394,260</u>
	<u>1,110,000</u>	<u>1,110,000</u>	<u>1,640,299</u>	<u>530,299</u>	<u>1,501,424</u>
DEPARTMENTAL INCOME					
Tax advertising charges	-	-	9	9	-
Clerk fees	1,000	1,000	1,270	270	2,736
Other fees	2,500	2,500	3,185	685	125
Police fees	4,500	4,500	1,815	(2,685)	1,700
Fire department fees	32,000	32,000	20,400	(11,600)	35,205
Public works service charges	12,500	12,500	-	(12,500)	(80,172)
Parking lots and garages	615,500	615,500	615,249	(251)	467,325
On-street parking	281,703	281,703	85,808	(195,895)	21,638
Tennis fees	22,500	22,500	51,803	29,303	31,230
Day camp	214,125	214,125	13,085	(201,040)	174,473
Five mile run	20,000	20,000	-	(20,000)	-
Zoning fees	7,000	7,000	17,040	10,040	8,500
Planning fees	26,500	26,500	68,920	42,420	75,255
Field permits	200,000	200,000	270,813	70,813	242,447
Parades and events offset	-	-	9,099	9,099	-
Emergency tenant protection fees	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>	<u>-</u>
	<u>1,442,828</u>	<u>1,442,828</u>	<u>1,158,496</u>	<u>(284,332)</u>	<u>980,462</u>

INTERGOVERNMENTAL CHARGES

Police services for other governments	5,000	5,000	53,535	48,535	31,815
Snow removal for other governments	15,000	15,000	11,493	(3,507)	8,781
Services for other governments	26,025	26,025	26,025	-	34,700
	<u>46,025</u>	<u>46,025</u>	<u>91,053</u>	<u>45,028</u>	<u>75,296</u>

USE OF MONEY AND PROPERTY

Earnings on investments	8,000	8,000	9,847	1,847	717
Rental of real property	166,711	166,711	147,072	(19,639)	148,864
Commissions	1,000	1,000	-	(1,000)	-
	<u>175,711</u>	<u>175,711</u>	<u>156,919</u>	<u>(18,792)</u>	<u>149,581</u>

LICENSES AND PERMITS

Business and occupational licenses	4,875	4,875	85,878	81,003	49,713
Permit fees	486,250	486,250	753,016	266,766	581,668
Alarm permits	33,750	33,750	32,915	(835)	35,515
Architectural review fees	5,250	5,250	18,300	13,050	12,900
	<u>530,125</u>	<u>530,125</u>	<u>890,109</u>	<u>359,984</u>	<u>679,796</u>

FINES AND FORFEITURES

Fines and forfeited bail	227,336	227,336	277,938	50,602	121,829
Other	500	500	-	(500)	350
	<u>227,836</u>	<u>227,836</u>	<u>277,938</u>	<u>50,102</u>	<u>122,179</u>

**SALE OF PROPERTY AND COMPENSATION
FOR LOSS**

Sale of scrap and excess materials	5,000	5,000	692	(4,308)	-
Minor sales	20,000	20,000	6,460	(13,540)	25,380
	<u>25,000</u>	<u>25,000</u>	<u>7,152</u>	<u>(17,848)</u>	<u>25,380</u>

STATE AID

Per capita	73,000	-	-	-	-
Mortgage tax	264,486	264,486	458,615	194,129	370,273
Public safety	-	-	15,034	15,034	-
Other	-	-	15,000	15,000	12,099
	<u>337,486</u>	<u>264,486</u>	<u>488,649</u>	<u>224,163</u>	<u>382,372</u>

(Continued)

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Village of Larchmont, New York

