

TOWN/VILLAGE OF HARRISON, NEW YORK

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2009

WITH INDEPENDENT AUDITORS' REPORT

TOWN/VILLAGE OF HARRISON, NEW YORK

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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, 2009, 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, 2009 and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General and the Special Districts funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and the Required Supplementary Information for the Fire Service Awards Program and Other Post Employment Benefits are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

O'Connor Davies Munns & Dobbins, LLP

O'Connor Davies Munns & Dobbins, LLP
April 20, 2010

**Town/Village of Harrison, New York
Management's Discussion and Analysis (MD&A)
December 31, 2009**

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, 2009. 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 assets of the Town/Village exceeded its liabilities at the close of the most recent fiscal year by \$4,037,621. Of this amount, a deficit of \$30,751,030 is unrestricted.
- ❖ As of the close of the current fiscal year, the Town/Village's governmental funds reported combined ending fund deficits of (\$10,263,083), of which (\$5,465,327), 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 (\$5,032,888).
- ❖ During the current fiscal year, the Town/Village did not issue serial bonds and retired a total of \$4,147,810.
- ❖ During the current fiscal year, the Town/Village issued \$4,912,670 in bond anticipation notes to finance various capital improvements.

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, assets exceeded liabilities by \$4,037,621 at the close of the most recent fiscal year. By far, the largest portion of the Town/Village's net assets (\$25,297,983) 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,	
	2009	2008
	Governmental Activities	Governmental Activities
Current Assets	\$ 53,627,177	\$ 65,005,476
Capital Assets, Net	91,654,382	87,470,352
Total Assets	145,281,559	152,475,828
Current Liabilities	63,409,609	58,782,644
Long-term Liabilities	77,834,329	72,708,856
Total Liabilities	141,243,938	131,491,500
Net Assets:		
Invested in Capital Assets, Net of Related Debt	25,297,983	22,293,690
Restricted	9,490,668	14,695,845
Unrestricted	(30,751,030)	(16,405,207)
Total Net Assets	\$ 4,037,621	\$ 20,584,328

An additional portion of the Town/Village's net assets (\$9,490,668) 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 \$30,751,030.

Change in Net Assets

	December 31,	
	2009	2008
Revenues:		
Program Revenues:		
Charges for Services	\$ 3,987,556	\$ 6,064,829
Operating Grants and Contributions	295,731	378,494
Capital Grants and Contributions	280,912	2,206,717
General Revenues:		
Real Property Taxes	40,629,261	38,274,094
Other Tax Items	1,601,340	1,588,263
Non-Property Taxes	3,402,363	3,739,651
Unrestricted Use of Money and Property	197,036	508,903
Sale of Property and Compensation for Loss	12,573	60,613
Unrestricted State Aid	1,229,472	2,074,002
Miscellaneous	994,667	631,307
Total Revenues	52,630,911	55,526,873
Program Expenses:		
General Government Support	13,029,085	13,689,684
Public Safety	28,153,147	27,819,902
Health	522,940	533,157
Transportation	8,615,893	8,664,480
Economic Assistance and Opportunity	157,403	156,119
Culture and Recreation	7,860,914	7,611,925
Home and Community Services	8,650,108	8,738,731
Interest	2,588,128	2,425,841
Total Expenses	69,577,618	69,639,839
Change in Net Assets	(16,946,707)	(14,112,966)
Net Assets - Beginning	20,984,328	35,097,294
Net Assets - Ending	\$ 4,037,621	\$ 20,984,328

Governmental Activities

Governmental activities decreased the Town/Village's net assets by \$16,946,707.

For the fiscal year ended December 31, 2009, revenues from governmental activities totaled \$52,630,911. Tax revenues (\$45,632,964), comprised of real property taxes, other tax items and non-property taxes, represent the largest revenue source (87%). Last year tax revenues represented 79%, (\$43,602,008) and total revenue was \$55,526,874.

The largest components of governmental activities' expenses are public safety (40%), general government support (19%) and transportation (12%). This is comparative to last year when the largest components of governmental activities' expenses were public safety (40%), general government support (20%) 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 (\$10,263,083), a net decrease of \$16,266,055 from the prior year amount of \$6,002,972. Approximately (\$14,867,569) 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 (\$623,694), to liquidate contracts and purchase orders of the prior period (\$102,172), for parklands (\$739,831), for trusts (\$364,403), dedicated to pay for debt service (\$948,560), 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 (\$5,032,888) of the total General Fund fund deficit of (\$3,760,133). This is a decrease from last year where the unreserved fund deficit was (\$751,169) 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 (-8%) unreserved and undesignated fund balance to total expenditures (2% in the prior year), while total fund balance represents (-23%) of that same amount (2% in the prior year).

When the fiscal 2009 General Fund budget was adopted, it anticipated the use of \$64,951 of fund balance representing contract and purchase order commitments to be liquidated. The final budget also anticipated the use of \$64,951 of fund balance.

However, actual results of operations resulted in a decrease of \$4,770,960. Revenues and other financing sources were \$39,795,949, which was \$4,643,517 less than the final budget. The major areas where revenues and other financing sources fell short of the final budget was in sale of real property, non-property taxes, use of money and property, licenses and permits and State aid. Expenditures and other financing uses were \$44,566,909, which was \$62,492 more than the final budget.

General Fund Budgetary Highlights

There was a difference between the original and final estimated revenue budget for the General Fund of \$42,015. This difference is mainly attributable to an increase in transfers in, sale of property and compensation for loss and Federal aid.

The difference between the appropriations originally budgeted and the final appropriation budget for the General Fund was \$42,015 (\$44,462,402 vs. \$44,504,417).

Capital Assets and Debt Administration

Capital Assets

The Town/Village's investment in capital assets for governmental activities at December 31, 2009, net of \$64,521,217 of accumulated depreciation, was \$91,654,382. 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>2009</u>	<u>2008</u>
Land	\$ 2,331,480	\$ 2,331,480
Buildings and improvements	37,052,931	21,513,974
Infrastructure	93,380,010	85,904,178
Vehicles	12,689,812	12,628,067
Machinery and equipment	3,544,315	3,371,870
Construction-in-progress	7,177,051	21,247,225
Less - accumulated depreciation	<u>(64,521,217)</u>	<u>(59,526,442)</u>
Total (net of depreciation)	<u>\$ 91,654,382</u>	<u>\$ 87,470,352</u>

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

Long-term Debt

During the current fiscal year, the Town/Village did not issue any serial bonds.

At the end of the current fiscal year, the Town/Village had total bonded debt outstanding of \$54,053,820. 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, 2009

	Primary Government	Component Unit
	Governmental Activities	Harrison Parking Authority
ASSETS		
Cash and equivalents	\$ 15,652,630	\$ 18,050
Investments	209,879	-
Receivables:		
Taxes receivable, net	33,074,912	-
Accounts	1,173,776	-
State and Federal aid	2,092,524	-
Due from component unit	475,000	-
Due from other governments	933	-
Prepaid expenses	623,694	-
Restricted assets	304,868	-
Deferred charges	18,961	-
Capital assets (net of accumulated depreciation):		
Land	2,331,480	-
Buildings and improvements	31,607,271	-
Infrastructure	44,619,654	-
Machinery and equipment	1,036,582	-
Vehicles	4,882,344	-
Construction-in-progress	7,177,051	475,951
Total Assets	<u>145,281,559</u>	<u>494,001</u>
LIABILITIES		
Accounts payable	4,412,033	-
Accrued liabilities	575,797	-
Due to other governments	21,026	-
Accrued interest payable	323,877	19,001
Retainages payable	864,996	-
Due to school district	41,903,411	-
Unearned revenues	314,929	-
Bond anticipation notes payable	14,993,540	-
Due to primary government	-	475,000
Non-current liabilities:		
Due within one year:		
Bonds payable - Capital construction	4,039,320	-
Bonds payable - Judgments and claims	467,000	-
Compensated absences	108,550	-
State loans payable	131,203	-
Claims payable	283,523	-
Due in more than one year:		
Bonds payable - Capital construction	47,342,500	-
Bonds payable - Judgments and claims	2,205,000	-
Bond anticipation notes payable - Judgments and claims	1,833,000	-
Compensated absences	976,950	-
State loans payable	760,007	-
Claims payable	1,642,945	-
Other post employment benefit obligations payable	18,044,331	-
Total Liabilities	<u>141,243,938</u>	<u>494,001</u>
NET ASSETS		
Invested in capital assets, net of related debt	25,297,983	-
Restricted for:		
Law enforcement	400,000	-
Debt service	1,424,213	-
Capital projects	6,562,221	-
Special Revenue Fund - Special Purpose	1,104,234	-
Unrestricted	(30,751,030)	-
Total Net Assets	<u>\$ 4,037,621</u>	<u>\$ -</u>

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, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government support	\$ 13,029,085	\$ 1,679,036	\$ 38,236	\$ -	\$ (11,311,813)
Public safety	28,153,147	1,414,318	27,624	-	(26,711,205)
Health	522,940	-	-	-	(522,940)
Transportation	8,615,893	-	167,897	133,560	(8,314,436)
Economic assistance and opportunity	157,403	13,626	-	-	(143,777)
Culture and recreation	7,860,914	729,524	43,283	-	(7,088,107)
Home and community services	8,650,108	151,052	18,691	98,796	(8,381,569)
Interest	2,588,128	-	-	48,556	(2,539,572)
Total Governmental Activities	\$ 69,577,618	\$ 3,987,556	\$ 295,731	\$ 280,912	(65,013,419)
General Revenues:					
Real property taxes					40,629,261
Other tax items:					
Payments in lieu of taxes					427,354
Interest and penalties on real property taxes					434,232
Utilities gross receipts taxes					739,754
Non-property taxes:					
Non-property tax distribution from County					2,956,949
Franchise fees					445,414
Unrestricted use of money and property					197,036
Sale of property and compensation for loss					12,573
Unrestricted State aid					1,229,472
Miscellaneous					994,667
Total General Revenues					48,066,712
Change in Net Assets					(16,946,707)
Net Assets - Beginning					20,984,328
Net Assets - Ending					\$ 4,037,621

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, 2009

	General	Debt Service	Capital Projects
ASSETS			
Cash and Equivalents	\$ 3,952,730	\$ 1,420,187	\$ 6,885,858
Investments	24,879	-	-
Taxes Receivable, net of allowance for uncollectible taxes	33,074,912	-	-
Other Receivables:			
Accounts	1,130,784	-	6,708
State and Federal aid	1,183,556	-	908,968
Due from component unit	475,000	-	-
Due from other funds	4,276,748	-	-
Due from other governments	933	-	-
	<u>7,067,021</u>	<u>-</u>	<u>915,676</u>
Prepaid Expenditures	324,833	-	20,097
Restricted Assets	-	-	304,868
Total Assets	<u>\$ 44,444,375</u>	<u>\$ 1,420,187</u>	<u>\$ 8,126,499</u>
LIABILITIES AND FUND BALANCES (DEFICITS)			
Liabilities:			
Accounts payable	\$ 2,731,434	\$ -	\$ 596,528
Due to other governments	21,026	-	-
Retainages payable	-	-	864,996
Due to school district	41,903,411	-	-
Deferred tax revenues	785,567	-	-
Deferred revenues	201,614	-	102,754
Due to other funds	2,561,456	-	-
Bond anticipation notes payable	-	-	14,993,540
Total Liabilities	<u>48,204,508</u>	<u>-</u>	<u>16,557,818</u>
Fund Balances (Deficits):			
Reserved for:			
Prepaid expenditures	324,833	-	20,097
Encumbrances	69,136	-	-
Parklands	-	-	-
Trusts	-	-	-
Debt service	3,786	944,774	-
Long-term receivables	475,000	-	-
Law enforcement	400,000	-	-
Unreserved, reported in			
General Fund	(5,032,888)	-	-
Debt Service Fund	-	475,413	-
Capital Projects Fund	-	-	(8,451,416)
Special Revenue Funds	-	-	-
Total Fund Balances (Deficits)	<u>(3,760,133)</u>	<u>1,420,187</u>	<u>(8,431,319)</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 44,444,375</u>	<u>\$ 1,420,187</u>	<u>\$ 8,126,499</u>

