

Village of Larchmont, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2020

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 Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

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Emphasis of Matter

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended May 31, 2019 (not presented herein), and have issued our report thereon dated July 15, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended May 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2019 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling

such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2019.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

December 28, 2020

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Village of Larchmont, New York

Management's Discussion and Analysis (MD&A) May 31, 2020

The following discussion and analysis of the Village of Larchmont, New York's ("Village") financial statements provides an overview of the financial activities of the Village for the fiscal year ended May 31, 2020. Please read it in conjunction with the basic financial statements and the accompanying notes to those statements that follow this section to enhance understanding of the Village's financial performance.

Financial Highlights

- On the government-wide financial statements, at the conclusion of fiscal year 2020, the total liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources by \$(21,541,042) (net position), a decrease of \$1,940,476 as compared to fiscal year 2019. A deficit of \$(40,228,623) 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, 2020, the Village's OPEB obligations of \$38,720,460 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 2019-20, the Village's governmental funds reported a combined fund balance of \$5,168,582 an increase of \$781,444. Approximately 60.5% of this amount or \$3,131,958 is available for spending at the Village's discretions as unassigned fund balance.
- At the end of the fiscal year 2019-20, unassigned fund balance for the General Fund was \$3,344,071 or approximately 18% of total General Fund expenditures.
- At the end of the current fiscal year, the Village had total bonded debt outstanding of \$7,815,000. 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 \$150,000. The balance of such BANs at May 31, 2020 is \$652,300.
- The government-wide financial statements must report certain items in accordance with the pronouncements of the GASB. The GASB is charged with developing the accounting rules that apply to governments, including school districts and BOCES. One of the most significant of these standards, GASB Statement No. 75, requires the Village to recognize the financial impact associated with other postemployment benefit ("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, 2020 is \$38,720,460. The OPEB liability is reflected on the government-wide Statement of Net Position and impacts the total net position calculation. More detailed information about the Village's OPEB obligations reported in accordance with the provisions of GASB Statement No. 75 is presented in note 3E in the notes to financial statements. Also noteworthy is that this standard parallels the pension standard under the provisions of GASB Statement No. 68, *"Accounting and Financial*

Reporting for Pensions", presented in note 3E as well. At May 31, 2020, the Village also reported in its Statement of Net Position a liability of \$10,663,200 for its proportionate share of the ERS and 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 Debt Service, Special Purpose and Sewer 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. The Village maintains one type of fiduciary fund, an Agency Fund. Resources in the Agency Fund are held by the Village purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment and remittance of resources to the appropriate individual, organization or government.

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 decreased by \$1,940,476 from a year ago, decreasing from \$(19,600,566) to \$(21,541,042). 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:

NET POSITION

	May 31,	
	2020	2019
Current Assets	\$ 7,911,568	\$ 6,985,081
Capital Assets, net	24,661,743	24,275,513
Total Assets	32,573,311	31,260,594
Deferred Outflows of Resources	9,347,144	2,975,965
Current Liabilities	2,793,326	2,662,913
Long-Term Liabilities	58,833,241	50,113,919
Total Liabilities	61,626,567	52,776,832
Deferred Inflows of Resources	1,834,930	1,060,293
Net Position		
Net Investment in Capital Assets	16,194,443	16,834,111
Restricted	2,493,138	407,408
Unrestricted	(40,228,623)	(36,842,085)
Total Net Position	\$ (21,541,042)	\$ (19,600,566)

By far, the largest component of the Village's net position is its investment in capital assets, less any debt used to acquire those assets. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in capital assets, is reported net of the related debt, it should be noted that the resources needed to repay this debt must also be provided from other sources, since capital assets alone cannot be used to liquidate these liabilities.

Restricted net position amounts to \$2,493,138 and is restricted for debt service and special purpose.

The remainder of the Villages net position \$(40,228,623) is considered unrestricted.

Overall, net position decreased by \$(1,940,476).

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

**CHANGE IN NET POSTION
FISCAL YEAR ENDED MAY 31,**

	2020	2019
REVENUES		
Program Revenues		
Charges for services	\$ 6,928,562	\$ 7,609,852
Operating grants and contributions	94,309	192,820
Capital grants and contributions	889,762	913,330
Total Program Revenues	<u>7,912,633</u>	<u>8,716,002</u>
General Revenues:		
Real property taxes	14,846,767	14,589,677
Other tax items	34,037	42,490
Non-property taxes	1,258,962	1,071,010
Unrestricted use of money and property	8,333	10,350
Sale of property and compensation for loss	36,417	21,013
Unrestricted State aid	268,881	316,104
Miscellaneous	78,287	87,244
Insurance recoveries	66,784	2,797
Total General Revenues	<u>16,598,468</u>	<u>16,140,685</u>
Total Revenues	<u>24,511,101</u>	<u>24,856,687</u>
PROGRAM EXPENSES		
General government support	3,001,929	2,705,267
Public safety	12,861,905	11,444,063
Health	53,000	53,000
Transportation	1,964,953	1,976,669
Culture and recreation	4,166,433	4,014,289
Home and community services	4,177,097	4,299,481
Interest	226,260	249,124
Total Expenses	<u>26,451,577</u>	<u>24,741,893</u>
Change in Net Position	<u>(1,940,476)</u>	<u>114,794</u>
Net Position - Beginning	(19,600,566)	3,122,618
Cumulative Effect of Change in Accounting Principle	<u>-</u>	<u>(22,837,978)</u>
Net Position -Beginning, as restated	<u>(19,600,566)</u>	<u>(19,715,360)</u>
Net Position - Ending	<u>\$ (21,541,042)</u>	<u>\$ (19,600,566)</u>

The Village's total revenues for 2020 were \$24,511,101. The cost for all programs and services totaled \$26,451,577. The analysis below separately considers the operations of governmental activities.

Governmental Activities

Revenues:

Revenues decreased, from the prior year in all program revenue categories by a total of 345,586. This decrease is a reflection of receiving less in 2020 for in person activities due to the pandemic. Tax revenues of \$16,139,766 (66%) in 2020 and \$15,703,157 (63%) in 2019, comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue sources.

Real property taxes increased to \$14,846,767 in 2020 from \$14,589,677 in 2019, or by \$257,090 which was predominately due to an increase in the total tax levy.

Expenses:

The total cost of all governmental activities in 2020 was \$26,451,577. This is approximately a 6.5% increase from \$24,741,893 in 2019.

Program expenses increased, from the prior year by \$1,709,684. Table 2 presents the cost to each of the Villages largest programs – General Government Support increased by \$296,662, Public Safety increased by \$1,417,842, Transportation decreased by \$11,716, Culture and Recreation increased by \$152,144 and Home and Community Services decreased by \$122,384. Each of these increases or decreases disclosed no discernible, significant reason for the respective increases or decreases in expense at the fund level exclusive of any previous content as discussed, however expenses within each program were influenced by increases in compensated absences and employee benefits, inclusive of 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.

Fund Balance Reporting

GASB issued its Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", in February 2009. The requirements of GASB Statement No. 54 became effective for financial statements for the Village's fiscal period ending June 30, 2011. GASB Statement No. 54 abandoned the reserved and unreserved classifications of fund balance and replaced them with five new classifications: nonspendable, restricted, committed, assigned and unassigned. An explanation of these classifications follows below.

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

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

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

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the government's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

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

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

Governmental Funds

As the Village completed the year, its governmental funds reported a combined fund balance of \$5,168,582, which is an increase from last year's total of \$4,387,138. Exclusive of the Capital Projects Fund, the combined ending fund balance was \$5,380,695.

- Overall, the Village's combined ending fund balance increased by \$781,444, 17.8% 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. As stated previously, 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 \$3,131,958, which is available for spending at the Village's discretion. The remainder of the fund balance is either nonspendable, restricted or assigned. At the close of the fiscal year the General Fund reported \$215,333 in nonspendable fund balance and \$241,685 in restricted fund balance. The remainder of funds had balances for nonspendable prepaid expenditures of \$10,931, which consists of the Water Fund and Public Library Fund. Total Assigned Fund Balance is \$1,060,524 (\$190,241 in the Water Fund, \$424,016 in the Public Library Fund and \$446,267 for Non-Major Governmental Funds.

General Fund

- For Fiscal Year 2019-20, the General Fund experienced an increase in fund balance in the amount of \$525,002 (16%) from \$3,276,087 to \$3,801,089.
- As the Village closed fiscal year 2019-2020, it faced unprecedented wide-ranging change, with the outbreak of the pandemic requiring much of the economy and some of our community related operations to cease for a period of time. As a result, we did not fare as well, as in other fiscal years from positive variances produced within our revenue accounts. Instead, in fiscal 19-20 we only realized a positive budgetary impact in the Building Department revenue which exceed expectations by approximately \$115,000.
- There was significant savings however, in actual expenditures related to employee benefits appropriations totaling \$620,754: State Retirement, Social Security, Workers compensation and Insurance.
- At the end of fiscal year 2019-20 actual expenditures were \$18,973,032, inclusive of inter-fund transfers. The positive variance in expenditures was primarily created as result of budgetary savings of approximately \$84,914 in social security, \$165,471 in worker's compensation, \$132,093 in state retirement, \$124,578 in Transportation, \$115,275 in Culture in Recreation.

Water Fund

- The Water Fund reflects an assigned fund balance of \$190,241. There was a shortfall in revenue of \$(183,664) reflected in departmental income which was attributed to a decline in water purchases, and savings in total expenditures of \$437,506 (exclusive of Interfund transfers out) of which a majority of the savings is directly related to home and community services at \$386,108. However, total revenue exceeded total expenditures by \$470,842 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 serial bonds, and authorized a new issue 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 increased from \$390,777 to \$433,935 or by \$43,158.

Sources of revenue for the Public Library Fund were received as planned, actual revenue of \$2,299,567 inclusive of inter-fund transfers, produced a negative variance of \$26,769 when compared to its budgeted amount of \$2,326,336. The total expenditures exclusive of other financing sources are \$2,206,409. Again, faced with unprecedented wide-ranging change, with the outbreak of the pandemic requiring much of the economy and some of our Library operations to cease for a period of time, a savings in expenditure appropriations related to in-person activities from government support to culture and recreation of \$43,235 and employee benefits of \$59,216 resulting in a positive budget variance of \$83,158.

