

Town of Pelham, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2021

Town of Pelham, New York

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements	
Balance Sheet - General Fund	6
Reconciliation of General Fund Balance Sheet to the Government- Wide Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund	8
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of General Fund to the Statement of Activities	9
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	10
Fiduciary Fund	
Statement of Fiduciary Net Position	11
Statement of Changes in Fiduciary Net Position	12
Notes to Financial Statements	13
Required Supplementary Information	
Other Postemployment Benefits	
Schedule of Change in the Town's and Library's (component unit) Total OPEB Liability and Related Ratios	35
New York State and Local Employees' Retirement System	
Schedule of the Town's Proportionate Share of the Net Pension Liability	36
Schedule of Contributions	37
Individual Fund Financial Statements and Schedules	
Major Governmental Fund	
Comparative Balance Sheet – General Fund	38
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	39
Schedule of Revenues Compared to Budget	41
Schedule of Expenditures and Other Financing Uses Compared to Budget	43

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Independent Auditors' Report

**The Honorable Supervisor and Town Board
of the Town of Pelham, New York**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund and the remaining fund information of the Town of Pelham, New York ("Town"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, and each major fund of the Town, as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit for the year ended December 31, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The individual fund financial statements and schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 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 for the year ended December 31, 2021 themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 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 Town as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated July 23, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 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 information was subjected to the audit 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 the auditing standards generally accepted in the United States of America. In our opinion, the 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 December 31, 2020.

PKF O'Connor Davies, LLP
PKF O'Connor Davies, LLP
Harrison, New York
July 6, 2022

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Town of Pelham, New York

Statement of Net Position
December 31, 2021

	Governmental Activities	Component Unit Town of Pelham Public Library
ASSETS		
Cash and equivalents	\$ 1,623,289	\$ 151,989
Restricted cash	-	55,377
Receivables		
Taxes, net	478,840	-
Accounts	7,357	-
Due from other governments	53,901	-
Prepaid expenses	30,137	
Capital assets		
Not being depreciated	54,600	300,000
Being depreciated, net	582,673	366,466
Total Assets	<u>2,830,797</u>	<u>873,832</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	674,946	244,279
OPEB related	554,643	77,003
Total Deferred Outflows of Resources	<u>1,229,589</u>	<u>321,282</u>
LIABILITIES		
Accounts payable	206,584	-
Due to other governments	-	3,474
Due to retirement system	147,549	-
Non-current liabilities		
Due in more than one year	3,139,663	436,416
Total Liabilities	<u>3,493,796</u>	<u>439,890</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	681,276	248,565
OPEB related	852,593	118,369
Total Deferred Inflows of Resources	<u>1,533,869</u>	<u>366,934</u>
NET POSITION		
Investment in capital assets	637,273	666,466
Restricted for		
Capital project	-	6,384
Trusts	-	48,993
Unrestricted	(1,604,552)	(333,553)
Total Net Position	<u>\$ (967,279)</u>	<u>\$ 388,290</u>

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

Town of Pelham, New York

Statement of Activities
Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Component Unit Town of Pelham Public Library
Governmental activities					
General government support	\$ 2,038,381	\$ 613,352	\$ -	\$ (1,425,029)	\$ -
Public safety	71,814	113,121	7,366	48,673	-
Health	313,788	-	85,295	(228,493)	-
Culture and recreation	1,083,562	1,001,032	-	(82,530)	-
Total Governmental Activities	<u>\$ 3,507,545</u>	<u>\$ 1,727,505</u>	<u>\$ 92,661</u>	<u>(1,687,379)</u>	<u>-</u>
Component Unit					
Town of Pelham Public Library	<u>\$ 811,816</u>	<u>\$ 6,929</u>	<u>\$ 84,004</u>	<u>-</u>	<u>(720,883)</u>
General revenues					
Real property taxes				1,814,424	-
Other tax items				138,103	-
Unrestricted use of money and property				5,341	-
Sale of property and compensation for loss				100,460	-
Unrestricted State aid				799,976	-
Miscellaneous				6,782	-
Transfers				(647,113)	647,113
Total General Revenues				<u>2,217,973</u>	<u>647,113</u>
Change in Net Position				530,594	(73,770)
NET POSITION					
Beginning				<u>(1,497,873)</u>	<u>462,060</u>
Ending				<u>\$ (967,279)</u>	<u>\$ 388,290</u>

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

Town of Pelham, New York

Balance Sheet
General Fund
December 31, 2021

ASSETS

Cash and equivalents	\$ 1,623,289
Taxes receivable, net	<u>478,840</u>
Other receivables	
Accounts	7,357
Due from other governments	<u>53,901</u>
	<u>61,258</u>
Prepaid expenses	<u>30,137</u>
Total Assets	<u><u>\$ 2,193,524</u></u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES
AND FUND BALANCE**

Liabilities	
Accounts payable	\$ 206,584
Due to retirement system	<u>147,549</u>
Total Liabilities	354,133
Deferred inflows of resources	
Deferred tax revenues	<u>458,676</u>
Total Liabilities and Deferred Inflows of Resources	<u>812,809</u>
Fund balance	
Nonspendable	30,137
Assigned	425,000
Unassigned	<u>925,578</u>
Total Fund Balance	<u>1,380,715</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u><u>\$ 2,193,524</u></u>