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

Special Districts	Other Governmental Funds	Total
\$ 1,507,778	\$ 1,206,895	\$ 14,973,448
-	185,000	209,879
-	-	33,074,912
-	22,021	1,159,513
-	-	2,092,524
-	-	475,000
-	-	4,276,748
-	-	933
-	22,021	8,004,718
174,487	104,277	623,694
-	-	304,868
<u>\$ 1,682,265</u>	<u>\$ 1,518,193</u>	<u>\$ 57,191,519</u>
\$ 579,551	\$ 386,872	\$ 4,294,385
-	-	21,026
-	-	864,996
-	-	41,903,411
-	-	785,567
-	10,561	314,929
1,715,292	-	4,276,748
-	-	14,993,540
<u>2,294,843</u>	<u>397,433</u>	<u>67,454,602</u>
174,487	104,277	623,694
33,036	-	102,172
-	739,831	739,831
-	364,403	364,403
-	-	948,560
-	-	475,000
-	-	400,000
-	-	(5,032,888)
-	-	475,413
-	-	(8,451,416)
(820,101)	(87,751)	(907,852)
<u>(612,578)</u>	<u>1,120,760</u>	<u>(10,263,083)</u>
<u>\$ 1,682,265</u>	<u>\$ 1,518,193</u>	<u>\$ 57,191,519</u>

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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, 2009

Fund Balances - Total Governmental Funds \$ (10,263,083)

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. 91,654,382

Revenues in the statement of activities that do not provide current
 financial resources are not reported as revenues in the funds.
 Real property taxes 785,567

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 18,961

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 (323,877)
 Bond anticipation note payable (1,833,000)
 Bonds payable (54,053,820)
 Compensated absences (1,085,500)
 State loans payable (891,210)
 Claims payable (1,926,468)
 Other post employment benefit obligations payable (18,044,331)

Net Assets of Governmental Activities \$ 4,037,621

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, 2009

	General	Debt Service	Capital Projects
REVENUES			
Real property taxes	\$ 28,468,999	\$ -	\$ -
Other tax items	1,601,340	-	-
Non-property taxes	3,402,363	-	-
Departmental income	1,525,591	-	-
Use of money and property	263,900	48,253	-
Licenses and permits	1,345,825	-	-
Fines and forfeitures	865,541	-	-
Sale of property and compensation for loss	12,573	-	-
State aid	1,281,425	-	133,560
Federal aid	5,481	-	88,796
Miscellaneous	1,000,139	-	10,000
Total Revenues	39,773,177	48,253	232,356
EXPENDITURES			
Current:			
General government support	8,851,770	-	-
Public safety	16,859,831	-	-
Health	522,940	-	-
Transportation	351,466	-	-
Economic assistance and opportunity	99,533	-	-
Culture and recreation	3,373,462	-	-
Home and community services	3,512,169	-	-
Employee benefits	6,596,818	-	-
Debt service:			
Principal	-	4,272,766	-
Interest	57,141	2,642,906	-
Capital outlay	-	-	9,642,104
Total Expenditures	40,225,130	6,915,672	9,642,104
Excess (Deficiency) of Revenues Over Expenditures	(451,953)	(6,867,419)	(9,409,748)
OTHER FINANCING SOURCES (USES)			
Transfers in	22,772	5,904,729	367,701
Transfers out	(4,341,779)	-	(45,627)
Total Other Financing Sources (Uses)	(4,319,007)	5,904,729	322,074
Net Change in Fund Balances	(4,770,960)	(962,690)	(9,087,674)
Fund Balances - Beginning of Year	1,010,827	2,382,877	656,355
Fund Balances (Deficits) - End of Year	\$ (3,760,133)	\$ 1,420,187	\$ (8,431,319)

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

Special Districts	Other Governmental Funds	Total
\$ 4,962,713	\$ 7,048,457	\$ 40,480,169
-	-	1,601,340
-	-	3,402,363
35,568	148,470	1,709,629
18,691	35,472	366,316
-	-	1,345,825
-	-	865,541
-	-	12,573
-	119,500	1,534,485
-	-	94,277
14,443	44,719	1,069,301
<u>5,031,415</u>	<u>7,396,618</u>	<u>52,481,819</u>
57,134	-	8,908,904
2,836,998	-	19,696,829
-	-	522,940
-	3,641,170	3,992,636
-	-	99,533
-	1,641,628	5,015,090
435,100	110,303	4,057,572
1,187,193	2,052,452	9,836,463
-	-	4,272,766
2,990	-	2,703,037
-	-	9,642,104
<u>4,519,415</u>	<u>7,445,553</u>	<u>68,747,874</u>
<u>512,000</u>	<u>(48,935)</u>	<u>(16,266,055)</u>
-	50,000	6,345,202
<u>(1,467,323)</u>	<u>(490,473)</u>	<u>(6,345,202)</u>
<u>(1,467,323)</u>	<u>(440,473)</u>	<u>-</u>
(955,323)	(489,408)	(16,266,055)
<u>342,745</u>	<u>1,610,168</u>	<u>6,002,972</u>
<u>\$ (612,578)</u>	<u>\$ 1,120,760</u>	<u>\$ (10,263,083)</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, 2009

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

Net Change in Fund Balances - Total Governmental Funds	<u>\$ (16,266,055)</u>
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period. 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.</p>	
Capital outlay expenditures	9,199,964
Depreciation expense	<u>(5,015,934)</u>
	<u>4,184,030</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>149,092</u>
<p>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.</p>	
Principal paid on bonds	4,147,810
Principal paid on State loan	124,956
Amortization of issuance costs and loss on refunding	<u>(2,877)</u>
	<u>4,269,889</u>
<p>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.</p>	
Accrued interest	114,909
Compensated absences	169,273
Claims	(558,459)
Other post employment benefit obligations	<u>(9,009,386)</u>
	<u>(9,283,663)</u>
Change in Net Assets of Governmental Activities	<u>\$ (16,946,707)</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 - BUDGET AND ACTUAL
 GENERAL AND SPECIAL DISTRICTS FUNDS
 YEAR ENDED DECEMBER 31, 2009

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 28,690,774	\$ 28,690,773	\$ 28,468,999	\$ (221,774)
Other tax items	1,634,476	1,634,476	1,601,340	(33,136)
Non-property taxes	3,805,000	3,805,000	3,402,363	(402,637)
Departmental income	1,561,650	1,561,650	1,525,591	(36,059)
Use of money and property	613,000	613,000	263,900	(349,100)
Licenses and permits	2,339,300	2,339,300	1,345,825	(993,475)
Fines and forfeitures	1,300,000	1,300,000	865,541	(434,459)
Sale of property and compensation for loss	15,000	21,063	12,573	(8,490)
State aid	2,251,389	2,259,089	1,281,425	(977,664)
Federal aid	-	5,481	5,481	-
Miscellaneous	859,862	859,862	1,000,139	140,277
Total Revenues	<u>43,070,451</u>	<u>43,089,694</u>	<u>39,773,177</u>	<u>(3,316,517)</u>
EXPENDITURES				
Current:				
General government support	8,612,090	8,984,827	8,851,770	133,057
Public safety	16,903,120	16,912,019	16,859,831	52,188
Health	536,204	535,204	522,940	12,264
Transportation	457,921	351,466	351,466	-
Economic assistance and opportunity	102,206	102,206	99,533	2,673
Culture and recreation	3,511,311	3,390,257	3,373,462	16,795
Home and community services	3,754,174	3,595,760	3,512,169	83,591
Employee benefits	6,429,325	6,227,015	6,596,818	(369,803)
Debt service - Interest	31,674	54,446	57,141	(2,695)
Total Expenditures	<u>40,338,025</u>	<u>40,153,200</u>	<u>40,225,130</u>	<u>(71,930)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,732,426</u>	<u>2,936,494</u>	<u>(451,953)</u>	<u>(3,388,447)</u>
OTHER FINANCING SOURCES (USES)				
Sale of real property	1,327,000	1,327,000	-	(1,327,000)
Transfers in	-	22,772	22,772	-
Transfers out	(4,124,377)	(4,351,217)	(4,341,779)	9,438
Total Other Financing Uses	<u>(2,797,377)</u>	<u>(3,001,445)</u>	<u>(4,319,007)</u>	<u>(1,317,562)</u>
Net Change in Fund Balances	(64,951)	(64,951)	(4,770,960)	(4,706,009)
Fund Balances (Deficits) - Beginning of Year	<u>64,951</u>	<u>64,951</u>	<u>1,010,827</u>	<u>945,876</u>
Fund Deficits - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,760,133)</u>	<u>\$ (3,760,133)</u>

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)
\$ 4,962,713	\$ 4,962,713	\$ 4,962,713	\$ -
1,422,144	-	-	-
42,000	-	-	-
-	1,422,144	35,568	(1,386,576)
-	42,000	18,691	(23,309)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2,089	2,089	14,443	12,354
<u>6,428,946</u>	<u>6,428,946</u>	<u>5,031,415</u>	<u>(1,397,531)</u>
19,000	58,710	57,134	1,576
3,022,653	2,965,547	2,836,998	128,549
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
696,895	696,895	435,100	261,795
1,189,832	1,207,228	1,187,193	20,035
10,238	10,238	2,990	7,248
<u>4,938,618</u>	<u>4,938,618</u>	<u>4,519,415</u>	<u>419,203</u>
<u>1,490,328</u>	<u>1,490,328</u>	<u>512,000</u>	<u>(978,328)</u>
-	-	-	-
-	-	-	-
<u>(1,467,324)</u>	<u>(1,467,324)</u>	<u>(1,467,323)</u>	<u>1</u>
<u>(1,467,324)</u>	<u>(1,467,324)</u>	<u>(1,467,323)</u>	<u>1</u>
23,004	23,004	(955,323)	(978,327)
<u>(23,004)</u>	<u>(23,004)</u>	<u>342,745</u>	<u>365,749</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (612,578)</u>	<u>\$ (612,578)</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

STATEMENT OF NET ASSETS
PROPRIETARY FUND
DECEMBER 31, 2009

	<u>Governmental Activities- Internal Service Fund</u>
ASSETS	
Current Assets:	
Cash and equivalents	\$ 679,182
Accounts receivable	<u>14,263</u>
Total Assets	<u>693,445</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	117,648
Accrued liabilities	<u>575,797</u>
Total Current Liabilities	<u>\$ 693,445</u>

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, 2009

	Governmental Activities- Internal Service Fund
Operating Revenues - Charges for services	<u>\$ 9,704,022</u>
Operating Expenses:	
Insurance	209,592
Employee benefits	9,201,611
Contractual	<u>292,819</u>
Total Operating Expenses	<u>9,704,022</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, 2009

	Governmental Activities- Internal Service Fund
Cash Flows From Operating Activities:	
Cash received from charges for services	\$ 9,713,801
Cash payments to vendors	(292,819)
Cash payments to insurance carriers and claimants	<u>(9,537,993)</u>
Net Cash Used in Operating Activities	(117,011)
Cash and Equivalents - Beginning of Year	<u>796,193</u>
Cash and Equivalents - End of Year	<u><u>\$ 679,182</u></u>
Reconciliation of Income from Operations to Net Cash Used in Operating Activities:	
Income from operations	\$ -
Adjustments to reconcile income from operations to net cash used in operating activities -	
Changes in operating assets and liabilities:	
Accounts receivable	9,779
Accounts payable	25,690
Accrued liabilities	<u>(152,480)</u>
Net Cash Used in Operating Activities	<u><u>\$ (117,011)</u></u>

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, 2009

	Pension Trust Fund	Agency Fund
ASSETS		
Cash - Demand deposits	\$ -	\$ 1,495,202
Investments:		
Fixed income mutual funds	270,255	-
International equities	20,119	-
Mixed assets	101,585	-
	<u>391,959</u>	<u>-</u>
Accounts Receivable	<u>268,990</u>	<u>5,063</u>
Total Assets	<u>660,949</u>	<u>1,500,265</u>
LIABILITIES		
Accounts Payable	-	98,690
Employee Payroll Deductions	-	8,979
Guarantee and Bid Deposits	-	1,392,596
Total Liabilities	<u>-</u>	<u>1,500,265</u>
NET ASSETS		
Held in Trust for		
Pension Benefits (Schedules of funding progress for the plan are presented in the required supplementary information)	<u>\$ 660,949</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, 2009

Additions:

Earnings on investments	\$ 23,673
Unrealized gain on investments	30,836
Pension contribution	<u>133,635</u>
Total Additions	188,144
Deductions - Pension benefits	<u>31,528</u>
Change in Plan Net Assets	156,616
Net Assets Held in Trust for Pension Benefits - Beginning of Year	<u>504,333</u>
Net Assets Held in Trust for Pension Benefits - End of Year	<u><u>\$ 660,949</u></u>

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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, 2009.

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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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, 2009, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Prepaid Expenses/Expenditures - 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.

Restricted Assets - Restricted assets of the Capital Projects Fund consist of bond proceeds held by a State agency. These funds are to be used for the Town/Village's water reconstruction project.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 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 have been met, but for which revenue recognition criteria have not been met. The Town/Village has reported deferred revenues of \$785,567 for real property taxes and \$201,614 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 \$10,561 for Sate aid received in advance in the Highway Fund. 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects 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 April 20, 2010.