Capital Projects Fund

- The fund balance within the Capital Projects Fund is on a steady decline with a \$1,038,810 drop in 17-18, a \$254,542 decrease in fiscal 18-19, and then a \$235,928 decrease in fiscal 19-20, and with end of year total fund deficit of \$(212,113). In 17-18 the \$1,038,810 (78.8%) deficit was mainly influenced by short term borrowing and a significant decrease in the last two years in revenue generated for non-recurring capital miscellaneous projects. Deficiency of revenue over capital outlay expenditures are reported at negative again this year at \$(1,115,153). BANs in the amount of \$652,300 remained 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, Debt Service and Sewer funds contributed positively toward fund balance with an overall increase of \$374,057. This was inclusive of a transfer in the Debt Service Fund of \$244,500 to close out the fund and reflect such proceeds in the General Fund as restricted for debt service.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2020, net of accumulated depreciation, was \$24,661,743. This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment and construction-in-progress. The amount represents a net increase (including additions and deletions) of \$639,668.

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

Capital Assets

Asset	May 31,	
	2020	2019
Land	\$ 57,213	\$ 57,213
Buildings and improvements	19,833,827	19,712,538
Infrastructure	20,904,091	19,677,997
Machinery and equipment	7,715,788	7,329,474
Construction-in-progress	1,798,998	1,600,856
Less - accumulated depreciation	(25,648,174)	(24,102,565)
Total (net of depreciation)	<u>\$ 24,661,743</u>	<u>\$ 24,275,513</u>

Long-term Debt /Short-Term Debt

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$7,815,000. 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 addition, the Village had one New York State installment loan outstanding, which was paid in full in 2019-20. In the aggregate, bonded indebtedness decreased by \$710,000 during the course of the 2019-20 fiscal year. As stated previously short term debt decreased with note payments of \$150,000 for short term borrowing with the use of BANs in the amount of \$500,000 for Sanitation Sewer Evaluation Study and \$447,000 for various capital projects. The balance as of May 31, 2020 is \$652,300.

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

Next Year's Budget and Rates

The tax rate for the 2020-2021 Fiscal Year in the Village's General Fund is \$5.28 per \$1,000 of taxable assessed valuation. This represents a tax rate increase of 1.73% over the prior fiscal year's tax rate of \$5.19. The Village converted to 100% assessed value taxation and with respect to the legislation passed by New York State which imposed a two (2.0%) percent property tax cap at the local government level, the Village was able to adhere to the parameters as prescribed for the 2019-20 Fiscal Year utilizing the Local Government Property Tax Cap Formula incorporating a tax base reserve.

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

Preceding these announcements, the Governor of the State of New York declared a state of emergency on March 7, 2020 and has since issued multiple Executive Orders regarding the pandemic. Furthermore, the Enacted 2020-21 New York State budget granted the Budget Director the authority to reduce state aid payments to local governments and school districts by any amount needed to achieve a balanced budget.

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

The outbreak of the Coronavirus and the dramatic steps taken by the Federal government and New York State to address it will continue to negatively affect New York State and its local economies. The full impact of the Coronavirus on New York State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact on the Village's future operations and finances as a result of the Coronavirus is extremely difficult to predict due to uncertainties relating to its duration and severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including New York State, to contain or mitigate its effects.

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 Kimberly Gutwein, Treasurer, Village of Larchmont, 120 Larchmont Avenue, Larchmont, New York 10538.

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Village of Larchmont, New YorkStatement of Net Position
May 31, 2020

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 6,225,205
Receivables	
Taxes	20,504
Accounts	195,758
Water rents	603,992
Sewer rents	53,447
State and Federal aid	345,890
Due from other governments	240,508
Prepaid expenses	226,264
Capital assets	
Not being depreciated	1,856,211
Being depreciated, net	22,805,532
Total Assets	32,573,311
DEFERRED OUTFLOWS OF RESOURCES	9,347,144
LIABILITIES	
Accounts payable	1,333,382
Accrued liabilities	467,927
Due to retirement systems	249,295
Unearned revenues	27,765
Bond anticipation notes payable	652,300
Accrued interest payable	62,657
Non-current liabilities	
Due within one year	883,000
Due in more than one year	57,950,241
Total Liabilities	61,626,567
DEFERRED INFLOWS OF RESOURCES	1,834,930
NET POSITION	
Net investment in capital assets	16,194,443
Restricted	
Capital projects	1,743,302
Debt service	254,690
Special purpose	495,146
Unrestricted	(40,228,623)
Total Net Position	\$ (21,541,042)

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

Village of Larchmont, New York

Statement of Activities
Year Ended May 31, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 3,001,929	\$ 1,020	\$ -	\$ -
Public safety	12,861,905	585,077	18,962	-
Health	53,000	-	-	-
Transportation	1,964,953	944,243	-	245,037
Culture and recreation	4,166,433	1,704,518	72,713	644,248
Home and community services	4,177,097	3,693,704	2,634	-
Interest	226,260	-	-	477
Total Governmental Activities	<u>\$ 26,451,577</u>	<u>\$ 6,928,562</u>	<u>\$ 94,309</u>	<u>\$ 889,762</u>

General revenues

Real property and special assessment taxes
Other tax items
Interest and penalties on real property taxes
Non-property taxes
Utilities gross receipts tax
Non-property tax distribution from County
Unrestricted use of money and property
Sale of property and compensation for loss
Unrestricted State aid
Miscellaneous
Insurance recoveries

Total General Revenues

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

<hr/> Net (Expense) Revenue and Changes in Net Position <hr/>
\$ (3,000,909)
(12,257,866)
(53,000)
(775,673)
(1,744,954)
(480,759)
(225,783)
<hr/>
(18,538,944)
<hr/>
14,846,767
34,037
100,452
1,158,510
8,333
36,417
268,881
78,287
66,784
<hr/>
16,598,468
<hr/>
(1,940,476)
(19,600,566)
<hr/>
<u><u>\$ (21,541,042)</u></u>

Village of Larchmont, New York

Balance Sheet
Governmental Funds
May 31, 2020

	General Fund	Water Fund	Public Library Fund
ASSETS			
Cash and equivalents	\$ 1,230,149	\$ 1,506,855	\$ 1,703,605
Taxes receivable	20,504	-	-
Other receivables			
Accounts	190,008	-	5,750
Water rents	-	603,992	-
Sewer rents	-	-	-
State and Federal aid	100,853	-	-
Due from other governments	240,508	-	-
Due from other funds	3,245,049	-	-
	3,776,418	603,992	5,750
Prepaid expenditures	215,333	1,012	9,919
Total Assets	<u>\$ 5,242,404</u>	<u>\$ 2,111,859</u>	<u>\$ 1,719,274</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 776,075	\$ 112,994	\$ 26,851
Accrued liabilities	407,948	34,441	25,538
Due to other funds	-	1,749,881	1,211,150
Due to retirement systems	218,477	9,018	21,800
Unearned revenues	26,498	1,267	-
Bond anticipation notes payable	-	-	-
Total Liabilities	1,428,998	1,907,601	1,285,339
Deferred inflows of resources			
Deferred tax revenues	12,317	-	-
Total Liabilities and Deferred Inflows of Resources	<u>1,441,315</u>	<u>1,907,601</u>	<u>1,285,339</u>
Fund balances (deficits)			
Nonspendable	215,333	1,012	9,919
Restricted	241,685	13,005	-
Assigned	-	190,241	424,016
Unassigned	3,344,071	-	-
Total Fund Balances (Deficits)	<u>3,801,089</u>	<u>204,258</u>	<u>433,935</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 5,242,404</u>	<u>\$ 2,111,859</u>	<u>\$ 1,719,274</u>

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,541,450	\$ 243,146	\$ 6,225,205
-	-	20,504
-	-	195,758
-	-	603,992
-	53,447	53,447
245,037	-	345,890
-	-	240,508
-	647,448	3,892,497
245,037	700,895	5,332,092
-	-	226,264
<u>\$ 1,786,487</u>	<u>\$ 944,041</u>	<u>\$ 11,804,065</u>

\$ 414,834	\$ 2,628	\$ 1,333,382
-	-	467,927
931,466	-	3,892,497
-	-	249,295
-	-	27,765
652,300	-	652,300
1,998,600	2,628	6,623,166
-	-	12,317
1,998,600	2,628	6,635,483
-	-	226,264
-	495,146	749,836
-	446,267	1,060,524
(212,113)	-	3,131,958
(212,113)	941,413	5,168,582
<u>\$ 1,786,487</u>	<u>\$ 944,041</u>	<u>\$ 11,804,065</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, 2020

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

Fund Balances - Total Governmental Funds	<u>\$ 5,168,582</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	<u>24,661,743</u>
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred in the funds.	
Real property taxes	<u>12,317</u>
Governmental funds do not report the effect of assets and liabilities related to net pension and postemployment benefit obligations whereas these amounts are deferred and amortized in the statement of activities	
Deferred amounts on net pension liabilities	6,595,481
Deferred amounts on other postemployment benefit liabilities	<u>916,733</u>
	<u>7,512,214</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	(62,657)
Bonds payable	(7,815,000)
Compensated absences	(1,634,581)
Net pension liability	(10,663,200)
Other post employment benefit liability	<u>(38,720,460)</u>
	<u>(58,895,898)</u>
Net Position of Governmental Activities	<u>\$ (21,541,042)</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, 2020

	General Fund	Water Fund	Public Library Fund
REVENUES			
Real property taxes	\$ 14,846,557	\$ -	\$ -
Other tax items	34,037	-	-
Non-property taxes	1,258,962	-	-
Departmental income	1,232,198	2,672,218	1,319,029
Intergovernmental charges	187,446	-	-
Use of money and property	166,322	2,081	1,717
Licenses and permits	689,229	-	-
Fines and forfeitures	444,614	-	-
Sale of property and compensation for loss	36,417	-	2,933
State aid	284,087	-	5,181
Federal aid	2,556	-	-
Miscellaneous	78,287	553	27,675
Total Revenues	19,260,712	2,674,852	1,356,535
EXPENDITURES			
Current			
General government support	2,292,550	51,079	24,524
Public safety	6,516,320	-	-
Health	53,000	-	-
Transportation	929,225	-	-
Culture and recreation	508,777	-	1,634,915
Home and community services	1,950,754	1,556,101	-
Employee benefits	4,432,160	256,316	546,970
Debt service			
Principal	448,214	261,786	-
Interest	150,424	78,728	-
Capital outlay	-	-	-
Total Expenditures	17,281,424	2,204,010	2,206,409
Excess (Deficiency) of Revenues Over Expenditures	1,979,288	470,842	(849,874)
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	66,784	-	-
Transfers in	170,538	15,005	943,032
Transfers out	(1,691,608)	(410,692)	(50,000)
Total Other Financing Sources (Uses)	(1,454,286)	(395,687)	893,032
Net Change in Fund Balances	525,002	75,155	43,158
FUND BALANCES (DEFICITS)			
Beginning of Year	3,276,087	129,103	390,777
End of Year	\$ 3,801,089	\$ 204,258	\$ 433,935

