

Village of Larchmont, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2023

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, 2023, 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, 2023, 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.

Emphasis of Matter

We draw attention to Note 2E in the notes to financial statements which discloses the effects of the Village's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 87, "Leases". Our opinion is not modified with respect to this matter.

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 judgement, 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, 2023 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, 2023 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, 2023 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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, 2023.

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, 2022 (not presented herein), and have issued our report thereon dated November 3, 2022 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, 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 related directly to the underlying accounting and other records used to prepare the 2022 financial statements. The information was subjected to the audit procedures applied in the audit of the 2022 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, 2022.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
December 4, 2023

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Village of Larchmont, New York

Management's Discussion and Analysis (MD&A) May 31, 2023

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, 2023. 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 2023, the total liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources by \$(12,505,468) (net position), an increase of approximately \$4,873,000 as compared to fiscal year 2022. A deficit of \$(34,849,469) 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, 2023, the Village's OPEB obligations of \$33,276,476 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 2022-23, the Village's governmental funds reported a combined fund balance of \$12,074,666 an increase of \$4,606,686. Approximately 53% of this amount or \$6,417,821 is available for spending at the Village's discretion as unassigned fund balances.
- At the end of the fiscal year 2022-23, unassigned fund balance for the General Fund was \$6,417,821 or approximately 34% of total General Fund expenditures.
- At the end of the current fiscal year, the Village had total bonded debt outstanding of \$5,595,000. 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 \$682,300. The balance of such BANs at May 31, 2023 is \$1,110,000.
- 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, 2023 is \$33,276,476. 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 3F 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 3F as well. At May 31, 2023, the Village also reported in its Statement of Net Position a liability of \$2,583,960 for its proportionate share of the Employee Retirement System (“ERS”) and \$7,265,281 for its proportionate share of the Police and Fire Retirement System (“PFRS”) net pension liabilities.

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 \$4,873,089 from a year ago, decreasing from \$(17,378,557) to \$(12,505,468). 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,	
	2023	2022
Current Assets	\$ 19,429,885	\$ 13,287,859
Capital Assets, net	24,387,967	24,472,093
Total Assets	43,817,852	37,759,952
Deferred Outflows of Resources	11,993,926	13,039,002
Current Liabilities	3,619,056	3,576,197
Long-Term Liabilities	49,623,022	41,832,861
Total Liabilities	53,242,078	45,409,058
Deferred Inflows of Resources	15,075,168	22,768,453
Net Position		
Net Investment in Capital Assets	17,792,312	16,404,138
Restricted	4,551,689	2,524,562
Unrestricted	(34,849,469)	(36,307,257)
Total Net Position	\$ (12,505,468)	\$ (17,378,557)

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 \$4,551,689 and is restricted for capital projects, debt service and special purpose.

The remainder of the Village's net position \$(34,849,469) is considered unrestricted.

Overall, net position increased by \$4,873,089.

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

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

	2023	2022
REVENUES		
Program Revenues		
Charges for services	\$ 8,254,303	\$ 7,240,047
Operating grants and contributions	492,028	233,644
Capital grants and contributions	2,449,148	339,124
Total Program Revenues	<u>11,195,479</u>	<u>7,812,815</u>
General Revenues:		
Real property taxes	15,783,542	15,343,351
Other tax items	41,099	38,465
Non-property taxes	1,776,194	1,640,299
Unrestricted use of money and property	285,830	948
Sale of property and compensation for loss	24,145	7,152
Unrestricted State aid	435,464	458,615
Miscellaneous	653,754	177,283
Insurance recoveries	28,890	24,836
Total General Revenues	<u>19,028,918</u>	<u>17,690,949</u>
Total Revenues	<u>30,224,397</u>	<u>25,503,764</u>
PROGRAM EXPENSES		
General government support	3,041,840	2,009,231
Public safety	11,730,180	10,673,835
Health	98,986	53,000
Transportation	1,942,833	1,730,603
Culture and recreation	4,091,209	3,516,186
Home and community services	4,314,334	3,958,948
Interest	131,926	152,656
Total Expenses	<u>25,351,308</u>	<u>22,094,459</u>
Change in Net Position	4,873,089	3,409,305
Net Position - Beginning	<u>(17,378,557)</u>	<u>(20,787,862)</u>
Net Position - Ending	<u>\$ (12,505,468)</u>	<u>\$ (17,378,557)</u>

The Village's total revenues for 2023 were \$30,224,397. The cost for all programs and services totaled \$25,351,308. 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 \$4,720,633. The increase in revenue was driven by the increase in charges for services of \$1,014,256 (primarily due to the increases in parking meter revenue, parking permit revenue, police special duty revenue, and fines revenue), the increase in Capital grants and contributions of \$2,110,024 (primarily due to increased funding for several capital projects), the increase of Miscellaneous revenue of \$476,471 (primarily due to PEG funds received and Larchmont's portion of the Joint Sanitation Commission's fund balance). Tax revenues of \$17,600,835 (58%) in 2023 and \$17,022,115 (67%) in 2022, 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 \$15,783,542 in 2023 from \$15,343,351 in 2022, or by \$440,191 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 2023 was \$25,351,308. This is approximately a 14.7% \$3,256,849 increase from \$22,094,459 in 2022.

Table 2 presents the cost to each of the Villages largest programs – General Government Support increased by \$1,032,609, Public Safety increased by \$1,056,345, Transportation increased by \$212,230, Culture and Recreation increased by \$575,023 and Home and Community Services increased by \$355,386. 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 \$12,074,666, which is an increase from last year's total of \$7,467,980. Exclusive of the Capital Projects Fund, the combined ending fund balance was \$9,708,270.

- Overall, the Village's combined ending fund balance increased by \$4,606,686, 61.7% 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 \$6,417,821, 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 \$267,062 in non-spendable fund balance, \$51,259 in restricted fund balance, and \$512,720 in assigned fund balance. The remainder of funds had balances for non-spendable prepaid expenditures of \$7,512, which consists of the Water Fund and Public Library Fund, respectively. Total assigned fund balance is \$2,347,434: \$512,720 in the General Fund, \$783,359 in the Water Fund, \$299,102 in the Public Library Fund and \$752,253 for Non-Major Governmental Funds.

General Fund

- For Fiscal Year 2022-23, the General Fund experienced an increase in fund balance in the amount of \$1,644,237 (29%) from \$5,604,625 to \$7,248,862.
- As the Village closed fiscal year 2022-2023, the Village had positive variance in revenues when compared to the budget (exclusive of other financing uses) of \$2,497,873. The primary reasons for the positive variance were miscellaneous revenue over-performed by over 600,000 (PEG funds received and Larchmont's portion of the Joint Sanitation Commission's fund balance), sales tax revenue over-performed by over \$500,000, and police special duty revenues over-performed by approximately \$320,000, when compared to the budget.
- Expenditures ended the fiscal year with a negative variance when compared to the budget of \$374,226 and this is related to public safety which was \$951,648 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 \$397,279 when compared to the final budget, primarily due to retirement payments. Also offsetting the overages of public safety is general government support and transportation which together had a net savings over the budget of \$218,398 with no individually significant reason for the variance.

Water Fund

- The Water Fund reflects an assigned fund balance of \$783,359. Departmental revenue of approximately \$3 million over-performing by approximately \$230,000 as compared to the final budget of approximately \$2.8 million. There was a positive variance when compared to the budget for total expenditures of \$33,211 (exclusive of other financing uses). There was no discernable significant reason for this variance. Total revenues exceeded total expenditures by \$382,722 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 \$319,530 to \$305,460 or by \$14,070. This fund had a positive variance of \$25,930 comparing the budgets for revenues and expenditures (exclusive of other financing uses), but the Library budgeted the appropriation of \$40,000 of its fund balance resulting in a net decrease in fund balance.
- Sources of revenue for the Public Library Fund were received as planned, actual revenue of \$2,374,023 inclusive of inter-fund transfers, produced a variance of \$14,382 when compared to its budgeted amount of \$2,359,641. The total expenditures exclusive of other financing sources are \$2,338,093, produced a variance of \$11,548 when compared to its budgeted amount of \$2,349,641. There was no individually significant reason for the variance in expenditures.

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 \$2,366,396, which is an increase of \$2,677,025 from the prior year. The excess of revenue over capital outlay expenditures is reported as \$795,725. The Library has submitted documentation to receive \$500,000 in federal assistance for Award Management (“SAM”) grants which should be received during 2023-2024. 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, this project is also being supported by BAN. 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 \$1,110,000 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 \$34,772.
- The fund balance of the Special Purpose Fund is \$604,086 at the end of this fiscal year as compared to \$556,708 for the prior year.

- The fund balance of the Sewer Fund is \$603,983 at the end of this fiscal year as compared to \$660,999 for the prior year.
- The fund balance of the Parking Fund is \$148,270 at the end of this fiscal year as compared to \$103,860 for the prior year.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2023, net of accumulated depreciation, was \$24,387,967. 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 \$84,126.

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

Capital Assets

Asset	May 31,	
	2023	2022
Land	\$ 57,213	\$ 57,213
Buildings and improvements	20,774,326	20,774,326
Infrastructure	21,937,823	21,204,904
Machinery and equipment	8,842,808	8,498,338
Construction-in-progress	3,238,106	2,774,228
Less - accumulated depreciation	(30,462,309)	(28,836,916)
Total (net of depreciation)	\$ 24,387,967	\$ 24,472,093

Long-term Debt /Short-Term Debt

At the end of the current fiscal year, the Village had total bonded general obligation debt outstanding of \$5,595,000. 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 \$790,000 during the course of the 2022-23 fiscal year. As stated previously short-term debt decreased with note payments of \$682,300 for short term borrowing. The balance of the short-term capital borrowings – BANs as of May 31, 2023 is \$1,110,000.

Additional information on the Village's long-term and short-term debt can be found in Notes 3E and 3F 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 2023 is \$56,870,743, which exceeded the approved levy by \$41,098,887.

