

VILLAGE OF ARDSLEY, NEW YORK
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED MAY 31, 2008
WITH INDEPENDENT AUDITORS' REPORT

VILLAGE OF ARDSLEY, NEW YORK

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets	13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet - Governmental Funds	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	19
Statement of Fiduciary Net Assets	20
Statement of Changes in Plan Net Assets - Pension Trust Fund	21
Notes to Financial Statements	22
Required Supplementary Information -	
Service Awards Program:	
Schedule of Funding Progress - Last Six Fiscal Years	39
Schedule of Contributions - Last Six Fiscal Years	40
Combining and Individual Fund Financial Statements and Schedules:	
Major Governmental Funds:	
General Fund:	
Comparative Balance Sheet	41
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	42
Schedule of Revenues and Other Financing Sources Compared to Budget	44
Schedule of Expenditures and Other Financing Uses Compared to Budget	47
Capital Projects Fund:	
Comparative Balance Sheet	50
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	51
Project-Length Schedule	52
Non-Major Governmental Funds:	
Combining Balance Sheet	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	55
Public Library Fund:	
Comparative Balance Sheet	56
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	57
Special Purpose Fund:	
Comparative Balance Sheet	59
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	60

THIS PAGE INTENTIONALLY LEFT BLANK



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, 2008, 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, 2008 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 is 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.

Bennett Kielson Storch DeSantis Division

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.

Bennett Kielson Storch DeSantis

**The Government Services Division of
O'Connor Davies Munns & Dobbins, LLP**
November 18, 2008

**Village of Ardsley, New York
Management's Discussion and Analysis
May 31, 2008**

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, 2008. 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 \$2,898,800. Of this amount, the unrestricted net assets are \$137,851.
- At the close of the current fiscal year, the Village's governmental funds reported combined fund balances of \$2,025,724, exclusive of the Capital Projects Fund. Approximately 70%, or \$1,413,892, of this amount is unreserved and undesignated fund balance and is available for spending at the Village's discretion.
- At May 31, 2008, unreserved and undesignated fund balance for the Village's General Fund was \$1,392,212 or 15% of total General Fund expenditures and other financing uses.
- During the current fiscal year, the Village paid \$106,088 in bond anticipation notes, \$334,200 in bonded debt outstanding, and \$210,281 in bond anticipation notes for judgments and claims. The Village also issued a bond anticipation note in the amount of \$97,858 during the 2007/2008 fiscal year.

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 \$2,898,800 at the close of the most recent fiscal year.

The largest portion of the Village's net assets, \$1,546,259, is its investment in capital assets (land, buildings and improvements, machinery and equipment, infrastructure, and construction-in-progress), 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	
	2008	2007
Current Assets	\$ 3,711,830	\$ 5,409,661
Capital Assets, net	<u>7,432,346</u>	<u>5,363,691</u>
Total Assets	<u>11,144,176</u>	<u>10,773,352</u>
Current Liabilities	972,661	821,085
Long-term Liabilities	<u>7,272,715</u>	<u>7,806,864</u>
Total Liabilities	<u>8,245,376</u>	<u>8,627,949</u>
Net Assets:		
Investment in Capital Assets, net of related debt	1,546,259	1,193,942
Restricted	1,214,690	1,034,398
Unrestricted	<u>137,851</u>	<u>(82,937)</u>
Total Net Assets	<u>\$ 2,898,800</u>	<u>\$ 2,145,403</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,	
	2008	2007
Capital Projects	\$ 584,246	\$ 337,645
Debt Service	455,341	440,336
Public Library	96,680	131,104
Special Purpose	<u>78,423</u>	<u>125,313</u>
	<u>\$ 1,214,690</u>	<u>\$ 1,034,398</u>

Change in Net Assets

	Year Ended May 31,	
	2008	2007
Revenues:		
Program Revenues:		
Charges for Services	\$ 866,110	\$ 789,638
Operating Grants and Contributions	143,451	163,230
Capital Grants and Contributions	391,984	425,759
Total Program Revenues	<u>1,401,545</u>	<u>1,378,627</u>
General Revenues:		
Real Property Taxes	6,969,732	6,735,284
Other Tax Items	24,678	23,042
Non-Property Taxes	777,333	731,168
Unrestricted Use of Money and Property	118,459	167,187
Sale of Property and Compensation for Loss	12,499	33,540
Unrestricted State Aid	190,914	234,115
Miscellaneous	6,742	3,078
Total General Revenues	<u>8,100,357</u>	<u>7,927,414</u>
Total Revenues	<u>9,501,902</u>	<u>9,306,041</u>
Program Expenses:		
General Government Support	1,769,607	1,480,881
Public Safety	3,868,123	4,649,850
Health	15,378	1,298
Transportation	655,690	642,504
Economic Opportunity and Development	28,793	39,327
Culture and Recreation	654,219	647,350
Home and Community Services	1,448,465	1,317,260
Interest	308,230	231,177
Total Expenses	<u>8,748,505</u>	<u>9,009,647</u>
Change in Net Assets	753,397	296,394
Net Assets - Beginning	<u>2,145,403</u>	<u>1,849,009</u>
Net Assets - Ending	<u>\$ 2,898,800</u>	<u>\$ 2,145,403</u>

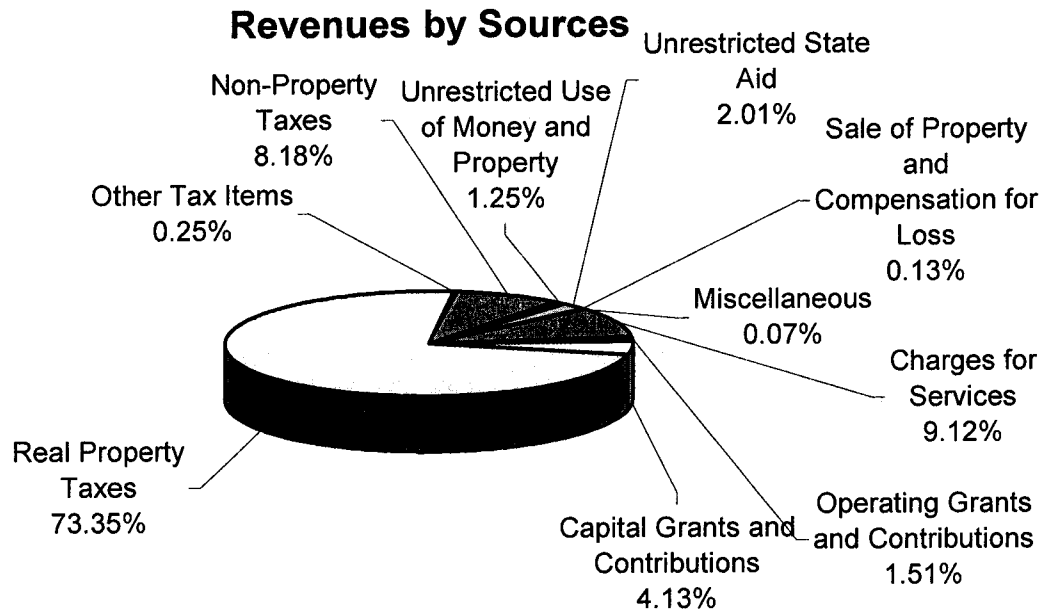
Governmental Activities

Governmental activities increased the Village's net assets by \$753,397.

