

VILLAGE OF ARDSLEY, NEW YORK

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED MAY 31, 2009

WITH INDEPENDENT AUDITORS' REPORT

VILLAGE OF ARDSLEY, NEW YORK

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Board of Trustees
of the Village of Ardsley, New York:

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Ardsley, New York as of and for the year ended May 31, 2009, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 of Ardsley, New York as of May 31, 2009 and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and the information pertaining to the Service Awards Program are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Ardsley, New York's basic financial statements. The accompanying financial information listed as combining and individual fund financial statements and schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Village of Ardsley, New York. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
Bennett Kielson Storch DeSantis Division
November 25, 2009

Village of Ardsley, New York Management's Discussion and Analysis May 31, 2009

Introduction

The Village of Ardsley, New York ("Village"), presents this Management's Discussion and Analysis (MD&A) as an overview of the Village's financial activities for the fiscal year ended May 31, 2009. This MD&A focuses on current year activities, resulting changes, and currently known facts and should be read in conjunction with the basic financial statements and the notes to the Village's financial statements which immediately follow this section.

Financial Highlights

- On the government-wide financial statements, the assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$2,778,876. Of this amount, the unrestricted net assets are \$(500,824).
- At the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$1,521,581, exclusive of the Capital Projects Fund. Approximately 68%, or \$1,032,304, of this amount is unreserved and undesignated fund balance and is available for spending at the Village's discretion.
- At May 31, 2009, unreserved and undesignated fund balance for the Village's General Fund was \$1,030,618 or 11% of total General Fund expenditures and other financing uses.
- During the current fiscal year, the Village redeemed \$140,858 in bond anticipation notes, \$335,000 in bonded debt outstanding, and \$152,281 in bond anticipation notes for judgments and claims.

Overview of the Financial Statements

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

Government-wide Financial Statements

The government-wide financial statements present the Village as a single, unified entity and are intended to give the reader a broad perspective of the Village's financial condition. These statements closely resemble the financial statements of a private sector entity.

The statement of net assets presents financial information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 indicating how the Village's net assets changed during the fiscal year. All changes in net assets 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 (e.g., uncollected taxes and earned but unused vacation leave).

The governmental activities of the Village include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other 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 assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is 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 funds balance sheet and the governmental funds 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 two major governmental funds: the General Fund and the Capital Projects Fund. Major funds have their information presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances. The Public Library Fund and Special Purpose Fund are grouped together as non-major governmental funds.

The Village adopts annual budgets for the General Fund and the Public Library Fund. Budgetary comparison statements have been provided for the General Fund within the basic financial statements to demonstrate compliance with the respective budget.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Village programs. The Village maintains two types of fiduciary funds, the Agency Fund and the Pension Trust Fund. Resources are held in the Agency Fund by the Village purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment and remittance of resources to the appropriate individual, organization or government. The Pension Trust Fund accounts for the Service Awards Program for volunteer firefighters.

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 financial statements and include individual fund financial statements and schedules of budget to actual comparisons.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the Village, assets exceeded liabilities by \$2,778,876 at the close of the most recent fiscal year.

The largest portion of the Village's net assets, \$2,549,233, is its investment in capital assets (land, buildings and improvements, machinery and equipment and infrastructure), less any related debt outstanding that was used to acquire those assets. The Village uses these capital assets to provide services to its citizens and as a result

these assets are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Assets

	Governmental Activities	
	2009	2008
Current Assets	\$ 2,774,547	\$ 3,711,830
Capital Assets, net	<u>8,252,221</u>	<u>7,432,346</u>
Total Assets	<u>11,026,768</u>	<u>11,144,176</u>
Current Liabilities	1,821,619	972,661
Long-term Liabilities	<u>6,426,273</u>	<u>7,272,715</u>
Total Liabilities	<u>8,247,892</u>	<u>8,245,376</u>
Net Assets:		
Investment in Capital Assets, net of related debt	2,549,233	1,546,259
Restricted	730,467	1,214,690
Unrestricted	<u>(500,824)</u>	<u>137,851</u>
Total Net Assets	<u>\$ 2,778,876</u>	<u>\$ 2,898,800</u>

A portion of the Village's net assets is restricted and represents resources that are subject to external restrictions on how they may be used. These restricted net assets are to be used for the following purposes:

	May 31,	
	2009	2008
Capital Projects	\$ 165,187	\$ 584,246
Debt Service	459,894	455,341
Public Library	36,686	96,680
Special Purpose	<u>68,700</u>	<u>78,423</u>
	<u>\$ 730,467</u>	<u>\$ 1,214,690</u>

Change in Net Assets

	Year Ended May 31,	
	2009	2008
Revenues:		
Program Revenues:		
Charges for Services	\$ 820,352	\$ 866,110
Operating Grants and Contributions	154,563	143,451
Capital Grants and Contributions	395,174	391,984
Total Program Revenues	1,370,089	1,401,545
General Revenues:		
Real Property Taxes	7,134,504	6,969,732
Other Tax Items	23,518	24,678
Non-Property Taxes	728,105	777,333
Unrestricted Use of Money and Property	21,618	118,459
Sale of Property and Compensation for Loss	41,201	12,499
Unrestricted State Aid	129,905	190,914
Miscellaneous	65,831	6,742
Total General Revenues	8,144,682	8,100,357
Total Revenues	9,514,771	9,501,902
Program Expenses:		
General Government Support	1,670,806	1,769,607
Public Safety	4,607,164	3,868,123
Health	17,272	15,378
Transportation	872,236	655,690
Economic Opportunity and Development	43,217	28,793
Culture and Recreation	785,554	654,219
Home and Community Services	1,355,106	1,448,465
Interest	283,340	308,230
Total Expenses	9,634,695	8,748,505
Change in Net Assets	(119,924)	753,397
Net Assets - Beginning	2,898,800	2,145,403
Net Assets - Ending	\$ 2,778,876	\$ 2,898,800

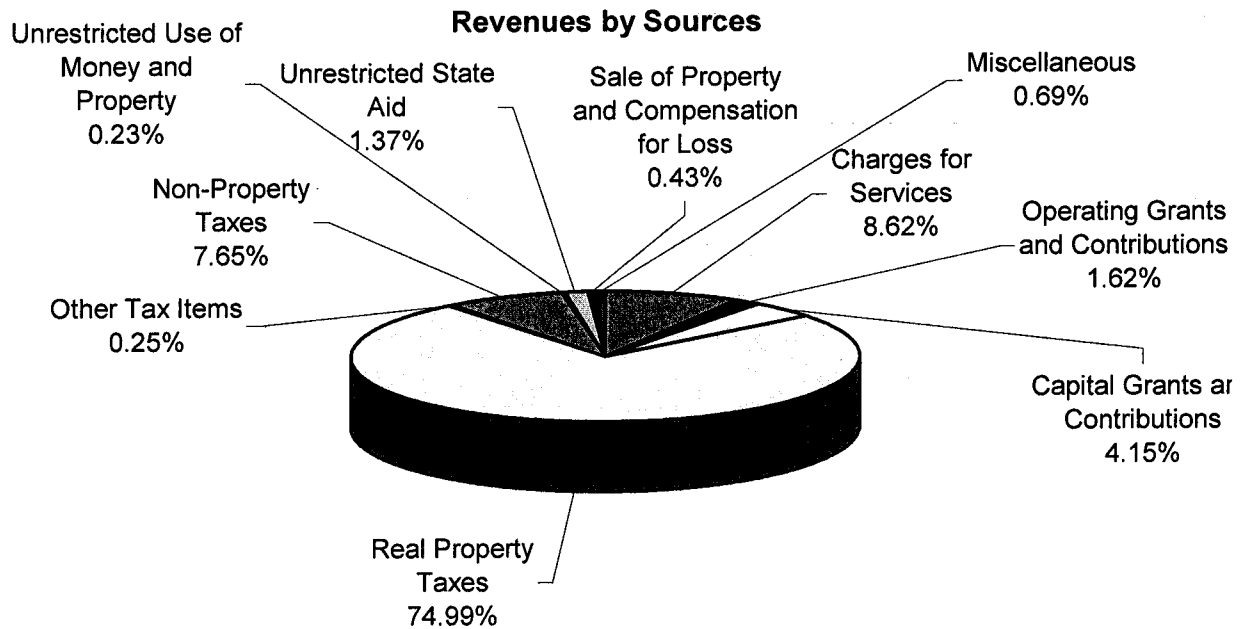
Governmental Activities

Governmental activities decreased the Village's net assets by \$119,924.