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

Town of Pelham, New York

Reconciliation of General Fund Balance Sheet to the Government-Wide Statement of Net Position December 31, 2021

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

Fund Balances - Total General Fund	\$ 1,380,715
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	54,600
Capital assets - depreciable	2,381,236
Accumulated depreciation	<u>(1,798,563)</u>
	<u>637,273</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	674,946
Deferred outflows - OPEB related	554,643
Deferred inflows - pension related	(681,276)
Deferred inflows - OPEB related	<u>(852,593)</u>
	<u>(304,280)</u>
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	
Real property taxes	<u>458,676</u>
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Net pension liability	(2,326)
Total OPEB liability	<u>(3,137,337)</u>
	<u>(3,139,663)</u>
Net Position of Governmental Activities	<u><u>\$ (967,279)</u></u>

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

Town of Pelham, New York

Statement of Revenues, Expenditures and
Changes in Fund Balance
General Fund
Year Ended December 31, 2021

REVENUES

Real property taxes	\$ 1,624,414
Other tax items	138,103
Departmental income	1,649,218
Use of money and property	83,628
Sale of property and compensation for loss	100,460
State aid	892,637
Miscellaneous	<u>6,782</u>
Total Revenues	<u>4,495,242</u>

EXPENDITURES

Current	
General government support	1,669,116
Public safety	55,349
Health	300,355
Culture and recreation	978,519
Employee benefits	<u>331,848</u>
Total Expenditures	<u>3,335,187</u>
Excess of Revenues Over Expenditures	1,160,055

OTHER FINANCING USES

Transfers out	<u>(647,113)</u>
Net Change in Fund Balance	512,942

FUND BALANCE

Beginning of Year	<u>867,773</u>
End of Year	<u>\$ 1,380,715</u>

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

Town of Pelham, New York

Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of General Fund
to the Statement of Activities
Year Ended December 31, 2021

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

Net Change in Fund Balances - Total Governmental Funds	\$ 512,942
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	33,550
Depreciation expense	<u>(79,778)</u>
	<u>(46,228)</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>190,010</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.	
Changes in pension liabilities and related deferred outflows and inflows of resources	39,808
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>(165,938)</u>
	<u>(126,130)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 530,594</u></u>

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

Town of Pelham, New York

General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 1,656,536	\$ 1,656,536	\$ 1,624,414	\$ (32,122)
Other tax items	90,000	90,000	138,103	48,103
Departmental income	1,440,000	1,440,000	1,649,218	209,218
Use of money and property	88,350	88,350	83,628	(4,722)
Sale of property and compensation for loss	74,000	74,000	100,460	26,460
State aid	522,143	522,143	892,637	370,494
Miscellaneous	64,410	64,410	6,782	(57,628)
Total Revenues	3,935,439	3,935,439	4,495,242	559,803
EXPENDITURES				
Current				
General government support	1,833,343	1,833,343	1,669,116	164,227
Public safety	73,319	73,319	55,349	17,970
Health	254,037	254,037	300,355	(46,318)
Culture and recreation	1,056,857	1,056,857	978,519	78,338
Employee benefits	470,883	470,883	331,848	139,035
Total Expenditures	3,688,439	3,688,439	3,335,187	353,252
Excess of Revenues Over Expenditures	247,000	247,000	1,160,055	913,055
OTHER FINANCING USES				
Transfers out	(667,000)	(667,000)	(647,113)	19,887
Net Change in Fund Balance	(420,000)	(420,000)	512,942	932,942
FUND BALANCE				
Beginning of Year	420,000	420,000	867,773	447,773
End of Year	\$ -	\$ -	\$ 1,380,715	\$ 1,380,715

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

Town of Pelham New York

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2021

	<u>Custodial Fund</u>
ASSETS	
Cash and equivalents	\$ 1,316,832
Real property taxes receivable for other governments	<u>30,411,064</u>
Total Assets	<u><u>\$ 31,727,896</u></u>
LIABILITIES	
Due to other governments	<u><u>\$ 31,727,896</u></u>

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

Town of Pelham New York

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
Year Ended December 31, 2021

	<u>Custodial Fund</u>
ADDITIONS	
Real property taxes collected for other governments	\$ 78,826,582
DEDUCTIONS	
Payments of real property taxes to other governments	<u>78,826,582</u>
Net Change in Fiduciary Net Position	-
NET POSITION	
Beginning of Year	<u>-</u>
End of Year	<u><u>\$ -</u></u>

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

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Note 1 - Summary of Significant Accounting Policies

The Town of Pelham, New York (“Town”) was established in 1788 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as the chief executive officer and the Town Comptroller serves as the chief financial officer. The Town provides the following services to its residents: public safety, health, culture and recreation and general and administrative support.

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

A. Financial Reporting Entity

The financial reporting entity consists of a) the primary government, which is the Town, b) organizations for which the Town is financially accountable and c) other organizations for which the nature and significance of their relationship with the Town 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 Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town’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 component unit is included in the Town’s reporting entity because of their operational and financial relationship with the Town.