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 14,846,557
-	-	34,037
-	-	1,258,962
-	227,516	5,450,961
-	-	187,446
-	168	170,288
-	-	689,229
-	-	444,614
-	-	39,350
371,568	-	660,836
-	-	2,556
517,717	35,039	659,271
889,285	262,723	24,444,107
-	-	2,368,153
-	-	6,516,320
-	-	53,000
-	-	929,225
-	1,299	2,144,991
-	20,339	3,527,194
-	-	5,235,446
-	-	710,000
-	11,528	240,680
2,004,438	-	2,004,438
2,004,438	33,166	23,729,447
(1,115,153)	229,557	714,660
-	-	66,784
1,187,268	244,500	2,560,343
(308,043)	(100,000)	(2,560,343)
879,225	144,500	66,784
(235,928)	374,057	781,444
23,815	567,356	4,387,138
\$ (212,113)	\$ 941,413	\$ 5,168,582

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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, 2020

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

Net Change in Fund Balances - Total Governmental Funds	\$ 781,444
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	2,035,091
Depreciation expense	<u>(1,648,861)</u>
	386,230
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>210</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 bonds	<u>710,000</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	14,420
Compensated absences	(63,646)
Pension liabilities	(2,102,010)
Other post employment benefit liabilities	<u>(1,667,124)</u>
	<u>(3,818,360)</u>
Change in Net Position of Governmental Activities	<u>\$ (1,940,476)</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, 2020

	General			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 14,871,019	\$ 14,871,019	\$ 14,846,557	\$ (24,462)
Other tax items	22,000	22,000	34,037	12,037
Non-property taxes	1,020,000	1,020,000	1,258,962	238,962
Departmental income	1,646,863	1,646,863	1,232,198	(414,665)
Intergovernmental charges	76,234	76,234	187,446	111,212
Use of money and property	175,711	175,711	166,322	(9,389)
Licenses and permits	573,500	573,500	689,229	115,729
Fines and forfeitures	490,500	490,500	444,614	(45,886)
Sale of property and compensation for loss	25,000	25,000	36,417	11,417
State aid	373,000	300,000	284,087	(15,913)
Federal aid	-	-	2,556	2,556
Miscellaneous	40,000	113,000	78,287	(34,713)
Total Revenues	19,313,827	19,313,827	19,260,712	(53,115)
EXPENDITURES				
Current				
General government support	2,360,784	2,360,784	2,292,550	68,234
Public safety	6,298,393	6,298,393	6,516,320	(217,927)
Health	53,000	53,000	53,000	-
Transportation	1,053,803	1,053,803	929,225	124,578
Culture and recreation	624,052	624,052	508,777	115,275
Home and community services	1,962,410	1,962,410	1,950,754	11,656
Employee benefits	5,052,914	5,052,914	4,432,160	620,754
Debt service				
Principal	448,214	448,214	448,214	-
Interest	158,075	158,075	150,424	7,651
Total Expenditures	18,011,645	18,011,645	17,281,424	730,221
Excess (Deficiency) of Revenues Over Expenditures	1,302,182	1,302,182	1,979,288	677,106
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	55,000	55,000	66,784	11,784
Transfers in	237,000	237,000	170,538	(66,462)
Transfers out	(1,594,182)	(1,594,182)	(1,691,608)	(97,426)
Total Other Financing Sources (Uses)	(1,302,182)	(1,302,182)	(1,454,286)	(152,104)
Net Change in Fund Balances	-	-	525,002	525,002
FUND BALANCES				
Beginning of Year	-	-	3,276,087	3,276,087
End of Year	\$ -	\$ -	\$ 3,801,089	\$ 3,801,089

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

Water				Public Library			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,856,250	2,856,250	2,672,218	(184,032)	1,342,279	1,342,279	1,319,029	(23,250)
-	-	-	-	-	-	-	-
2,266	2,266	2,081	(185)	400	400	1,717	1,317
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	5,000	5,000	2,933	(2,067)
-	-	-	-	5,125	5,125	5,181	56
-	-	-	-	-	-	-	-
-	-	553	553	30,500	30,500	27,675	(2,825)
<u>2,858,516</u>	<u>2,858,516</u>	<u>2,674,852</u>	<u>(183,664)</u>	<u>1,383,304</u>	<u>1,383,304</u>	<u>1,356,535</u>	<u>(26,769)</u>
51,775	51,775	51,079	696	32,000	32,000	24,524	7,476
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,678,150	1,678,150	1,634,915	43,235
1,942,209	1,942,209	1,556,101	386,108	-	-	-	-
307,018	307,018	256,316	50,702	606,186	606,186	546,970	59,216
261,786	261,786	261,786	-	-	-	-	-
78,728	78,728	78,728	-	-	-	-	-
<u>2,641,516</u>	<u>2,641,516</u>	<u>2,204,010</u>	<u>437,506</u>	<u>2,316,336</u>	<u>2,316,336</u>	<u>2,206,409</u>	<u>109,927</u>
217,000	217,000	470,842	253,842	(933,032)	(933,032)	(849,874)	83,158
-	-	-	-	-	-	-	-
2,000	2,000	15,005	13,005	943,032	943,032	943,032	-
(135,000)	(135,000)	(410,692)	(275,692)	(50,000)	(50,000)	(50,000)	-
(133,000)	(133,000)	(395,687)	(262,687)	893,032	893,032	893,032	-
84,000	84,000	75,155	(8,845)	(40,000)	(40,000)	43,158	83,158
(84,000)	(84,000)	129,103	213,103	40,000	40,000	390,777	350,777
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,258</u>	<u>\$ 204,258</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 433,935</u>	<u>\$ 433,935</u>

Village of Larchmont, New York

Statement of Assets and Liabilities

Fiduciary Fund

May 31, 2020

	Agency Fund
ASSETS	
Cash and equivalents	\$ 31,113
Accounts receivable	<u>205,561</u>
 Total Assets	 <u><u>\$ 236,674</u></u>
LIABILITIES	
Employee payroll deductions	\$ 13,444
Deposits	<u>223,230</u>
 Total Liabilities	 <u><u>\$ 236,674</u></u>

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

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 accounting policies of the Village conform to generally accepted accounting principles for 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 following is a summary of the Village's more significant accounting policies:

A. Financial Reporting Entity

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

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

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.

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.

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

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

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

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

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenue when the expenditure is made. A ninety day availability period is generally used for revenue recognition for most other governmental fund

Note 1 - Summary of Significant Accounting Policies (Continued)

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 post employment benefit liabilities are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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 Measurements and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Risk Disclosure

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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.

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 \$26,498 in the General Fund for parking fees received in advance 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 will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

The Village reported deferred inflows of resources of \$12,317 for real property taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
New York State and Local Employees' Retirement System	\$ 2,205,660	\$ 89,967
New York State and Local Police and Fire Retirement System	4,655,433	175,645
Other postemployment benefit liabilities	2,486,051	1,569,318
	<u>\$ 9,347,144</u>	<u>\$ 1,834,930</u>

These amounts are detailed in the discussion of the Village's pension plans in Note 3E.

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

F. Encumbrances

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, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 ("Coronavirus") pandemic and the mitigation responses, and such differences may be material. (See Note 4C).

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 28, 2020.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) On or before March 20th, the budget officer submits to the 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 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 Sewer Fund and the Special Purpose Fund. 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 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 2020 fiscal year was \$53,915,623 which exceeded the actual levy by \$39,113,604.

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

The following categories of expenditures and capital projects exceeded their budgetary provisions by the amounts indicated:

General Fund	
General Government Support	
Supervisor	\$ 43,387
Treasurer	19,512
Law	20,469
Personnel	98,172
Buildings	15,506
Village Center	3,004
Central communications system	3,063
Taxes and assessments on Village property	91,885
Metropolitan commuter transportation mobility tax	1,013
Public Safety	
Fire department	373,106
Transportation	
Street administration	2,908
Sidewalk maintenance	3

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 2 - Stewardship, Compliance and Accountability (Continued)

Home and Community Services	
Planning	\$ 10,891
Sanitary sewers	2,135
Refuse and garbage	7,924
Emergency tenant protection fees	1,840
COVID 19 contractual	5,429
Employee Benefits	
Unemployment benefits	5,665
Other Financing Uses	
Transfers out – Water Fund	2,000
Transfers out – Capital Projects Fund	95,426
Water Fund	
Transfers out	275,692
Public Library Fund	
Employee Benefits	
Disability insurance	400
Capital Projects Fund	
Sanitation Sewer Evaluation Study	769,607
Constitution Park	22,697
Police Cruisers	8,284
Road Resurfacing, Curbing	3,829
Road Resurfacing and Curbs 2018-2019 #1	408,370
Sidewalks 60/40 2018-2019 #13	52,390
Body Armor Replacement 19-20	1,405
Thermal Imaging Cameras 19-20	1,144
Pinebrook Staircase 19-20	35,389

D. Capital Projects Fund Deficits

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

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

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

Tax Liens	\$ <u>20,504</u>
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Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$12,317, which represent an estimate of the receivable which will not be collected within the sixty days of the subsequent year.