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 2022-2023 for the Village budget was within the limit. The 2023-24 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, 2023

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 7,994,055
Investments	9,257,419
Receivables	
Taxes	32,167
Accounts	296,011
Leases	467,328
Water rents	647,945
Sewer rents	64,504
State and Federal aid	109,284
Due from other governments	294,737
Prepaid expenses	266,435
Capital assets	
Not being depreciated	3,295,319
Being depreciated, net	21,092,648
Total Assets	<u>43,817,852</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	6,292,454
OPEB related	5,701,472
Total Deferred Outflows of Resources	<u>11,993,926</u>
LIABILITIES	
Accounts payable	1,104,202
Accrued liabilities	196,282
Deposits payable	265,686
Employee payroll deductions	22,004
Due to retirement systems	318,811
Unearned revenues	554,931
Bond anticipation notes payable	1,110,000
Accrued interest payable	47,140
Non-current liabilities	
Due within one year	890,000
Due in more than one year	48,733,022
Total Liabilities	<u>53,242,078</u>
DEFERRED INFLOWS OF RESOURCES	
Taxes collected in advance	3,296,940
Pension related	249,735
OPEB related	11,069,304
Leases related	459,189
Total Deferred Inflows of Resources	<u>15,075,168</u>
NET POSITION	
Net investment in capital assets	17,792,312
Restricted	
Capital projects	3,883,248
Debt service	64,355
Special purpose	604,086
Unrestricted	<u>(34,849,469)</u>
Total Net Position	<u>\$ (12,505,468)</u>

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, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 3,041,840	\$ 270	\$ -	\$ -	\$ (3,041,570)
Public safety	11,730,180	849,071	360,549	-	(10,520,560)
Health	98,986	-	-	-	(98,986)
Transportation	1,942,833	1,183,379	2,054	517,908	(239,492)
Culture and recreation	4,091,209	2,060,355	120,638	1,930,884	20,668
Home and community services	4,314,334	4,161,228	8,787	-	(144,319)
Interest	131,926	-	-	356	(131,570)
Total Governmental Activities	\$ 25,351,308	\$ 8,254,303	\$ 492,028	\$ 2,449,148	(14,155,829)
General revenues					
Real property and special assessment taxes					15,783,542
Other tax items					
Interest and penalties on real property taxes					41,099
Non-property taxes					
Utilities gross receipts tax					133,781
Non-property tax distribution from County					1,642,413
Unrestricted use of money and property					285,830
Sale of property and compensation for loss					24,145
Unrestricted State aid					435,464
Miscellaneous					653,754
Insurance recoveries					28,890
Total General Revenues					19,028,918
Change in Net Position					4,873,089
Net Position - Beginning					(17,378,557)
Net Position - Ending					\$ (12,505,468)

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

Village of Larchmont, New York

Balance Sheet
 Governmental Funds
 May 31, 2023

	General Fund	Water Fund	Public Library Fund
ASSETS			
Cash and equivalents	\$ 1,396,689	\$ 911,705	\$ 832,432
Investments	9,257,419	-	-
Taxes receivable	32,167	-	-
Other receivables			
Accounts	287,854	-	-
Leases	467,328	-	-
Water rents	-	647,945	-
Sewer rents	-	-	-
State and Federal aid	109,284	-	-
Due from other governments	294,737	-	-
Due from other funds	919,157	-	-
	<u>2,078,360</u>	<u>647,945</u>	<u>-</u>
Prepaid expenditures	258,923	1,154	6,358
Total Assets	<u>\$ 13,023,558</u>	<u>\$ 1,560,804</u>	<u>\$ 838,790</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 540,883	\$ 423,045	\$ 71,719
Accrued liabilities	171,086	7,634	17,562
Deposits payable	265,686	-	-
Employee payroll deductions	22,004	-	-
Due to other funds	156,500	320,247	417,810
Due to retirement systems	281,570	11,002	26,239
Unearned revenues	553,664	1,267	-
Bond anticipation notes payable	-	-	-
Total Liabilities	<u>1,991,393</u>	<u>763,195</u>	<u>533,330</u>
Deferred inflows of resources			
Deferred tax revenues	27,174	-	-
Taxes collected in advance	3,296,940	-	-
Leases related	459,189	-	-
Total Deferred Inflows of Resources	<u>3,783,303</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,774,696</u>	<u>763,195</u>	<u>533,330</u>
Fund balances			
Nonspendable	267,062	1,154	6,358
Restricted	51,259	13,096	-
Assigned	512,720	783,359	299,102
Unassigned	6,417,821	-	-
Total Fund Balances	<u>7,248,862</u>	<u>797,609</u>	<u>305,460</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 13,023,558</u>	<u>\$ 1,560,804</u>	<u>\$ 838,790</u>

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 3,608,213	\$ 1,245,016	\$ 7,994,055
-	-	9,257,419
-	-	32,167
2,769	5,388	296,011
-	-	467,328
-	-	647,945
-	64,504	64,504
-	-	109,284
-	-	294,737
156,500	92,657	1,168,314
159,269	162,549	3,048,123
-	-	266,435
<u>\$ 3,767,482</u>	<u>\$ 1,407,565</u>	<u>\$ 20,598,199</u>
\$ 34,358	\$ 34,197	\$ 1,104,202
-	-	196,282
-	-	265,686
-	-	22,004
256,728	17,029	1,168,314
-	-	318,811
-	-	554,931
1,110,000	-	1,110,000
1,401,086	51,226	4,740,230
-	-	27,174
-	-	3,296,940
-	-	459,189
-	-	3,783,303
1,401,086	51,226	8,523,533
-	-	274,574
2,366,396	604,086	3,034,837
-	752,253	2,347,434
-	-	6,417,821
2,366,396	1,356,339	12,074,666
<u>\$ 3,767,482</u>	<u>\$ 1,407,565</u>	<u>\$ 20,598,199</u>

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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, 2023

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

Total Fund Balances - Governmental Funds	\$ 12,074,666
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	3,295,319
Capital assets - depreciable	51,554,957
Accumulated depreciation	<u>(30,462,309)</u>
	<u>24,387,967</u>
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	<u>27,174</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	6,292,454
Deferred outflows - OPEB related	5,701,472
Deferred inflows - pension related	(249,735)
Deferred inflows - OPEB related	<u>(11,069,304)</u>
	<u>674,887</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	(47,140)
General obligation bonds payable	(5,595,000)
Compensated absences	(902,305)
Net pension liability (ERS and PFRS)	(9,849,241)
Total OPEB liability	<u>(33,276,476)</u>
	<u>(49,670,162)</u>
Net Position of Governmental Activities	<u>\$ (12,505,468)</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, 2023

	General Fund	Water Fund	Public Library Fund
REVENUES			
Real property taxes	\$ 15,768,894	\$ -	\$ -
Other tax items	41,099	-	-
Non-property taxes	1,776,194	-	-
Departmental income	1,456,495	3,044,715	1,355,362
Intergovernmental charges	421,588	-	-
Use of money and property	445,330	8,374	2,827
Licenses and permits	727,607	-	-
Fines and forfeitures	483,036	-	-
Sale of property and compensation for loss	24,145	-	4,472
State aid	521,818	-	5,772
Federal aid	274,195	-	-
Miscellaneous	653,754	413	35,319
Total Revenues	22,594,155	3,053,502	1,403,752
EXPENDITURES			
Current			
General government support	2,458,906	68,605	25,761
Public safety	7,417,857	-	-
Health	98,986	-	-
Transportation	854,209	-	-
Culture and recreation	675,240	-	1,745,509
Home and community services	1,786,150	2,009,080	-
Employee benefits	4,815,865	254,933	566,823
Debt service			
Principal	507,970	282,030	-
Interest	60,054	56,132	-
Capital outlay	-	-	-
Total Expenditures	18,675,237	2,670,780	2,338,093
Excess (Deficiency) of Revenues Over Expenditures	3,918,918	382,722	(934,341)
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	28,890	-	-
Transfers in	120,000	2,000	970,271
Transfers out	(2,423,571)	(120,000)	(50,000)
Total Other Financing Sources (Uses)	(2,274,681)	(118,000)	920,271
Net Change in Fund Balances	1,644,237	264,722	(14,070)
FUND BALANCES (DEFICITS)			
Beginning of Year	5,604,625	532,887	319,530
End of Year	<u>\$ 7,248,862</u>	<u>\$ 797,609</u>	<u>\$ 305,460</u>

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 15,768,894
-	-	41,099
-	-	1,776,194
-	606,356	6,462,928
-	-	421,588
-	2,962	459,493
-	-	727,607
-	-	483,036
-	-	28,617
537,835	-	1,065,425
79,582	-	353,777
1,831,375	71,340	2,592,201
<u>2,448,792</u>	<u>680,658</u>	<u>30,180,859</u>
-	-	2,553,272
-	-	7,417,857
-	-	98,986
-	151,123	1,005,332
-	14,964	2,435,713
-	59,008	3,854,238
-	27,591	5,665,212
-	-	790,000
-	13,200	129,386
1,653,067	-	1,653,067
<u>1,653,067</u>	<u>265,886</u>	<u>25,603,063</u>
<u>795,725</u>	<u>414,772</u>	<u>4,577,796</u>
-	-	28,890
1,881,300	-	2,973,571
-	(380,000)	(2,973,571)
<u>1,881,300</u>	<u>(380,000)</u>	<u>28,890</u>
2,677,025	34,772	4,606,686
<u>(310,629)</u>	<u>1,321,567</u>	<u>7,467,980</u>
<u>\$ 2,366,396</u>	<u>\$ 1,356,339</u>	<u>\$ 12,074,666</u>

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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, 2023

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 4,606,686</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	1,541,267
Depreciation expense	<u>(1,625,393)</u>
	<u>(84,126)</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>14,648</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.	
Principal paid on general obligation bonds	<u>790,000</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	(2,540)
Compensated absences	206,012
Changes in pension liabilities and related deferred outflows and inflows of resources	(1,358,646)
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>701,055</u>
	<u>(454,119)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 4,873,089</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, 2023

	General			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 15,805,739	\$ 15,805,739	\$ 15,768,894	\$ (36,845)
Other tax items	23,000	23,000	41,099	18,099
Non-property taxes	1,255,000	1,255,000	1,776,194	521,194
Departmental income	1,293,500	1,293,500	1,456,495	162,995
Intergovernmental charges	60,700	60,700	421,588	360,888
Use of money and property	122,000	122,000	445,330	323,330
Licenses and permits	586,000	586,000	727,607	141,607
Fines and forfeitures	230,500	230,500	483,036	252,536
Sale of property and compensation for loss	11,000	11,000	24,145	13,145
State aid	376,690	376,690	521,818	145,128
Federal aid	312,153	312,153	274,195	(37,958)
Miscellaneous	20,000	20,000	653,754	633,754
Total Revenues	20,096,282	20,096,282	22,594,155	2,497,873
EXPENDITURES				
Current				
General government support	2,550,197	2,550,197	2,458,906	91,291
Public safety	6,466,209	6,466,209	7,417,857	(951,648)
Health	53,000	53,000	98,986	(45,986)
Transportation	981,316	981,316	854,209	127,107
Culture and recreation	675,102	675,102	675,240	(138)
Home and community services	1,790,345	1,790,345	1,786,150	4,195
Employee benefits	5,213,144	5,213,144	4,815,865	397,279
Debt service				
Principal	507,970	507,970	507,970	-
Interest	63,728	63,728	60,054	3,674
Refunding bond issuance costs	-	-	-	-
Total Expenditures	18,301,011	18,301,011	18,675,237	(374,226)
Excess (Deficiency) of Revenues Over Expenditures	1,795,271	1,795,271	3,918,918	2,123,647
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	25,000	25,000	28,890	3,890
Transfers in	120,000	120,000	120,000	-
Transfers out	(2,140,271)	(2,140,271)	(2,423,571)	(283,300)
Total Other Financing Sources (Uses)	(1,995,271)	(1,995,271)	(2,274,681)	(279,410)
Net Change in Fund Balances	(200,000)	(200,000)	1,644,237	1,844,237
FUND BALANCES				
Beginning of Year	200,000	200,000	5,604,625	5,404,625
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,248,862</u>	<u>\$ 7,248,862</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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,820,995	2,820,995	3,044,715	223,720	1,349,895	1,349,895	1,355,362	5,467
-	-	-	-	-	-	-	-
496	496	8,374	7,878	800	800	2,827	2,027
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,000	2,000	4,472	2,472
-	-	-	-	5,175	5,175	5,772	597
-	-	-	-	-	-	-	-
500	500	413	(87)	31,500	31,500	35,319	3,819
<u>2,821,991</u>	<u>2,821,991</u>	<u>3,053,502</u>	<u>231,511</u>	<u>1,389,370</u>	<u>1,389,370</u>	<u>1,403,752</u>	<u>14,382</u>
116,420	116,420	68,605	47,815	24,500	24,500	25,761	(1,261)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,950,128	1,950,128	2,009,080	(58,952)	1,747,750	1,747,750	1,745,509	2,241
300,127	300,127	254,933	45,194	577,391	577,391	566,823	10,568
282,030	282,030	282,030	-	-	-	-	-
55,286	55,286	56,132	(846)	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,703,991</u>	<u>2,703,991</u>	<u>2,670,780</u>	<u>33,211</u>	<u>2,349,641</u>	<u>2,349,641</u>	<u>2,338,093</u>	<u>11,548</u>
118,000	118,000	382,722	264,722	(960,271)	(960,271)	(934,341)	25,930
-	-	-	-	-	-	-	-
2,000	2,000	2,000	-	970,271	970,271	970,271	-
(120,000)	(120,000)	(120,000)	-	(50,000)	(50,000)	(50,000)	-
<u>(118,000)</u>	<u>(118,000)</u>	<u>(118,000)</u>	<u>-</u>	<u>920,271</u>	<u>920,271</u>	<u>920,271</u>	<u>-</u>
-	-	264,722	264,722	(40,000)	(40,000)	(14,070)	25,930
-	-	532,887	532,887	40,000	40,000	319,530	279,530
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 797,609</u>	<u>\$ 797,609</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,460</u>	<u>\$ 305,460</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, 2023