The Town of Pelham Public Library (“Library”) is a separate corporation chartered by the New York State Board of Regents of the State of New York. The Library and Town are linked, both having responsibilities and duties to each other. The Board of Trustees is the legislative body responsible for the overall operation of the Library and are elected for a term of five years by a majority of the elected representatives of the Town of Pelham Town Council. The Library budget is approved by the Town and the Town finances the budget through the Town General Fund. The financial statements of the Library have been included as a discretely presented component unit. Complete financial information for this component unit can be obtained from:

Library Director
Town of Pelham Public Library
530 Colonial Avenue
Pelham, New York 10803

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 Town as a whole and its component unit. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. The primary government is reported separately from the legally separate component unit.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Statement of Net Position presents the financial position of the Town and its component unit 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 or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town 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 are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Fund Financial Statements

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town 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. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Town'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 is the Town's major governmental fund:

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

- b. Fiduciary Funds (Not Included in Government-Wide Financial Statements) – The Fiduciary Funds are used to account for assets held by the Town on behalf of

Note 1 - Summary of Significant Accounting Policies (Continued)

others. The Custodial Fund is used to account for real property taxes collected for other governments.

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*, as are the Fiduciary funds. 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 *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 revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However net pension liability and other post employment benefit liability are recognized later based on specific accounting rules appropriate 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.

Component Unit

The component unit is presented on the basis of accounting that most accurately reflects its activities. The Library is accounted for using the economic resources measurement focus and the accrual basis of accounting.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Town's deposits and investment policies are governed by State statutes. The Town has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town 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 Town 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 Town follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The Town 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 Town does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Town'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 Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 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 Town does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Town's investment policy limits the amount on deposit at each of its banking institutions.

Restricted Cash - The Library's (component unit) cash includes amounts received from donors in previous years that may only be used for specific purposes. Accordingly, the cash balance of \$55,377 as of December 31, 2021 is presented as restricted cash on the balance sheet.

Taxes Receivable - Real property taxes attach as an enforceable lien and are levied on January 1st. The Town collects County, Town and special district taxes, which are due April 1st and payable without penalty to April 30th. School taxes for the period July 1st to June 30th are levied on July 1st and are due on September 1st, with the first half payable without penalty until September 30th and the second half due the following January 1st and payable without penalty until January 31st. Village Taxes for the Village of Pelham and the Village of Pelham Manor for the period June 1st to May 31st are levied on June 1st and are due in two installments.

The Town guarantees the full payment of the county, school district and village warrants and assumes the responsibility for uncollected taxes. The Town also has the responsibility for conducting tax lien sales and in rem foreclosure proceedings.

The Town functions in both a fiduciary and guarantor relationship with the County of Westchester, the various school districts and village located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and satisfy the balance of forty percent by October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligations regardless of the amounts collected. County and school district taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84, "*Fiduciary Activities*", and therefore have been accounted for within the Custodial Fund.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventorable 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 Town as assets with an initial, individual cost of more than \$10,000 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 donation.

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Town chose to include all such items regardless of their acquisition date or amount. The Town 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 is not depreciated. Property, plant, equipment and infrastructure of the Town 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 - 40
Infrastructure	20 - 40
Machinery and equipment	5 - 20

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

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.

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 Town reported deferred inflows of resources of \$458,676 for real property taxes not expected to be collected within the first sixty days of the subsequent fiscal year in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences - As the Town does not have a formal written policy regarding compensated absences there are no amounts accrued for unused sick or vacation time at year-end.

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

Other Postemployment Benefit Liability ("OPEB") - In addition to providing pension benefits, the Town 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".

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 deb are also included in this component of net position.

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

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 Balance - 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 Town 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).

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town 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 Town Board 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 Town Board.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or delegated to the Town Comptroller 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 funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive 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 Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. 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.

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

G. 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 July 6, 2022.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) Prior to budget workshop in mid October, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 13th.
- c) The Town Clerk shall present the tentative budget to the Town Board during the first November budget meeting.
- d) Once the tentative budget is approved by the Town Board, it becomes the preliminary budget. The Town Board then files the preliminary budget with the Town Clerk, where it is available for inspection. In addition, the Board shall cause to be published a notice specifying a time and place for a public hearing.
- e) At the public hearing, taxpayers may comment on the preliminary budget.
- f) Formal budgetary integration is employed during the year as a management control device for the General fund.
- g) Budgets for the General fund are legally adopted annually on a basis consistent with generally accepted accounting principles.
- h) The Town 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 Town Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- i) Appropriations in the General fund lapse at the end of the fiscal 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 Town Board. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

Note 2 - Stewardship, Compliance and Accountability (Continued)

B. Property Tax Limitation

Under New York State Town Law, the Town is not limited as to the maximum amount of real property taxes which may be raised. However, Chapter 97 of the New York State 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 Town 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 Department of Labor with the result expressed as a decimal to four places. The Town 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 Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

C. Excess of Actual Expenditures over Budget

The following categories of expenditures in the General Fund exceeded their budgetary provisions by the amounts indicated:

General Government Support	
Town Comptroller	\$ 34,130
Auditor	11,125
Records management	7,158
Unallocated insurance	15,254
Other	63,546
Health	
Guidance	52,072
Culture And Recreation	
Celebrations	213

