

Village of Larchmont, New York

Financial Statements and
Supplementary Information

Year Ended May 31, 2021

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, 2021, 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, 2021, 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.

Emphasis of Matter

We draw attention to Note 2D in the notes to financial statements which disclose the effects of the Village's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, "*Fiduciary Activities*". 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, 2021 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, 2021 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, 2021 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended May 31, 2021.

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, 2020 (not presented herein), and have issued our report thereon dated December 28, 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, 2020 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 2020 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling

such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended May 31, 2020.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
December 15, 2021

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Village of Larchmont, New York

Management's Discussion and Analysis (MD&A)
May 31, 2021

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, 2021. 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 2021, the total liabilities and deferred inflows of resources of the Village exceeded its assets and deferred outflows of resources by \$(20,787,862) (net position), an increase of \$753,180 as compared to fiscal year 2020. A deficit of \$(39,200,144) 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, 2021, the Village's OPEB obligations of \$43,124,145 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 2020-21, the Village's governmental funds reported a combined fund balance of \$6,226,069 an increase of \$1,057,487. Approximately 54.9% of this amount or \$3,420,572 is available for spending at the Village's discretions as unassigned fund balance.
- At the end of the fiscal year 2020-21, unassigned fund balance for the General Fund was \$4,390,657 or approximately 24% of total General Fund expenditures.
- At the end of the current fiscal year, the Village had total bonded debt outstanding of \$7,095,000. 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 and added \$675,000 for parking improvements and \$975,000 for various purposes. The balance of such BANs at May 31, 2021 is \$2,102,300.
- 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, 2021 is \$43,124,145. 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, 2021, the Village also reported in its Statement of Net Position a liability of \$2,248,669 for its proportionate share of the Employee Retirement System (“ERS”) and Police and Fire Retirement System (“PFRS”) net pension liabilities.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

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

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

The Village maintains four major governmental funds: The General Fund, Water Fund, Public Library Fund and the Capital Projects Fund. This information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Special Purpose 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. In accordance with the provisions of GASB Statement No. 84, "*Fiduciary Activities*", the Village had no such activity to report in this category.

Notes to Financial Statements

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

Other Information

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

Government-Wide Financial Analysis

Over time net position may serve as one measure of a government's financial position. The Village's governmental net position had improved by \$751,180 from a year ago, decreasing from \$(21,541,042) to \$(20,787,862). The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Villages governmental activities.

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

	May 31,	
	2021	2020
Current Assets	\$ 10,621,266	\$ 7,911,568
Capital Assets, net	25,197,902	24,661,743
Total Assets	35,819,168	32,573,311
Deferred Outflows of Resources	15,317,138	9,347,144
Current Liabilities	4,358,957	2,793,326
Long-Term Liabilities	54,459,995	58,833,241
Total Liabilities	58,818,952	61,626,567
Deferred Inflows of Resources	13,105,216	1,834,930
Net Position		
Net Investment in Capital Assets	16,445,904	16,194,443
Restricted	1,966,378	2,493,138
Unrestricted	(39,200,144)	(40,228,623)
Total Net Position	\$ (20,787,862)	\$ (21,541,042)

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 \$2,411,680 and is restricted for debt service and special purpose.

The remainder of the Villages net position \$(39,200,144) is considered unrestricted.

Overall, net position increased by \$753,180.

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

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

	2021	2020
REVENUES		
Program Revenues		
Charges for services	\$ 6,541,153	\$ 6,928,562
Operating grants and contributions	78,855	94,309
Capital grants and contributions	935,251	889,762
Total Program Revenues	<u>7,555,259</u>	<u>7,912,633</u>
General Revenues:		
Real property taxes	15,009,703	14,846,767
Other tax items	27,959	34,037
Non-property taxes	1,501,424	1,258,962
Unrestricted use of money and property	398	8,333
Sale of property and compensation for loss	25,380	36,417
Unrestricted State aid	370,273	268,881
Miscellaneous	95,308	78,287
Insurance recoveries	105,295	66,784
Total General Revenues	<u>17,135,740</u>	<u>16,598,468</u>
Total Revenues	<u>24,690,999</u>	<u>24,511,101</u>
PROGRAM EXPENSES		
General government support	2,604,947	3,001,929
Public safety	11,668,033	12,861,905
Health	53,000	53,000
Transportation	1,759,230	1,964,953
Culture and recreation	3,692,998	4,166,433
Home and community services	3,957,263	4,177,097
Interest	202,348	226,260
Total Expenses	<u>23,937,819</u>	<u>26,451,577</u>
Change in Net Position	753,180	(1,940,476)
Net Position - Beginning	<u>(21,541,042)</u>	<u>(19,600,566)</u>
Net Position - Ending	<u><u>\$ (20,787,862)</u></u>	<u><u>\$ (21,541,042)</u></u>

The Village's total revenues for 2021 were \$24,690,999. The cost for all programs and services totaled \$23,937,819. The analysis below separately considers the operations of governmental activities.

Governmental Activities

Revenues:

Revenues increased from the prior year in all program revenue categories by a total of \$179,898. The reduction of \$357,374 in Program Revenues (primarily due to the cancellation of summer camps) was more than offset by increases in Real Property Taxes of \$81,864, in Sales Tax revenue of \$235,750 and in Mortgage Tax of \$101,392. for in person activities due to the pandemic. Tax revenues of \$16,457,804 (67%) in 2021 and \$16,139,556 (66%) in 2020, comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue sources.

Real property taxes increased to \$15,009,703 in 2021 from \$14,846,767 in 2020, or by \$162,936 which was predominately due to an increase in the total tax levy.

Expenses:

The total cost of all governmental activities in 2021 was \$23,937,819. This is approximately a 9.5% (\$2,513,758) decrease from \$26,451,577 in 2020.

Program expenses decreased from the prior year by \$2,513,758. Table 2 presents the cost to each of the Villages largest programs – General Government Support decreased by \$396,982, Public Safety decreased by \$1,193,872, Transportation decreased by \$205,723, Culture and Recreation decreased by \$473,435 and Home and Community Services decreased by \$219,834. There was no discernable significant reason for each of these changes in expense exclusive of any previous content as discussed. However, expenses within each program were influenced by increases in compensated absences and employee benefits, including OPEB liabilities, which were allocated to each program expense in accordance with GASB Statement No. 75.

Village Funds Financial Analysis

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

Governmental Funds

As the Village completed the year, its governmental funds reported a combined fund balance of \$6,226,069, which is an increase from last year's total of \$5,168,682. Exclusive of the Capital Projects Fund, the combined ending fund balance was \$7,196,154.

- Overall, the Village's combined ending fund balance increased by \$1,057,387, 20.5% 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 \$3,420,572, which is available for spending at the Village's discretion. The remainder of the fund balance is either non-spendable, restricted or assigned. At the close of the fiscal year the General Fund reported \$422,424 in non-spendable fund balance and \$242,004 in restricted fund balance. The remainder of funds had balances for non-spendable prepaid expenditures of \$45,568, which consists of the Water Fund and Public Library Fund. Total Assigned Fund Balance is \$1,540,337: \$555,361 in the Water Fund, \$397,024 in the Public Library Fund and \$587,952 for Non-Major Governmental Funds.

General Fund

- For Fiscal Year 2020-21, the General Fund experienced an increase in fund balance in the amount of \$1,253,996 (33%) from \$3,801,089 to \$5,055,085.
- As the Village closed fiscal year 2020-2021, 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, resulting in expenditure savings. However, the active real estate market had a positive impact as mortgage tax improved over \$100,000 and sales tax improved \$235,700 largely offsetting declines in program revenues.
- There were net savings in expenditures related to employee benefits appropriations totaling \$153,431 primarily in Workers Compensation and Health Insurance.
- At the end of fiscal year 2020-21 actual expenditures were \$18,166,658, inclusive of inter-fund transfers. The positive variance in expenditures was primarily created as result of budgetary savings of approximately \$647,475 in employee benefits, \$245,003 in worker's compensation, \$242,885 in health insurance and \$120,403 in state retirement.

Water Fund

- The Water Fund reflects an assigned fund balance of \$555,361. Departmental revenue of \$2.95 million exceeded budget. There were savings in total expenditures of \$68,708 (exclusive of other financing uses). The majority of the savings was distributed approximately evenly throughout General Government Support, Home and Community Services and Employee Benefits. Total revenues exceeded total expenditures by \$519,538 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. Emphasis in 2020-2021 was on leak detection and repair resulting in the reduction of "unaccounted for" water from 40% of pumpage to 20%, a significant improvement, reducing water purchase requirements and capturing more revenue.

Public Library Fund

- The fund balance of the Public Library Fund increased from \$433,935 to \$435,162 or by \$1,227.

Sources of revenue for the Public Library Fund were received as planned, actual revenue of \$2,483,891 inclusive of inter-fund transfers, produced a positive variance of \$133,969 when compared to its budgeted amount of \$2,349,922. The total expenditures exclusive of other financing sources are \$2,183,964. 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 Culture and Rec of \$94,103 resulted in a positive budget variance of \$94,968. Notable, the Library appropriated an additional \$248,700 of its fund balance to the HVAC and Roof Repair Projects.

Capital Projects Fund

- The fund balance within the Capital Projects Fund is on a steady decline with a \$1,038,810 drop in 2017-18, a \$254,542 decrease in fiscal 2018-19, a \$235,928 decrease in fiscal 2019-20, and then a decrease of \$757,972 in 2020-2021 resulting in an end of year total fund deficit of \$(970,085). In 2017-18 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 \$(1,264,359). The Library has submitted documentation to receive \$500,000 in federal System for Award Management (“SAM”) grants which should be received during 2021-2022. Additionally, the Village will receive its share of the Sanitary Sewer Evaluation Study (“SSES”) grant administered by the City of New Rochelle, New York. Finally, the Parking Improvements Capital Project has a dedicated source of revenue in the new meter fees to apply to the BAN.
- During 2020-2021, the Constitution Park Capital Project was completed with the enhanced space now available to daily use as well as community activities.
- BANs in the amount of \$2,102,300 were outstanding and were reported as a liability in the Capital Projects Fund at year end. A majority of the capital projects were financed previously by long-term debt. It should be noted that in accordance with accounting principles, the proceeds of BANs initially issued on a short-term basis to finance the purchase or construction costs associated with capital projects are not recognized as an “other financing source”. In essence, bond anticipation notes are recognized as sources of revenue only to the extent that they are redeemed through means of an inter-fund transfers from other governmental funds, or upon receipt of proceeds from grants or donations, or upon conversion to permanent financing through the issuance of serial bonds.
- The existence of any deficits on capital projects within this fund are the result of a lack of permanent financing to support the on-going expenditures of a given capital project(s). Any currently existing deficits within this fund will be eliminated with the subsequent receipt or issuance of authorized financing.