For the fiscal year ended May 31, 2008, revenues from governmental activities totaled \$9,501,902. Program revenues are 15% of this total and 85% is attributable to taxes and other sources. The major changes are as follows:

Revenues:

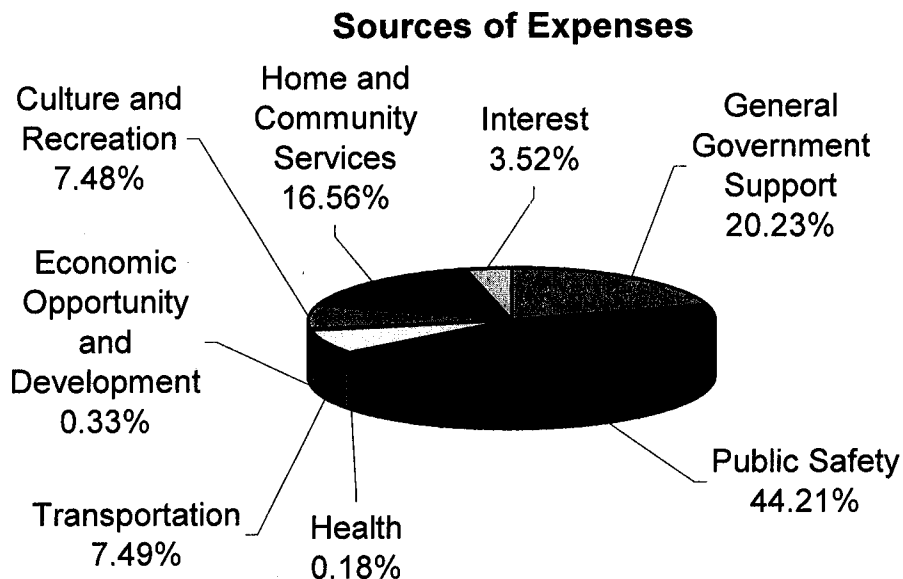
- Real property tax revenues increased by \$234,448. This was the result of a higher tax levy.
- Charges for services increased by \$76,472 from the prior year. This was the result of the increase in the fire protection services contract with the Town of Greenburgh.



Total expenses for governmental activities were \$8,748,505.

Expenses:

- Public safety expenses decreased by \$781,727. Decrease in this area was due to the maintenance costs incurred in the prior year for the construction of the fire house.



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 \$2,025,724, exclusive of the Capital Projects Fund. Approximately 27% of this amount, or \$536,832, has been reserved for the following purposes: prepaid expenditures (\$3,068), debt service (\$455,341) and trusts (\$78,423). The Public Library Fund reflects \$75,000, as designated for subsequent year's expenditures. This represents the amount estimated for use in the 2008-2009 budget. The remaining 70%, or \$1,413,892, 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 \$1,392,212, representing 81% of the total General Fund fund balance of \$1,717,582. 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 15% of total General Fund expenditures and other financing uses, while total fund balance represents 19% of that same amount.

The Capital Projects Fund reflects an unreserved and undesignated fund balance of \$790,147 and a reserve for debt service of \$133,039 at the end of the current fiscal year. Liabilities for bond anticipation notes payable in the amount of \$183,858 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 \$213,600. Actual expenditures were \$73,223 less than the final budget. Actual revenues exceeded final budget projections by \$192,440. The major areas where revenues exceeded final budgetary estimates were non-property taxes \$75,333 as a result of strong sales tax collections, departmental income \$59,145 as a result of an increase in fire protection service fees, use of money and property \$79,855 as a result of a sharp increase in interest rates, licenses and permits \$33,974 resulting from building permit fees. These variances resulted in an increase in fund balance by \$30,613, as opposed to the budgeted decrease of \$175,050.

Capital Asset and Debt Administration

Capital Assets

The Village's investment in capital assets for governmental activities at May 31, 2008, net of \$3,373,263 of accumulated depreciation, was \$7,432,346. 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:

- Continued construction of the new fire house.
- Flood control project.

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

Capital Assets

	Government Activities	
	2008	2007
Capital Assets Not Being Depreciated:		
Land	\$ 121,550	\$ 121,550
Construction-in-progress	-	1,931,841
	<u>121,550</u>	<u>2,053,391</u>
Capital Assets Being Depreciated:		
Building and Improvements	6,639,368	2,667,411
Machinery and Equipment	3,138,862	2,802,800
Infrastructure	905,829	905,829
Total assets being depreciated	<u>10,684,059</u>	<u>6,376,040</u>
Less Accumulated Depreciation for:		
Building and Improvements	1,277,742	1,143,138
Machinery and Equipment	2,053,494	1,887,602
Infrastructure	42,027	35,000
Total accumulated depreciation	<u>3,373,263</u>	<u>3,065,740</u>
Total Capital Assets being Depreciated, net	<u>\$ 7,310,796</u>	<u>\$ 3,310,300</u>
Capital Assets, net	<u>\$ 7,432,346</u>	<u>\$ 5,363,691</u>

Long-term Debt

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$6,095,000. 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, 2008, the Village's five year average full valuation was \$739,196,551, thereby establishing a constitutional debt limit of \$51,743,759.

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.

THIS PAGE INTENTIONALLY LEFT BLANK

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF NET ASSETS
MAY 31, 2008

	Governmental Activities
ASSETS	
Cash and equivalents	\$ 1,463,210
Investments	1,622,128
Receivables:	
Taxes, net	38,171
Accounts	87,006
State and Federal aid	10,800
Due from other governments	487,447
Prepaid expenses	3,068
Capital assets (net of accumulated depreciation):	
Land	121,550
Buildings and improvements	5,361,626
Machinery and equipment	1,085,368
Infrastructure	863,802
Total Assets	11,144,176
LIABILITIES	
Accounts payable	413,625
Accrued interest payable	103,165
Retainages payable	146,582
Unearned revenues	41,602
Bond anticipation notes payable	183,858
Due to retirement systems	83,829
Non-current liabilities:	
Due within one year:	
Bonds payable	335,000
Bond anticipation notes payable - Judgments and claims	609,127
Compensated absences	23,020
Judgments payable	38,389
Due in more than one year:	
Bonds payable	5,760,000
Compensated absences	207,179
Judgments payable	300,000
Total Liabilities	8,245,376
NET ASSETS	
Invested in capital assets, net of related debt	1,546,259
Restricted for:	
Capital projects	584,246
Debt service	455,341
Special Revenue funds:	
Public Library	96,680
Special Purpose	78,423
Unrestricted	137,851
Total Net Assets	\$ 2,898,800