B. Due From/To Other Funds

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 3,245,049	\$ -
Water	-	1,749,881
Public Library	-	1,211,150
Capital Projects	-	931,466
Non-Major Governmental	647,448	-
	<u>\$ 3,892,497</u>	<u>\$ 3,892,497</u>

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

C. Capital Assets

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

	<u>Balance June 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2020</u>
Capital Assets, not being depreciated:				
Land	\$ 57,213	\$ -	\$ -	\$ 57,213
Construction-in-progress	1,600,856	1,113,997	915,855	1,798,998
Total Capital Assets, not being depreciated	<u>\$ 1,658,069</u>	<u>\$ 1,113,997</u>	<u>\$ 915,855</u>	<u>\$ 1,856,211</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 19,712,538	\$ 121,289	\$ -	\$ 19,833,827
Machinery and equipment	7,329,474	489,566	103,252	7,715,788
Infrastructure	19,677,997	1,226,094	-	20,904,091
Total Capital Assets, being depreciated	<u>46,720,009</u>	<u>1,836,949</u>	<u>103,252</u>	<u>48,453,706</u>
Less Accumulated Depreciation for:				
Buildings and improvements	5,983,565	748,709	-	6,732,274
Machinery and equipment	5,378,505	425,539	103,252	5,700,792
Infrastructure	12,740,495	474,613	-	13,215,108
Total Accumulated Depreciation	<u>24,102,565</u>	<u>1,648,861</u>	<u>103,252</u>	<u>25,648,174</u>
Total Capital Assets, being depreciated, net	<u>\$ 22,617,444</u>	<u>\$ 188,088</u>	<u>\$ -</u>	<u>\$ 22,805,532</u>
Capital Assets, net	<u>\$ 24,275,513</u>	<u>\$ 1,302,085</u>	<u>\$ 915,855</u>	<u>\$ 24,661,743</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

General Government Support	\$ 43,847
Public Safety	137,217
Transportation	604,326
Culture and Recreation	731,993
Home and Community Services	131,478
	<u>\$ 1,648,861</u>

D. Short-Term Capital Borrowings - Bond Anticipation Notes

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2019	Note Payments	Balance May 31, 2020
Sanitation Sewer Evaluation Study	2017	06/17/20	1.94 %	\$ 400,000	\$ 100,000	\$ 300,000
Various capital projects	2018	06/17/20	1.60	402,300	50,000	352,300
				<u>\$ 802,300</u>	<u>\$ 150,000</u>	<u>\$ 652,300</u>

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

Interest expense of \$11,062 and \$11,528 were recorded in the fund financial statements in the General and Sewer funds, respectively. Interest expense of \$13,189 was recorded in the government-wide financial statements for governmental activities.

E. Long-Term Liabilities

The changes in the Village's long-term indebtedness during the year ended May 31, 2020 are summarized as follows:

	Balance, June 1, 2019	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2020	Due Within One-Year
General Obligation Bonds Payable	\$ 8,525,000	\$ -	\$ 710,000	\$ 7,815,000	\$ 720,000
Other Non-Current Liabilities:					
Compensated Absences	1,570,935	220,646	157,000	1,634,581	163,000
Net Pension Liability	3,285,744	7,377,456	-	10,663,200	-
Other Post Employment Benefit Liability	36,732,240	2,718,240	730,020	38,720,460	-
Total Other Non-Current Liabilities	41,588,919	10,316,342	887,020	51,018,241	163,000
Total Long-Term Liabilities	<u>\$ 50,113,919</u>	<u>\$ 10,316,342</u>	<u>\$ 1,597,020</u>	<u>\$ 58,833,241</u>	<u>\$ 883,000</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

Each governmental fund's liability for compensated absences, net pension liability and other post employment 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, 2020 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2020
Various Village Purposes	2010	\$ 2,968,275	September, 2024	3.750 - 4.00 %	\$ 1,165,000
Various Village Purposes	2013	2,581,708	September, 2029	2.250 - 3.75	1,760,000
Various Village Purposes	2017	5,908,201	September, 2031	2.000 - 2.50	4,890,000
					<u>\$ 7,815,000</u>

Interest expenditures of \$139,362 and \$78,728 were recorded in the fund financial statements in the General and Water funds, respectively. Interest expense of \$213,071 was recorded in the government-wide financial statements for governmental activities.

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of May 31, 2020, including interest payments of \$1,146,722 are as follows:

Year Ending May 31,	Bonds	
	Principal	Interest
2021	\$ 720,000	\$ 199,884
2022	745,000	180,615
2023	765,000	159,815
2024	785,000	137,940
2025	810,000	115,415
2026-2030	3,065,000	329,740
2031-2032	925,000	23,313
	<u>\$ 7,815,000</u>	<u>\$ 1,146,722</u>

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

Note 3 - Detailed Notes on All Funds (Continued)

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/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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2020 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	15.8 %
	4 A15	15.8
	5 A15	13.2
	6 A15/41J1	9.3
	6 A15/41J2	9.3
PFRS	2 384D	24.3 %
	5 384D *	19.8
	6 375I *	8.8
	6 384D *	14.6

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

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

	<u>ERS</u>	<u>PFRS</u>
Measurement date	March 31, 2020	March 31, 2020
Net pension liability	\$ 3,447,007	\$ 7,216,193
Villages' proportion of the net pension liability	0.0130171 %	0.1350099 %
Change in proportion since the prior measurement date	(0.0001354) %	(0.0053454) %

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

For the year ended May 31, 2020, the Village recognized pension expense in the government-wide financial statements of \$1,215,807 for ERS and \$2,621,921 for PFRS. Pension expenditures of \$532,696 for ERS and \$1,203,022 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 325,669	\$ 1,203,022
Water Fund	62,271	-
Library Fund	144,756	-
	<u>\$ 532,696</u>	<u>\$ 1,203,022</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 202,870	\$ -	\$ 480,522	\$ 120,870
Changes of assumptions	69,406	59,931	616,810	-
Net difference between projected and actual earnings on pension plan investments	1,767,103	-	3,249,679	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	87,308	30,036	138,100	54,775
Village contributions subsequent to the measurement date	78,973	-	170,322	-
	<u>\$ 2,205,660</u>	<u>\$ 89,967</u>	<u>\$ 4,655,433</u>	<u>\$ 175,645</u>
	Total			
	Deferred Outflows of Resources	Deferred Inflows of Resources		
Differences between expected and actual experience	\$ 683,392	\$ 120,870		
Changes of assumptions	686,216	59,931		
Net difference between projected and actual earnings on pension plan investments	5,016,782	-		
Changes in proportion and differences between Village contributions and proportionate share of contributions	225,408	84,811		
Village contributions subsequent to the measurement date	249,295	-		
	<u>\$ 6,861,093</u>	<u>\$ 265,612</u>		

\$78,973 and \$170,322 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Plan Year Ended March 31,	ERS	PFRS
2021	\$ 361,886	\$ 932,164
2022	515,374	1,020,798
2023	642,854	1,266,897
2024	516,606	1,043,112
2025	-	46,495

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

pension liabilities to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

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

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

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

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

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

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.

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

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

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

	1% Decrease (5.8%)	Current Assumption (6.8%)	1% Increase (7.8%)
Village's proportionate share of the ERS net pension liability	<u>\$ 6,326,231</u>	<u>\$ 3,447,007</u>	<u>\$ 795,229</u>
Village's proportionate share of the PFRS net pension liability	<u>\$ 12,902,700</u>	<u>\$ 7,216,193</u>	<u>\$ 2,123,797</u>

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

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

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of May 31, 2020 represent the employer contribution for the period of April 1, 2020 through May 31, 2020 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, 2020 were \$78,973 and \$170,322 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.

Note 3 - Detailed Notes on All Funds (Continued)

Other Post Employment 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 post employment health care benefits is shared between the Village and the retired employee as noted below. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

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

Inactive employees currently receiving benefit payments	70
Active employees	<u>79</u>
	<u>149</u>

The Village's total OPEB liability of \$38,720,460 was measured as of May 31, 2020, and was determined by an actuarial valuation as of June 1, 2019.

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

Inflation	3.00%
Salary increases	3.00%
Discount rate	2.63%
Healthcare cost trend rates	8.0% for 2020, decreasing by .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 sex-distinct RP-2014 Mortality Tables for employees and healthy annuitants, adjusted backward to 2006 with scale MP-2014, and then adjusted for mortality improvements with scale MP-2016 mortality improvement scale on a fully generational basis.

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

Total OPEB Liability - Beginning of Year	\$ 36,732,240
Service Cost	1,080,770
Interest	1,109,201
Difference between expected and actual experience	(1,883,182)
Changes in assumptions	2,411,451
Benefit payments	<u>(730,020)</u>
Total OPEB Liability - End of Year	<u>\$ 38,720,460</u>

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

	1% Decrease (1.63%)	Current Assumption (2.63%)	1% Increase (3.63%)
Total OPEB Liability	<u>\$ 44,464,624</u>	<u>\$ 38,720,460</u>	<u>\$ 32,976,297</u>

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

	1% Decrease (7.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 31,565,537</u>	<u>\$ 38,720,460</u>	<u>\$ 47,391,621</u>

For the year ended May 31, 2020, the Village recognized OPEB expense of \$2,397,144 in the government-wide financial statements. At May 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 2,009,542	\$ -
Differences between expected and actual experience	<u>476,509</u>	<u>1,569,318</u>
	<u>\$ 2,486,051</u>	<u>\$ 1,569,318</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

Year Ended May 31,	
2021	\$ 207,173
2022	207,173
2023	207,173
2024	207,173
2025	88,041
Thereafter	-

F. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers in					Total
	General Fund	Water Fund	Public Library Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ 2,000	\$ 943,032	\$ 746,576	\$ -	\$ 1,691,608
Water Fund	120,000	-	-	290,692	-	410,692
Public Library Fund	-	-	-	50,000	-	50,000
Capital Projects Fund	50,538	13,005	-	-	244,500	308,043
Non-Major Governmental Funds	-	-	-	100,000	-	100,000
	<u>\$ 170,538</u>	<u>\$ 15,005</u>	<u>\$ 943,032</u>	<u>\$ 1,187,268</u>	<u>\$ 244,500</u>	<u>\$ 2,560,343</u>

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

G. Net Position

The components of net position are detailed below:

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

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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, 2020

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2020						2019					
	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	\$ 215,333	\$ 1,012	\$ 9,919	\$ -	\$ -	\$ 226,264	\$ 245,528	\$ -	\$ 6,448	\$ -	\$ -	\$ 251,976
Restricted:												
Capital projects	-	-	-	-	-	-	-	-	-	23,815	-	23,815
Special purpose	-	-	-	-	495,146	495,146	-	-	-	-	216,738	216,738
Debt service	241,685	13,005	-	-	-	254,690	190,670	-	-	-	-	190,670
Total Restricted	241,685	13,005	-	-	495,146	749,836	190,670	-	-	23,815	216,738	431,223
Assigned:												
Subsequent year's expenditures	-	-	40,000	-	-	40,000	-	-	40,000	-	-	40,000
Contractual obligations and Parklands	-	-	-	-	-	-	100,000	-	-	-	-	100,000
Sewer Fund	-	-	-	-	446,267	446,267	-	-	-	-	350,618	350,618
Major funds	-	190,241	384,016	-	-	574,257	-	129,103	344,329	-	-	473,432
Total Assigned	-	190,241	424,016	-	446,267	1,060,524	100,000	129,103	384,329	-	350,618	964,050
Unassigned	3,344,071	-	-	(212,113)	-	3,131,958	2,739,889	-	-	-	-	2,739,889
Total Fund Balances (Deficits)	\$ 3,801,069	\$ 204,258	\$ 433,935	\$ (212,113)	\$ 941,413	\$ 5,168,582	\$ 3,276,087	\$ 129,103	\$ 390,777	\$ 23,815	\$ 567,356	\$ 4,387,138

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

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, 2020, the Village Board has utilized the above amounts to be appropriated for the ensuing year's budget.