Non-Major Governmental Funds

- The combined effect of the Special Purpose and Sewer funds contributed positively toward fund balance with an overall increase of \$188,698.

Capital Assets and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2021, net of accumulated depreciation, was \$25,197,902. 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 \$536,159.

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

Capital Assets

Asset	May 31,	
	2021	2020
Land	\$ 57,213	\$ 57,213
Buildings and improvements	20,739,015	19,712,538
Infrastructure	20,973,394	19,677,997
Machinery and equipment	8,219,037	7,329,474
Construction-in-progress	2,420,866	1,600,856
Less - accumulated depreciation	<u>(27,211,623)</u>	<u>(24,102,565)</u>
Total (net of depreciation)	<u>\$ 25,197,902</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 general obligation debt outstanding of \$7,095,000. As required by New York State Law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village. In the aggregate, bonded indebtedness decreased by \$720,000 during the course of the 2020-21 fiscal year. As stated previously short term debt decreased with note payments of \$150,000 for short term borrowing. BANs in the amount of \$625,000 for Parking Improvements, \$800,000 for Sanitary Sewer Projects and the \$175,000 for the purchase of a street sweeper were added during 2020-2021. The balance as of May 31, 2021 is \$2,102,300.

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.

Current and Next Year's Budget

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five-year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt.

In addition to this constitutional tax limitation, Chapter 97 of the Laws of 2011, as amended ("Tax Levy Limitation Law"), modified previous law by imposing a limit on the amount of real property taxes

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

The Tax Levy increase for 2020-2021 for the Village budget was materially within the limit. The 2021-22 Village of Larchmont, New York budget was again within the allowable limit.

Due to the COVID-19 pandemic, 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. The state of emergency is still in effect as of May 31, 2021.

The continuation of working remotely due to COVID-19 for local residents has had both a positive and negative impact on revenue and projections for the Village. Parking fees and fines have been and are projected to remain lower due to the lack of commuters to New York City by train. The increased interest in local housing and shopping, however, has resulted in increased sales tax, mortgage tax, and home improvement permit fees revenue. Expenditures are challenged by the continued escalation of the prices for supplies and services. The impact of COVID-19 on Village operations and budget continues to be monitored and is too complex to predict.

Requests for Information

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

Village of Larchmont, New YorkStatement of Net Position
May 31, 2021

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 8,343,141
Receivables	
Taxes	114,736
Accounts	473,419
Water rents	621,969
Sewer rents	57,451
State and Federal aid	179,031
Due from other governments	363,527
Prepaid expenses	467,992
Capital assets	
Not being depreciated	2,478,079
Being depreciated, net	<u>22,719,823</u>
Total Assets	<u>35,819,168</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related	8,903,305
OPEB related	<u>6,413,833</u>
Total Deferred Outflows of Resources	<u>15,317,138</u>
LIABILITIES	
Accounts payable	1,156,480
Accrued liabilities	579,757
Deposits payable	4,973
Employee payroll deductions	15,771
Due to retirement systems	342,060
Unearned revenues	100,257
Bond anticipation notes payable	2,102,300
Accrued interest payable	57,359
Non-current liabilities	
Due within one year	944,000
Due in more than one year	<u>53,515,995</u>
Total Liabilities	<u>58,818,952</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related	10,377,972
OPEB related	<u>2,727,244</u>
Total Deferred Inflows of Resources	<u>13,105,216</u>
NET POSITION	
Net investment in capital assets	16,445,904
Restricted	
Capital projects	1,169,210
Debt service	255,009
Special purpose	542,159
Unrestricted	<u>(39,200,144)</u>
Total Net Position	<u>\$ (20,787,862)</u>

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

Village of Larchmont, New York

Statement of Activities
Year Ended May 31, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government support	\$ 2,604,947	\$ 2,736	\$ -	\$ -
Public safety	11,668,033	190,549	22,516	-
Health	53,000	-	-	-
Transportation	1,759,230	497,744	-	-
Culture and recreation	3,692,998	1,958,824	56,207	464,993
Home and community services	3,957,263	3,891,300	132	469,939
Interest	202,348	-	-	319
Total Governmental Activities	<u>\$ 23,937,819</u>	<u>\$ 6,541,153</u>	<u>\$ 78,855</u>	<u>\$ 935,251</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.

Net (Expense)
Revenue and
Changes in
Net Position

\$ (2,602,211)
(11,454,968)
(53,000)
(1,261,486)
(1,212,974)

404,108
(202,029)

(16,382,560)

15,009,703

27,959

107,164

1,394,260

398

25,380

370,273

95,308

105,295

17,135,740

753,180

(21,541,042)

\$ (20,787,862)

Village of Larchmont, New York

Balance Sheet
 Governmental Funds
 May 31, 2021

	General Fund	Water Fund	Public Library Fund
ASSETS			
Cash and equivalents	\$ 2,757,979	\$ 1,917,081	\$ 967,960
Taxes receivable	114,736	-	-
Other receivables			
Accounts	240,056	8,363	-
Water rents	-	621,969	-
Sewer rents	-	-	-
State and Federal aid	179,031	-	-
Due from other governments	363,527	-	-
Due from other funds	2,236,022	-	-
	<u>3,018,636</u>	<u>630,332</u>	<u>-</u>
Prepaid expenditures	422,424	7,430	38,138
Total Assets	<u>\$ 6,313,775</u>	<u>\$ 2,554,843</u>	<u>\$ 1,006,098</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)			
Liabilities			
Accounts payable	\$ 243,570	\$ 148,488	\$ 27,948
Accrued liabilities	529,196	13,420	37,141
Deposits payable	4,973	-	-
Employee payroll deductions	15,771	-	-
Due to other funds	-	1,803,476	448,774
Due to retirement systems	302,966	12,396	26,698
Unearned revenues	68,615	1,267	30,375
Bond anticipation notes payable	-	-	-
Total Liabilities	1,165,091	1,979,047	570,936
Deferred inflows of resources			
Deferred tax revenues	93,599	-	-
Total Liabilities and Deferred Inflows of Resources	<u>1,258,690</u>	<u>1,979,047</u>	<u>570,936</u>
Fund balances (deficits)			
Nonspendable	422,424	7,430	38,138
Restricted	242,004	13,005	-
Assigned	-	555,361	397,024
Unassigned	4,390,657	-	-
Total Fund Balances (Deficits)	<u>5,055,085</u>	<u>575,796</u>	<u>435,162</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 6,313,775</u>	<u>\$ 2,554,843</u>	<u>\$ 1,006,098</u>

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ 1,953,101	\$ 747,020	\$ 8,343,141
-	-	114,736
225,000	-	473,419
-	-	621,969
-	57,451	57,451
-	-	179,031
-	-	363,527
-	325,640	2,561,662
225,000	383,091	4,257,059
-	-	467,992
<u>\$ 2,178,101</u>	<u>\$ 1,130,111</u>	<u>\$ 13,182,928</u>
\$ 736,474	\$ -	\$ 1,156,480
-	-	579,757
-	-	4,973
-	-	15,771
309,412	-	2,561,662
-	-	342,060
-	-	100,257
2,102,300	-	2,102,300
3,148,186	-	6,863,260
-	-	93,599
3,148,186	-	6,956,859
-	-	467,992
-	542,159	797,168
-	587,952	1,540,337
(970,085)	-	3,420,572
(970,085)	1,130,111	6,226,069
<u>\$ 2,178,101</u>	<u>\$ 1,130,111</u>	<u>\$ 13,182,928</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, 2021

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

Total Fund Balances - Governmental Funds	\$ 6,226,069
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	2,478,079
Capital assets - depreciable	49,931,446
Accumulated depreciation	<u>(27,211,623)</u>
	<u>25,197,902</u>
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds.	
Real property taxes	<u>93,599</u>
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.	
Deferred outflows - pension related	8,903,305
Deferred outflows - OPEB related	6,413,833
Deferred inflows - pension related	(10,377,972)
Deferred inflows - OPEB related	<u>(2,727,244)</u>
	<u>2,211,922</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	(57,359)
General obligation bonds payable	(7,095,000)
Compensated absences	(1,992,181)
Net pension liability	(2,248,669)
Total OPEB liability	<u>(43,124,145)</u>
	<u>(54,517,354)</u>
Net Position of Governmental Activities	<u><u>\$ (20,787,862)</u></u>

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

Village of Larchmont, New York

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended May 31, 2021

	General Fund	Water Fund	Public Library Fund
REVENUES			
Real property taxes	\$ 14,928,421	\$ -	\$ -
Other tax items	27,959	-	-
Non-property taxes	1,501,424	-	-
Departmental income	980,462	2,950,329	1,327,110
Intergovernmental charges	75,296	-	-
Use of money and property	149,581	132	114
Licenses and permits	679,796	-	-
Fines and forfeitures	122,179	-	-
Sale of property and compensation for loss	25,380	-	1,537
State aid	382,372	-	5,048
Federal aid	10,067	-	-
Miscellaneous	95,308	-	19,495
Total Revenues	18,978,245	2,950,461	1,353,304
EXPENDITURES			
Current			
General government support	2,107,090	52,128	23,886
Public safety	6,630,446	-	-
Health	53,000	-	-
Transportation	923,313	-	-
Culture and recreation	462,265	-	1,594,126
Home and community services	1,684,154	1,838,485	-
Employee benefits	4,278,729	201,757	565,952
Debt service			
Principal	454,031	265,969	-
Interest	129,242	72,584	-
Capital outlay	-	-	-
Total Expenditures	16,722,270	2,430,923	2,183,964
Excess (Deficiency) of Revenues Over Expenditures	2,255,975	519,538	(830,660)
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	105,295	-	-
Transfers in	337,114	2,000	1,130,587
Transfers out	(1,444,388)	(150,000)	(298,700)
Total Other Financing Sources (Uses)	(1,001,979)	(148,000)	831,887
Net Change in Fund Balances	1,253,996	371,538	1,227
FUND BALANCES (DEFICITS)			
Beginning of Year	3,801,089	204,258	433,935
End of Year	<u>\$ 5,055,085</u>	<u>\$ 575,796</u>	<u>\$ 435,162</u>