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, 2008

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	\$ 1,769,607	\$ 9,868	\$ -	\$ -	\$ (1,759,739)
Public safety	3,868,123	489,979	2,875	-	(3,375,269)
Health	15,378	-	-	-	(15,378)
Transportation	655,690	36,260	87,407	13,500	(518,523)
Economic opportunity and development	28,793	-	-	-	(28,793)
Culture and recreation	654,219	89,106	27,278	-	(537,835)
Home and community services	1,448,465	240,897	25,891	366,088	(815,589)
Interest	308,230	-	-	12,396	(295,834)
Total Governmental Activities	<u>\$ 8,748,505</u>	<u>\$ 866,110</u>	<u>\$ 143,451</u>	<u>\$ 391,984</u>	<u>(7,346,960)</u>
General Revenues:					
Real property taxes					6,969,732
Other tax items -					
Interest and penalties on real property taxes					24,678
Non-property taxes:					
Non-property tax distribution from County					594,853
Franchise fees					78,050
Utilities gross receipts tax					104,430
Unrestricted use of money and property					118,459
Sale of property and compensation for loss					12,499
Unrestricted State aid					190,914
Miscellaneous					6,742
Total General Revenues					<u>8,100,357</u>
Change in Net Assets					753,397
Net Assets - Beginning of year					<u>2,145,403</u>
Net Assets - Ending					<u>\$ 2,898,800</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, 2008

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (1,855,042)</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	2,376,178
Depreciation expense	<u>(307,523)</u>

2,068,655

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>1,918</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 bond 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	334,200
Principal paid on bond anticipation notes	<u>210,281</u>

544,481

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.

Compensated absences	1,218
Accrued interest	3,717
Judgments	<u>(11,550)</u>

(6,615)

Change in Net Assets of Governmental Activities	<u><u>\$ 753,397</u></u>
-------------------------------------------------	--------------------------

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

VILLAGE OF ARDSLEY, NEW YORK

BALANCE SHEET
GOVERNMENTAL FUNDS
MAY 31, 2008

	General	Capital Projects	Other Governmental Funds
<u>ASSETS</u>			
Cash and Equivalents	\$ 924,970	\$ 298,487	\$ 239,753
Investments	560,426	1,061,259	443
Taxes Receivable, net of allowance for uncollectible amounts	38,171	-	-
Other Receivables:			
Accounts	87,006	-	-
State and Federal aid	7,500	3,300	-
Due from other governments	487,447	-	-
Due from other funds	438,312	88,300	-
	1,020,265	91,600	-
Prepaid Expenditures	3,068	-	-
Total Assets	<u>\$ 2,546,900</u>	<u>\$ 1,451,346</u>	<u>\$ 240,196</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 348,498	\$ 34,581	\$ 30,546
Retainages payable	-	146,582	-
Due to other funds	360,426	131,639	34,547
Deferred tax revenues	26,463	-	-
Deferred revenues	10,102	31,500	-
Bond anticipation notes payable	-	183,858	-
Due to retirement systems	83,829	-	-
Total Liabilities	829,318	528,160	65,093
Fund Balances:			
Reserved for prepaid expenditures	3,068	-	-
Reserved for debt service	322,302	133,039	-
Reserved for trusts	-	-	78,423
Unreserved, reported in:			
General Fund	1,392,212	-	-
Capital Projects Fund	-	790,147	-
Special Revenue funds	-	-	96,680
Total Fund Balances	1,717,582	923,186	175,103
Total Liabilities and Fund Balances	<u>\$ 2,546,900</u>	<u>\$ 1,451,346</u>	<u>\$ 240,196</u>

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

Revenues in the statement of activities that do not provide current
financial resources are not reported as revenues in the funds -
Real property taxes

Long-term and other liabilities are not due and payable in the current
period and, therefore, are not reported in the funds.

Accrued interest payable
Bond anticipation notes payable
Bonds payable
Compensated absences
Judgments payable

Net Assets of Governmental Activities

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

Total
Governmental
Funds

\$ 1,463,210

1,622,128

38,171

87,006

10,800

487,447

526,612

1,111,865

3,068

\$ 4,238,442

\$ 413,625

146,582

526,612

26,463

41,602

183,858

83,829

1,422,571

3,068

455,341

78,423

1,392,212

790,147

96,680

2,815,871

7,432,346

26,463

(103,165)

(609,127)

(6,095,000)

(230,199)

(338,389)

\$ 2,898,800

VILLAGE OF ARDSLEY, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MAY 31, 2008

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:				
Real property taxes	\$ 6,967,814	\$ -	\$ -	\$ 6,967,814
Other tax items	24,678	-	-	24,678
Non-property taxes	777,333	-	-	777,333
Departmental income	631,012	-	9,848	640,860
Use of money and property	130,855	-	4,604	135,459
Licenses and permits	140,774	-	-	140,774
Fines and forfeitures	84,476	-	-	84,476
Sale of property and compensation for loss	12,499	-	-	12,499
State aid	291,647	13,500	3,896	309,043
Federal aid	15,904	-	-	15,904
Miscellaneous	6,742	366,088	18,314	391,144
Total Revenues	9,083,734	379,588	36,662	9,499,984
Expenditures:				
Current:				
General government support	1,448,998	-	-	1,448,998
Public safety	2,857,415	-	-	2,857,415
Health	15,378	-	-	15,378
Transportation	492,920	-	-	492,920
Economic opportunity and development	28,793	-	-	28,793
Culture and recreation	240,660	-	339,830	580,490
Home and community services	994,909	-	-	994,909
Employee benefits	1,789,211	-	58,555	1,847,766
Debt service:				
Principal	544,481	-	-	544,481
Interest	311,947	-	-	311,947
Capital outlay	-	2,231,929	-	2,231,929
Total Expenditures	8,724,712	2,231,929	398,385	11,355,026
Excess (Deficiency) of Revenues Over Expenditures	359,022	(1,852,341)	(361,723)	(1,855,042)
Other Financing Sources (Uses):				
Transfers in	-	48,000	280,409	328,409
Transfers out	(328,409)	-	-	(328,409)
Total Other Financing Sources (Uses)	(328,409)	48,000	280,409	-
Net Change in Fund Balances	30,613	(1,804,341)	(81,314)	(1,855,042)
Fund Balances - Beginning of Year	1,686,969	2,727,527	256,417	4,670,913
Fund Balances - End of Year	\$ 1,717,582	\$ 923,186	\$ 175,103	\$ 2,815,871

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

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED MAY 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Real property taxes	\$ 6,989,577	\$ 6,989,577	\$ 6,967,814	\$ (21,763)
Other tax items	23,000	23,000	24,678	1,678
Non-property taxes	702,000	702,000	777,333	75,333
Departmental income	571,867	571,867	631,012	59,145
Use of money and property	51,000	51,000	130,855	79,855
Licenses and permits	106,800	106,800	140,774	33,974
Fines and forfeitures	94,000	94,000	84,476	(9,524)
Sale of property and compensation for loss	13,200	13,200	12,499	(701)
State aid	249,300	287,850	291,647	3,797
Federal aid	-	-	15,904	15,904
Miscellaneous	52,000	52,000	6,742	(45,258)
Total Revenues	8,852,744	8,891,294	9,083,734	192,440
Expenditures:				
Current:				
General government support	1,287,429	1,457,509	1,448,998	8,511
Public safety	2,865,552	2,915,706	2,857,415	58,291
Health	18,200	18,245	15,378	2,867
Transportation	538,892	492,922	492,920	2
Economic opportunity and development	28,985	29,036	28,793	243
Culture and recreation	221,705	242,997	240,660	2,337
Home and community services	918,483	995,771	994,909	862
Employee benefits	1,906,276	1,789,321	1,789,211	110
Debt service:				
Principal	481,281	544,481	544,481	-
Interest	317,532	311,947	311,947	-
Total Expenditures	8,584,335	8,797,935	8,724,712	73,223
Excess of Revenues Over Expenditures	268,409	93,359	359,022	265,663
Other Financing Sources (Uses):				
Transfers in	60,000	60,000	-	(60,000)
Transfers out	(328,409)	(328,409)	(328,409)	-
Total Other Financing Uses	(268,409)	(268,409)	(328,409)	(60,000)
Net Change in Fund Balance	-	(175,050)	30,613	205,663
Fund Balance - Beginning of Year	-	175,050	1,686,969	1,511,919
Fund Balance - End of Year	\$ -	\$ -	\$ 1,717,582	\$ 1,717,582

