

TOWN/VILLAGE OF HARRISON, NEW YORK

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2010

WITH INDEPENDENT AUDITORS' REPORT



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Independent Auditors' Report

To the Honorable Supervisor/Mayor and Town/Village Board  
of the Town/Village of Harrison, New York:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town/Village of Harrison, New York as of and for the year ended December 31, 2010, which collectively comprise the Town/Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town/Village's management. Our responsibility is to express opinions on these basic 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 examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. 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 Town/Village's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the Town/Village of Harrison, New York, as of December 31, 2010 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General and Special Districts funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of Funding Progress and Contributions for the Service Awards Program and the Schedule of Funding Progress – Other Post Employment Benefits be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information

because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town/Village of Harrison, New York basic financial statements as a whole. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The information has been subjected to the auditing procedures applied by us in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*O'Connor Davies Munns & Dobbins, LLP*

**O'Connor Davies Munns & Dobbins, LLP**  
May 3, 2011

**Town/Village of Harrison, New York  
Management's Discussion and Analysis (MD&A)  
December 31, 2010**

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**Introduction**

As management of the Town/Village of Harrison, New York ("Town/Village"), we offer readers of the Town/Village's financial statements this narrative overview and analysis of the financial activities of the Town/Village for the fiscal year ended December 31, 2010. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town/Village's financial performance.

**Financial Highlights**

- ❖ On the government-wide financial statements, the liabilities of the Town/Village exceeded its assets at the close of the most recent fiscal year by (\$3,781,117). Of this amount, a deficit of \$30,527,819 is unrestricted.
- ❖ As of the close of the current fiscal year, the Town/Village's governmental funds reported combined ending fund deficits of (\$6,820,074), of which (\$1,304,588), exclusive of the fund deficit of the Capital Projects Fund is unreserved.
- ❖ At the end of the current fiscal year, unreserved fund deficit for the General Fund was (\$2,512,062).
- ❖ During the current fiscal year, the Town/Village issued \$235,132 in Environmental Facilities Corporation ("EFC") refunding bonds and retired a total of \$5,001,320.
- ❖ During the current fiscal year, the Town/Village issued \$600,000 in bond anticipation notes to finance tax certiorari refunds.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Town/Village's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the 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 are designed to provide readers with a broad overview of the Town/Village's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Town/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 Town/Village is improving or deteriorating.

The statement of activities presents information showing how the Town/Village's net assets changed during the most recent 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 (for example, uncollected taxes, and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Town/Village that are governmental activities (those principally supported by taxes and revenues from other governments) and functions of the Town/Village that are business-type activities (those that are intended to recover all or a significant portion of their costs through user fees and charges). The governmental activities of the Town/Village include general government support, public safety, health, transportation, economic assistance and opportunity, culture and recreation, home and community services and interest. The government-wide financial statements can be found immediately following this discussion and analysis.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town/Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town/Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

#### **Governmental Funds**

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it 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 fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.



The Town/Village maintains seven individual governmental funds: the General Fund, Debt Service Fund, Capital Projects Fund, Highway Fund, Special Districts Fund, Public Library Fund and the Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects Fund and the Special District's Fund, all of which are considered to be major funds. Data for the other three governmental funds, which are considered non-major funds, is combined into a single, aggregated presentation. Individual information on each of these non-major governmental funds is provided in the form of combining and individual fund schedules and statements elsewhere in this report.

The Town/Village adopts annual budgets for the General Fund, Debt Service Fund, Highway Fund, Special Districts Fund and Public Library Fund. A budgetary comparison statement has been provided for the General Fund and the Special District Fund within the basic financial statements to demonstrate compliance with the respective budget.

The governmental fund financial statements can be found in the basic financial statements section of this report.

### **Proprietary Fund**

The Town/Village maintains an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are used to accumulate and allocate costs internally among the Town/Village's various functions. The Town/Village uses an internal service fund to account for its self-insured health benefits. These services have been classified as governmental activities in the government-wide financial statements because they predominantly benefit governmental, rather than business-type functions. The Internal Service Fund is combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service fund is provided in the form of individual fund statements elsewhere in this report.

The proprietary fund financial statements can be found in the basic financial statements section of this report.

### **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 Town/Village programs. The Town/Village maintains only one type of Fiduciary Fund, which is an Agency Fund. The Town/Village holds resources in this fund 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 Fiduciary fund financial statements can be found in the basic financial statements section of this report.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found following the basic financial statements section of this report.

### **Other Information**

Additional statements and schedules can be found immediately following the notes to the financial statements. These include statements for the non-major governmental fund and schedules of budgets 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 Town/Village, liabilities exceeded assets by \$3,781,117 at the close of the most recent fiscal year. By far, the largest portion of the Town/Village's net assets (\$26,047,624) are its investment in capital assets (land, buildings and improvements, infrastructure, machinery and equipment, vehicles and construction-in-progress), less any related debt outstanding that was used to acquire those assets. The Town/Village uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the Town/Village's investments in its 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 the debt.

## Net Assets

	December 31,	
	2010	2009
	Governmental Activities	Governmental Activities
Current Assets	\$ 55,225,330	\$ 53,627,177
Capital Assets, Net	87,780,212	91,654,382
Total Assets	143,005,542	145,281,559
Current Liabilities	66,591,083	63,409,609
Long-term Liabilities	80,195,576	77,834,329
Total Liabilities	146,786,659	141,243,938
Net Assets:		
Invested in Capital Assets, Net of Related Debt	26,047,624	25,297,983
Restricted	7,699,078	9,490,668
Unrestricted	(37,527,819)	(30,751,030)
Total Net Assets	\$ (3,781,117)	\$ 4,037,621

An additional portion of the Town/Village's net assets (\$7,699,078) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets is a deficit of \$37,527,819.

## Change in Net Assets

	December 31,	
	2010	2009
Revenues:		
Program Revenues:		
Charges for Services	\$ 6,627,466	\$ 3,987,556
Operating Grants and Contributions	940,090	295,731
Capital Grants and Contributions	386,164	280,912
General Revenues:		
Real Property Taxes	44,929,538	40,629,261
Other Tax Items	1,734,088	1,601,340
Non-Property Taxes	3,679,589	3,402,363
Unrestricted Use of Money and Property	107,984	197,036
Sale of Property and Compensation for Loss	10,061	12,573
Unrestricted State Aid	1,267,905	1,229,472
Miscellaneous	767,032	994,667
Gain on sale of real property	235,043	-
Total Revenues	<u>60,684,960</u>	<u>52,630,911</u>
Program Expenses:		
General Government Support	12,272,314	13,029,085
Public Safety	28,303,513	28,153,147
Health	529,693	522,940
Transportation	8,426,085	8,615,893
Economic Assistance and Opportunity	161,112	157,403
Culture and Recreation	7,932,572	7,860,914
Home and Community Services	8,632,925	8,650,108
Interest	2,245,484	2,588,128
Total Expenses	<u>68,503,698</u>	<u>69,577,618</u>
Change in Net Assets	(7,818,738)	(16,946,707)
Net Assets - Beginning	<u>4,037,621</u>	<u>20,984,328</u>
Net Assets - Ending	<u><u>\$ (3,781,117)</u></u>	<u><u>\$ 4,037,621</u></u>

## **Governmental Activities**

Governmental activities decreased the Town/Village's net assets by \$7,818,738.

For the fiscal year ended December 31, 2010, revenues from governmental activities totaled \$60,684,960. Tax revenues (\$50,343,215), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (83%). Last year tax revenues represented 87%, (\$45,632,964) and total revenue was \$52,630,911.

The largest components of governmental activities' expenses are public safety (41%), general government support (18%) and transportation (12%). This is comparative to last year when the largest components of governmental activities' expenses were public safety (40%), general government support (19%) and transportation (12%).

## **Financial Analysis of the Town/Village's Funds**

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

### **Governmental Funds**

The focus of the Town/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 Town/Village's financing requirements. In particular, unreserved fund balance may serve as 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 Town/Village's governmental funds reported combined ending fund deficits of (\$6,820,074), a net increase of \$3,443,009 from the prior year amount of (\$10,263,083). Approximately (\$10,802,920) of the total ending fund deficit constitutes unreserved fund balance. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed for prepaid expenditures (\$1,216,376), to liquidate contracts and purchase orders of the prior period (\$67,523), for parklands (\$442,905), for trusts (\$487,643), dedicated to pay for debt service (\$893,399), long-term receivables (\$475,000) and law enforcement of \$400,000.

The General Fund is the primary operating fund of the Town/Village. At the end of the current fiscal year, the unreserved fund deficit of the General Fund was (\$2,512,062) of the total General Fund fund deficit of (\$633,079). This is an increase from last year where the unreserved fund deficit was (\$5,032,888) of the total fund balance. Two useful measures of liquidity are the percentage of unreserved and undesignated fund balance to total expenditures and total fund balance to total expenditures. At the end of the current fiscal year, the General Fund showed a (-6%) unreserved and undesignated fund balance to total expenditures (-8% in the prior year), while total fund balance represents (-2%) of that same amount (-23% in the prior year).

When the fiscal 2010 General Fund budget was adopted, it anticipated the use of \$67,914 of fund balance representing contract and purchase order commitments to be liquidated. The final budget also anticipated the use of \$67,914 of fund balance.

However, actual results of operations resulted in an increase of \$3,127,054. Revenues and other financing sources were \$45,334,420, which was \$912,414 more than the final budget. The major areas where revenues and other financing sources exceeded final budget was in non-property taxes, departmental income and sale of real property. Expenditures and other financing uses were \$42,207,366, which was \$2,282,554 less than the final budget, primarily in public safety and general government support.

### **General Fund Budgetary Highlights**

There was a difference between the original and final estimated revenue budget for the General Fund of \$175,437. This difference is mainly attributable to an increase in State and Federal aid and miscellaneous revenue.

The difference between the appropriations originally budgeted and the final appropriation budget for the General Fund was \$175,437 (\$44,314,483 vs. \$44,489,920).

### **Capital Assets and Debt Administration**

#### **Capital Assets**

The Town/Village's investment in capital assets for governmental activities at December 31, 2010, net of \$69,448,378 of accumulated depreciation, was \$87,780,212. This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment, vehicles and construction-in-progress.

#### **Capital Assets December 31,**

<u>Asset</u>	<u>2010</u>	<u>2009</u>
Land	\$ 2,331,480	\$ 2,331,480
Buildings and improvements	37,249,848	37,052,931
Infrastructure	93,777,767	93,380,010
Vehicles	12,729,704	12,689,812
Machinery and equipment	3,879,690	3,544,315
Construction-in-progress	7,260,101	7,177,051
Less - accumulated depreciation	<u>(69,448,378)</u>	<u>(64,521,217)</u>
Total (net of depreciation)	<u><u>\$ 87,780,212</u></u>	<u><u>\$ 91,654,382</u></u>

Additional information on the Town/Village's capital assets can be found in Note 3,E in the notes to the financial statements.

### **Long-term Debt**

During the current fiscal year, the Town/Village issued \$235,132 in EFC refunding bonds.

At the end of the current fiscal year, the Town/Village had total bonded debt outstanding of \$49,287,632. As required by New York State Law, all bonds issued by the Town/Village are general obligation bonds, backed by the full faith and credit of the Town/Village.

Additional information on the Town/Village's long-term debt can be found in Note 3,K in the notes to the financial statements.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town/Village of Harrison, New York's finances for all those with an interest in those finances. Questions and comments concerning any of the information provided in this report should be addressed to Maureen McKenzie, Comptroller, Town/Village of Harrison, 1 Heineman Place, Harrison, New York 10528.

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## TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF NET ASSETS  
DECEMBER 31, 2010

	Primary Government	Component Unit
	Governmental Activities	Harrison Parking Authority
<b>ASSETS</b>		
Cash and equivalents	\$ 15,582,982	\$ -
Investments	119,926	-
Receivables:		
Taxes receivable, net	33,134,544	-
Accounts	2,901,472	-
State and Federal aid	1,777,073	-
Due from component unit	475,000	-
Due from other governments	1,873	-
Prepaid expenses	1,216,376	-
Deferred charges	16,084	-
Capital assets (net of accumulated depreciation):		
Land	2,331,480	-
Buildings and improvements	30,917,036	-
Infrastructure	42,073,407	-
Machinery and equipment	1,153,834	-
Vehicles	4,044,354	-
Construction-in-progress	7,260,101	494,952
Total Assets	143,005,542	494,952
<b>LIABILITIES</b>		
Accounts payable	1,899,622	-
Accrued liabilities	778,684	-
Due to other governments	13,090	-
Accrued interest payable	194,717	19,952
Retainages payable	128,276	-
Due to school district	41,882,378	-
Unearned revenues	1,253,881	-
Bond anticipation notes payable - Capital construction	14,666,040	-
Bond anticipation notes payable - Judgments and claims	600,000	-
Due to primary government	-	475,000
Non-current liabilities:		
Due within one year:		
Bonds payable - Capital construction	4,132,632	-
Bonds payable - Judgments and claims	485,000	-
Compensated absences	137,000	-
State loans payable	137,763	-
Claims payable	282,000	-
Due in more than one year:		
Bonds payable - Capital construction	42,950,000	-
Bonds payable - Judgments and claims	1,720,000	-
Bond anticipation notes payable - Judgments and claims	1,681,000	-
Compensated absences	1,231,618	-
State loans payable	622,244	-
Claims payable	2,534,162	-
Other post employment benefit obligations payable	29,456,552	-
Total Liabilities	146,786,659	494,952
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	26,047,624	-
Restricted for:		
Law enforcement	400,000	-
Debt service	1,198,034	-
Capital projects	5,170,496	-
Special Revenue Fund - Special Purpose	930,548	-
Unrestricted	(37,527,819)	-
Total Net Assets	\$ (3,781,117)	\$ -

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

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## TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2010

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	\$ 12,272,314	\$ 2,184,341	\$ 54,284	\$ -	\$ (10,033,689)
Public safety	28,303,513	1,585,161	83,303	-	(26,635,049)
Health	529,693	-	-	-	(529,693)
Transportation	8,426,085	-	426,107	134,554	(7,865,424)
Economic assistance and opportunity	161,112	11,796	-	-	(149,316)
Culture and recreation	7,932,572	744,103	347,473	-	(6,840,996)
Home and community services	8,632,925	2,102,065	28,923	11,243	(6,490,694)
Interest	2,245,484	-	-	240,367	(2,005,117)
<b>Total Governmental Activities</b>	<b>\$ 68,503,698</b>	<b>\$ 6,627,466</b>	<b>\$ 940,090</b>	<b>\$ 386,164</b>	<b>(60,549,978)</b>
General Revenues:					
Real property taxes					44,929,538
Other tax items:					
Payments in lieu of taxes					495,519
Interest and penalties on real property taxes					504,425
Utilities gross receipts taxes					734,144
Non-property taxes:					
Non-property tax distribution from County					3,181,525
Franchise fees					498,064
Unrestricted use of money and property					107,984
Sale of property and compensation for loss					10,061
Unrestricted State aid					1,267,905
Miscellaneous					767,032
Gain on sale of real property					235,043
<b>Total General Revenues</b>					<b>52,731,240</b>
<b>Change in Net Assets</b>					<b>(7,818,738)</b>
<b>Net Assets - Beginning</b>					<b>4,037,621</b>
<b>Net Assets - Ending</b>					<b>\$ (3,781,117)</b>