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

Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 14,928,421
-	-	27,959
-	-	1,501,424
-	257,467	5,515,368
-	-	75,296
-	13	149,840
-	-	679,796
-	-	122,179
-	-	26,917
469,939	-	857,359
-	-	10,067
464,993	30,000	609,796
<u>934,932</u>	<u>287,480</u>	<u>24,504,422</u>
-	-	2,183,104
-	-	6,630,446
-	-	53,000
-	-	923,313
-	-	2,056,391
-	9,962	3,532,601
-	-	5,046,438
-	-	720,000
-	5,820	207,646
2,199,291	-	2,199,291
<u>2,199,291</u>	<u>15,782</u>	<u>23,552,230</u>
<u>(1,264,359)</u>	<u>271,698</u>	<u>952,192</u>
-	-	105,295
953,233	60,000	2,482,934
<u>(446,846)</u>	<u>(143,000)</u>	<u>(2,482,934)</u>
<u>506,387</u>	<u>(83,000)</u>	<u>105,295</u>
(757,972)	188,698	1,057,487
<u>(212,113)</u>	<u>941,413</u>	<u>5,168,582</u>
<u>\$ (970,085)</u>	<u>\$ 1,130,111</u>	<u>\$ 6,226,069</u>

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Village of Larchmont, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended May 31, 2021

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 1,057,487</u>
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay expenditures	2,099,608
Depreciation expense	<u>(1,563,449)</u>
	<u>536,159</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	<u>81,282</u>
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal paid on general obligation bonds	<u>720,000</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	5,298
Compensated absences	(357,600)
Changes in pension liabilities and related deferred outflows and inflows of resources	344,383
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(1,633,829)</u>
	<u>(1,641,748)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 753,180</u></u>

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

Village of Larchmont, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Water and Public Library Funds
Year Ended May 31, 2021

	General			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 14,983,039	\$ 14,983,039	\$ 14,928,421	\$ (54,618)
Other tax items	22,000	22,000	27,959	5,959
Non-property taxes	960,000	960,000	1,501,424	541,424
Departmental income	1,542,828	1,542,828	980,462	(562,366)
Intergovernmental charges	54,700	54,700	75,296	20,596
Use of money and property	175,711	175,711	149,581	(26,130)
Licenses and permits	430,125	430,125	679,796	249,671
Fines and forfeitures	327,836	327,836	122,179	(205,657)
Sale of property and compensation for loss	25,000	25,000	25,380	380
State aid	262,486	189,486	382,372	192,886
Federal aid	-	-	10,067	10,067
Miscellaneous	40,000	113,000	95,308	(17,692)
Total Revenues	18,823,725	18,823,725	18,978,245	154,520
EXPENDITURES				
Current				
General government support	2,578,125	2,177,126	2,107,090	70,036
Public safety	6,387,291	6,649,490	6,630,446	19,044
Health	58,000	53,000	53,000	-
Transportation	977,571	978,890	923,313	55,577
Culture and recreation	616,651	481,875	462,265	19,610
Home and community services	1,638,957	1,713,247	1,684,154	29,093
Employee benefits	4,906,712	4,926,204	4,278,729	647,475
Debt service				
Principal	454,031	454,031	454,031	-
Interest	127,532	129,474	129,242	232
Total Expenditures	17,744,870	17,563,337	16,722,270	841,067
Excess (Deficiency) of Revenues Over Expenditures	1,078,855	1,260,388	2,255,975	995,587
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	55,000	55,000	105,295	50,295
Transfers in	129,000	129,000	337,114	208,114
Transfers out	(1,262,855)	(1,444,388)	(1,444,388)	-
Total Other Financing Sources (Uses)	(1,078,855)	(1,260,388)	(1,001,979)	258,409
Net Change in Fund Balances	-	-	1,253,996	1,253,996
FUND BALANCES				
Beginning of Year	-	-	3,801,089	3,801,089
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,055,085</u>	<u>\$ 5,055,085</u>

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

Water				Public Library			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,729,365	2,729,365	2,950,329	220,964	1,346,892	1,346,892	1,327,110	(19,782)
-	-	-	-	-	-	-	-
2,266	2,266	132	(2,134)	500	500	114	(386)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	5,000	5,000	1,537	(3,463)
-	-	-	-	5,175	5,175	5,048	(127)
-	-	-	-	-	-	-	-
-	-	-	-	31,500	31,500	19,495	(12,005)
<u>2,731,631</u>	<u>2,731,631</u>	<u>2,950,461</u>	<u>218,830</u>	<u>1,389,067</u>	<u>1,389,067</u>	<u>1,353,304</u>	<u>(35,763)</u>
79,575	80,054	52,128	27,926	29,750	24,750	23,886	864
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,809,341	1,856,087	1,838,485	17,602	1,705,850	1,688,229	1,594,126	94,103
272,142	224,917	201,757	23,160	604,322	565,953	565,952	1
265,969	265,969	265,969	-	-	-	-	-
72,604	72,604	72,584	20	-	-	-	-
<u>2,499,631</u>	<u>2,499,631</u>	<u>2,430,923</u>	<u>68,708</u>	<u>2,339,922</u>	<u>2,278,932</u>	<u>2,183,964</u>	<u>94,968</u>
232,000	232,000	519,538	287,538	(950,855)	(889,865)	(830,660)	59,205
-	-	-	-	-	-	-	-
2,000	2,000	2,000	-	960,855	960,855	1,130,587	169,732
(150,000)	(150,000)	(150,000)	-	(50,000)	(298,700)	(298,700)	-
<u>(148,000)</u>	<u>(148,000)</u>	<u>(148,000)</u>	<u>-</u>	<u>910,855</u>	<u>662,155</u>	<u>831,887</u>	<u>169,732</u>
84,000	84,000	371,538	287,538	(40,000)	(227,710)	1,227	228,937
(84,000)	(84,000)	204,258	288,258	40,000	227,710	433,935	206,225
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,796</u>	<u>\$ 575,796</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 435,162</u>	<u>\$ 435,162</u>

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Note 1 - Summary of Significant Accounting Policies

The Village of Larchmont, New York ("Village") was established in 1891 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Mayor serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, culture and recreation, home and community services and general and administrative support.

The financial statements of the Village have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Village's significant accounting policies are described below:

A. Financial Reporting Entity

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

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

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

B. Government-Wide Financial Statements

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Other items not identified as program revenues are reported as general revenues. The Village does not allocate indirect expenses to functions in the Statement of Activities.

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

C. Fund Financial Statements

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

Fund Categories

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

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

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

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2021

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 on behalf of others. In accordance with the provisions of GASB Statement No. 84, "Fiduciary Activities", the Village had no such activity to report in this fund category.

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

However, debt service expenditures, as well as expenditures related to compensated absences, net pension liability and other postemployment benefit liabilities are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

Cash and Equivalents, Investments and Risk Disclosure

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

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

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

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

The Village follows the provisions of GASB Statement No. 72, "*Fair Value 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, 2021.

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, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

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

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

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Village has reported unearned revenues of \$68,615 in the General Fund for parking fees received in advance, \$1,267 in the Water Fund for other fees received in advance and \$30,375 in the Library Fund for services to other governments received in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net 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 includes 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 \$93,599 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.

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

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

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

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

Net Pension Liability - 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 – An Amendment of GASB Statement No. 68."*

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

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

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

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

F. Encumbrances

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

G. Use of Estimates

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

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 15, 2021.

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) On or before March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, meets to discuss and review the tentative budget.
- c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.
- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for General and Water funds. The management control of the Public Library Fund is performed by the Larchmont Public Library Board of Directors.
- f) Budgets for General, Water, Sewer and Public Library funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. An annual budget is not adopted for the Special Purpose Fund since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year. The budget for the Public Library Fund is adopted in accordance with the laws and regulations of the Board of Regents of the New York State Education Department and an inter-municipality agreement with the Village and Town.
- g) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in General, Water, Sewer and Public Library funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

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

B. Property Tax Limitation

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2021 fiscal year was \$54,983,843 which exceeded the actual levy by \$40,033,804.

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. 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.

D. Adoption of Accounting Standard

For the year ended May 31, 2021, the Village implemented the provisions of GASB Statement No. 84, “*Fiduciary Activities*”. The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary activity and 2) the beneficiaries with whom a

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

fiduciary relationship exists. As a result of the adoption of this standard, certain transactions previously reported within governmental funds are now reflected within the Fiduciary Fund while other transactions previously reported in the Fiduciary Fund are now reflected within governmental funds.

E. Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified to conform with the current year presentation with respect to the implementation of the provisions of GASB Statement No. 84. These reclassifications had no effect on previously reported fund balance amounts.

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at May 31, 2021 consisted of the following:

Tax Liens	<u>\$ 114,736</u>
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Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$93,599, which represent an estimate of the receivable which will not be collected within the sixty days of the subsequent year.

B. Interfund Receivables/Payable

The composition of due from/to other funds at May 31, 2021 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 2,236,022	\$ -
Water	-	1,803,476
Public Library	-	448,774
Capital Projects	-	309,412
Non-Major Governmental	<u>325,640</u>	<u>-</u>
	<u>\$ 2,561,662</u>	<u>\$ 2,561,662</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.

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

C. Capital Assets

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

	Balance June 1, 2020	Additions	Deletions	Balance May 31, 2021
Capital Assets, not being depreciated:				
Land	\$ 57,213	\$ -	\$ -	\$ 57,213
Construction-in-progress	1,798,998	1,360,540	738,672	2,420,866
Total Capital Assets, not being depreciated	<u>\$ 1,856,211</u>	<u>\$ 1,360,540</u>	<u>\$ 738,672</u>	<u>\$ 2,478,079</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 19,833,827	\$ 905,188	\$ -	\$ 20,739,015
Machinery and equipment	7,715,788	503,249	-	8,219,037
Infrastructure	20,904,091	69,303	-	20,973,394
Total Capital Assets, being depreciated	<u>48,453,706</u>	<u>1,477,740</u>	<u>-</u>	<u>49,931,446</u>
Less Accumulated Depreciation for:				
Buildings and improvements	6,732,274	751,412	-	7,483,686
Machinery and equipment	5,700,792	394,171	-	6,094,963
Infrastructure	13,215,108	417,866	-	13,632,974
Total Accumulated Depreciation	<u>25,648,174</u>	<u>1,563,449</u>	<u>-</u>	<u>27,211,623</u>
Total Capital Assets, being depreciated, net	<u>\$ 22,805,532</u>	<u>\$ (85,709)</u>	<u>\$ -</u>	<u>\$ 22,719,823</u>
Capital Assets, net	<u>\$ 24,661,743</u>	<u>\$ 1,274,831</u>	<u>\$ 738,672</u>	<u>\$ 25,197,902</u>

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

General Government Support	\$ 40,229
Public Safety	134,590
Transportation	524,043
Culture and Recreation	733,108
Home and Community Services	131,479
	<u>\$ 1,563,449</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, 2020	New Issues	Note Payments	Balance May 31, 2021
Sanitation Sewer Evaluation Study	2017	06/16/21	0.94 %	\$ 300,000	\$ -	\$ 100,000	\$ 200,000
Various capital projects	2018	06/16/21	0.94	352,300	-	50,000	302,300
Various capital projects	2021	06/16/21	0.49	-	975,000	-	975,000
Various capital projects	2021	02/11/22	0.49	-	625,000	-	625,000
				<u>\$ 652,300</u>	<u>\$ 1,600,000</u>	<u>\$ 150,000</u>	<u>\$ 2,102,300</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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 \$1,942 and \$5,820 were recorded in the fund financial statements in the General and Sewer funds, respectively. Interest expense of \$7,747 was recorded in the government-wide financial statements for governmental activities.