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, 2008

	<u>Agency</u>	<u>Pension Trust</u>
ASSETS		
Cash:		
Demand deposits	\$ 52,445	\$ 25,011
Time deposits	<u>11,784</u>	<u>14,816</u>
	64,229	39,827
Investments, at fair value - Annuities	-	496,325
Accounts Receivable	<u>13,032</u>	<u>-</u>
Total Assets	<u>77,261</u>	<u>536,152</u>
LIABILITIES		
Accounts Payable	1,187	-
Deposits	<u>76,074</u>	<u>-</u>
Total Liabilities	<u>77,261</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>\$ 536,152</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, 2008

Additions:

Pension contributions	\$ 70,000
Earnings on investments	<u>18,265</u>

Total Additions	<u>88,265</u>
-----------------	---------------

Deductions:

Pension benefits	15,963
Life insurance premiums	8,901
Administrative fee	<u>2,400</u>

Total Deductions	<u>27,264</u>
------------------	---------------

Net Increase in Plan Net Assets	61,001
---------------------------------	--------

Net Assets Held in Trust for Pension Benefits - Beginning of Year	<u>475,151</u>
-------------------------------------------------------------------	----------------

Net Assets Held in Trust for Pension Benefits - End of Year	<u><u>\$ 536,152</u></u>
-------------------------------------------------------------	--------------------------

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

THIS PAGE INTENTIONALLY LEFT BLANK

Note 1 - Summary of Significant Accounting Policies

The Village of Ardsley, New York 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 of Ardsley, New York 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 of Ardsley, 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 page 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, judgments and claims 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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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, 2008.

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

Investments - The Village participates in a cooperative investment pool established pursuant to General Municipal Law. 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 and is registered with the Securities and Exchange Commission. 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, 2008, 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 inventorable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the 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 and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the Village are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	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 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 \$26,463 for real property taxes, \$10,102 for State aid received in advance in the General Fund and \$31,500 for State aid received in advance in the Capital Projects Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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.

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.

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 certain Special Revenue 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.

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 for the Special Purpose Fund.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2008**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. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

B. Expenditures in Excess of Budget

The following individual capital projects expenditures exceeded its authorized budget by the amounts indicated:

Pumper Fire Fighting Vehicle	\$	171
Purchase and Installation of Fire Siren and Related Items		231

C. 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 2007-08 fiscal year was \$14,783,931, which exceeded the actual levy by \$7,794,354.

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

Taxes receivable at May 31, 2008 consisted of the following:

Current Year	\$	43,047
Prior Years		<u>117,013</u>
		160,060
Less: Allowance for uncollectible taxes		<u>(121,889)</u>
	\$	<u>38,171</u>

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2008**Note 3 - Detailed Notes on All Funds (Continued)****B. Due From/To Other Funds**

The balances reflected as due from/to other funds at May 31, 2008 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 438,312	\$ 360,426
Capital Projects	88,300	131,639
Other Governmental Funds	-	34,547
	<u>\$ 526,612</u>	<u>\$ 526,612</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, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance May 31, 2008</u>
Capital assets, not being depreciated:				
Land	\$ 121,550	\$ -	\$ -	\$ 121,550
Construction-in-progress	1,931,841		1,931,841	-
Total Capital Assets, not being depreciated	<u>\$ 2,053,391</u>	<u>\$ -</u>	<u>\$ 1,931,841</u>	<u>\$ 121,550</u>
Capital assets, being depreciated:				
Buildings and improvements	\$ 2,667,411	\$ 3,971,957	-	\$ 6,639,368
Machinery and equipment	2,802,800	336,062	-	3,138,862
Infrastructure	905,829	-	-	905,829
Total Capital Assets, being depreciated	<u>6,376,040</u>	<u>4,308,019</u>	<u>-</u>	<u>10,684,059</u>
Less Accumulated Depreciation for:				
Buildings and improvements	1,143,138	134,604	-	1,277,742
Machinery and equipment	1,887,602	165,892	-	2,053,494
Infrastructure	35,000	7,027	-	42,027
Total Accumulated Depreciation	<u>3,065,740</u>	<u>307,523</u>	<u>-</u>	<u>3,373,263</u>
Total Capital Assets, being depreciated, net	<u>\$ 3,310,300</u>	<u>\$ 4,000,496</u>	<u>\$ -</u>	<u>\$ 7,310,796</u>
Capital Assets, net	<u>\$ 5,363,691</u>	<u>\$ 4,000,496</u>	<u>\$ 1,931,841</u>	<u>\$ 7,432,346</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

MAY 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

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

Governmental Activities:	
General Government Support	\$ 74,314
Public Safety	81,408
Transportation	110,049
Culture and Recreation	35,519
Home and Community Services	<u>6,233</u>
Total Depreciation Expense	<u>\$ 307,523</u>

D. Pension Plans

The Village of Ardsley, New York 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. Contributions consist of a life insurance portion (GTLI) and regular pension contributions. Contribution rates for the plans' year ended March 31, 2008 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	2 75I	11.1 %
	3 A14	8.9
	4 A15	8.9
PFRS	2 384D	14.7

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

	<u>ERS</u>	<u>PFRS</u>
2008	\$ 150,780	\$ 278,108
2007	169,831	291,667
2006	177,828	324,534

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

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2008**Note 3 - Detailed Notes on All Funds (Continued)**

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	\$ 142,498
Public Library	<u>8,282</u>
	<u>\$ 150,780</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.

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>January 1, 2007</u>
Retirees and beneficiaries currently receiving benefits	9
Terminated members entitled to but not yet receiving benefits	14
Active - non-vested	17
Active - vested	30

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 remaining amortization period is 8 years. 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:

2008	\$ 70,000
2007	70,000
2006	70,000

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.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2008**Note 3 - Detailed Notes on All Funds (Continued)****F. Short-Term Capital Borrowings**

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance June 1, 2007	New Issues	Redemptions	Balance May 31, 2008
New Traffic Light	2002	10/26/07	3.28 %	\$ 5,000	\$ -	\$ 5,000	\$ -
High Compaction Heavy Duty Packer	2002	08/03/07	3.10	29,288	-	29,288	-
Police Department Equipment	2003	08/03/07	3.10	16,000	-	16,000	-
Fire Department Vehicle	2003	08/03/07	3.10	12,800	-	12,800	-
Purchase of Highway Department Vehicles	2005	10/24/08	3.38	129,000	-	43,000	86,000
Flood Control	2007	10/24/08	3.38	-	97,858	-	97,858
				<u>\$ 192,088</u>	<u>\$ 97,858</u>	<u>\$ 106,088</u>	<u>\$ 183,858</u>

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within 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 \$28,357 were recorded in the fund financial statements in the General Fund. Interest expense of \$11,334 was recorded in the government-wide financial statements.