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds

A. Capital Assets

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

	Balance January 1, 2021	Additions	Balance December 31, 2021
Capital assets, not being depreciated - Land	\$ 54,600	\$ -	\$ 54,600
Capital Assets, being depreciated - Buildings and improvements	\$ 2,258,105	\$ -	\$ 2,258,105
Machinery and equipment	89,581	33,550	123,131
Total Capital Assets, being depreciated	2,347,686	33,550	2,381,236
Less Accumulated Depreciation for - Buildings and improvements	1,629,204	71,354	1,700,558
Machinery and equipment	89,581	8,424	98,005
Total Accumulated Depreciation	1,718,785	79,778	1,798,563
Total Capital Assets, being depreciated, net	\$ 628,901	\$ (46,228)	\$ 582,673
Capital Assets, net	\$ 683,501	\$ (46,228)	\$ 637,273

Depreciation expense of \$79,778 was charged to general government support.

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Capital Assets – Component Unit

Changes in the Town of Pelham Public Library capital assets are as follows:

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Capital assets, not being depreciated -				
Land	\$ 300,000	\$ -	\$ -	\$ 300,000
Construction-in-progress	28,450	-	28,450	-
Total Capital Assets, not being depreciated	<u>\$ 328,450</u>	<u>\$ -</u>	<u>\$ 28,450</u>	<u>\$ 300,000</u>
Capital Assets, being depreciated -				
Buildings and improvements	\$ 1,502,765	\$ 81,300	\$ -	\$ 1,584,065
Less Accumulated Depreciation for -				
Buildings and improvements	1,162,337	55,262	-	1,217,599
Total Capital Assets, being depreciated, net	<u>\$ 340,428</u>	<u>\$ 26,038</u>	<u>\$ -</u>	<u>\$ 366,466</u>
Capital Assets, net	<u>\$ 668,878</u>	<u>\$ 26,038</u>	<u>\$ 28,450</u>	<u>\$ 666,466</u>

Depreciation expense of \$55,262 was charged to the Library's culture and recreation function.

B. Long-Term Liabilities

The following table summarizes changes in the Town's long-term liabilities for the year ended December 31, 2021:

	Balance January 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2021	Due Within One Year
Governmental Activities:					
Net Pension Liability	\$ 637,312	\$ -	\$ 634,986	\$ 2,326	\$ -
Other Post Employment Benefit Liability	3,730,817	(536,322)	57,158	3,137,337	-
Total Long-Term Liabilities	<u>\$ 4,368,129</u>	<u>\$ (536,322)</u>	<u>\$ 692,144</u>	<u>\$ 3,139,663</u>	<u>\$ -</u>
Component Unit:					
Net Pension Liability	\$ 214,075	\$ -	\$ 213,227	\$ 848	\$ -
Other Post Employment Benefit Liability	479,030	(39,276)	4,186	435,568	-
Total Long-Term Liabilities	<u>\$ 693,105</u>	<u>\$ (39,276)</u>	<u>\$ 217,413</u>	<u>\$ 436,416</u>	<u>\$ -</u>

Note 3 - Detailed Notes on All Funds (Continued)

The net pension liability and other postemployment benefit liabilities are liquidated by the Town's and Library's (component unit) General Fund.

Pension Plans

New York State and Local Employees' Retirement System

The Town participates in the New York State and Local Employees' Retirement System ("ERS"). This is a 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 Town 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	16.0 %
	4 A15	16.0
	5 A15	13.3
	6 A15	9.5

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At December 31, 2021, the Town and Library (component unit) reported liabilities as follows for their proportionate share of the net pension liability:

	<u>Governmental Activities</u>	<u>Component Unit</u>	<u>Total</u>
Measurement date	March 31, 2021	March 31, 2021	March 31, 2021
Net pension liability	\$ 2,326	\$ 848	\$ 3,174
Town's/Library proportion of the net pension liability	0.0023354 %	0.0008521 %	0.0031875 %
Change in proportion since the prior measurement date	(0.0000713) %	0.0000437 %	(0.0000276) %

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 Town's and Library's (component unit) proportion of the net pension liability were 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 December 31, 2021, the Town and Library (component unit) recognized their proportionate share of pension expense in the government-wide financial statements of \$106,537 and \$35,688 respectively. Pension expenditures of \$146,345 and \$50,659 respectively were recorded in the fund financial statements and were charged to the Town's and Library's General Funds.

At December 31, 2021, the Town and Library (component unit) reported their proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	ERS			
	<u>Governmental Activities</u>		<u>Component Unit</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 28,400	\$ -	\$ 10,362	\$ -
Changes of assumptions	427,578	8,065	156,004	2,942
Net difference between projected and actual earnings on pension plan investments	-	668,011	-	243,726
Changes in proportion and difference between Town/Library contributions and proportionate share of contributions	109,412	5,200	39,919	1,897
Town/Library contributions subsequent to the measurement date	109,556	-	37,994	-
	<u>\$ 674,946</u>	<u>\$ 681,276</u>	<u>\$ 244,279</u>	<u>\$ 248,565</u>

\$109,556 and \$37,994 respectively were reported as deferred outflows of resources resulting from the Town's and Library's (component unit) accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2022.