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

## TOWN/VILLAGE OF HARRISON, NEW YORK

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2010

	General	Debt Service	Capital Projects
<b>ASSETS</b>			
Cash and Equivalents	\$ 5,196,852	\$ 1,117,294	\$ 5,046,663
Investments	24,926	-	-
Taxes Receivable, net of allowance for uncollectible taxes	33,134,544	-	-
Other Receivables:			
Accounts	984,428	76,857	-
State and Federal aid	1,262,240	-	391,991
Due from component unit	475,000	-	-
Due from other funds	3,933,101	-	-
Due from other governments	1,873	-	-
	6,656,642	76,857	391,991
Prepaid Expenditures	933,717	-	2,788
Total Assets	<u>\$ 45,946,681</u>	<u>\$ 1,194,151</u>	<u>\$ 5,441,442</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
Liabilities:			
Accounts payable	\$ 1,078,774	\$ -	\$ 39,916
Due to other governments	13,090	-	-
Retainages payable	-	-	128,276
Due to school district	41,882,378	-	-
Deferred tax revenues	807,349	-	-
Deferred revenues	255,714	-	102,754
Due to other funds	1,942,455	-	-
Bond anticipation notes payable	600,000	-	14,666,040
Total Liabilities	46,579,760	-	14,936,986
Fund Balances (Deficits):			
Reserved for:			
Prepaid expenditures	933,717	-	2,788
Encumbrances	66,623	-	-
Parklands	-	-	-
Trusts	-	-	-
Debt service	3,643	889,756	-
Long-term receivables	475,000	-	-
Law enforcement	400,000	-	-
Unreserved, reported in			
General Fund	(2,512,062)	-	-
Debt Service Fund	-	304,395	-
Capital Projects Fund	-	-	(9,498,332)
Special Revenue Funds	-	-	-
Total Fund Balances (Deficits)	(633,079)	1,194,151	(9,495,544)
Total Liabilities and Fund Balances (Deficits)	<u>\$ 45,946,681</u>	<u>\$ 1,194,151</u>	<u>\$ 5,441,442</u>

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

Special Districts	Other Governmental Funds	Total
\$ 1,783,958	\$ 1,585,618	\$ 14,730,385
-	95,000	119,926
-	-	33,134,544
1,790,827	14,337	2,866,449
51,821	71,021	1,777,073
-	-	475,000
-	-	3,933,101
-	-	1,873
1,842,648	85,358	9,053,496
123,254	156,617	1,216,376
\$ 3,749,860	\$ 1,922,593	\$ 58,254,727
\$ 436,900	\$ 235,096	\$ 1,790,686
-	-	13,090
-	-	128,276
-	-	41,882,378
-	-	807,349
895,413	-	1,253,881
1,990,646	-	3,933,101
-	-	15,266,040
3,322,959	235,096	65,074,801
123,254	156,617	1,216,376
-	900	67,523
-	442,905	442,905
-	487,643	487,643
-	-	893,399
-	-	475,000
-	-	400,000
-	-	(2,512,062)
-	-	304,395
-	-	(9,498,332)
303,647	599,432	903,079
426,901	1,687,497	(6,820,074)
\$ 3,749,860	\$ 1,922,593	\$ 58,254,727

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TOWN/VILLAGE OF HARRISON, NEW YORK

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS  
DECEMBER 31, 2010

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Fund Balances - Total Governmental Funds	\$ (6,820,074)
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Amounts Reported for Governmental Activities in the Statement of New  
Assets are Difference Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	87,780,212
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	807,349

Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred charges	16,084

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	(194,717)
Bond anticipation notes payable	(1,681,000)
Bonds payable	(49,287,632)
Compensated absences	(1,368,618)
State loans payable	(760,007)
Claims payable	(2,816,162)
Other post employment benefit obligations payable	(29,456,552)

Net Assets of Governmental Activities	<u>\$ (3,781,117)</u>
---------------------------------------	-----------------------

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

## TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2010

	General	Debt Service	Capital Projects
<b>REVENUES</b>			
Real property taxes	\$ 32,529,047	\$ -	\$ -
Other tax items	1,734,088	-	-
Non-property taxes	3,679,589	-	-
Departmental income	1,949,446	-	-
Use of money and property	176,075	67,530	-
Licenses and permits	1,838,005	-	-
Fines and forfeitures	1,009,392	-	-
Sale of property and compensation for loss	10,061	-	-
State aid	1,341,975	-	134,554
Federal aid	64,667	-	1,198
Miscellaneous	767,032	172,626	10,045
Total Revenues	45,099,377	240,156	145,797
<b>EXPENDITURES</b>			
Current:			
General government support	7,900,583	-	-
Public safety	14,989,699	-	-
Health	529,693	-	-
Transportation	383,584	-	-
Economic assistance and opportunity	95,687	-	-
Culture and recreation	3,363,159	-	-
Home and community services	2,854,918	-	-
Employee benefits	6,621,210	-	-
Debt service:			
Advance refunding escrow	-	304,868	-
Principal	152,000	4,592,523	-
Interest	104,179	2,223,230	-
Capital outlay	-	-	1,537,654
Total Expenditures	36,994,712	7,120,621	1,537,654
Excess (Deficiency) of Revenues Over Expenditures	8,104,665	(6,880,465)	(1,391,857)
<b>OTHER FINANCING SOURCES (USES)</b>			
Refunding bonds issued	-	235,132	-
Payment to refunded bond escrow agent	-	(235,132)	-
Sale of real property	235,043	-	-
Transfers in	-	6,654,429	632,500
Transfers out	(5,212,654)	-	(304,868)
Total Other Financing Sources (Uses)	(4,977,611)	6,654,429	327,632
Net Change in Fund Balances	3,127,054	(226,036)	(1,064,225)
Fund Balances (Deficits) - Beginning of Year	(3,760,133)	1,420,187	(8,431,319)
Fund Balances (Deficits) - End of Year	\$ (633,079)	\$ 1,194,151	\$ (9,495,544)

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



Special Districts	Other Governmental Funds	Total
\$ 5,322,129	\$ 7,056,580	\$ 44,907,756
-	-	1,734,088
-	-	3,679,589
1,732,640	30,103	3,712,189
19,137	25,179	287,921
-	-	1,838,005
-	-	1,009,392
-	-	10,061
7,256	136,913	1,620,698
44,567	175,507	285,939
15,652	377,142	1,342,497
<u>7,141,381</u>	<u>7,801,424</u>	<u>60,428,135</u>
72,280	-	7,972,863
2,824,829	-	17,814,528
-	-	529,693
-	3,393,322	3,776,906
-	-	95,687
-	1,331,042	4,694,201
435,270	183,901	3,474,089
1,282,881	1,996,422	9,900,513
-	-	304,868
-	-	4,744,523
47,235	-	2,374,644
-	-	1,537,654
<u>4,662,495</u>	<u>6,904,687</u>	<u>57,220,169</u>
<u>2,478,886</u>	<u>896,737</u>	<u>3,207,966</u>
-	-	235,132
-	-	(235,132)
-	-	235,043
-	-	7,286,929
<u>(1,439,407)</u>	<u>(330,000)</u>	<u>(7,286,929)</u>
<u>(1,439,407)</u>	<u>(330,000)</u>	<u>235,043</u>
1,039,479	566,737	3,443,009
<u>(612,578)</u>	<u>1,120,760</u>	<u>(10,263,083)</u>
<u>\$ 426,901</u>	<u>\$ 1,687,497</u>	<u>\$ (6,820,074)</u>

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TOWN/VILLAGE OF HARRISON, NEW YORK

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2010

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

Net Change in Fund Balances - Total Governmental Funds	\$ 3,443,009
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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 depreciation expense exceeded capital outlays in the current period. This amount may be less than total capital outlay since capital outlay includes amounts that are under the capitalization threshold and, therefore, were not capitalized.

Capital outlay expenditures	1,052,991
Depreciation expense	(4,927,161)
	<u>(3,874,170)</u>

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Real property taxes	<u>21,782</u>
---------------------	---------------

Bond proceeds and other long-term debt provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond and other long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is issued, whereas these amounts are deferred and amortized on the statement of activities.

Refunding bonds issued	(235,132)
Payment to refunded bond escrow agent	235,132
Advance refunding escrow	304,868
Principal paid on bonds	4,461,320
Principal paid on bond anticipation notes	152,000
Principal paid on State loans	131,203
Amortization of issuance costs and loss on refunding	<u>(2,877)</u>

	<u>5,046,514</u>
--	------------------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest	129,160
Compensated absences	(283,118)
Claims	(889,694)
Other post employment benefit obligations	<u>(11,412,221)</u>
	<u>(12,455,873)</u>

Change in Net Assets of Governmental Activities	<u>\$ (7,818,738)</u>
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The notes to the financial statements are an integral part of this statement.

## TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL AND SPECIAL DISTRICTS FUNDS  
YEAR ENDED DECEMBER 31, 2010

## General Fund

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Real property taxes	\$ 32,443,994	\$ 32,443,994	\$ 32,529,047	\$ 85,053
Other tax items	1,672,000	1,672,000	1,734,088	62,088
Non-property taxes	3,330,000	3,330,000	3,679,589	349,589
Departmental income	1,711,050	1,711,050	1,949,446	238,396
Use of money and property	231,000	231,000	176,075	(54,925)
Licenses and permits	1,771,300	1,771,300	1,838,005	66,705
Fines and forfeitures	1,050,000	1,050,000	1,009,392	(40,608)
Sale of property and compensation for loss	750	6,174	10,061	3,887
State aid	1,452,900	1,493,173	1,341,975	(151,198)
Federal aid	-	60,810	64,667	3,857
Miscellaneous	583,575	652,505	767,032	114,527
Total Revenues	44,246,569	44,422,006	45,099,377	677,371
<b>EXPENDITURES</b>				
Current:				
General government support	8,535,129	8,762,876	7,900,583	862,293
Public safety	16,619,781	16,008,836	14,989,699	1,019,137
Health	526,027	531,887	529,693	2,194
Transportation	373,511	393,113	383,584	9,529
Economic assistance and opportunity	99,444	99,444	95,687	3,757
Culture and recreation	3,459,125	3,433,170	3,363,159	70,011
Home and community services	3,052,818	3,052,818	2,854,918	197,900
Employee benefits	6,362,630	6,744,918	6,621,210	123,708
Debt service -				
Bond anticipation notes:				
Principal	152,000	152,000	152,000	-
Interest	94,204	98,204	104,179	(5,975)
Total Expenditures	39,274,669	39,277,266	36,994,712	2,282,554
Excess of Revenues Over Expenditures	4,971,900	5,144,740	8,104,665	2,959,925
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of real property	-	-	235,043	235,043
Transfers out	(5,039,814)	(5,212,654)	(5,212,654)	-
Total Other Financing Uses	(5,039,814)	(5,212,654)	(4,977,611)	235,043
Net Change in Fund Balances	(67,914)	(67,914)	3,127,054	3,194,968
Fund Balances (Deficits) - Beginning of Year	67,914	67,914	(3,760,133)	(3,828,047)
Fund Balances (Deficits) - End of Year	\$ -	\$ -	\$ (633,079)	\$ (633,079)

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

Special Districts Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 5,322,129	\$ 5,322,129	\$ 5,322,129	\$ -
1,322,913	-	-	-
16,200	-	-	-
-	1,322,913	1,732,640	409,727
-	16,200	19,137	2,937
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	7,256	7,256	-
-	44,567	44,567	-
1,790	1,790	15,652	13,862
<u>6,663,032</u>	<u>6,714,855</u>	<u>7,141,381</u>	<u>426,526</u>
90,635	94,749	72,280	22,469
2,979,160	3,026,917	2,824,829	202,088
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
657,641	651,065	435,270	215,795
1,440,043	1,439,995	1,282,881	157,114
-	-	-	-
40,659	47,235	47,235	-
<u>5,208,138</u>	<u>5,259,961</u>	<u>4,662,495</u>	<u>597,466</u>
<u>1,454,894</u>	<u>1,454,894</u>	<u>2,478,886</u>	<u>1,023,992</u>
-	-	-	-
(1,486,346)	(1,486,346)	(1,439,407)	46,939
(1,486,346)	(1,486,346)	(1,439,407)	46,939
(31,452)	(31,452)	1,039,479	1,070,931
31,452	31,452	(612,578)	(644,030)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 426,901</u>	<u>\$ 426,901</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF NET ASSETS  
PROPRIETARY FUND  
DECEMBER 31, 2010

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	Governmental Activities- Internal Service Fund
<b>ASSETS</b>	
Current Assets:	
Cash and equivalents	\$ 852,597
Accounts receivable	35,023
	<hr/>
Total Assets	887,620
	<hr/>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	108,936
Accrued liabilities	778,684
	<hr/>
Total Current Liabilities	\$ 887,620
	<hr/>

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

TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUND  
YEAR ENDED DECEMBER 31, 2010

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	Governmental Activities- Internal Service Fund
Operating Revenues - Charges for services	<u>\$ 9,052,292</u>
Operating Expenses:	
Insurance	235,975
Employee benefits	8,526,245
Contractual	<u>290,072</u>
Total Operating Expenses	<u>9,052,292</u>
Income from Operations	-
Net Assets - Beginning of Year	<u>-</u>
Net Assets - End of Year	<u><u>\$ -</u></u>

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

TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND  
 YEAR ENDED DECEMBER 31, 2010

	Governmental Activities- Internal Service Fund
Cash Flows From Operating Activities:	
Cash received from charges for services	\$ 9,031,532
Cash payments to vendors	(290,072)
Cash payments to insurance carriers and claimants	(8,568,045)
Net Cash Provided by Operating Activities	173,415
Cash and Equivalents - Beginning of Year	679,182
Cash and Equivalents - End of Year	\$ 852,597
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:	
Income from operations	\$ -
Adjustments to reconcile income from operations to net cash provided by operating activities -	
Changes in operating assets and liabilities:	
Accounts receivable	(20,760)
Accounts payable	(8,712)
Accrued liabilities	202,887
Net Cash Provided by Operating Activities	\$ 173,415

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



TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF NET ASSETS  
FIDUCIARY FUNDS  
DECEMBER 31, 2010

	Pension Trust Fund	Agency Fund
<b>ASSETS</b>		
Cash - Demand deposits	\$ -	\$ 899,670
Investments:		
Fixed income mutual funds	306,705	-
US equities	24,587	-
International equities	49,300	-
Mixed assets	160,583	-
	<u>541,175</u>	<u>-</u>
Accounts Receivable	<u>265,815</u>	<u>3,684</u>
Total Assets	<u>806,990</u>	<u>903,354</u>
<b>LIABILITIES</b>		
Accounts Payable	-	47,232
Employee Payroll Deductions	-	8,027
Guarantee and Bid Deposits	-	848,095
Total Liabilities	<u>-</u>	<u>903,354</u>
<b>NET ASSETS</b>		
Held in Trust for		
Pension Benefits (Schedules of funding progress for the plan are presented in the required supplementary information)	<u>\$ 806,990</u>	<u>\$ -</u>

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

TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF CHANGES IN PLAN NET ASSETS  
PENSION TRUST FUND  
YEAR ENDED DECEMBER 31, 2010

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Additions:

Earnings on investments	\$ 44,445
Unrealized gain on investments	10,104
Pension contribution	<u>132,180</u>

Total Additions	186,729
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Deductions - Pension benefits	<u>40,688</u>
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Change in Plan Net Assets	146,041
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Net Assets Held in Trust for Pension Benefits - Beginning of Year	<u>660,949</u>
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Net Assets Held in Trust for Pension Benefits - End of Year	<u><u>\$ 806,990</u></u>
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The notes to the financial statements are an integral part of this statement

**Note 1 - Summary of Significant Accounting Policies**

The Town of Harrison, New York was established in 1696. The Village of Harrison, New York was established in 1975. The Village of Harrison is coterminous with the Town of Harrison and the Village Board is comprised of the members of the Town Board. New York State law has designated certain government functions as a Town responsibility, while other functions are the responsibility of Village government. For financial reporting purposes all references to the entity are captioned Town/Village. The Town/Village operates in accordance with both Town and Village Law and the various other applicable laws of the State of New York. The Town Board and the Village Board of Trustees are the legislative bodies responsible for overall operation. The Town Supervisor/Village Mayor serves as the chief executive and chief financial officer. The Town/Village provides the following services to its residents: public safety, health, transportation, economic assistance and opportunity, culture and recreation, home and community services and general and administrative support.

The accounting policies of the Town/Village conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town/Village's more significant accounting policies:

**A. Financial Reporting Entity**

The financial reporting entity consists of a) the primary government, which is the Town/Village, b) organizations for which the Town/Village is financially accountable and c) other organizations for which the nature and significance of their relationship with the Town/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 Town/Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town/Village's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following component unit is included in the Town/Village's reporting entity because of its operational relationship with the Town/Village.