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 2009, inclusive of exclusions, was \$182,469,873, which exceeded the actual levy by \$175,431,083. 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	\$ 1,973
Metropolitan commuter transportation mobility tax	8,759
Employee Benefits:	
Workers' compensation	237,579
Unemployment benefits	7,961
Health, dental and life insurance	208,210
Debt Service -	
Interest – Bond anticipation notes	2,695
Special Districts Fund:	
Fire Protection District No. 3 -	
General government support	163
Fire Protection District No. 5 - Public Safety	27
Highway Fund -	
Employee Benefits	142,007

In addition, total expenditures and other financing uses in the General Fund – Village, Highway Fund, Special Districts Fund – Fire Protection District No. 3 and Special Districts Fund – Fire Protection District No. 5 exceeded the budgetary authorization by \$329,537, \$60,048, \$163 and \$27, respectively.

Note 2 - Stewardship, Compliance and Accountability (Continued)**D. Fund Deficits**

The following funds reflected undesignated deficits as of December 31, 2009:

General – Town	\$ 3,315,949
General – Village	1,716,939
Special District Funds:	
Water District No. 2	1,731,051
Fire Protection District No. 3	4,214
Highway	66,140
Public Library	21,611

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

E. Capital Projects Fund Deficit

The undesignated deficit in the Capital Projects Fund of \$8,451,416 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	\$ 24,879
Village of Harrison bonds, interest at 4.5 – 4.625%, due through 2011	<u>185,000</u>
	<u>\$ 209,879</u>

B. Taxes Receivable

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

Town/Village taxes	\$ 302,520
County taxes	285,275
School district taxes	31,921,609
Tax liens	<u>780,972</u>
	33,290,376
Less - Allowance for uncollectible taxes	<u>(215,464)</u>
	<u>\$ 33,074,912</u>

Note 3 - Detailed Notes on All Funds (Continued)

School district taxes are offset by liabilities to the school district which will be paid no later than April 5, 2010. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$785,567, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

C. Due From Component Unit

Due from component unit of \$475,000 as of December 31, 2009 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, 2009 were as follows:

Fund	Due From	Due To
General	\$ 4,276,748	\$ 2,561,456
Special Districts	-	1,715,292
	<u>\$ 4,276,748</u>	<u>\$ 4,276,748</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. Restricted Assets

The restricted assets of \$304,868 in the Capital Projects Fund consist of investments, the use of which is restricted to a water reconstruction project. These investments are held by a State agency.

F. Capital Assets

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

Class	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
Capital Assets, not being depreciated:				
Land	\$ 2,331,480	\$ -	\$ -	\$ 2,331,480
Construction-in-progress	21,247,225	1,955,750	(16,025,924)	7,177,051
Total Capital Assets, not being depreciated	<u>\$ 23,578,705</u>	<u>\$ 1,955,750</u>	<u>\$ (16,025,924)</u>	<u>\$ 9,508,531</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
 DECEMBER 31, 2009

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
Capital Assets, being depreciated:				
Buildings and improvements	\$ 21,513,974	\$ 15,538,957	\$ -	\$ 37,052,931
Infrastructure	85,904,178	7,475,832	-	93,380,010
Machinery and equipment	3,371,870	193,604	(21,159)	3,544,315
Vehicles	12,628,067	61,745	-	12,689,812
Total Capital Assets, being depreciated	<u>123,418,089</u>	<u>23,270,138</u>	<u>(21,159)</u>	<u>146,667,068</u>
Less Accumulated Depreciation for:				
Buildings and improvements	4,693,812	751,848	-	5,445,660
Infrastructure	45,664,760	3,095,596	-	48,760,356
Machinery and equipment	2,316,995	211,897	(21,159)	2,507,733
Vehicles	6,850,875	956,593	-	7,807,468
Total Accumulated Depreciation	<u>59,526,442</u>	<u>5,015,934</u>	<u>(21,159)</u>	<u>64,521,217</u>
Total Capital Assets, being depreciated, net	<u>\$ 63,891,647</u>	<u>\$ 18,254,204</u>	<u>\$ -</u>	<u>\$ 82,145,851</u>
Capital Assets, net	<u>\$ 87,470,352</u>	<u>\$ 20,209,954</u>	<u>\$ (16,025,924)</u>	<u>\$ 91,654,382</u>

Capital Assets – Component Unit

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

Class	Balance January 1, 2009	Additions	Balance December 31, 2009
Capital Assets, not being depreciated - Construction-in-progress	<u>\$ 443,263</u>	<u>\$ 32,688</u>	<u>\$ 475,951</u>

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

Governmental Activities:	
General Government Support	\$ 446,792
Public Safety	833,438
Transportation	2,472,609
Culture and Recreation	405,588
Home and Community Services	<u>857,507</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 5,015,934</u>

Note 3 - Detailed Notes on All Funds (Continued)

G. 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 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:

	<u>2009</u>	<u>2008</u>
Balance - Beginning of Year	\$ 728,277	\$ 613,000
Provision for Claims and Claims Adjustment Expenses	9,201,611	7,357,910
Claims and Claims Adjustment Expenses Paid	<u>(9,354,091)</u>	<u>(7,242,633)</u>
Balance - End of Year	<u>\$ 575,797</u>	<u>\$ 728,277</u>

H. Short-Term Capital Borrowings

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

<u>Purpose</u>	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance January 1, 2009</u>	<u>New Issues</u>	<u>Balance December 31, 2009</u>
Capital Projects Fund:						
Bond Anticipation Notes Payable:						
Various General Fund - Village Improvements	2008	2010	0.80 %	\$ 8,910,870	\$ -	\$ 8,910,870
Sewer Maintenance District Improvements	2008	2010	0.80	960,000	-	960,000
Water District No.2 - Improvements	2008	2010	0.80	210,000	-	210,000
Various General Fund - Village Improvements	2009	2010	0.80	-	1,178,950	1,178,950
Various General Fund - Village Improvements	2009	2010	1.25	-	3,733,720	3,733,720
				<u>\$ 10,080,870</u>	<u>\$ 4,912,670</u>	<u>\$ 14,993,540</u>

Note 3 - Detailed Notes on All Funds (Continued)

Liabilities for bond anticipation notes are generally accounted for in the Capital Projects Fund. Bond anticipation notes issued for judgments or settled claims are recorded in the fund paying the claim. Principal payments on bond anticipation notes must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures for the bond anticipation notes were recorded in the General Fund – Village in the amount of \$22,772 and in the Special Districts Fund in the amount of \$2,990. Interest expense of \$116,878 was recorded in the government-wide financial statements for governmental activities.

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 who joined ERS after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plans' year ended March 31, 2010 are as follows:

	<u>Tier/Plan</u>	<u>Rates</u>
ERS	1 75I	9.3 %
	2 75I	8.6
	3 A14	7.0
	4 A15	7.0
PFRS	1 384D	18.7
	2 384	11.9
	2 384D	13.8

Note 3 - Detailed Notes on All Funds (Continued)

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

	<u>ERS</u>	<u>PFRS</u>
2009	\$ 1,115,330	\$ 1,379,557
2008	1,260,707	1,447,031
2007	1,282,486	1,420,668

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	\$ 623,832	\$ 1,137,622
General - Village	210,018	-
Special Districts	19,073	241,935
Non-Major Governmental:		
Highway	168,032	-
Public Library	94,375	-
	<u>\$ 1,115,330</u>	<u>\$ 1,379,557</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.

Current membership in the Program is comprised of the following:

<u>Group</u>	<u>December 31, 2009</u>
Active - Vested	37
Active - Non-vested	11
Retirees and beneficiaries currently receiving benefits	16
Terminated employees entitled to benefits but not yet receiving them	3

Note 3 - Detailed Notes on All Funds (Continued)

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:

	Annual Required Contribution	Actual Contribution	Percentage of Annual Program Cost Contributed	Net Pension Obligation
2009	\$ 133,635	\$ 133,635	100.00 %	\$ -
2008	135,356	135,356	100.00	-
2007	135,204	135,204	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.

Balance Sheet Date - December 31, 2009:

Total Assets	\$ 5,214,377
Total Liabilities	5,908,560
Net Assets	(694,183)
Total Revenues	13,270,113
Total Expenses	15,908,164
Decrease in Net Assets	(2,638,051)

TOWN/VILLAGE OF HARRISON, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)
DECEMBER 31, 2009

Note 3 - Detailed Notes on All Funds (Continued)

K. Long-Term Liabilities

The following table summarizes changes in the Town/Village's long-term indebtedness for the year ending December 31, 2009:

	Balance January 1, 2009	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2009	Due Within One Year
Bonds Payable	\$ 58,201,630	\$ -	\$ 4,147,810	\$ 54,053,820	\$ 4,506,320
Other Non-Current Liabilities:					
Bond anticipation notes payable	1,833,000	-	-	1,833,000	-
Compensated absences	1,254,773	-	169,273	1,085,500	108,550
State loans payable	1,016,166	-	124,956	891,210	131,203
Claims payable	1,368,009	2,028,967	1,470,508	1,926,468	283,523
Other post employment benefit obligations payable	9,034,945	12,274,715	3,265,329	18,044,331	-
Total Other Non-Current Liabilities	14,506,893	14,303,682	5,030,066	23,780,509	523,276
Total Long-Term Liabilities	\$ 72,708,523	\$ 14,303,682	\$ 9,177,876	\$ 77,834,329	\$ 5,029,596

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, 2009 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2009
Sewer Improvements	1915	\$ 20,000	January, 2006	4.750 %	\$ 10,000
Public Improvements	1992	7,669,000	June, 2011	5.600	100,000
Public Improvements and Tax Certiorari	1994	5,132,000	June, 2013	5.600	400,000
Public Improvements	1995	3,042,000	December, 2015	5.0-5.250	550,000
Fire Protection District No. 2	1995	400,000	December, 2011	5.600	50,000
Public Improvements and Tax Certiorari	1996	5,576,154	December, 2016	4.8-5.000	725,000
Fire Protection District No. 1	1996	475,000	December, 2016	5.1-5.375	175,000
Public Improvements and Tax Certiorari	1998	6,607,295	September, 2013	4.1-4.400	2,250,000
Fire Protection District No. 2	1998	300,000	September, 2018	4.75-4.800	135,000
Public Improvements	1998	2,628,250	December, 2018	4.25-4.600	945,000

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

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at December 31, 2009
Public Improvements and Tax Certiorari	1999	\$ 2,505,000	May, 2019	4.5-5.000 %	\$ 1,425,000
EFC Public Improvements	1999	1,375,990	October, 2015	4.91-5.340	540,000
Public Improvements	1999	2,671,425	December, 2014	5.0-5.250	125,000
Public Improvements	2000	6,307,500	August, 2020	4.85-5.250	2,825,000
Fire Protection District No. 1	2000	650,000	August, 2020	5.125-5.500	380,000
Public Improvements	2001	2,814,000	September, 2021	3.9-4.500	1,375,000
Public Improvements	2002	4,124,300	December, 2022	3.2-4.500	2,300,000
Public Improvements	2003	4,504,500	December, 2014	2.75-3.450	2,250,000
Public Improvements	2004	5,956,000	December, 2023	3.625-4.000	4,975,000
Pension System Bonds	2004	800,000	December, 2014	4.5-5.000	485,000
Public Improvements	2005	6,684,500	December, 2020	3.75-3.875	5,560,000
Public Improvements	2006	8,894,940	December, 2021	3.75-4.000	7,920,000
Public Improvements	2007	6,415,310	December, 2028	4.0-4.375	6,210,000
Public Improvements	2008	6,905,000	June, 2021	3.125-4.000	6,610,000
Public Improvements	2008	5,733,820	June, 2027	4.125-4.400	5,733,820
					<u>\$ 54,053,820</u>

Interest expenditures of \$2,591,022 were recorded in the fund financial statements in the Debt Service Fund.

Interest expense of \$2,370,333 was recorded in the government-wide financial statements for governmental activities.

Bond Anticipation Notes Payable

The Town/Village, in March, 2009, issued a bond anticipation note for \$1,833,000 to finance various public improvements. 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 \$1,833,000 note is due March 18, 2010, with interest at .8%.

Interest expenditures of \$34,369 were recorded in the fund financial statements in the General Fund - Village. Interest expense of \$49,033 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

Note 3 - Detailed Notes on All Funds (Continued)

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		Amount Amortized - Town		Current Year Payments	Balance Due	Due Within One Year
	ERS		ERS	PFRS			
2003	\$ -		\$ 420,695	\$ -	\$ 40,655	\$ 235,879	\$ 42,688
2004	-		84,025	-	7,738	55,265	8,125
2004	-		-	406,641	37,426	267,295	39,297
2004	13,992		-	-	1,288	9,198	1,352
2005	-		-	431,799	37,849	323,573	39,741
	<u>\$ 13,992</u>		<u>\$ 504,720</u>	<u>\$ 838,440</u>	<u>\$ 124,956</u>	<u>\$ 891,210</u>	<u>\$ 131,203</u>

The obligations have been reflected as a liability in the government-wide financial statements. Interest expense/expenditures of \$51,884 were recorded in the Debt Service Fund and the government-wide financial statements.