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended March 31,	ERS		Total
	Governmental Activities	Component Unit	
2022	\$ 2,430	\$ 887	\$ 3,317
2023	17,102	6,240	23,342
2024	(16,052)	(5,857)	(21,909)
2025	(119,366)	(43,550)	(162,916)
Thereafter	-	-	-
	<u>\$ (115,886)</u>	<u>\$ (42,280)</u>	<u>\$ (158,166)</u>

The total pension liability 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:

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

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

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2019.

The actuarial assumptions used in the valuation are 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.

Town of Pelham, New York

Notes to Financial Statements (Continued)

December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

<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	-
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.

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

	<u>1% Decrease (4.9%)</u>	<u>Current Discount Rate (5.9%)</u>	<u>1% Increase (6.9%)</u>
Town's proportionate share of the net pension liability (asset)	<u>\$ 645,459</u>	<u>\$ 2,326</u>	<u>\$ (590,794)</u>
Library's proportionate share of the net pension liability (asset)	<u>\$ 235,499</u>	<u>\$ 848</u>	<u>\$ (215,554)</u>
Total Net Pension Liability (Asset)	<u>\$ 880,958</u>	<u>\$ 3,174</u>	<u>\$ (806,348)</u>

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Total pension liability	\$ 220,680,157,000
Fiduciary net position	<u>220,580,583,000</u>
Employers' net pension liability	<u>\$ 99,574,000</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>

Employer contributions are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2021 represent the employer contribution for the period of April 1, 2021 through December 31, 2021 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Accrued retirement contributions to ERS for the nine months ended December 31, 2021 for the Town and Library (component unit) were \$109,556 and \$37,994 respectively.

Voluntary Defined Contribution Plan

The Town 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 Town will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Other Postemployment Benefit Liabilities ("OPEB")

In addition to providing pension benefits, the Town and Library (component unit) provide 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 Town and Library may vary according to length of service. The cost of providing postemployment health care benefits is shared between the Town and Library and the retired employee as noted below. Substantially all of the Town's and Library's employees may become eligible for those benefits if they reach normal retirement age while working for the Library. 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.

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

	Governmental Funds	Component Unit	Total
Inactive participants currently receiving benefits payments	9	1	10
Active participants	12	-	12
Total	21	1	22

The Town and Library's (component unit) total OPEB liability of \$3,137,337 and \$435,568 respectively were measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021.

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

Inflation	3.00%
Salary increases	3.00%
Discount rate	2.25%
Healthcare cost trend rates	8.0% for 2021, decreasing by up to .5% per year to an ultimate rate of 5.0% for 2027
Retirees' share of benefit-related costs	The Town and Library will generally contribute 100% of the medical premium amounts for individual and dependent coverage.

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

Mortality rates were based on the publication 2010 with MP-2021 projection Mortality Tables for employees and healthy annuitants.

The Town's and Library's (component unit) change in the total OPEB liability for the year ended December 31, 2021 were as follows:

	Governmental Activities	Component Unit	Total
Total OPEB Liability - Beginning of Year	\$ 3,730,817	\$ 479,030	\$ 4,209,847
Service cost	303,180	22,203	325,383
Interest	75,154	5,504	80,658
Differences between expected and actual experience	(815,456)	(59,718)	(875,174)
Changes in assumptions	(99,200)	(7,265)	(106,465)
Benefit payments	(57,158)	(4,186)	(61,344)
Total OPEB Liability - End of Year	\$ 3,137,337	\$ 435,568	\$ 3,572,905

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The following presents the total OPEB liability of the Town and Library (component unit), as well as what the Town and Library's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.25%) or 1 percentage point higher (3.25%) than the current discount rate:

	1% Decrease (1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Total Town OPEB Liability	<u>\$ 3,719,661</u>	<u>\$ 3,137,337</u>	<u>\$ 2,679,307</u>
Total Library OPEB Liability	<u>\$ 516,414</u>	<u>\$ 435,568</u>	<u>\$ 371,978</u>
Total OPEB Liability	<u>\$ 4,236,075</u>	<u>\$ 3,572,905</u>	<u>\$ 3,051,285</u>

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

	1% Decrease (7.0% decreasing to 4.0%)	HealthCare Cost Trend rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total Town OPEB Liability	<u>\$ 2,673,222</u>	<u>\$ 3,137,337</u>	<u>\$ 3,732,874</u>
Total Library OPEB Liability	<u>\$ 371,133</u>	<u>\$ 435,568</u>	<u>\$ 518,249</u>
Total OPEB Liability	<u>\$ 3,044,355</u>	<u>\$ 3,572,905</u>	<u>\$ 4,251,123</u>

For the year ended December 31, 2021, the Town and Library (component unit), recognized OPEB expense of \$244,093 and \$40,345 respectively in the government-wide financial statements. At December 31, 2021, the Town and Library (component unit) reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Governmental Activities:		
Changes of assumptions	\$ 554,643	\$ 81,980
Difference between expected and actual experience	<u>-</u>	<u>770,613</u>
	<u>\$ 554,643</u>	<u>\$ 852,593</u>
Component Unit:		
Changes of assumptions	\$ 77,003	\$ 11,382
Difference between expected and actual experience	<u>-</u>	<u>106,987</u>
	<u>\$ 77,003</u>	<u>\$ 118,369</u>
Totals:		
Changes of assumptions	\$ 631,646	\$ 93,362
Difference between expected and actual experience	<u>-</u>	<u>877,600</u>
	<u>\$ 631,646</u>	<u>\$ 970,962</u>