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. Issuances of long-term debt 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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

regulations of an investment advisor handling public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies, obligations of the State of New York and repurchase agreements. These investments are reported at fair value. CLASS issues separately available audited financial statements with a year end of June 30th.

The Village's position in the pool at May 31, 2023 of \$9,257,419 is equal to the value of the pool shares. The maximum maturity for any specific investment in the portfolio is 397 days.

CLASS is rated AAAM by Standard & Poor's. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

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

Risk Disclosure

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

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40, *"Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3"*, directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2023.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Lease Receivable - The Village is a lessor for a noncancellable lease of real property. The Village recognizes a lease receivable and a deferred inflow of resources in the government-wide and General Fund financial statements.

At the commencement of a lease, the Village initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the Village determines (1) the discount rate it uses to discount the expected lease receipts to present value, 2) lease-term, and (3) lease receipts.

- The Village uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Village monitors changes in circumstances that would require measurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

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, 2023, 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, 2023

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 \$507,550 in American Rescue Plan Act funds received in advance and \$46,114 for parking fees and other revenues 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 in the General Fund of \$459,189 in relation to its leases. This amount is deferred and recognized as an inflow of resources in the period that the amounts became available.

The Village reported deferred inflows of resources of \$27,174 for real property taxes not expected to be collected within sixty days of the subsequent fiscal year and \$3,296,940 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 3F.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Statement No.75, “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”.

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 and deferred outflows of resources 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

Note 1 - Summary of Significant Accounting Policies (Continued)

established and approved by the Village's board. 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 December 4, 2023.

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

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 2023 fiscal year was \$56,870,743 which exceeded the actual levy by \$41,098,887.

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2023

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	\$	6,974
Supervisor		2,858
Treasurer		5,030
Budget		225
Clerk		4,249
Law		88,326
Engineer		1,898
Buildings		99,552
Central garage		42,662
Central communications system		20,142
Central data processing		75,443
Judgments and claims		10,500

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

Note 2 - Stewardship, Compliance and Accountability (Continued)

Public Safety		
Police	\$	357,978
Traffic control		6,530
Fire department		466,386
Control of dogs		1,074
Safety inspection		119,680
Health		
Community Counseling Center		45,986
Transportation		
Street administration		7,210
Off-street parking		9,291
Culture and Recreation		
Celebrations		10,249
Youth programs		11,939
Home and Community Services		
Refuse and garbage		12,913
Community beautification		270
Employee Benefits		
Hospital, medical and dental insurance		864
Other Financing Uses		
Transfer out - Water Fund		2,000
Transfer out - Capital Projects Fund		281,300
Water Fund		
Current		
Home and community services		58,952
Debt Service		
Interest		846
Library Fund		
General Government Support		
Unallocated insurance		1,958
Employee Benefits		
State retirement		11,724

In addition, the entire General Fund exceeded its budgetary provisions by \$657,526.

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2023

Note 2 - Stewardship, Compliance and Accountability (Continued)

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.

E. Cumulative Effect of Change in Accounting Principle

The Village implemented the provisions of GASB Statement No. 87, "Leases," for the year ended May 31, 2023, which established a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. This statement requires a lessor to recognize a cumulative effect of change in accounting principle of \$575,815 for the lease receivable and \$575,815 for a deferred inflow of resources for a net cumulative effect of \$0 to the June 1, 2022 net position of governmental activities and the General Fund.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at May 31, 2023 consisted of the following:

Tax Liens	\$ <u>32,167</u>
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Taxes receivable in the fund financial statements are also offset by deferred tax revenues of \$27,174 which represent an estimate of the receivable which will not be collected within sixty days of the subsequent year.

B. Leases Receivable

The Village has entered into lease agreements which provide for the lessees to operate a cell tower and a parking lot. The leases are effective through June 2028. Lease income during 2023 was \$116,626 and interest revenue was \$10,498. As of May 31, 2023, the leases receivable for the Village was \$467,328 and the deferred inflows of resources was \$459,189.

The following is a summary of the principal and interest requirements to maturity for the Village's lease receivable.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 112,254	\$ 8,259
2025	116,661	5,932
2026	121,222	3,514
2027	112,940	1,035
2028	<u>4,251</u>	<u>-</u>
	<u>\$ 467,328</u>	<u>\$ 18,740</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

C. Interfund Receivables/Payable

The composition of due from/to other funds at May 31, 2023 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 919,157	\$ 156,500
Water	-	320,247
Public Library	-	417,810
Capital Projects	156,500	256,728
Non-Major Governmental	92,657	17,029
	<u>\$ 1,168,314</u>	<u>\$ 1,168,314</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.

D. Capital Assets

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

	<u>Balance June 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2023</u>
Capital Assets, not being depreciated:				
Land	\$ 57,213	\$ -	\$ -	\$ 57,213
Construction-in-progress	2,774,228	463,878	-	3,238,106
Total Capital Assets, not being depreciated	<u>\$ 2,831,441</u>	<u>\$ 463,878</u>	<u>\$ -</u>	<u>\$ 3,295,319</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 20,774,326	\$ -	\$ -	\$ 20,774,326
Machinery and equipment	8,498,338	344,470	-	8,842,808
Infrastructure	21,204,904	732,919	-	21,937,823
Total Capital Assets, being depreciated	<u>50,477,568</u>	<u>1,077,389</u>	<u>-</u>	<u>51,554,957</u>
Less Accumulated Depreciation for:				
Buildings and improvements	8,280,357	798,437	-	9,078,794
Machinery and equipment	6,502,253	395,349	-	6,897,602
Infrastructure	14,054,306	431,607	-	14,485,913
Total Accumulated Depreciation	<u>28,836,916</u>	<u>1,625,393</u>	<u>-</u>	<u>30,462,309</u>
Total Capital Assets, being depreciated, net	<u>\$ 21,640,652</u>	<u>\$ (548,004)</u>	<u>\$ -</u>	<u>\$ 21,092,648</u>
Capital Assets, net	<u>\$ 24,472,093</u>	<u>\$ (84,126)</u>	<u>\$ -</u>	<u>\$ 24,387,967</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 35,685
Public Safety	117,980
Transportation	590,660
Culture and Recreation	759,687
Home and Community Services	<u>121,381</u>
	<u>\$ 1,625,393</u>

E. 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, 2022	New Issues	Note Payments	Balance May 31, 2023
Sanitation Sewer Evaluation Study	2017	-	- %	\$ 100,000	\$ -	\$ 100,000	\$ -
Various capital projects	2018	-	-	252,300	-	252,300	-
Various capital projects	2021	06/14/23	2.03	940,000	-	205,000	735,000
Various capital projects	2021	02/10/24	4.00	<u>500,000</u>	<u>-</u>	<u>125,000</u>	<u>375,000</u>
				<u>\$ 1,792,300</u>	<u>\$ -</u>	<u>\$ 682,300</u>	<u>\$ 1,110,000</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 \$4,173, \$8,750 and \$4,450 were recorded in the fund financial statements in the General, Sewer and Parking funds, respectively. Interest expense of \$22,571 was recorded in the government-wide financial statements for governmental activities.

F. Long-Term Liabilities

The changes in the Village's long-term liabilities during the year ended May 31, 2023 are summarized as follows:

	Balance, June 1, 2022	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2023	Due Within One-Year
General Obligation Bonds Payable	\$ 6,385,000	\$ -	\$ 790,000	\$ 5,595,000	\$ 800,000
Other Non-Current Liabilities:					
Compensated Absences	1,108,317	-	206,012	902,305	90,000
Net Pension Liability - ERS	-	2,583,960	-	2,583,960	-
Net Pension Liability - PFRS	728,519	6,536,762	-	7,265,281	-
Other Postemployment Benefit Liability	<u>33,611,025</u>	<u>1,065,186</u>	<u>1,399,735</u>	<u>33,276,476</u>	<u>-</u>
Total Other Non-Current Liabilities	<u>35,447,861</u>	<u>10,185,908</u>	<u>1,605,747</u>	<u>44,028,022</u>	<u>90,000</u>
Total Long-Term Liabilities	<u>\$ 41,832,861</u>	<u>\$ 10,185,908</u>	<u>\$ 2,395,747</u>	<u>\$ 49,623,022</u>	<u>\$ 890,000</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2023

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, 2023 are comprised of the following individual issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at May 31, 2023</u>
Various Village Purposes	2017	\$ 5,908,201	September, 2031	2.00 - 2.50 %	\$ 3,800,000
Refunding Bond	2021	2,260,000	August, 2029	.60 - 1.75	<u>1,795,000</u>
					<u>\$ 5,595,000</u>

Interest expenditures of \$55,881 and \$56,132 were recorded in the fund financial statements in the General and Water funds, respectively. Interest expense of \$109,355 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, 2023, including interest payments of \$493,107 are as follows:

<u>Year Ending May 31,</u>	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 800,000	\$ 101,573
2025	815,000	90,068
2026	585,000	78,932
2027	595,000	68,176
2028	610,000	56,543
2029-2032	<u>2,190,000</u>	<u>97,815</u>
	<u>\$ 5,595,000</u>	<u>\$ 493,107</u>

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)

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, 2023, that amount was \$207,162,273. As of May 31, 2023, the total outstanding debt applicable to the limit was \$6,705,000, which is 3.24% 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.