Payments to Maturity

The annual requirements to amortize all bonded debt and State loans outstanding as of December 31, 2009, including interest payments of \$15,883,568 are as follows:

Year Ending December 31,	Bonds		Bond Anticipation Notes		State Loans		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$ 4,506,320	\$ 2,188,977	\$ 1,833,000	\$ 11,609	\$ 131,203	\$ 45,088	\$ 6,470,523	\$ 2,245,674
2011	4,667,500	2,008,088	-	-	137,763	38,528	4,805,263	2,046,616
2012	4,517,500	1,819,288	-	-	144,653	31,638	4,662,153	1,850,926
2013	4,602,500	1,636,360	-	-	151,883	24,407	4,754,383	1,660,767
2014	4,385,000	1,452,115	-	-	159,480	16,811	4,544,480	1,468,926
2015-2019	18,660,000	4,815,713	-	-	166,228	10,974	18,826,228	4,826,687
2020-2024	9,660,000	1,501,938	-	-	-	-	9,660,000	1,501,938
2025-2028	3,055,000	282,034	-	-	-	-	3,055,000	282,034
	<u>\$ 54,053,820</u>	<u>\$ 15,704,513</u>	<u>\$ 1,833,000</u>	<u>\$ 11,609</u>	<u>\$ 891,210</u>	<u>\$ 167,446</u>	<u>\$ 56,778,030</u>	<u>\$ 15,883,568</u>

Note 3 - Detailed Notes on All Funds (Continued)

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.

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 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,	
	2009	2008
	General Liability/ Workers' Compensation	General Liability/ Workers' Compensation
Balance - Beginning of Year	\$ 1,368,009	\$ 1,295,985
Provision for Claims and Claims Adjustment Expenses	1,927,994	1,264,614
Claims and Claims Adjustment Expenses Paid	<u>(1,470,508)</u>	<u>(1,192,590)</u>
Balance - End of Year	<u>\$ 1,825,495</u>	<u>\$ 1,368,009</u>
Due Within One Year	<u>\$ 182,550</u>	<u>\$ 136,801</u>

Note 3 - Detailed Notes on All Funds (Continued)

Claims payable also consist of a liability of \$100,973 for court ordered tax refunds, which were not due and payable at year-end. These amounts have been recorded as an expense in the government-wide financial statements.

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 \$226,332 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' 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:

Note 3 - Detailed Notes on All Funds (Continued)

<u>Year Ended</u> <u>December 31,</u>	<u>Pre-65</u> <u>Medical</u>	<u>Post-65</u> <u>Medical</u>	<u>Prescription</u> <u>Drug</u>
2009	9.00 %	7.50 %	11.00 %
2010	8.00	7.00	10.00
2011	7.00	6.50	9.00
2012	6.50	6.00	8.00
2013	6.00	5.50	7.00
2014	5.50	5.00	6.00
2015+	5.00	5.50	5.00

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, 2009 was as follows:

Active Employees	314
Retired Employees and Dependents	<u>408</u>
	<u><u>722</u></u>

Amortization Component:	
Actuarial Accrued Liability as of 1/1/09	\$ 135,548,133
Assets at Market Value	<u>-</u>
Unfunded Actuarial Accrued Liability	<u>\$ 135,548,133</u>
Covered Payroll (active plan members)	<u>\$ 27,713,771</u>
UAAL as a Percentage of Covered Payroll	<u>489.10%</u>
Annual Required Contribution	\$ 12,464,624
Interest on Net OPEB Obligation	271,047
Adjustment to Annual Required Contribution	<u>(460,956)</u>
Annual OPEB Cost	12,274,715
Contributions Made	<u>(3,265,329)</u>
Increase in Net OPEB Obligation	9,009,386
Net OPEB Obligation - Beginning of Year	<u>9,034,945</u>
Net OPEB Obligation - End of Year	<u><u>\$ 18,044,331</u></u>

Note 3 - Detailed Notes on All Funds (Continued)

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 preceding year is as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	%	Net OPEB Obligation
2009	\$ 12,274,715	32.00	%	\$ 18,044,331
2008	11,966,308	24.40		9,034,945

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
	General Fund - Village	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	
General Fund - Town	\$ -	\$ 175,017	\$ -	\$ 50,000	\$ 225,017
General Fund - Village	-	4,116,762	-	-	4,116,762
Capital Projects Fund	-	45,627	-	-	45,627
Special Districts Fund	-	1,192,323	275,000	-	1,467,323
Other Governmental Funds	22,772	375,000	92,701	-	490,473
	<u>\$ 22,772</u>	<u>\$ 5,904,729</u>	<u>\$ 367,701</u>	<u>\$ 50,000</u>	<u>\$ 6,345,202</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.

Note 3 - Detailed Notes on All Funds (Continued)

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".

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.

Note 3 - Detailed Notes on All Funds (Continued)

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 Town/Village Board has designated \$240 in the General Fund, \$475,413 in the Debt Service Fund and \$2,516 in the Special District Fund – Sewer District No. 1 be used in the 2010 budget. The amount designated for subsequent years exceeded the fund balance available in the General Fund.

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.

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 involving environmental contamination. The Plaintiff seeks \$50 million in damages for alleged environmental contamination as a result of the Town/Village's ownership, operations, maintenance and closure of an incinerator on property formally owned by the Town/Village and now owned by the claimant. The Town/Village does not believe that this claim is likely to result in a significant judgment or settlement wherein the Town/Village would be required to pay sums materially adversely affecting the financial condition of the Town/Village.

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.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

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 2009. 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, 2009, the Town/Village has recorded a liability of \$575,797 in the Internal Service Fund, which represents claims incurred and claims incurred but not reported.

C. Contingencies

The Town/Village, together with the Town of Mamaroneck and Village of Mamaroneck, participate in the Westchester Joint Water Works (the "WJWW"). The purpose of the joint venture is to acquire, construct, provide, maintain and operate a water works system. In September 1999, the Attorney General of the State of New York sought and obtained an injunction to require the WJWW to build a water filtration plant for its Rye Lake Water Supply. The WJWW submitted a plan to build a filtration plant that would cost its members approximately \$70 million to build and \$1.5 million per year to operate. The New York State Health Department approved the plans on April 6, 2006. The WJWW awarded contracts on August 3, 2006 and construction commenced on August 29, 2006. The Supreme Court of the State of New York has ruled that construction had to be completed by December 3, 2008. Construction has been halted due to litigation, permitting issues and the requirement to approve an environmental impact statement by the Harrison Planning Board. The process before the Harrison Planning board is continuing and management of the WJWW is uncertain when this will be completed. As the WJWW has not met the December 3, 2008 deadline, an accrual for fines of \$4,401,250 for the period December 4, 2008 through December 1, 2009 is reflected in accounts payable on the Balance Sheet of the WJWW and \$4,261,250 and \$140,000 for the years ended December 31, 2009 and 2008 have been reflected in the Statements of Operations of the WJWW. The Town/Village of Harrison's proportionate share of the Filtration Plant fines amounted to \$2,284,030.

Although there is a court order and the fines continue to accrue, the Town/Village and related municipalities and the WJWW continue to negotiate with County of Westchester and the NYS Department of Health for a solution to build a filtration plant connection with will flow through the Town/Village. Management of the Town/Village has indicated that based on their

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

current discussions with the State and County and although the filtration plant fines continue to accrue penalties, the expectation is that they may be suspended and replaced with a negotiated settlement if the WJWW participated in the Westchester County joint venture or other acceptable alternative to building a filtration plant. As such, management of the Town/Village believe that the amounts owed to them for their proportionate share will not exceed the renegotiated fines, if any. No amounts have been accrued for filtration plant fines on the books and records of the Town/Village as of December 31, 2009.

Note 5 - Subsequent Event

The Town/Village, in March 2010, issued a bond anticipation note in the amount of \$12,613,320 which was used to renew notes previously issued for capital improvements and tax certiorari refunds. The note is due on March 17, 2011, with interest at 1%.

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TOWN/VILLAGE OF HARRISON, NEW YORK

SCHEDULE OF FUNDING PROGRESS
 SERVICE AWARDS PROGRAM
 LAST SIX FISCAL YEARS

<u>Actuarial Valuation Date December 31,</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>
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

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

<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

Note - 2006 is the initial year of this program.

TOWN/VILLAGE OF HARRISON, NEW YORK

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

Note -The Town first implemented the provisions of Governmental Accounting Standards Board Statement No. 45 for the fiscal year ended December 31, 2008.

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TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND
 COMBINING BALANCE SHEET - SUB FUNDS
 DECEMBER 31, 2009
 (With Comparative Totals for 2008)

	Town	Village	Totals	
			2009	2008
<u>ASSETS</u>				
Cash:				
Demand deposits	\$ -	\$ 3,951,925	\$ 3,951,925	\$ 4,416,792
Petty cash	805	-	805	805
	<u>805</u>	<u>3,951,925</u>	<u>3,952,730</u>	<u>4,417,597</u>
Investments	-	24,879	24,879	24,812
Taxes Receivable, net of allowance for uncollectible taxes	-	33,074,912	33,074,912	32,713,166
Other Receivables:				
Accounts	1,032,358	98,426	1,130,784	800,555
State and Federal aid	1,183,556	-	1,183,556	1,234,961
Due from component unit	-	475,000	475,000	475,000
Due from other funds	-	4,276,748	4,276,748	4,075,415
Due from other governments	-	933	933	163,195
	<u>2,215,914</u>	<u>4,851,107</u>	<u>7,067,021</u>	<u>6,749,126</u>
Prepaid Expenditures	256,501	68,332	324,833	821,910
Total Assets	<u>\$ 2,473,220</u>	<u>\$ 41,971,155</u>	<u>\$ 44,444,375</u>	<u>\$ 44,726,611</u>
<u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>				
Liabilities:				
Accounts payable	\$ 2,316,373	\$ 415,061	\$ 2,731,434	\$ 885,413
Due to other governments	-	21,026	21,026	14,426
Due to school district	-	41,903,411	41,903,411	41,078,525
Deferred tax revenues	-	785,567	785,567	636,475
Deferred revenues	200,794	820	201,614	208,710
Due to other funds	2,561,456	-	2,561,456	892,235
Total Liabilities	<u>5,078,623</u>	<u>43,125,885</u>	<u>48,204,508</u>	<u>43,715,784</u>
Fund Balances (Deficits):				
Reserved for prepaid expenditures	256,501	68,332	324,833	821,910
Reserved for encumbrances	54,045	15,091	69,136	62,739
Reserved for debt service	-	3,786	3,786	2,347
Reserved for long-term receivables	-	475,000	475,000	475,000
Reserved for law enforcement	400,000	-	400,000	400,000
Unreserved and undesignated	(3,315,949)	(1,716,939)	(5,032,888)	(751,169)
Total Fund Balances (Deficits)	<u>(2,605,403)</u>	<u>(1,154,730)</u>	<u>(3,760,133)</u>	<u>1,010,827</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 2,473,220</u>	<u>\$ 41,971,155</u>	<u>\$ 44,444,375</u>	<u>\$ 44,726,611</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, 2009
 (With Comparative Totals for 2008)

	Town	Village	Totals	
			2009	2008
Revenues:				
Real property taxes	\$ 21,564,669	\$ 6,904,330	\$ 28,468,999	\$ 25,974,436
Other tax items	-	1,601,340	1,601,340	1,588,263
Non-property taxes	3,402,363	-	3,402,363	3,739,651
Departmental income	1,446,953	78,638	1,525,591	1,284,809
Use of money and property	225,040	38,860	263,900	565,852
Licenses and permits	1,345,825	-	1,345,825	2,226,004
Fines and forfeitures	846,041	19,500	865,541	1,347,678
Sale of property and compensation for loss	6,061	6,512	12,573	60,613
State aid	692,564	588,861	1,281,425	2,108,119
Federal aid	5,481	-	5,481	21,470
Miscellaneous	794,541	205,598	1,000,139	631,307
Total Revenues	30,329,538	9,443,639	39,773,177	39,548,202
Expenditures:				
Current:				
General government support	8,237,269	614,501	8,851,770	9,750,852
Public safety	16,859,831	-	16,859,831	16,723,127
Health	522,940	-	522,940	533,157
Transportation	351,466	-	351,466	359,396
Economic assistance and opportunity	99,533	-	99,533	100,391
Culture and recreation	3,373,462	-	3,373,462	3,398,141
Home and community services	130,957	3,381,212	3,512,169	3,737,366
Employee benefits	4,079,864	2,516,954	6,596,818	6,109,360
Debt service - Interest	-	57,141	57,141	-
Total Expenditures	33,655,322	6,569,808	40,225,130	40,711,790
Excess (Deficiency) of Revenues Over Expenditures	(3,325,784)	2,873,831	(451,953)	(1,163,588)
Other Financing Sources (Uses):				
Bond anticipation notes issued	-	-	-	1,833,000
Transfers in	-	22,772	22,772	800,000
Transfers out	(225,017)	(4,116,762)	(4,341,779)	(3,998,000)
Total Other Financing Uses	(225,017)	(4,093,990)	(4,319,007)	(1,365,000)
Net Change in Fund Balances	(3,550,801)	(1,220,159)	(4,770,960)	(2,528,588)
Fund Balances - Beginning of Year	945,398	65,429	1,010,827	3,539,415
Fund Balances (Deficits) - End of Year	\$ (2,605,403)	\$ (1,154,730)	\$ (3,760,133)	\$ 1,010,827

TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - TOWN
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Petty Cash	\$ 805	\$ 805
Receivables:		
Accounts	1,032,358	644,433
State and Federal aid	<u>1,183,556</u>	<u>1,234,961</u>
	<u>2,215,914</u>	<u>1,879,394</u>
Prepaid Expenditures	<u>256,501</u>	<u>662,163</u>
Total Assets	<u>\$ 2,473,220</u>	<u>\$ 2,542,362</u>
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
Liabilities:		
Accounts payable	\$ 2,316,373	\$ 497,864
Deferred revenues	200,794	206,865
Due to other funds	<u>2,561,456</u>	<u>892,235</u>
Total Liabilities	<u>5,078,623</u>	<u>1,596,964</u>
Fund Balance (Deficit):		
Reserved for prepaid expenditures	256,501	662,163
Reserved for encumbrances	54,045	46,170
Reserved for law enforcement	400,000	400,000
Unreserved and undesignated	<u>(3,315,949)</u>	<u>(162,935)</u>
Total Fund Balance (Deficit)	<u>(2,605,403)</u>	<u>945,398</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 2,473,220</u>	<u>\$ 2,542,362</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 21,564,669	\$ 21,564,669	\$ 21,564,669	\$ -
Non-property taxes	3,805,000	3,805,000	3,402,363	(402,637)
Departmental income	1,473,650	1,473,650	1,446,953	(26,697)
Use of money and property	433,000	433,000	225,040	(207,960)
Licenses and permits	2,339,300	2,339,300	1,345,825	(993,475)
Fines and forfeitures	1,200,000	1,200,000	846,041	(353,959)
Sale of property and compensation for loss	-	6,063	6,061	(2)
State aid	1,179,489	1,187,189	692,564	(494,625)
Federal aid	-	5,481	5,481	-
Miscellaneous	759,862	759,862	794,541	34,679
Total Revenues	32,754,970	32,774,214	30,329,538	(2,444,676)
Expenditures -				
Current:				
General government support	8,168,003	8,381,057	8,237,269	143,788
Public safety	16,903,120	16,912,019	16,859,831	52,188
Health	536,204	535,204	522,940	12,264
Transportation	457,921	351,466	351,466	-
Economic assistance and opportunity	102,206	102,206	99,533	2,673
Culture and recreation	3,505,311	3,390,257	3,373,462	16,795
Home and community services	144,586	139,856	130,957	8,899
Employee benefits	4,310,789	4,110,302	4,079,864	30,438
Total Expenditures	34,128,140	33,922,367	33,655,322	267,045
Deficiency of Revenues Over Expenditures	(1,373,170)	(1,148,153)	(3,325,784)	(2,177,631)
Other Financing Sources (Uses):				
Sale of real property	1,327,000	1,327,000	-	(1,327,000)
Transfers in	-	-	-	-
Transfers out	-	(225,017)	(225,017)	-
Total Other Financing Sources (Uses)	1,327,000	1,101,983	(225,017)	(1,327,000)
Net Change in Fund Balance	(46,170)	(46,170)	(3,550,801)	(3,504,631)
Fund Balance - Beginning of Year	46,170	46,170	945,398	899,228
Fund Balance (Deficit) - End of Year	\$ -	\$ -	\$ (2,605,403)	\$ (2,605,403)

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 19,910,276	\$ 19,910,276	\$ 19,910,276	\$ -
3,841,271	3,841,271	3,739,651	(101,620)
1,204,850	1,204,850	1,203,534	(1,316)
1,050,000	1,050,000	494,831	(555,169)
3,066,200	3,066,200	2,226,004	(840,196)
750,000	1,150,000	1,285,128	135,128
-	9,898	44,213	34,315
1,722,918	1,722,918	1,096,993	(625,925)
-	14,751	21,470	6,719
861,010	461,010	407,322	(53,688)
<u>32,406,525</u>	<u>32,431,174</u>	<u>30,429,422</u>	<u>(2,001,752)</u>
8,670,521	7,755,208	7,649,409	(105,799)
15,983,686	16,880,111	16,723,127	(156,984)
527,200	534,931	533,157	(1,774)
320,564	373,682	359,396	(14,286)
106,612	100,612	100,391	(221)
3,418,289	3,474,983	3,398,141	(76,842)
158,435	162,634	143,481	(19,153)
4,039,268	4,127,134	4,127,129	(5)
<u>33,224,575</u>	<u>33,409,295</u>	<u>33,034,231</u>	<u>(375,064)</u>
<u>(818,050)</u>	<u>(978,121)</u>	<u>(2,604,809)</u>	<u>(1,626,688)</u>
-	-	-	-
-	-	550,000	550,000
-	(174,929)	(174,479)	450
<u>-</u>	<u>(174,929)</u>	<u>375,521</u>	<u>550,450</u>
(818,050)	(1,153,050)	(2,229,288)	(1,076,238)
818,050	1,153,050	3,174,686	2,021,636
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 945,398</u>	<u>\$ 945,398</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
REAL PROPERTY TAXES	\$ 21,564,669	\$ 21,564,669	\$ 21,564,669	\$ -	\$ 19,910,276
NON-PROPERTY TAXES					
Non-property tax distribution from County	3,375,000	3,375,000	2,956,949	(418,051)	3,314,372
Franchise fees	430,000	430,000	445,414	15,414	425,279
	3,805,000	3,805,000	3,402,363	(402,637)	3,739,651
DEPARTMENTAL INCOME					
Clerk fees	7,000	7,000	5,380	(1,620)	4,526
Police fees	493,000	493,000	406,991	(86,009)	329,208
Fire inspection fees	150,000	150,000	119,255	(30,745)	110,522
Safety inspection fees	-	-	-	-	4,000
Parking meters and permit fees	300,000	300,000	261,270	(38,730)	257,029
Parks and recreation charges	485,000	485,000	578,793	93,793	457,854
Recreation commissions	2,550	2,550	2,261	(289)	2,442
Zoning fees	5,000	5,000	10,698	5,698	5,800
Community services	800	800	918	118	754
Planning Board fees	23,000	23,000	47,761	24,761	23,789
Senior lunch program fees	7,300	7,300	13,626	6,326	7,610
	1,473,650	1,473,650	1,446,953	(26,697)	1,203,534
USE OF MONEY AND PROPERTY					
Earnings on investments	380,000	380,000	158,479	(221,521)	438,797
Rentals of real property	53,000	53,000	66,561	13,561	56,034
	433,000	433,000	225,040	(207,960)	494,831

LICENSES AND PERMITS

Street opening permits	130,000	130,000	77,800	(52,200)	7,200
Building permits	2,200,000	2,200,000	1,210,465	(989,535)	2,200,021
Wetlands permits	-	-	31,814	31,814	5,738
Bingo licenses	300	300	421	121	391
Dog license fund apportionment	3,000	3,000	2,827	(173)	3,244
Other licenses and permits	6,000	6,000	22,498	16,498	9,410
	<u>2,339,300</u>	<u>2,339,300</u>	<u>1,345,825</u>	<u>(993,475)</u>	<u>2,226,004</u>

FINES AND FORFEITURES

Fines and forfeited bail	<u>1,200,000</u>	<u>1,200,000</u>	<u>846,041</u>	<u>(353,959)</u>	<u>1,285,128</u>
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SALE OF PROPERTY AND
COMPENSATION FOR LOSS

Insurance recoveries	-	6,063	6,061	(2)	9,897
Sale of equipment	-	-	-	-	34,316
	-	<u>6,063</u>	<u>6,061</u>	<u>(2)</u>	<u>44,213</u>

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STATE AID

Per capita	123,000	123,000	123,650	650	123,650
Mortgage tax	1,000,000	1,000,000	516,961	(483,039)	939,226
Youth programs	14,135	14,135	11,489	(2,646)	13,287
Archive grant	10,765	10,765	-	(10,765)	3,950
Bus shelters	28,000	28,000	32,764	4,764	13,291
STAR program	3,589	3,589	-	(3,589)	3,589
Other	-	7,700	7,700	-	-
	<u>1,179,489</u>	<u>1,187,189</u>	<u>692,564</u>	<u>(494,625)</u>	<u>1,096,993</u>

FEDERAL AID

COPS grant	-	5,481	5,481	-	21,470
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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, 2009
 (With Comparative Actuals for 2008)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
MISCELLANEOUS					
Refunds of prior year's expenditures	\$ 150,000	\$ 150,000	\$ 146,565	\$ (3,435)	\$ 151,616
Gifts and donations	-	-	5,472	5,472	-
Medicare Part D reimbursement	250,000	250,000	226,332	(23,668)	191,563
Unclassified	359,862	359,862	416,172	56,310	64,143
	759,862	759,862	794,541	34,679	407,322
TOTAL REVENUES	32,754,970	32,774,214	30,329,538	(2,444,676)	30,429,422
OTHER FINANCING SOURCES					
Sale of real property	1,327,000	1,327,000	-	(1,327,000)	-
Transfers in - Capital Projects Fund	-	-	-	-	550,000
TOTAL OTHER FINANCING SOURCES	1,327,000	1,327,000	-	(1,327,000)	550,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 34,081,970	\$ 34,101,214	\$ 30,329,538	\$ (3,771,676)	\$ 30,979,422

TOWN/VILLAGE OF HARRISON, NEW YORK

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 72,431	\$ 72,431	\$ 72,421	\$ 10	74,074
Town Justice	560,288	659,215	659,215	-	532,068
Supervisor	346,242	342,135	339,092	3,043	327,457
Finance	338,947	335,355	335,355	-	325,810
Auditor	33,280	33,280	33,280	-	31,720
Receiver of Taxes	209,412	209,786	209,786	-	202,222
Purchasing	236,995	314,354	314,354	-	225,094
Assessor	385,034	462,398	462,398	-	304,596
Town Clerk	221,917	213,076	213,076	-	209,226
Archive Grant	10,765	8,265	4,876	3,389	7,746
Town Attorney	368,224	313,761	312,600	1,161	268,895
Engineer	305,026	300,426	291,052	9,374	381,498
Elections	51,000	51,000	37,580	13,420	35,649
Commissioner of Public Works	415,463	513,593	513,593	-	401,165
Central services	235,666	232,666	201,720	30,946	204,396
Buildings	1,889,200	1,812,634	1,812,634	-	1,774,241
Central garage	653,771	640,504	638,466	2,038	682,694
Central data processing	307,124	291,004	274,244	16,760	536,711
Special items:					
Special services	86,006	201,066	192,856	8,210	44,438
Master plan update	18,762	18,762	-	18,762	1,834
Appraisals	15,000	15,000	7,250	7,750	15,050
Senior lunch program	32,000	28,315	22,875	5,440	18,985
Legal notices	5,000	4,500	4,356	144	-
Professional fees	225,000	273,943	273,943	-	276,622
General code	3,000	4,500	3,778	722	8,065
Children's Center	20,000	20,000	20,000	-	30,000
Youth Council	57,950	57,450	57,000	450	57,000
Veterans' Affairs	4,000	2,500	298	2,202	5,015
Council for the Arts	5,500	5,500	5,500	-	11,000
Unallocated insurance	730,000	787,391	779,618	7,773	562,292
Taxes and assessments on property	110,000	104,500	92,306	12,194	93,846
Metropolitan commuter transportation					
mobility tax	-	51,747	51,747	-	-
Contingent account	215,000	-	-	-	-
	8,168,003	8,381,057	8,237,269	143,788	7,649,409

PUBLIC SAFETY

Police	9,723,711	9,723,572	9,723,572	-	10,143,898
Employee benefits - Police	5,864,948	5,998,269	5,998,269	-	5,361,912
Youth forum	84,541	84,041	82,751	1,290	79,065
Traffic control	187,592	180,592	171,461	9,131	188,018
Fire inspection	262,198	177,666	177,666	-	209,419
Control of animals	40,000	40,249	40,249	-	39,138
Safety inspection	740,130	707,630	665,863	41,767	701,677

HEALTH	16,903,120	16,912,019	16,859,831	52,188	16,723,127
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Ambulance	536,204	535,204	522,940	12,264	533,157
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TRANSPORTATION