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

<u>Year Ended December 31,</u>	<u>OPEB</u>		
	<u>Governmental Activities</u>	<u>Component Unit</u>	<u>Total</u>
2022	\$ (106,779)	\$ (14,824)	\$ (121,603)
2023	(106,779)	(14,824)	(121,603)
2024	(106,779)	(14,824)	(121,603)
2025	(106,779)	(14,824)	(121,603)
2026	65,613	9,109	74,722
Thereafter	<u>63,553</u>	<u>8,821</u>	<u>72,374</u>
	<u>\$ (297,950)</u>	<u>\$ (41,366)</u>	<u>\$ (339,316)</u>

C. 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:

Town of Pelham, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	<u>Transfers In</u>
	Component Unit
	Town of Pelham
	<u>Public Library</u>
<u>Transfers Out</u>	
General Fund	<u>\$ 647,113</u>

Transfers are used to move amounts earmarked in the operating funds to fulfill commitments for Town of Pelham Public Library funds expenditures.

D. 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.

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

E. Fund Balances

	<u>December 31,</u>	<u>December 31,</u>
	2021	2020
Nonspendable:		
Prepaid expenditures	<u>\$ 30,137</u>	<u>\$ -</u>
Assigned:		
Subsequent year's expenditures	\$ 425,000	\$ 420,000
Unassigned	<u>925,578</u>	<u>447,773</u>
Total Fund Balances	<u>\$ 1,350,578</u>	<u>\$ 867,773</u>

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 established to account for retirement, insurance and certain other 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 December 31, 2021, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Town of Pelham, New York

Notes to Financial Statements (Concluded)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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

The Town is also defendant in numerous tax certiorari proceedings, the results of which generally require tax refunds on the part of the Town. The amount of possible refunds cannot be determined at the present time and any refunds resulting from adverse settlements will be funded in the year in which the payments are made.

Note 5 - 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 Town believes will most impact its financial statements. The Town will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

Town of Pelham, New York

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

	2021	2020	2019
Total OPEB Liability:			
Service cost	\$ 325,383	\$ 252,651	\$ 247,437
Interest	80,658	107,838	109,518
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(875,174)	(111,275)	(163,511)
Changes of assumptions	(106,465) (5)	690,280 (4)	182,300
Benefit payments	(61,344)	(75,130)	(77,973)
Net Change in Total OPEB Liability	(636,942)	864,364	297,771
Total OPEB Liability – Beginning of Year, as Restated	4,209,847	3,345,483	3,047,712 (3)
Total OPEB Liability – End of Year	<u>\$ 3,572,905</u>	<u>\$ 4,209,847</u>	<u>\$ 3,345,483</u>
Town's covered payroll	<u>\$ 1,767,763</u>	<u>\$ 1,796,502</u>	<u>\$ 2,043,369</u>
Total OPEB liability as a percentage of covered employee payroll	<u>202%</u>	<u>234%</u>	<u>164%</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 provision of GASB Statement No. 75.

(4) The discount rate used to calculate the total OPEB Liability was decreased from 3.26% to 1.93% effective with the December 31, 2020 measurement date.

(5) The discount rate used to calculate the total OPEB Liability was increased from 1.93% to 2.25% effective with the December 31, 2021 measurement date.

Town of Pelham, New York

Required Supplementary Information - Schedule of the
Town's Proportionate Share of the Net Pension Liability
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1) (2)

Governmental Activities				
	2021 (4)	2020 (3)	2019	2018
Proportion of the net pension liability	0.0023354%	0.0024067%	0.0020649%	0.003058%
Proportionate share of the net pension liability	\$ 2,326	\$ 637,312	\$ 146,302	\$ 98,695
Covered payroll	\$ 1,021,674	\$ 1,124,592	\$ 948,437	\$ 1,250,776
Proportionate share of the net pension liability as a percentage of its covered payroll	0.23%	56.67%	15.43%	7.89%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%

Component Unit (Library)				
	2021	2020	2019	2018
Proportion of the net pension liability	0.0008521%	0.0008084%	0.0007819%	-
Proportionate share of the net pension liability	\$ 848	\$ 214,075	\$ 55,400	\$ -
Covered payroll	\$ 372,762	\$ 377,754	\$ 359,144	\$ -
Proportionate share of the net pension liability as a percentage of its covered payroll	0.23%	56.67%	15.43%	-
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	-

(1) Data not available prior to fiscal year 2018 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 7.0% to 6.8% effective with the March 31, 2020 measurement date.