E. Long-Term Liabilities

The changes in the Village's long-term liabilities during the year ended May 31, 2021 are summarized as follows:

	Balance, June 1, 2020	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2021	Due Within One-Year
General Obligation Bonds Payable	\$ 7,815,000	\$ -	\$ 720,000	\$ 7,095,000	\$ 745,000
Other Non-Current Liabilities:					
Compensated Absences	1,634,581	520,600	163,000	1,992,181	199,000
Net Pension Liability - ERS	3,447,007	-	3,434,766	12,241	-
Net Pension Liability - PFRS	7,216,193	-	4,979,765	2,236,428	-
Other Postemployment Benefit Liability	38,720,460	5,310,114	906,429	43,124,145	-
Total Other Non-Current Liabilities	51,018,241	5,830,714	9,483,960	47,364,995	199,000
Total Long-Term Liabilities	<u>\$ 58,833,241</u>	<u>\$ 5,830,714</u>	<u>\$ 10,203,960</u>	<u>\$ 54,459,995</u>	<u>\$ 944,000</u>

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

General Obligation Bonds Payable

General obligation bonds payable at May 31, 2021 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2021
Various Village Purposes	2010	\$ 2,968,275	September, 2024	3.750 - 4.00 %	\$ 950,000
Various Village Purposes	2013	2,581,708	September, 2029	2.750 - 3.75	1,610,000
Various Village Purposes	2017	5,908,201	September, 2031	2.000 - 2.50	4,535,000
					<u>\$ 7,095,000</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$127,300 and \$72,584 were recorded in the fund financial statements in the General and Water funds, respectively. Interest expense of \$194,601 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, 2021, including interest payments of \$946,838 are as follows:

Year Ending May 31,	Bonds	
	Principal	Interest
2022	\$ 745,000	\$ 180,615
2023	765,000	159,815
2024	785,000	137,940
2025	810,000	115,415
2026	580,000	97,040
2027-2031	2,940,000	250,137
2032	470,000	5,876
	<u>\$ 7,095,000</u>	<u>\$ 946,838</u>

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

Legal Debt Margin

The Village is subject to legal limitations on the amount of debt that it may issue. The Village's legal debt margin is 7% of the five year average full valuation of taxable real property.

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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 on salaries paid during the System's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2021 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	16.1 %
	4 A15	16.1
	5 A15	13.4
	6 A15/41J1	9.6
	6 A15/41J2	9.6
PFRS	2 384D	25.6 %
	5 384D *	21.0
	6 375I *	9.6
	6 384D *	15.7

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At May 31, 2021, 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, 2021	March 31, 2021
Net pension liability	\$ 12,241	\$ 2,236,428
Villages' proportion of the net pension liability	0.0122930 %	0.1288060 %
Change in proportion since the prior measurement date	(0.0007241) %	(0.0062040) %

The net pension liability was measured as of March 31, 2021 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, 2021, the Village recognized its proportionate share of pension expense in the government-wide financial statements of \$301,461 for ERS and \$1,225,705 for PFRS. Pension expenditures of \$533,661 for ERS and \$1,337,888 for PFRS were recorded in the fund financial statements and were charged to the following funds:

	<u>ERS</u>	<u>PFRS</u>
General Fund	\$ 313,298	\$ 1,337,888
Water Fund	70,625	-
Library Fund	149,738	-
	<u>\$ 533,661</u>	<u>\$ 1,337,888</u>

At May 31, 2021, the Village reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>ERS</u>		<u>PFRS</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 149,491	\$ -	\$ 496,252	\$ -
Changes of assumptions	2,250,657	42,448	5,494,662	-
Net difference between projected and actual earnings on pension plan investments	-	3,516,230	-	6,576,086
Changes in proportion and differences between Village contributions and proportionate share of contributions	62,198	85,892	107,985	157,316
Village contributions subsequent to the measurement date	95,351	-	246,709	-
	<u>\$ 2,557,697</u>	<u>\$ 3,644,570</u>	<u>\$ 6,345,608</u>	<u>\$ 6,733,402</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 645,743	\$ -
Changes of assumptions	7,745,319	42,448
Net difference between projected and actual earnings on pension plan investments	-	10,092,316
Changes in proportion and differences between Village contributions and proportionate share of contributions	170,183	243,208
Village contributions subsequent to the measurement date	342,060	-
	<u>\$ 8,903,305</u>	<u>\$ 10,377,972</u>

\$95,351 and \$246,709 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, 2022. 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,	Total	
	ERS	PFRS
2022	\$ (203,578)	\$ (258,700)
2023	(83,961)	(24,220)
2024	(203,332)	(238,618)
2025	(691,353)	(1,189,772)
2026	-	1,076,807
Thereafter	-	-
	<u>\$ (1,182,224)</u>	<u>\$ (634,503)</u>

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

	ERS	PFRS
Measurement Date	March 31, 2021	March 31, 2021
Actuarial valuation date	April 1, 2020	April 1, 2020
Investment rate of return	5.9% *	5.9% *
Salary scale	4.4%	6.2%
Inflation rate	2.7%	2.7%
Cost of living adjustments	1.4%	1.4%

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

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

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

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

<u>Asset Type</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	32 %	4.05 %
International Equity	15	6.30
Private Equity	10	6.75
Real Estate	9	4.95
Opportunistic/ARS Portfolio	3	4.50
Credit	4	3.63
Real Assets	3	5.95
Fixed Income	23	0.00
Cash	1	0.50
	<u>100 %</u>	

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

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Village's proportionate share of the ERS net pension liability (asset)	\$ 3,397,525	\$ 12,241	\$ (3,109,784)
Village's proportionate share of the PFRS net pension liability (asset)	\$ 9,510,553	\$ 2,236,428	\$ (3,784,667)

The components of the collective net pension liability as of the March 31, 2021 measurement date were as follows:

	ERS	PFRS	Total
Total pension liability	\$ 220,680,157,000	\$ 41,236,775,000	\$ 261,916,932,000
Fiduciary net position	220,580,583,000	39,500,500,000	260,081,083,000
Employers' net pension liability	\$ 99,574,000	\$ 1,736,275,000	\$ 1,835,849,000
Fiduciary net position as a percentage of total pension liability	99.95%	95.79%	99.30%

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, 2021 represent the employer contribution for the period of April 1, 2021 through May 31, 2021 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, 2021 were \$95,351 and \$246,709 respectively.

Voluntary Defined Contribution Plan

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

Other Postemployment Benefit Liability ("OPEB")

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Village and the retired employee as noted below. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

age while working for the Village. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At May 31, 2021, the following employees were covered by the benefit terms:

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

The Village's total OPEB liability of \$43,124,145 was measured as of May 31, 2021, and was determined by an actuarial valuation as of June 1, 2020.

The total OPEB liability in the June 1, 2020 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	1.59%
Healthcare cost trend rates	8.0% for 2021, decreasing by .5% per year to an ultimate rate of 5.0%
Retirees' share of benefit-related costs	Varies from 2% to 100%, depending on applicable retirement year and bargaining unit

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

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

The Village's change in the total OPEB liability for the year ended May 31, 2021 is as follows:

Total OPEB Liability - Beginning of Year	\$ 38,720,460
Service Cost	1,162,453
Interest	1,006,429
Changes of benefit terms	(580,054)
Difference between expected and actual experience	(1,839,738)
Changes in assumptions	5,561,024
Benefit payments	<u>(906,429)</u>
Total OPEB Liability - End of Year	<u><u>\$ 43,124,145</u></u>

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (0.59%) or 1 percentage point higher (2.59%) than the current discount rate:

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (0.59%)	Current Discount Rate (1.59%)	1% Increase (2.59%)
Total OPEB Liability	\$ 48,470,752	\$ 43,124,145	\$ 37,777,538

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

	1% Decrease (7.0% decreasing to 4.0%)	Current Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	\$ 35,721,641	\$ 43,124,145	\$ 51,958,868

For the year ended May 31, 2021, the Village recognized OPEB expense of \$2,540,258 in the government-wide financial statements. At May 31, 2021, 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	\$ 6,056,452	\$ -
Differences between expected and actual experience	357,381	2,727,244
	<u>\$ 6,413,833</u>	<u>\$ 2,727,244</u>

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

Year Ended May 31,	
2022	\$ 951,430
2023	951,430
2024	951,427
2025	832,302
2026	-
Thereafter	-
	<u>\$ 3,686,589</u>

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

F. Revenues and Expenditures

Interfund Transfers

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

Transfers Out	Transfers in					Total
	General Fund	Water Fund	Public Library Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ 2,000	\$ 960,855	\$ 481,533	\$ -	\$ 1,444,388
Water Fund	120,000	-	-	30,000	-	150,000
Public Library Fund	-	-	-	298,700	-	298,700
Capital Projects Fund	217,114	-	169,732	-	60,000	446,846
Non-Major Governmental Funds	-	-	-	143,000	-	143,000
	<u>\$ 337,114</u>	<u>\$ 2,000</u>	<u>\$ 1,130,587</u>	<u>\$ 953,233</u>	<u>\$ 60,000</u>	<u>\$ 2,482,934</u>

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

G. Net Position

The components of net position are detailed below:

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

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

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

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

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

Village of Larchmont, New York

Notes to Financial Statements (Continued)
 May 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