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

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

I. Joint Ventures

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

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

Balance Sheet Date - December 31, 2019:

Total Assets	\$ 1,983,623
Deferred Outflows of Resources	864,473
Total Liabilities	9,778,701
Deferred Inflows of Resources	1,323,806
Net Position	(8,254,411)
Total Revenues	3,736,466
Total Expenditures	4,099,274
Change in Net Position	(362,808)

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2020

Note 3 - Detailed Notes on All Funds (Continued)

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

Balance Sheet Date - December 31, 2019:

Total Assets	\$	104,603
Total Liabilities		6,439
Net Position		98,164
Total Revenues		784,279
Total Expenses		787,939
Change in Net Position		3,660

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 \$3 million and law enforcement liability insurance coverage with policy limits of \$1 million. The public officials legal liability policy provides coverage up to \$1 million. 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.

Coronavirus

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

Village of Larchmont, New York

Notes to Financial Statements (Concluded)
May 31, 2020

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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

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

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

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

Note 5 - Subsequent Events

The Village, on June 16, 2020 re-financed a bond anticipation note in the amount of \$502,300, after a \$150,000 paydown. The note matures on June 16, 2021, with interest at .94%.

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)

	2020	2019
Total OPEB Liability:		
Service cost	\$ 1,080,770	\$ 702,730
Interest	1,109,201	1,054,510
Changes of benefit terms	-	-
Differences between expected and actual experience	(1,883,182)	714,765
Changes of assumptions or other inputs	2,411,451 (4)	-
Benefit payments	(730,020)	(627,743)
Net Change in Total OPEB Liability	1,988,220	1,844,262
Total OPEB Liability – Beginning of Year	36,732,240	34,887,978 (3)
Total OPEB Liability – End of Year	<u>\$ 38,720,460</u>	<u>\$ 36,732,240</u>
Village's covered-employee payroll	<u>\$ 9,714,203</u>	<u>\$ 9,763,601</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>399%</u>	<u>376%</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.

(4) The discount rate used to calculate the Total OPEB liability was decreased from 3.05% to 2.63% effective for the May 31, 2020 measurement date.

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 (2)				
	2020 (4)	2019	2018	2017	2016 (3)
Village's proportion of the net pension liability	0.0130171%	0.0131525%	0.0138652%	0.0133163%	0.0128206%
Village's proportionate share of the net pension liability	\$ 3,447,007	\$ 931,896	\$ 447,491	\$ 1,251,233	\$ 2,057,744
Village's covered payroll	\$ 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	92.38%	23.98%	11.02%	31.70%	58.67%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%

Schedule of Contributions

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 532,089	\$ 563,699	\$ 586,874	\$ 559,490	\$ 639,739
Contributions in relation to the contractually required contribution	(532,089)	(563,699)	(586,874)	(559,490)	(639,739)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 3,740,893	\$ 3,805,849	\$ 4,128,376	\$ 3,835,360	\$ 3,693,596
Contributions as a percentage of covered payroll	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) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

(4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.

See independent auditors' report.

Village of 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)				
	2020 (4)	2019	2018	2017	2016 (3)
Village's proportion of the net pension liability	0.1350099%	0.1403553%	0.1385891%	0.1241061%	0.1191251%
Village's proportionate share of the net pension liability	\$ 7,216,193	\$ 2,353,848	\$ 1,400,799	\$ 2,572,287	\$ 3,527,041
Village's covered payroll	\$ 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	129.62%	42.81%	25.36%	48.62%	81.36%
Plan fiduciary net position as a percentage of the total pension liability	84.86%	95.09%	96.93%	93.50%	90.20%
Schedule of Contributions					
	2020	2019	2018	2017	2016
Contractually required contribution	\$ 1,206,695	\$ 1,225,601	\$ 1,207,674	\$ 1,057,400	\$ 938,068
Contributions in relation to the contractually required contribution	(1,206,695)	(1,225,601)	(1,207,674)	(1,057,400)	(938,068)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Village's covered payroll	\$ 5,528,831	\$ 5,490,561	\$ 5,529,317	\$ 5,211,394	\$ 4,807,051
Contributions as a percentage of covered payroll	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) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

(4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.

See independent auditors' report.

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Village of Larchmont, New York

General Fund
Comparative Balance Sheet
May 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 1,230,149	\$ 972,060
Taxes receivable	20,504	20,094
Other receivables		
Accounts	190,008	185,458
State and Federal aid	100,853	84,575
Due from other governments	240,508	241,483
Due from other funds	3,245,049	4,298,128
	3,776,418	4,809,644
Prepaid expenditures	215,333	245,528
Total Assets	<u>\$ 5,242,404</u>	<u>\$ 6,047,326</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 776,075	\$ 373,263
Accrued liabilities	407,948	326,304
Due to other funds	-	1,627,936
Due to retirement systems	218,477	220,937
Unearned revenues	26,498	210,692
Total Liabilities	1,428,998	2,759,132
Deferred inflows of resources		
Deferred tax revenues	12,317	12,107
Total Liabilities and Deferred Inflows of Resources	<u>1,441,315</u>	<u>2,771,239</u>
Fund balance		
Nonspendable	215,333	245,528
Restricted	241,685	190,670
Assigned	-	100,000
Unassigned	3,344,071	2,739,889
Total Fund Balance	<u>3,801,089</u>	<u>3,276,087</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 5,242,404</u>	<u>\$ 6,047,326</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,

	2020			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 14,871,019	\$ 14,871,019	\$ 14,846,557	\$ (24,462)
Other tax items	22,000	22,000	34,037	12,037
Non-property taxes	1,020,000	1,020,000	1,258,962	238,962
Departmental income	1,646,863	1,646,863	1,232,198	(414,665)
Intergovernmental charges	76,234	76,234	187,446	111,212
Use of money and property	175,711	175,711	166,322	(9,389)
Licenses and permits	573,500	573,500	689,229	115,729
Fines and forfeitures	490,500	490,500	444,614	(45,886)
Sale of property and compensation for loss	25,000	25,000	36,417	11,417
State aid	373,000	300,000	284,087	(15,913)
Federal aid	-	-	2,556	2,556
Miscellaneous	40,000	113,000	78,287	(34,713)
Total Revenues	19,313,827	19,313,827	19,260,712	(53,115)
EXPENDITURES				
Current				
General government support	2,360,784	2,360,784	2,292,550	68,234
Public safety	6,298,393	6,298,393	6,516,320	(217,927)
Health	53,000	53,000	53,000	-
Transportation	1,053,803	1,053,803	929,225	124,578
Culture and recreation	624,052	624,052	508,777	115,275
Home and community services	1,962,410	1,962,410	1,950,754	11,656
Employee benefits	5,052,914	5,052,914	4,432,160	620,754
Debt service				
Principal	448,214	448,214	448,214	-
Interest	158,075	158,075	150,424	7,651
Total Expenditures	18,011,645	18,011,645	17,281,424	730,221
Excess of Revenues Over Expenditures	1,302,182	1,302,182	1,979,288	677,106
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	55,000	55,000	66,784	11,784
Transfers in	237,000	237,000	170,538	(66,462)
Transfers out	(1,594,182)	(1,594,182)	(1,691,608)	(97,426)
Total Other Financing Uses	(1,302,182)	(1,302,182)	(1,454,286)	(152,104)
Net Change in Fund Balance	-	-	525,002	525,002
FUND BALANCE				
Beginning of Year	-	-	3,276,087	3,276,087
End of Year	\$ -	\$ -	\$ 3,801,089	\$ 3,801,089

See independent auditors' report.

2019

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 14,585,069	\$ 14,585,069	\$ 14,589,677	\$ 4,608
20,000	20,000	42,490	22,490
1,010,000	1,010,000	1,071,010	61,010
1,598,125	1,598,125	1,753,989	155,864
92,500	92,500	109,240	16,740
175,711	175,711	162,188	(13,523)
561,750	561,750	797,460	235,710
480,500	480,500	658,089	177,589
50,000	50,000	21,013	(28,987)
375,000	375,000	334,875	(40,125)
-	-	-	-
30,000	30,000	87,244	57,244
18,978,655	18,978,655	19,627,275	648,620
2,295,596	2,295,596	2,227,246	68,350
6,141,661	6,141,661	6,425,293	(283,632)
53,000	53,000	53,000	-
1,005,078	1,005,078	1,027,174	(22,096)
677,010	677,010	594,744	82,266
2,011,728	2,011,728	2,048,068	(36,340)
4,844,490	4,844,490	4,682,013	162,477
734,814	734,814	734,814	-
196,797	196,797	162,617	34,180
17,960,174	17,960,174	17,954,969	5,205
1,018,481	1,018,481	1,672,306	653,825
40,000	40,000	2,797	(37,203)
242,000	242,000	308,702	66,702
(1,480,481)	(1,480,481)	(1,496,083)	(15,602)
(1,198,481)	(1,198,481)	(1,184,584)	13,897
(180,000)	(180,000)	487,722	667,722
180,000	180,000	2,788,365	2,608,365
\$ -	\$ -	\$ 3,276,087	\$ 3,276,087