For the fiscal year ended May 31, 2009, revenues from governmental activities totaled \$9,514,771. Program revenues are 14% of this total and 86% is attributable to taxes and other sources. The major changes are as follows:

Revenues:

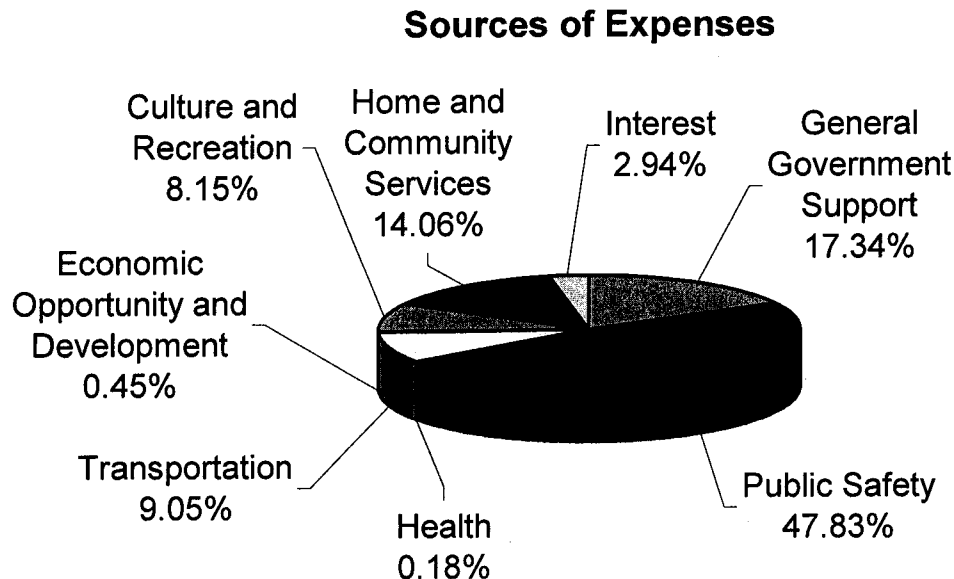
- Real property tax revenues increased by \$164,772. This was the result of a higher tax levy.
- Unrestricted use of money and property decreased by \$96,841 due to a decline in interest rates.



Total expenses for governmental activities were \$9,634,695.

Expenses:

- Public safety expenses increased by \$739,041. Increase in this area was due to the contractual salary increases and the net pension obligation for the Fire Service Award.



Financial Analysis of the Village's Funds

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

Governmental Funds

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may be a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Village's governmental funds reported combined fund balances of \$1,521,581, exclusive of the Capital Projects Fund. Approximately 26% of this amount, or \$399,777, has been reserved for the following purposes: prepaid expenditures (\$5,552), debt service (\$325,525) and trusts (\$68,700). The Public Library Fund reflects \$35,000, as designated for subsequent year's expenditures. This represents the amount estimated for use in the 2009-2010 budget.

Of the remaining balance, 71%, or \$1,086,804, of this fund balance is undesignated and available for spending at the Village's discretion.

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, unreserved and undesignated fund balance of the General Fund was \$1,030,618, representing 73% of the total General Fund fund balance of \$1,416,195. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved and undesignated fund balance and total fund balance to total expenditures and other financing uses. Unreserved and undesignated fund balance represents 12% of total General Fund expenditures and other financing uses, while total fund balance represents 15% of that same amount.

The Capital Projects Fund reflects an unreserved and undesignated fund balance of \$139,982 and a reserve for debt service of \$134,369 at the end of the current fiscal year. Liabilities for bond anticipation notes payable in the amount of \$43,000 are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed.

General Fund Budgetary Highlights

There was an increase between the original adopted budget and the final budget of \$276,905. Actual expenditures were \$45,969 less than the final budget. Actual revenues were less than the final budget by \$37,741. The major areas where revenues were less than the final budgetary estimates were use of money and property \$30,098 as a result of a decrease in interest rates and state aid \$31,089 resulting from a decrease in mortgage tax. These variances resulted in a decrease in fund balance by \$301,387, as compared to the budgeted decrease of \$279,615.

Capital Asset and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2009, net of \$3,783,757 of accumulated depreciation, was \$8,252,221. This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction-in-progress.

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

- Renovation to the Library

Additional information on the Village's capital assets can be found in note 3, C in the notes to financial statements.

Capital Assets

	<u>Government Activities</u>	
	<u>2009</u>	<u>2008</u>
Capital Assets Not Being Depreciated:		
Land	<u>\$ 121,550</u>	<u>\$ 121,550</u>
Capital Assets Being Depreciated:		
Building and Improvements	7,759,542	6,639,368
Machinery and Equipment	3,249,057	3,138,862
Infrastructure	<u>905,829</u>	<u>905,829</u>
Total assets being depreciated	<u>11,914,428</u>	<u>10,684,059</u>
Less Accumulated Depreciation for:		
Building and Improvements	1,482,236	1,277,742
Machinery and Equipment	2,236,661	2,053,494
Infrastructure	<u>64,860</u>	<u>42,027</u>
Total accumulated depreciation	<u>3,783,757</u>	<u>3,373,263</u>
Total Capital Assets being Depreciated, net	<u><u>\$ 8,130,671</u></u>	<u><u>\$ 7,310,796</u></u>
Capital Assets, net	<u><u>\$ 8,252,221</u></u>	<u><u>\$ 7,432,346</u></u>

Long-term Debt

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$5,760,000. In accordance with New York State Law, the Village issues general obligation bonds, backed by the full faith and credit of the Village.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the Village is subject to a "constitutional debt limit". This debt limit is calculated by taking 7% of the latest five-year average full valuation of all taxable real property within the Village. At May 31, 2009, the Village's five year average full valuation was \$939,580,600, thereby establishing a constitutional debt limit of \$65,770,642.

Requests for Information

This financial report is designed to provide a general overview of the Village's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to George F. Calvi, Village of Ardsley, 507 Ashford Avenue, Ardsley, New York 10502.

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF NET ASSETS

MAY 31, 2009

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 1,424,301
Investments	771,670
Receivables:	
Taxes, net	6,984
Accounts	93,510
State and Federal aid	10,800
Due from other governments	461,730
Prepaid expenses	5,552
Capital assets (net of accumulated depreciation):	
Land	121,550
Buildings and improvements	6,277,306
Machinery and equipment	1,012,396
Infrastructure	840,969
	<hr/>
Total Assets	11,026,768
	<hr/>
LIABILITIES	
Accounts payable	823,814
Accrued interest payable	88,303
Retainages payable	37,644
Unearned revenues	10,102
Bond anticipation notes payable	43,000
Judgments payable	300,000
Due to retirement systems	64,055
Net pension obligation	454,701
Non-current liabilities:	
Due within one year:	
Bonds payable	300,000
Bond anticipation notes payable - Judgments and claims	456,846
Compensated absences	20,943
Due in more than one year:	
Bonds payable	5,460,000
Compensated absences	188,484
	<hr/>
Total Liabilities	8,247,892
	<hr/>
NET ASSETS	
Invested in capital assets, net of related debt	2,549,233
Restricted for:	
Capital projects	165,187
Debt service	459,894
Special Revenue funds:	
Public Library	36,686
Special Purpose	68,700
Unrestricted	(500,824)
	<hr/>
Total Net Assets	\$ 2,778,876
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF ACTIVITIES
YEAR ENDED MAY 31, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government support	\$ 1,670,806	\$ 20,607	\$ -	\$ -	\$ (1,650,199)
Public safety	4,607,164	520,335	14,480	-	(4,072,349)
Health	17,272	-	-	-	(17,272)
Transportation	872,236	32,867	83,079	-	(756,290)
Economic opportunity and development	43,217	-	-	-	(43,217)
Culture and recreation	785,554	79,655	26,646	132,201	(547,052)
Home and community services	1,355,106	166,888	30,358	259,750	(898,110)
Interest	283,340	-	-	3,223	(280,117)
Total Governmental Activities	\$ 9,634,695	\$ 820,352	\$ 154,563	\$ 395,174	(8,264,606)
General Revenues:					
Real property taxes					7,134,504
Other tax items -					
Interest and penalties on real property taxes					23,518
Non-property taxes:					
Non-property tax distribution from County					546,495
Franchise fees					72,995
Utilities gross receipts tax					108,615
Unrestricted use of money and property					21,618
Sale of property and compensation for loss					41,201
Unrestricted State aid					129,905
Miscellaneous					65,831
Total General Revenues					8,144,682
Change in Net Assets					(119,924)
Net Assets - Beginning					2,898,800
Net Assets - Ending					\$ 2,778,876

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

VILLAGE OF ARDSLEY, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
MAY 31, 2009