General Fund

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

Year Ended May 31, 2022

(With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
FEDERAL AID					
American Rescue Plan Act	\$ -	\$ -	\$ 116,756	\$ 116,756	\$ -
Emergency disaster assistance	25,000	25,000	-	(25,000)	10,067
	<u>25,000</u>	<u>25,000</u>	<u>116,756</u>	<u>91,756</u>	<u>10,067</u>
MISCELLANEOUS					
Refund of prior year's expenditures	30,000	30,000	16,856	(13,144)	-
AIM related payments	-	73,000	72,949	(51)	72,949
Other	10,000	10,000	87,478	77,478	22,359
	<u>40,000</u>	<u>113,000</u>	<u>177,283</u>	<u>64,283</u>	<u>95,308</u>
TOTAL REVENUES	<u>19,309,648</u>	<u>19,309,648</u>	<u>20,467,543</u>	<u>1,157,895</u>	<u>18,978,245</u>
OTHER FINANCING SOURCES					
Refunding bonds issued	-	2,260,000	2,260,000	-	-
Insurance recoveries	55,000	55,000	24,836	(30,164)	105,295
Transfers in					
Water Fund	120,000	120,000	120,000	-	120,000
Capital Projects Fund	-	-	-	-	217,114
Public Library Fund	1,500	1,500	-	(1,500)	-
	<u>176,500</u>	<u>2,436,500</u>	<u>2,404,836</u>	<u>(31,664)</u>	<u>442,409</u>
TOTAL OTHER FINANCING SOURCES	<u>176,500</u>	<u>2,436,500</u>	<u>2,404,836</u>	<u>(31,664)</u>	<u>442,409</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 19,486,148</u>	<u>\$ 21,746,148</u>	<u>\$ 22,872,379</u>	<u>\$ 1,126,231</u>	<u>\$ 19,420,654</u>

See independent auditors' report.

Village of Larchmont, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended May 31, 2022
 (With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 5,700	\$ 5,700	\$ 10,213	\$ (4,513)	\$ 2,625
Justice	253,188	253,188	269,346	(16,158)	235,072
Supervisor	80,800	80,800	118,041	(37,241)	108,217
Treasurer	190,060	190,060	183,141	6,919	191,732
Budget	625	625	17,369	(16,744)	16,888
Purchasing	2,350	2,350	1,108	1,242	1,922
Assessor	59,153	59,153	31,032	28,121	31,418
Clerk	106,605	106,605	86,378	20,227	92,716
Law	122,500	122,500	239,763	(117,263)	117,094
Personnel	107,914	107,914	134,865	(26,951)	126,084
Engineer	63,500	63,500	22,546	40,954	53,023
Elections	-	-	-	-	1,841
Buildings	194,454	194,954	245,768	(50,814)	172,659
Village Center	1,200	1,200	1,111	89	1,378
Central garage	321,273	321,273	364,937	(43,664)	299,708
Central communications system	48,150	48,150	47,985	165	49,765
Central printing and mailing	35,500	35,500	23,209	12,291	19,317
Central data processing	141,000	141,000	117,115	23,885	98,026
Unallocated insurance	260,000	260,000	266,111	(6,111)	259,033
Municipal association dues	3,500	3,500	2,930	570	2,930
Judgments and claims	10,000	10,000	1,506	8,494	6,442
Taxes and assessments on Village property	50,000	50,000	29,372	20,628	28,784
Refunds of real property taxes	150,000	150,000	(164)	150,164	172,679
Metropolitan commuter transportation mobility tax	16,091	16,091	19,567	(3,476)	17,737
Contingency	85,000	85,000	-	85,000	-
	<u>2,308,563</u>	<u>2,309,063</u>	<u>2,233,249</u>	<u>75,814</u>	<u>2,107,090</u>

PUBLIC SAFETY

Police	3,814,734	3,814,734	4,477,984	(663,250)	3,833,817
Traffic control	25,000	25,000	22,078	2,922	15,560
Fire department	2,317,329	2,317,329	2,622,109	(304,780)	2,530,889
Control of dogs	15,600	15,600	12,784	2,816	14,346
Safety inspection	283,278	283,278	297,092	(13,814)	235,834

	<u>6,455,941</u>	<u>6,455,941</u>	<u>7,432,047</u>	<u>(976,106)</u>	<u>6,630,446</u>
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HEALTH

Community Counseling Center	53,000	53,000	53,000	-	53,000
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TRANSPORTATION

Street administration	141,091	141,091	131,604	9,487	129,460
Street maintenance	472,547	472,547	417,137	55,410	392,981
Snow removal	89,500	89,500	68,200	21,300	96,034
Street lighting	179,852	179,852	204,354	(24,502)	222,463
Sidewalk maintenance	-	-	-	-	6,000
Off-street parking	81,530	81,530	52,669	28,861	76,375

	<u>964,520</u>	<u>964,520</u>	<u>873,964</u>	<u>90,556</u>	<u>923,313</u>
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CULTURE AND RECREATION