H. Fund Balances

	2021						2020					
	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	\$ 422,424	\$ 7,430	\$ 38,138	\$ -	\$ -	\$ 467,992	\$ 215,333	\$ 1,012	\$ 9,919	\$ -	\$ -	\$ 226,264
Restricted:												
Special purpose	-	-	-	-	542,159	542,159	-	-	-	-	495,146	495,146
Debt service	242,004	13,005	-	-	-	255,009	241,685	13,005	-	-	-	254,690
Total Restricted	242,004	13,005	-	-	542,159	797,168	241,685	13,005	-	-	495,146	749,836
Assigned:												
Subsequent year's expenditures	-	-	50,000	-	-	50,000	-	-	40,000	-	-	40,000
Sewer Fund	-	-	-	-	587,952	587,952	-	-	-	-	446,267	446,267
Major funds	-	555,361	347,024	-	-	902,385	-	190,241	384,016	-	-	574,257
Total Assigned	-	555,361	397,024	-	587,952	1,540,337	-	190,241	424,016	-	446,267	1,060,524
Unassigned	4,390,657	-	-	(970,085)	-	3,420,572	3,344,071	-	-	(212,113)	-	3,131,958
Total Fund Balances (Deficits)	\$ 5,055,085	\$ 575,796	\$ 435,162	\$ (970,085)	\$ 1,130,111	\$ 6,226,069	\$ 3,801,089	\$ 204,258	\$ 433,935	\$ (212,113)	\$ 941,413	\$ 5,168,582

Village of Larchmont, New York

Notes to Financial Statements (Continued)

May 31, 2021

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, 2021, 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, 2020:

Total Assets	\$	1,431,024
Deferred Outflows of Resources		4,087,762
Total Liabilities		13,817,634
Deferred Inflows of Resources		1,065,838
Net Position		(9,364,686)
Total Revenues		3,377,606
Total Expenditures		4,487,881
Change in Net Position		(1,110,275)

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, 2021

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, 2020:

Total Assets	\$	292,154
Total Liabilities		122,456
Net Position		169,698
Total Revenues		765,914
Total Expenses		694,380
Change in Net Position		(71,534)

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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

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

B. Risk Management

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

C. Contingencies

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

Village of Larchmont, New York

Notes to Financial Statements (Concluded)
May 31, 2021

Note 5 - Subsequent Events

The Village, on June 15, 2021 issued \$2,260,000 in serial bonds with interest rates ranging from 0.50% to 1.75%, depending on maturity. The proceeds were used to advance refund \$725,000 of outstanding 2009 various purposes serial bonds bearing interest at 4.00% and \$1,455,000 of outstanding 2013 various purposes serial bonds bearing interest at 3.00% to 3.75%.

Note 6 - Recently Issued GASB Pronouncements

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

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

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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)

	2021	2020	2019
Total OPEB Liability:			
Service cost	\$ 1,162,453	\$ 1,080,770	\$ 702,730
Interest	1,006,429	1,109,201	1,054,510
Changes of benefit terms	(580,054)	-	-
Differences between expected and actual experience	(1,839,738)	(1,883,182)	714,765
Changes of assumptions or other inputs	5,561,024 (5)	2,411,451 (4)	-
Benefit payments	(906,429)	(730,020)	(627,743)
Net Change in Total OPEB Liability	4,403,685	1,988,220	1,844,262
Total OPEB Liability – Beginning of Year	38,720,460	36,732,240	34,887,978 (3)
Total OPEB Liability – End of Year	<u>\$ 43,124,145</u>	<u>\$ 38,720,460</u>	<u>\$ 36,732,240</u>
Village's covered-employee payroll	<u>\$ 9,786,604</u>	<u>\$ 9,714,203</u>	<u>\$ 9,763,601</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>441%</u>	<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.

(5) The discount rate used to calculate the Total OPEB liability was decreased from 2.63% to 1.59% effective for the May 31, 2021 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)

	2021 (6)	2020 (4)(5)	2019	2018	2017	2016 (3)
Village's proportion of the net pension liability	<u>0.0122930%</u>	<u>0.0130171%</u>	<u>0.0131525%</u>	<u>0.0138652%</u>	<u>0.0133163%</u>	<u>0.0128206%</u>
Village's proportionate share of the net pension liability	<u>\$ 12,241</u>	<u>\$ 3,447,007</u>	<u>\$ 931,896</u>	<u>\$ 447,491</u>	<u>\$ 1,251,233</u>	<u>\$ 2,057,744</u>
Village's covered payroll	<u>\$ 3,719,349</u>	<u>\$ 3,731,142</u>	<u>\$ 3,885,866</u>	<u>\$ 4,059,292</u>	<u>\$ 3,946,754</u>	<u>\$ 3,507,130</u>
Village's proportionate share of the net pension liability as a percentage of its covered payroll	<u>0.33%</u>	<u>92.38%</u>	<u>23.98%</u>	<u>11.02%</u>	<u>31.70%</u>	<u>58.67%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>99.95%</u>	<u>86.39%</u>	<u>96.27%</u>	<u>98.24%</u>	<u>94.70%</u>	<u>90.70%</u>

Schedule of Contributions

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

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

(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.

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

(6) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 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)

	2021 (6)	2020 (4)(5)	2019	2018	2017	2016 (3)
Village's proportion of the net pension liability	0.1288060%	0.1350099%	0.1403553%	0.1385891%	0.1241061%	0.1191251%
Village's proportionate share of the net pension liability	\$ 2,236,428	\$ 7,216,193	\$ 2,353,848	\$ 1,400,799	\$ 2,572,287	\$ 3,527,041
Village's covered payroll	\$ 5,527,756	\$ 5,567,356	\$ 5,497,867	\$ 5,522,742	\$ 5,290,390	\$ 4,334,983
Village's proportionate share of the net pension liability as a percentage of its covered payroll	40.46%	129.62%	42.81%	25.36%	48.62%	81.36%
Plan fiduciary net position as a percentage of the total pension liability	95.79%	84.86%	95.09%	96.93%	93.50%	90.20%

Schedule of Contributions

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

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

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

(3) 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.

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

(6) Decrease in the Village's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report.

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Village of Larchmont, New York

General Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 2,757,979	\$ 1,261,262
Taxes receivable	114,736	20,504
Other receivables		
Accounts	240,056	276,719
State and Federal aid	179,031	100,853
Due from other governments	363,527	240,508
Due from other funds	2,236,022	3,245,049
	<u>3,018,636</u>	<u>3,863,129</u>
Prepaid expenditures	422,424	215,333
Total Assets	<u>\$ 6,313,775</u>	<u>\$ 5,360,228</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 243,570	\$ 776,075
Accrued liabilities	529,196	407,948
Deposits payable	4,973	104,080
Employee payroll deductions	15,771	13,744
Due to retirement systems	302,966	218,477
Unearned revenues	68,615	26,498
Total Liabilities	1,165,091	1,546,822
Deferred inflows of resources		
Deferred tax revenues	93,599	12,317
Total Liabilities and Deferred Inflows of Resources	<u>1,258,690</u>	<u>1,559,139</u>
Fund balance		
Nonspendable	422,424	215,333
Restricted	242,004	241,685
Unassigned	4,390,657	3,344,071
Total Fund Balance	<u>5,055,085</u>	<u>3,801,089</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 6,313,775</u>	<u>\$ 5,360,228</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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 14,983,039	\$ 14,983,039	\$ 14,928,421	\$ (54,618)
Other tax items	22,000	22,000	27,959	5,959
Non-property taxes	960,000	960,000	1,501,424	541,424
Departmental income	1,542,828	1,542,828	980,462	(562,366)
Intergovernmental charges	54,700	54,700	75,296	20,596
Use of money and property	175,711	175,711	149,581	(26,130)
Licenses and permits	430,125	430,125	679,796	249,671
Fines and forfeitures	327,836	327,836	122,179	(205,657)
Sale of property and compensation for loss	25,000	25,000	25,380	380
State aid	262,486	189,486	382,372	192,886
Federal aid	-	-	10,067	10,067
Miscellaneous	40,000	113,000	95,308	(17,692)
Total Revenues	18,823,725	18,823,725	18,978,245	154,520
EXPENDITURES				
Current				
General government support	2,578,125	2,177,126	2,107,090	70,036
Public safety	6,387,291	6,649,490	6,630,446	19,044
Health	58,000	53,000	53,000	-
Transportation	977,571	978,890	923,313	55,577
Culture and recreation	616,651	481,875	462,265	19,610
Home and community services	1,638,957	1,713,247	1,684,154	29,093
Employee benefits	4,906,712	4,926,204	4,278,729	647,475
Debt service				
Principal	454,031	454,031	454,031	-
Interest	127,532	129,474	129,242	232
Total Expenditures	17,744,870	17,563,337	16,722,270	841,067
Excess of Revenues Over Expenditures	1,078,855	1,260,388	2,255,975	995,587
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	55,000	55,000	105,295	50,295
Transfers in	129,000	129,000	337,114	208,114
Transfers out	(1,262,855)	(1,444,388)	(1,444,388)	-
Total Other Financing Uses	(1,078,855)	(1,260,388)	(1,001,979)	258,409
Net Change in Fund Balance	-	-	1,253,996	1,253,996
FUND BALANCE				
Beginning of Year	-	-	3,801,089	3,801,089
End of Year	\$ -	\$ -	\$ 5,055,085	\$ 5,055,085

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 14,871,019	\$ 14,871,019	\$ 14,846,557	\$ (24,462)
22,000	22,000	34,037	12,037
1,020,000	1,020,000	1,258,962	238,962
1,646,863	1,646,863	1,232,198	(414,665)
76,234	76,234	187,446	111,212
175,711	175,711	166,322	(9,389)
573,500	573,500	689,229	115,729
490,500	490,500	444,614	(45,886)
25,000	25,000	36,417	11,417
373,000	300,000	284,087	(15,913)
-	-	2,556	2,556
40,000	113,000	78,287	(34,713)
<u>19,313,827</u>	<u>19,313,827</u>	<u>19,260,712</u>	<u>(53,115)</u>
2,360,784	2,360,784	2,292,550	68,234
6,298,393	6,298,393	6,516,320	(217,927)
53,000	53,000	53,000	-
1,053,803	1,053,803	929,225	124,578
624,052	624,052	508,777	115,275
1,962,410	1,962,410	1,950,754	11,656
5,052,914	5,052,914	4,432,160	620,754
448,214	448,214	448,214	-
158,075	158,075	150,424	7,651
<u>18,011,645</u>	<u>18,011,645</u>	<u>17,281,424</u>	<u>730,221</u>
<u>1,302,182</u>	<u>1,302,182</u>	<u>1,979,288</u>	<u>677,106</u>
55,000	55,000	66,784	11,784
237,000	237,000	170,538	(66,462)
(1,594,182)	(1,594,182)	(1,691,608)	(97,426)
<u>(1,302,182)</u>	<u>(1,302,182)</u>	<u>(1,454,286)</u>	<u>(152,104)</u>
-	-	525,002	525,002
-	-	3,276,087	3,276,087
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,801,089</u>	<u>\$ 3,801,089</u>