The Harrison Parking Authority ("Authority") was formed in 2006, for the purpose of constructing, operating and maintaining a parking structure in the Town/Village. The Authority is a public benefit corporation organized under the Laws of the State of New York. Members of the Authority are appointed by the Mayor for a specified term. These members are also members of the Town/Village Board. While the Town/Village will provide the accounting services, Authority members have complete responsibility of the Authority and accountability for fiscal matters. Presently, the Town/Village is not liable for Authority debt. All operating revenues in excess of the Authority's cost of operations are retained by the Authority. Since the Town/Village does not guarantee the Authority's debt and the Authority does not provide services entirely or almost entirely to the Town/Village, the financial statements of the Authority have been reflected as a discretely presented component unit. Separate financial statements have not been issued for the Authority.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**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 Town/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. Governmental activities, which normally are supported by taxes and inter-governmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Assets presents the financial position of the Town/Village at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The Town/Village does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental funds, proprietary 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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenue of the Internal Service Fund is charges to customers for services. Operating expenses include the cost of administrative expenses and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

**C. Fund Financial Statements**

The accounts of the Town/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 Town/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 and Proprietary 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 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 Town/Village's

**Note 1 - Summary of Significant Accounting Policies (Continued)**

resources are reflected in the fund financial statements in three 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 Town/Village's major governmental funds.

General Fund - The General Fund constitute the primary operating fund of the Town/Village in that it include all revenues and expenditures not required by law to be accounted for in other funds.

Debt Service Fund - The Debt Service Fund is provided to account for the accumulation of resources to be used for the redemption of principal and interest on long-term debt.

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.

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 major special revenue fund of the Town/Village is as follows:

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town/Village's water, sewer, sewer maintenance and fire protection districts.

The Town/Village also reports the following non-major governmental funds:

**Special Revenue Funds:**

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York.

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

Special Purpose Fund - The Special Purpose Fund is used to account for assets held by the Town/Village in accordance with the terms of a trust agreement.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

- b. Proprietary Fund - Proprietary funds include internal service funds. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The Town/Village has established its Health Benefits Fund as an internal service fund.
- c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the Town/Village in an agency capacity on behalf of others. These include Pension Trust and Agency funds. The Pension Trust Fund accounts for the Town/Village's Fire Service Awards Program. The Agency Fund is primarily utilized to account for various deposits that are payable to other jurisdictions or individuals.

**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 are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and pension trust funds. 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, certain claims and other post employment benefit obligations 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.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

**Component Unit**

The component unit is presented on the basis of accounting that most accurately reflects its activities. The component unit is accounted for on the flow of economic resources measurement focus. This measurement focus emphasizes the determination of net income. With this measurement focus, all assets and liabilities (whether current or non-current) associated with the operation of this fund are included on the balance sheet. Operating statements present increases (revenues) and decreases (expenses) in net total assets. The Authority is accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. The component unit applies all applicable Financial Accounting Standards Board guidance.

**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 Town/Village's investment policies are governed by State statutes. The Town/Village has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Town/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 Town/Village has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the Town/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 Town/Village's name. The Town/Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2010.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Investments** - The Town/Village participates in the Cooperative Liquid Assets Securities System ("CLASS"), a cooperative investment pool, established pursuant to General Municipal Law that meets the definition of a 2a7-like pool. In accordance with the provisions of General Municipal Law, Article 3A, CLASS has designated Cutwater Asset Management, a wholly owned subsidiary of MBIA, Inc. as its registered investment advisor. MBIA, Inc. is registered with the Securities and Exchange Commission ("SEC") and is subject to all of the rules and regulations of an investment advisor handling all public funds. As such, the SEC provides regulatory oversight of CLASS.

The pool is authorized to invest in various securities issued by the United States and its agencies. The amount represents the amortized cost of the cooperative shares and is considered to approximate fair value. The Town's position in the pool is equal to the value of the pool shares. Additional information concerning the cooperative is presented in the annual report of CLASS, which may be obtained from MBIA Municipal Investors Service Corporation, 113 King Street, Armonk, NY 10504.

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

Investments of the Pension Trust Fund are stated at fair value. The amounts are invested in various portfolios by the trustee of the Fund, who has been designated by the State Comptroller. These investments are unrated. The Town/Village has no formal policy relating to interest rate or credit risk for Pension Trust Fund investments.

Other investments are stated at cost, which approximates fair value.

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

**Taxes Receivable** - Real property taxes attach as an enforceable lien on real property and are levied on January 1st. The Town/Village collects town/village, highway, special districts, county and school district taxes. Town/Village taxes for the period January 1st to December 31st are levied on January 1st and are due on February 1st, with the first half payable without penalty until February 28th/29th and the second half payable without penalty until June 30th. County taxes are due April 1st and are payable without penalty to April 30th. School district taxes for the period July 1st to June 30th are levied on July 1st and are due September 1st, with the first half payable without penalty until September 30th and the second half payable without penalty until January 31st. The Town/Village guarantees the full payment of the County and school district warrants and assumes the responsibility for uncollected taxes. The Town/Village also has the responsibility for conducting in-rem foreclosure proceedings.

The Town/Village functions in both a fiduciary and guarantor relationship with the County of Westchester and the school districts located within the Town/Village with respect to the collection and payment of real property taxes levied by such jurisdictions. The County Charter provides for the Town/Village to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town/Village must remit to the County sixty percent of the



**Note 1 - Summary of Significant Accounting Policies (Continued)**

amount levied by May 25th and the balance of forty percent on October 15th. With respect to school district taxes, the Charter provides that the Town/Village satisfy the warrant of the school district by April 5th. Thus the Town's/Village's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town/Village must satisfy its obligation to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town/Village taxes. The collection of school district taxes is deemed a financing transaction until the warrants are satisfied.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the Town/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 Town/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 December 31, 2010, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government wide and fund financial statements. Prepaid expenses/expenditures consist of 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/or will benefit such periods. Reported amounts in governmental funds are equally offset by a reservation of fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Deferred Charges** - Deferred charges in government-wide financial statements represent the unamortized portion of the cost of issuance of bonds. These costs are being amortized over the term of the respective bond issue.

**Inventories** - There are no inventory values presented in the balance sheets of the respective funds of the Town/Village. Purchases of inventoriable items at various locations are recorded as expenses/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 applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Town/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 Town/Village chose to include all such items regardless of their

**Note 1 - Summary of Significant Accounting Policies (Continued)**

acquisition date or amount. The Town/Village was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Infrastructure	15-50
Machinery and equipment	5-20
Vehicles	5-20

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

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

Deferred revenues in the fund financial statements are those where asset recognition criteria has been met, but for which revenue recognition criteria has not been met. The Town/Village has reported deferred revenues of \$807,349 for real property taxes and \$255,714 for fees received in advance in the General Fund, \$102,754 for State and Federal aid received in advance in the Capital Projects Fund and \$895,413 for payments received in advance in the Special District Fund – Water District No.2. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**Long-Term Obligations** - 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 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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects or Debt Service funds expenditures.

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

**Net Assets** - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town/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 law enforcement, debt service, capital projects 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, encumbrances, parklands, trusts, debt service, long-term receivables and law enforcement represent portions of fund balance which are required to be segregated in accordance with State law or generally accepted accounting principles. Designation of unreserved fund balance in governmental funds indicates the utilization of these resources in the ensuing year's budget or tentative plans for future use.

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

**G. Use of Estimates**

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**H. Subsequent Events Evaluation by Management**

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is May 13, 2011.

**Note 2 - Stewardship, Compliance and Accountability**

**A. Budgetary Data**

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget advisory committee an estimate of revenues and expenditures for such administrative unit for the ensuing year.
- b) The budget advisory committee, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town/Village Board.
- d) The Town/Village Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town/Village Board shall become the preliminary budget.
- e) On or before December 10th, the Town/Village Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town/Village Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Highway, Special Districts, Public Library and Debt Service funds.
- i) Budgets for General, Highway, Special Districts, Public Library and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Special Purpose and Proprietary funds.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

- j) The Town/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 Town/Village Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also requires a majority vote by the Board.
- k) Appropriations in General, Highway, Special Districts, Public Library and Debt Service 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 Town/Village Board.

**B. Property Tax Limitation**

The Village component of the Town/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 2010, inclusive of exclusions, was \$187,413,441, which exceeded the actual levy by \$178,729,223. The Town component is not limited as to the maximum amount of real property taxes which may be raised.

**C. Excess of Actual Expenditures Over Budget**

The following functional expenditure categories exceeded their budgetary authorization by the amounts indicated:

General Fund - Village:	
General Government Support -	
Bond and note issuance costs	\$ 16
Debt Service -	
Interest - Bond anticipation notes	5,975
Special Districts Fund -	
Fire Protection District No. 5 -	
Public safety	105

**D. Fund Deficits**

The following funds reflected undesignated deficits as of December 31, 2010:

General - Town	\$ 1,275,489
General - Village	1,236,573
Special District Funds -	
Water District No. 2	1,101,387

The Town/Village will address these deficits in the ensuing year.

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2010

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**Note 2 - Stewardship, Compliance and Accountability (Continued)****E. Capital Projects Fund Deficit**

The undesignated deficit in the Capital Projects Fund of \$9,498,332 arises because to the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. The deficit will be reduced and eliminated as bond anticipation note are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

**Note 3 - Detailed Notes on All Funds****A. Investments**

Investments consist of the following:

Cooperative Investment Pool	\$ 24,926
Village of Harrison bonds, interest at 4.5 – 4.625%, due through 2011	<u>95,000</u>
	<u>\$ 119,926</u>

**B. Taxes Receivable**

Taxes receivable at December 31, 2010 consisted of the following:

Town/Village taxes	\$ 327,439
County taxes	243,127
School District taxes	31,978,201
Tax liens	<u>701,096</u>
	33,249,863
Less - Allowance for uncollectible taxes	<u>(115,319)</u>
	<u>\$ 33,134,544</u>

School district taxes are offset by liabilities to the school district which will be paid no later than April 5, 2011. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$807,349, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

## TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)****C. Due From Component Unit**

Due from component unit of \$475,000 as of December 31, 2010 represents amounts advanced in 2006, 2007 and 2008 to the Authority. Interest at 4% is payable on the first day of each month. The note is due on demand.

**D. Due From/To Other Funds**

The balances reflected as due from/to other funds at December 31, 2010 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 3,933,101	\$ 1,942,455
Special Districts	-	1,990,646
	<u>\$ 3,933,101</u>	<u>\$ 3,933,101</u>

The outstanding balances between funds results 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.

**E. Capital Assets**

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

<u>Class</u>	<u>Balance January 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2010</u>
Capital Assets, not being depreciated:				
Land	\$ 2,331,480	\$ -	\$ -	\$ 2,331,480
Construction-in-progress	7,177,051	491,595	(408,545)	7,260,101
Total Capital Assets, not being depreciated	<u>\$ 9,508,531</u>	<u>\$ 491,595</u>	<u>\$ (408,545)</u>	<u>\$ 9,591,581</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 37,052,931	\$ 196,917	\$ -	\$ 37,249,848
Infrastructure	93,380,010	397,757	-	93,777,767
Machinery and equipment	3,544,315	335,375	-	3,879,690
Vehicles	12,689,812	39,892	-	12,729,704
Total Capital Assets, being depreciated	<u>146,667,068</u>	<u>969,941</u>	<u>-</u>	<u>147,637,009</u>

## TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)**

Class	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010
Less Accumulated Depreciation for:				
Buildings and improvements	\$ 5,445,660	\$ 887,152	\$ -	\$ 6,332,812
Infrastructure	48,760,356	2,944,004	-	51,704,360
Machinery and equipment	2,507,733	218,123	-	2,725,856
Vehicles	7,807,468	877,882	-	8,685,350
Total Accumulated Depreciation	64,521,217	4,927,161	-	69,448,378
Total Capital Assets, being depreciated, net	\$ 82,145,851	\$ (3,957,220)	\$ -	\$ 78,188,631
Capital Assets, net	\$ 91,654,382	\$ (3,465,625)	\$ (408,545)	\$ 87,780,212

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

## Governmental Activities:

General Government Support	\$ 459,440
Public Safety	794,891
Transportation	2,340,382
Culture and Recreation	515,562
Home and Community Services	816,886

Total Depreciation Expense - Governmental Activities \$ 4,927,161

**Capital Assets – Component Unit**

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

Class	Balance January 1, 2010	Additions	Balance December 31, 2010
Capital Assets, not being depreciated -			
Construction-in-progress	\$ 475,951	\$ 19,001	\$ 494,952

**F. Accrued Liabilities - Unpaid Claim Liabilities**

The Internal Service Fund reflects health benefit claim liabilities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The



## TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)**

length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities in the Internal Service Fund is as follows:

	2010	2009
Balance - Beginning of Year	\$ 575,797	\$ 728,277
Provision for Claims and Claims Adjustment Expenses	8,526,245	9,201,611
Claims and Claims Adjustment Expenses Paid	(8,323,358)	(9,354,091)
Balance - End of Year	<u>\$ 778,684</u>	<u>\$ 575,797</u>

**G. Short-Term Capital Borrowings**

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

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance January 1, 2010	Redemptions	Balance December 31, 2010
Bond Anticipation Notes Payable:						
Capital Projects Fund:						
Various General Fund - Village Improvements	2008	2011	1.00 %	\$ 8,910,870	\$ 316,500	\$ 8,594,370
Sewer Maintenance District Improvements	2008	2011	1.00	960,000	9,000	951,000
Water District No.2 - Improvements	2008	2011	1.00	210,000	2,000	208,000
Various General Fund - Village Improvements	2009	2011	1.00	1,178,950	-	1,178,950
Various General Fund - Village Improvements	2009	2011	0.91	3,733,720	-	3,733,720
				<u>\$ 14,993,540</u>	<u>\$ 327,500</u>	<u>\$ 14,666,040</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 for the bond anticipation notes were recorded in the General Fund – Village in the amount of \$89,515 and in the Special Districts Fund in the amount of \$47,235.

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)**

Interest expense of \$133,969 was recorded in the government-wide financial statements for governmental activities.

**H. Short-Term Non-Capital Borrowings**

The schedule below details the changes in short-term non-capital borrowings. These borrowings consisted of bond anticipation notes issued to finance tax certiorari refunds.

Purpose	Original Issue Date	Maturity Date	Interest Rate	Balance January 1, 2010	New Issues	Balance December 31, 2010
Bond Anticipation Notes Payable - General Fund Village - Tax certiorari refunds	2010	2011	0.91 %	\$ -	\$ 600,000	\$ 600,000

The bond anticipation note of \$600,000 was issued on December 22, 2010 and matures on December 21, 2011, with interest at .91%.

**I. Pension Plans**

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

**Funding Policy** - The Systems are non-contributory, except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary and employees in tier 5 who also contribute 3% of their salary without regard to their years of service. Contributions to ERS 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 and regular pension contributions. Contribution rates for the plans' year ended March 31, 2011 are as follows:

	Tier/Plan	Rates
ERS	1 75I	15.3 %
	2 75I	14.0
	3 A14	11.3
	4 A15	11.3
	5 A15	9.1

TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010

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

	<u>Tier/Plan</u>	<u>Rates</u>
PFRS	1 384D	14.7 %
	2 384	16.8
	2 384D	16.8

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

	<u>ERS</u>	<u>PFRS</u>
2010	\$ 1,459,219	\$ 1,273,314
2009	1,115,330	1,379,557
2008	1,260,707	1,447,031

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

The current ERS and PFRS contributions were charged to the funds identified below.