Parks	384,505	384,505	354,867	29,638	335,561
Playgrounds and recreation	111,850	111,350	130,650	(19,300)	122,193
Band concerts	5,500	5,500	7,103	(1,603)	1,000
Celebrations	10,500	10,500	18,679	(8,179)	819
Youth programs	120,480	120,480	79,165	41,315	192
Exhibits and reception	2,500	2,500	-	2,500	2,500

	<u>635,335</u>	<u>634,835</u>	<u>590,464</u>	<u>44,371</u>	<u>462,265</u>
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HOME AND COMMUNITY SERVICES

Zoning	3,799	3,801	2,315	1,486	1,907
Board of Architectural Review	2,565	2,565	478	2,087	608
Planning	9,500	9,500	30,828	(21,328)	22,365
Sanitary sewers	-	-	2,134	(2,134)	8,444
Storm sewers	9,600	9,600	3,636	5,964	3,906
Refuse and garbage	1,490,113	1,490,113	1,473,144	16,969	1,439,067
Community beautification	58,000	58,000	55,464	2,536	90,072
Street cleaning	92,660	92,660	84,970	7,690	88,120
Shade trees	34,700	34,700	41,251	(6,551)	24,705
Emergency tenant protection fees	2,000	2,000	3,840	(1,840)	-
COVID 19 contractual	-	-	-	-	4,960

	<u>1,702,937</u>	<u>1,702,939</u>	<u>1,698,060</u>	<u>4,879</u>	<u>1,684,154</u>
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(Continued)

Village of Larchmont, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended May 31, 2022
 (With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 476,255	\$ 476,255	\$ 315,834	\$ 160,421	\$ 313,298
State retirement - Police and fire	1,553,319	1,553,319	1,493,173	60,146	1,337,888
Social security	555,987	555,987	658,457	(102,470)	591,268
Workers' compensation benefits	368,000	368,000	236,810	131,190	134,997
Life insurance	1,700	1,700	145	1,555	1,191
Unemployment benefits	7,000	7,000	-	7,000	6,337
Hospital, medical and dental insurance	2,215,756	2,215,756	2,097,131	118,625	1,893,750
	<u>5,178,017</u>	<u>5,178,017</u>	<u>4,801,550</u>	<u>376,467</u>	<u>4,278,729</u>
DEBT SERVICE					
Principal					
Serial bonds	481,611	481,611	510,966	(29,355)	454,031
Interest					
Serial bonds	109,786	109,786	57,467	52,319	127,300
Bond anticipation notes	3,192	3,192	5,072	(1,880)	1,942
	<u>112,978</u>	<u>112,978</u>	<u>62,539</u>	<u>50,439</u>	<u>129,242</u>
Refunding bond issuance costs	-	42,162	42,162	-	-
TOTAL EXPENDITURES	<u>17,892,902</u>	<u>17,935,066</u>	<u>18,298,001</u>	<u>(362,935)</u>	<u>16,722,270</u>
OTHER FINANCING USES					
Payment to refunded bond escrow agent	-	2,217,838	2,217,838	-	-
Transfers out					
Water Fund	-	-	2,000	(2,000)	2,000
Capital Projects Fund	642,000	1,054,151	853,754	200,397	481,533
Public Library Fund	951,246	951,246	951,246	-	960,855
TOTAL OTHER FINANCING USES	<u>1,593,246</u>	<u>4,223,235</u>	<u>4,024,838</u>	<u>198,397</u>	<u>1,444,388</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 19,486,148</u>	<u>\$ 22,158,301</u>	<u>\$ 22,322,839</u>	<u>\$ (164,538)</u>	<u>\$ 18,166,658</u>

See independent auditors' report.

Village of Larchmont, New York

Water Fund
Comparative Balance Sheet
May 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 142,706	\$ 1,917,081
Receivables		
Accounts	-	8,363
Water rents	659,748	621,969
	<u>659,748</u>	<u>630,332</u>
Prepaid expenditures	<u>11,095</u>	<u>7,430</u>
Total Assets	<u>\$ 813,549</u>	<u>\$ 2,554,843</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 89,947	\$ 148,488
Accrued liabilities	175,415	13,420
Due to other funds	4,986	1,803,476
Due to retirement systems	9,047	12,396
Unearned revenues	1,267	1,267
Total Liabilities	<u>280,662</u>	<u>1,979,047</u>
Fund balance		
Nonspendable	11,095	7,430
Restricted	13,005	13,005
Assigned	508,787	555,361
Total Fund Balance	<u>532,887</u>	<u>575,796</u>
Total Liabilities and Fund Balance	<u>\$ 813,549</u>	<u>\$ 2,554,843</u>

See independent auditors' report.