Village of Larchmont, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended May 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES					
Real property taxes	\$ 14,950,039	\$ 14,950,039	\$ 14,891,247	\$ (58,792)	\$ 14,807,879
Special assessment taxes	33,000	33,000	37,174	4,174	38,678
	<u>14,983,039</u>	<u>14,983,039</u>	<u>14,928,421</u>	<u>(54,618)</u>	<u>14,846,557</u>
OTHER TAX ITEMS					
Interest and penalties on real property taxes	22,000	22,000	27,959	5,959	34,037
NON-PROPERTY TAXES					
Utilities gross receipts tax	110,000	110,000	107,164	(2,836)	100,452
Non-property tax distribution from County	850,000	850,000	1,394,260	544,260	1,158,510
	<u>960,000</u>	<u>960,000</u>	<u>1,501,424</u>	<u>541,424</u>	<u>1,258,962</u>
DEPARTMENTAL INCOME					
Clerk fees	1,000	1,000	2,736	1,736	1,020
Other fees	2,500	2,500	125	(2,375)	2,650
Police fees	4,500	4,500	1,700	(2,800)	2,755
Fire department fees	32,000	32,000	35,205	3,205	3,512
Public works service charges	12,500	12,500	(80,172)	(92,672)	70,101
Parking lots and garages	715,500	715,500	467,325	(248,175)	737,022
On-street parking	281,703	281,703	21,638	(260,065)	207,221
Tennis fees	22,500	22,500	31,230	8,730	19,046
Day camp	214,125	214,125	174,473	(39,652)	2,357
Five mile run	20,000	20,000	-	(20,000)	17,441
Zoning fees	7,000	7,000	8,500	1,500	11,540
Planning fees	26,500	26,500	75,255	48,755	20,450
Field permits	200,000	200,000	242,447	42,447	131,429
Parades and events offset	-	-	-	-	5,654
Emergency tenant protection fees	3,000	3,000	-	(3,000)	-
	<u>1,542,828</u>	<u>1,542,828</u>	<u>980,462</u>	<u>(562,366)</u>	<u>1,232,198</u>

INTERGOVERNMENTAL CHARGES

Police services for other governments	5,000	5,000	31,815	26,815	135,396
Snow removal for other governments	15,000	15,000	8,781	(6,219)	-
Services for other governments	34,700	34,700	34,700	-	52,050
	<u>54,700</u>	<u>54,700</u>	<u>75,296</u>	<u>20,596</u>	<u>187,446</u>

USE OF MONEY AND PROPERTY

Earnings on investments	8,000	8,000	717	(7,283)	8,810
Rental of real property	166,711	166,711	148,864	(17,847)	157,512
Commissions	1,000	1,000	-	(1,000)	-
	<u>175,711</u>	<u>175,711</u>	<u>149,581</u>	<u>(26,130)</u>	<u>166,322</u>

LICENSES AND PERMITS

Business and occupational licenses	4,875	4,875	49,713	44,838	8,914
Permit fees	386,250	386,250	581,668	195,418	636,585
Alarm permits	33,750	33,750	35,515	1,765	33,280
Architectural review fees	5,250	5,250	12,900	7,650	10,450
	<u>430,125</u>	<u>430,125</u>	<u>679,796</u>	<u>249,671</u>	<u>689,229</u>

FINES AND FORFEITURES

Fines and forfeited bail	327,336	327,336	121,829	(205,507)	443,414
Other	500	500	350	(150)	1,200
	<u>327,836</u>	<u>327,836</u>	<u>122,179</u>	<u>(205,657)</u>	<u>444,614</u>

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Sale of scrap and excess materials	5,000	5,000	-	(5,000)	160
Minor sales	20,000	20,000	25,380	5,380	36,257
	<u>25,000</u>	<u>25,000</u>	<u>25,380</u>	<u>380</u>	<u>36,417</u>

STATE AID

Per capita	73,000	-	-	-	-
Mortgage tax	189,486	189,486	370,273	180,787	268,881
Public safety	-	-	-	-	500
Other	-	-	12,099	12,099	14,706
	<u>262,486</u>	<u>189,486</u>	<u>382,372</u>	<u>192,886</u>	<u>284,087</u>

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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, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
FEDERAL AID					
Law enforcement block grant	\$ -	\$ -	\$ -	\$ -	\$ 2,556
Emergency disaster assistance	-	-	10,067	10,067	-
	-	-	10,067	10,067	2,556
MISCELLANEOUS					
Refund of prior year's expenditures	30,000	30,000	-	(30,000)	-
AIM related payments	-	73,000	72,949	(51)	72,949
Other	10,000	10,000	22,359	12,359	5,338
	40,000	113,000	95,308	(17,692)	78,287
TOTAL REVENUES	18,823,725	18,823,725	18,978,245	154,520	19,260,712
OTHER FINANCING SOURCES					
Insurance recoveries	55,000	55,000	105,295	50,295	66,784
Transfers in					
Water Fund	120,000	120,000	120,000	-	120,000
Capital Projects Fund	-	-	217,114	217,114	50,538
Public Library Fund	1,500	1,500	-	(1,500)	-
Special Purpose Fund	7,500	7,500	-	(7,500)	-
TOTAL OTHER FINANCING SOURCES	184,000	184,000	442,409	258,409	237,322
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 19,007,725	\$ 19,007,725	\$ 19,420,654	\$ 412,929	\$ 19,498,034

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, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 5,700	\$ 5,700	\$ 2,625	\$ 3,075	\$ 2,683
Justice	256,237	242,133	235,072	7,061	243,909
Supervisor	80,800	108,218	108,217	1	113,685
Treasurer	189,060	197,030	191,732	5,298	210,112
Budget	19,063	19,638	16,888	2,750	14,429
Purchasing	2,350	2,350	1,922	428	1,182
Assessor	46,265	32,765	31,418	1,347	36,418
Clerk	111,305	93,466	92,716	750	85,853
Law	122,500	117,300	117,094	206	127,969
Personnel	104,414	126,087	126,084	3	199,329
Engineer	63,900	54,924	53,023	1,901	36,364
Elections	6,700	6,700	1,841	4,859	1,521
Buildings	190,519	186,383	172,659	13,724	209,234
Village Center	1,200	1,378	1,378	-	3,004
Central garage	313,483	300,620	299,708	912	279,669
Central communications system	48,150	49,765	49,765	-	45,563
Central printing and mailing	35,500	24,311	19,317	4,994	20,892
Central data processing	169,000	117,120	98,026	19,094	143,868
Unallocated insurance	260,000	259,034	259,033	1	235,676
Municipal association dues	3,500	3,003	2,930	73	2,930
Judgments and claims	10,000	10,000	6,442	3,558	569
Taxes and assessments on Village property	50,000	28,784	28,784	-	141,885
Refunds of real property taxes	150,000	172,679	172,679	-	118,702
Metropolitan commuter transportation mobility tax	16,091	17,738	17,737	1	17,104
Contingency	322,388	-	-	-	-
	<u>2,578,125</u>	<u>2,177,126</u>	<u>2,107,090</u>	<u>70,036</u>	<u>2,292,550</u>

PUBLIC SAFETY

Police	3,715,697	3,843,972	3,833,817	10,155	3,760,348
Traffic control	18,575	18,575	15,560	3,015	12,064
Fire department	2,385,022	2,531,342	2,530,889	453	2,515,348
Control of dogs	15,600	15,600	14,346	1,254	14,234
Safety inspection	252,397	240,001	235,834	4,167	214,326

	<u>6,387,291</u>	<u>6,649,490</u>	<u>6,630,446</u>	<u>19,044</u>	<u>6,516,320</u>
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HEALTH

Community Counseling Center	58,000	53,000	53,000	-	53,000
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TRANSPORTATION

Street administration	135,436	135,436	129,460	5,976	122,643
Street maintenance	465,552	408,196	392,981	15,215	491,085
Snow removal	89,500	104,701	96,034	8,667	30,802
Street lighting	198,553	236,026	222,463	13,563	211,922
Sidewalk maintenance	-	6,001	6,000	1	3
Off-street parking	88,530	88,530	76,375	12,155	72,770

	<u>977,571</u>	<u>978,890</u>	<u>923,313</u>	<u>55,577</u>	<u>929,225</u>
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CULTURE AND RECREATION

Parks	351,054	336,065	335,561	504	285,973
Playgrounds and recreation	134,617	134,617	122,193	12,424	97,736
Band concerts	5,500	5,500	1,000	4,500	3,279
Celebrations	2,500	2,500	819	1,681	5,952
Youth programs	120,480	693	192	501	113,337
Exhibits and reception	2,500	2,500	2,500	-	2,500

	<u>616,651</u>	<u>481,875</u>	<u>462,265</u>	<u>19,610</u>	<u>508,777</u>
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HOME AND COMMUNITY SERVICES

Zoning	4,000	4,000	1,907	2,093	2,254
Board of Architectural Review	2,700	2,700	608	2,092	2,324
Planning	10,000	22,365	22,365	-	20,891
Sanitary sewers	-	8,445	8,444	1	2,135
Storm sewers	10,600	10,600	3,906	6,694	6,497
Refuse and garbage	1,423,197	1,439,067	1,439,067	-	1,756,270
Community beautification	58,000	90,075	90,072	3	54,626
Street cleaning	92,260	92,835	88,120	4,715	84,890
Shade trees	36,200	36,200	24,705	11,495	11,598
Emergency tenant protection fees	2,000	2,000	-	2,000	3,840
COVID 19 contractual	-	4,960	4,960	-	5,429

	<u>1,638,957</u>	<u>1,713,247</u>	<u>1,684,154</u>	<u>29,093</u>	<u>1,950,754</u>
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(Continued)