<u>Fund</u>	<u>ERS</u>	<u>PFRS</u>
General - Town	\$ 802,983	\$ 1,002,605
General - Village	285,338	-
Special Districts	30,517	270,709
Non-Major Governmental:		
Highway	226,865	-
Public Library	113,516	-
	<u>\$ 1,459,219</u>	<u>\$ 1,273,314</u>

**Pension Trust - Service Awards Program**

The Town/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 completion of one year of service, are eligible to become participants in the Program. Participants are fully vested upon attainment of entitlement age, upon death or general disablement and after earning five years of service credit. A participant upon attainment of entitlement age and one year of plan participation shall be able to receive their service award, payable in the form of a ten-year certain and continuous monthly payment life annuity. The monthly benefits are \$20 for each year of service credit, up to a maximum of 20 years. Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the terms of the plan. The Program also provides disability and death benefits. The trustees of the Program, which are the members of the Town/Village's Board, are authorized to invest the funds in authorized investment vehicles. Separate financial statements are not issued by the program.

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)**

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>December 31, 2010</u>
Active - Vested	37
Active - Non-vested	10
Retirees and beneficiaries currently receiving benefits	17
Terminated employees entitled to benefits but not yet receiving them	3

The Town/Village is required to contribute the amounts necessary to finance the Program as actuarially determined using the entry age normal frozen initial liability cost method. The net pension obligation is not amortized on a separate basis. The assumed investment rate of return is 5.5% and there are no cost of living adjustments.

The Town/Village's annual Program cost, the percentage of the annual Program cost contributed to the plan and the net pension obligation for the current and two preceding fiscal years were as follows:

	<u>Annual Required Contribution</u>	<u>Actual Contribution</u>	<u>Percentage of Annual Program Cost Contributed</u>	<u>Net Pension Obligation</u>
2010	\$ 132,180	\$ 132,180	100.00 %	\$ -
2009	133,635	133,635	100.00	-
2008	135,356	135,356	100.00	-

The schedule of funding progress for the defined benefit pension plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

The current contributions were charged to the Special District's Fund-Fire Protection District #1.

**J. Joint Venture**

The Town/Village, together with the Town of Mamaroneck and Village of Mamaroneck, participate in the Westchester Joint Water Works. The purpose of the joint venture is to acquire, construct, provide, maintain and operate a water works system.

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

## TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)**

Balance Sheet Date - December 31, 2010:

Total Assets	\$ 7,713,822
Total Liabilities	11,018,705
Net Deficit	(3,304,883)
Total Revenues	20,732,264
Total Expenses	21,652,284
Decrease in Net Assets	(920,020)

**K. Long-Term Liabilities**

The following table summarizes changes in the Town/Village's long-term indebtedness for the year ending December 31, 2010:

	Balance January 1, 2010	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2010	Due Within One Year
Bonds Payable	\$ 54,053,820	\$ 235,132	\$ 5,001,320	\$ 49,287,632	\$ 4,617,632
Other Non-Current Liabilities:					
Bond anticipation notes payable	1,833,000	-	152,000	1,681,000	1,681,000
Compensated absences	1,085,500	391,668	108,550	1,368,618	137,000
State loans payable	891,210	-	131,203	760,007	137,763
Claims payable	1,926,468	1,542,352	652,658	2,816,162	282,000
Other post employment benefit obligations payable	18,044,331	14,857,600	3,445,379	29,456,552	-
Total Other Non-Current Liabilities	23,780,509	16,791,620	4,489,790	36,082,339	2,237,763
Total Long-Term Liabilities	\$ 77,834,329	\$ 17,026,752	\$ 9,491,110	\$ 85,369,971	\$ 6,855,395

Liabilities for bonds and state loans are liquidated by the Debt Service Fund. Each fund's liability for bond anticipation notes, claims, compensated absences and other post employment benefit obligations are liquidated by the respective fund.

**Bonds Payable**

Bonds payable at December 31, 2010 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2010
Sewer Improvements	1915	\$ 20,000	January, 2006	4.750 %	\$ 7,500
Public Improvements	1992	7,669,000	June, 2011	5.600	50,000
Public Improvements and Tax Certiorari	1994	5,132,000	June, 2013	5.600	300,000
Public Improvements	1995	3,042,000	December, 2015	5.000-5.250	455,000

## TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)**

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2010
Fire Protection District No. 2 Public Improvements and Tax Certiorari	1995	\$ 400,000	December, 2011	5.600 %	\$ 25,000
Fire Protection District No. 1 Public Improvements and Tax Certiorari	1996	5,576,154	December, 2016	4.800-5.000	500,000
Fire Protection District No. 1 Public Improvements and Tax Certiorari	1996	475,000	December, 2016	5.100-5.375	150,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	1998	6,607,295	September, 2013	4.100-4.400	1,875,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	1998	300,000	September, 2018	4.750-4.800	120,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	1998	2,628,250	December, 2018	4.250-4.600	810,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	1999	2,505,000	May, 2019	4.500-5.000	1,325,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	1999	2,671,425	December, 2014	5.000-5.250	100,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2000	6,307,500	August, 2020	4.850-5.250	2,500,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2000	650,000	August, 2020	5.125-5.500	350,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2001	2,814,000	September, 2021	3.900-4.500	1,275,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2002	4,124,300	December, 2022	3.200-4.500	2,075,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2003	4,504,500	December, 2014	2.750-3.450	1,830,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2004	5,956,000	December, 2023	3.625-4.000	4,705,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2004	800,000	December, 2014	4.500-5.000	395,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2005	6,684,500	December, 2020	3.750-3.875	5,155,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2006	8,894,940	December, 2021	3.750-4.000	7,405,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2007	6,415,310	December, 2028	4.000-4.375	5,995,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2008	6,905,000	June, 2021	3.125-4.000	6,170,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2008	5,733,820	June, 2027	4.125-4.400	5,520,000
Fire Protection District No. 2 Public Improvements and Tax Certiorari	2010	235,132	October, 2015	4.125-4.400	195,132
					<u>\$ 49,287,632</u>

Interest expenditures of \$2,177,593 were recorded in the fund financial statements in the Debt Service Fund.

Interest expense of \$2,052,430 was recorded in the government-wide financial statements for governmental activities.

**Bond Anticipation Notes Payable**

The Town/Village, in March, 2010, renewed a bond anticipation note for \$1,681,000 to finance tax certiorari refunds. The note can be renewed up to five years pursuant to local Finance Law, provided that stipulated annual reductions of principal are made.

The Town/Village, pursuant to FASB 6, has not recorded these liabilities in the fund financial statements since it has demonstrated an ability to consummate refinancing. The ability to consummate refinancing was evidenced by obtaining permanent financing or a renewal of the note prior to the issuance of the financial statements. The note is due March 17, 2011, with interest at 1.0%.

TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010

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

Interest expenditures of \$14,664 were recorded in the fund financial statements in the General Fund - Village. Interest expense of \$13,448 was recorded in the government-wide financial statements for governmental activities.

**State Loan Payable - Retirement**

The ERS and PFRS charges to participating governments increased significantly in 2003. Consequently, the State Legislature enacted Chapter 49 of the Laws of 2003. This Chapter authorized local governments to amortize the portion of their respective contribution which exceeded 7% of covered payroll, over a ten year period, commencing in 2006. The amortization payment would include interest at 5% per annum.

Additionally, the State Legislature enacted Chapter 260 of the Laws of 2004 for ERS and PFRS. This Chapter authorized local governments to amortize the portion of their respective 2005 contribution which exceeded 9.5% of covered payroll, over a ten year period, commencing in 2006. The amortization payment would include interest at 5% per annum.

Additionally, the State Legislature enacted Chapter 260 of the Laws of 2005 for PFRS. This Chapter authorized local governments to amortize the portion of their respective 2006 contribution which exceeded 10.5% of covered payroll, over a ten year period, commencing in 2006. The amortization payment would include interest at 5% per annum.

The Town/Village has elected to amortize the maximum allowable ERS and PFRS contributions as follows:

	Amount Amortized - Village ERS	Amount Amortized - Town		Current Year Payments	Balance Due	Due Within One Year
		ERS	PFRS			
2003	\$ -	\$ 420,695	\$ -	\$ 42,688	\$ 193,191	\$ 44,822
2004	-	84,025	-	8,125	47,140	8,531
2004	-	-	406,641	39,297	227,998	41,262
2004	13,992	-	-	1,352	7,846	1,420
2005	-	-	431,799	39,741	283,832	41,728
	<u>\$ 13,992</u>	<u>\$ 504,720</u>	<u>\$ 838,440</u>	<u>\$ 131,203</u>	<u>\$ 760,007</u>	<u>\$ 137,763</u>

The obligations have been reflected as a liability in the government-wide financial statements. Interest expense/expenditures of \$45,637 were recorded in the Debt Service Fund and the government-wide financial statements.

TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010

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

**Payments to Maturity**

The annual requirements to amortize all bonded debt, bond anticipation notes and State loans outstanding as of December 31, 2010, including interest payments of \$13,603,749 are as follows:

Year Ending December 31,	Bonds		Bond Anticipation Notes		State Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$ 4,617,632	\$ 1,987,459	\$ 1,681,000	\$ 16,810	\$ 137,763	\$ 38,528	\$ 6,436,395	\$ 2,042,797
2012	4,467,500	1,802,688	-	-	144,653	31,638	4,612,153	1,834,326
2013	4,547,500	1,623,913	-	-	151,883	24,407	4,699,383	1,648,320
2014	4,335,000	1,444,005	-	-	159,480	16,811	4,494,480	1,460,816
2015	3,860,000	1,270,251	-	-	166,228	10,974	4,026,228	1,281,225
2016-2020	18,305,000	4,052,668	-	-	-	-	18,471,228	4,063,642
2021-2025	6,925,000	1,114,179	-	-	-	-	6,925,000	1,114,179
2026-2028	2,230,000	158,444	-	-	-	-	2,230,000	158,444
	<u>\$ 49,287,632</u>	<u>\$ 13,453,607</u>	<u>\$ 1,681,000</u>	<u>\$ 16,810</u>	<u>\$ 760,007</u>	<u>\$ 122,358</u>	<u>\$ 51,894,867</u>	<u>\$ 13,603,749</u>

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

**Advance Refunding**

During the 2010 fiscal year, the Town/Village advance refunded \$540,000 of its 1998D, 1999A and 1999B Environmental Facilities Corporation ("EFC") bonds using 2010 EFC bonds of \$235,132 and \$304,868 of funds released from restricted assets. As a result, the 1998D, 1999A and 1999B EFC bonds are considered defeased and the liability for those bonds has been removed from the Statement of Net Assets.

The Town/Village advanced refunded the 1998D, 1999A and 1999B EFC bonds to obtain a net present value economic gain of \$19,894.

**Compensated Absences**

The Town/Village is obligated to pay accumulated sick leave to CSEA employees who retire from the Town/Village in good standing. Bargaining unit members shall be paid for accumulated sick days exceeding 165, to a maximum of 215. The Town/Village is also obligated to pay accrued vacation leave up to a maximum of 30 days to CSEA employees and 21 days for firefighters. Police Officers and Teamsters must take vacation in the year it is earned. It may not be accumulated, except at management's convenience. The value of the compensated absences has been reflected in the government-wide financial statements.

**Claims Payable**

The government-wide financial statements reflect general and workers' compensation liabilities, which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been



TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010

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

incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	Year Ended December 31,	
	2010	2009
	General Liability/ Workers' Compensation	General Liability/ Workers' Compensation
Balance - Beginning of Year	\$ 1,825,495	\$ 1,368,009
Provision for Claims and Claims Adjustment Expenses	1,542,352	1,927,994
Claims and Claims Adjustment Expenses Paid	(551,685)	(1,470,508)
Balance - End of Year	\$ 2,816,162	\$ 1,825,495
Due Within One Year	\$ 282,000	\$ 182,550

**Other Post Employment Benefit Obligations Payable**

In addition to providing pension benefits, the Town/Village provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town/Village may vary according to length of service. Substantially all of the Town/Village's employee's may become eligible for those benefits if they reach normal retirement age while working for the Town/Village. The cost of retiree health care benefits is recognized as an expenditure/expense as claims are paid. The Town/Village has recognized revenues and expenditures of \$267,787 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees.

The Town/Village's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees'

NOTES TO FINANCIAL STATEMENTS (Continued)  
 DECEMBER 31, 2010

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

medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The Town/Village is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the expected rate of return on the Town/Village's general assets. Funding has been established on a pay-as-you-go basis. The assumed rates of increase in postretirement benefits are as follows:

<u>Year Ended December 31,</u>	<u>Pre-65 Medical</u>	<u>Post-65 Medical</u>	<u>Prescription Drug</u>
2010	8.00 %	7.00 %	10.00 %
2011	10.00	9.50	9.50
2012	9.25	8.75	8.75
2013	8.50	8.00	8.00
2014	7.75	7.50	7.50
2015+	7.00	7.00	7.00

The amortization basis is the level percentage of projected payroll method with an open amortization approach with 28 years remaining in the amortization period. The actuarial assumptions included a 3.0% investment rate of return, a 3.0% inflation rate and a 3.0 % annual payroll growth rate. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the unit credit method.

The number of participants as of December 31, 2010 was as follows:

## TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010**Note 3 - Detailed Notes on All Funds (Continued)**

Active Employees	283
Retired Employees and Dependents	<u>435</u>
	<u>718</u>
Amortization Component:	
Actuarial Accrued Liability as of 1/1/10	\$ 188,218,992
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability	<u>\$ 188,218,992</u>
Covered Payroll (active plan members)	<u>\$ 23,087,241</u>
UAAL as a Percentage of Covered Payroll	<u>815.25%</u>
Annual Required Contribution	\$ 15,236,879
Interest on Net OPEB Obligation	541,329
Adjustment to Annual Required Contribution	<u>(920,608)</u>
Annual OPEB Cost	14,857,600
Contributions Made	<u>(3,445,379)</u>
Increase in Net OPEB Obligation	11,412,221
Net OPEB Obligation - Beginning of Year	<u>18,044,331</u>
Net OPEB Obligation - End of Year	<u>\$ 29,456,552</u>

The Town/Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding year is as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	\$ 14,857,600	23.19 %	\$ 29,456,552
2009	12,274,715	26.60	18,044,331
2008	11,966,308	24.40	9,034,945

**Note 3 - Detailed Notes on All Funds (Continued)****L. Revenues and Expenditures****Interfund Transfers**

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

Transfers Out	Transfers In		Total
	Debt Service Fund	Capital Projects Fund	
General Fund - Town	\$ 175,017	\$ -	\$ 175,017
General Fund - Village	4,721,137	316,500	5,037,637
Capital Projects Fund	304,868	-	304,868
Special Districts Fund	1,128,407	311,000	1,439,407
Other Governmental Funds	325,000	5,000	330,000
	<u>\$ 6,654,429</u>	<u>\$ 632,500</u>	<u>\$ 7,286,929</u>

Transfers are used to 1) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due and 2) move amounts earmarked in the operating funds to fulfill commitments for capital projects and other fund expenditures.

**M. 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 Law Enforcement* - the component of net assets that represents the proceeds of seized funds which are restricted by New York State for use in law enforcement activities.

*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 Capital Projects* - the component of net assets that reports the amounts restricted for capital projects, less unexpended bond proceeds and unrestricted interest earnings.

*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".

TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2010

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

**N. Fund Balances**

Certain elements of reserved fund balances 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 detailed below.

**Reserved**

The Reserve for Prepaid Expenditures has been established to account for employee retirement and other costs paid in advance. The reserve indicates that these funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Encumbrances outstanding have been reserved as it is the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

The Reserve for Parklands has been established pursuant to Section 277 of Town Law. This amount represents funds received by the Town/Village in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

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

The Reserve for Long-term Receivables is used to indicate that receivables due from the component unit will not be collected in sufficient time to use the funds to satisfy liabilities of the current period. A reserve has been established to indicate that the funds are not "available" for appropriation or expenditure even though the amounts are a component of current assets.

**Unreserved - Designations**

Designations for Subsequent Year's - Designations of fund balance are not legally required segregations but represent intended use for a specific purpose. The amount designated for subsequent years exceeded the fund balance available in the General Fund – Village by \$240.