G. Long-Term Liabilities

The following table summarizes changes in the Village's long-term indebtedness for the year ended May 31, 2008:

	Balance June 1, 2007	New Issues/ Additions	Maturities and/or Payments	Balance May 31, 2008	Due Within One Year
Bonds Payable	\$ 6,429,200	\$ -	334,200	\$ 6,095,000	\$ 335,000
Bond Anticipation Notes Payable -					
Judgements and Claims	819,408	-	210,281	609,127	609,127
Compensated Absences	231,417	23,417	24,635	230,199	23,020
Judgments Payable	326,839	38,389	26,839	338,389	38,389
	<u>\$ 7,806,864</u>	<u>\$ 61,806</u>	<u>\$ 595,955</u>	<u>\$ 7,272,715</u>	<u>\$ 1,005,536</u>

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

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2008**Note 3 - Detailed Notes on All Funds (Continued)****Bonds Payable**

Bonds payable at May 31, 2008 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2008
Public Improvements	1997	\$ 2,206,000	October 2017	4.8% - 5.125%	\$ 1,020,000
Purchase of Fire Truck	1998	352,500	June 2008	5%	40,000
Public Improvements	2006	5,219,200	August 2031	4% - 5%	5,035,000
					<u>\$ 6,095,000</u>

Interest expenditures of \$283,590 was recorded in the fund financial statements in the General Fund. Interest expense of \$278,937 was recorded in the government-wide financial statements for governmental activities.

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.

Bond Anticipation Notes Payable

The following bond anticipation note was outstanding at May 31, 2008:

Purpose	Year of Original Issue	Interest Rate	Amount
Judgments	2006	3.66%	<u>\$ 609,127</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 14, 2008. Interest expense of \$17,959 was recorded in the government-wide financial statements.

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

The annual requirements to amortize all bonded debt outstanding as of May 31, 2007 including interest payments of \$2,614,841 are as follows:

Year Ended May 31,	Bonds		Bond Anticipation Note		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	335,000	267,025	609,127	22,294	944,127	289,319
2010	300,000	251,315	-	-	300,000	251,315
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
2014-2018	1,610,000	795,148	-	-	1,610,000	795,148
2019-2023	1,100,000	479,610	-	-	1,100,000	479,610
2024-2028	1,000,000	271,610	-	-	1,000,000	271,610
2029-2032	850,000	69,421	-	-	850,000	69,421
	<u>\$ 6,095,000</u>	<u>\$ 2,799,270</u>	<u>\$ 609,127</u>	<u>\$ 22,294</u>	<u>\$ 6,704,127</u>	<u>\$ 2,821,564</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.

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 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.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2008**Note 3 - Detailed Notes on All Funds (Continued)**

In addition, judgments payable consists of a liability of \$26,839 for court ordered tax refunds, which were not due and payable at year-end. These amounts have been recorded as an expense in the government-wide financial statements.

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.

<u>Transfers Out</u>	<u>Transfers In</u>		<u>Total</u>
	<u>Capital Projects</u>	<u>Non-Major Governmental</u>	
General	<u>\$ 48,000</u>	<u>\$ 280,409</u>	<u>\$ 328,409</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, \$195,995 was paid on behalf of 18 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.

NOTES TO FINANCIAL STATEMENTS (Continued)
MAY 31, 2008

Note 3 - Detailed Notes on All Funds (Continued)

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".

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 for Subsequent Year's Expenditures - Designations of fund balances are not legally required segregations but represent intended use for a specific purpose. At May 31, 2008, the Village Board has designated that \$75,000 of the fund balance of the Public Library Fund be appropriated for the ensuing year's budget.

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

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.

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 2008, renewed a bond anticipation note in the amount of \$456,846. This note is due on August 13, 2009, with interest at 2.91%.

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
2003	\$ 263,095	\$ 498,683	\$ 235,588	52.76 %
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

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>
2003	\$ 39,000	100 %
2004	39,000	100
2005	39,000	100
2006	39,000	100
2007	70,000	100
2008	70,000	100

THIS PAGE INTENTIONALLY LEFT BLANK

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2008 AND 2007

	2008	2007
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 922,576	\$ 115,354
Time deposits	1,994	-
Petty cash	400	400
	<u>924,970</u>	<u>115,754</u>
Investments	<u>560,426</u>	<u>1,209,227</u>
Taxes Receivable, net of allowance for uncollectible amounts of \$121,889 in 2008 and \$106,427 in 2007	<u>38,171</u>	<u>30,550</u>
Other Receivables:		
Accounts	87,006	105,630
State and Federal aid	7,500	7,500
Due from other governments	487,447	488,366
Due from other funds	438,312	453,940
	<u>1,020,265</u>	<u>1,055,436</u>
Prepaid Expenditures	<u>3,068</u>	<u>2,172</u>
Total Assets	<u>\$ 2,546,900</u>	<u>\$ 2,413,139</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 348,498	\$ 168,753
Due to other funds	360,426	438,941
Deferred tax revenues	26,463	24,545
Deferred revenues	10,102	10,102
Due to retirement systems	83,829	83,829
Total Liabilities	<u>829,318</u>	<u>726,170</u>
Fund Balance:		
Reserved for prepaid expenditures	3,068	2,172
Reserved for debt service	322,302	309,906
Unreserved and undesignated	<u>1,392,212</u>	<u>1,374,891</u>
Total Fund Balance	<u>1,717,582</u>	<u>1,686,969</u>
Total Liabilities and Fund Balance	<u>\$ 2,546,900</u>	<u>\$ 2,413,139</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, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 6,989,577	\$ 6,989,577	\$ 6,967,814	\$ (21,763)
Other tax items	23,000	23,000	24,678	1,678
Non-property taxes	702,000	702,000	777,333	75,333
Departmental income	571,867	571,867	631,012	59,145
Use of money and property	51,000	51,000	130,855	79,855
Licenses and permits	106,800	106,800	140,774	33,974
Fines and forfeitures	94,000	94,000	84,476	(9,524)
Sale of property and compensation for loss	13,200	13,200	12,499	(701)
State aid	249,300	287,850	291,647	3,797
Federal aid	-	-	15,904	15,904
Miscellaneous	52,000	52,000	6,742	(45,258)
Total Revenues	8,852,744	8,891,294	9,083,734	192,440
Expenditures:				
Current:				
General government support	1,287,429	1,457,509	1,448,998	8,511
Public safety	2,865,552	2,915,706	2,857,415	58,291
Health	18,200	18,245	15,378	2,867
Transportation	538,892	492,922	492,920	2
Economic opportunity and development	28,985	29,036	28,793	243
Culture and recreation	221,705	242,997	240,660	2,337
Home and community services	918,483	995,771	994,909	862
Employee benefits	1,906,276	1,789,321	1,789,211	110
Debt service:				
Principal	481,281	544,481	544,481	-
Interest	317,532	311,947	311,947	-
Total Expenditures	8,584,335	8,797,935	8,724,712	73,223
Excess of Revenues Over Expenditures	268,409	93,359	359,022	265,663
Other Financing Sources (Uses):				
Transfers in	60,000	60,000	-	(60,000)
Transfers out	(328,409)	(328,409)	(328,409)	-
Total Other Financing Uses	(268,409)	(268,409)	(328,409)	(60,000)
Net Change in Fund Balance	-	(175,050)	30,613	205,663
Fund Balance - Beginning of Year	-	175,050	1,686,969	1,511,919
Fund Balance - End of Year	\$ -	\$ -	\$ 1,717,582	\$ 1,717,582