Village of Larchmont, New York

Water Fund

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

	2022			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 2,912,604	\$ 2,912,604	\$ 2,822,143	\$ (90,461)
Use of money and property	2,100	2,100	200	(1,900)
Miscellaneous	-	-	120	120
Total Revenues	2,914,704	2,914,704	2,822,463	(92,241)
EXPENDITURES				
Current				
General government support	79,333	79,333	255,336	(176,003)
Home and community services	1,991,042	1,991,042	1,943,412	47,630
Employee benefits	266,642	266,642	209,215	57,427
Debt service				
Principal	274,389	274,389	279,034	(4,645)
Interest	66,298	66,298	60,375	5,923
Total Expenditures	2,677,704	2,677,704	2,747,372	(69,668)
Excess of Revenues Over Expenditures	237,000	237,000	75,091	(161,909)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	2,000	-
Transfers out	(155,000)	(155,000)	(120,000)	35,000
Total Other Financing Uses	(153,000)	(153,000)	(118,000)	35,000
Net Change in Fund Balance	84,000	84,000	(42,909)	(126,909)
FUND BALANCE				
Beginning of Year	(84,000)	(84,000)	575,796	659,796
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532,887</u>	<u>\$ 532,887</u>

See independent auditors' report.

2021

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,729,365	\$ 2,729,365	\$ 2,950,329	\$ 220,964
2,266	2,266	132	(2,134)
-	-	-	-
<u>2,731,631</u>	<u>2,731,631</u>	<u>2,950,461</u>	<u>218,830</u>
79,575	80,054	52,128	27,926
1,809,341	1,856,087	1,838,485	17,602
272,142	224,917	201,757	23,160
265,969	265,969	265,969	-
72,604	72,604	72,584	20
<u>2,499,631</u>	<u>2,499,631</u>	<u>2,430,923</u>	<u>68,708</u>
<u>232,000</u>	<u>232,000</u>	<u>519,538</u>	<u>287,538</u>
2,000	2,000	2,000	-
<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
<u>(148,000)</u>	<u>(148,000)</u>	<u>(148,000)</u>	<u>-</u>
84,000	84,000	371,538	287,538
<u>(84,000)</u>	<u>(84,000)</u>	<u>204,258</u>	<u>288,258</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,796</u>	<u>\$ 575,796</u>

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Village of Larchmont, New York

Public Library Fund
Comparative Balance Sheet
May 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 376,376	\$ 967,960
Accounts receivable	7,138	-
Prepaid expenditures	<u>43,206</u>	<u>38,138</u>
Total Assets	<u>\$ 426,720</u>	<u>\$ 1,006,098</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 35,067	\$ 27,948
Accrued liabilities	41,642	37,141
Due to other funds	9,570	448,774
Due to retirement systems	20,911	26,698
Unearned revenues	<u>-</u>	<u>30,375</u>
Total Liabilities	<u>107,190</u>	<u>570,936</u>
Fund balance		
Nonspendable	43,206	38,138
Assigned	<u>276,324</u>	<u>397,024</u>
Total Fund Balance	<u>319,530</u>	<u>435,162</u>
Total Liabilities and Fund Balance	<u>\$ 426,720</u>	<u>\$ 1,006,098</u>

See independent auditors' report.

Village of Larchmont, New YorkPublic Library Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended May 31,

	2022			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 1,323,623	\$ 1,323,623	\$ 1,321,976	\$ (1,647)
Use of money and property	1,500	1,500	146	(1,354)
Sale of property and compensation for loss	3,000	3,000	2,406	(594)
State aid	4,175	4,175	5,047	872
Miscellaneous	25,500	25,500	26,157	657
Total Revenues	<u>1,357,798</u>	<u>1,357,798</u>	<u>1,355,732</u>	<u>(2,066)</u>
EXPENDITURES				
Current				
General government support	24,750	24,750	22,274	2,476
Culture and recreation	1,658,950	1,658,950	1,638,340	20,610
Employee benefits	625,344	625,344	574,996	50,348
Total Expenditures	<u>2,309,044</u>	<u>2,309,044</u>	<u>2,235,610</u>	<u>73,434</u>
Deficiency of Revenues Over Expenditures	<u>(951,246)</u>	<u>(951,246)</u>	<u>(879,878)</u>	<u>71,368</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	951,246	951,246	951,246	-
Transfers out	(50,000)	(187,000)	(187,000)	-
Total Other Financing Sources	<u>901,246</u>	<u>764,246</u>	<u>764,246</u>	<u>-</u>
Net Change in Fund Balance	<u>(50,000)</u>	<u>(187,000)</u>	<u>(115,632)</u>	<u>71,368</u>
FUND BALANCE				
Beginning of Year	<u>50,000</u>	<u>187,000</u>	<u>435,162</u>	<u>248,162</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 319,530</u>	<u>\$ 319,530</u>