Village of Larchmont, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended May 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 466,917	\$ 433,701	\$ 313,298	\$ 120,403	\$ 325,669
State retirement - Police and fire	1,283,533	1,337,888	1,337,888	-	1,203,022
Social security	630,000	630,000	591,268	38,732	545,086
Workers' compensation benefits	380,000	380,000	134,997	245,003	454,529
Life insurance	1,700	1,642	1,191	451	528
Unemployment benefits	5,000	6,338	6,337	1	10,665
Hospital, medical and dental insurance	2,139,562	2,136,635	1,893,750	242,885	1,892,661
	<u>4,906,712</u>	<u>4,926,204</u>	<u>4,278,729</u>	<u>647,475</u>	<u>4,432,160</u>
DEBT SERVICE					
Principal					
Serial bonds	454,031	454,031	454,031	-	448,214
Interest					
Serial bonds	127,532	127,532	127,300	232	139,362
Bond anticipation notes	-	1,942	1,942	-	11,062
	<u>127,532</u>	<u>129,474</u>	<u>129,242</u>	<u>232</u>	<u>150,424</u>
TOTAL EXPENDITURES	<u>17,744,870</u>	<u>17,563,337</u>	<u>16,722,270</u>	<u>841,067</u>	<u>17,281,424</u>
OTHER FINANCING USES					
Transfers out					
Water Fund	2,000	2,000	2,000	-	2,000
Capital Projects Fund	300,000	481,533	481,533	-	746,576
Public Library Fund	960,855	960,855	960,855	-	943,032
TOTAL OTHER FINANCING USES	<u>1,262,855</u>	<u>1,444,388</u>	<u>1,444,388</u>	<u>-</u>	<u>1,691,608</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 19,007,725</u>	<u>\$ 19,007,725</u>	<u>\$ 18,166,658</u>	<u>\$ 841,067</u>	<u>\$ 18,973,032</u>

Village of Larchmont, New York

Water Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 1,917,081	\$ 1,506,855
Receivables		
Accounts	8,363	-
Water rents	621,969	603,992
	<u>630,332</u>	<u>603,992</u>
Prepaid expenditures	<u>7,430</u>	<u>1,012</u>
Total Assets	<u>\$ 2,554,843</u>	<u>\$ 2,111,859</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 148,488	\$ 112,994
Accrued liabilities	13,420	34,441
Due to other funds	1,803,476	1,749,881
Due to retirement systems	12,396	9,018
Unearned revenues	1,267	1,267
Total Liabilities	<u>1,979,047</u>	<u>1,907,601</u>
Fund balance		
Nonspendable	7,430	1,012
Restricted	13,005	13,005
Assigned	555,361	190,241
Total Fund Balance	<u>575,796</u>	<u>204,258</u>
Total Liabilities and Fund Balance	<u>\$ 2,554,843</u>	<u>\$ 2,111,859</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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 2,729,365	\$ 2,729,365	\$ 2,950,329	\$ 220,964
Use of money and property	2,266	2,266	132	(2,134)
Miscellaneous	-	-	-	-
Total Revenues	2,731,631	2,731,631	2,950,461	218,830
EXPENDITURES				
Current				
General government support	79,575	80,054	52,128	27,926
Home and community services	1,809,341	1,856,087	1,838,485	17,602
Employee benefits	272,142	224,917	201,757	23,160
Debt service				
Principal	265,969	265,969	265,969	-
Interest	72,604	72,604	72,584	20
Total Expenditures	2,499,631	2,499,631	2,430,923	68,708
Excess of Revenues Over Expenditures	232,000	232,000	519,538	287,538
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	2,000	-
Transfers out	(150,000)	(150,000)	(150,000)	-
Total Other Financing Uses	(148,000)	(148,000)	(148,000)	-
Net Change in Fund Balance	84,000	84,000	371,538	287,538
FUND BALANCE				
Beginning of Year	(84,000)	(84,000)	204,258	288,258
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,796</u>	<u>\$ 575,796</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,856,250	\$ 2,856,250	\$ 2,672,218	\$ (184,032)
2,266	2,266	2,081	(185)
-	-	553	553
<u>2,858,516</u>	<u>2,858,516</u>	<u>2,674,852</u>	<u>(183,664)</u>
51,775	51,775	51,079	696
1,942,209	1,942,209	1,556,101	386,108
307,018	307,018	256,316	50,702
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>217,000</u>	<u>217,000</u>	<u>470,842</u>	<u>253,842</u>
2,000	2,000	15,005	13,005
<u>(135,000)</u>	<u>(135,000)</u>	<u>(410,692)</u>	<u>(275,692)</u>
<u>(133,000)</u>	<u>(133,000)</u>	<u>(395,687)</u>	<u>(262,687)</u>
84,000	84,000	75,155	(8,845)
<u>(84,000)</u>	<u>(84,000)</u>	<u>129,103</u>	<u>213,103</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,258</u>	<u>\$ 204,258</u>

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Village of Larchmont, New York

Public Library Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 967,960	\$ 1,703,605
Accounts receivable	-	5,750
Prepaid expenditures	<u>38,138</u>	<u>9,919</u>
Total Assets	<u><u>\$ 1,006,098</u></u>	<u><u>\$ 1,719,274</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 27,948	\$ 26,851
Accrued liabilities	37,141	25,538
Due to other funds	448,774	1,211,150
Due to retirement systems	26,698	21,800
Unearned revenues	<u>30,375</u>	<u>-</u>
Total Liabilities	<u>570,936</u>	<u>1,285,339</u>
Fund balance		
Nonspendable	38,138	9,919
Assigned	<u>397,024</u>	<u>424,016</u>
Total Fund Balance	<u>435,162</u>	<u>433,935</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,006,098</u></u>	<u><u>\$ 1,719,274</u></u>

See independent auditors' report.

Village of Larchmont, New York

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

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 1,346,892	\$ 1,346,892	\$ 1,327,110	\$ (19,782)
Use of money and property	500	500	114	(386)
Sale of property and compensation for loss	5,000	5,000	1,537	(3,463)
State aid	5,175	5,175	5,048	(127)
Miscellaneous	31,500	31,500	19,495	(12,005)
Total Revenues	<u>1,389,067</u>	<u>1,389,067</u>	<u>1,353,304</u>	<u>(35,763)</u>
EXPENDITURES				
Current				
General government support	29,750	24,750	23,886	864
Culture and recreation	1,705,850	1,688,229	1,594,126	94,103
Employee benefits	604,322	565,953	565,952	1
Total Expenditures	<u>2,339,922</u>	<u>2,278,932</u>	<u>2,183,964</u>	<u>94,968</u>
Deficiency of Revenues Over Expenditures	<u>(950,855)</u>	<u>(889,865)</u>	<u>(830,660)</u>	<u>59,205</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	960,855	960,855	1,130,587	169,732
Transfers out	(50,000)	(298,700)	(298,700)	-
Total Other Financing Sources	<u>910,855</u>	<u>662,155</u>	<u>831,887</u>	<u>169,732</u>
Net Change in Fund Balance	<u>(40,000)</u>	<u>(227,710)</u>	<u>1,227</u>	<u>228,937</u>
FUND BALANCE				
Beginning of Year	<u>40,000</u>	<u>227,710</u>	<u>433,935</u>	<u>206,225</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 435,162</u>	<u>\$ 435,162</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 1,342,279	\$ 1,342,279	\$ 1,319,029	\$ (23,250)
400	400	1,717	1,317
5,000	5,000	2,933	(2,067)
5,125	5,125	5,181	56
30,500	30,500	27,675	(2,825)
1,383,304	1,383,304	1,356,535	(26,769)
32,000	32,000	24,524	7,476
1,678,150	1,678,150	1,634,915	43,235
606,186	606,186	546,970	59,216
2,316,336	2,316,336	2,206,409	109,927
(933,032)	(933,032)	(849,874)	83,158
943,032	943,032	943,032	-
(50,000)	(50,000)	(50,000)	-
893,032	893,032	893,032	-
(40,000)	(40,000)	43,158	83,158
40,000	40,000	390,777	350,777
\$ -	\$ -	\$ 433,935	\$ 433,935

Village of Larchmont, New York

Public Library Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended May 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
DEPARTMENTAL INCOME					
Library charges	\$ 20,000	\$ 20,000	\$ 218	\$ (19,782)	\$ 16,750
Services to other governments	1,326,892	1,326,892	1,326,892	-	1,302,279
	<u>1,346,892</u>	<u>1,346,892</u>	<u>1,327,110</u>	<u>(19,782)</u>	<u>1,319,029</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	500	500	114	(386)	1,717
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Minor sales	2,500	2,500	301	(2,199)	1,478
Sale of materials and supplies	2,500	2,500	216	(2,284)	1,455
Insurance recoveries	-	-	1,020	1,020	-
	<u>5,000</u>	<u>5,000</u>	<u>1,537</u>	<u>(3,463)</u>	<u>2,933</u>
STATE AID					
Library aid	5,175	5,175	5,048	(127)	5,181
MISCELLANEOUS					
Gifts and donations	7,500	7,500	11,295	3,795	8,560
Other	24,000	24,000	8,200	(15,800)	19,115
	<u>31,500</u>	<u>31,500</u>	<u>19,495</u>	<u>(12,005)</u>	<u>27,675</u>
TOTAL REVENUES	<u>1,389,067</u>	<u>1,389,067</u>	<u>1,353,304</u>	<u>(35,763)</u>	<u>1,356,535</u>

OTHER FINANCING SOURCES

Transfers in

General Fund

Capital Projects Fund

960,855	960,855	960,855	-	943,032
<u>-</u>	<u>-</u>	<u>169,732</u>	<u>169,732</u>	<u>-</u>

TOTAL OTHER FINANCING SOURCES

<u>960,855</u>	<u>960,855</u>	<u>1,130,587</u>	<u>169,732</u>	<u>943,032</u>
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TOTAL REVENUES AND**OTHER FINANCING SOURCES**

<u>\$ 2,349,922</u>	<u>\$ 2,349,922</u>	<u>\$ 2,483,891</u>	<u>\$ 133,969</u>	<u>\$ 2,299,567</u>
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Village of Larchmont, New York

Public Library Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget
 Year Ended May 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Unallocated insurance	\$ 18,500	\$ 18,500	\$ 18,258	\$ 242	\$ 18,129
Taxes and assessments on Village property	6,250	6,250	5,628	622	6,395
Contingency	5,000	-	-	-	-
	<u>29,750</u>	<u>24,750</u>	<u>23,886</u>	<u>864</u>	<u>24,524</u>
CULTURE AND RECREATION					
Library operations	<u>1,705,850</u>	<u>1,688,229</u>	<u>1,594,126</u>	<u>94,103</u>	<u>1,634,915</u>
EMPLOYEE BENEFITS					
State retirement	167,800	149,738	149,738	-	144,756
Social security	95,892	87,280	87,279	1	91,209
Workers' compensation benefits	8,030	6,587	6,587	-	7,542
Disability insurance	1,000	1,879	1,879	-	1,400
Hospital, medical and dental insurance	<u>331,600</u>	<u>320,469</u>	<u>320,469</u>	<u>-</u>	<u>302,063</u>
	<u>604,322</u>	<u>565,953</u>	<u>565,952</u>	<u>1</u>	<u>546,970</u>
TOTAL EXPENDITURES	<u>2,339,922</u>	<u>2,278,932</u>	<u>2,183,964</u>	<u>94,968</u>	<u>2,206,409</u>
OTHER FINANCING USES					
Transfers out					
Capital Projects Fund	<u>50,000</u>	<u>298,700</u>	<u>298,700</u>	<u>-</u>	<u>50,000</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u><u>\$ 2,389,922</u></u>	<u><u>\$ 2,577,632</u></u>	<u><u>\$ 2,482,664</u></u>	<u><u>\$ 94,968</u></u>	<u><u>\$ 2,256,409</u></u>

See independent auditors' report.