2007			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,738,950	\$ 6,738,950	\$ 6,722,214	\$ (16,736)
22,000	22,000	23,042	1,042
700,000	700,000	731,168	31,168
413,100	418,100	547,422	129,322
34,000	34,000	179,106	145,106
109,800	109,800	138,666	28,866
93,000	93,000	94,015	1,015
37,800	37,800	33,540	(4,260)
223,235	348,156	344,282	(3,874)
-	-	17,941	17,941
2,300	2,300	3,078	778
8,374,185	8,504,106	8,834,474	330,368
1,438,222	1,207,599	1,205,775	1,824
2,552,071	2,935,084	2,918,401	16,683
17,680	18,498	1,298	17,200
532,183	367,985	367,285	700
26,099	29,080	28,668	412
183,546	241,073	240,905	168
886,249	875,247	874,542	705
1,767,418	2,035,314	2,034,451	863
165,000	165,000	165,000	-
115,197	153,706	151,685	2,021
7,683,665	8,028,586	7,988,010	40,576
690,520	475,520	846,464	370,944
-	358,000	358,000	-
(690,520)	(525,657)	(525,657)	-
(690,520)	(167,657)	(167,657)	-
-	307,863	678,807	370,944
-	(307,863)	1,008,162	1,316,025
\$ -	\$ -	\$ 1,686,969	\$ 1,686,969

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET
 YEAR ENDED MAY 31, 2008
 (With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
REAL PROPERTY TAXES	\$ 6,989,577	\$ 6,989,577	\$ 6,967,814	\$ (21,763)	\$ 6,722,214
OTHER TAX ITEMS					
Interest and penalties on real property taxes	23,000	23,000	24,678	1,678	23,042
NON-PROPERTY TAXES					
Non-property tax distribution from County	546,000	546,000	594,853	48,853	574,226
Franchise fees	56,000	56,000	78,050	22,050	65,479
Utilities gross receipts tax	100,000	100,000	104,430	4,430	91,463
	702,000	702,000	777,333	75,333	731,168
DEPARTMENTAL INCOME					
Tax advertising	300	300	552	252	372
Clerk fees	300	300	546	246	636
Police fees	400	400	380	(20)	410
Prisoner transportation	8,000	8,000	7,750	(250)	6,077
Special events	1,500	1,500	1,896	396	1,500
Safety inspection fees	500	500	475	(25)	971
Stop DWI fees	4,500	4,500	6,125	1,625	4,455
Occupant restraint fees	2,500	2,500	-	(2,500)	6,406
Registrar of Vital Statistics	600	600	2,350	1,750	1,660
Parking	36,300	36,300	34,310	(1,990)	35,849
Parks and recreation charges	48,300	48,300	56,561	8,261	57,080
Zoning fees	2,000	2,000	4,300	2,300	2,200
Planning board fees	1,000	1,000	1,950	950	-
Refuse removal	80,000	80,000	94,177	14,177	68,608
Fire protection	358,667	358,667	386,871	28,204	327,774
Snow removal	2,000	2,000	224	(1,776)	217
Programs for the aging	25,000	25,000	32,545	7,545	33,207
	571,867	571,867	631,012	59,145	547,422

USE OF MONEY AND PROPERTY

Earnings on investments	51,000	51,000	130,855	79,855	179,106
LICENSES AND PERMITS					
Dog license apportionment	800	800	627	(173)	618
Permit fees	102,000	102,000	136,872	34,872	134,213
Alarm fees	4,000	4,000	3,275	(725)	3,835
	106,800	106,800	140,774	33,974	138,666
FINES AND FORFEITURES					
Fines and forfeited bail	94,000	94,000	84,476	(9,524)	94,015
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of equipment	5,000	5,000	5,321	321	20,453
Other minor sales	2,200	2,200	5,913	3,713	3,366
Insurance recoveries	6,000	6,000	1,265	(4,735)	9,721
	13,200	13,200	12,499	(701)	33,540
STATE AID					
Per capita	30,000	30,000	29,534	(466)	28,674
Mortgage tax	152,000	152,000	161,380	9,380	205,441
Consolidated highway improvement aid	66,000	66,000	66,405	405	-
Youth programs	1,200	1,200	1,277	77	-
Records management grant	-	5,150	2,875	(2,275)	10,921
State Emergency Management Office	-	-	5,098	5,098	-
Community projects and other	100	33,500	25,078	(8,422)	99,246
	249,300	287,850	291,647	3,797	344,282
FEDERAL AID					
Federal Emergency Management Agency	-	-	15,904	15,904	15,695
Community Development Block Grant	-	-	-	-	2,246
	-	-	15,904	15,904	17,941

(Continued)

THIS PAGE INTENTIONALLY LEFT BLANK

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)
 YEAR ENDED MAY 31, 2008
 (With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
MISCELLANEOUS					
Other	\$ 52,000	\$ 52,000	\$ 6,742	\$ (45,258)	\$ 3,078
TOTAL REVENUES	8,852,744	8,891,294	9,083,734	192,440	8,834,474
OTHER FINANCING SOURCES					
Transfers in - Capital Projects Fund	60,000	60,000	-	(60,000)	358,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 8,912,744	\$ 8,951,294	\$ 9,083,734	\$ 132,440	\$ 9,192,474

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET
YEAR ENDED MAY 31, 2008
(With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
GENERAL GOVERNMENT SUPPORT					
Board of Trustees	\$ 6,300	\$ 4,800	\$ 4,800	\$ -	\$ 40
Justice	106,797	99,976	99,956	20	97,039
Mayor	3,000	2,400	2,400	-	12
Village Manager	149,114	149,203	149,199	4	145,188
Auditor	34,550	33,800	33,800	-	34,150
Treasurer	208,800	222,623	222,623	-	206,603
Assessment	8,150	8,269	8,269	-	8,150
Village Clerk	106,018	108,695	106,539	2,156	110,053
Law	88,949	83,959	83,959	-	71,302
Buildings	70,000	97,952	94,332	3,620	59,513
Central garage	273,720	444,378	441,667	2,711	264,331
Unallocated insurance	143,354	145,015	145,015	-	138,052
Municipal association dues	3,800	2,919	2,919	-	3,789
Taxes on Village owned property	17,500	18,886	18,886	-	16,553
Refund of real property taxes	15,000	34,634	34,634	-	51,000
Contingency	52,377	-	-	-	-
	<u>1,287,429</u>	<u>1,457,509</u>	<u>1,448,998</u>	<u>8,511</u>	<u>1,205,775</u>
PUBLIC SAFETY					
Police	2,329,302	2,339,450	2,283,734	55,716	2,216,080
Traffic control	2,000	25,187	25,187	-	25,025
Fire department	413,091	435,189	432,614	2,575	561,682
Safety inspection	121,159	115,880	115,880	-	115,614
	<u>2,865,552</u>	<u>2,915,706</u>	<u>2,857,415</u>	<u>58,291</u>	<u>2,918,401</u>