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/

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

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 ended March 31, 2023 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	13.0 %
	4 A15	13.0
	5 A15	11.1
	6 A15/41J1	8.2
PFRS	2 384D	29.0 %
	5 384D *	25.0
	6 375I *	11.8
	6 384D *	20.2

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

At May 31, 2023, 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, 2023	March 31, 2023
Net pension liability	\$ 2,583,960	\$ 7,265,281
Villages' proportion of the net pension liability	0.0120498 %	0.1318450 %
Change in proportion since the prior measurement date	(0.0003680) %	0.0035947 %

The net pension liability was measured as of March 31, 2023 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, 2023, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$899,379 for ERS and \$2,295,525 for PFRS. Pension expenditures of \$441,377 for ERS and \$1,394,881 for PFRS were recorded in the fund financial statements and were charged to the following funds:

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 251,886	\$ 1,394,881
Water Fund	57,711	-
Library Fund	<u>131,780</u>	<u>-</u>
	<u>\$ 441,377</u>	<u>\$ 1,394,881</u>

At May 31, 2023, 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>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 275,212	\$ 72,567	\$ 710,108	\$ -
Changes of assumptions	1,254,937	13,869	3,540,353	-
Net difference between projected and actual earnings on pension plan investments	-	15,181	12,844	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	54,321	50,129	127,102	97,989
Village contributions subsequent to the measurement date	<u>84,801</u>	<u>-</u>	<u>232,776</u>	<u>-</u>
	<u>\$ 1,669,271</u>	<u>\$ 151,746</u>	<u>\$ 4,623,183</u>	<u>\$ 97,989</u>
	<u>Total</u>			
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		
Differences between expected and actual experience	\$ 985,320	\$ 72,567		
Changes of assumptions	4,795,290	13,869		
Net difference between projected and actual earnings on pension plan investments	12,844	15,181		
Changes in proportion and differences between Village contributions and proportionate share of contributions	181,423	148,118		
Village contributions subsequent to the measurement date	<u>317,577</u>	<u>-</u>		
	<u>\$ 6,292,454</u>	<u>\$ 249,735</u>		

\$84,801 and \$232,776 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, 2024. 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:

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Plan Year Ended March 31,	ERS	PFRS
2024	\$ 335,251	\$ 809,963
2025	(143,167)	(163,462)
2026	534,759	2,156,505
2027	705,881	1,348,118
2028	-	141,294
Thereafter	-	-
	<u>\$ 1,432,724</u>	<u>\$ 4,292,418</u>

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, 2023	March 31, 2023
Actuarial valuation date	April 1, 2022	April 1, 2022
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	6.2%
Inflation rate	2.9%	2.9%
Cost of living adjustments	1.5%	1.5%

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2021.

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.

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation 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 %	4.30 %
International Equity	15	6.85
Private Equity	10	7.50
Real Estate	9	4.60
Opportunistic/ARS Portfolio	3	5.38
Credit	4	5.43
Real Assets	3	5.84
Fixed Income	23	1.50
Cash	<u>1</u>	-
	<u>100 %</u>	

The real rate of return is net of the long-term inflation assumption of 2.9%.

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

The following presents the 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:

	<u>1% Decrease (4.9%)</u>	<u>Current Discount Rate (5.9%)</u>	<u>1% Increase (6.9%)</u>
Village's proportionate share of the ERS net pension liability (asset)	<u>\$ 6,244,322</u>	<u>\$ 2,583,960</u>	<u>\$ (474,699)</u>
Village's proportionate share of the PFRS net pension liability	<u>\$ 15,144,819</u>	<u>\$ 7,265,281</u>	<u>\$ 740,551</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

The components of the collective net pension liability as of the March 31, 2023 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 232,627,259,000	\$ 43,835,333,000	\$ 276,462,592,000
Fiduciary net position	<u>211,183,223,000</u>	<u>38,324,863,000</u>	<u>249,508,086,000</u>
Employers' net pension liability	<u>\$ 21,444,036,000</u>	<u>\$ 5,510,470,000</u>	<u>\$ 26,954,506,000</u>
Fiduciary net position as a percentage of total pension liability	<u>90.78%</u>	<u>87.43%</u>	<u>90.25%</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, 2023 represent the employer contribution for the period of April 1, 2023 through May 31, 2023 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, 2023 were \$84,801 and \$232,776 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 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, 2023, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefit payments	79
Active employees	<u>75</u>
	<u>154</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

The Village's total OPEB liability of \$33,276,476 was measured as of May 31, 2023, and was determined by an actuarial valuation as of June 1, 2022.

The total OPEB liability in the June 1, 2022 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	4.24%
Healthcare cost trend rates	8.0% for 2023, 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-2021 and RP-2010 mortality table.

The Village's change in the total OPEB liability for the year ended May 31, 2023 is as follows:

Total OPEB Liability - Beginning of Year	\$ 33,611,025
Service Cost	846,771
Interest	1,217,713
Changes of benefit terms	-
Difference between expected and actual experience	2,043,892
Changes in assumptions	(3,043,190)
Benefit payments	<u>(1,399,735)</u>
 Total OPEB Liability - End of Year	 <u><u>\$ 33,276,476</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 (3.24%) or 1 percentage point higher (5.24%) than the current discount rate:

	1% Decrease (3.24%)	Current Discount Rate (4.24%)	1% Increase (5.24%)
	<u> </u>	<u> </u>	<u> </u>
Total OPEB Liability	<u>\$ 38,293,885</u>	<u>\$ 33,276,476</u>	<u>\$ 29,220,550</u>

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

	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	<u>\$ 29,206,011</u>	<u>\$ 33,276,476</u>	<u>\$ 38,370,751</u>

For the year ended May 31, 2023, the Village recognized OPEB expense of \$698,680 in the government-wide financial statements. At May 31, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions or other inputs	\$ 3,028,224	\$ 9,705,684
Differences between expected and actual experience	<u>2,673,248</u>	<u>1,363,620</u>
	<u>\$ 5,701,472</u>	<u>\$ 11,069,304</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 <u>May 31,</u>	
2024	\$ (1,365,807)
2025	(1,484,932)
2026	(2,317,235)
2027	(199,858)
2028	-
Thereafter	<u>-</u>
	<u>\$ (5,367,832)</u>

G. Revenues and Expenditures

Interfund Transfers

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2023

Note 3 - Detailed Notes on All Funds (Continued)

Transfers Out	Transfers in				Total
	General Fund	Water Fund	Public Library Fund	Capital Projects Fund	
General Fund	\$ -	\$ 2,000	\$ 970,271	\$ 1,451,300	\$ 2,423,571
Water Fund	120,000	-	-	-	120,000
Public Library Fund	-	-	-	50,000	50,000
Non-Major Governmental Funds	-	-	-	380,000	380,000
	<u>\$ 120,000</u>	<u>\$ 2,000</u>	<u>\$ 970,271</u>	<u>\$ 1,881,300</u>	<u>\$ 2,973,571</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.

H. Net Position

The components of net position are detailed below:

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

Restricted for 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, 2023

Note 3 - Detailed Notes on All Funds (Continued)

I. Fund Balances

	2023					2022						
	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	\$ 258,923	\$ 1,154	\$ 6,358	\$ -	\$ -	\$ 266,435	\$ 445,313	\$ 11,095	\$ 43,206	\$ -	\$ -	\$ 499,614
Lease related	8,139	-	-	-	-	8,139	-	-	-	-	-	-
	<u>267,062</u>	<u>1,154</u>	<u>6,358</u>	<u>-</u>	<u>-</u>	<u>274,574</u>	<u>445,313</u>	<u>11,095</u>	<u>43,206</u>	<u>-</u>	<u>-</u>	<u>499,614</u>
Restricted:												
Capital projects	-	-	-	2,366,396	-	2,366,396	-	-	-	-	-	-
Special purpose	-	-	-	-	604,086	604,086	-	-	-	-	556,708	556,708
Debt service	51,259	13,096	-	-	-	64,355	50,903	13,005	-	-	-	63,908
Debt service - for subsequent year's expenditures	-	-	-	-	-	-	200,000	-	-	-	-	200,000
Total Restricted	<u>51,259</u>	<u>13,096</u>	<u>-</u>	<u>2,366,396</u>	<u>604,086</u>	<u>3,034,837</u>	<u>250,903</u>	<u>13,005</u>	<u>-</u>	<u>-</u>	<u>556,708</u>	<u>820,616</u>
Assigned:												
Subsequent year's expenditures	-	-	30,000	-	-	30,000	-	-	40,000	-	-	40,000
Subsequent year's expenditures - Sewer Fund	-	-	-	-	5,653	5,653	-	-	-	-	57,373	57,373
Cable TV equipment	266,801	-	-	-	-	266,801	-	-	-	-	-	-
Capital projects	245,919	-	-	-	-	245,919	-	-	-	-	-	-
Sewer Fund	-	-	-	-	598,330	598,330	-	-	-	-	603,626	603,626
Parking Fund	-	-	-	-	148,270	148,270	-	-	-	-	103,860	103,860
Major funds	-	783,359	269,102	-	-	1,052,461	-	508,787	236,324	-	-	745,111
Total Assigned	<u>512,720</u>	<u>783,359</u>	<u>299,102</u>	<u>-</u>	<u>752,253</u>	<u>2,347,434</u>	<u>-</u>	<u>508,787</u>	<u>276,324</u>	<u>-</u>	<u>764,859</u>	<u>1,549,970</u>
Unassigned	<u>6,417,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,417,821</u>	<u>4,908,409</u>	<u>-</u>	<u>-</u>	<u>(310,629)</u>	<u>-</u>	<u>4,597,780</u>
Total Fund Balances (Deficits)	<u>\$ 7,248,862</u>	<u>\$ 797,609</u>	<u>\$ 305,460</u>	<u>\$ 2,366,396</u>	<u>\$ 1,356,339</u>	<u>\$ 12,074,666</u>	<u>\$ 5,604,625</u>	<u>\$ 532,887</u>	<u>\$ 319,530</u>	<u>\$ (310,629)</u>	<u>\$ 1,321,567</u>	<u>\$ 7,467,980</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

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, 2023, the Village Board has utilized the above amounts to be appropriated for the ensuing year's budget.

Assigned for Cable TV Equipment - This assignment is used to segregate a portion of fund balance of the General Fund for the purchase of cable TV equipment.

Assigned for Capital Projects - This assignment is used to segregate a portion of the fund balance of the General Fund to be utilized for the purpose of funding future Village capital projects.

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.

J. 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, 2022:

Total Assets	\$	1,701,383
Deferred Outflows of Resources		3,681,490
Total Liabilities		9,381,834
Deferred Inflows of Resources		5,841,849
Net Position		(9,940,810)
Total Revenues		4,161,617
Total Expenditures		4,189,859
Change in Net Position		(28,242)

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2023

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.

Note 5 - Subsequent Events

The Village, on June 13, 2023 renewed a bond anticipation note in the amount of \$489,000, after a pay down of \$246,000, due on June 13, 2024 with interest at 3.4%.