(4) The discount rate used to calculate the total pension liability was decreased from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report

Town of Pelham, New York

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

Governmental Activities				
	2021	2020	2019	2018
Contractually required contribution	\$ 146,074	\$ 151,896	\$ 143,018	\$ 181,472
Contributions in relation to the contractually required contribution	<u>(146,074)</u>	<u>(151,896)</u>	<u>(143,018)</u>	<u>(181,472)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	<u>\$ 939,558</u>	<u>\$ 1,025,062</u>	<u>\$ 1,119,491</u>	<u>\$ 1,276,933</u>
Contributions as a percentage of covered-employee payroll	<u>15.55%</u>	<u>14.82%</u>	<u>12.78%</u>	<u>14.21%</u>

Component Unit (Library)				
	2021	2020	2019	2018
Contractually required contribution	\$ 50,659	\$ 45,923	\$ 54,157	\$ -
Contributions in relation to the contractually required contribution	<u>(50,659)</u>	<u>(45,923)</u>	<u>(54,157)</u>	<u>-</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Library's covered payroll	<u>\$ 372,762</u>	<u>\$ 395,820</u>	<u>\$ 377,591</u>	<u>\$ -</u>
Contributions as a percentage of covered-employee payroll	<u>13.59%</u>	<u>11.60%</u>	<u>14.34%</u>	<u>-</u>

(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

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Town of Pelham, New York

General Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 1,623,289	952,145
Taxes receivable		
Town and County taxes	568,840	378,059
Allowance for uncollectible amounts	<u>(90,000)</u>	<u>(90,000)</u>
	478,840	288,059
Other receivables		
Accounts	7,357	32,408
Due from other governments	<u>53,901</u>	<u>35,209</u>
	61,258	67,617
Prepaid expenses	<u>30,137</u>	<u>-</u>
Total Assets	<u>\$ 2,193,524</u>	<u>\$ 1,307,821</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities		
Accounts payable and accrued liabilities	\$ 206,584	\$ 23,018
Due to retirement system	<u>147,549</u>	<u>148,364</u>
Total Liabilities	354,133	171,382
Deferred inflows of resources		
Deferred tax revenues	<u>458,676</u>	<u>268,666</u>
Total Liabilities and Deferred Inflows of Resources	<u>812,809</u>	<u>440,048</u>
Fund balance		
Nonspendable	30,137	-
Assigned	425,000	420,000
Unassigned	<u>925,578</u>	<u>447,773</u>
Total Fund Balance	<u>1,380,715</u>	<u>867,773</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 2,193,524</u>	<u>\$ 1,307,821</u>

See independent auditors' report.

Town of Pelham New York

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

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 1,656,536	\$ 1,656,536	\$ 1,624,414	\$ (32,122)
Other tax items	90,000	90,000	138,103	48,103
Departmental income	1,440,000	1,440,000	1,649,218	209,218
Use of money and property	88,350	88,350	83,628	(4,722)
Sale of property and compensation for loss	74,000	74,000	100,460	26,460
State aid	522,143	522,143	892,637	370,494
Miscellaneous	64,410	64,410	6,782	(57,628)
Total Revenues	3,935,439	3,935,439	4,495,242	559,803
EXPENDITURES				
Current				
General government support	1,833,343	1,833,343	1,669,116	164,227
Public safety	73,319	73,319	55,349	17,970
Health	254,037	254,037	300,355	(46,318)
Culture and recreation	1,056,857	1,056,857	978,519	78,338
Employee benefits	470,883	470,883	331,848	139,035
Total Expenditures	3,688,439	3,688,439	3,335,187	353,252
Excess of Revenues Over Expenditures	247,000	247,000	1,160,055	913,055
OTHER FINANCING USES				
Transfers out	(667,000)	(667,000)	(647,113)	19,887
Net Change in Fund Balance	(420,000)	(420,000)	512,942	932,942
FUND BALANCE				
Beginning of Year	420,000	420,000	867,773	447,773
End of Year	\$ -	\$ -	\$ 1,380,715	\$ 1,380,715

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
1,632,131	1,632,131	1,733,347	101,216
90,000	90,000	118,076	28,076
1,437,105	1,437,105	1,316,378	(120,727)
85,266	85,266	69,474	(15,792)
91,000	91,000	72,674	(18,326)
485,529	485,529	602,680	117,151
15,000	15,000	1,913	(13,087)
3,836,031	3,836,031	3,914,542	78,511
1,812,671	1,812,671	1,644,244	168,427
72,380	72,380	45,881	26,499
247,600	247,600	335,539	(87,939)
1,088,630	1,088,630	887,492	201,138
452,750	452,750	350,055	102,695
3,674,031	3,674,031	3,263,211	410,820
162,000	162,000	651,331	489,331
(677,000)	(677,000)	(645,762)	31,238
(515,000)	(515,000)	5,569	520,569
515,000	515,000	862,204	347,204
\$ -	\$ -	\$ 867,773	\$ 867,773