See independent auditors' report.

2021

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 1,346,892	\$ 1,346,892	\$ 1,327,110	\$ (19,782)
500	500	114	(386)
5,000	5,000	1,537	(3,463)
5,175	5,175	5,048	(127)
31,500	31,500	19,495	(12,005)
1,389,067	1,389,067	1,353,304	(35,763)
29,750	24,750	23,886	864
1,705,850	1,688,229	1,594,126	94,103
604,322	565,953	565,952	1
2,339,922	2,278,932	2,183,964	94,968
(950,855)	(889,865)	(830,660)	59,205
960,855	960,855	1,130,587	169,732
(50,000)	(298,700)	(298,700)	-
910,855	662,155	831,887	169,732
(40,000)	(227,710)	1,227	228,937
40,000	227,710	433,935	206,225
\$ -	\$ -	\$ 435,162	\$ 435,162

Village of Larchmont, New York

Public Library Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended May 31, 2022
 (With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
DEPARTMENTAL INCOME					
Library charges	\$ 10,000	\$ 10,000	\$ 8,353	\$ (1,647)	\$ 218
Services to other governments	1,313,623	1,313,623	1,313,623	-	1,326,892
	<u>1,323,623</u>	<u>1,323,623</u>	<u>1,321,976</u>	<u>(1,647)</u>	<u>1,327,110</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	1,500	1,500	146	(1,354)	114
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Minor sales	1,500	1,500	1,028	(472)	301
Sale of materials and supplies	1,500	1,500	1,378	(122)	216
Insurance recoveries	-	-	-	-	1,020
	<u>3,000</u>	<u>3,000</u>	<u>2,406</u>	<u>(594)</u>	<u>1,537</u>
STATE AID					
Library aid	4,175	4,175	5,047	872	5,048
MISCELLANEOUS					
Gifts and donations	7,500	7,500	2,782	(4,718)	11,295
Other	18,000	18,000	23,375	5,375	8,200
	<u>25,500</u>	<u>25,500</u>	<u>26,157</u>	<u>657</u>	<u>19,495</u>
TOTAL REVENUES	<u>1,357,798</u>	<u>1,357,798</u>	<u>1,355,732</u>	<u>(2,066)</u>	<u>1,353,304</u>

OTHER FINANCING SOURCES

Transfers in

General Fund

951,246

951,246

951,246

-

960,855

Capital Projects Fund

----169,732**TOTAL OTHER FINANCING SOURCES**951,246951,246951,246-1,130,587**TOTAL REVENUES AND****OTHER FINANCING SOURCES**\$ 2,309,044\$ 2,309,044\$ 2,306,978\$ (2,066)\$ 2,483,891

See independent auditors' report.

Village of Larchmont, New York

Public Library Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended May 31, 2022
 (With Comparative Actuals for 2021)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
GENERAL GOVERNMENT SUPPORT					
Unallocated insurance	\$ 18,500	\$ 18,500	\$ 16,737	\$ 1,763	\$ 18,258
Taxes and assessments on Village property	6,250	6,250	5,537	713	5,628
	<u>24,750</u>	<u>24,750</u>	<u>22,274</u>	<u>2,476</u>	<u>23,886</u>
CULTURE AND RECREATION					
Library operations	<u>1,658,950</u>	<u>1,658,950</u>	<u>1,638,340</u>	<u>20,610</u>	<u>1,594,126</u>
EMPLOYEE BENEFITS					
State retirement	195,852	195,852	161,683	34,169	149,738
Social security	95,892	95,892	88,144	7,748	87,279
Workers' compensation benefits	7,000	7,000	3,913	3,087	6,587
Disability insurance	2,000	2,000	-	2,000	1,879
Hospital, medical and dental insurance	<u>324,600</u>	<u>324,600</u>	<u>321,256</u>	<u>3,344</u>	<u>320,469</u>
	<u>625,344</u>	<u>625,344</u>	<u>574,996</u>	<u>50,348</u>	<u>565,952</u>
TOTAL EXPENDITURES	<u>2,309,044</u>	<u>2,309,044</u>	<u>2,235,610</u>	<u>73,434</u>	<u>2,183,964</u>
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	<u>50,000</u>	<u>187,000</u>	<u>187,000</u>	<u>-</u>	<u>298,700</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 2,359,044</u></u>	<u><u>\$ 2,496,044</u></u>	<u><u>\$ 2,422,610</u></u>	<u><u>\$ 73,434</u></u>	<u><u>\$ 2,482,664</u></u>