Village of Larchmont, New York

Capital Projects Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 1,953,101	\$ 1,541,450
Receivables		
Accounts	225,000	-
State and Federal aid	<u>-</u>	<u>245,037</u>
	<u>225,000</u>	<u>245,037</u>
 Total Assets	 <u>\$ 2,178,101</u>	 <u>\$ 1,786,487</u>
 LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 736,474	\$ 414,834
Due to other funds	309,412	931,466
Bond anticipation notes payable	<u>2,102,300</u>	<u>652,300</u>
 Total Liabilities	 <u>3,148,186</u>	 <u>1,998,600</u>
 Fund deficit		
Unassigned	<u>(970,085)</u>	<u>(212,113)</u>
 Total Liabilities and Fund Deficit	 <u>\$ 2,178,101</u>	 <u>\$ 1,786,487</u>

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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,

	<u>2021</u>	<u>2020</u>
REVENUES		
State aid	\$ 469,939	\$ 371,568
Miscellaneous	<u>464,993</u>	<u>517,717</u>
Total Revenues	934,932	889,285
EXPENDITURES		
Capital outlay	<u>2,199,291</u>	<u>2,004,438</u>
Deficiency of Revenues Over Expenditures	<u>(1,264,359)</u>	<u>(1,115,153)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	953,233	1,187,268
Transfers out	<u>(446,846)</u>	<u>(308,043)</u>
Total Other Financing Sources	<u>506,387</u>	<u>879,225</u>
Net Change in Fund Balance	(757,972)	(235,928)
FUND BALANCE (DEFICIT)		
Beginning of Year	<u>(212,113)</u>	<u>23,815</u>
End of Year	<u><u>\$ (970,085)</u></u>	<u><u>\$ (212,113)</u></u>

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Village of Larchmont, New YorkCapital Projects Fund
Project-Length Schedule
Inception of Project Through May 31, 2021

<u>PROJECT</u>	<u>Authorization</u>	<u>Expenditures and Transfers</u>	<u>Unexpended Balance</u>
Technology Budget	\$ 1,012,481	\$ 885,065	\$ 127,416
Library Maintenance Program	1,418,761	1,357,923	60,838
Village Hall Maintenance and Improvement	154,134	44,789	109,345
LPL Transformation Project	2,414,051	2,182,273	231,778
Road Resurfacing and Curbing	1,570,395	1,410,515	159,880
Sidewalks 60/40 2021 and Prior	290,527	177,192	113,335
Sanitation Sewer Evaluation Study	1,865,000	1,854,524	10,476
Police Cruisers	170,579	123,863	46,716
DPW Vehicles and Equipment	341,000	333,298	7,702
Sanitation Vehicle	175,000	152,087	22,913
Police Office HVAC 2018-2019	13,000	-	13,000
Central Garage Repairs 2018-19	13,000	-	13,000
Central Garage -Roof & Gutter Repairs 19-20 and 20-21	30,000	-	30,000
Gas Heaters 19-20	4,000	-	4,000
Downtown Streetscape Materials 19-20	10,000	-	10,000
LED Street Lights 19-20	75,000	7,068	67,932
Highway Equipment Vehicle 19-20	50,000	39,205	10,795
Parking Improvements and Multi-Space Meters	645,000	464,043	180,957
LED Street Lights 20-21	75,000	-	75,000
Library HVAC and Roof 20-21	941,000	822,276	118,724
Storm Sewer Drainage -Trouble Locations 20-21	30,000	1,347	-
Sweeper 20-21	225,000	-	-
Parking Improvements Centro/North Street 20-21	<u>530,000</u>	<u>-</u>	<u>530,000</u>
Totals	<u>\$ 12,052,928</u>	<u>\$ 9,855,468</u>	<u>\$ 1,943,807</u>

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Total Revenues	Fund Balance (Deficits) at May 31, 2021	Bond Anticipation Notes Outstanding at May 31, 2021
\$ 1,012,481	\$ 127,416	\$ -
1,292,436	(65,487)	-
154,134	109,345	-
2,414,054	231,781	-
1,570,395	159,880	-
290,527	113,335	-
834,939	(1,019,585)	1,000,000
170,579	46,716	-
124,600	(208,698)	216,400
66,187	(85,900)	85,900
13,000	13,000	-
13,000	13,000	-
30,000	30,000	-
4,000	4,000	-
10,000	10,000	-
75,000	67,932	-
50,000	10,795	-
-	(464,043)	625,000
75,000	75,000	-
425,051	(397,225)	-
35,000	33,653	-
-	-	175,000
<u>225,000</u>	<u>225,000</u>	<u>-</u>
<u>\$ 8,885,383</u>	<u>\$ (970,085)</u>	<u>\$ 2,102,300</u>

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Village of Larchmont, New York

Combining Balance Sheet
 Non-Major Governmental Funds
 May 31, 2021
 (With Comparative Totals for 2020)

	Special Purpose Fund	Sewer Fund	Total Non-Major Governmental Funds	
			2021	2020
ASSETS				
Cash and equivalents	\$ 249,418	\$ 497,602	\$ 747,020	\$ 243,146
Receivables				
Sewer rents	-	57,451	57,451	53,447
Due from other funds	292,741	32,899	325,640	647,448
	292,741	90,350	383,091	700,895
Total Assets	\$ 542,159	\$ 587,952	\$ 1,130,111	\$ 944,041
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 2,628
Fund balances				
Restricted	542,159	-	542,159	495,146
Assigned	-	587,952	587,952	446,267
Total Fund Balances	542,159	587,952	1,130,111	941,413
Total Liabilities and Fund Balances	\$ 542,159	\$ 587,952	\$ 1,130,111	\$ 944,041

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, 2021
(With Comparative Totals for 2020)

	Special Purpose Fund	Sewer Fund
REVENUES		
Departmental income	\$ -	\$ 257,467
Use of money and property	13	-
Miscellaneous	30,000	-
	<hr/>	<hr/>
Total Revenues	30,013	257,467
	<hr/>	<hr/>
EXPENDITURES		
Current		
Culture and recreation	-	-
Home and community services	-	9,962
Debt service		
Interest	-	5,820
	<hr/>	<hr/>
Total Expenditures	-	15,782
	<hr/>	<hr/>
Excess of Revenues Over Expenditures	30,013	241,685
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers in	60,000	-
Transfers out	(43,000)	(100,000)
	<hr/>	<hr/>
Total Other Financing Sources (Uses)	17,000	(100,000)
	<hr/>	<hr/>
Net Change in Fund Balances	47,013	141,685
	<hr/>	<hr/>
FUND BALANCES		
Beginning of Year	495,146	446,267
	<hr/>	<hr/>
End of Year	\$ 542,159	\$ 587,952
	<hr/> <hr/>	<hr/> <hr/>

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Total Non-Major Governmental Funds	
2021	2020
\$ 257,467	\$ 227,516
13	168
30,000	35,039
<u>287,480</u>	<u>262,723</u>
-	1,299
9,962	20,339
<u>5,820</u>	<u>11,528</u>
<u>15,782</u>	<u>33,166</u>
<u>271,698</u>	<u>229,557</u>
60,000	244,500
<u>(143,000)</u>	<u>(100,000)</u>
<u>(83,000)</u>	<u>144,500</u>
188,698	374,057
<u>941,413</u>	<u>567,356</u>
<u>\$ 1,130,111</u>	<u>\$ 941,413</u>

Village of Larchmont, New York

Special Purpose Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 249,418	\$ 243,146
Due from other funds	<u>292,741</u>	<u>252,000</u>
Total Assets	<u>\$ 542,159</u>	<u>\$ 495,146</u>
FUND BALANCE		
Restricted	<u>\$ 542,159</u>	<u>\$ 495,146</u>

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

	<u>2021</u>	<u>2020</u>
REVENUES		
Use of money and property	\$ 13	\$ 168
Miscellaneous	<u>30,000</u>	<u>35,039</u>
Total Revenues	30,013	35,207
EXPENDITURES		
Current		
Culture and recreation	<u>-</u>	<u>1,299</u>
Excess of Revenues Over Expenditures	<u>30,013</u>	<u>33,908</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	60,000	244,500
Transfers out	<u>(43,000)</u>	<u>-</u>
Total Other Financing Sources	<u>17,000</u>	<u>244,500</u>
Net Change in Fund Balance	47,013	278,408
FUND BALANCE		
Beginning of Year	<u>495,146</u>	<u>216,738</u>
End of Year	<u>\$ 542,159</u>	<u>\$ 495,146</u>

See independent auditors' report.

Village of Larchmont, New York

Sewer Fund
Comparative Balance Sheet
May 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 497,602	\$ -
Sewer rents receivable	57,451	53,447
Due from other funds	<u>32,899</u>	<u>395,448</u>
 Total Assets	 <u>\$ 587,952</u>	 <u>\$ 448,895</u>
 LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ -	\$ 2,628
 Fund balance		
Assigned	 <u>587,952</u>	 <u>446,267</u>
 Total Liabilities and Fund Balance	 <u>\$ 587,952</u>	 <u>\$ 448,895</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>2021</u>	<u>2020</u>
REVENUES		
Departmental income	<u>\$ 257,467</u>	<u>\$ 227,516</u>
EXPENDITURES		
Current		
Home and community services	9,962	20,339
Debt Service		
Interest	<u>5,820</u>	<u>11,528</u>
Total Expenditures	<u>15,782</u>	<u>31,867</u>
Excess of Revenues Over Expenditures	241,685	195,649
OTHER FINANCING USES		
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>
Net Change in Fund Balance	141,685	95,649
FUND BALANCE		
Beginning of Year	<u>446,267</u>	<u>350,618</u>
End of Year	<u><u>\$ 587,952</u></u>	<u><u>\$ 446,267</u></u>

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