Note 6 - Recently Issued GASB Pronouncements

GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*" provides guidance on the accounting and financial reporting for subscription-based information technology arrangements ("SBITAs") for government end users. This Statement defines a SBITA and establishes that a SBITA results in a right-to-use subscription asset (intangible asset) and a corresponding liability. The Statement also provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, as well as detailing the requirements for note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Village of Larchmont, New York

Notes to Financial Statements (Concluded)
May 31, 2023

Note 6 - Recently Issued GASB Pronouncements (Continued)

GASB Statement No. 101, "*Compensated Absences*", provides guidance on the accounting and financial reporting for compensated absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

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)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability:					
Service cost	\$ 846,771	\$ 1,260,399	\$ 1,162,453	\$ 1,080,770	\$ 702,730
Interest	1,217,713	678,794	1,006,429	1,109,201	1,054,510
Changes of benefit terms	-	-	(580,054)	-	-
Differences between expected and actual experience	2,043,892	1,531,681	(1,839,738)	(1,883,182)	714,765
Changes of assumptions or other inputs *	(3,043,190)	(12,118,552)	5,561,024	2,411,451	-
Benefit payments	<u>(1,399,735)</u>	<u>(865,442)</u>	<u>(906,429)</u>	<u>(730,020)</u>	<u>(627,743)</u>
Net Change in Total OPEB Liability	(334,549)	(9,513,120)	4,403,685	1,988,220	1,844,262
Total OPEB Liability – Beginning of Year	<u>33,611,025</u>	<u>43,124,145</u>	<u>38,720,460</u>	<u>36,732,240</u>	<u>34,887,978</u> (3)
Total OPEB Liability – End of Year	<u>\$ 33,276,476</u>	<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>\$ 10,975,447</u>	<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>303%</u>	<u>315%</u>	<u>441%</u>	<u>399%</u>	<u>376%</u>
* Discount Rate	<u>4.24%</u>	<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)

	2023 (3)	2022 (4)	2021 (4)	2020 (3)	2019	2018	2017	2016
Village's proportion of the net pension liability (asset)	0.0120498%	0.0124178%	0.0122930%	0.0130171%	0.0131525%	0.0138652%	0.0133163%	0.0128206%
Village's proportionate share of the net pension liability (asset)	\$ 2,583,960	\$ (1,015,101)	\$ 12,241	\$ 3,447,007	\$ 931,896	\$ 447,491	\$ 1,251,233	\$ 2,057,744
Village's covered payroll	\$ 4,048,372	\$ 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	63.83%	(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)	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%
Discount Rate	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

Schedule of Contributions

	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 431,521	\$ 572,107	\$ 517,285	\$ 532,089	\$ 563,699	\$ 586,874	\$ 559,490	\$ 639,739
Contributions in relation to the contractually required contribution	(431,521)	(572,107)	(517,285)	(532,089)	(563,699)	(586,874)	(559,490)	(639,739)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 4,092,427	\$ 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	10.54%	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)

	2023 (3)	2022 (4)	2021 (4)	2020 (3)	2019	2018	2017	2016
Village's proportion of the net pension liability	0.1318450%	0.1282503%	0.1288060%	0.1350099%	0.1403553%	0.1385891%	0.1241061%	0.1191251%
Village's proportionate share of the net pension liability	\$ 7,265,281	\$ 728,519	\$ 2,236,428	\$ 7,216,193	\$ 2,353,848	\$ 1,400,799	\$ 2,572,287	\$ 3,527,041
Village's covered payroll	\$ 5,514,904	\$ 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	131.74%	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	87.43%	98.66%	95.79%	84.86%	95.09%	96.93%	93.50%	90.20%
Discount Rate	5.90%	5.90%	5.90%	6.80%	7.00%	7.00%	7.00%	7.00%

Schedule of Contributions

	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,419,204	\$ 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	(1,419,204)	(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	\$ 5,618,722	\$ 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	25.26%	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,

	2023	2022
ASSETS		
Cash and equivalents	\$ 1,396,689	\$ 7,183,514
Investments	9,257,419	-
Taxes receivable	32,167	12,526
Other receivables		
Accounts	287,854	176,859
Leases	467,328	-
State and Federal aid	109,284	171,870
Due from other governments	294,737	353,863
Due from other funds	919,157	-
	<u>2,078,360</u>	<u>702,592</u>
Prepaid expenditures	258,923	445,313
Total Assets	<u>\$ 13,023,558</u>	<u>\$ 8,343,945</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 540,883	\$ 232,055
Accrued liabilities	171,086	465,669
Deposits payable	265,686	19,130
Employee payroll deductions	22,004	17,661
Due to other funds	156,500	170,178
Due to retirement systems	281,570	300,534
Unearned revenues	553,664	260,912
Total Liabilities	<u>1,991,393</u>	<u>1,466,139</u>
Deferred inflows of resources		
Deferred tax revenues	27,174	12,526
Taxes collected in advance	3,296,940	1,260,655
Leases related	459,189	-
Total Deferred Inflows of Resources	<u>3,783,303</u>	<u>1,273,181</u>
Total Liabilities and Deferred Inflows of Resources	<u>5,774,696</u>	<u>2,739,320</u>
Fund balance		
Nonspendable	267,062	445,313
Restricted	51,259	250,903
Assigned	512,720	-
Unassigned	6,417,821	4,908,409
Total Fund Balance	<u>7,248,862</u>	<u>5,604,625</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 13,023,558</u>	<u>\$ 8,343,945</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,

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 15,805,739	\$ 15,805,739	\$ 15,768,894	\$ (36,845)
Other tax items	23,000	23,000	41,099	18,099
Non-property taxes	1,255,000	1,255,000	1,776,194	521,194
Departmental income	1,293,500	1,293,500	1,456,495	162,995
Intergovernmental charges	60,700	60,700	421,588	360,888
Use of money and property	122,000	122,000	445,330	323,330
Licenses and permits	586,000	586,000	727,607	141,607
Fines and forfeitures	230,500	230,500	483,036	252,536
Sale of property and compensation for loss	11,000	11,000	24,145	13,145
State aid	376,690	376,690	521,818	145,128
Federal aid	312,153	312,153	274,195	(37,958)
Miscellaneous	20,000	20,000	653,754	633,754
Total Revenues	20,096,282	20,096,282	22,594,155	2,497,873
EXPENDITURES				
Current				
General government support	2,550,197	2,550,197	2,458,906	91,291
Public safety	6,466,209	6,466,209	7,417,857	(951,648)
Health	53,000	53,000	98,986	(45,986)
Transportation	981,316	981,316	854,209	127,107
Culture and recreation	675,102	675,102	675,240	(138)
Home and community services	1,790,345	1,790,345	1,786,150	4,195
Employee benefits	5,213,144	5,213,144	4,815,865	397,279
Debt service				
Principal	507,970	507,970	507,970	-
Interest	63,728	63,728	60,054	3,674
Refunding bond issuance costs	-	-	-	-
Total Expenditures	18,301,011	18,301,011	18,675,237	(374,226)
Excess of Revenues Over Expenditures	1,795,271	1,795,271	3,918,918	2,123,647
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Insurance recoveries	25,000	25,000	28,890	3,890
Transfers in	120,000	120,000	120,000	-
Transfers out	(2,140,271)	(2,140,271)	(2,423,571)	(283,300)
Total Other Financing Uses	(1,995,271)	(1,995,271)	(2,274,681)	(279,410)
Net Change in Fund Balance	(200,000)	(200,000)	1,644,237	1,844,237
FUND BALANCE				
Beginning of Year	200,000	200,000	5,604,625	5,404,625
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,248,862</u>	<u>\$ 7,248,862</u>

See independent auditors' report.

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 15,327,637	\$ 15,327,637	\$ 15,424,424	\$ 96,787
22,000	22,000	38,465	16,465
1,110,000	1,110,000	1,640,299	530,299
1,442,828	1,442,828	1,158,496	(284,332)
46,025	46,025	91,053	45,028
175,711	175,711	156,919	(18,792)
530,125	530,125	890,109	359,984
227,836	227,836	277,938	50,102
25,000	25,000	7,152	(17,848)
337,486	264,486	488,649	224,163
25,000	25,000	116,756	91,756
40,000	113,000	177,283	64,283
<u>19,309,648</u>	<u>19,309,648</u>	<u>20,467,543</u>	<u>1,157,895</u>
2,308,563	2,309,063	2,233,249	75,814
6,455,941	6,455,941	7,432,047	(976,106)
53,000	53,000	53,000	-
964,520	964,520	873,964	90,556
635,335	634,835	590,464	44,371
1,702,937	1,702,939	1,698,060	4,879
5,178,017	5,178,017	4,801,550	376,467
481,611	481,611	510,966	(29,355)
112,978	112,978	62,539	50,439
-	42,162	42,162	-
<u>17,892,902</u>	<u>17,935,066</u>	<u>18,298,001</u>	<u>(362,935)</u>
<u>1,416,746</u>	<u>1,374,582</u>	<u>2,169,542</u>	<u>794,960</u>
-	2,260,000	2,260,000	-
-	(2,217,838)	(2,217,838)	-
55,000	55,000	24,836	(30,164)
121,500	121,500	120,000	(1,500)
<u>(1,593,246)</u>	<u>(2,005,397)</u>	<u>(1,807,000)</u>	<u>198,397</u>
<u>(1,416,746)</u>	<u>(1,786,735)</u>	<u>(1,620,002)</u>	<u>166,733</u>
-	(412,153)	549,540	961,693
-	412,153	5,055,085	4,642,932
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,604,625</u>	<u>\$ 5,604,625</u>

Village of Larchmont, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended May 31, 2023
 (With Comparative Actuals for 2022)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2022 Actual
REAL PROPERTY TAXES					
Real property taxes	\$ 15,771,856	\$ 15,771,856	\$ 15,735,011	\$ (36,845)	\$ 15,375,877
Special assessment taxes	33,883	33,883	33,883	-	48,547
	<u>15,805,739</u>	<u>15,805,739</u>	<u>15,768,894</u>	<u>(36,845)</u>	<u>15,424,424</u>
OTHER TAX ITEMS					
Interest and penalties on real property taxes	23,000	23,000	41,099	18,099	38,465
NON-PROPERTY TAXES					
Utilities gross receipts tax	125,000	125,000	133,781	8,781	118,116
Non-property tax distribution from County	1,130,000	1,130,000	1,642,413	512,413	1,522,183
	<u>1,255,000</u>	<u>1,255,000</u>	<u>1,776,194</u>	<u>521,194</u>	<u>1,640,299</u>
DEPARTMENTAL INCOME					
Tax advertising charges	-	-	-	-	9
Clerk fees	1,000	1,000	270	(730)	1,270
Other fees	2,500	2,500	2,275	(225)	3,185
Police fees	2,000	2,000	11,315	9,315	1,815
Fire department fees	32,000	32,000	5,175	(26,825)	20,400
Public works service charges	12,500	12,500	41,130	28,630	-
Parking lots and garages	600,000	600,000	631,915	31,915	615,249
On-street parking	134,000	134,000	200,631	66,631	85,808
Tennis fees	46,000	46,000	54,458	8,458	51,803
Day camp	201,000	201,000	152,484	(48,516)	13,085
Five mile run	20,000	20,000	26,708	6,708	-
Zoning fees	7,000	7,000	21,540	14,540	17,040
Planning fees	26,500	26,500	68,125	41,625	68,920
Field permits	200,000	200,000	238,739	38,739	270,813
Parades and events offset	6,000	6,000	1,730	(4,270)	9,099
Emergency tenant protection fees	3,000	3,000	-	(3,000)	-
	<u>1,293,500</u>	<u>1,293,500</u>	<u>1,456,495</u>	<u>162,995</u>	<u>1,158,496</u>