See independent auditors' report.

Village of Larchmont, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 1,236,232	\$ 1,953,101
Receivables		
Accounts	11,307	225,000
Due from other funds	<u>297,245</u>	<u>-</u>
	<u>308,552</u>	<u>225,000</u>
Total Assets	<u>\$ 1,544,784</u>	<u>\$ 2,178,101</u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 63,113	\$ 736,474
Due to other funds	-	309,412
Bond anticipation notes payable	<u>1,792,300</u>	<u>2,102,300</u>
Total Liabilities	<u>1,855,413</u>	<u>3,148,186</u>
Fund deficit		
Unassigned	<u>(310,629)</u>	<u>(970,085)</u>
Total Liabilities and Fund Deficit	<u>\$ 1,544,784</u>	<u>\$ 2,178,101</u>

See independent auditors' report.

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Village of Larchmont, New YorkCapital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Years Ended May 31,

	<u>2022</u>	<u>2021</u>
REVENUES		
State aid	\$ 31,950	\$ 469,939
Miscellaneous	<u>298,257</u>	<u>464,993</u>
Total Revenues	330,207	934,932
EXPENDITURES		
Capital outlay	<u>966,505</u>	<u>2,199,291</u>
Deficiency of Revenues Over Expenditures	<u>(636,298)</u>	<u>(1,264,359)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	1,295,754	953,233
Transfers out	<u>-</u>	<u>(446,846)</u>
Total Other Financing Sources	<u>1,295,754</u>	<u>506,387</u>
Net Change in Fund Balance	659,456	(757,972)
FUND DEFICIT		
Beginning of Year	<u>(970,085)</u>	<u>(212,113)</u>
End of Year	<u><u>\$ (310,629)</u></u>	<u><u>\$ (970,085)</u></u>

See independent auditors' report.

Village of Larchmont, New York

Capital Projects Fund
 Project-Length Schedule
 Inception of Project Through May 31, 2022

<u>PROJECT</u>	<u>Authorization</u>	<u>Expenditures and Transfers</u>	<u>Unexpended Balance</u>
Technology	\$ 1,029,481	\$ 908,056	\$ 121,425
Library Maintenance Program	1,574,240	1,377,446	196,794
Village Hall Maintenance and Improvement	154,134	44,789	109,345
Road Resurfacing and Curbing	1,823,219	1,482,828	340,391
Sidewalks 60/40 2021 and Prior	343,393	266,313	77,080
Sanitation Sewer Evaluation Study	1,865,000	1,857,177	7,823
Police Cruisers	425,579	178,213	247,366
DPW Vehicles and Equipment	417,000	333,298	83,702
Sanitation Vehicle	175,000	152,087	22,913
Police Office HVAC 2018-2019	13,000	-	13,000
Central Garage Repairs 2018-22	53,000	-	53,000
Gas Heaters 19-20	19,000	-	19,000
Downtown Streetscape Materials 19-20	15,000	-	15,000
LED Street Lights 19-21	150,000	13,368	136,632
Highway Equipment Vehicle 19-20	50,000	39,205	10,795
Parking Improvements	645,000	514,647	130,353
Library HVAC and Roof 20-21	941,000	902,206	38,794
Storm Sewer Drainage -Trouble Locations 20-21	70,000	62,067	7,933
Sweeper 20-21	225,000	224,950	50
Parking Improvements Centro/North Street 20-21	530,000	975	529,025
Project Planning and VH Website	25,000	-	25,000
Library Flood Restoration	276,006	271,006	5,000
Police Rifles and Shotguns	7,500	-	7,500
Fire Department Radio, Air, Ropes and Fans	32,500	11,068	21,432
Pavement Management Study	50,000	-	50,000
Road Resurfacing - CHIPS	116,000	-	116,000
Totals	<u>\$ 11,025,052</u>	<u>\$ 8,639,699</u>	<u>\$ 2,385,353</u>

See independent auditors' report.