	General	Capital Projects	Other Governmental Funds
<u>ASSETS</u>			
Cash and Equivalents	\$ 1,243,004	\$ 27,295	\$ 154,002
Investments	100,342	670,881	447
Taxes Receivable, net of allowance for uncollectible amounts	6,984	-	-
Other Receivables:			
Accounts	93,510	-	-
State and Federal aid	7,500	3,300	-
Due from other governments	461,730	-	-
Due from other funds	96,620	15,000	-
	659,360	18,300	-
Prepaid Expenditures	5,552	-	-
Total Assets	<u>\$ 2,015,242</u>	<u>\$ 716,476</u>	<u>\$ 154,449</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 524,890	\$ 264,861	\$ 34,063
Retainages payable	-	37,644	-
Due to other funds	-	96,620	15,000
Deferred revenues	10,102	-	-
Bond anticipation notes payable	-	43,000	-
Due to retirement systems	64,055	-	-
Total Liabilities	599,047	442,125	49,063
Fund Balances:			
Reserved for prepaid expenditures	5,552	-	-
Reserved for debt service	325,525	134,369	-
Reserved for trusts	-	-	68,700
Unreserved, reported in:			
General Fund	1,085,118	-	-
Capital Projects Fund	-	139,982	-
Special Revenue funds	-	-	36,686
Total Fund Balances	1,416,195	274,351	105,386
Total Liabilities and Fund Balances	<u>\$ 2,015,242</u>	<u>\$ 716,476</u>	<u>\$ 154,449</u>

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

Total
Governmental
Funds

\$ 1,424,301

771,670

6,984

93,510

10,800

461,730

111,620

677,660

5,552

\$ 2,886,167

\$ 823,814

37,644

111,620

10,102

43,000

64,055

1,090,235

5,552

459,894

68,700

1,085,118

139,982

36,686

1,795,932

\$ 2,886,167

VILLAGE OF ARDSLEY, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS
YEAR ENDED MAY 31, 2009

Fund Balances - Total Governmental Funds	<u>\$ 1,795,932</u>
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Amounts Reported for Governmental Activities in the Statement of Net
Assets are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	<u>8,252,221</u>
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Long-term liabilities that are not due and payable in the current
period and, therefore, are not reported in the funds

Accrued interest payable	(88,303)
Net pension obligation	(454,701)
Bonds payable	(5,760,000)
Bond anticipation notes payable	(456,846)
Compensated absences	(209,427)
Judgments payable	<u>(300,000)</u>
	<u>(7,269,277)</u>

Net Assets of Governmental Activities	<u><u>\$ 2,778,876</u></u>
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The notes to the financial statements are an integral part of this statement.

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MAY 31, 2009

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Real property taxes	\$ 7,160,967	\$ -	\$ -	\$ 7,160,967
Other tax items	23,518	-	-	23,518
Non-property taxes	728,105	-	-	728,105
Departmental income	640,407	-	8,750	649,157
Use of money and property	20,902	3,939	420	25,261
Licenses and permits	90,782	-	-	90,782
Fines and forfeitures	80,413	-	-	80,413
Sale of property and compensation for loss	41,201	-	-	41,201
State aid	257,138	132,201	1,940	391,279
Federal aid	1,960	-	-	1,960
Miscellaneous	65,831	259,750	23,010	348,591
Total Revenues	<u>9,111,224</u>	<u>395,890</u>	<u>34,120</u>	<u>9,541,234</u>
Expenditures:				
Current:				
General government support	1,440,500	-	-	1,440,500
Public safety	2,958,140	-	-	2,958,140
Health	17,272	-	-	17,272
Transportation	610,300	-	-	610,300
Economic opportunity and development	30,903	-	-	30,903
Culture and recreation	271,421	-	326,554	597,975
Home and community services	1,011,019	-	-	1,011,019
Employee benefits	1,859,792	-	64,206	1,923,998
Debt service:				
Principal	487,281	-	-	487,281
Interest	298,202	-	-	298,202
Capital outlay	-	1,185,583	-	1,185,583
Total Expenditures	<u>8,984,830</u>	<u>1,185,583</u>	<u>390,760</u>	<u>10,561,173</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>126,394</u>	<u>(789,693)</u>	<u>(356,640)</u>	<u>(1,019,939)</u>
Other Financing Sources (Uses):				
Transfers in	-	140,858	286,923	427,781
Transfers out	(427,781)	-	-	(427,781)
Total Other Financing Sources (Uses)	<u>(427,781)</u>	<u>140,858</u>	<u>286,923</u>	<u>-</u>
Net Change in Fund Balances	<u>(301,387)</u>	<u>(648,835)</u>	<u>(69,717)</u>	<u>(1,019,939)</u>
Fund Balances - Beginning of Year	<u>1,717,582</u>	<u>923,186</u>	<u>175,103</u>	<u>2,815,871</u>
Fund Balances - End of Year	<u>\$ 1,416,195</u>	<u>\$ 274,351</u>	<u>\$ 105,386</u>	<u>\$ 1,795,932</u>

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

VILLAGE OF ARDSLEY, 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, 2009

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (1,019,939)</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. This is the amount by which capital outlays exceeded depreciation expense in the current period.	
Capital outlay expenditures	1,230,369
Depreciation expense	<u>(410,494)</u>
	<u>819,875</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>(26,463)</u>
The net pension obligation in the Pension Trust funds is reported as an accrued liability in the government-wide statement of net assets but is not considered a financial liability and, therefore, is not reported in the funds	
	<u>(454,701)</u>
Long-term debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of long-term principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
Principal paid on bonds	335,000
Principal paid on bond anticipation notes	<u>152,281</u>
	<u>487,281</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	14,862
Compensated absences	20,772
Judgments	<u>38,389</u>
	<u>74,023</u>
Change in Net Assets of Governmental Activities	<u>\$ (119,924)</u>

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

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED MAY 31, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 7,181,398	\$ 7,181,398	\$ 7,160,967	\$ (20,431)
Other tax items	23,000	23,000	23,518	518
Non-property taxes	741,000	741,000	728,105	(12,895)
Departmental income	596,900	598,340	640,407	42,067
Use of money and property	51,000	51,000	20,902	(30,098)
Licenses and permits	106,800	106,800	90,782	(16,018)
Fines and forfeitures	94,000	94,000	80,413	(13,587)
Sale of property and compensation for loss	13,200	13,200	41,201	28,001
State aid	249,377	288,227	257,138	(31,089)
Federal aid	-	-	1,960	1,960
Miscellaneous	52,000	52,000	65,831	13,831
Total Revenues	9,108,675	9,148,965	9,111,224	(37,741)
Expenditures:				
Current:				
General government support	1,322,525	1,444,006	1,440,500	3,506
Public safety	2,933,546	2,958,508	2,958,140	368
Health	40,600	18,672	17,272	1,400
Transportation	583,355	610,300	610,300	-
Economic opportunity and development	33,583	32,124	30,903	1,221
Culture and recreation	230,702	272,213	271,421	792
Home and community services	1,004,461	1,014,878	1,011,019	3,859
Employee benefits	1,899,593	1,894,518	1,859,792	34,726
Debt service:				
Principal	408,995	487,281	487,281	-
Interest	296,534	298,299	298,202	97
Total Expenditures	8,753,894	9,030,799	8,984,830	45,969
Excess of Revenues Over Expenditures	354,781	118,166	126,394	8,228
Other Financing Sources (Uses):				
Transfers in	30,000	30,000	-	(30,000)
Transfers out	(427,781)	(427,781)	(427,781)	-
Total Other Financing Uses	(397,781)	(397,781)	(427,781)	(30,000)
Net Change in Fund Balance	(43,000)	(279,615)	(301,387)	(21,772)
Fund Balance - Beginning of Year	43,000	279,615	1,717,582	1,437,967
Fund Balance - End of Year	\$ -	\$ -	\$ 1,416,195	\$ 1,416,195

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

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF FIDUCIARY NET ASSETS
MAY 31, 2009

	<u>Agency</u>	<u>Pension Trust</u>
ASSETS		
Cash:		
Demand deposits	\$ 64,656	\$ 91,011
Time deposits	<u>11,826</u>	<u>26,253</u>
	76,482	117,264
Investments, at fair value - Annuities	-	395,958
Accounts Receivable	<u>156,622</u>	<u>-</u>
Total Assets	<u>233,104</u>	<u>513,222</u>
LIABILITIES		
Deposits	<u>233,104</u>	<u>-</u>
NET ASSETS		
Held in Trust for Pension Benefits (A schedule of funding progress for the plan is presented in the Required Supplementary Information)	<u>\$ -</u>	<u>\$ 513,222</u>

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

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUND - SERVICE AWARDS PROGRAM
YEAR ENDED MAY 31, 2009

Additions:

Pension contributions	\$ 70,000
Earnings on investments	11,326
Net change in fair value of investments	<u>(70,620)</u>
Total Additions	<u>10,706</u>

Deductions:

Pension benefits	23,764
Life insurance premiums	7,172
Administrative fee	<u>2,700</u>
Total Deductions	<u>33,636</u>

Net Decrease in Plan Net Assets	(22,930)
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Net Assets Held in Trust for Pension Benefits - Beginning of Year	<u>536,152</u>
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Net Assets Held in Trust for Pension Benefits - End of Year	<u><u>\$ 513,222</u></u>
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The notes to the financial statements are an integral part of this statement.