HEALTH

Youth Council

18,200	18,245	15,378	2,867	1,298
--------	--------	--------	-------	-------

TRANSPORTATION

Street administration
Street maintenance
Snow removal
Street lighting

109,913	110,014	110,014	-	105,729
235,979	228,171	228,170	1	129,847
142,000	92,209	92,208	1	82,797
51,000	62,528	62,528	-	48,912

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Programs for the aging

538,892	492,922	492,920	2	367,285
---------	---------	---------	---	---------

CULTURE AND RECREATION

Parks
Community center
Historian
Celebrations
CATV committee

141,635	144,114	141,826	2,288	196,000
60,900	68,779	68,735	44	38,489
1,070	1,010	1,010	-	1,035
2,000	18,399	18,399	-	4,342
16,100	10,695	10,690	5	1,039

HOME AND COMMUNITY SERVICES

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

3,200	11,517	11,517	-	1,384
5,000	10,226	10,226	-	1,950
1,000	3,258	3,212	46	-
75,884	75,727	75,726	1	75,910
78,049	79,863	79,861	2	79,145
690,050	752,563	751,750	813	649,373
26,500	31,521	31,521	-	40,664
17,000	8,878	8,878	-	3,898
21,800	22,218	22,218	-	22,218

918,483	995,771	994,909	862	874,542
---------	---------	---------	-----	---------

(Continued)

VILLAGE OF ARDSLEY, NEW YORK

GENERAL FUND

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

YEAR ENDED MAY 31, 2008

(With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 166,116	\$ 142,498	\$ 142,498 ✓	\$ -	\$ 159,177
State retirement - Police	304,674	278,108	278,108 ✓	-	291,667
Service awards program	70,000	70,000	70,000 ✓	-	70,000
Social security	319,733	286,600	286,600	-	280,084
Workers' compensation	155,000	151,595	151,595	-	154,597
Life insurance	8,328	7,954	7,919	35	6,695
Disability insurance	2,800	-	-	-	-
Medical and dental insurance	879,625	852,566	852,491	75	1,072,231
	1,906,276	1,789,321	1,789,211	110	2,034,451
DEBT SERVICE					
Principal:					
Serial bonds	334,000	334,200	334,200	-	165,000
Bond anticipation notes	147,281	210,281	210,281	-	-
	481,281	544,481	544,481	-	165,000
Interest:					
Serial bonds	287,259	283,590	283,590	-	113,012
Bond anticipation notes	30,273	28,357	28,357	-	38,673
	317,532	311,947	311,947	-	151,685
	798,813	856,428	856,428	-	316,685
TOTAL EXPENDITURES	8,584,335	8,797,935	8,724,712	73,223	7,988,010
OTHER FINANCING USES					
Transfers out:					
Capital Projects Fund	48,000	48,000	48,000	-	335,443
Public Library Fund	280,409	280,409	280,409	-	190,214
TOTAL OTHER FINANCING USES	328,409	328,409	328,409	-	525,657
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 8,912,744	\$ 9,126,344	\$ 9,053,121	\$ 73,223	\$ 8,513,667

VILLAGE OF ARDSLEY, NEW YORK

CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash - Demand deposits	<u>\$ 298,487</u>	<u>\$ 1,964,086</u>
Investments	<u>1,061,259</u>	<u>1,021,474</u>
Receivables:		
State and Federal aid	3,300	3,300
Due from other funds	<u>88,300</u>	<u>629,408</u>
	<u>91,600</u>	<u>632,708</u>
Total Assets	<u><u>\$ 1,451,346</u></u>	<u><u>\$ 3,618,268</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 34,581	\$ 132,926
Retainages payable	146,582	80,288
Due to other funds	131,639	453,939
Deferred revenues	31,500	31,500
Bond anticipation notes payable	<u>183,858</u>	<u>192,088</u>
Total Liabilities	<u>528,160</u>	<u>890,741</u>
Fund Balance:		
Reserved for debt service	133,039	130,430
Unreserved and undesignated	<u>790,147</u>	<u>2,597,097</u>
Total Fund Balance	<u>923,186</u>	<u>2,727,527</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,451,346</u></u>	<u><u>\$ 3,618,268</u></u>

THIS PAGE INTENTIONALLY LEFT BLANK

VILLAGE OF ARDSLEY, NEW YORK

CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MAY 31, 2008 AND 2007

	2008	2007
Revenues:		
Use of money and property	\$ -	\$ 121,564
State aid	13,500	95,483
Miscellaneous	366,088	196,793
Total Revenues	379,588	413,840
Expenditures - Capital outlay	2,231,929	2,395,881
Deficiency of Revenues Over Expenditures	(1,852,341)	(1,982,041)
Other Financing Sources:		
Bonds issued	-	5,219,200
Transfers in	48,000	190,214
Total Other Financing Sources	48,000	5,409,414
Net Change in Fund Balance	(1,804,341)	3,427,373
Fund Balance (Deficit) - Beginning of Year	2,727,527	(699,846)
Fund Balance - End of Year	\$ 923,186	\$ 2,727,527

VILLAGE OF ARDSLEY, NEW YORK

CAPITAL PROJECTS FUND
 PROJECT-LENGTH SCHEDULE
 INCEPTION OF PROJECT THROUGH MAY 31, 2008

Project	Authorization	Expenditures and Transfers	Unexpended Balance
Acquisition of Cable Equipment	\$ 144,805	\$ 59,779	\$ 85,026
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
High Compaction Heavy Duty Packer	146,440	146,440	-
New Fire House	7,290,000	4,452,403	2,837,597
Police Department Equipment	40,000	40,000	-
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
Dump Truck	83,000	83,000	-
Street Reconstruction	140,483	71,294	69,189
Village Hall Reconstruction	40,000	1,025	38,975
Library Reconstruction	473,500	109,400	364,100
Fire Chief Vehicle	35,500	35,500	-
Equipment-Various	62,358	62,358	-
Totals	<u>\$ 10,539,195</u>	<u>\$ 6,798,091</u>	<u>\$ 3,741,104</u>

Methods of Financing				Fund Balance (Deficit) at May 31, 2008	Bond Anticipation Notes Out- standing at May 31, 2008
Proceeds of Obligations	State and Federal Aid	Other	Totals		
\$ -	\$ -	\$ 141,098	\$ 141,098	\$ 81,319	\$ -
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	-
146,440	-	-	146,440	-	-
4,790,000	-	4,825	4,794,825	342,422	-
40,000	-	-	40,000	-	-
32,000	-	-	32,000	403	-
46,542	-	-	46,542	602	-
43,000	-	43,000	86,000	(86,000)	86,000
134,000	-	-	134,000	10,000	-
83,000	-	-	83,000	-	-
75,000	65,483	-	140,483	69,189	-
15,000	-	25,000	40,000	38,975	-
-	43,500	430,000	473,500	364,100	-
-	-	-	-	(35,500)	35,500
-	-	-	-	(62,358)	62,358
<u>\$ 6,361,241</u>	<u>\$ 580,683</u>	<u>\$ 648,923</u>	<u>\$ 7,590,847</u>	<u>\$ 792,756</u>	<u>\$ 183,858</u>