	Total Revenues	Fund Balance (Deficits) at May 31, 2022	Bond Anticipation Notes Outstanding at May 31, 2022
\$	1,029,481	\$ 121,425	\$ -
	1,574,240	196,794	-
	154,134	109,345	-
	1,823,219	340,391	-
	343,393	77,080	-
	1,076,695	(780,482)	875,000
	325,579	147,366	-
	199,600	(133,698)	166,400
	66,187	(85,900)	85,900
	13,000	13,000	-
	53,000	53,000	-
	19,000	19,000	-
	15,000	15,000	-
	150,000	136,632	-
	50,000	10,795	-
	125,000	(389,647)	500,000
	594,001	(308,205)	-
	70,000	7,933	-
	100,000	(124,950)	165,000
	225,000	224,025	-
	25,000	25,000	-
	207,541	(63,465)	-
	7,500	7,500	-
	32,500	21,432	-
	50,000	50,000	-
	-	-	-
\$	8,329,070	\$ (310,629)	\$ 1,792,300

Village of Larchmont, New York

Combining Balance Sheet
Non-Major Governmental Funds
May 31, 2022
(With Comparative Totals for 2021)

	Special Purpose Fund	Sewer Fund	Parking Fund
ASSETS			
Cash and equivalents	\$ 419,219	\$ 731,833	\$ 231,380
Receivables			
Sewer rents	-	58,573	-
Due from other funds	137,489	-	-
	<u>137,489</u>	<u>58,573</u>	<u>-</u>
Total Assets	<u>\$ 556,708</u>	<u>\$ 790,406</u>	<u>\$ 231,380</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 4,407	\$ 2,520
Due to other funds	-	125,000	125,000
Total Liabilities	<u>-</u>	<u>129,407</u>	<u>127,520</u>
Fund balances			
Restricted	556,708	-	-
Assigned	-	660,999	103,860
Total Fund Balances	<u>556,708</u>	<u>660,999</u>	<u>103,860</u>
Total Liabilities and Fund Balances	<u>\$ 556,708</u>	<u>\$ 790,406</u>	<u>\$ 231,380</u>

See independent auditors' report.

Total Non-Major
Governmental Funds

<u>2022</u>	<u>2021</u>
<u>\$ 1,382,432</u>	<u>\$ 747,020</u>

58,573	57,451
<u>137,489</u>	<u>325,640</u>

<u>196,062</u>	<u>383,091</u>
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<u><u>\$ 1,578,494</u></u>	<u><u>\$ 1,130,111</u></u>
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\$ 6,927	\$ -
<u>250,000</u>	<u>-</u>

<u>256,927</u>	<u>-</u>
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556,708	542,159
<u>764,859</u>	<u>587,952</u>

<u>1,321,567</u>	<u>1,130,111</u>
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<u><u>\$ 1,578,494</u></u>	<u><u>\$ 1,130,111</u></u>
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Village of Larchmont, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended May 31, 2022
(With Comparative Totals for 2021)

	Special Purpose Fund	Sewer Fund	Parking Fund
REVENUES			
Departmental income	\$ -	\$ 232,504	\$ 298,756
Use of money and property	18	-	18
Miscellaneous	52,760	-	-
	<u>52,778</u>	<u>232,504</u>	<u>298,774</u>
EXPENDITURES			
Current			
Transportation	-	-	66,851
Culture and recreation	33,174	-	-
Home and community services	55	32,857	-
Debt service			
Interest	-	1,600	3,063
	<u>33,229</u>	<u>34,457</u>	<u>69,914</u>
Total Expenditures	<u>33,229</u>	<u>34,457</u>	<u>69,914</u>
Excess of Revenues Over Expenditures	<u>19,549</u>	<u>198,047</u>	<u>228,860</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(5,000)	(125,000)	(125,000)
	<u>(5,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>
Total Other Financing Uses	<u>(5,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>
Net Change in Fund Balances	14,549	73,047	103,860
FUND BALANCES			
Beginning of Year	<u>542,159</u>	<u>587,952</u>	<u>-</u>
End of Year	<u>\$ 556,708</u>	<u>\$ 660,999</u>	<u>\$ 103,860</u>

See independent auditors' report.