Note 1 - Summary of Significant Accounting Policies

The Village of Ardsley, New York ("Village") was established in 1896 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 Manager 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, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

A. Financial Reporting Entity

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

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, there are no other entities which would be included in the financial statements.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Assets 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 Assets 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 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 Village does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

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, liabilities, fund balances/net assets, revenues and expenditures/expenses. 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 statements or 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 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 operating fund of the Village in that it includes all revenues and expenditures not required by law to be accounted for in other funds.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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

Special Revenue Funds - Special revenue funds are established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain defined purposes. The non-major special revenue funds of the Village are as follows:

Public Library Fund - The Public Library Fund is used to account for the activities of the Village's Public Library.

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.

- b. Fiduciary Funds (Not Included in Government-Wide Statements) - Fiduciary Funds are used to account for assets held by the Village in an agency capacity on behalf of others. These include Pension Trust and Agency Funds. The Agency Fund accounts for employee payroll tax withholdings and deposits that are payable to other

Note 1 - Summary of Significant Accounting Policies (Continued)

jurisdictions or individuals. The Pension Trust Fund is provided to account for the Village's Fire Service Awards Program.

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 reports.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. A ninety day availability period is used for revenue recognition for all other governmental fund revenues. Property taxes associated with the current fiscal period as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities and Net Assets or Fund Balances

Deposits, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and certificates of deposit with original maturities of less than three months.

Note 1 - Summary of Significant Accounting Policies (Continued)

The Village's investment policies are governed by State statutes. The Village 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 Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

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.

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 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 are not covered by depository insurance were not exposed to custodial credit risk at May 31, 2009.

The Village was invested only in the above mentioned obligations and, accordingly, was not exposed to any interest rate or credit risk.

Investments - The Village participates in a cooperative investment pool established pursuant to General Municipal Law that meets the definition of a 2a7-like pool. The sponsoring agency of the pool is another governmental unit, which acting through the fiscal officer, is primarily responsible for executing the provisions of the cooperative agreement. The pool is authorized to invest in various securities issued by the United States and its agencies. The amount reported represents the amortized cost of the cooperative shares and is considered to approximate fair value. These investments are not subject to risk categorization. Additional information concerning the Cooperative is presented in the annual report of the Cooperative Liquid Assets Securities System ("CLASS"), which may be obtained from MBIA Municipal Investors Service Corporation, 113 King Street, Armonk, NY 10504.

CLASS is rated AAA/V1+ by Fitch Ratings. Local government investment cooperatives in this rating category meet the highest standards for credit quality, conservative investment policies and safety of principal. The cooperative invests in a high quality portfolio of investments legally permissible for municipalities and school districts in the State.

Investments of the Pension Trust Fund are held with an insurance company. The funds are invested along with the company's other assets in a variety of instruments. The amounts are invested in various portfolios by the trustee. These investments are not subject to risk categorization.

Taxes Receivable - Real property taxes attach as an enforceable lien on real property as of June 1st and are levied and payable in two installments due in June and December. The Village has the responsibility for the billing and collection of its own taxes.

Note 1 - Summary of Significant Accounting Policies (Continued)

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the Village. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses 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, 2009, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Prepaid Expenses/Expenditures - Prepaid expenses/expenditures consist of insurance and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in the fund financial statements are equally offset by a reservation of fund balance, 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 inventory 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 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 estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the Village chose to include all such items regardless of their acquisition date or amount. The Village was able to estimate historical cost for the initial reporting period of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price-level index to deflate the cost to the 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 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	10-40
Machinery and equipment	5-10
Infrastructure	20-50

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Unearned/Deferred Revenues – Unearned/deferred 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 grants received before the eligibility requirements have been met.

Deferred 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 deferred revenues of \$10,102 for State aid received in advance in the General Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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 Assets. Bond premiums and discounts, as well as issuance costs, 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 amortized over the term of the related debt.

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 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 leave upon separation of service. The liability for such accumulated leave is reflected in the government-wide Statement of Net Assets 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 Assets - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for capital projects, debt service and special revenue funds. The balance is classified as unrestricted.

Fund Balances - Reserves and Designations - Portions of fund balance are segregated for future use and are, therefore, not available for future appropriation or expenditure. Amounts reserved for prepaid expenditures, debt service and trusts represent a portion of fund balance which is required to be segregated in accordance with State law or generally accepted accounting principles. Designations of unreserved fund balances in governmental funds indicates the utilization of these resources in the ensuing year's budget or tentative plans for future use.

Note 1 - Summary of Significant Accounting Policies (Continued)

F. Encumbrances

In governmental funds, 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 and Public Library funds. Encumbrances outstanding at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

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 and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is November 25, 2009.

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 the 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 the General and Public Library funds.
- f) Budgets for the General 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 by the Board of Trustees for the Special Purpose Fund.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 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 the General 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. Capital Projects Fund Deficit

The deficits in individual capital projects arises 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. These deficits 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 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.

C. Expenditures in Excess of Budget

The following individual capital projects expenditures exceeded their authorized budgets by the amounts indicated:

Pumper Fire Fighting Vehicle	\$	171
Purchase and Installation of Fire Siren and Related Items		231
Library Reconstruction		75,815

D. 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 2008-09 fiscal year was \$18,791,612, which exceeded the actual levy by \$11,610,214.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

Note 3 - Detailed Notes on All Funds**A. Taxes Receivable**

Taxes receivable at May 31, 2009 consisted of the following:

Current Year	\$	39,129
Prior Years		<u>120,603</u>
		159,732
Less: Allowance for uncollectible taxes		<u>(152,748)</u>
	\$	<u>6,984</u>

B. Due From/To Other Funds

The balances reflected as due from/to other funds at May 31, 2009 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 96,620	\$ -
Capital Projects	15,000	96,620
Other Governmental Projects	<u>-</u>	<u>15,000</u>
	<u>\$ 111,620</u>	<u>\$ 111,620</u>

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

C. Capital Assets

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

	<u>Balance June 1, 2008</u>	<u>Additions</u>	<u>Balance May 31, 2009</u>
Capital Assets, not being depreciated - Land	<u>\$ 121,550</u>	<u>\$ -</u>	<u>\$ 121,550</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009**Note 3 - Detailed Notes on All Funds (Continued)**

	Balance June 1, 2008	Additions	Balance May 31, 2009
Capital Assets, being depreciated:			
Buildings and improvements	\$ 6,639,368	\$ 1,120,174	\$ 7,759,542
Machinery and equipment	3,138,862	110,195	3,249,057
Infrastructure	905,829	-	905,829
Total Capital Assets, being depreciated	10,684,059	1,230,369	11,914,428
Less Accumulated Depreciation for:			
Buildings and improvements	1,277,742	204,494	1,482,236
Machinery and equipment	2,053,494	183,167	2,236,661
Infrastructure	42,027	22,833	64,860
Total Accumulated Depreciation	3,373,263	410,494	3,783,757
Total Capital Assets, being depreciated, net	\$ 7,310,796	\$ 819,875	\$ 8,130,671
Capital Assets, net	\$ 7,432,346	\$ 819,875	\$ 8,252,221

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

Governmental Activities:	
General Government Support	\$ 76,557
Public Safety	137,873
Transportation	116,663
Culture and Recreation	73,168
Home and Community Services	6,233
Total Depreciation Expense	\$ 410,494

D. Pension Plans

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") ("Systems"). These Systems are cost-sharing multiple-employer defined benefit pension plans. The Systems provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. That report may be obtained by writing to the New York State and Local Employees' Retirement System, 110 State Street, Albany, New York 12224.

Funding Policy - The Systems are non-contributory except for employees who joined ERS after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

Note 3 - Detailed Notes on All Funds (Continued)

Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plans' year ended March 31, 2009 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	2 75I	9.9 %
	3 A14	8.0
	4 A15	8.0
PFRS	2 384D	14.5

Contributions made to the Systems for the current and two preceding years were as follows:

	<u>ERS</u>	<u>PFRS</u>
2009	\$ 150,448	\$ 331,055
2008	150,780	278,108
2007	169,831	291,667

These contributions were equal to 100% of the actuarially required contributions for each respective fiscal year.

The current ERS contribution for the Village was charged to the funds identified below. The PFRS contribution was charged to the General Fund.