**Note 4 - Summary Disclosure of Significant Contingencies**

**A. Litigation**

The Town/Village, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. There are also numerous tort claims pending against the Town/Village. Town/Village management has indicated there are individual tort claims for amounts in excess of insurance coverage. However, it is anticipated that insurance coverage will be sufficient to satisfy any resolution of the tort claims pending against the Town/Village. The Town/Village's claims administrator has reviewed the status of pending general liability and workers' compensation actions and has determined that the amounts reflected as liabilities in the Statement of Net Assets are sufficient to satisfy any payments arising therefrom.

**Note 4 - Summary Disclosure of Significant Contingencies (Continued)**

There are currently certiorari proceedings pending, the results of which could require the payment of future tax refunds by the Town/Village if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of these 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.

The Town/Village is a defendant in an action filed by a resident seeking damages and personal injury claims regarding residential structural damage and other personal property caused by a water/sewer drain rupture located beneath the foundation of his home during the rainstorms occurring in March 2007. Plaintiff asserts that the foundation in the garage and basement living area will require extensive excavation and repair. Pre-trial examinations are in the process of being scheduled. No provision for loss has been reflected in the financial statements.

**B. Risk Management**

The Town/Village purchases various conventional insurance policies to reduce its exposure to loss. The Town/Village is self-insured for workers' compensation and general liability claims to the extent of \$325,000 and \$225,000, respectively, per occurrence, with a maximum potential annual liability of \$2 million for 2010. Claims in excess of this amount are insured to a limit of \$775,000 for general liability, \$1 million for workers' compensation and \$10 million for property damage. There is also an excess liability policy for an additional \$5 million. Public officials liability insurance coverage is also maintained with a policy limit of \$1 million. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The Town/Village is self-insured for health benefits. A plan administrator has been retained to review and approve all claims. The Town/Village has specific stop-loss insurance, which establishes a maximum exposure limit of \$175,000 for each individual covered in the plan up to a maximum of \$825,000. At December 31, 2010, the Town/Village has recorded a liability of \$778,684 in the Internal Service Fund, which represents claims incurred and claims incurred but not reported.

**C. Contingencies**

Westchester Joint Water Works ("WJWW") a joint venture of the Town/Village as reported in Note 3 is currently being fined by the New York State Health Department for not meeting a Supreme Court of the State of New York ruling requiring the construction of a filtration plant by December 3, 2008. These fines amount to \$9,420,000 as of December 31, 2010 and continue to accrue at \$13,750 a day. The Town/Village's share of these fines is approximately \$5,219,000 or 55.4 % of the total. Management of the WJWW has indicated that the State is holding in abeyance the imposition of these fines although they continue to be accrued by the WJWW. The Town has not accrued their share in the Special District Fund – Water District as the expectation of management is that the fines will be suspended or replaced with a negotiated settlement as the WJWW signed an intermunicipal agreement with the county for a filtration plant alternative.

TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Concluded)  
DECEMBER 31, 2010

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**Note 5 - Subsequent Event**

The Town/Village, in March 2011, issued a bond anticipation note in the amount of \$3,849,700 which was used to renew notes previously issued for capital improvements and tax certiorari refunds. The note is due on March 16, 2012, with interest at .93%.

The Town/Village, in January 2011, issued Public Improvement Refunding Serial bonds in the amount of \$10,280,000. The bonds mature serially through May, 2020 with interest at rates ranging from 2.0 to 4%.

## TOWN/VILLAGE OF HARRISON, NEW YORK

SCHEDULE OF FUNDING PROGRESS  
 SERVICE AWARDS PROGRAM  
 LAST SIX FISCAL YEARS

Actuarial Valuation Date <u>December 31,</u>	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio
2006	\$ 322,556	\$ 479,561	\$ 157,005	67.26 %
2007	441,004	559,821	118,817	78.78
2008	506,786	628,392	121,606	80.65
2009	664,213	703,676	39,463	94.39
2010	810,269	775,758	(34,511)	104.45

Note - 2006 is the initial year of this program.



TOWN/VILLAGE OF HARRISON, NEW YORK

SCHEDULE OF CONTRIBUTIONS  
SERVICE AWARDS PROGRAM  
LAST SIX FISCAL YEARS

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<u>Year Ended December 31,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2006	\$ 341,469	100.00 %
2007	135,204	100.00
2008	135,356	100.00
2009	133,635	100.00
2010	132,180	100.00

Note - 2006 is the initial year of this program.

## TOWN/VILLAGE OF HARRISON, NEW YORK

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS  
 OTHER POST EMPLOYMENT BENEFITS  
 LAST THREE FISCAL YEARS

Fiscal Year Ended December 31,	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
2008	\$ -	\$ 129,111,671	\$ 129,111,671	- %	\$ 21,960,256	587.93 %
2009	-	135,548,153	135,548,153	-	27,713,771	489.10
2010	-	188,218,992	188,218,992	-	23,087,241	815.25

## TOWN/VILLAGE OF HARRISON, NEW YORK

## GENERAL FUND

## COMBINING BALANCE SHEET - SUB FUNDS

DECEMBER 31, 2010

(With Comparative Totals for 2009)

			Totals	
	Town	Village	2010	2009
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ -	\$ 5,196,047	\$ 5,196,047	\$ 3,951,925
Petty cash	805	-	805	805
	<u>805</u>	<u>5,196,047</u>	<u>5,196,852</u>	<u>3,952,730</u>
Investments	-	24,926	24,926	24,879
Taxes Receivable, net of allowance for uncollectible taxes	-	33,134,544	33,134,544	33,074,912
Other Receivables:				
Accounts	827,380	157,048	984,428	1,130,784
State and Federal aid	1,262,240	-	1,262,240	1,183,556
Due from component unit	-	475,000	475,000	475,000
Due from other funds	-	3,933,101	3,933,101	4,276,748
Due from other governments	-	1,873	1,873	933
	<u>2,089,620</u>	<u>4,567,022</u>	<u>6,656,642</u>	<u>7,067,021</u>
Prepaid Expenditures	777,447	156,270	933,717	324,833
Total Assets	<u>\$ 2,867,872</u>	<u>\$ 43,078,809</u>	<u>\$ 45,946,681</u>	<u>\$ 44,444,375</u>
<u>LIABILITIES AND FUND DEFICITS</u>				
Liabilities:				
Accounts payable	\$ 715,858	\$ 362,916	\$ 1,078,774	\$ 2,731,434
Due to other governments	-	13,090	13,090	21,026
Due to school district	-	41,882,378	41,882,378	41,903,411
Deferred tax revenues	-	807,349	807,349	785,567
Bond anticipation notes payable	-	600,000	600,000	-
Deferred revenues	253,469	2,245	255,714	201,614
Due to other funds	1,942,455	-	1,942,455	2,561,456
Total Liabilities	<u>2,911,782</u>	<u>43,667,978</u>	<u>46,579,760</u>	<u>48,204,508</u>
Fund Balances (Deficits):				
Reserved for prepaid expenditures	777,447	156,270	933,717	324,833
Reserved for encumbrances	54,132	12,491	66,623	69,136
Reserved for debt service	-	3,643	3,643	3,786
Reserved for long-term receivables	-	475,000	475,000	475,000
Reserved for law enforcement	400,000	-	400,000	400,000
Unreserved and undesignated	(1,275,489)	(1,236,573)	(2,512,062)	(5,032,888)
Total Fund Deficits	<u>(43,910)</u>	<u>(589,169)</u>	<u>(633,079)</u>	<u>(3,760,133)</u>
Total Liabilities and Fund Deficits	<u>\$ 2,867,872</u>	<u>\$ 43,078,809</u>	<u>\$ 45,946,681</u>	<u>\$ 44,444,375</u>

## TOWN/VILLAGE OF HARRISON, NEW YORK

## GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - SUB FUNDS  
YEAR ENDED DECEMBER 31, 2010  
(With Comparative Totals for 2009)

	Town	Village	Totals	
			2010	2009
Revenues:				
Real property taxes	\$ 23,675,620	\$ 8,853,427	\$ 32,529,047	\$ 28,468,999
Other tax items	-	1,734,088	1,734,088	1,601,340
Non-property taxes	3,679,589	-	3,679,589	3,402,363
Departmental income	1,613,389	336,057	1,949,446	1,525,591
Use of money and property	132,183	43,892	176,075	263,900
Licenses and permits	1,838,005	-	1,838,005	1,345,825
Fines and forfeitures	983,692	25,700	1,009,392	865,541
Sale of property and compensation for loss	5,424	4,637	10,061	12,573
State aid	732,333	609,642	1,341,975	1,281,425
Federal aid	64,667	-	64,667	5,481
Miscellaneous	585,197	181,835	767,032	1,000,139
Total Revenues	33,310,099	11,789,278	45,099,377	39,773,177
Expenditures:				
Current:				
General government support	6,771,332	1,129,251	7,900,583	8,851,770
Public safety	14,989,699	-	14,989,699	16,859,831
Health	529,693	-	529,693	522,940
Transportation	383,584	-	383,584	351,466
Economic assistance and opportunity	95,687	-	95,687	99,533
Culture and recreation	3,355,659	7,500	3,363,159	3,373,462
Home and community services	119,146	2,735,772	2,854,918	3,512,169
Employee benefits	4,563,832	2,057,378	6,621,210	6,596,818
Debt service -				
Bond anticipation notes:				
Principal	-	152,000	152,000	-
Interest	-	104,179	104,179	57,141
Total Expenditures	30,808,632	6,186,080	36,994,712	40,225,130
Excess (Deficiency) of Revenues Over Expenditures	2,501,467	5,603,198	8,104,665	(451,953)
Other Financing Sources (Uses):				
Sale of real property	235,043	-	235,043	-
Transfers in	-	-	-	22,772
Transfers out	(175,017)	(5,037,637)	(5,212,654)	(4,341,779)
Total Other Financing Sources (Uses)	60,026	(5,037,637)	(4,977,611)	(4,319,007)
Net Change in Fund Balances	2,561,493	565,561	3,127,054	(4,770,960)
Fund Balances (Deficits) - Beginning of Year	(2,605,403)	(1,154,730)	(3,760,133)	1,010,827
Fund Deficits - End of Year	\$ (43,910)	\$ (589,169)	\$ (633,079)	\$ (3,760,133)

TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - TOWN  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2010 AND 2009

	2010	2009
<u>ASSETS</u>		
Petty Cash	\$ 805	\$ 805
Receivables:		
Accounts	827,380	1,032,358
State and Federal aid	1,262,240	1,183,556
	2,089,620	2,215,914
Prepaid Expenditures	777,447	256,501
Total Assets	\$ 2,867,872	\$ 2,473,220
<u>LIABILITIES AND FUND DEFICIT</u>		
Liabilities:		
Accounts payable	\$ 715,858	\$ 2,316,373
Deferred revenues	253,469	200,794
Due to other funds	1,942,455	2,561,456
Total Liabilities	2,911,782	5,078,623
Fund Balance (Deficit):		
Reserved for prepaid expenditures	777,447	256,501
Reserved for encumbrances	54,132	54,045
Reserved for law enforcement	400,000	400,000
Unreserved and undesignated	(1,275,489)	(3,315,949)
Total Fund Deficit	(43,910)	(2,605,403)
Total Liabilities and Fund Deficit	\$ 2,867,872	\$ 2,473,220

## TOWN/VILLAGE OF HARRISON, NEW YORK

## GENERAL FUND - TOWN

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 23,675,620	\$ 23,675,620	\$ 23,675,620	\$ -
Non-property taxes	3,330,000	3,330,000	3,679,589	349,589
Departmental income	1,458,050	1,458,050	1,613,389	155,339
Use of money and property	156,000	156,000	132,183	(23,817)
Licenses and permits	1,771,300	1,771,300	1,838,005	66,705
Fines and forfeitures	1,000,000	1,000,000	983,692	(16,308)
Sale of property and compensation for loss	-	5,424	5,424	-
State aid	761,000	801,273	732,333	(68,940)
Federal aid	-	60,810	64,667	3,857
Miscellaneous	453,510	515,510	585,197	69,687
Total Revenues	32,605,480	32,773,987	33,310,099	536,112
Expenditures -				
Current:				
General government support	7,700,948	7,496,542	6,771,332	725,210
Public safety	16,619,781	16,008,836	14,989,699	1,019,137
Health	526,027	531,887	529,693	2,194
Transportation	373,511	393,113	383,584	9,529
Economic assistance and opportunity	99,444	99,444	95,687	3,757
Culture and recreation	3,459,125	3,425,670	3,355,659	70,011
Home and community services	127,519	127,519	119,146	8,373
Employee benefits	3,753,170	4,570,004	4,563,832	6,172
Total Expenditures	32,659,525	32,653,015	30,808,632	1,844,383
Excess (Deficiency) of Revenues Over Expenditures	(54,045)	120,972	2,501,467	2,380,495
Other Financing Sources (Uses):				
Sale of real property	-	-	235,043	235,043
Transfers out	-	(175,017)	(175,017)	-
Total Other Financing Sources (Uses)	-	(175,017)	60,026	235,043
Net Change in Fund Balance	(54,045)	(54,045)	2,561,493	2,615,538
Fund Balance (Deficit) - Beginning of Year	54,045	54,045	(2,605,403)	(2,659,448)
Fund Deficit - End of Year	\$ -	\$ -	\$ (43,910)	\$ (43,910)

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 21,564,669	\$ 21,564,669	\$ 21,564,669	\$ -
3,805,000	3,805,000	3,402,363	(402,637)
1,473,650	1,473,650	1,446,953	(26,697)
433,000	433,000	225,040	(207,960)
2,339,300	2,339,300	1,345,825	(993,475)
1,200,000	1,200,000	846,041	(353,959)
-	6,063	6,061	(2)
1,179,489	1,187,189	692,564	(494,625)
-	5,481	5,481	-
759,862	759,862	794,541	34,679
32,754,970	32,774,214	30,329,538	(2,444,676)
8,168,003	8,381,057	8,237,269	(143,788)
16,903,120	16,912,019	16,859,831	(52,188)
536,204	535,204	522,940	(12,264)
457,921	351,466	351,466	-
102,206	102,206	99,533	(2,673)
3,505,311	3,390,257	3,373,462	(16,795)
144,586	139,856	130,957	(8,899)
4,310,789	4,110,302	4,079,864	(30,438)
34,128,140	33,922,367	33,655,322	(267,045)
(1,373,170)	(1,148,153)	(3,325,784)	(2,177,631)
1,327,000	1,327,000	-	(1,327,000)
-	(225,017)	(225,017)	-
1,327,000	1,101,983	(225,017)	(1,327,000)
(46,170)	(46,170)	(3,550,801)	(3,504,631)
46,170	46,170	945,398	899,228
\$ -	\$ -	\$ (2,605,403)	\$ (2,605,403)

TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - TOWN

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET

YEAR ENDED DECEMBER 31, 2010

(With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
REAL PROPERTY TAXES	\$ 23,675,620	\$ 23,675,620	\$ 23,675,620	\$ -	\$ 21,564,669
NON-PROPERTY TAXES					
Non-property tax distribution from County	2,900,000	2,900,000	3,181,525	281,525	2,956,949
Franchise fees	430,000	430,000	498,064	68,064	445,414
	3,330,000	3,330,000	3,679,589	349,589	3,402,363
DEPARTMENTAL INCOME					
Clerk fees	6,000	6,000	2,891	(3,109)	5,380
Police fees	412,000	412,000	432,821	20,821	406,991
Fire inspection fees	115,000	115,000	120,417	5,417	119,255
Parking meters and permit fees	270,000	270,000	275,565	5,565	261,270
Parks and recreation charges	610,000	610,000	711,187	101,187	578,793
Recreation commissions	2,250	2,250	2,813	563	2,261
Zoning fees	6,000	6,000	9,610	3,610	10,698
Community services	800	800	1,234	434	918
Planning Board fees	25,000	25,000	45,055	20,055	47,761
Senior lunch program fees	11,000	11,000	11,796	796	13,626
	1,458,050	1,458,050	1,613,389	155,339	1,446,953
USE OF MONEY AND PROPERTY					
Earnings on investments	100,000	100,000	64,303	(35,697)	158,479
Rentals of real property	56,000	56,000	67,880	11,880	66,561
	156,000	156,000	132,183	(23,817)	225,040