VILLAGE OF ARDSLEY, NEW YORK

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
MAY 31, 2008
(With Comparative Totals for 2007)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2008	2007
<u>ASSETS</u>				
Cash and Equivalents	\$ 104,469	\$ 135,284	\$ 239,753	\$ 461,176
Investments	443	-	443	426
Due from Other Funds	-	-	-	13,032
Total Assets	<u>\$ 104,912</u>	<u>\$ 135,284</u>	<u>\$ 240,196</u>	<u>\$ 474,634</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 8,232	\$ 22,314	\$ 30,546	\$ 14,717
Due to other funds	-	34,547	34,547	203,500
Total Liabilities	<u>8,232</u>	<u>56,861</u>	<u>65,093</u>	<u>218,217</u>
Fund Balances:				
Reserved for trusts	-	78,423	78,423	125,313
Unreserved:				
Designated for				
subsequent year's expenditures	75,000	-	75,000	85,000
Undesignated	21,680	-	21,680	46,104
Total Fund Balances	<u>96,680</u>	<u>78,423</u>	<u>175,103</u>	<u>256,417</u>
Total Liabilities and Fund Balances	<u>\$ 104,912</u>	<u>\$ 135,284</u>	<u>\$ 240,196</u>	<u>\$ 474,634</u>

VILLAGE OF ARDSLEY, NEW YORK

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCES

YEAR ENDED MAY 31, 2008

(With Comparative Totals for 2007)

	Public Library Fund	Special Purpose Fund	Total Non-Major Governmental Funds	
			2008	2007
Revenues:				
Departmental income	\$ 9,848	\$ -	\$ 9,848	\$ 9,535
Use of money and property	1,699	2,905	4,604	10,734
State aid	3,896	-	3,896	3,893
Miscellaneous	813	17,501	18,314	20,495
	<u>16,256</u>	<u>20,406</u>	<u>36,662</u>	<u>44,657</u>
Total Revenues				
Expenditures -				
Current:				
Culture and recreation	272,534	67,296	339,830	294,882
Employee benefits	58,555	-	58,555	59,195
	<u>331,089</u>	<u>67,296</u>	<u>398,385</u>	<u>354,077</u>
Total Expenditures				
Deficiency of Revenues Over Expenditures	(314,833)	(46,890)	(361,723)	(309,420)
Other Financing Sources -				
Transfers in	280,409	-	280,409	335,443
	<u>280,409</u>	<u>-</u>	<u>280,409</u>	<u>335,443</u>
Net Change in Fund Balances	(34,424)	(46,890)	(81,314)	26,023
Fund Balances - Beginning of Year	131,104	125,313	256,417	230,394
	<u>131,104</u>	<u>125,313</u>	<u>256,417</u>	<u>230,394</u>
Fund Balances - End of Year	\$ 96,680	\$ 78,423	\$ 175,103	\$ 256,417
	<u>\$ 96,680</u>	<u>\$ 78,423</u>	<u>\$ 175,103</u>	<u>\$ 256,417</u>

THIS PAGE INTENTIONALLY LEFT BLANK

VILLAGE OF ARDSLEY, NEW YORK

PUBLIC LIBRARY FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 104,319	\$ 309,871
Petty cash	150	150
	<u>104,469</u>	<u>310,021</u>
Investments	<u>443</u>	<u>426</u>
Total Assets	<u>\$ 104,912</u>	<u>\$ 310,447</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 8,232	\$ 7,343
Due to other funds	-	172,000
Total Liabilities	<u>8,232</u>	<u>179,343</u>
Fund Balance -		
Unreserved:		
Designated for subsequent year's expenditures	75,000	85,000
Undesignated	<u>21,680</u>	<u>46,104</u>
Total Fund Balance	<u>96,680</u>	<u>131,104</u>
Total Liabilities and Fund Balance	<u>\$ 104,912</u>	<u>\$ 310,447</u>

VILLAGE OF ARDSLEY, NEW YORK

PUBLIC LIBRARY FUND
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MAY 31, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 8,900	\$ 8,900	\$ 9,848	\$ 948
Use of money and property	3,500	3,500	1,699	(1,801)
State aid	1,500	1,500	3,896	2,396
Miscellaneous	300	300	813	513
Total Revenues	14,200	14,200	16,256	2,056
Expenditures -				
Current:				
Culture and recreation	312,591	312,450	272,534	39,916
Employee benefits	67,018	67,159	58,555	8,604
Total Expenditures	379,609	379,609	331,089	48,520
Deficiency of Revenues Over Expenditures	(365,409)	(365,409)	(314,833)	50,576
Other Financing Sources -				
Transfers in	280,409	280,409	280,409	-
Net Change in Fund Balance	(85,000)	(85,000)	(34,424)	50,576
Fund Balance - Beginning of Year	85,000	85,000	131,104	46,104
Fund Balance - End of Year	\$ -	\$ -	\$ 96,680	\$ 96,680

2007			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 8,800	\$ 8,800	\$ 9,535	\$ 735
300	300	6,420	6,120
1,500	1,500	3,893	2,393
300	300	930	630
10,900	10,900	20,778	9,878
293,318	293,318	254,752	38,566
83,025	83,025	59,195	23,830
376,343	376,343	313,947	62,396
(365,443)	(365,443)	(293,169)	72,274
335,443	335,443	335,443	-
(30,000)	(30,000)	42,274	72,274
30,000	30,000	88,830	58,830
\$ -	\$ -	\$ 131,104	\$ 131,104

VILLAGE OF ARDSLEY, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE BALANCE SHEET
MAY 31, 2008 AND 2007

	2008	2007
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 43,067	\$ 144,984
Time deposits	92,217	6,171
	135,284	151,155
Due from Other Funds	-	13,032
Total Assets	<u>\$ 135,284</u>	<u>\$ 164,187</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 22,314	\$ 7,374
Due to other funds	34,547	31,500
Total Liabilities	56,861	38,874
Fund Balance - Reserved for trusts	78,423	125,313
Total Liabilities and Fund Balance	<u>\$ 135,284</u>	<u>\$ 164,187</u>

VILLAGE OF ARDSLEY, NEW YORK

SPECIAL PURPOSE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
YEARS ENDED MAY 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
Revenues:		
Use of money and property	\$ 2,905	\$ 4,314
Miscellaneous	<u>17,501</u>	<u>19,565</u>
Total Revenues	20,406	23,879
Expenditures - Current - Culture and recreation	<u>67,296</u>	<u>40,130</u>
Deficiency of Revenues Over Expenditures	(46,890)	(16,251)
Fund Balance - Beginning of Year	<u>125,313</u>	<u>141,564</u>
Fund Balance - End of Year	<u>\$ 78,423</u>	<u>\$ 125,313</u>