INTERGOVERNMENTAL CHARGES

Police services for other governments	25,000	25,000	349,545	324,545	53,535
Snow removal for other governments	14,350	14,350	313	(14,037)	11,493
Services for other governments	21,350	21,350	71,730	50,380	26,025
	<u>60,700</u>	<u>60,700</u>	<u>421,588</u>	<u>360,888</u>	<u>91,053</u>

USE OF MONEY AND PROPERTY

Earnings on investments	2,000	2,000	286,186	284,186	9,847
Rental of real property	120,000	120,000	159,144	39,144	147,072
	<u>122,000</u>	<u>122,000</u>	<u>445,330</u>	<u>323,330</u>	<u>156,919</u>

LICENSES AND PERMITS

Business and occupational licenses	45,000	45,000	45,645	645	85,878
Permit fees	500,000	500,000	632,376	132,376	753,016
Alarm permits	35,000	35,000	34,186	(814)	32,915
Architectural review fees	6,000	6,000	15,400	9,400	18,300
	<u>586,000</u>	<u>586,000</u>	<u>727,607</u>	<u>141,607</u>	<u>890,109</u>

FINES AND FORFEITURES

Fines and forfeited bail	230,000	230,000	483,036	253,036	277,938
Other	500	500	-	(500)	-
	<u>230,500</u>	<u>230,500</u>	<u>483,036</u>	<u>252,536</u>	<u>277,938</u>

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of scrap and excess materials	1,000	1,000	240	(760)	692
Minor sales	10,000	10,000	23,905	13,905	6,460
	<u>11,000</u>	<u>11,000</u>	<u>24,145</u>	<u>13,145</u>	<u>7,152</u>

STATE AID

Aid and incentives for municipalities	72,949	72,949	72,949	-	-
Mortgage tax	298,741	298,741	362,515	63,774	458,615
Public safety	2,500	2,500	7,798	5,298	15,034
Other	2,500	2,500	78,556	76,056	15,000
	<u>376,690</u>	<u>376,690</u>	<u>521,818</u>	<u>145,128</u>	<u>488,649</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, 2023

(With Comparative Actuals for 2022)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2022 Actual
FEDERAL AID					
American Rescue Plan Act	\$ 312,153	\$ 312,153	\$ -	\$ (312,153)	\$ 116,756
Emergency disaster assistance	-	-	274,195	274,195	-
	<u>312,153</u>	<u>312,153</u>	<u>274,195</u>	<u>(37,958)</u>	<u>116,756</u>
MISCELLANEOUS					
Refund of prior year's expenditures	10,000	10,000	370,919	360,919	16,856
AIM related payments	-	-	-	-	72,949
Other	10,000	10,000	282,835	272,835	87,478
	<u>20,000</u>	<u>20,000</u>	<u>653,754</u>	<u>633,754</u>	<u>177,283</u>
TOTAL REVENUES	<u>20,096,282</u>	<u>20,096,282</u>	<u>22,594,155</u>	<u>2,497,873</u>	<u>20,467,543</u>
OTHER FINANCING SOURCES					
Refunding bonds issued	-	-	-	-	2,260,000
Insurance recoveries	25,000	25,000	28,890	3,890	24,836
Transfers in					
Water Fund	120,000	120,000	120,000	-	120,000
	<u>145,000</u>	<u>145,000</u>	<u>148,890</u>	<u>3,890</u>	<u>2,404,836</u>
TOTAL OTHER FINANCING SOURCES	<u>145,000</u>	<u>145,000</u>	<u>148,890</u>	<u>3,890</u>	<u>2,404,836</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 20,241,282</u>	<u>\$ 20,241,282</u>	<u>\$ 22,743,045</u>	<u>\$ 2,501,763</u>	<u>\$ 22,872,379</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, 2023
 (With Comparative Actuals for 2022)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2022 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 5,700	\$ 5,700	\$ 12,674	\$ (6,974)	\$ 10,213
Justice	231,768	231,768	207,229	24,539	269,346
Supervisor	126,500	126,500	129,358	(2,858)	118,041
Treasurer	196,010	196,010	201,040	(5,030)	183,141
Budget	750	750	975	(225)	17,369
Purchasing	2,350	2,350	-	2,350	1,108
Assessor	68,299	68,299	55,807	12,492	31,032
Clerk	107,853	107,853	112,102	(4,249)	86,378
Law	119,000	119,000	207,326	(88,326)	239,763
Personnel	142,005	142,005	106,716	35,289	134,865
Engineer	63,500	63,500	65,398	(1,898)	22,546
Buildings	205,391	205,391	304,943	(99,552)	245,768
Village Center	1,200	1,200	1,200	-	1,111
Central garage	349,561	349,561	392,223	(42,662)	364,937
Central communications system	45,150	45,150	65,292	(20,142)	47,985
Central printing and mailing	35,500	35,500	20,594	14,906	23,209
Central data processing	129,000	129,000	204,443	(75,443)	117,115
Unallocated insurance	291,500	291,500	286,408	5,092	266,111
Municipal association dues	3,500	3,500	2,930	570	2,930
Judgments and claims	10,000	10,000	20,500	(10,500)	1,506
Taxes and assessments on Village property	40,000	40,000	27,120	12,880	29,372
Refunds of real property taxes	100,000	100,000	16,844	83,156	(164)
Metropolitan commuter transportation mobility tax	21,850	21,850	17,784	4,066	19,567
Contingency	253,810	253,810	-	253,810	-
	<u>2,550,197</u>	<u>2,550,197</u>	<u>2,458,906</u>	<u>91,291</u>	<u>2,233,249</u>

PUBLIC SAFETY

Police	3,794,257	3,794,257	4,152,235	(357,978)	4,477,984
Traffic control	24,500	24,500	31,030	(6,530)	22,078
Fire department	2,347,356	2,347,356	2,813,742	(466,386)	2,622,109
Control of dogs	15,600	15,600	16,674	(1,074)	12,784
Safety inspection	284,496	284,496	404,176	(119,680)	297,092
	<u>6,466,209</u>	<u>6,466,209</u>	<u>7,417,857</u>	<u>(951,648)</u>	<u>7,432,047</u>

HEALTH

Community Counseling Center	<u>53,000</u>	<u>53,000</u>	<u>98,986</u>	<u>(45,986)</u>	<u>53,000</u>
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TRANSPORTATION

Street administration	140,214	140,214	147,424	(7,210)	131,604
Street maintenance	508,737	508,737	440,775	67,962	417,137
Snow removal	93,500	93,500	17,990	75,510	68,200
Street lighting	178,365	178,365	178,229	136	204,354
Off-street parking	60,500	60,500	69,791	(9,291)	52,669
	<u>981,316</u>	<u>981,316</u>	<u>854,209</u>	<u>127,107</u>	<u>873,964</u>

CULTURE AND RECREATION

Parks	426,436	426,436	420,211	6,225	354,867
Playgrounds and recreation	127,266	127,266	112,764	14,502	130,650
Band concerts	7,000	7,000	5,677	1,323	7,103
Celebrations	14,000	14,000	24,249	(10,249)	18,679
Youth programs	97,900	97,900	109,839	(11,939)	79,165
Exhibits and reception	2,500	2,500	2,500	-	-
	<u>675,102</u>	<u>675,102</u>	<u>675,240</u>	<u>(138)</u>	<u>590,464</u>

HOME AND COMMUNITY SERVICES

Zoning	3,900	3,900	1,582	2,318	2,315
Board of Architectural Review	2,450	2,450	648	1,802	478
Planning	14,750	14,750	14,434	316	30,828
Sanitary sewers	-	-	-	-	2,134
Storm sewers	9,600	9,600	5,918	3,682	3,636
Refuse and garbage	1,574,317	1,574,317	1,587,230	(12,913)	1,473,144
Community beautification	55,500	55,500	55,770	(270)	55,464
Street cleaning	91,288	91,288	87,759	3,529	84,970
Shade trees	34,700	34,700	28,969	5,731	41,251
Emergency tenant protection fees	3,840	3,840	3,840	-	3,840
	<u>1,790,345</u>	<u>1,790,345</u>	<u>1,786,150</u>	<u>4,195</u>	<u>1,698,060</u>

(Continued)

Village of Larchmont, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended May 31, 2023
 (With Comparative Actuals for 2022)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2022 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 289,465	\$ 289,465	\$ 251,886	\$ 37,579	\$ 315,834
State retirement - Police and fire	1,661,128	1,661,128	1,394,881	266,247	1,493,173
Social security	627,501	627,501	615,951	11,550	658,457
Workers' compensation benefits	300,000	300,000	223,641	76,359	236,810
Life insurance	1,700	1,700	-	1,700	145
Unemployment benefits	5,000	5,000	292	4,708	-
Hospital, medical and dental insurance	2,328,350	2,328,350	2,329,214	(864)	2,097,131
	<u>5,213,144</u>	<u>5,213,144</u>	<u>4,815,865</u>	<u>397,279</u>	<u>4,801,550</u>
DEBT SERVICE					
Principal					
Serial bonds	507,970	507,970	507,970	-	510,966
Interest					
Serial bonds	56,728	56,728	55,881	847	57,467
Bond anticipation notes	7,000	7,000	4,173	2,827	5,072
	<u>63,728</u>	<u>63,728</u>	<u>60,054</u>	<u>3,674</u>	<u>62,539</u>
Refunding bond issuance costs	-	-	-	-	42,162
TOTAL EXPENDITURES	<u>18,301,011</u>	<u>18,301,011</u>	<u>18,675,237</u>	<u>(374,226)</u>	<u>18,298,001</u>
OTHER FINANCING USES					
Payment to refunded bond escrow agent	-	-	-	-	2,217,838
Transfers out					
Water Fund	-	-	2,000	(2,000)	2,000
Capital Projects Fund	1,170,000	1,170,000	1,451,300	(281,300)	853,754
Public Library Fund	970,271	970,271	970,271	-	951,246
TOTAL OTHER FINANCING USES	<u>2,140,271</u>	<u>2,140,271</u>	<u>2,423,571</u>	<u>(283,300)</u>	<u>4,024,838</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 20,441,282</u>	<u>\$ 20,441,282</u>	<u>\$ 21,098,808</u>	<u>\$ (657,526)</u>	<u>\$ 22,322,839</u>

See independent auditors' report.