# LICENSES AND PERMITS

Street opening permits	60,000	60,000	72,663	12,663	77,800
Building permits	1,700,000	1,700,000	1,743,329	43,329	1,210,465
Wetlands permits	-	-	300	300	31,814
Bingo licenses	300	300	463	163	421
Dog license fund apportionment	3,000	3,000	3,516	516	2,827
Other licenses and permits	8,000	8,000	17,734	9,734	22,498

# FINES AND FORFEITURES

Fines and forfeited bail	1,000,000	1,000,000	983,692	(16,308)	846,041
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# SALE OF PROPERTY AND COMPENSATION FOR LOSS

Insurance recoveries	-	5,424	5,424	-	6,061
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# STATE AID

Per capita	123,000	123,000	116,175	(6,825)	123,650
Mortgage tax	620,000	620,000	542,088	(77,912)	516,961
Youth programs	-	-	-	-	11,489
Archive grant	-	20,488	22,764	2,276	-
Bus shelters	18,000	18,000	31,520	13,520	32,764
Disaster assistance	-	9,785	9,786	1	-
Other	-	10,000	10,000	-	7,700

# FEDERAL AID

COPS grant	-	1,969	5,828	3,859	5,481
Emergency management agency	-	58,841	58,839	(2)	-

	-	60,810	64,667	3,857	5,481
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TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - TOWN

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET (Continued)

YEAR ENDED DECEMBER 31, 2010

(With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
MISCELLANEOUS					
Refunds of prior year's expenditures	\$ 130,000	\$ 130,000	\$ 148,183	\$ 18,183	\$ 146,565
Gifts and donations	35,407	42,907	29,445	(13,462)	5,472
Medicare Part D reimbursement	250,000	250,000	267,787	17,787	226,332
Unclassified	38,103	92,603	139,782	47,179	416,172
	453,510	515,510	585,197	69,687	794,541
TOTAL REVENUES	32,605,480	32,773,987	33,310,099	536,112	30,329,538
OTHER FINANCING SOURCES					
Sale of real property	-	-	235,043	235,043	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 32,605,480	\$ 32,773,987	\$ 33,545,142	\$ 771,155	\$ 30,329,538

## TOWN/VILLAGE OF HARRISON, NEW YORK

## GENERAL FUND - TOWN

## SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET

YEAR ENDED DECEMBER 31, 2010

(With Comparative Actuals for 2009)

GENERAL GOVERNMENT SUPPORT	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
Town Board	\$ 55,503	\$ 55,503	\$ 51,639	\$ 3,864	\$ 72,421
Town Justice	475,656	536,317	516,425	19,892	659,215
Supervisor	316,726	307,067	291,023	16,044	339,092
Finance	358,231	358,231	343,310	14,921	335,355
Auditor	34,970	34,970	34,970	-	33,280
Receiver of Taxes	209,413	209,413	203,080	6,333	209,786
Purchasing	129,473	129,473	125,050	4,423	314,354
Assessor	223,324	207,052	187,240	19,812	462,398
Town Clerk	213,031	214,082	210,031	4,051	213,076
Archive Grant	5,400	29,347	29,265	82	4,876
Town Attorney	303,863	302,663	288,048	14,615	312,600
Engineer	327,873	383,573	374,424	9,149	291,052
Elections	46,000	46,000	37,134	8,866	37,580
Commissioner of Public Works	281,087	286,094	272,205	13,889	513,593
Central services	222,732	223,923	203,210	20,713	201,720
Buildings	1,771,760	1,777,239	1,683,432	93,807	1,812,634
Central garage	677,923	687,812	666,479	21,333	638,466
Central data processing	339,261	286,182	267,179	19,003	274,244
Special items:					
Special services	103,790	143,790	92,944	50,846	192,856
Master plan update	37,524	17,829	-	17,829	-
Appraisals	15,000	15,000	-	15,000	7,250
Senior lunch program	28,000	28,000	19,902	8,098	22,875
Legal notices	6,000	6,000	532	5,468	4,356
Professional fees	225,000	304,707	283,772	20,935	273,943
General code	6,000	6,000	4,288	1,712	3,778
Children's Center	20,000	20,000	20,000	-	20,000
Youth Council	57,950	57,950	57,000	950	57,000
Veterans' Affairs	-	-	-	-	298
Council for the Arts	5,500	5,500	5,500	-	5,500
Unallocated insurance	720,000	377,862	377,860	2	779,618
Taxes and assessments on property	105,750	105,750	96,317	9,433	92,306
Metropolitan commuter transportation mobility tax	28,208	29,073	29,073	-	51,747
Contingent account	350,000	304,140	-	304,140	-
	7,700,948	7,496,542	6,771,332	725,210	8,237,269

# PUBLIC SAFETY

Police	8,851,352	8,743,573	8,222,886	520,687	9,723,572
Employee benefits - Police	6,702,575	6,195,131	5,749,741	445,390	5,998,269
Youth forum	83,211	85,623	83,214	2,409	82,751
Traffic control	174,840	176,706	162,458	14,248	171,461
Fire inspection	119,555	119,555	85,863	33,692	177,666
Control of animals	40,805	40,858	40,858	-	40,249
Safety inspection	647,443	647,390	644,679	2,711	665,863

	16,619,781	16,008,836	14,989,699	1,019,137	16,859,831
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## HEALTH

Ambulance	526,027	531,887	529,693	2,194	522,940
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## TRANSPORTATION

Street lighting	373,511	393,113	383,584	9,529	351,466
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## ECONOMIC ASSISTANCE AND OPPORTUNITY

Community services	99,444	99,444	95,687	3,757	99,533
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## CULTURE AND RECREATION

Parks, playgrounds and recreation	3,210,623	3,169,668	3,099,898	69,770	3,094,271
Celebrations	2,000	9,500	9,500	-	17,500
Historian	525	525	284	241	15,662
Public library	245,977	245,977	245,977	-	246,029

	3,459,125	3,425,670	3,355,659	70,011	3,373,462
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## HOME AND COMMUNITY SERVICES

Zoning	3,300	3,300	1,276	2,024	4,776
Planning	121,119	121,119	114,900	6,219	123,211
ETPA administrative charge	3,100	3,100	2,970	130	2,970

	127,519	127,519	119,146	8,373	130,957
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(Continued)

## TOWN/VILLAGE OF HARRISON, NEW YORK

## GENERAL FUND - TOWN

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET (Continued)  
 YEAR ENDED DECEMBER 31, 2010  
 (With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
<b>EMPLOYEE BENEFITS</b>					
State retirement	\$ 864,992	\$ 802,984	\$ 802,983	\$ 1	\$ 623,832
Social security	634,684	664,753	664,751	2	688,153
Workers' compensation benefits	260,000	357,010	357,009	1	224,096
Disability benefits	10,856	8,931	8,930	1	9,261
Unemployment benefits	45,000	19,910	19,910	-	24,305
Welfare benefits	31,350	7,838	7,838	-	31,350
Health, dental and life insurance	1,906,288	2,708,578	2,702,411	6,167	2,478,867
	3,753,170	4,570,004	4,563,832	6,172	4,079,864
<b>TOTAL EXPENDITURES</b>	32,659,525	32,653,015	30,808,632	1,844,383	33,655,322
<b>OTHER FINANCING USES</b>					
Transfers out -					
Debt Service Fund	-	175,017	175,017	-	175,017
Highway Fund	-	-	-	-	50,000
<b>TOTAL OTHER FINANCING USES</b>	-	175,017	175,017	-	225,017
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	\$ 32,659,525	\$ 32,828,032	\$ 30,983,649	\$ 1,844,383	\$ 33,880,339

## TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - VILLAGE  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2010 AND 2009

	2010	2009
<u>ASSETS</u>		
Cash - Demand deposits	\$ 5,196,047	\$ 3,951,925
Investments	24,926	24,879
Taxes Receivable, net of allowance for uncollectible taxes of \$115,319 in 2010 and \$215,464 in 2009	33,134,544	33,074,912
Receivables:		
Accounts	157,048	98,426
Due from component unit	475,000	475,000
Due from other funds	3,933,101	4,276,748
Due from other governments	1,873	933
	4,567,022	4,851,107
Prepaid Expenditures	156,270	68,332
Total Assets	\$ 43,078,809	\$ 41,971,155
<u>LIABILITIES AND FUND DEFICIT</u>		
Liabilities:		
Accounts payable	\$ 362,916	\$ 415,061
Due to other governments	13,090	21,026
Due to school district	41,882,378	41,903,411
Deferred tax revenues	807,349	785,567
Bond anticipation notes payable	600,000	-
Deferred revenues	2,245	820
Total Liabilities	43,667,978	43,125,885
Fund Balance (Deficit):		
Reserved for prepaid expenditures	156,270	68,332
Reserved for encumbrances	12,491	15,091
Reserved for debt service	3,643	3,786
Reserved for long-term receivables	475,000	475,000
Unreserved and undesignated	(1,236,573)	(1,716,939)
Total Fund Deficit	(589,169)	(1,154,730)
Total Liabilities and Fund Deficit	\$ 43,078,809	\$ 41,971,155

## TOWN/VILLAGE OF HARRISON, NEW YORK

## GENERAL FUND - VILLAGE

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 8,768,374	\$ 8,768,374	\$ 8,853,427	\$ 85,053
Other tax items	1,672,000	1,672,000	1,734,088	62,088
Departmental income	253,000	253,000	336,057	83,057
Use of money and property	75,000	75,000	43,892	(31,108)
Fines and forfeitures	50,000	50,000	25,700	(24,300)
Sale of property and compensation for loss	750	750	4,637	3,887
State aid	691,900	691,900	609,642	(82,258)
Miscellaneous	130,065	136,995	181,835	44,840
Total Revenues	11,641,089	11,648,019	11,789,278	141,259
Expenditures:				
Current:				
General government support	834,181	1,266,334	1,129,251	137,083
Culture and recreation	-	7,500	7,500	-
Home and community services	2,925,299	2,925,299	2,735,772	189,527
Employee benefits	2,609,460	2,174,914	2,057,378	117,536
Debt service -				
Bond anticipation notes:				
Principal	152,000	152,000	152,000	-
Interest	94,204	98,204	104,179	(5,975)
Total Expenditures	6,615,144	6,624,251	6,186,080	438,171
Excess of Revenues Over Expenditures	5,025,945	5,023,768	5,603,198	579,430
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(5,039,814)	(5,037,637)	(5,037,637)	-
Total Other Financing Uses	(5,039,814)	(5,037,637)	(5,037,637)	-
Net Change in Fund Balance	(13,869)	(13,869)	565,561	579,430
Fund Balance (Deficit) - Beginning of Year	13,869	13,869	(1,154,730)	(1,168,599)
Fund Deficit - End of Year	\$ -	\$ -	\$ (589,169)	\$ (589,169)



2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,126,105	\$ 7,126,104	\$ 6,904,330	\$ (221,774)
1,634,476	1,634,476	1,601,340	(33,136)
88,000	88,000	78,638	(9,362)
180,000	180,000	38,860	(141,140)
100,000	100,000	19,500	(80,500)
15,000	15,000	6,512	(8,488)
1,071,900	1,071,900	588,861	(483,039)
100,000	100,000	205,598	105,598
10,315,481	10,315,480	9,443,639	(871,841)
444,087	603,770	614,501	(10,731)
6,000	-	-	-
3,609,588	3,455,904	3,381,212	74,692
2,118,536	2,116,713	2,516,954	(400,241)
-	-	-	-
31,674	54,446	57,141	(2,695)
6,209,885	6,230,833	6,569,808	(338,975)
4,105,596	4,084,647	2,873,831	(1,210,816)
-	22,772	22,772	-
(4,124,377)	(4,126,200)	(4,116,762)	9,438
(4,124,377)	(4,103,428)	(4,093,990)	9,438
(18,781)	(18,781)	(1,220,159)	(1,201,378)
18,781	18,781	65,429	46,648
\$ -	\$ -	\$ (1,154,730)	\$ (1,154,730)

TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - VILLAGE  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
YEAR ENDED DECEMBER 31, 2010  
(With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
REAL PROPERTY TAXES	\$ 8,768,374	\$ 8,768,374	\$ 8,853,427	\$ 85,053	\$ 6,904,330
OTHER TAX ITEMS					
Payments in lieu of taxes	497,000	497,000	495,519	(1,481)	427,354
Interest and penalties on real property taxes	425,000	425,000	504,425	79,425	434,232
Utilities gross receipts taxes	750,000	750,000	734,144	(15,856)	739,754
DEPARTMENTAL INCOME	1,672,000	1,672,000	1,734,088	62,088	1,601,340
Public works fees	65,000	65,000	78,656	13,656	68,688
Commercial garbage fees	181,000	181,000	247,250	66,250	-
Composting fees	7,000	7,000	10,151	3,151	9,950
USE OF MONEY AND PROPERTY	253,000	253,000	336,057	83,057	78,638
Earnings on investments	75,000	75,000	43,892	(31,108)	38,860
FINES AND FORFEITURES					
Fines and forfeited bail	50,000	50,000	25,700	(24,300)	19,500
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of recycled materials	750	750	4,637	3,887	6,512

## STATE AID

Per capita  
Mortgage tax

71,900	71,900	67,554	(4,346)	71,900
620,000	620,000	542,088	(77,912)	516,961

## MISCELLANEOUS

691,900	691,900	609,642	(82,258)	588,861
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Refunds of prior year's expenditures  
Miscellaneous

125,000	125,000	169,998	44,998	199,688
5,065	11,995	11,837	(158)	5,910

## TOTAL REVENUES

130,065	136,995	181,835	44,840	205,598
11,641,089	11,648,019	11,789,278	141,259	9,443,639

## OTHER FINANCING SOURCES:

Transfers in -  
Special Purpose Fund

-	-	-	-	22,772
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TOTAL REVENUES AND  
OTHER FINANCING SOURCES

\$ 11,641,089	\$ 11,648,019	\$ 11,789,278	\$ 141,259	\$ 9,466,411
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TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - VILLAGE  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET  
YEAR ENDED DECEMBER 31, 2010  
(With Comparative Actuals for 2009)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2009 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Auditor	\$ 18,830	\$ 18,830	\$ 18,830	\$ -	\$ 17,920
Law	136,598	136,598	136,598	-	136,598
Special items:					
Special services	1,500	3,000	3,000	-	3,255
Stormwater management plan	30,860	30,860	1,800	29,060	2,278
Bond and note issuance costs	3,000	3,000	3,016	(16)	3,973
Unallocated insurance	83,000	81,500	76,288	5,212	84,088
Taxes and assessments on property	102,000	97,430	95,176	2,254	91,181
Judgments and claims	350,000	786,723	786,722	1	266,449
Metropolitan commuter transportation mobility tax	8,393	8,393	7,821	572	8,759
Contingency	100,000	100,000	-	100,000	-
	834,181	1,266,334	1,129,251	137,083	614,501
<b>CULTURE AND RECREATION</b>					
Celebrations	-	7,500	7,500	-	-
<b>HOME AND COMMUNITY SERVICES</b>					
Refuse and garbage collection	2,925,299	2,925,299	2,735,772	189,527	3,381,212
<b>EMPLOYEE BENEFITS</b>					
State retirement	345,634	343,811	285,338	58,473	210,018
Social security	188,842	188,842	181,800	7,042	226,987
Workers' compensation benefits	700,000	352,517	336,552	15,965	637,579
Disability benefits	4,168	4,168	3,020	1,148	3,775
Unemployment benefits	39,682	49,335	47,467	1,868	23,731
Welfare benefits	37,050	37,050	7,600	29,450	37,050
Health, dental and life insurance	1,294,084	1,199,191	1,195,601	3,590	1,377,814
	2,609,460	2,174,914	2,057,378	117,536	2,516,954

# DEBT SERVICE

## Bond anticipation notes:

Principal	152,000	152,000	152,000	-	-
Interest	94,204	98,204	104,179	(5,975)	57,141
	246,204	250,204	256,179	(5,975)	57,141
TOTAL EXPENDITURES	6,615,144	6,624,251	6,186,080	438,171	6,569,808