Street lighting	457,921	351,466	351,466	-	359,396
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ECONOMIC ASSISTANCE AND OPPORTUNITY

Community services	102,206	102,206	99,533	2,673	100,391
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CULTURE AND RECREATION

Parks, playgrounds and recreation	3,209,325	3,094,271	3,094,271	-	3,108,411
Celebrations	17,500	17,500	17,500	-	10,500
Historian	19,957	19,957	15,662	4,295	20,701
Public library	258,529	258,529	246,029	12,500	258,529

HOME AND COMMUNITY SERVICES	3,505,311	3,390,257	3,373,462	16,795	3,398,141
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Zoning	8,200	6,300	4,776	1,524	2,864
Planning	133,286	130,586	123,211	7,375	127,564
ETPA administrative charge	3,100	2,970	2,970	-	2,970
Shade trees	-	-	-	-	10,083

	144,586	139,856	130,957	8,899	143,481
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TOWN/VILLAGE OF HARRISON, NEW YORK

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
EMPLOYEE BENEFITS					
State retirement	\$ 706,993	\$ 641,222	\$ 623,832	\$ 17,390	\$ 719,345
Social security	692,420	692,420	688,153	4,267	674,452
Workers' compensation	225,000	225,000	224,096	904	231,782
Disability benefits	10,893	10,893	9,261	1,632	9,800
Unemployment benefits	25,800	25,800	24,305	1,495	7,687
Welfare benefits	36,100	36,100	31,350	4,750	32,063
Health, dental and life insurance	2,613,583	2,478,867	2,478,867	-	2,452,000
	<u>4,310,789</u>	<u>4,110,302</u>	<u>4,079,864</u>	<u>30,438</u>	<u>4,127,129</u>
TOTAL EXPENDITURES	34,128,140	33,922,367	33,655,322	267,045	33,034,231
OTHER FINANCING USES					
Transfers out - Debt Service Fund	-	225,017	225,017	-	174,479
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 34,128,140	\$ 34,147,384	\$ 33,880,339	\$ 267,045	\$ 33,208,710

TOWN/VILLAGE OF HARRISON, NEW YORK

GENERAL FUND - VILLAGE
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 3,951,925	\$ 4,416,792
Investments	24,879	24,812
Taxes Receivable, net of allowance for uncollectible taxes of \$215,464 in 2009 and \$127,588 in 2008	33,074,912	32,713,166
Receivables:		
Accounts	98,426	156,122
Due from component unit	475,000	475,000
Due from other funds	4,276,748	4,075,415
Due from other governments	933	163,195
	<u>4,851,107</u>	<u>4,869,732</u>
Prepaid Expenditures	68,332	159,747
Total Assets	<u>\$ 41,971,155</u>	<u>\$ 42,184,249</u>
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
Liabilities:		
Accounts payable	\$ 415,061	\$ 387,549
Due to other governments	21,026	14,426
Due to school district	41,903,411	41,078,525
Deferred tax revenues	785,567	636,475
Deferred revenues	820	1,845
Total Liabilities	<u>43,125,885</u>	<u>42,118,820</u>
Fund Balance (Deficit):		
Reserved for prepaid expenditures	68,332	159,747
Reserved for encumbrances	15,091	16,569
Reserved for debt service	3,786	2,347
Reserved for long-term receivables	475,000	475,000
Unreserved and undesignated	(1,716,939)	(588,234)
Total Fund Balance (Deficit)	<u>(1,154,730)</u>	<u>65,429</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 41,971,155</u>	<u>\$ 42,184,249</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 7,126,105	\$ 7,126,104	\$ 6,904,330	\$ (221,774)
Other tax items	1,634,476	1,634,476	1,601,340	(33,136)
Departmental income	88,000	88,000	78,638	(9,362)
Use of money and property	180,000	180,000	38,860	(141,140)
Fines and forfeitures	100,000	100,000	19,500	(80,500)
Sale of property and compensation for loss	15,000	15,000	6,512	(8,488)
State aid	1,071,900	1,071,900	588,861	(483,039)
Miscellaneous	100,000	100,000	205,598	105,598
Total Revenues	10,315,481	10,315,480	9,443,639	(871,841)
Expenditures:				
Current:				
General government support	444,087	603,770	614,501	(10,731)
Culture and recreation	6,000	-	-	-
Home and community services	3,609,588	3,455,904	3,381,212	74,692
Employee benefits	2,118,536	2,116,713	2,516,954	(400,241)
Debt service - Interest	31,674	54,446	57,141	(2,695)
Total Expenditures	6,209,885	6,230,833	6,569,808	(338,975)
Excess of Revenues Over Expenditures	4,105,596	4,084,647	2,873,831	(1,210,816)
Other Financing Sources (Uses):				
Bond anticipation notes issued	-	-	-	-
Transfers in	-	22,772	22,772	-
Transfers out	(4,124,377)	(4,126,200)	(4,116,762)	9,438
Total Other Financing Uses	(4,124,377)	(4,103,428)	(4,093,990)	9,438
Net Change in Fund Balance	(18,781)	(18,781)	(1,220,159)	(1,201,378)
Fund Balance - Beginning of Year	18,781	18,781	65,429	46,648
Fund Balance (Deficit) - End of Year	\$ -	\$ -	\$ (1,154,730)	\$ (1,154,730)

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 6,182,543	\$ 6,182,543	\$ 6,064,160	\$ (118,383)
1,510,500	1,510,500	1,588,263	77,763
83,500	83,500	81,275	(2,225)
500,000	500,000	71,021	(428,979)
100,000	100,000	62,550	(37,450)
8,000	10,465	16,400	5,935
1,619,000	1,619,000	1,011,126	(607,874)
85,000	85,000	223,985	138,985
<u>10,088,543</u>	<u>10,091,008</u>	<u>9,118,780</u>	<u>(972,228)</u>
830,874	2,430,771	2,101,443	329,328
6,000	6,000	-	6,000
3,560,361	3,655,589	3,593,885	61,704
2,016,417	2,061,757	1,982,231	79,526
-	-	-	-
<u>6,413,652</u>	<u>8,154,117</u>	<u>7,677,559</u>	<u>476,558</u>
<u>3,674,891</u>	<u>1,936,891</u>	<u>1,441,221</u>	<u>(495,670)</u>
-	1,833,000	1,833,000	-
-	-	250,000	250,000
<u>(3,698,524)</u>	<u>(3,823,524)</u>	<u>(3,823,521)</u>	<u>3</u>
<u>(3,698,524)</u>	<u>(1,990,524)</u>	<u>(1,740,521)</u>	<u>250,003</u>
(23,633)	(53,633)	(299,300)	(245,667)
<u>24,059</u>	<u>54,059</u>	<u>364,729</u>	<u>310,670</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,429</u>	<u>\$ 65,003</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
REAL PROPERTY TAXES	\$ 7,126,105	\$ 7,126,104	\$ 6,904,330	\$ (221,774)	\$ 6,064,160
OTHER TAX ITEMS					
Payments in lieu of taxes	424,476	424,476	427,354	2,878	413,918
Interest and penalties on real property taxes	425,000	425,000	434,232	9,232	413,281
Utilities gross receipts taxes	785,000	785,000	739,754	(45,246)	761,064
	1,634,476	1,634,476	1,601,340	(33,136)	1,588,263
DEPARTMENTAL INCOME					
Public works fees	81,000	81,000	68,688	(12,312)	73,475
Composting fees	7,000	7,000	9,950	2,950	7,800
	88,000	88,000	78,638	(9,362)	81,275
USE OF MONEY AND PROPERTY					
Earnings on investments	180,000	180,000	38,860	(141,140)	71,021
FINES AND FORFEITURES					
Fines and forfeited bail	100,000	100,000	19,500	(80,500)	62,550
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Insurance recoveries	-	-	-	-	2,465
Sale of recycled materials	15,000	15,000	6,512	(8,488)	13,935
	15,000	15,000	6,512	(8,488)	16,400

STATE AID									
Per capita	71,900	71,900	71,900	71,900					71,900
Mortgage tax	1,000,000	1,000,000	1,000,000	516,961	(483,039)				939,226
	<u>1,071,900</u>	<u>1,071,900</u>	<u>1,071,900</u>	<u>588,861</u>	<u>(483,039)</u>				<u>1,011,126</u>
MISCELLANEOUS									
Refunds of prior year's expenditures	100,000	100,000	100,000	199,688	99,688				223,685
Miscellaneous	-	-	-	5,910	5,910				300
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>205,598</u>	<u>105,598</u>				<u>223,985</u>
TOTAL REVENUES	<u>10,315,481</u>	<u>10,315,480</u>	<u>9,443,639</u>		<u>(871,841)</u>				<u>9,118,780</u>
OTHER FINANCING SOURCES:									
Bond anticipation notes issued	-	-	-	-	-				1,833,000
Transfers in:									
Capital Projects Fund	-	-	-	-	-				250,000
Special Purpose Fund	-	22,772	22,772						-
		<u>22,772</u>	<u>22,772</u>						
TOTAL OTHER FINANCING SOURCES	-	<u>22,772</u>	<u>22,772</u>		-				<u>2,083,000</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 10,315,481</u>	<u>\$ 10,338,252</u>	<u>\$ 9,466,411</u>		<u>\$ (871,841)</u>				<u>\$ 11,201,780</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2008 Actual
GENERAL GOVERNMENT SUPPORT					
Auditor	\$ 17,920	\$ 17,920	\$ 17,920	\$ -	\$ 17,080
Law	136,598	136,598	136,598	-	196,916
Special items:					
Special services	-	3,255	3,255	-	-
Stormwater management plan	16,569	2,278	2,278	-	4,500
Bond and note issuance costs	3,000	2,000	3,973	(1,973)	4,785
Unallocated insurance	93,000	84,088	84,088	-	89,088
Taxes and assessments on property	102,000	91,181	91,181	-	92,742
Judgments and claims	75,000	266,450	266,449	1	1,696,332
Metropolitan commuter transportation mobility tax	-	-	8,759	(8,759)	-
	444,087	603,770	614,501	(10,731)	2,101,443
CULTURE AND RECREATION					
Celebrations	6,000	-	-	-	-
	3,609,588	3,455,904	3,381,212	74,692	3,593,885
HOME AND COMMUNITY SERVICES					
Refuse and garbage collection					
EMPLOYEE BENEFITS					
State retirement	254,526	252,703	210,018	42,685	237,533
Social security	236,589	236,589	226,987	9,602	236,381
Workers' compensation	400,000	400,000	637,579	(237,579)	442,422
Disability benefits	4,247	4,247	3,775	472	4,019
Unemployment benefits	9,770	15,770	23,731	(7,961)	7,924
Welfare benefits	41,800	37,800	37,050	750	39,900
Health, dental and life insurance	1,171,604	1,169,604	1,377,814	(208,210)	1,014,052
	2,118,536	2,116,713	2,516,954	(400,241)	1,982,231

DEBT SERVICE

Interest - Bond anticipation notes

31,674 54,446 57,141 (2,695) -

TOTAL EXPENDITURES

6,209,885 6,230,833 6,569,808 (338,975) 7,677,559

OTHER FINANCING USES

Transfers out:

Debt Service Fund

Capital Projects Fund

4,124,377 4,126,200 4,116,762 9,438 3,698,521
 - - - - 125,000

TOTAL OTHER FINANCING USES

4,124,377 4,126,200 4,116,762 9,438 3,823,521

TOTAL EXPENDITURES AND OTHER FINANCING USES

\$ 10,334,262 \$ 10,357,033 \$ 10,686,570 \$ (329,537) \$ 11,501,080

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TOWN/VILLAGE OF HARRISON, NEW YORK

DEBT SERVICE FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 1,420,187	\$ 2,305,479
Cash with fiscal agent	-	643
	<u>1,420,187</u>	<u>2,306,122</u>
Accounts Receivable	-	86,835
Total Assets	<u>\$ 1,420,187</u>	<u>\$ 2,392,957</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accrued interest payable	\$ -	\$ 9,437
Bond interest and matured bonds payable	-	643
Total Liabilities	<u>-</u>	<u>10,080</u>
Fund Balance:		
Reserved for debt service	944,774	946,064
Unreserved - Designated for subsequent year's expenditures	<u>475,413</u>	<u>1,436,813</u>
Total Fund Balance	<u>1,420,187</u>	<u>2,382,877</u>
Total Liabilities and Fund Balance	<u>\$ 1,420,187</u>	<u>\$ 2,392,957</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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Use of money and property	\$ -	\$ -	\$ 48,253	\$ 48,253
Miscellaneous	-	-	-	-
Total Revenues	-	-	48,253	48,253
Expenditures -				
Debt service:				
Principal:				
Bonds	4,147,810	4,147,810	4,147,810	-
State loans	-	124,956	124,956	-
	4,147,810	4,272,766	4,272,766	-
Interest:				
Bonds	2,605,704	2,605,704	2,591,022	14,682
State loans	-	51,884	51,884	-
	2,605,704	2,657,588	2,642,906	14,682
Total Expenditures	6,753,514	6,930,354	6,915,672	14,682
Deficiency of Revenues Over Expenditures	(6,753,514)	(6,930,354)	(6,867,419)	62,935
Other Financing Sources -				
Transfers in	5,316,701	5,493,541	5,904,729	411,188
Net Change in Fund Balance	(1,436,813)	(1,436,813)	(962,690)	474,123
Fund Balance - Beginning of Year	1,436,813	1,436,813	2,382,877	946,064
Fund Balance - End of Year	\$ -	\$ -	\$ 1,420,187	\$ 1,420,187