Total Non-Major Governmental Funds	
2022	2021
\$ 531,260	\$ 257,467
36	13
52,760	30,000
584,056	287,480
66,851	-
33,174	-
32,912	9,962
4,663	5,820
137,600	15,782
446,456	271,698
-	60,000
(255,000)	(143,000)
(255,000)	(83,000)
191,456	188,698
1,130,111	941,413
\$ 1,321,567	\$ 1,130,111

Village of Larchmont, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 419,219	\$ 249,418
Due from other funds	<u>137,489</u>	<u>292,741</u>
Total Assets	<u>\$ 556,708</u>	<u>\$ 542,159</u>
FUND BALANCE		
Restricted	<u>\$ 556,708</u>	<u>\$ 542,159</u>

See independent auditors' report.

Village of Larchmont, New YorkSpecial Purpose Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended May 31,

	<u>2022</u>	<u>2021</u>
REVENUES		
Use of money and property	\$ 18	\$ 13
Miscellaneous	<u>52,760</u>	<u>30,000</u>
Total Revenues	<u>52,778</u>	<u>30,013</u>
EXPENDITURES		
Current		
Culture and recreation	33,174	-
Home and community services	<u>55</u>	<u>-</u>
Total Expenditures	<u>33,229</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>19,549</u>	<u>30,013</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	-	60,000
Transfers out	<u>(5,000)</u>	<u>(43,000)</u>
Total Other Financing Sources (Uses)	<u>(5,000)</u>	<u>17,000</u>
Net Change in Fund Balance	14,549	47,013
FUND BALANCE		
Beginning of Year	<u>542,159</u>	<u>495,146</u>
End of Year	<u>\$ 556,708</u>	<u>\$ 542,159</u>

See independent auditors' report.

Village of Larchmont, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and equivalents	\$ 731,833	\$ 497,602
Sewer rents receivable	58,573	57,451
Due from other funds	<u>-</u>	<u>32,899</u>
 Total Assets	 <u>\$ 790,406</u>	 <u>\$ 587,952</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 4,407	\$ -
Due to other funds	<u>125,000</u>	<u>-</u>
 Total Liabilities	 129,407	 -
 Fund balance		
Assigned	<u>660,999</u>	<u>587,952</u>
 Total Liabilities and Fund Balance	 <u>\$ 790,406</u>	 <u>\$ 587,952</u>

See independent auditors' report.

Village of Larchmont, New YorkSewer Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended May 31,

	<u>2022</u>	<u>2021</u>
REVENUES		
Departmental income	<u>\$ 232,504</u>	<u>\$ 257,467</u>
EXPENDITURES		
Current		
Home and community services	32,857	9,962
Debt Service		
Interest	<u>1,600</u>	<u>5,820</u>
Total Expenditures	<u>34,457</u>	<u>15,782</u>
Excess of Revenues Over Expenditures	198,047	241,685
OTHER FINANCING USES		
Transfers out	<u>(125,000)</u>	<u>(100,000)</u>
Net Change in Fund Balance	73,047	141,685
FUND BALANCE		
Beginning of Year	<u>587,952</u>	<u>446,267</u>
End of Year	<u><u>\$ 660,999</u></u>	<u><u>\$ 587,952</u></u>

See independent auditors' report.

Village of Larchmont, New York

Parking Fund
Balance Sheet
May 31,

	<u>2022</u>
ASSETS	
Cash and equivalents	<u>\$ 231,380</u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$ 2,520
Due to other funds	<u>125,000</u>
Total Liabilities	127,520
Fund balance	
Assigned	<u>103,860</u>
Total Liabilities and Fund Balance	<u>\$ 231,380</u>

See independent auditors' report.

Village of Larchmont, New York

Parking Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended May 31,

	<u>2022</u>
REVENUES	
Departmental income	\$ 298,756
Use of money and property	<u>18</u>
Total Revenues	<u>298,774</u>
EXPENDITURES	
Current	
Transportation	66,851
Debt Service	
Interest	<u>3,063</u>
Total Expenditures	<u>69,914</u>
Excess of Revenues Over Expenditures	228,860
OTHER FINANCING USES	
Transfers out	<u>(125,000)</u>
Net Change in Fund Balance	103,860
FUND BALANCE	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ 103,860</u></u>

See independent auditors' report.