## OTHER FINANCING USES

### Transfers out:

Debt Service Fund	4,723,314	4,721,137	4,721,137	-	4,116,762
Capital Projects Fund	316,500	316,500	316,500	-	-
TOTAL OTHER FINANCING USES	5,039,814	5,037,637	5,037,637	-	4,116,762

## TOTAL EXPENDITURES AND OTHER FINANCING USES

\$	11,654,958	\$	11,661,888	\$	11,223,717	\$	438,171	\$	10,686,570
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TOWN/VILLAGE OF HARRISON, NEW YORK

DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 1,117,294	\$ 1,420,187
Accounts Receivable	<u>76,857</u>	<u>-</u>
Total Assets	<u>\$ 1,194,151</u>	<u>\$ 1,420,187</u>
<u>FUND BALANCE</u>		
Reserved for Debt Service	\$ 889,756	\$ 944,549
Unreserved - Designated for subsequent year's expenditures	<u>304,395</u>	<u>475,638</u>
Total Fund Balance	<u>\$ 1,194,151</u>	<u>\$ 1,420,187</u>

## TOWN/VILLAGE OF HARRISON, NEW YORK

## DEBT SERVICE FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 67,530	\$ 67,530
Miscellaneous	-	-	172,626	172,626
Total Revenues	-	-	240,156	240,156
Expenditures -				
Debt service -				
Advance refunding escrow	-	304,868	304,868	-
Principal:				
Bonds	4,506,320	4,506,320	4,461,320	45,000
State loans	-	131,203	131,203	-
	4,506,320	4,637,523	4,592,523	45,000
Interest:				
Bonds	2,188,978	2,188,978	2,177,593	11,385
State loans	-	45,637	45,637	-
	2,188,978	2,234,615	2,223,230	11,385
Total Expenditures	6,695,298	7,177,006	7,120,621	56,385
Deficiency of Revenues Over Expenditures	(6,695,298)	(7,177,006)	(6,880,465)	296,541
Other Financing Sources:				
Refunding bonds issued	-	235,132	235,132	-
Payment to refunded bond escrow agent	-	(235,132)	(235,132)	-
Transfers in	6,219,660	6,701,368	6,654,429	(46,939)
Total Other Financing Sources	6,219,660	6,701,368	6,654,429	(46,939)
Net Change in Fund Balance	(475,638)	(475,638)	(226,036)	249,602
Fund Balance - Beginning of Year	475,638	475,638	1,420,187	944,549
Fund Balance - End of Year	\$ -	\$ -	\$ 1,194,151	\$ 1,194,151



2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 48,253	\$ 48,253
-	-	-	-
-	-	48,253	48,253
-	-	-	-
4,147,810	4,147,810	4,147,810	-
-	124,956	124,956	-
4,147,810	4,272,766	4,272,766	-
2,605,704	2,605,704	2,591,022	14,682
-	51,884	51,884	-
2,605,704	2,657,588	2,642,906	14,682
6,753,514	6,930,354	6,915,672	14,682
(6,753,514)	(6,930,354)	(6,867,419)	62,935
-	-	-	-
-	-	-	-
5,316,701	5,493,541	5,904,729	411,188
5,316,701	5,493,541	5,904,729	411,188
(1,436,813)	(1,436,813)	(962,690)	474,123
1,436,813	1,436,813	2,382,877	946,064
\$ -	\$ -	\$ 1,420,187	\$ 1,420,187

## TOWN/VILLAGE OF HARRISON, NEW YORK

CAPITAL PROJECTS FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2010 AND 2009

	2010	2009
<u>ASSETS</u>		
Cash - Demand deposits	\$ 5,046,663	\$ 6,885,858
Receivables:		
Accounts	-	6,708
State and Federal aid	391,991	908,968
	391,991	915,676
Prepaid Expenditures	2,788	20,097
Restricted Assets	-	304,868
Total Assets	\$ 5,441,442	\$ 8,126,499
<u>LIABILITIES AND FUND DEFICIT</u>		
Liabilities:		
Accounts payable	\$ 39,916	\$ 596,528
Retainages payable	128,276	864,996
Deferred revenues	102,754	102,754
Bond anticipation notes payable	14,666,040	14,993,540
Total Liabilities	14,936,986	16,557,818
Fund Balance (Deficit):		
Reserved for prepaid expenditures	2,788	20,097
Unreserved and undesignated	(9,498,332)	(8,451,416)
Total Fund Deficit	(9,495,544)	(8,431,319)
Total Liabilities and Fund Deficit	\$ 5,441,442	\$ 8,126,499

TOWN/VILLAGE OF HARRISON, NEW YORK

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Revenues:		
State aid	\$ 134,554	\$ 133,560
Federal aid	1,198	88,796
Miscellaneous	10,045	10,000
Total Revenues	145,797	232,356
Expenditures -		
Capital outlay	1,537,654	9,642,104
Deficiency of Revenues Over Expenditures	(1,391,857)	(9,409,748)
Other Financing Sources (Uses):		
Transfers in	632,500	367,701
Transfers out	(304,868)	(45,627)
Total Other Financing Sources	327,632	322,074
Net Change in Fund Balance	(1,064,225)	(9,087,674)
Fund Balance (Deficit) - Beginning of Year	(8,431,319)	656,355
Fund Deficit - End of Year	\$ (9,495,544)	\$ (8,431,319)

## TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND  
 COMBINING BALANCE SHEET - SUB FUNDS  
 DECEMBER 31, 2010  
 (With Comparative Totals for 2009)

<u>ASSETS</u>	Water District No. 2	Sewer Districts	
		No. 1	Maintenance
Cash - Demand deposits	\$ -	\$ 9,001	\$ 220,156
Receivables:			
Accounts	1,790,827	-	-
State and Federal aid	-	-	-
	1,790,827	-	-
Prepaid Expenditures	-	-	13,775
Total Assets	\$ 1,790,827	\$ 9,001	\$ 233,931
<u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>			
Liabilities:			
Accounts payable	\$ 6,155	\$ -	\$ 4,296
Due to other funds	1,990,646	-	-
Deferred revenues	895,413	-	-
Total Liabilities	2,892,214	-	4,296
Fund Balances (Deficits):			
Reserved for prepaid expenditures	-	-	13,775
Reserved for encumbrances	-	-	-
Unreserved:			
Designated for subsequent year's expenditures	-	-	-
Undesignated	(1,101,387)	9,001	215,860
Total Fund Balances (Deficits)	(1,101,387)	9,001	229,635
Total Liabilities and Fund Balances (Deficits)	\$ 1,790,827	\$ 9,001	\$ 233,931

Fire Protection Districts				Totals	
No. 1	No. 2	No. 3	No. 5	2010	2009
\$ 520,511	\$ 1,034,018	\$ 171	\$ 101	\$ 1,783,958	\$ 1,507,778
-	-	-	-	1,790,827	-
19,501	32,320	-	-	51,821	-
19,501	32,320	-	-	1,842,648	-
31,394	78,085	-	-	123,254	174,487
\$ 571,406	\$ 1,144,423	\$ 171	\$ 101	\$ 3,749,860	\$ 1,682,265
\$ 278,201	\$ 148,248	\$ -	\$ -	\$ 436,900	\$ 579,551
-	-	-	-	1,990,646	1,715,292
-	-	-	-	895,413	-
278,201	148,248	-	-	3,322,959	2,294,843
31,394	78,085	-	-	123,254	174,487
-	-	-	-	-	33,036
-	-	-	-	-	2,516
261,811	918,090	171	101	303,647	(822,617)
293,205	996,175	171	101	426,901	(612,578)
\$ 571,406	\$ 1,144,423	\$ 171	\$ 101	\$ 3,749,860	\$ 1,682,265

## TOWN/VILLAGE OF HARRISON, NEW YORK

## SPECIAL DISTRICTS FUND

## COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES

## IN FUND BALANCES - SUB FUNDS

YEAR ENDED DECEMBER 31, 2010

(With Comparative Totals for 2009)

	Water District No. 2	Sewer Districts	
		No. 1	Maintenance
Revenues:			
Real property taxes	\$ 54,650	\$ 400	\$ 563,461
Departmental income	1,695,349	-	-
Use of money and property	-	33	2,071
State aid	-	-	-
Federal aid	-	-	-
Miscellaneous	-	-	13,780
Total Revenues	1,749,999	433	579,312
Expenditures:			
Current:			
General government support	-	-	-
Public safety	-	-	-
Home and community services	85,267	-	350,003
Employee benefits	2,180	-	108,858
Debt service - Interest -			
Bond anticipation notes	39,555	-	7,680
Total Expenditures	127,002	-	466,541
Excess (Deficiency) of Revenues Over Expenditures	1,622,997	433	112,771
Other Financing Uses -			
Transfers out	(993,333)	(2,916)	(9,539)
Net Change in Fund Balances	629,664	(2,483)	103,232
Fund Balances (Deficits) - Beginning of Year	(1,731,051)	11,484	126,403
Fund Balances (Deficits) - End of Year	\$ (1,101,387)	\$ 9,001	\$ 229,635

Fire Protection Districts				Totals	
No. 1	No. 2	No. 3	No. 5	2010	2009
\$ 897,944	\$ 3,733,946	\$ 36,373	\$ 35,355	\$ 5,322,129	\$ 4,962,713
35,355	1,936	-	-	1,732,640	35,568
3,764	13,245	24	-	19,137	18,691
2,731	4,525	-	-	7,256	-
16,772	27,795	-	-	44,567	-
-	1,872	-	-	15,652	14,443
<u>956,566</u>	<u>3,783,319</u>	<u>36,397</u>	<u>35,355</u>	<u>7,141,381</u>	<u>5,031,415</u>
13,725	58,168	387	-	72,280	57,134
595,823	2,161,921	31,625	35,460	2,824,829	2,836,998
-	-	-	-	435,270	435,100
3,205	1,168,638	-	-	1,282,881	1,187,193
-	-	-	-	47,235	2,990
<u>612,753</u>	<u>3,388,727</u>	<u>32,012</u>	<u>35,460</u>	<u>4,662,495</u>	<u>4,519,415</u>
343,813	394,592	4,385	(105)	2,478,886	512,000
(234,384)	(199,235)	-	-	(1,439,407)	(1,467,323)
109,429	195,357	4,385	(105)	1,039,479	(955,323)
183,776	800,818	(4,214)	206	(612,578)	342,745
<u>\$ 293,205</u>	<u>\$ 996,175</u>	<u>\$ 171</u>	<u>\$ 101</u>	<u>\$ 426,901</u>	<u>\$ (612,578)</u>

## TOWN/VILLAGE OF HARRISON, NEW YORK

## SPECIAL DISTRICTS FUND - WATER DISTRICT NO. 2

## COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET AND ACTUAL

YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 54,650	\$ 54,650	\$ 54,650	\$ -
Departmental income	1,285,547	1,285,547	1,695,349	409,802
Total Revenues	1,340,197	1,340,197	1,749,999	409,802
Expenditures:				
Current:				
Home and community services	264,632	258,056	85,267	172,789
Employee benefits	2,314	2,314	2,180	134
Debt service - Interest -				
Bond anticipation notes	32,979	39,555	39,555	-
Total Expenditures	299,925	299,925	127,002	172,923
Excess (Deficiency) of Revenues Over Expenditures	1,040,272	1,040,272	1,622,997	582,725
Other Financing Uses -				
Transfers out	(1,040,272)	(1,040,272)	(993,333)	46,939
Net Change in Fund Balance	-	-	629,664	629,664
Fund Deficit - Beginning of Year	-	-	(1,731,051)	(1,731,051)
Fund Deficit - End of Year	\$ -	\$ -	\$ (1,101,387)	\$ (1,101,387)



2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 30,096	\$ 30,096	\$ 30,096	\$ -
1,399,614	1,399,614	-	(1,399,614)
1,429,710	1,429,710	30,096	(1,399,614)
359,398	359,398	151,829	207,569
3,814	3,814	1,783	2,031
1,838	1,838	537	1,301
365,050	365,050	154,149	210,901
1,064,660	1,064,660	(124,053)	(1,188,713)
(1,064,660)	(1,064,660)	(1,064,660)	-
-	-	(1,188,713)	(1,188,713)
-	-	(542,338)	(542,338)
\$ -	\$ -	\$ (1,731,051)	\$ (1,731,051)

## TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND - SEWER DISTRICT NO. 1  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 400	\$ 400	\$ 400	\$ -
Use of money and property	-	-	33	33
Total Revenues	400	400	433	33
Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	400	400	433	33
Other Financing Uses - Transfers out	(2,916)	(2,916)	(2,916)	-
Net Change in Fund Balance	(2,516)	(2,516)	(2,483)	33
Fund Balance - Beginning of Year	2,516	2,516	11,484	8,968
Fund Balance - End of Year	\$ -	\$ -	\$ 9,001	\$ 9,001

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 535	\$ 535	\$ 535	\$ -
-	-	56	56
535	535	591	56
-	-	-	-
535	535	591	56
(3,035)	(3,035)	(3,034)	1
(2,500)	(2,500)	(2,443)	57
2,500	2,500	13,927	11,427
\$ -	\$ -	\$ 11,484	\$ 11,484

## TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND - SEWER MAINTENANCE DISTRICT  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 563,461	\$ 563,461	\$ 563,461	\$ -
Use of money and property	1,200	1,200	2,071	871
Miscellaneous	-	-	13,780	13,780
Total Revenues	564,661	564,661	579,312	14,651
Expenditures:				
Current:				
Home and community services	393,009	393,009	350,003	43,006
Employee benefits	154,433	154,433	108,858	45,575
Debt service - Interest - Bond anticipation notes	7,680	7,680	7,680	-
Total Expenditures	555,122	555,122	466,541	88,581
Excess of Revenues Over Expenditures	9,539	9,539	112,771	103,232
Other Financing Uses - Transfers out	(9,539)	(9,539)	(9,539)	-
Net Change in Fund Balance	-	-	103,232	103,232
Fund Balance - Beginning of Year	-	-	126,403	126,403
Fund Balance - End of Year	\$ -	\$ -	\$ 229,635	\$ 229,635

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 479,212 4,000 -	\$ 479,212 4,000 -	\$ 479,212 1,450 -	\$ - (2,550) -
483,212	483,212	480,662	(2,550)
337,497 79,488 8,400	337,497 79,488 8,400	283,271 71,053 2,453	54,226 8,435 5,947
425,385	425,385	356,777	68,608
57,827 (827)	57,827 (827)	123,885 (827)	66,058 -
57,000 (57,000)	57,000 (57,000)	123,058 3,345	66,058 60,345
\$ -	\$ -	\$ 126,403	\$ 126,403

## TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND - FIRE PROTECTION DISTRICT NO. 1  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 897,944	\$ 897,944	\$ 897,944	\$ -
Departmental income	35,430	35,430	35,355	(75)
Use of money and property	5,000	5,000	3,764	(1,236)
State aid	-	2,731	2,731	-
Federal aid	-	16,772	16,772	-
Total Revenues	938,374	957,877	956,566	(1,311)
Expenditures -				
Current:				
General government support	10,000	13,727	13,725	2
Public safety	685,900	701,724	595,823	105,901
Employee benefits	18,090	18,042	3,205	14,837
Total Expenditures	713,990	733,493	612,753	120,740
Excess of Revenues Over Expenditures	224,384	224,384	343,813	119,429
Other Financing Uses -				
Transfers out	(234,384)	(234,384)	(234,384)	-
Net Change in Fund Balance	(10,000)	(10,000)	109,429	119,429
Fund Balance -				
Beginning of Year	10,000	10,000	183,776	173,776
Fund Balance - End of Year	\$ -	\$ -	\$ 293,205	\$ 293,205

2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 855,260	\$ 855,260	\$ 855,260	\$ -
20,595	20,595	33,633	13,038
8,000	8,000	3,537	(4,463)
-	-	-	-
-	-	-	-
883,855	883,855	892,430	8,575
3,000	3,000	1,261	1,739
652,718	652,718	593,411	59,307
12,518	12,518	2,949	9,569
668,236	668,236	597,621	70,615
215,619	215,619	294,809	79,190
(222,454)	(222,454)	(222,454)	-
(6,835)	(6,835)	72,355	79,190
6,835	6,835	111,421	104,586
\$ -	\$ -	\$ 183,776	\$ 183,776

## TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND - FIRE PROTECTION DISTRICT NO. 2  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 3,733,946	\$ 3,733,946	\$ 3,733,946	\$ -
Departmental income	1,936	1,936	1,936	-
Use of money and property	10,000	10,000	13,245	3,245
State aid	-	4,525	4,525	-
Federal aid	-	27,795	27,795	-
Miscellaneous	1,790	1,790	1,872	82
Total Revenues	3,747,672	3,779,992	3,783,319	3,327
Expenditures -				
Current:				
General government support	80,635	80,635	58,168	22,467
Public safety	2,225,632	2,257,952	2,161,921	96,031
Employee benefits	1,265,206	1,265,206	1,168,638	96,568
Total Expenditures	3,571,473	3,603,793	3,388,727	215,066
Excess of Revenues Over Expenditures	176,199	176,199	394,592	218,393
Other Financing Uses -				
Transfers out	(199,235)	(199,235)	(199,235)	-
Net Change in Fund Balance	(23,036)	(23,036)	195,357	218,393
Fund Balance -				
Beginning of Year	23,036	23,036	800,818	777,782
Fund Balance - End of Year	\$ -	\$ -	\$ 996,175	\$ 996,175



2009			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,532,352	\$ 3,532,352	\$ 3,532,352	\$ -
1,935	1,935	1,935	-
30,000	30,000	13,609	(16,391)
-	-	-	-
-	-	-	-
2,089	2,089	14,443	12,354
3,566,376	3,566,376	3,562,339	(4,037)
16,000	55,710	55,710	-
2,304,677	2,247,571	2,178,302	69,269
1,094,012	1,111,408	1,111,408	-
3,414,689	3,414,689	3,345,420	69,269
151,687	151,687	216,919	65,232
(176,348)	(176,348)	(176,348)	-
(24,661)	(24,661)	40,571	65,232
24,661	24,661	760,247	735,586
\$ -	\$ -	\$ 800,818	\$ 800,818

## TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND - FIRE PROTECTION DISTRICT NO. 3  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 36,373	\$ 36,373	\$ 36,373	\$ -
Use of money and property	-	-	24	24
Total Revenues	36,373	36,373	36,397	24
Expenditures -				
Current:				
General government support	-	387	387	-
Public safety	32,273	31,886	31,625	261
Total Expenditures	32,273	32,273	32,012	261
Excess (Deficiency) of Revenues Over Expenditures	4,100	4,100	4,385	285
Fund Deficit - Beginning of Year	(4,100)	(4,100)	(4,214)	(114)
Fund Balance (Deficit) - End of Year	\$ -	\$ -	\$ 171	\$ 171

2009			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 31,625	\$ 31,625	\$ 31,625	\$ -
-	-	39	39
31,625	31,625	31,664	39
-	-	163	(163)
31,625	31,625	31,625	-
31,625	31,625	31,788	(163)
-	-	(124)	(124)
-	-	(4,090)	(4,090)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,214)</u>	<u>\$ (4,214)</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND - FIRE PROTECTION DISTRICT NO. 5  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues -				
Real property taxes	\$ 35,355	\$ 35,355	\$ 35,355	\$ -
Expenditures -				
Current - Public safety	35,355	35,355	35,460	(105)
Deficiency of Revenues Over Expenditures	-	-	(105)	(105)
Fund Balance - Beginning of Year	-	-	206	206
Fund Balance - End of Year	\$ -	\$ -	\$ 101	\$ 101

2009			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 33,633	\$ 33,633	\$ 33,633	\$ -
<u>33,633</u>	<u>33,633</u>	<u>33,660</u>	<u>(27)</u>
-	-	(27)	(27)
<u>-</u>	<u>-</u>	<u>233</u>	<u>233</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206</u>	<u>\$ 206</u>

## TOWN/VILLAGE OF HARRISON, NEW YORK

COMBINING BALANCE SHEET  
 NON-MAJOR GOVERNMENTAL FUNDS  
 DECEMBER 31, 2010  
 (With Comparative Totals for 2009)

	Highway	Public Library	Special Purpose
<u>ASSETS</u>			
Cash:			
Demand deposits	\$ 608,940	\$ 141,005	\$ 835,548
Petty cash	-	125	-
	<u>608,940</u>	<u>141,130</u>	<u>835,548</u>
Investments	-	-	95,000
Receivables:			
Accounts	14,337	-	-
State and Federal aid	71,021	-	-
	<u>85,358</u>	<u>-</u>	<u>-</u>
Prepaid Expenditures	103,012	53,605	-
Total Assets	<u>\$ 797,310</u>	<u>\$ 194,735</u>	<u>\$ 930,548</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 201,670	\$ 33,426	\$ -
Deferred revenues	-	-	-
Total Liabilities	<u>201,670</u>	<u>33,426</u>	<u>-</u>
Fund Balances (Deficits):			
Reserved for prepaid expenditures	103,012	53,605	-
Reserved for encumbrances	900	-	-
Reserved for parklands	-	-	442,905
Reserved for trusts	-	-	487,643
Unreserved and undesignated	491,728	107,704	-
Total Fund Balances	<u>595,640</u>	<u>161,309</u>	<u>930,548</u>
Total Liabilities and Fund Balances	<u>\$ 797,310</u>	<u>\$ 194,735</u>	<u>\$ 930,548</u>

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Total Non-Major  
Governmental Funds

---

2010

2009

\$ 1,585,493      \$ 1,206,770  
125                      125

1,585,618              1,206,895

95,000                      185,000

14,337                      22,021  
71,021                      -

85,358                      22,021

156,617                      104,277

\$ 1,922,593              \$ 1,518,193

\$ 235,096              \$ 386,872  
-                              10,561

235,096                      397,433

156,617                      104,277  
900                              -  
442,905                      739,831  
487,643                      364,403

599,432                      (87,751)

1,687,497                      1,120,760

\$ 1,922,593              \$ 1,518,193

## TOWN/VILLAGE OF HARRISON, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED DECEMBER 31, 2010  
 (With Comparative Totals for 2009)

	Highway	Public Library	Special Purpose
Revenues:			
Real property taxes	\$ 4,882,804	\$ 2,173,776	\$ -
Departmental income	-	30,103	-
Use of money and property	11,851	5,272	8,056
State aid	134,942	1,971	-
Federal aid	175,507	-	-
Miscellaneous	44,968	15	332,159
Total Revenues	5,250,072	2,211,137	340,215
Expenditures -			
Current:			
Transportation	3,393,322	-	-
Culture and recreation	-	1,331,042	-
Home and community services	-	-	183,901
Employee benefits	1,273,621	722,801	-
Total Expenditures	4,666,943	2,053,843	183,901
Excess (Deficiency) of Revenues Over Expenditures	583,129	157,294	156,314
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	-	(330,000)
Total Other Financing Uses	-	-	(330,000)
Net Change in Fund Balances	583,129	157,294	(173,686)
Fund Balances - Beginning of Year	12,511	4,015	1,104,234
Fund Balances - End of Year	\$ 595,640	\$ 161,309	\$ 930,548



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Total Non-Major  
Governmental Funds

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2010	2009
\$ 7,056,580	\$ 7,048,457
30,103	148,470
25,179	35,472
136,913	119,500
175,507	-
377,142	44,719
<hr/> 7,801,424	<hr/> 7,396,618
 3,393,322	 3,641,170
1,331,042	1,641,628
 183,901	 110,303
1,996,422	2,052,452
<hr/> 6,904,687	<hr/> 7,445,553
 896,737	 (48,935)
 -	 50,000
(330,000)	(490,473)
<hr/> (330,000)	<hr/> (440,473)
566,737	(489,408)
<hr/> 1,120,760	<hr/> 1,610,168
 \$ 1,687,497	 \$ 1,120,760
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## TOWN/VILLAGE OF HARRISON, NEW YORK

HIGHWAY FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2010 AND 2009

	2010	2009
<u>ASSETS</u>		
Cash - Demand deposits	\$ 608,940	\$ 179,249
Receivables:		
Accounts	14,337	20,254
State and Federal aid	71,021	-
	85,358	20,254
Prepaid Expenditures	103,012	78,651
Total Assets	\$ 797,310	\$ 278,154
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 201,670	\$ 255,082
Deferred revenues	-	10,561
Total Liabilities	201,670	265,643
Fund Balance (Deficit):		
Reserved for prepaid expenditures	103,012	78,651
Reserved for encumbrances	900	-
Unreserved and undesignated	491,728	(66,140)
Total Fund Balance	595,640	12,511
Total Liabilities and Fund Balance	\$ 797,310	\$ 278,154

## TOWN/VILLAGE OF HARRISON, NEW YORK

## HIGHWAY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 4,882,804	\$ 4,882,804	\$ 4,882,804	\$ -
Use of money and property	15,000	15,000	11,851	(3,149)
State aid	106,916	136,008	134,942	(1,066)
Federal aid	-	175,507	175,507	-
Miscellaneous	24,060	36,277	44,968	8,691
Total Revenues	5,028,780	5,245,596	5,250,072	4,476
Expenditures -				
Current:				
Transportation	3,585,308	3,802,124	3,393,322	408,802
Employee benefits	1,443,472	1,443,472	1,273,621	169,851
Total Expenditures	5,028,780	5,245,596	4,666,943	578,653
Excess (Deficiency) of Revenues Over Expenditures	-	-	583,129	583,129
Other Financing Sources -				
Transfers in	-	-	-	-
Net Change in Fund Balance	-	-	583,129	583,129
Fund Balance -				
Beginning of Year	-	-	12,511	12,511
Fund Balance - End of Year	\$ -	\$ -	\$ 595,640	\$ 595,640

2009			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,747,650	\$ 4,747,650	\$ 4,747,650	\$ -
42,000	42,000	11,328	(30,672)
70,000	70,000	111,850	41,850
-	-	-	-
21,719	21,719	44,719	23,000
4,881,369	4,881,369	4,915,547	34,178
3,671,629	3,723,129	3,641,170	81,959
1,209,740	1,208,240	1,350,247	(142,007)
4,881,369	4,931,369	4,991,417	(60,048)
-	(50,000)	(75,870)	(25,870)
-	50,000	50,000	-
-	-	(25,870)	(25,870)
-	-	38,381	38,381
\$ -	\$ -	\$ 12,511	\$ 12,511

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TOWN/VILLAGE OF HARRISON, NEW YORK

PUBLIC LIBRARY FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2010 AND 2009

	2010	2009
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 141,005	\$ 108,287
Petty cash	125	125
	141,130	108,412
Accounts Receivable	-	1,767
Prepaid Expenditures	53,605	25,626
Total Assets	<u>\$ 194,735</u>	<u>\$ 135,805</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities -		
Accounts payable	\$ 33,426	\$ 131,790
Fund Balance (Deficit):		
Reserved for prepaid expenditures	53,605	25,626
Unreserved and undesignated	107,704	(21,611)
Total Fund Balance	161,309	4,015
Total Liabilities and Fund Balance	<u>\$ 194,735</u>	<u>\$ 135,805</u>

## TOWN/VILLAGE OF HARRISON, NEW YORK

## PUBLIC LIBRARY FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 2,173,776	\$ 2,173,776	\$ 2,173,776	\$ -
Departmental income	30,000	30,000	30,103	103
Use of money and property	10,000	10,000	5,272	(4,728)
State aid	8,000	8,000	1,971	(6,029)
Miscellaneous	-	-	15	15
Total Revenues	<u>2,221,776</u>	<u>2,221,776</u>	<u>2,211,137</u>	<u>(10,639)</u>
Expenditures -				
Current:				
Culture and recreation	1,396,892	1,396,892	1,331,042	65,850
Employee benefits	<u>824,884</u>	<u>824,884</u>	<u>722,801</u>	<u>102,083</u>
Total Expenditures	<u>2,221,776</u>	<u>2,221,776</u>	<u>2,053,843</u>	<u>167,933</u>
Excess of Revenues Over Expenditures	-	-	157,294	157,294
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>4,015</u>	<u>4,015</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 161,309</u>	<u>\$ 161,309</u>



2009

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,300,807	\$ 2,300,807	\$ 2,300,807	\$ -
30,000	30,000	32,446	2,446
19,200	19,200	5,923	(13,277)
8,000	8,000	7,650	(350)
-	-	-	-
2,358,007	2,358,007	2,346,826	(11,181)
1,672,679	1,655,802	1,641,628	14,174
685,328	702,205	702,205	-
2,358,007	2,358,007	2,343,833	14,174
-	-	2,993	2,993
-	-	1,022	1,022
\$ -	\$ -	\$ 4,015	\$ 4,015

TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL PURPOSE FUND  
COMPARATIVE BALANCE SHEET  
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 835,548	\$ 919,234
Investments	<u>95,000</u>	<u>185,000</u>
Total Assets	<u>\$ 930,548</u>	<u>\$ 1,104,234</u>
<u>FUND BALANCE</u>		
Reserved for Parklands	\$ 442,905	\$ 739,831
Reserved for Trusts	<u>487,643</u>	<u>364,403</u>
Total Fund Balance	<u>\$ 930,548</u>	<u>\$ 1,104,234</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL PURPOSE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Revenues:		
Use of money and property	\$ 8,056	\$ 18,221
Miscellaneous	<u>332,159</u>	<u>116,024</u>
Total Revenues	340,215	134,245
Expenditures - Current -		
Home and community services	<u>183,901</u>	<u>110,303</u>
Excess of Revenues Over Expenditures	156,314	23,942
Other Financing Uses -		
Transfers out	<u>(330,000)</u>	<u>(490,473)</u>
Net Change in Fund Balance	(173,686)	(466,531)
Fund Balance - Beginning of Year	<u>1,104,234</u>	<u>1,570,765</u>
Fund Balance - End of Year	<u>\$ 930,548</u>	<u>\$ 1,104,234</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

INTERNAL SERVICE FUND - HEALTH BENEFITS FUND  
COMPARATIVE STATEMENT OF NET ASSETS  
DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 852,597	\$ 679,182
Accounts Receivable	<u>35,023</u>	<u>14,263</u>
Total Assets	<u>\$ 887,620</u>	<u>\$ 693,445</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	\$ 108,936	\$ 117,648
Accrued liabilities	<u>778,684</u>	<u>575,797</u>
Total Liabilities	<u>\$ 887,620</u>	<u>\$ 693,445</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

INTERNAL SERVICE FUND - HEALTH BENEFITS FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

YEARS ENDED DECEMBER 31, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues - Charges for services	<u>\$ 9,052,292</u>	<u>\$ 9,704,022</u>
Operating Expenses:		
Insurance	235,975	209,592
Employee benefits	8,526,245	9,201,611
Contractual	<u>290,072</u>	<u>292,819</u>
Total Operating Expenses	<u>9,052,292</u>	<u>9,704,022</u>
Income from Operations	-	-
Net Assets - Beginning of Year	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ -</u>	<u>\$ -</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

INTERNAL SERVICE FUND - HEALTH BENEFITS FUND  
COMPARATIVE STATEMENT OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 9,031,532	\$ 9,713,801
Cash payments to vendors	(290,072)	(292,819)
Cash payments to insurance carriers and claimants	(8,568,045)	(9,537,993)
Net Cash Provided by (Used in) Operating Activities	173,415	(117,011)
Cash - Beginning of Year	679,182	796,193
Cash - End of Year	<u>\$ 852,597</u>	<u>\$ 679,182</u>
Reconciliation of Income from Operations to Net Cash Provided by (Used in) Operating Activities:		
Income from operations	\$ -	\$ -
Adjustments to reconcile income from operations to net cash provided by (used in) operating activities -		
Changes in assets and liabilities:		
Accounts receivable	(20,760)	9,779
Accounts payable	(8,712)	25,690
Accrued liabilities	202,887	(152,480)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 173,415</u>	<u>\$ (117,011)</u>