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 133,342	\$ 133,342
-	-	86,835	86,835
-	-	220,177	220,177
3,757,440	3,757,440	3,757,440	-
-	119,005	119,005	-
3,757,440	3,876,445	3,876,445	-
2,037,268	2,037,268	2,004,330	32,938
-	57,286	57,286	-
2,037,268	2,094,554	2,061,616	32,938
5,794,708	5,970,999	5,938,061	32,938
(5,794,708)	(5,970,999)	(5,717,884)	253,115
4,872,629	5,048,920	5,720,098	671,178
(922,079)	(922,079)	2,214	924,293
922,079	922,079	2,380,663	1,458,584
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,382,877</u>	<u>\$ 2,382,877</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

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

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 6,885,858	\$ 14,299,730
Receivables:		
Accounts	6,708	6,708
State and Federal aid	908,968	819,477
	<u>915,676</u>	<u>826,185</u>
Prepaid Expenditures	<u>20,097</u>	<u>16,073</u>
Restricted Assets	<u>304,868</u>	<u>391,193</u>
Total Assets	<u>\$ 8,126,499</u>	<u>\$ 15,533,181</u>
<u>LIABILITIES AND FUND BALANCE (DEFICIT)</u>		
Liabilities:		
Accounts payable	\$ 596,528	\$ 3,973,869
Retainages payable	864,996	719,333
Bond anticipation notes payable	14,993,540	10,080,870
Deferred revenues	102,754	102,754
Total Liabilities	<u>16,557,818</u>	<u>14,876,826</u>
Fund Balance (Deficit):		
Reserved for prepaid expenditures	20,097	16,073
Unreserved and undesignated	<u>(8,451,416)</u>	<u>640,282</u>
Total Fund Balance (Deficit)	<u>(8,431,319)</u>	<u>656,355</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ 8,126,499</u>	<u>\$ 15,533,181</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

CAPITAL PROJECTS FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES

IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Revenues:		
State aid	\$ 133,560	\$ 162,390
Federal aid	88,796	593,235
Miscellaneous	10,000	1,230,000
Total Revenues	<u>232,356</u>	<u>1,985,625</u>
Expenditures:		
Capital outlay	9,642,104	16,463,744
Debt service - Interest - Bond anticipation notes	-	297,500
Total Expenditures	<u>9,642,104</u>	<u>16,761,244</u>
Deficiency of Revenues Over Expenditures	<u>(9,409,748)</u>	<u>(14,775,619)</u>
Other Financing Sources (Uses):		
Bonds issued	-	12,638,820
Transfers in	367,701	505,000
Transfers out	(45,627)	(1,500,250)
Total Other Financing Sources	<u>322,074</u>	<u>11,643,570</u>
Net Change in Fund Balance	(9,087,674)	(3,132,049)
Fund Balance - Beginning of Year	<u>656,355</u>	<u>3,788,404</u>
Fund Balance (Deficit) - End of Year	<u>\$ (8,431,319)</u>	<u>\$ 656,355</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

SPECIAL DISTRICTS FUND
 COMBINING BALANCE SHEET - SUB FUNDS
 DECEMBER 31, 2009
 (With Comparative Totals for 2008)

	Water District No. 2	Sewer Districts	
		No. 1	Maintenance
<u>ASSETS</u>			
Cash - Demand deposits	\$ -	\$ 11,484	\$ 124,433
Accounts Receivable	-	-	-
Prepaid Expenditures	-	-	19,361
Total Assets	\$ -	\$ 11,484	\$ 143,794
<u>LIABILITIES AND FUND BALANCES (DEFICITS)</u>			
Liabilities:			
Accounts payable	\$ 19,953	\$ -	\$ 17,391
Due to other funds	1,711,098	-	-
Total Liabilities	1,731,051	-	17,391
Fund Balances (Deficits):			
Reserved for prepaid expenditures	-	-	19,361
Reserved for encumbrances	-	-	-
Unreserved:			
Designated for subsequent year's expenditures	-	2,516	-
Undesignated	(1,731,051)	8,968	107,042
Total Fund Balances (Deficits)	(1,731,051)	11,484	126,403
Total Liabilities and Fund Balances (Deficits)	\$ -	\$ 11,484	\$ 143,794

Fire Protection Districts				Totals	
No. 1	No. 2	No. 3	No. 5	2009	2008
\$ 356,634	\$ 1,014,993	\$ -	\$ 234	\$ 1,507,778	\$ 1,051,366
-	-	-	-	-	2,615,274
104,295	50,831	-	-	174,487	169,812
<u>\$ 460,929</u>	<u>\$ 1,065,824</u>	<u>\$ -</u>	<u>\$ 234</u>	<u>\$ 1,682,265</u>	<u>\$ 3,836,452</u>
\$ 277,153	\$ 265,006	\$ 20	\$ 28	\$ 579,551	\$ 328,050
-	-	4,194	-	1,715,292	3,165,657
277,153	265,006	4,214	28	2,294,843	3,493,707
104,295	50,831	-	-	174,487	169,812
10,000	23,036	-	-	33,036	31,496
-	-	-	-	2,516	2,500
69,481	726,951	(4,214)	206	(822,617)	138,937
183,776	800,818	(4,214)	206	(612,578)	342,745
<u>\$ 460,929</u>	<u>\$ 1,065,824</u>	<u>\$ -</u>	<u>\$ 234</u>	<u>\$ 1,682,265</u>	<u>\$ 3,836,452</u>

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, 2009
 (With Comparative Totals for 2008)

	Water District No. 2	Sewer Districts	
		No. 1	Maintenance
Revenues:			
Real property taxes	\$ 30,096	\$ 535	\$ 479,212
Departmental income	-	-	-
Use of money and property	-	56	1,450
Miscellaneous	-	-	-
Total Revenues	30,096	591	480,662
Expenditures -			
Current:			
General government support	-	-	-
Public safety	-	-	-
Home and community services	151,829	-	283,271
Employee benefits	1,783	-	71,053
Debt service - Interest - Bond anticipation notes	537	-	2,453
Total Expenditures	154,149	-	356,777
Excess (Deficiency) of Revenues Over Expenditures	(124,053)	591	123,885
Other Financing Sources (Uses) - Transfers out	(1,064,660)	(3,034)	(827)
Net Change in Fund Balances	(1,188,713)	(2,443)	123,058
Fund Balances (Deficits) - Beginning of Year	(542,338)	13,927	3,345
Fund Balances (Deficits) - End of Year	\$ (1,731,051)	\$ 11,484	\$ 126,403

Fire Protection Districts				Totals	
No. 1	No. 2	No. 3	No. 5	2009	2008
\$ 855,260	\$ 3,532,352	\$ 31,625	\$ 33,633	\$ 4,962,713	\$ 5,245,488
33,633	1,935	-	-	35,568	1,035,904
3,537	13,609	39	-	18,691	46,889
-	14,443	-	-	14,443	58,848
<u>892,430</u>	<u>3,562,339</u>	<u>31,664</u>	<u>33,633</u>	<u>5,031,415</u>	<u>6,387,129</u>
1,261	55,710	163	-	57,134	68,957
593,411	2,178,302	31,625	33,660	2,836,998	2,875,977
-	-	-	-	435,100	535,599
2,949	1,111,408	-	-	1,187,193	1,090,628
-	-	-	-	2,990	-
<u>597,621</u>	<u>3,345,420</u>	<u>31,788</u>	<u>33,660</u>	<u>4,519,415</u>	<u>4,571,161</u>
294,809	216,919	(124)	(27)	512,000	1,815,968
<u>(222,454)</u>	<u>(176,348)</u>	<u>-</u>	<u>-</u>	<u>(1,467,323)</u>	<u>(1,446,848)</u>
72,355	40,571	(124)	(27)	(955,323)	369,120
<u>111,421</u>	<u>760,247</u>	<u>(4,090)</u>	<u>233</u>	<u>342,745</u>	<u>(26,375)</u>
<u>\$ 183,776</u>	<u>\$ 800,818</u>	<u>\$ (4,214)</u>	<u>\$ 206</u>	<u>\$ (612,578)</u>	<u>\$ 342,745</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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 30,096	\$ 30,096	\$ 30,096	\$ -
Departmental income	1,399,614	1,399,614	-	(1,399,614)
Total Revenues	1,429,710	1,429,710	30,096	(1,399,614)
Expenditures:				
Current:				
Home and community services	359,398	359,398	151,829	207,569
Employee benefits	3,814	3,814	1,783	2,031
Debt service - Interest - Bond anticipation notes	1,838	1,838	537	1,301
Total Expenditures	365,050	365,050	154,149	210,901
Excess (Deficiency) of Revenues Over Expenditures	1,064,660	1,064,660	(124,053)	(1,188,713)
Other Financing Uses - Transfers out	(1,064,660)	(1,064,660)	(1,064,660)	-
Net Change in Fund Balance	-	-	(1,188,713)	(1,188,713)
Fund Deficit - Beginning of Year	-	-	(542,338)	(542,338)
Fund Deficit - End of Year	\$ -	\$ -	\$ (1,731,051)	\$ (1,731,051)

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 59,719.00	\$ 59,719.00	\$ 87,933	\$ 28,214
1,143,417	1,143,417	1,013,373	(130,044)
<u>1,203,136</u>	<u>1,203,136</u>	<u>1,101,306</u>	<u>(101,830)</u>
180,820	180,820	173,351	7,469
4,970	4,970	2,603	2,367
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>185,790</u>	<u>185,790</u>	<u>175,954</u>	<u>9,836</u>
1,017,346	1,017,346	925,352	(91,994)
<u>(1,017,346)</u>	<u>(1,017,346)</u>	<u>(998,128)</u>	<u>19,218</u>
<u>-</u>	<u>-</u>	<u>(72,776)</u>	<u>(72,776)</u>
<u>-</u>	<u>-</u>	<u>(469,562)</u>	<u>(469,562)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (542,338)</u>	<u>\$ (542,338)</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 535	\$ 535	\$ 535	\$ -
Use of money and property	-	-	56	56
Total Revenues	535	535	591	56
Expenditures -				
Current -				
Home and community services	-	-	-	-
Excess of Revenues Over Expenditures	535	535	591	56
Other Financing Uses -				
Transfers out	(3,035)	(3,035)	(3,034)	1
Net Change in Fund Balance	(2,500)	(2,500)	(2,443)	57
Fund Balance - Beginning of Year	2,500	2,500	13,927	11,427
Fund Balance - End of Year	\$ -	\$ -	\$ 11,484	\$ 11,484

2008

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 653	\$ 653	\$ 652	\$ (1)
-	-	179	179
653	653	831	178
-	-	109	(109)
653	653	722	69
(3,153)	(3,153)	(3,153)	-
(2,500)	(2,500)	(2,431)	69
2,500	2,500	16,358	13,858
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,927</u>	<u>\$ 13,927</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 479,212	\$ 479,212	\$ 479,212	\$ -
Use of money and property	4,000	4,000	1,450	(2,550)
Miscellaneous	-	-	-	-
Total Revenues	483,212	483,212	480,662	(2,550)
Expenditures:				
Current:				
Home and community services	337,497	337,497	283,271	54,226
Employee benefits	79,488	79,488	71,053	8,435
Debt service - Interest - Bond anticipation notes	8,400	8,400	2,453	5,947
Total Expenditures	425,385	425,385	356,777	68,608
Excess of Revenues Over Expenditures	57,827	57,827	123,885	66,058
Other Financing Uses - Transfers out	(827)	(827)	(827)	-
Net Change in Fund Balance	57,000	57,000	123,058	66,058
Fund Balance (Deficit) - Beginning of Year	(57,000)	(57,000)	3,345	60,345
Fund Balance - End of Year	\$ -	\$ -	\$ 126,403	\$ 126,403