<u>Fund</u>	<u>Amount</u>
General	\$ 139,584
Public Library	10,864
	<u>\$ 150,448</u>

E. Pension Trust - Service Awards Program

The Village, pursuant to Article 11-A of General Municipal Law and legislative resolution, has established a Service Awards Program ("Program") for volunteer firefighters. This Program is a single employer defined benefit plan. Active volunteer firefighters, upon attainment of age 18 and upon earning 50 or more points in a calendar year after 1990 under the provisions of the Program point system, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or upon general disablement and after earning five years of service credit. A participant, upon attainment of entitlement age (the later of age 65 or the participant's age after earning 50 program points), shall be able to receive their service award, payable in the form of a lifetime annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of 40 years. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Village's Board, are authorized to invest the funds in authorized investment vehicles.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

Note 3 - Detailed Notes on All Funds (Continued)

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>January 1, 2009</u>
Retirees and beneficiaries currently receiving benefits	11
Terminated members entitled to but not yet receiving benefits	17
Active - non-vested	12
Active - vested	31

The Village is required to contribute the amounts necessary to finance the plan as actuarially determined using the attained age normal frozen initial liability cost method. The asset valuation method is fair value. The assumed investment rate of return is 6.0% and there are no cost of living adjustments.

Contributions made to the Program for the current and two preceding years were as follows:

	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage of Annual Program Cost Contributed</u>	<u>Net Pension Obligation</u>	<u>Increase (Decrease) in Net Pension Obligation</u>
2009	\$ 70,000	\$ 70,000	100.00 %	\$ (454,701)	\$ 113,344
2008	70,000	70,000	100.00	(341,357)	(54,690)
2007	70,000	70,000	100.00	(396,047)	(390,491)

These contributions were equal to 100% of the actuarially required contributions for each respective fiscal year.

The current year contribution to the Program was charged to the General Fund.

F. Short-Term Capital Borrowings

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

<u>Purpose</u>	<u>Year of Original Issue</u>	<u>Maturity Date</u>	<u>Rate of Interest</u>	<u>Balance June 1, 2008</u>	<u>Redemptions</u>	<u>Balance May 31, 2009</u>
Purchase of Highway Department Vehicles	2005	10/23/09	4.23 %	\$ 86,000	\$ 43,000	\$ 43,000
Flood Control	2006	-	-	97,858	97,858	-
				<u>\$ 183,858</u>	<u>\$ 140,858</u>	<u>\$ 43,000</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

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 five 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 expenditures of \$6,180 were recorded in the fund financial statements in the General Fund. Interest expense of \$3,531 was recorded in the government-wide financial statements.

G. Judgments Payable

New York State is claiming that the Village of Ardsley is liable, pursuant to New York State Navigational Law Section 181, for clean up and removal costs incurred by the New York State Environmental Protection and Spill Compensation Fund in connection with a petroleum leak on Village property. The estimated liability of this claim is \$300,000, inclusive of a \$100,000 penalty. Discussions have commenced with the State and the other potentially responsible parties. The Village and other interested parties extended an offer to the State in exchange for a waiver of the penalty portion and a general release. A response to the offer has not been received. This potential liability of \$300,000 has been recorded in the government-wide financial statements.

H. Long-Term Liabilities

The following table summarizes changes in the Village's long-term indebtedness for the year ended May 31, 2009:

	Balance June 1, 2008	Maturities and/or Payments	Balance May 31, 2009	Due Within One Year
Bonds Payable	\$ 6,095,000	335,000	\$ 5,760,000	\$ 300,000
Bond Anticipation Notes Payable - Judgements and Claims	609,127	152,281	456,846	456,846
Compensated Absences	230,199	20,772	209,427	20,943
	<u>\$ 6,934,326</u>	<u>\$ 508,053</u>	<u>\$ 6,426,273</u>	<u>\$ 777,789</u>

Each governmental fund's liability for compensated absences, judgments and debt service is liquidated by the General Fund.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

Note 3 - Detailed Notes on All Funds (Continued)**Bonds Payable**

Bonds payable at May 31, 2009 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2009
Public Improvements	1997	\$ 2,206,000	October, 2017	4.8 - 5.125 %	\$ 910,000
Public Improvements	2006	5,219,200	August, 2031	4.0 - 5.000	4,850,000
					<u>\$ 5,760,000</u>

Interest expenditures of \$267,025 was recorded in the fund financial statements in the General Fund. Interest expense of \$262,025 was recorded in the government-wide financial statements for governmental activities.

Bond Anticipation Notes Payable

The following bond anticipation note was outstanding at May 31, 2009:

Purpose	Year of Original Issue	Interest Rate	Amount
Judgments	2006	2.91%	<u>\$ 456,846</u>

The Village has recorded this bond anticipation note as an other financing source in the fund financial statements since they have demonstrated an ability to consummate refinancing. The ability to consummate refinancing is evidenced by obtaining permanent financing or a renewal of the note prior to the issuance of the financial statements. The note is due on August 13, 2009. Interest expenditures of \$24,997 were recorded in the fund financial statements in the General Fund. Interest expense of \$17,784 was recorded in the government-wide financial statements.

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

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

Note 3 - Detailed Notes on All Funds (Continued)**Payments to Maturity**

The annual requirements to amortize all bonded and bond anticipation note debt outstanding as of May 31, 2009 including interest payments of \$2,545,538 are as follows:

Year Ended May 31,	Bonds		Bond Anticipation Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 300,000	\$ 251,315	\$ 456,846	\$ 13,294	\$ 756,846	\$ 264,609
2011	295,000	236,597	-	-	295,000	236,597
2012	300,000	221,822	-	-	300,000	221,822
2013	305,000	206,722	-	-	305,000	206,722
2014	315,000	191,222	-	-	315,000	191,222
2015-2019	1,520,000	717,748	-	-	1,520,000	717,748
2020-2024	1,075,000	436,110	-	-	1,075,000	436,110
2025-2029	1,010,000	231,410	-	-	1,010,000	231,410
2030-2032	640,000	39,299	-	-	640,000	39,299
	<u>\$ 5,760,000</u>	<u>\$ 2,532,244</u>	<u>\$ 456,846</u>	<u>\$ 13,294</u>	<u>\$ 6,216,846</u>	<u>\$ 2,545,538</u>

Compensated Absences

Pursuant to collective bargaining agreements, employees of the Department of Public Works and non-union full-time employees may accumulate up to 175 days of sick time. Upon retirement, these employees will be compensated for 50% of unused sick time at their current salary level. Effective June 1, 1994, police employees have unlimited sick leave. Prior to this date, police employees could accumulate up to 150 days of sick time. Days accumulated as of June 1, 1994 were frozen and police employees, at retirement, separation of service or upon written notification, may receive payment for 50% of these accumulated days at their hourly rate. Compensatory time for overtime hours may be accumulated by police employees. At the option of the employee, payment will be made either through additional compensation or compensatory time. Payment is limited to 150 hours. Compensatory time for police officers may accumulate without limit. Employees will be paid for this time, at their option. However, requests for payment must be made prior to February 1st of each year. Vacation time for employees of the Department of Public Works may be carried over to the subsequent year, and upon separation of service, employees will be compensated for any unused days from the prior year. Vacation time for police and non-union employees is generally taken in the year earned and may not be accumulated.

I. 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.

Note 3 - Detailed Notes on All Funds (Continued)

<u>Transfers Out</u>	<u>Transfers In</u>		<u>Total</u>
	<u>Capital Projects</u>	<u>Non-Major Governmental</u>	
General	<u>\$ 140,858</u>	<u>\$ 286,923</u>	<u>\$ 427,781</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 for the Public Library Fund.

Post-Employment Health Care Benefits

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. The cost of providing post-employment health care benefits is shared between the Village and the retired employee. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The cost of retiree health care benefits is recognized as an expenditure as claims are paid. During the year \$231,807 was paid on behalf of 20 retirees and this amount has been recorded as an expenditure and expense.

J. Net Assets

The components of net assets are detailed below:

Invested in Capital Assets, net of Related Debt - the component of net assets 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 assets 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 assets that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

Restricted for Special Revenue Funds - the component of net assets that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

Unrestricted - all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2009

Note 3 - Detailed Notes on All Funds (Continued)

K. Fund Balances

Certain elements of reserved fund balance are described above. Those additional elements which are not reflected in the statement of net assets but are reported in the governmental funds balance sheet are described below. The unreserved components of fund balance are also described below.

Reserved

The Reserve for Prepaid Expenditures has been established to account for insurance and other payments made in advance. This reserve indicates that the funds are not "available" for appropriation or expenditure even though they are a component of current assets.

The Reserve for Trusts has been established to set aside funds in accordance with the terms of the grants.

Unreserved – Designated

Designations of fund balance are not legally required segregations, but represent intended use for a specific purpose. The following reflects the Village's designations at May 31, 2009.

Designated for Subsequent Year's Expenditures - At May 31, 2009, the Village Board has designated that \$35,000 of the fund balance of the Public Library Fund be appropriated for the ensuing year's budget.

Designated for Contractual Obligations - This designation is used to segregate a portion of fund balance of the General Fund for contractual obligations.

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 damages 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 the payment is made.