Village of Larchmont, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
REAL PROPERTY TAXES					
Real property taxes	\$ 14,802,019	\$ 14,802,019	\$ 14,807,879	\$ 5,860	\$ 14,520,069
Special assessment taxes	69,000	69,000	38,678	(30,322)	69,608
	14,871,019	14,871,019	14,846,557	(24,462)	14,589,677
OTHER TAX ITEMS					
Interest and penalties on real property taxes	22,000	22,000	34,037	12,037	42,490
NON-PROPERTY TAXES					
Utilities gross receipts tax	120,000	120,000	100,452	(19,548)	112,582
Non-property tax distribution from County	900,000	900,000	1,158,510	258,510	958,428
	1,020,000	1,020,000	1,258,962	238,962	1,071,010
DEPARTMENTAL INCOME					
Clerk fees	1,000	1,000	1,020	20	880
Other fees	1,500	1,500	2,650	1,150	2,748
Police fees	4,500	4,500	2,755	(1,745)	107
Fire department fees	41,238	41,238	3,512	(37,726)	18,738
Public works service charges	10,000	10,000	70,101	60,101	67,147
Parking lots and garages	715,500	715,500	737,022	21,522	760,556
On-street parking	360,000	360,000	207,221	(152,779)	347,544
Parks and recreation charges	-	-	-	-	890
Tennis fees	22,500	22,500	19,046	(3,454)	41,140
Day camp	214,125	214,125	2,357	(211,768)	198,795
Five mile run	20,000	20,000	17,441	(2,559)	23,071
Zoning fees	7,000	7,000	11,540	4,540	17,150
Planning fees	26,500	26,500	20,450	(6,050)	47,995
Field permits	220,000	220,000	131,429	(88,571)	223,021
Parades and events offset	-	-	5,654	5,654	4,207
Emergency tenant protection fees	3,000	3,000	-	(3,000)	-
	1,646,863	1,646,863	1,232,198	(414,665)	1,753,989

INTERGOVERNMENTAL CHARGES

Police services for other governments	5,000	5,000	135,396	130,396	46,734
Snow removal for other governments	15,000	15,000	-	(15,000)	-
Services for other governments	56,234	56,234	52,050	(4,184)	62,506

	76,234	76,234	187,446	111,212	109,240
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USE OF MONEY AND PROPERTY

Earnings on investments	8,000	8,000	8,810	810	12,318
Rental of real property	166,711	166,711	157,512	(9,199)	149,660
Commissions	1,000	1,000	-	(1,000)	210

	175,711	175,711	166,322	(9,389)	162,188
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LICENSES AND PERMITS

Business and occupational licenses	6,500	6,500	8,914	2,414	34,125
Permit fees	515,000	515,000	636,585	121,585	713,695
Alarm permits	45,000	45,000	33,280	(11,720)	37,740
Architectural review fees	7,000	7,000	10,450	3,450	11,900

	573,500	573,500	689,229	115,729	797,460
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FINES AND FORFEITURES

Fines and forfeited bail	490,000	490,000	443,414	(46,586)	656,739
Other	500	500	1,200	700	1,350

	490,500	490,500	444,614	(45,886)	658,089
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SALE OF PROPERTY AND COMPENSATION**FOR LOSS**

Sale of scrap and excess materials	5,000	5,000	160	(4,840)	1,284
Minor sales	20,000	20,000	36,257	16,257	19,729

	25,000	25,000	36,417	11,417	21,013
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STATE AID

Per capita	73,000	-	-	-	72,949
Mortgage tax	300,000	300,000	268,881	(31,119)	243,155
Public safety	-	-	500	500	4,343
Other	-	-	14,706	14,706	14,428

	373,000	300,000	284,087	(15,913)	334,875
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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, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
FEDERAL AID					
Law enforcement block grant	\$ -	\$ -	\$ 2,556	\$ 2,556	\$ -
MISCELLANEOUS					
Refund of prior year's expenditures	30,000	30,000	-	(30,000)	31,225
AIM related payments	-	73,000	72,949	(51)	-
Other	10,000	10,000	5,338	(4,662)	56,019
	40,000	113,000	78,287	(34,713)	87,244
TOTAL REVENUES	19,313,827	19,313,827	19,260,712	(53,115)	19,627,275
OTHER FINANCING SOURCES					
Insurance recoveries	55,000	55,000	66,784	11,784	2,797
Transfers in					
Water Fund	120,000	120,000	120,000	-	120,000
Sewer Fund	108,000	108,000	-	(108,000)	-
Capital Projects Fund	-	-	50,538	50,538	122,781
Debt Service Fund	-	-	-	-	65,921
Public Library Fund	1,500	1,500	-	(1,500)	-
Special Purpose Fund	7,500	7,500	-	(7,500)	-
	292,000	292,000	237,322	(54,678)	311,499
TOTAL OTHER FINANCING SOURCES			237,322	(54,678)	
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 19,605,827	\$ 19,605,827	\$ 19,498,034	\$ (107,793)	\$ 19,938,774

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, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 5,700	\$ 5,700	\$ 2,683	\$ 3,017	\$ 5,561
Justice	258,508	258,508	243,909	14,599	251,479
Supervisor	70,298	70,298	113,685	(43,387)	87,086
Treasurer	190,600	190,600	210,112	(19,512)	288,261
Budget	18,219	18,219	14,429	3,790	11,547
Purchasing	2,650	2,650	1,182	1,468	1,025
Assessor	46,000	46,000	36,418	9,582	43,583
Clerk	109,774	109,774	85,853	23,921	96,063
Law	107,500	107,500	127,969	(20,469)	150,641
Personnel	101,157	101,157	199,329	(98,172)	94,965
Engineer	63,900	63,900	36,364	27,536	6,683
Elections	6,700	6,700	1,521	5,179	2,694
Buildings	193,728	193,728	209,234	(15,506)	132,186
Village Center	-	-	3,004	(3,004)	1,419
Central garage	314,913	314,913	279,669	35,244	302,411
Central communications system	42,500	42,500	45,563	(3,063)	53,063
Central printing and mailing	35,500	35,500	20,892	14,608	21,844
Central data processing	182,000	182,000	143,868	38,132	205,621
Unallocated insurance	260,000	260,000	235,676	24,324	229,264
Municipal association dues	3,500	3,500	2,930	570	2,930
Judgments and claims	10,000	10,000	569	9,431	2,891
Taxes and assessments on Village property	50,000	50,000	141,885	(91,885)	31,946
Refunds of real property taxes	150,000	150,000	118,702	31,298	187,152
Metropolitan commuter transportation mobility tax	16,091	16,091	17,104	(1,013)	16,931
Contingency	121,546	121,546	-	121,546	-
	2,360,784	2,360,784	2,292,550	68,234	2,227,246

PUBLIC SAFETY

Police	3,885,344	3,885,344	3,760,348	124,996	3,735,920
Traffic control	20,575	20,575	12,064	8,511	16,198
Fire department	2,142,242	2,142,242	2,515,348	(373,106)	2,428,167
Control of dogs	14,600	14,600	14,234	366	14,172
Safety inspection	235,632	235,632	214,326	21,306	230,836

HEALTH

Community Counseling Center	6,298,393	6,298,393	6,516,320	(217,927)	6,425,293
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TRANSPORTATION

Street administration	119,735	119,735	122,643	(2,908)	124,676
Street maintenance	542,076	542,076	491,085	50,991	498,667
Snow removal	89,500	89,500	30,802	58,698	84,456
Street lighting	213,962	213,962	211,922	2,040	219,189
Sidewalk maintenance	-	-	3	(3)	8,956
Off-street parking	88,530	88,530	72,770	15,760	91,230

CULTURE AND RECREATION

Parks	1,053,803	1,053,803	929,225	124,578	1,027,174
Playgrounds and recreation	360,259	360,259	285,973	74,286	327,900
Band concerts	130,293	130,293	97,736	32,557	140,191
Celebrations	5,500	5,500	3,279	2,221	4,288
Youth programs	10,000	10,000	5,952	4,048	8,102
Exhibits and reception	115,500	115,500	113,337	2,163	111,763
	2,500	2,500	2,500	-	2,500

HOME AND COMMUNITY SERVICES

Zoning	624,052	624,052	508,777	115,275	594,744
Board of Architectural Review	4,000	4,000	2,254	1,746	1,903
Planning	2,700	2,700	2,324	376	3,367
Sanitary sewers	10,000	10,000	20,891	(10,891)	62,891
Storm sewers	-	-	2,135	(2,135)	15,633
Refuse and garbage	10,600	10,600	6,497	4,103	10,145
Community beautification	1,748,346	1,748,346	1,756,270	(7,924)	1,780,498
Street cleaning	58,000	58,000	54,626	3,374	54,707
Shade trees	90,564	90,564	84,890	5,674	85,523
Emergency tenant protection fees	36,200	36,200	11,598	24,602	31,431
COVID 19 contractual	2,000	2,000	3,840	(1,840)	1,970
	-	-	5,429	(5,429)	-

	1,962,410	1,962,410	1,950,754	11,656	2,048,068
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(Continued)

Village of Larchmont, New York

General Fund

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

Year Ended May 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 457,762	\$ 457,762	\$ 325,669	\$ 132,093	\$ 325,790
State retirement - Police and fire	1,258,366	1,258,366	1,203,022	55,344	1,195,879
Social security	630,000	630,000	545,086	84,914	555,009
Workers' compensation benefits	620,000	620,000	454,529	165,471	664,348
Life insurance	1,700	1,700	528	1,172	-
Unemployment benefits	5,000	5,000	10,665	(5,665)	1,476
Hospital, medical and dental insurance	2,080,086	2,080,086	1,892,661	187,425	1,939,511
	5,052,914	5,052,914	4,432,160	620,754	4,682,013
DEBT SERVICE					
Principal					
Serial bonds	448,214	448,214	448,214	-	728,561
New York State loan	-	-	-	-	6,253
	448,214	448,214	448,214	-	734,814
Interest					
Serial bonds	139,362	139,362	139,362	-	153,515
New York State loan	-	-	-	-	162
Bond anticipation notes	18,713	18,713	11,062	7,651	8,940
	158,075	158,075	150,424	7,651	162,617
	18,011,645	18,011,645	17,281,424	730,221	17,954,969
TOTAL EXPENDITURES					
OTHER FINANCING USES					
Transfers out	-	-	2,000	(2,000)	-
Water Fund	651,150	651,150	746,576	(95,426)	576,052
Capital Projects Fund	943,032	943,032	943,032	-	920,031
Public Library Fund					
	1,594,182	1,594,182	1,691,608	(97,426)	1,496,083
TOTAL OTHER FINANCING USES					
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 19,605,827	\$ 19,605,827	\$ 18,973,032	\$ 632,795	\$ 19,451,052

See independent auditors' report.