Town of Pelham, New York

General Fund
 Schedule of Revenues Compared to Budget
 Year Ended December 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES	\$ 1,656,536	\$ 1,656,536	\$ 1,624,414	\$ (32,122)	\$ 1,733,347
OTHER TAX ITEMS					
Interest and penalties on real property taxes	90,000	90,000	138,103	48,103	118,076
DEPARTMENTAL INCOME					
Tax collection fees	526,000	526,000	523,682	(2,318)	420,510
Town Clerk fees	4,000	4,000	949	(3,051)	1,439
Court fees	163,000	163,000	113,121	(49,879)	285,404
Parks and recreation charges	734,500	734,500	1,001,032	266,532	541,367
Planning Board fees	12,500	12,500	10,434	(2,066)	12,500
	<u>1,440,000</u>	<u>1,440,000</u>	<u>1,649,218</u>	<u>209,218</u>	<u>1,261,220</u>
USE OF MONEY AND PROPERTY					
Earnings on investments	5,000	5,000	5,341	341	19,338
Rentals	83,350	83,350	78,287	(5,063)	50,136
	<u>88,350</u>	<u>88,350</u>	<u>83,628</u>	<u>(4,722)</u>	<u>69,474</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Insurance recoveries	74,000	74,000	100,460	26,460	72,674
STATE AID					
Per capita	80,529	80,529	84,556	4,027	76,502
Mortgage tax	380,000	380,000	715,420	335,420	390,039
Police other	4,000	4,000	-	(4,000)	7,127
PACT	57,614	57,614	85,295	27,681	116,331
Criminal justice	-	-	7,366	7,366	12,681
	<u>522,143</u>	<u>522,143</u>	<u>892,637</u>	<u>370,494</u>	<u>602,680</u>

(Continued)

Town of Pelham, New York

General Fund
Schedule of Revenues Compared to Budget (Continued)
Year Ended December 31, 2021
(With Comparative Actuals for 2020)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>2020 Actual</u>
MISCELLANEOUS					
Other	<u>\$ 64,410</u>	<u>\$ 64,410</u>	<u>\$ 6,782</u>	<u>\$ (57,628)</u>	<u>\$ 57,071</u>
TOTAL REVENUES	<u><u>\$ 3,935,439</u></u>	<u><u>\$ 3,935,439</u></u>	<u><u>\$ 4,495,242</u></u>	<u><u>\$ 559,803</u></u>	<u><u>\$ 3,914,542</u></u>

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Town of Pelham, New York

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

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 36,200	\$ 36,200	\$ 32,661	\$ 3,539	\$ 37,735
Town Justice	343,890	343,890	336,936	6,954	319,843
Supervisor	45,458	45,458	44,064	1,394	44,082
Town Comptroller	141,272	141,272	175,402	(34,130)	167,648
Auditor	25,000	25,000	36,125	(11,125)	25,375
Tax collection	158,309	158,309	130,305	28,004	119,969
Assessor	259,097	259,097	212,665	46,432	229,092
Town Clerk	79,592	79,592	71,418	8,174	89,797
Town Attorney	84,500	84,500	59,982	24,518	59,667
Engineer	18,786	18,786	16,731	2,055	15,036
Elections	37,680	37,680	37,035	645	37,450
Records management	7,600	7,600	14,758	(7,158)	13,215
Buildings	376,659	376,659	292,581	84,078	283,307
Unallocated insurance	125,000	125,000	140,254	(15,254)	160,001
Judgments and claims	11,000	11,000	2,574	8,426	343
Taxes and assessments	3,300	3,300	2,079	1,221	2,326
Other	-	-	63,546	(63,546)	39,358
Contingency	80,000	80,000	-	80,000	-
	<u>1,833,343</u>	<u>1,833,343</u>	<u>1,669,116</u>	<u>164,227</u>	<u>1,644,244</u>
PUBLIC SAFETY					
Constables	<u>73,319</u>	<u>73,319</u>	<u>55,349</u>	<u>17,970</u>	<u>45,881</u>
HEALTH					
Guidance	20,000	20,000	72,072	(52,072)	113,647
Ambulance	<u>234,037</u>	<u>234,037</u>	<u>228,283</u>	<u>5,754</u>	<u>221,892</u>
	<u>254,037</u>	<u>254,037</u>	<u>300,355</u>	<u>(46,318)</u>	<u>335,539</u>

(Continued)

Town of Pelham, New York

General Fund

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

Year Ended December 31, 2021

(With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
CULTURE AND RECREATION					
Recreation department	\$ 944,586	\$ 944,586	\$ 922,099	\$ 22,487	\$ 836,626
Youth programs	-	-	-	-	-
Historian	200	200	192	8	-
Celebrations	6,000	6,000	6,213	(213)	861
Recreation for elderly and handicapped	102,571	102,571	46,515	56,056	46,505
Council Pelham Art Center	3,500	3,500	3,500	-	3,500
	<u>1,056,857</u>	<u>1,056,857</u>	<u>978,519</u>	<u>78,338</u>	<u>887,492</u>
EMPLOYEE BENEFITS					
State retirement	197,819	197,819	146,345	51,474	147,292
Social security	135,000	135,000	99,200	35,800	97,336
Workers compensation	38,064	38,064	28,951	9,113	30,298
Unemployment insurance	12,000	12,000	-	12,000	-
Hospital and medical insurance	88,000	88,000	57,352	30,648	75,129
	<u>470,883</u>	<u>470,883</u>	<u>331,848</u>	<u>139,035</u>	<u>350,055</u>
TOTAL EXPENDITURES	3,688,439	3,688,439	3,335,187	353,252	3,263,211
OTHER FINANCING USES					
Transfers out					
Library Board	667,000	667,000	647,113	19,887	645,762
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 4,355,439</u>	<u>\$ 4,355,439</u>	<u>\$ 3,982,300</u>	<u>\$ 373,139</u>	<u>\$ 3,908,973</u>

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