There is currently litigation proceedings brought forth against the Village by the Police Benevolent Association ("PBA"). The lawsuit involves alleged improper practice regarding employment related issues. There was a decision rendered in favor of the PBA. However, there is no dollar amount associated, the Village has the option to appeal.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

There is currently pending claims against the Village from the New York State Department of Environmental Conservation demanding payment for clean up costs. A final court decision has not been rendered.

The Village is currently involved in pending litigation where the Town of Greenburgh wishes to shift the burden of paying taxes to operate and maintain certain recreational facilities to all Town wide residents. There could be a potential tax increase to Village property owners if the Town is successful. There is currently no final decision rendered.

B. Risk Management

The Village purchases various insurance coverages to reduce its exposure to loss. The Village maintains a general liability insurance policy with coverage up to \$1 million for each occurrence and an umbrella policy with coverage up to \$10 million. The public officials liability policy provides coverage up to \$1 million. The Village also purchases conventional workers' compensation insurance with coverage at statutory limits and medical insurance coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 5 - Subsequent Event

The Village, in August, 2009, renewed a bond anticipation note in the amount of \$304,565. This note is due on August 12, 2010, with interest at 2.37%.

The Village, in November, 2009, issued a bond anticipation note in the amount of \$227,500. The note is due on November 4, 2010 with interest at 1.69%.

VILLAGE OF ARDSLEY, NEW YORK

SCHEDULE OF FUNDING PROGRESS
SERVICE AWARDS PROGRAM
LAST SIX FISCAL YEARS

Actuarial Valuation Date January 1,	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio
2004	\$ 303,968	\$ 751,446	\$ 447,478	40.45 %
2005	337,649	783,304	445,655	43.11
2006	398,073	806,963	408,890	49.33
2007	409,455	805,502	396,047	50.83
2008	520,965	862,322	341,357	60.41
2009	472,774	927,475	454,701	50.97

VILLAGE OF ARDSLEY, NEW YORK

SCHEDULE OF CONTRIBUTIONS
SERVICE AWARDS PROGRAM
LAST SIX FISCAL YEARS

<u>Year Ended May 31,</u>	<u>Annual Required Contributions</u>	<u>Percentage Contributed</u>
2004	\$ 39,000	100 %
2005	39,000	100
2006	39,000	100
2007	70,000	100
2008	70,000	100
2009	70,000	100

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2009 AND 2008

	2009	2008
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 439,123	\$ 922,576
Time deposits	803,481	1,994
Petty cash	400	400
	<u>1,243,004</u>	<u>924,970</u>
Investments	<u>100,342</u>	<u>560,426</u>
Taxes Receivable, net of allowance for uncollectible amounts of \$152,748 in 2009 and \$121,889 in 2008	<u>6,984</u>	<u>38,171</u>
Other Receivables:		
Accounts	93,510	87,007
State and Federal aid	7,500	7,500
Due from other governments	461,730	487,447
Due from other funds	96,620	438,311
	<u>659,360</u>	<u>1,020,265</u>
Prepaid Expenditures	<u>5,552</u>	<u>3,068</u>
Total Assets	<u>\$ 2,015,242</u>	<u>\$ 2,546,900</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 524,890	\$ 348,498
Due to other funds	-	360,426
Deferred tax revenues	-	26,463
Deferred revenues	10,102	10,102
Due to retirement systems	64,055	83,829
Total Liabilities	<u>599,047</u>	<u>829,318</u>
Fund Balance:		
Reserved for prepaid expenditures	5,552	3,068
Reserved for debt service	325,525	322,302
Unreserved:		
Designated for subsequent year's expenditures	-	43,000
Designated for contractual obligations	54,500	-
Undesignated	1,030,618	1,349,212
Total Fund Balance	<u>1,416,195</u>	<u>1,717,582</u>
Total Liabilities and Fund Balance	<u>\$ 2,015,242</u>	<u>\$ 2,546,900</u>

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE - BUDGET AND ACTUAL

YEARS ENDED MAY 31, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 7,181,398	\$ 7,181,398	\$ 7,160,967	\$ (20,431)
Other tax items	23,000	23,000	23,518	518
Non-property taxes	741,000	741,000	728,105	(12,895)
Departmental income	596,900	598,340	640,407	42,067
Use of money and property	51,000	51,000	20,902	(30,098)
Licenses and permits	106,800	106,800	90,782	(16,018)
Fines and forfeitures	94,000	94,000	80,413	(13,587)
Sale of property and compensation for loss	13,200	13,200	41,201	28,001
State aid	249,377	288,227	257,138	(31,089)
Federal aid	-	-	1,960	1,960
Miscellaneous	52,000	52,000	65,831	13,831
Total Revenues	9,108,675	9,148,965	9,111,224	(37,741)
Expenditures:				
Current:				
General government support	1,322,525	1,444,006	1,440,500	3,506
Public safety	2,933,546	2,958,508	2,958,140	368
Health	40,600	18,672	17,272	1,400
Transportation	583,355	610,300	610,300	-
Economic opportunity and development	33,583	32,124	30,903	1,221
Culture and recreation	230,702	272,213	271,421	792
Home and community services	1,004,461	1,014,878	1,011,019	3,859
Employee benefits	1,899,593	1,894,518	1,859,792	34,726
Debt service:				
Principal	408,995	487,281	487,281	-
Interest	296,534	298,299	298,202	97
Total Expenditures	8,753,894	9,030,799	8,984,830	45,969
Excess of Revenues Over Expenditures	354,781	118,166	126,394	8,228
Other Financing Sources (Uses):				
Transfers in	30,000	30,000	-	(30,000)
Transfers out	(427,781)	(427,781)	(427,781)	-
Total Other Financing Uses	(397,781)	(397,781)	(427,781)	(30,000)
Net Change in Fund Balance	(43,000)	(279,615)	(301,387)	(21,772)
Fund Balance - Beginning of Year	43,000	279,615	1,717,582	1,437,967
Fund Balance - End of Year	\$ -	\$ -	\$ 1,416,195	\$ 1,416,195

2008			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,989,577	\$ 6,989,577	\$ 6,967,814	\$ (21,763)
23,000	23,000	24,678	1,678
702,000	702,000	777,333	75,333
571,867	571,867	631,012	59,145
51,000	51,000	130,855	79,855
106,800	106,800	140,774	33,974
94,000	94,000	84,476	(9,524)
13,200	13,200	12,499	(701)
249,300	287,850	291,647	3,797
-	-	15,904	15,904
52,000	52,000	6,742	(45,258)
8,852,744	8,891,294	9,083,734	192,440
1,287,429	1,457,509	1,448,998	8,511
2,865,552	2,915,706	2,857,415	58,291
18,200	18,245	15,378	2,867
538,892	492,922	492,920	2
28,985	29,036	28,793	243
221,705	242,997	240,660	2,337
918,483	995,771	994,909	862
1,906,276	1,789,321	1,789,211	110
481,281	544,481	544,481	-
317,532	311,947	311,947	-
8,584,335	8,797,935	8,724,712	73,223
268,409	93,359	359,022	265,663
60,000	60,000	-	(60,000)
(328,409)	(328,409)	(328,409)	-
(268,409)	(268,409)	(328,409)	(60,000)
-	(175,050)	30,613	205,663
-	175,050	1,686,969	1,511,919
\$ -	\$ -	\$ 1,717,582	\$ 1,717,582

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET

YEAR ENDED MAY 31, 2009

(With Comparative Actuals for 2008)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
REAL PROPERTY TAXES	\$ 7,181,398	\$ 7,181,398	\$ 7,160,967	\$ (20,431)	\$ 6,967,814
OTHER TAX ITEMS					
Interest and penalties on real property taxes	23,000	23,000	23,518	518	24,678
NON-PROPERTY TAXES					
Non-property tax distribution from County	576,000	576,000	546,495	(29,505)	594,853
Franchise fees	65,000	65,000	72,995	7,995	78,050
Utilities gross receipts tax	100,000	100,000	108,615	8,615	104,430
	741,000	741,000	728,105	(12,895)	777,333
DEPARTMENTAL INCOME					
Tax advertising	300	300	336	36	552
Clerk fees	400	400	160	(240)	546
Police fees	400	400	410	10	380
Prisoner transportation	8,000	8,000	8,875	875	7,750
Special events	1,500	1,500	15,519	14,019	1,896
Safety inspection fees	500	500	450	(50)	475
Stop DWI fees	4,500	4,500	8,189	3,689	6,125
SWAT reimbursement	10,000	10,000	11,608	1,608	-
WMD reimbursement	-	-	5,050	5,050	-
Occupant restraint fees	2,500	2,500	-	(2,500)	-
Registrar of Vital Statistics	1,000	1,000	1,160	160	2,350
Parking	36,300	36,300	32,217	(4,083)	34,310
Parks and recreation charges	51,300	52,740	48,777	(3,963)	56,561
Zoning fees	3,000	3,000	3,200	200	4,300
Planning board fees	1,500	1,500	650	(850)	1,950
Refuse removal	90,000	90,000	68,750	(21,250)	94,177
Fire protection	358,700	358,700	403,946	45,246	386,871
Snow removal	2,000	2,000	232	(1,768)	224
Programs for the aging	25,000	25,000	30,878	5,878	32,545
	596,900	598,340	640,407	42,067	631,012