Village of Larchmont, New York

Water Fund
Comparative Balance Sheet
May 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and equivalents	\$ 911,705	\$ 142,706
Receivables		
Water rents	647,945	659,748
Prepaid expenditures	<u>1,154</u>	<u>11,095</u>
Total Assets	<u>\$ 1,560,804</u>	<u>\$ 813,549</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 423,045	\$ 89,947
Accrued liabilities	7,634	175,415
Due to other funds	320,247	4,986
Due to retirement systems	11,002	9,047
Unearned revenues	<u>1,267</u>	<u>1,267</u>
Total Liabilities	<u>763,195</u>	<u>280,662</u>
Fund balance		
Nonspendable	1,154	11,095
Restricted	13,096	13,005
Assigned	<u>783,359</u>	<u>508,787</u>
Total Fund Balance	<u>797,609</u>	<u>532,887</u>
Total Liabilities and Fund Balance	<u>\$ 1,560,804</u>	<u>\$ 813,549</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,

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 2,820,995	\$ 2,820,995	\$ 3,044,715	\$ 223,720
Use of money and property	496	496	8,374	7,878
Miscellaneous	500	500	413	(87)
Total Revenues	2,821,991	2,821,991	3,053,502	231,511
EXPENDITURES				
Current				
General government support	116,420	116,420	68,605	47,815
Home and community services	1,950,128	1,950,128	2,009,080	(58,952)
Employee benefits	300,127	300,127	254,933	45,194
Debt service				
Principal	282,030	282,030	282,030	-
Interest	55,286	55,286	56,132	(846)
Total Expenditures	2,703,991	2,703,991	2,670,780	33,211
Excess of Revenues Over Expenditures	118,000	118,000	382,722	264,722
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	2,000	-
Transfers out	(120,000)	(120,000)	(120,000)	-
Total Other Financing Uses	(118,000)	(118,000)	(118,000)	-
Net Change in Fund Balance	-	-	264,722	264,722
FUND BALANCE				
Beginning of Year	-	-	532,887	532,887
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 797,609</u>	<u>\$ 797,609</u>

See independent auditors' report.

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,912,604	\$ 2,912,604	\$ 2,822,143	\$ (90,461)
2,100	2,100	200	(1,900)
-	-	120	120
<u>2,914,704</u>	<u>2,914,704</u>	<u>2,822,463</u>	<u>(92,241)</u>
79,333	79,333	255,336	(176,003)
1,991,042	1,991,042	1,943,412	47,630
266,642	266,642	209,215	57,427
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>237,000</u>	<u>237,000</u>	<u>75,091</u>	<u>(161,909)</u>
2,000	2,000	2,000	-
<u>(155,000)</u>	<u>(155,000)</u>	<u>(120,000)</u>	<u>35,000</u>
<u>(153,000)</u>	<u>(153,000)</u>	<u>(118,000)</u>	<u>35,000</u>
84,000	84,000	(42,909)	(126,909)
<u>(84,000)</u>	<u>(84,000)</u>	<u>575,796</u>	<u>659,796</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532,887</u>	<u>\$ 532,887</u>

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Village of Larchmont, New York

Public Library Fund
Comparative Balance Sheet
May 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and equivalents	\$ 832,432	\$ 376,376
Accounts receivable	-	7,138
Prepaid expenditures	<u>6,358</u>	<u>43,206</u>
Total Assets	<u>\$ 838,790</u>	<u>\$ 426,720</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 71,719	\$ 35,067
Accrued liabilities	17,562	41,642
Due to other funds	417,810	9,570
Due to retirement systems	<u>26,239</u>	<u>20,911</u>
Total Liabilities	<u>533,330</u>	<u>107,190</u>
Fund balance		
Nonspendable	6,358	43,206
Assigned	<u>299,102</u>	<u>276,324</u>
Total Fund Balance	<u>305,460</u>	<u>319,530</u>
Total Liabilities and Fund Balance	<u>\$ 838,790</u>	<u>\$ 426,720</u>

See independent auditors' report.

Village of Larchmont, New York

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

	2023			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 1,349,895	\$ 1,349,895	\$ 1,355,362	\$ 5,467
Use of money and property	800	800	2,827	2,027
Sale of property and compensation for loss	2,000	2,000	4,472	2,472
State aid	5,175	5,175	5,772	597
Miscellaneous	31,500	31,500	35,319	3,819
Total Revenues	<u>1,389,370</u>	<u>1,389,370</u>	<u>1,403,752</u>	<u>14,382</u>
EXPENDITURES				
Current				
General government support	24,500	24,500	25,761	(1,261)
Culture and recreation	1,747,750	1,747,750	1,745,509	2,241
Employee benefits	577,391	577,391	566,823	10,568
Total Expenditures	<u>2,349,641</u>	<u>2,349,641</u>	<u>2,338,093</u>	<u>11,548</u>
Deficiency of Revenues Over Expenditures	<u>(960,271)</u>	<u>(960,271)</u>	<u>(934,341)</u>	<u>25,930</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	970,271	970,271	970,271	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources	<u>920,271</u>	<u>920,271</u>	<u>920,271</u>	<u>-</u>
Net Change in Fund Balance	<u>(40,000)</u>	<u>(40,000)</u>	<u>(14,070)</u>	<u>25,930</u>
FUND BALANCE				
Beginning of Year	<u>40,000</u>	<u>40,000</u>	<u>319,530</u>	<u>279,530</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,460</u>	<u>\$ 305,460</u>

See independent auditors' report.

2022

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 1,323,623	\$ 1,323,623	\$ 1,321,976	\$ (1,647)
1,500	1,500	146	(1,354)
3,000	3,000	2,406	(594)
4,175	4,175	5,047	872
25,500	25,500	26,157	657
1,357,798	1,357,798	1,355,732	(2,066)
24,750	24,750	22,274	2,476
1,658,950	1,658,950	1,638,340	20,610
625,344	625,344	574,996	50,348
2,309,044	2,309,044	2,235,610	73,434
(951,246)	(951,246)	(879,878)	71,368
951,246	951,246	951,246	-
(50,000)	(187,000)	(187,000)	-
901,246	764,246	764,246	-
(50,000)	(187,000)	(115,632)	71,368
50,000	187,000	435,162	248,162
\$ -	\$ -	\$ 319,530	\$ 319,530

Village of Larchmont, New York

Public Library Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended May 31, 2023
 (With Comparative Actuals for 2022)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2022 Actual
DEPARTMENTAL INCOME					
Library charges	\$ 10,000	\$ 10,000	\$ 15,467	\$ 5,467	\$ 8,353
Services to other governments	1,339,895	1,339,895	1,339,895	-	1,313,623
	<u>1,349,895</u>	<u>1,349,895</u>	<u>1,355,362</u>	<u>5,467</u>	<u>1,321,976</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	800	800	2,827	2,027	146
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Minor sales	1,000	1,000	3,216	2,216	1,028
Sale of materials and supplies	1,000	1,000	1,256	256	1,378
	<u>2,000</u>	<u>2,000</u>	<u>4,472</u>	<u>2,472</u>	<u>2,406</u>
STATE AID					
Emergency disaster assistance	-	-	-	-	-
Library aid	5,175	5,175	5,772	597	5,047
	<u>5,175</u>	<u>5,175</u>	<u>5,772</u>	<u>597</u>	<u>5,047</u>
MISCELLANEOUS					
Gifts and donations	7,500	7,500	2,837	(4,663)	2,782
Other	24,000	24,000	32,482	8,482	23,375
	<u>31,500</u>	<u>31,500</u>	<u>35,319</u>	<u>3,819</u>	<u>26,157</u>
TOTAL REVENUES	<u>1,389,370</u>	<u>1,389,370</u>	<u>1,403,752</u>	<u>14,382</u>	<u>1,355,732</u>

OTHER FINANCING SOURCES

Transfers in
General Fund

<u>970,271</u>	<u>970,271</u>	<u>970,271</u>	<u>-</u>	<u>951,246</u>
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**TOTAL REVENUES AND
OTHER FINANCING SOURCES**

<u><u>\$ 2,359,641</u></u>	<u><u>\$ 2,359,641</u></u>	<u><u>\$ 2,374,023</u></u>	<u><u>\$ 14,382</u></u>	<u><u>\$ 2,306,978</u></u>
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See independent auditors' report.

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Village of Larchmont, New York

Public Library Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended May 31, 2023
 (With Comparative Actuals for 2022)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2022 Actual
GENERAL GOVERNMENT SUPPORT					
Unallocated insurance	\$ 18,500	\$ 18,500	\$ 20,458	\$ (1,958)	\$ 16,737
Taxes and assessments on Village property	6,000	6,000	5,303	697	5,537
	<u>24,500</u>	<u>24,500</u>	<u>25,761</u>	<u>(1,261)</u>	<u>22,274</u>
CULTURE AND RECREATION					
Library operations	<u>1,747,750</u>	<u>1,747,750</u>	<u>1,745,509</u>	<u>2,241</u>	<u>1,638,340</u>
EMPLOYEE BENEFITS					
State retirement	120,056	120,056	131,780	(11,724)	161,683
Social security	96,635	96,635	93,951	2,684	88,144
Workers' compensation benefits	7,000	7,000	4,770	2,230	3,913
Disability insurance	2,100	2,100	-	2,100	-
Hospital, medical and dental insurance	<u>351,600</u>	<u>351,600</u>	<u>336,322</u>	<u>15,278</u>	<u>321,256</u>
	<u>577,391</u>	<u>577,391</u>	<u>566,823</u>	<u>10,568</u>	<u>574,996</u>
TOTAL EXPENDITURES	<u>2,349,641</u>	<u>2,349,641</u>	<u>2,338,093</u>	<u>11,548</u>	<u>2,235,610</u>
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>187,000</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 2,399,641</u></u>	<u><u>\$ 2,399,641</u></u>	<u><u>\$ 2,388,093</u></u>	<u><u>\$ 11,548</u></u>	<u><u>\$ 2,422,610</u></u>

See independent auditors' report.

Village of Larchmont, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and equivalents	\$ 3,608,213	\$ 1,236,232
Receivables		
Accounts	2,769	11,307
Due from other funds	<u>156,500</u>	<u>297,245</u>
	<u>159,269</u>	<u>308,552</u>
Total Assets	<u>\$ 3,767,482</u>	<u>\$ 1,544,784</u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 34,358	\$ 63,113
Due to other funds	256,728	-
Bond anticipation notes payable	<u>1,110,000</u>	<u>1,792,300</u>
Total Liabilities	<u>1,401,086</u>	<u>1,855,413</u>
Fund balance (deficit)		
Restricted	2,366,396	-
Unassigned	<u>-</u>	<u>(310,629)</u>
Total Fund Balance (Deficit)	<u>2,366,396</u>	<u>(310,629)</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 3,767,482</u>	<u>\$ 1,544,784</u>

See independent auditors' report.

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

	<u>2023</u>	<u>2022</u>
REVENUES		
State aid	\$ 537,835	\$ 31,950
Federal aid	79,582	-
Miscellaneous	<u>1,831,375</u>	<u>298,257</u>
Total Revenues	2,448,792	330,207
EXPENDITURES		
Capital outlay	<u>1,653,067</u>	<u>966,505</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>795,725</u>	<u>(636,298)</u>
OTHER FINANCING SOURCES		
Transfers in	<u>1,881,300</u>	<u>1,295,754</u>
Net Change in Fund Balance	2,677,025	659,456
FUND DEFICIT		
Beginning of Year	<u>(310,629)</u>	<u>(970,085)</u>
End of Year	<u>\$ 2,366,396</u>	<u>\$ (310,629)</u>

See independent auditors' report.