Village of Larchmont, New York

Water Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	<u>\$ 1,506,855</u>	<u>\$ 1,436,342</u>
Receivables		
Water rents	603,992	578,558
Due from other funds	<u>-</u>	<u>316,642</u>
	<u>603,992</u>	<u>895,200</u>
Prepaid expenditures	<u>1,012</u>	<u>-</u>
Total Assets	<u><u>\$ 2,111,859</u></u>	<u><u>\$ 2,331,542</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 112,994	\$ 66,358
Accrued liabilities	34,441	40,125
Due to other funds	1,749,881	2,087,186
Due to retirement systems	9,018	7,503
Unearned revenues	<u>1,267</u>	<u>1,267</u>
Total Liabilities	<u>1,907,601</u>	<u>2,202,439</u>
Fund balance		
Nonspendable	1,012	-
Restricted	13,005	-
Assigned	<u>190,241</u>	<u>129,103</u>
Total Fund Balance	<u>204,258</u>	<u>129,103</u>
Total Liabilities and Fund Balance	<u><u>\$ 2,111,859</u></u>	<u><u>\$ 2,331,542</u></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,

	2020			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 2,856,250	\$ 2,856,250	\$ 2,672,218	\$ (184,032)
Use of money and property	2,266	2,266	2,081	(185)
Miscellaneous	-	-	553	553
Total Revenues	2,858,516	2,858,516	2,674,852	(183,664)
EXPENDITURES				
Current				
General government support	51,775	51,775	51,079	696
Home and community services	1,942,209	1,942,209	1,556,101	386,108
Employee benefits	307,018	307,018	256,316	50,702
Debt service				
Principal	261,786	261,786	261,786	-
Interest	78,728	78,728	78,728	-
Total Expenditures	2,641,516	2,641,516	2,204,010	437,506
Excess of Revenues Over Expenditures	217,000	217,000	470,842	253,842
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	15,005	13,005
Transfers out	(135,000)	(135,000)	(410,692)	(275,692)
Total Other Financing Uses	(133,000)	(133,000)	(395,687)	(262,687)
Net Change in Fund Balance	84,000	84,000	75,155	(8,845)
FUND BALANCE				
Beginning of Year	(84,000)	(84,000)	129,103	213,103
End of Year	\$ -	\$ -	\$ 204,258	\$ 204,258

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,803,750	\$ 2,803,750	\$ 2,665,196	\$ (138,554)
500	500	2,929	2,429
-	-	67,548	67,548
2,804,250	2,804,250	2,735,673	(68,577)
96,775	96,775	44,159	52,616
1,931,831	1,931,831	1,747,390	184,441
301,593	301,593	270,418	31,175
256,439	256,439	256,439	-
84,612	84,612	84,612	-
2,671,250	2,671,250	2,403,018	268,232
133,000	133,000	332,655	199,655
2,000	2,000	-	(2,000)
(135,000)	(135,000)	(203,552)	(68,552)
(133,000)	(133,000)	(203,552)	(70,552)
-	-	129,103	129,103
-	-	-	-
\$ -	\$ -	\$ 129,103	\$ 129,103

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Village of Larchmont, New York

Public Library Fund
Comparative Balance Sheet
May 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 1,703,605	\$ 201,288
Receivables		
Accounts	5,750	-
Due from other governments	-	823,480
Due from other funds	-	933,795
	5,750	1,757,275
Prepaid expenditures	9,919	6,448
Total Assets	\$ 1,719,274	\$ 1,965,011
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 26,851	\$ 39,282
Accrued liabilities	25,538	26,345
Due to other funds	1,211,150	1,484,685
Due to retirement systems	21,800	23,922
Total Liabilities	1,285,339	1,574,234
Fund balance		
Nonspendable	9,919	6,448
Assigned	424,016	384,329
Total Fund Balance	433,935	390,777
Total Liabilities and Fund Balance	\$ 1,719,274	\$ 1,965,011

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,

	2020			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 1,342,279	\$ 1,342,279	\$ 1,319,029	\$ (23,250)
Use of money and property	400	400	1,717	1,317
Sale of property and compensation for loss	5,000	5,000	2,933	(2,067)
State aid	5,125	5,125	5,181	56
Miscellaneous	30,500	30,500	27,675	(2,825)
Total Revenues	1,383,304	1,383,304	1,356,535	(26,769)
EXPENDITURES				
Current				
General government support	32,000	32,000	24,524	7,476
Culture and recreation	1,678,150	1,678,150	1,634,915	43,235
Employee benefits	606,186	606,186	546,970	59,216
Total Expenditures	2,316,336	2,316,336	2,206,409	109,927
Deficiency of Revenues Over Expenditures	(933,032)	(933,032)	(849,874)	83,158
OTHER FINANCING SOURCES (USES)				
Transfers in	943,032	943,032	943,032	-
Transfers out	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources	893,032	893,032	893,032	-
Net Change in Fund Balance	(40,000)	(40,000)	43,158	83,158
FUND BALANCE				
Beginning of Year	40,000	40,000	390,777	350,777
End of Year	\$ -	\$ -	\$ 433,935	\$ 433,935

See independent auditors' report.

2019			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,310,516	\$ 1,310,516	\$ 1,293,996	\$ (16,520)
150	150	517	367
5,000	5,000	5,527	527
5,125	5,125	5,179	54
22,500	22,500	38,934	16,434
1,343,291	1,343,291	1,344,153	862
35,500	35,500	26,608	8,892
1,630,200	1,630,200	1,663,445	(33,245)
587,622	587,622	581,496	6,126
2,253,322	2,253,322	2,271,549	(18,227)
(910,031)	(910,031)	(927,396)	(17,365)
920,031	920,031	921,829	1,798
(50,000)	(50,000)	(50,000)	-
870,031	870,031	871,829	1,798
(40,000)	(40,000)	(55,567)	(15,567)
40,000	40,000	446,344	406,344
\$ -	\$ -	\$ 390,777	\$ 390,777

Village of Larchmont, New York

Public Library Fund

Schedule of Revenues and Other Financing Sources Compared to Budget

Year Ended May 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
DEPARTMENTAL INCOME					
Library charges	\$ 40,000	\$ 40,000	\$ 16,750	\$ (23,250)	\$ 23,480
Services to other governments	1,302,279	1,302,279	1,302,279	-	1,270,516
	1,342,279	1,342,279	1,319,029	(23,250)	1,293,996
	400	400	1,717	1,317	517
USE OF MONEY AND PROPERTY					
Earnings on investments					
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Minor sales	3,000	3,000	1,478	(1,522)	3,014
Sale of materials and supplies	2,000	2,000	1,455	(545)	2,513
	5,000	5,000	2,933	(2,067)	5,527
	5,125	5,125	5,181	56	5,179
STATE AID					
Library aid					
MISCELLANEOUS					
Gifts and donations	7,500	7,500	8,560	1,060	9,635
Other	23,000	23,000	19,115	(3,885)	29,299
	30,500	30,500	27,675	(2,825)	38,934
	1,383,304	1,383,304	1,356,535	(26,769)	1,344,153
TOTAL REVENUES					

OTHER FINANCING SOURCES

Transfers in

General Fund

Special Purpose Fund

943,032	943,032	943,032	943,032	-	920,031
-	-	-	-	-	1,798

TOTAL OTHER FINANCING SOURCES

943,032	943,032	943,032	-	921,829
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TOTAL REVENUES AND**OTHER FINANCING SOURCES**

\$ 2,326,336	\$ 2,326,336	\$ 2,299,567	\$ (26,769)	\$ 2,265,982
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See independent auditors' report.

Village of Larchmont, New York

Public Library Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended May 31, 2020

(With Comparative Actuals for 2019)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2019 Actual
GENERAL GOVERNMENT SUPPORT					
Unallocated insurance	\$ 20,000	\$ 20,000	\$ 18,129	\$ 1,871	\$ 20,472
Taxes and assessments on Village property	7,000	7,000	6,395	605	6,136
Contingency	5,000	5,000	-	5,000	-
	32,000	32,000	24,524	7,476	26,608
	1,678,150	1,678,150	1,634,915	43,235	1,663,445
CULTURE AND RECREATION					
Library operations					
EMPLOYEE BENEFITS					
State retirement	161,786	161,786	144,756	17,030	170,447
Social security	94,700	94,700	91,209	3,491	93,403
Workers' compensation benefits	10,500	10,500	7,542	2,958	10,561
Disability insurance	1,000	1,000	1,400	(400)	1,044
Hospital, medical and dental insurance	338,200	338,200	302,063	36,137	306,041
	606,186	606,186	546,970	59,216	581,496
TOTAL EXPENDITURES	2,316,336	2,316,336	2,206,409	109,927	2,271,549
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	50,000	50,000	50,000	-	50,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 2,366,336	\$ 2,366,336	\$ 2,256,409	\$ 109,927	\$ 2,321,549

See independent auditors' report.

Village of Larchmont, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	2020	2019
ASSETS		
Cash and equivalents	\$ 1,541,450	\$ 1,699,953
Receivables		
Accounts	-	231,556
State and Federal aid	245,037	-
Due from other funds	-	964,275
	245,037	1,195,831
Total Assets	\$ 1,786,487	\$ 2,895,784
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities		
Accounts payable	\$ 414,834	\$ 447,538
Due to other funds	931,466	1,622,131
Bond anticipation notes payable	652,300	802,300
Total Liabilities	1,998,600	2,871,969
Fund balance (deficit)		
Restricted	-	23,815
Unassigned	(212,113)	-
Total Fund Balance (Deficit)	(212,113)	23,815
Total Liabilities and Fund Balance (Deficit)	\$ 1,786,487	\$ 2,895,784

See independent auditors' report.

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Village of Larchmont, New York

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

	2020	2019
REVENUES		
State aid	\$ 371,568	\$ 225,046
Miscellaneous	517,717	686,252
Total Revenues	889,285	911,298
EXPENDITURES		
Capital outlay	2,004,438	1,867,663
Deficiency of Revenues Over Expenditures	(1,115,153)	(956,365)
OTHER FINANCING SOURCES (USES)		
Transfers in	1,187,268	824,604
Transfers out	(308,043)	(122,781)
Total Other Financing Sources	879,225	701,823
Net Change in Fund Balance	(235,928)	(254,542)
FUND BALANCE (DEFICIT)		
Beginning of Year	23,815	278,357
End of Year	\$ (212,113)	\$ 23,815

See independent auditors' report.