USE OF MONEY AND PROPERTY

Earnings on investments	51,000	51,000	20,902	(30,098)	130,855
LICENSES AND PERMITS					
Dog license apportionment	800	800	594	(206)	627
Permit fees	102,000	102,000	89,388	(12,612)	136,872
Alarm fees	4,000	4,000	800	(3,200)	3,275
FINES AND FORFEITURES					
Fines and forfeited bail	106,800	106,800	90,782	(16,018)	140,774
	94,000	94,000	80,413	(13,587)	84,476
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of equipment	5,000	5,000	2,100	(2,900)	5,321
Other minor sales	2,200	2,200	4,439	2,239	5,913
Insurance recoveries	6,000	6,000	34,662	28,662	1,265
	13,200	13,200	41,201	28,001	12,499
STATE AID					
Per capita	30,000	30,000	30,420	420	29,534
Mortgage tax	152,000	152,000	99,485	(52,515)	161,380
Consolidated highway improvement aid	66,000	66,000	81,119	15,119	66,405
Youth programs	1,277	1,277	2,532	1,255	1,277
Records management grant	-	13,400	12,605	(795)	2,875
State Emergency Management Office	-	-	-	-	5,098
Community projects and other	100	25,550	30,977	5,427	25,078
FEDERAL AID					
	249,377	288,227	257,138	(31,089)	291,647
Federal Emergency Management Agency	-	-	1,960	1,960	15,904

(Continued)

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)
 YEAR ENDED MAY 31, 2009
 (With Comparative Actuals for 2008)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
MISCELLANEOUS					
Other	\$ 52,000	\$ 52,000	\$ 65,831	\$ 13,831	\$ 6,742
TOTAL REVENUES	9,108,675	9,148,965	9,111,224	(37,741)	9,083,734
OTHER FINANCING SOURCES					
Transfers in - Capital Projects Fund	30,000	30,000	-	(30,000)	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 9,138,675	\$ 9,178,965	\$ 9,111,224	\$ (67,741)	\$ 9,083,734

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
YEAR ENDED MAY 31, 2009
(With Comparative Actuals for 2008)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 11,100	\$ 11,104	\$ 9,821	\$ 1,283	\$ 4,800
Justice	105,909	110,084	109,984	100	99,956
Mayor	5,400	5,400	4,800	600	2,400
Village Manager	165,012	162,824	162,824	-	149,199
Auditor	39,500	40,500	40,500	-	33,800
Treasurer	223,433	225,089	224,948	141	222,623
Assessment	8,950	9,300	9,300	-	8,269
Village Clerk	114,018	127,444	127,117	327	106,539
Law	77,867	80,708	80,611	97	83,959
Buildings	80,500	158,573	158,506	67	94,332
Central garage	279,736	330,248	330,207	41	441,667
Unallocated insurance	150,000	128,130	128,130	-	145,015
Municipal association dues	5,200	2,387	1,537	850	2,919
Taxes on Village owned property	17,500	26,070	26,070	-	18,886
Refund of real property taxes	15,000	26,145	26,145	-	34,634
Contingency	23,400	-	-	-	-
	1,322,525	1,444,006	1,440,500	3,506	1,448,998
PUBLIC SAFETY					
Police	2,390,751	2,397,579	2,397,310	269	2,283,734
Traffic control	2,000	2,000	1,947	53	25,187
Fire department	404,923	437,869	437,830	39	432,614
Safety inspection	135,872	121,060	121,053	7	115,880
	2,933,546	2,958,508	2,958,140	368	2,857,415

HEALTH

Youth Council

40,600	18,672	17,272	1,400	15,378
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TRANSPORTATION

Street administration
Street maintenance
Snow removal
Street lighting

113,140	113,140	113,140	-	110,014
279,215	272,073	272,073	-	228,170
140,000	156,833	156,833	-	92,208
51,000	68,254	68,254	-	62,528

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Programs for the aging

583,355	610,300	610,300	-	492,920
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CULTURE AND RECREATION

Parks
Community center
Historian
Celebrations
CATV committee

33,583	32,124	30,903	1,221	28,793
147,562	177,343	177,343	-	141,826
63,190	71,943	71,211	732	68,735
1,350	1,385	1,385	-	1,010
2,000	4,318	4,318	-	18,399
16,600	17,224	17,164	60	10,690

HOME AND COMMUNITY SERVICES

Planning
Environmental control
Zoning
Sanitary sewers
Storm sewers
Refuse and garbage
Shade trees
Community beautification
Street cleaning

230,702	272,213	271,421	792	240,660
2,500	33,198	32,900	298	11,517
6,200	3,741	3,741	-	10,226
3,800	3,119	3,119	-	3,212
79,904	77,679	77,679	-	75,726
91,400	93,097	93,056	41	79,861
754,157	721,640	719,568	2,072	751,750
29,000	39,450	38,025	1,425	31,521
17,500	15,454	15,454	-	8,878
20,000	27,500	27,477	23	22,218

1,004,461	1,014,878	1,011,019	3,859	994,909
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(Continued)

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)

YEAR ENDED MAY 31, 2009

(With Comparative Actuals for 2008)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 150,259	\$ 154,092	\$ 139,584	\$ 14,508	\$ 142,498
State retirement - Police	301,246	344,085	331,055	13,030	278,108
Service awards program	70,000	70,000	70,000	-	70,000
Social security	316,383	316,383	310,153	6,230	286,600
Workers' compensation	156,000	124,353	124,353	-	151,595
Life insurance	8,328	8,026	7,632	394	7,919
Disability insurance	2,800	-	-	-	-
Medical and dental insurance	894,577	877,579	877,015	564	852,491
	1,899,593	1,894,518	1,859,792	34,726	1,789,211
DEBT SERVICE					
Principal:					
Serial bonds	335,000	335,000	335,000	-	334,200
Bond anticipation notes	73,995	152,281	152,281	-	210,281
	408,995	487,281	487,281	-	544,481
Interest:					
Serial bonds	268,025	267,025	267,025	-	283,590
Bond anticipation notes	28,509	31,274	31,177	97	28,357
	296,534	298,299	298,202	97	311,947
	705,529	785,580	785,483	97	856,428
TOTAL EXPENDITURES	8,753,894	9,030,799	8,984,830	45,969	8,724,712
OTHER FINANCING USES					
Transfers out:					
Capital Projects Fund	140,858	140,858	140,858	-	48,000
Public Library Fund	286,923	286,923	286,923	-	280,409
	427,781	427,781	427,781	-	328,409
TOTAL OTHER FINANCING USES					
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 9,181,675	\$ 9,458,580	\$ 9,412,611	\$ 45,969	\$ 9,053,121

VILLAGE OF ARDSLEY, NEW YORK

CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 27,295	\$ 298,487
Investments	670,881	1,061,259
Receivables:		
State and Federal aid	3,300	3,300
Due from other funds	15,000	88,300
	18,300	91,600
Total Assets	<u>\$ 716,476</u>	<u>\$ 1,451,346</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 264,861	\$ 34,581
Retainages payable	37,644	146,582
Due to other funds	96,620	131,639
Deferred revenues	-	31,500
Bond anticipation notes payable	43,000	183,858
Total Liabilities	442,125	528,160
Fund Balance:		
Reserved for debt service	134,369	133,039
Unreserved and undesignated	139,982	790,147
Total Fund Balance	274,351	923,186
Total Liabilities and Fund Balance	<u>\$ 716,476</u>	<u>\$ 1,451,346</u>

VILLAGE OF ARDSLEY, NEW YORK

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MAY 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Revenues:		
State aid	\$ 132,201	\$ 13,500
Use of money and property	3,939	-
Miscellaneous	<u>259,750</u>	<u>366,088</u>
Total Revenues	395,890	379,588
Expenditures - Capital outlay	<u>1,185,583</u>	<u>2,231,929</u>
Deficiency of Revenues Over Expenditures	(789,693)	(1,852,341)
Other Financing Sources -		
Transfers in	<u>140,858</u>	<u>48,000</u>
Net Change in Fund Balance	(648,835)	(1,804,341)
Fund Balance - Beginning of Year	<u>923,186</u>	<u>2,727,527</u>
Fund Balance - End of Year	<u>\$ 274,351</u>	<u>\$ 923,186</u>