Village of Larchmont, New YorkCapital Projects Fund
Project-Length Schedule
Inception of Project Through May 31, 2023

<u>PROJECT</u>	<u>Authorization</u>	<u>Expenditures and Transfers</u>	<u>Unexpended Balance</u>
Technology	\$ 1,043,981	\$ 924,571	\$ 119,410
Library Maintenance Program	1,625,639	1,407,327	218,312
Village Hall Maintenance and Improvement	154,134	44,789	109,345
Road Resurfacing and Curbing	2,050,219	1,524,704	525,515
Sidewalks 60/40 2021 and Prior	373,393	290,341	83,052
Sanitation Sewer Evaluation Study	2,177,000	2,091,060	85,940
Police Cruisers	432,579	412,115	20,464
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	543	12,457
Central Garage Repairs 2018-22	78,000	13,500	64,500
Gas Heaters 19-20	19,000	-	19,000
Downtown Streetscape Materials 19-20	20,000	-	20,000
LED Street Lights 19-21	150,000	193,545	(43,545)
Highway Equipment Vehicle 19-20	105,000	71,053	33,947
Parking Improvements	645,000	551,710	93,290
Library HVAC and Roof 20-21	941,000	905,956	35,044
Storm Sewer Drainage -Trouble Locations 20-21	105,000	171,441	(66,441)
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	11,800	13,200
Library Flood Restoration	365,720	321,618	44,102
Police Rifles and Shotguns	7,500	3,168	4,332
Fire Department Radio, Air, Ropes and Fans	32,500	52,992	(20,492)
Pavement Management Study	50,000	-	50,000
Road Resurfacing - CHIPS	422,673	372,270	50,403

	Total Revenues	Fund Balance (Deficits) at May 31, 2023	Bond Anticipation Notes Outstanding at May 31, 2023
\$	1,043,981	\$ 119,410	\$ -
	1,625,639	218,312	-
	154,134	109,345	-
	2,050,219	525,515	-
	373,393	83,052	-
	1,649,939	(441,121)	620,000
	332,579	(79,536)	-
	366,000	32,702	-
	152,087	-	-
	13,000	12,457	-
	78,000	64,500	-
	19,000	19,000	-
	20,000	20,000	-
	150,000	(43,545)	-
	105,000	33,947	-
	250,000	(301,710)	375,000
	611,611	(294,345)	-
	105,000	(66,441)	-
	150,000	(74,950)	115,000
	356,250	355,275	-
	25,000	13,200	-
	365,720	44,102	-
	7,500	4,332	-
	32,500	(20,492)	-
	50,000	50,000	-
	422,673	50,403	-

Village of Larchmont, New York

Capital Projects Fund
Project-Length Schedule
Inception of Project Through May 31, 2023

<u>PROJECT</u>	<u>Authorization</u>	<u>Expenditures and Transfers</u>	<u>Unexpended Balance</u>
Comp. Plan Business District	\$ 50,000	\$ -	\$ 50,000
Digital Radios System	90,000	18,138	71,862
Police DVR System	19,000	-	19,000
Building Scanner	15,000	14,238	762
Willow Park	275,000	-	275,000
Flint Park - Tennis House, Playground, B-ball (Const.)	1,350,000	14,973	1,335,027
Flint Park - Master Plan (Design - C/A)	155,000	166,838	(11,838)
Dash Cam /Body Cameras	60,000	-	60,000
Village Hall Parking Lot	125,000	-	125,000
HVAC - Upgrade/Replacement	31,500	-	31,500
Totals	<u>\$ 14,353,838</u>	<u>\$ 10,290,000</u>	<u>\$ 4,063,838</u>

See independent auditors' report.

Total Revenues	Fund Balance (Deficits) at May 31, 2023	Bond Anticipation Notes Outstanding at May 31, 2023
\$ 50,000	\$ 50,000	\$ -
90,000	71,862	-
19,000	19,000	-
15,000	762	-
275,000	275,000	-
1,326,671	1,311,698	-
155,000	(11,838)	-
60,000	60,000	-
125,000	125,000	-
31,500	31,500	-
<u>\$ 12,656,396</u>	<u>\$ 2,366,396</u>	<u>\$ 1,110,000</u>

Village of Larchmont, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 May 31, 2023
 (With Comparative Totals for 2022)

	Special Purpose Fund	Sewer Fund	Parking Fund
ASSETS			
Cash and equivalents	\$ 527,766	\$ 550,711	\$ 166,539
Receivables			
Accounts	-	-	5,388
Sewer rents	-	64,504	-
Due from other funds	76,320	16,337	-
	<u>76,320</u>	<u>80,841</u>	<u>5,388</u>
Total Assets	<u>\$ 604,086</u>	<u>\$ 631,552</u>	<u>\$ 171,927</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 27,569	\$ 6,628
Due to other funds	-	-	17,029
Total Liabilities	<u>-</u>	<u>27,569</u>	<u>23,657</u>
Fund balances			
Restricted	604,086	-	-
Assigned	-	603,983	148,270
Total Fund Balances	<u>604,086</u>	<u>603,983</u>	<u>148,270</u>
Total Liabilities and Fund Balances	<u>\$ 604,086</u>	<u>\$ 631,552</u>	<u>\$ 171,927</u>

See independent auditors' report.

Total Non-Major
Governmental Funds

2023	2022
\$ 1,245,016	\$ 1,382,432
5,388	-
64,504	58,573
92,657	137,489
162,549	196,062
\$ 1,407,565	\$ 1,578,494
34,197	6,927
17,029	250,000
51,226	256,927
604,086	556,708
752,253	764,859
1,356,339	1,321,567
\$ 1,407,565	\$ 1,578,494

Village of Larchmont, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended May 31, 2023
(With Comparative Totals for 2022)

	Special Purpose Fund	Sewer Fund	Parking Fund
REVENUES			
Departmental income	\$ -	\$ 255,836	\$ 350,520
Use of money and property	908	-	2,054
Miscellaneous	71,340	-	-
	<u>72,248</u>	<u>255,836</u>	<u>352,574</u>
EXPENDITURES			
Current			
Transportation	-	-	151,123
Culture and recreation	14,964	-	-
Home and community services	9,906	49,102	-
Employee benefits	-	-	27,591
Debt service			
Interest	-	8,750	4,450
	<u>24,870</u>	<u>57,852</u>	<u>183,164</u>
Total Expenditures	<u>24,870</u>	<u>57,852</u>	<u>183,164</u>
Excess of Revenues Over Expenditures	<u>47,378</u>	<u>197,984</u>	<u>169,410</u>
OTHER FINANCING USES			
Transfers out	-	(255,000)	(125,000)
	<u>47,378</u>	<u>(57,016)</u>	<u>44,410</u>
Net Change in Fund Balances	<u>47,378</u>	<u>(57,016)</u>	<u>44,410</u>
FUND BALANCES			
Beginning of Year	<u>556,708</u>	<u>660,999</u>	<u>103,860</u>
End of Year	<u>\$ 604,086</u>	<u>\$ 603,983</u>	<u>\$ 148,270</u>

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Total Non-Major Governmental Funds	
2023	2022
\$ 606,356	\$ 531,260
2,962	36
71,340	52,760
<u>680,658</u>	<u>584,056</u>
151,123	66,851
14,964	33,174
59,008	32,912
27,591	-
<u>13,200</u>	<u>4,663</u>
<u>265,886</u>	<u>137,600</u>
<u>414,772</u>	<u>446,456</u>
<u>(380,000)</u>	<u>(255,000)</u>
34,772	191,456
<u>1,321,567</u>	<u>1,130,111</u>
<u>\$ 1,356,339</u>	<u>\$ 1,321,567</u>

Village of Larchmont, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and equivalents	\$ 527,766	\$ 419,219
Due from other funds	<u>76,320</u>	<u>137,489</u>
Total Assets	<u>\$ 604,086</u>	<u>\$ 556,708</u>
FUND BALANCE		
Restricted	<u>\$ 604,086</u>	<u>\$ 556,708</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>2023</u>	<u>2022</u>
REVENUES		
Use of money and property	\$ 908	\$ 18
Miscellaneous	<u>71,340</u>	<u>52,760</u>
Total Revenues	<u>72,248</u>	<u>52,778</u>
EXPENDITURES		
Current		
Culture and recreation	14,964	33,174
Home and community services	<u>9,906</u>	<u>55</u>
Total Expenditures	<u>24,870</u>	<u>33,229</u>
Excess of Revenues Over Expenditures	47,378	19,549
OTHER FINANCING USES		
Transfers out	<u>-</u>	<u>(5,000)</u>
Net Change in Fund Balance	47,378	14,549
FUND BALANCE		
Beginning of Year	<u>556,708</u>	<u>542,159</u>
End of Year	<u>\$ 604,086</u>	<u>\$ 556,708</u>

See independent auditors' report.

Village of Larchmont, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and equivalents	\$ 550,711	\$ 731,833
Sewer rents receivable	64,504	58,573
Due from other funds	<u>16,337</u>	<u>-</u>
Total Assets	<u>\$ 631,552</u>	<u>\$ 790,406</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 27,569	\$ 4,407
Due to other funds	<u>-</u>	<u>125,000</u>
Total Liabilities	27,569	129,407
Fund balance		
Assigned	<u>603,983</u>	<u>660,999</u>
Total Liabilities and Fund Balance	<u>\$ 631,552</u>	<u>\$ 790,406</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>2023</u>	<u>2022</u>
REVENUES		
Departmental income	<u>\$ 255,836</u>	<u>\$ 232,504</u>
EXPENDITURES		
Current		
Home and community services	49,102	32,857
Debt Service		
Interest	<u>8,750</u>	<u>1,600</u>
Total Expenditures	<u>57,852</u>	<u>34,457</u>
Excess of Revenues Over Expenditures	197,984	198,047
OTHER FINANCING USES		
Transfers out	<u>(255,000)</u>	<u>(125,000)</u>
Net Change in Fund Balance	(57,016)	73,047
FUND BALANCE		
Beginning of Year	<u>660,999</u>	<u>587,952</u>
End of Year	<u><u>\$ 603,983</u></u>	<u><u>\$ 660,999</u></u>

See independent auditors' report.

Village of Larchmont, New York

Parking Fund
Comparative Balance Sheet
May 31,

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash and equivalents	\$ 166,539	\$ 231,380
Accounts receivable	5,388	-
	<u>171,927</u>	<u>-</u>
Total Assets	<u>\$ 171,927</u>	<u>\$ 231,380</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 6,628	\$ 2,520
Due to other funds	17,029	125,000
	<u>23,657</u>	<u>127,520</u>
Total Liabilities	23,657	127,520
Fund balance		
Assigned	<u>148,270</u>	<u>103,860</u>
Total Liabilities and Fund Balance	<u>\$ 171,927</u>	<u>\$ 231,380</u>

See independent auditors' report.

Village of Larchmont, New YorkParking Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended May 31,

	<u>2023</u>	<u>2022</u>
REVENUES		
Departmental income	\$ 350,520	\$ 298,756
Use of money and property	<u>2,054</u>	<u>18</u>
Total Revenues	<u>352,574</u>	<u>298,774</u>
EXPENDITURES		
Current		
Transportation	151,123	66,851
Employee benefits	27,591	-
Debt Service		
Interest	<u>4,450</u>	<u>3,063</u>
Total Expenditures	<u>183,164</u>	<u>69,914</u>
Excess of Revenues Over Expenditures	169,410	228,860
OTHER FINANCING USES		
Transfers out	<u>(125,000)</u>	<u>(125,000)</u>
Net Change in Fund Balance	44,410	103,860
FUND BALANCE		
Beginning of Year	<u>103,860</u>	<u>-</u>
End of Year	<u>\$ 148,270</u>	<u>\$ 103,860</u>

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