Village of Larchmont, New York

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

PROJECT	Authorization	Expenditures and Transfers	Unexpended Balance
Technology Budget	\$ 1,006,481	\$ 876,035	\$ 130,446
Library Maintenance Program	1,418,761	1,188,191	230,570
Village Hall Maintenance and Improvement	154,134	44,034	110,100
Tank/ Pump Replacement Byron	3,075,693	3,075,693	-
LPL Transformation Project	2,414,051	2,182,273	231,778
Road Resurfacing and Curbing	825,416	517,404	308,012
Sidewalks 60/40	70,000	25,299	44,701
Sanitation Sewer Evaluation Study	565,000	1,334,607	(769,607)
Constitution Park	680,150	702,847	(22,697)
Village Hall - Capital Improvements	70,500	9,132	61,368
Police Cruisers	115,579	123,863	(8,284)
DPW Vehicles and Equipment	341,000	333,298	7,702
Sanitation Vehicle	175,000	152,087	22,913
Road Resurfacing, Curbing	360,912	364,741	(3,829)
Curbing Non-Paving Locations	15,000	-	15,000
Sidewalks 60/40	20,000	-	20,000
Body Armor Replacement	10,000	6,784	3,216
Road Resurfacing & Curbs 2018-2019 #1	120,000	528,370	(408,370)
Sidewalks 60/40 2018-2019 #13	30,000	82,390	(52,390)
Computer Equipment 2018-19	15,800	-	15,800
Dash Cam/LPR 2018-19	18,350	-	18,350
Duty Firearms 2018-19	15,500	-	15,500
IP Cameras 2018-19	13,800	-	13,800
Police Office HVAC 2018-2019	13,000	-	13,000
Curbing Non Paving 2018-2019	20,000	-	20,000
10-Wheel Dump Truck Refurbish (H-7) 2018-19	25,000	25,000	-

Total Revenues		Fund Balance (Deficits) at May 31, 2020	Bond Anticipation Notes Outstanding at May 31, 2020
\$	1,006,481	\$ 130,446	\$ -
	1,418,761	230,570	-
	154,134	110,100	-
	3,075,693	-	-
	2,414,051	231,778	-
	825,416	308,012	-
	70,000	44,701	-
	265,000	(1,069,607)	300,000
	680,150	(22,697)	-
	70,500	61,368	-
	115,579	(8,284)	-
	99,600	(233,698)	241,400
	41,187	(110,900)	110,900
	360,912	(3,829)	-
	15,000	15,000	-
	20,000	20,000	-
	10,000	3,216	-
	120,000	(408,370)	-
	30,000	(52,390)	-
	15,800	15,800	-
	18,350	18,350	-
	15,500	15,500	-
	13,800	13,800	-
	13,000	13,000	-
	20,000	20,000	-
	25,000	-	-

(Continued)

Village of Larchmont, New York

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

PROJECT	Authorization	Expenditures and Transfers	Unexpended Balance
6-Wheel Dump / Snow Fighter 2018-19	\$ 15,000	\$ 15,000	\$ -
Central Garage Repairs 2018-19	13,000	-	13,000
Historic Property Survey 19-20	15,000	4,000	11,000
Computer Equipment 19-20	6,000	-	6,000
Server Upgrade 19-20	8,500	-	8,500
Dash Cam/LPR 19-20	18,350	-	18,350
In-Car Mobile Computer 19-20	13,300	2,183	11,117
Body Armor Replacement 19-20	5,000	6,405	(1,405)
IP Cameras 19-20	13,800	-	13,800
Thermal Imaging Cameras 19-20	10,500	11,644	(1,144)
Facility Maintenance 19-20	73,000	-	73,000
Police -Relocation of Base Radio 19-20	5,000	1,786	3,214
Central Garage -Roof & Gutter Repairs 19-20	15,000	-	15,000
Gas Heaters 19-20	4,000	-	4,000
Road Resurfacing 19-20	120,000	-	120,000
Curbing 19-20	20,000	-	20,000
Sidewalks 60/40 Program 19-20	30,000	-	30,000
Pinebrook Staircase 19-20	10,000	45,389	(35,389)
Downtown Streetscape Materials 19-20	10,000	-	10,000
LED Street Lights 19-20	75,000	-	75,000
Fans 19-20	4,000	2,022	1,978
Highway Equipment Vehicle 19-20	50,000	-	50,000
Totals	<u>\$ 12,123,577</u>	<u>\$ 11,660,477</u>	<u>\$ 463,100</u>

See independent auditors' report.

Total Revenues	Fund Balance (Deficits) at May 31, 2020	Bond Anticipation Notes Outstanding at May 31, 2020
\$ 15,000	\$ -	\$ -
13,000	13,000	-
15,000	11,000	-
6,000	6,000	-
8,500	8,500	-
18,350	18,350	-
13,300	11,117	-
5,000	(1,405)	-
13,800	13,800	-
10,500	(1,144)	-
73,000	73,000	-
5,000	3,214	-
15,000	15,000	-
4,000	4,000	-
120,000	120,000	-
20,000	20,000	-
30,000	30,000	-
10,000	(35,389)	-
10,000	10,000	-
75,000	75,000	-
4,000	1,978	-
50,000	50,000	-
<u>\$ 11,448,364</u>	<u>\$ (212,113)</u>	<u>\$ 652,300</u>

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Village of Larchmont, New York

Combining Balance Sheet
Non-Major Governmental Funds
May 31, 2020
(With Comparative Totals for 2019)

	Special Purpose Fund	Sewer Fund	Total Non-Major Governmental Funds	
			2020	2019
ASSETS				
Cash and equivalents	\$ 243,146	\$ -	\$ 243,146	\$ 216,738
Receivables				
Sewer rents	-	53,447	53,447	41,520
Due from other funds	252,000	395,448	647,448	339,247
	252,000	448,895	700,895	380,767
Total Assets	<u>\$ 495,146</u>	<u>\$ 448,895</u>	<u>\$ 944,041</u>	<u>\$ 597,505</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 2,628	\$ 2,628	\$ -
Due to other funds	-	-	-	30,149
Total Liabilities	-	2,628	2,628	30,149
Fund balances				
Restricted	495,146	-	495,146	216,738
Assigned	-	446,267	446,267	350,618
Total Fund Balances	495,146	446,267	941,413	567,356
Total Liabilities and Fund Balances	<u>\$ 495,146</u>	<u>\$ 448,895</u>	<u>\$ 944,041</u>	<u>\$ 597,505</u>

See independent auditors' report.

Village of Larchmont, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended May 31, 2020
(With Comparative Totals for 2019)

	Special Purpose Fund	Sewer Fund
REVENUES		
Departmental income	\$ -	\$ 227,516
Use of money and property	168	-
Miscellaneous	35,039	-
Total Revenues	35,207	227,516
EXPENDITURES		
Current		
Culture and recreation	1,299	-
Home and community services	-	20,339
Debt service		
Interest	-	11,528
Total Expenditures	1,299	31,867
Excess of Revenues Over Expenditures	33,908	195,649
OTHER FINANCING SOURCES (USES)		
Transfers in	244,500	-
Transfers out	-	(100,000)
Total Other Financing Sources (Uses)	244,500	(100,000)
Net Change in Fund Balances	278,408	95,649
FUND BALANCES		
Beginning of Year	216,738	350,618
End of Year	\$ 495,146	\$ 446,267

See independent auditors' report.

Total Non-Major Governmental Funds	
2020	2019
\$ 227,516	\$ 183,362
168	278
35,039	51,851
262,723	235,491
1,299	410
20,339	-
11,528	7,629
33,166	8,039
229,557	227,452
244,500	-
(100,000)	(182,719)
144,500	(182,719)
374,057	44,733
567,356	522,623
<u>\$ 941,413</u>	<u>\$ 567,356</u>

Village of Larchmont, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Cash and equivalents	\$ 243,146	\$ 216,738
Due from other funds	<u>252,000</u>	<u>-</u>
Total Assets	<u>\$ 495,146</u>	<u>\$ 216,738</u>
FUND BALANCE		
Restricted	<u>\$ 495,146</u>	<u>\$ 216,738</u>

See independent auditors' report.

Village of Larchmont, New York

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

	2020	2019
REVENUES		
Use of money and property	\$ 168	\$ 214
Miscellaneous	35,039	51,851
Total Revenues	35,207	52,065
EXPENDITURES		
Current		
Culture and recreation	1,299	410
Excess of Revenues Over Expenditures	33,908	51,655
OTHER FINANCING SOURCES (USES)		
Transfers in	244,500	-
Transfers out	-	(16,798)
Total Other Financing Sources (Uses)	244,500	(16,798)
Net Change in Fund Balance	278,408	34,857
FUND BALANCE		
Beginning of Year	216,738	181,881
End of Year	<u>\$ 495,146</u>	<u>\$ 216,738</u>

See independent auditors' report.

Village of Larchmont, New York

Debt Service Fund

Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance

Years Ended May 31,

	2020	2019
REVENUES		
Use of money and property	\$ -	\$ 64
EXPENDITURES	-	-
Excess of Revenues Over Expenditures	-	64
OTHER FINANCING USES		
Transfers out	-	(65,921)
Net Change in Fund Balance	-	(65,857)
FUND BALANCE		
Beginning of Year	-	65,857
End of Year	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

Village of Larchmont, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2020</u>	<u>2019</u>
ASSETS		
Sewer rents receivable	\$ 53,447	\$ 41,520
Due from other funds	<u>395,448</u>	<u>339,247</u>
Total Assets	<u>\$ 448,895</u>	<u>\$ 380,767</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 2,628	\$ -
Due to other funds	<u>-</u>	<u>30,149</u>
Total Liabilities	2,628	30,149
Fund balance		
Assigned	<u>446,267</u>	<u>350,618</u>
Total Liabilities and Fund Balance	<u>\$ 448,895</u>	<u>\$ 380,767</u>

See independent auditors' report.

Village of Larchmont, New York

Sewer Fund

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

	<u>2020</u>	<u>2019</u>
REVENUES		
Departmental income	<u>\$ 227,516</u>	<u>\$ 183,362</u>
EXPENDITURES		
Current		
Home and community services	20,339	-
Debt Service		
Interest	<u>11,528</u>	<u>7,629</u>
Total Expenditures	<u>31,867</u>	<u>7,629</u>
Excess of Revenues Over Expenditures	195,649	175,733
OTHER FINANCING USES		
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>
Net Change in Fund Balance	95,649	75,733
FUND BALANCE		
Beginning of Year	<u>350,618</u>	<u>274,885</u>
End of Year	<u><u>\$ 446,267</u></u>	<u><u>\$ 350,618</u></u>

See independent auditors' report.