VILLAGE OF ARDSLEY, NEW YORK

CAPITAL PROJECTS FUND

PROJECT-LENGTH SCHEDULE

INCEPTION OF PROJECT THROUGH MAY 31, 2009

<u>Project</u>	<u>Authorization</u>	<u>Expenditures and Transfers</u>	<u>Unexpended Balance</u>
Acquisition of Cable Equipment	\$ 169,805	\$ 114,738	\$ 55,067
Pumper Fire Fighting Vehicle	352,500	352,671	(171)
Reconstruction of Sanitary Storm Sewer System	26,950	26,905	45
Reconstruction of Ashford Avenue	870,767	648,990	221,777
Purchase and Installation of Fire Siren and Related Items	25,000	25,231	(231)
Reconstruction of Sanitary Sewer Mains	257,000	245,783	11,217
Phase I and II - Environmental Studies	24,000	19,500	4,500
Partial Reconstruction of Community Center	35,000	34,320	680
New Traffic Light	107,350	9,955	97,395
New Fire House	4,794,825	4,740,711	54,114
Fire Department Vehicle	32,000	31,597	403
Dump Truck	46,542	45,940	602
Purchase of Highway Department Vehicles	172,000	172,000	-
Flood Control	134,000	124,000	10,000
Street Reconstruction	140,483	71,294	69,189
Village Hall Reconstruction	15,000	5,475	9,525
Library Reconstruction	865,451	941,266	(75,815)
Salt Shed	227,500	6,000	221,500
Totals	<u>\$ 8,296,173</u>	<u>\$ 7,616,376</u>	<u>\$ 679,797</u>

Methods of Financing				Fund Balance (Deficit) at May 31, 2009	Bond Anticipation Notes Out- standing at May 31, 2009
Proceeds of Obligations	State and Federal Aid	Other	Totals		
\$ -	\$ -	\$ 166,098	\$ 166,098	\$ 51,360	\$ -
352,500	-	-	352,500	(171)	-
26,950	-	-	26,950	45	-
215,809	471,700	-	687,509	38,519	-
25,000	-	-	25,000	(231)	-
257,000	-	-	257,000	11,217	-
24,000	-	-	24,000	4,500	-
35,000	-	-	35,000	680	-
20,000	-	5,000	25,000	15,045	-
4,790,000	-	4,825	4,794,825	54,114	-
32,000	-	-	32,000	403	-
46,542	-	-	46,542	602	-
-	-	129,000	129,000	(43,000)	43,000
134,000	-	-	134,000	10,000	-
75,000	65,483	-	140,483	69,189	-
15,000	-	-	15,000	9,525	-
-	175,701	689,750	865,451	(75,815)	-
-	-	-	-	(6,000)	-
<u>\$ 6,048,801</u>	<u>\$ 712,884</u>	<u>\$ 994,673</u>	<u>\$ 7,756,358</u>	<u>\$ 139,982</u>	<u>\$ 43,000</u>

VILLAGE OF ARDSLEY, NEW YORK

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
MAY 31, 2009
(With Comparative Totals for 2008)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2009	2008
<u>ASSETS</u>				
Cash and Equivalents	\$ 61,454	\$ 92,548	\$ 154,002	\$ 239,753
Investments	447	-	447	443
Total Assets	<u>\$ 61,901</u>	<u>\$ 92,548</u>	<u>\$ 154,449</u>	<u>\$ 240,196</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 10,215	\$ 23,848	\$ 34,063	\$ 30,546
Due to other funds	15,000	-	15,000	34,547
Total Liabilities	<u>25,215</u>	<u>23,848</u>	<u>49,063</u>	<u>65,093</u>
Fund Balances:				
Reserved for trusts	-	68,700	68,700	78,423
Unreserved:				
Designated for				
subsequent year's expenditures	35,000	-	35,000	75,000
Undesignated	1,686	-	1,686	21,680
Total Fund Balances	<u>36,686</u>	<u>68,700</u>	<u>105,386</u>	<u>175,103</u>
Total Liabilities and Fund Balances	<u>\$ 61,901</u>	<u>\$ 92,548</u>	<u>\$ 154,449</u>	<u>\$ 240,196</u>

VILLAGE OF ARDSLEY, NEW YORK

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCES

YEAR ENDED MAY 31, 2009

(With Comparative Totals for 2008)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2009	2008
Revenues:				
Departmental income	\$ 8,750	\$ -	\$ 8,750	\$ 9,848
Use of money and property	95	325	420	4,604
State aid	1,940	-	1,940	3,896
Miscellaneous	1,256	21,754	23,010	18,314
Total Revenues	12,041	22,079	34,120	36,662
Expenditures -				
Current:				
Culture and recreation	294,752	31,802	326,554	339,830
Employee benefits	64,206	-	64,206	58,555
Total Expenditures	358,958	31,802	390,760	398,385
Deficiency of Revenues Over Expenditures	(346,917)	(9,723)	(356,640)	(361,723)
Other Financing Sources -				
Transfers in	286,923	-	286,923	280,409
Net Change in Fund Balances	(59,994)	(9,723)	(69,717)	(81,314)
Fund Balances - Beginning of Year	96,680	78,423	175,103	256,417
Fund Balances - End of Year	\$ 36,686	\$ 68,700	\$ 105,386	\$ 175,103

VILLAGE OF ARDSLEY, NEW YORK

PUBLIC LIBRARY FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2009 AND 2008

	2009	2008
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 61,304	\$ 104,319
Petty cash	150	150
	61,454	104,469
Investments	447	443
Total Assets	<u>\$ 61,901</u>	<u>\$ 104,912</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 10,215	\$ 8,232
Due to other funds	15,000	-
Total Liabilities	<u>25,215</u>	<u>8,232</u>
Fund Balance:		
Unreserved:		
Designated for subsequent year's expenditures	35,000	75,000
Undesignated	1,686	21,680
Total Fund Balance	<u>36,686</u>	<u>96,680</u>
Total Liabilities and Fund Balance	<u>\$ 61,901</u>	<u>\$ 104,912</u>

VILLAGE OF ARDSLEY, NEW YORK

PUBLIC LIBRARY FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MAY 31, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 9,000	\$ 9,000	\$ 8,750	\$ (250)
Use of money and property	3,500	3,500	95	(3,405)
State aid	3,840	3,840	1,940	(1,900)
Miscellaneous	600	600	1,256	656
Total Revenues	16,940	16,940	12,041	(4,899)
Expenditures -				
Current:				
Culture and recreation	314,763	312,298	294,752	17,546
Employee benefits	64,100	66,565	64,206	2,359
Total Expenditures	378,863	378,863	358,958	19,905
Deficiency of Revenues Over Expenditures	(361,923)	(361,923)	(346,917)	15,006
Other Financing Sources -				
Transfers in	286,923	286,923	286,923	-
Net Change in Fund Balance	(75,000)	(75,000)	(59,994)	15,006
Fund Balance - Beginning of Year	75,000	75,000	96,680	21,680
Fund Balance - End of Year	\$ -	\$ -	\$ 36,686	\$ 36,686

2008			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 8,900	\$ 8,900	\$ 9,848	\$ 948
3,500	3,500	1,699	(1,801)
1,500	1,500	3,896	2,396
300	300	813	513
14,200	14,200	16,256	2,056
312,591	312,450	272,534	39,916
67,018	67,159	58,555	8,604
379,609	379,609	331,089	48,520
(365,409)	(365,409)	(314,833)	50,576
280,409	280,409	280,409	-
(85,000)	(85,000)	(34,424)	50,576
85,000	85,000	131,104	46,104
\$ -	\$ -	\$ 96,680	\$ 96,680

VILLAGE OF ARDSLEY, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2009 AND 2008

ASSETS

	<u>2009</u>	<u>2008</u>
Cash:		
Demand deposits	\$ -	\$ 43,067
Time deposits	<u>92,548</u>	<u>92,217</u>
Total Assets	<u>\$ 92,548</u>	<u>\$ 135,284</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts payable	\$ 23,848	\$ 22,314
Due to other funds	<u>-</u>	<u>34,547</u>
Total Liabilities	23,848	56,861
Fund Balance - Reserved for trusts	<u>68,700</u>	<u>78,423</u>
Total Liabilities and Fund Balance	<u>\$ 92,548</u>	<u>\$ 135,284</u>

VILLAGE OF ARDSLEY, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MAY 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Revenues:		
Use of money and property	\$ 325	\$ 2,905
Miscellaneous	<u>21,754</u>	<u>17,501</u>
Total Revenues	22,079	20,406
Expenditures - Current - Culture and recreation	<u>31,802</u>	<u>67,296</u>
Deficiency of Revenues Over Expenditures	(9,723)	(46,890)
Fund Balance - Beginning of Year	<u>78,423</u>	<u>125,313</u>
Fund Balance - End of Year	<u>\$ 68,700</u>	<u>\$ 78,423</u>