2008

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 484,388	\$ 484,388	\$ 484,388	\$ -
4,000	4,000	3,019	(981)
-	-	313	313
<u>488,388</u>	<u>488,388</u>	<u>487,720</u>	<u>(668)</u>
348,421	362,240	362,139	101
80,413	79,447	79,443	4
-	-	-	-
<u>428,834</u>	<u>441,687</u>	<u>441,582</u>	<u>105</u>
59,554	46,701	46,138	(563)
(2,098)	(2,098)	(2,098)	-
57,456	44,603	44,040	(563)
(57,456)	(44,603)	(40,695)	3,908
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,345</u>	<u>\$ 3,345</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 855,260	\$ 855,260	\$ 855,260	\$ -
Departmental income	20,595	20,595	33,633	13,038
Use of money and property	8,000	8,000	3,537	(4,463)
Miscellaneous	-	-	-	-
Total Revenues	883,855	883,855	892,430	8,575
Expenditures -				
Current:				
General government support	3,000	3,000	1,261	1,739
Public safety	652,718	652,718	593,411	59,307
Employee benefits	12,518	12,518	2,949	9,569
Total Expenditures	668,236	668,236	597,621	70,615
Excess of Revenues Over Expenditures	215,619	215,619	294,809	79,190
Other Financing Uses -				
Transfers out	(222,454)	(222,454)	(222,454)	-
Net Change in Fund Balance	(6,835)	(6,835)	72,355	79,190
Fund Balance (Deficit) - Beginning of Year	6,835	6,835	111,421	104,586
Fund Balance - End of Year	\$ -	\$ -	\$ 183,776	\$ 183,776

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 1,036,013	\$ 1,036,013	\$ 1,036,013	\$ -
20,595	20,595	20,595	-
8,000	8,000	8,806	806
20,000	20,000	12,000	(8,000)
<u>1,084,608</u>	<u>1,084,608</u>	<u>1,077,414</u>	<u>(7,194)</u>
3,000	3,000	1,400	1,600
734,419	734,419	614,406	120,013
12,569	12,569	3,585	8,984
<u>749,988</u>	<u>749,988</u>	<u>619,391</u>	<u>130,597</u>
334,620	334,620	458,023	123,403
<u>(261,939)</u>	<u>(261,939)</u>	<u>(240,009)</u>	<u>21,930</u>
72,681	72,681	218,014	145,333
<u>(72,681)</u>	<u>(72,681)</u>	<u>(106,593)</u>	<u>(33,912)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 111,421</u>	<u>\$ 111,421</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 3,532,352	\$ 3,532,352	\$ 3,532,352	\$ -
Departmental income	1,935	1,935	1,935	-
Use of money and property	30,000	30,000	13,609	(16,391)
Miscellaneous	2,089	2,089	14,443	12,354
Total Revenues	3,566,376	3,566,376	3,562,339	(4,037)
Expenditures -				
Current:				
General government support	16,000	55,710	55,710	-
Public safety	2,304,677	2,247,571	2,178,302	69,269
Employee benefits	1,094,012	1,111,408	1,111,408	-
Total Expenditures	3,414,689	3,414,689	3,345,420	69,269
Excess (Deficiency) of Revenues Over Expenditures	151,687	151,687	216,919	65,232
Other Financing Uses -				
Transfers out	(176,348)	(176,348)	(176,348)	-
Net Change in Fund Balance	(24,661)	(24,661)	40,571	65,232
Fund Balance -				
Beginning of Year	24,661	24,661	760,247	735,586
Fund Balance - End of Year	\$ -	\$ -	\$ 800,818	\$ 800,818

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 3,584,222	\$ 3,584,222	\$ 3,584,222	\$ -
1,936	1,936	1,936	-
30,000	30,000	34,748	4,748
1,800	44,315	46,535	2,220
<u>3,617,958</u>	<u>3,660,473</u>	<u>3,667,441</u>	<u>6,968</u>
16,000	65,471	65,470	1
2,698,063	2,648,592	2,209,351	439,241
1,007,910	1,050,425	1,004,997	45,428
<u>3,721,973</u>	<u>3,764,488</u>	<u>3,279,818</u>	<u>484,670</u>
(104,015)	(104,015)	387,623	491,638
<u>(207,685)</u>	<u>(207,685)</u>	<u>(203,460)</u>	<u>4,225</u>
(311,700)	(311,700)	184,163	495,863
<u>311,700</u>	<u>311,700</u>	<u>576,084</u>	<u>264,384</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 760,247</u>	<u>\$ 760,247</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 31,625	\$ 31,625	\$ 31,625	\$ -
Use of money and property	-	-	39	39
Total Revenues	31,625	31,625	31,664	39
Expenditures -				
Current:				
General government support	-	-	163	(163)
Public safety	31,625	31,625	31,625	-
Total Expenditures	31,625	31,625	31,788	(163)
Deficiency of Revenues Over Expenditures	-	-	(124)	(124)
Fund Deficit - Beginning of Year	-	-	(4,090)	(4,090)
Fund Deficit - End of Year	\$ -	\$ -	\$ (4,214)	\$ (4,214)

2008

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 31,685	\$ 31,685	\$ 31,685	\$ -
-	-	134	134
<u>31,685</u>	<u>31,685</u>	<u>31,819</u>	<u>134</u>
-	-	2,087	(2,087)
<u>32,185</u>	<u>32,185</u>	<u>31,626</u>	<u>559</u>
<u>32,185</u>	<u>32,185</u>	<u>33,713</u>	<u>(1,528)</u>
(500)	(500)	(1,894)	(1,394)
<u>500</u>	<u>500</u>	<u>(2,196)</u>	<u>(2,696)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,090)</u>	<u>\$ (4,090)</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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 33,633	\$ 33,633	\$ 33,633	\$ -
Use of money and property	-	-	-	-
Total Revenues	33,633	33,633	33,633	-
Expenditures -				
Current - Public safety	33,633	33,633	33,660	(27)
Excess (Deficiency) of Revenues Over Expenditures	-	-	(27)	(27)
Fund Balance - Beginning of Year	-	-	233	233
Fund Balance - End of Year	\$ -	\$ -	\$ 206	\$ 206

2008			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 20,595	\$ 20,595	\$ 20,595	\$ -
-	-	3	3
20,595	20,595	20,598	3
20,595	20,595	20,594	1
-	-	4	4
-	-	229	229
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 233</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

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

<u>ASSETS</u>	<u>Highway</u>	<u>Public Library</u>	<u>Special Purpose</u>
Cash:			
Demand deposits	\$ 179,249	\$ 108,287	\$ 919,234
Petty cash	-	125	-
	<u>179,249</u>	<u>108,412</u>	<u>919,234</u>
Investments	-	-	185,000
Accounts Receivable	20,254	1,767	-
Prepaid Expenditures	<u>78,651</u>	<u>25,626</u>	<u>-</u>
Total Assets	<u><u>\$ 278,154</u></u>	<u><u>\$ 135,805</u></u>	<u><u>\$ 1,104,234</u></u>
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 255,082	\$ 131,790	\$ -
Due to other funds	-	-	-
Deferred revenues	<u>10,561</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>265,643</u>	<u>131,790</u>	<u>-</u>
Fund Balances (Deficits):			
Reserved for prepaid expenditures	78,651	25,626	-
Reserved for parklands	-	-	739,831
Reserved for trusts	-	-	364,403
Unreserved and undesignated	<u>(66,140)</u>	<u>(21,611)</u>	<u>-</u>
Total Fund Balances	<u>12,511</u>	<u>4,015</u>	<u>1,104,234</u>
Total Liabilities and Fund Balances	<u><u>\$ 278,154</u></u>	<u><u>\$ 135,805</u></u>	<u><u>\$ 1,104,234</u></u>

Total Non-Major
Governmental Funds

2009	2008
\$ 1,206,770	\$ 1,300,765
125	125
1,206,895	1,300,890
185,000	270,000
22,021	669
104,277	178,058
\$ 1,518,193	\$ 1,749,617
\$ 386,872	\$ 121,926
-	17,523
10,561	-
397,433	139,449
104,277	178,058
739,831	1,220,183
364,403	350,582
(87,751)	(138,655)
1,120,760	1,610,168
\$ 1,518,193	\$ 1,749,617

TOWN/VILLAGE OF HARRISON, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES
 NON-MAJOR GOVERNMENTAL FUNDS
 YEAR ENDED DECEMBER 31, 2009
 (With Comparative Totals for 2008)

	Highway	Public Library	Special Purpose
Revenues:			
Real property taxes	\$ 4,747,650	\$ 2,300,807	\$ -
Departmental income	-	32,446	116,024
Use of money and property	11,328	5,923	18,221
State aid	111,850	7,650	-
Miscellaneous	44,719	-	-
Total Revenues	4,915,547	2,346,826	134,245
Expenditures -			
Current:			
Transportation	3,641,170	-	-
Culture and recreation	-	1,641,628	-
Home and community services	-	-	110,303
Employee benefits	1,350,247	702,205	-
Total Expenditures	4,991,417	2,343,833	110,303
Excess (Deficiency) of Revenues Over Expenditures	(75,870)	2,993	23,942
Other Financing Sources (Uses):			
Transfers in	50,000	-	-
Transfers out	-	-	(490,473)
Total Other Financing Sources (Uses)	50,000	-	(490,473)
Net Change in Fund Balances	(25,870)	2,993	(466,531)
Fund Balances - Beginning of Year	38,381	1,022	1,570,765
Fund Balances - End of Year	\$ 12,511	\$ 4,015	\$ 1,104,234

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TOWN/VILLAGE OF HARRISON, NEW YORK

HIGHWAY FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 179,249	\$ -
Accounts Receivable	20,254	-
Prepaid Expenditures	<u>78,651</u>	<u>126,737</u>
Total Assets	<u>\$ 278,154</u>	<u>\$ 126,737</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 255,082	\$ 85,018
Due to other funds	-	3,338
Deferred revenues	<u>10,561</u>	<u>-</u>
Total Liabilities	<u>265,643</u>	<u>88,356</u>
Fund Balance (Deficit):		
Reserved for prepaid expenditures	78,651	126,737
Unreserved and undesignated	<u>(66,140)</u>	<u>(88,356)</u>
Total Fund Balance	<u>12,511</u>	<u>38,381</u>
Total Liabilities and Fund Balance	<u>\$ 278,154</u>	<u>\$ 126,737</u>

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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 4,747,650	\$ 4,747,650	\$ 4,747,650	\$ -
Use of money and property	42,000	42,000	11,328	(30,672)
State aid	70,000	70,000	111,850	41,850
Miscellaneous	21,719	21,719	44,719	23,000
Total Revenues	<u>4,881,369</u>	<u>4,881,369</u>	<u>4,915,547</u>	<u>34,178</u>
Expenditures -				
Current:				
Transportation	3,671,629	3,723,129	3,641,170	81,959
Employee benefits	1,209,740	1,208,240	1,350,247	(142,007)
Total Expenditures	<u>4,881,369</u>	<u>4,931,369</u>	<u>4,991,417</u>	<u>(60,048)</u>
Deficiency of Revenues Over Expenditures	-	(50,000)	(75,870)	(25,870)
Other Financing Sources -				
Transfers in	-	50,000	50,000	-
Net Change in Fund Balance	-	-	(25,870)	(25,870)
Fund Balance -				
Beginning of Year	-	-	38,381	38,381
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,511</u>	<u>\$ 12,511</u>

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 4,519,701	\$ 4,519,701	\$ 4,519,701	\$ -
75,000	75,000	32,124	(42,876)
70,000	70,000	77,771	7,771
24,193	24,816	27,766	2,950
<u>4,688,894</u>	<u>4,689,517</u>	<u>4,657,362</u>	<u>(32,155)</u>
3,596,669	3,596,979	3,615,443	(18,464)
1,118,600	1,118,913	1,111,495	7,418
<u>4,715,269</u>	<u>4,715,892</u>	<u>4,726,938</u>	<u>(11,046)</u>
(26,375)	(26,375)	(69,576)	(43,201)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(26,375)	(26,375)	(69,576)	(43,201)
<u>26,375</u>	<u>26,375</u>	<u>107,957</u>	<u>81,582</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,381</u>	<u>\$ 38,381</u>

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TOWN/VILLAGE OF HARRISON, NEW YORK

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

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash:		
Demand deposits	\$ 108,287	\$ -
Petty cash	<u>125</u>	<u>125</u>
	108,412	125
Accounts Receivable	1,767	669
Prepaid Expenditures	<u>25,626</u>	<u>51,321</u>
Total Assets	<u>\$ 135,805</u>	<u>\$ 52,115</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 131,790	\$ 36,908
Due to other funds	<u>-</u>	<u>14,185</u>
Total Liabilities	<u>131,790</u>	<u>51,093</u>
Fund Balance (Deficit):		
Reserved for prepaid expenditures	25,626	51,321
Unreserved and undesignated	<u>(21,611)</u>	<u>(50,299)</u>
Total Fund Balance	<u>4,015</u>	<u>1,022</u>
Total Liabilities and Fund Balance	<u>\$ 135,805</u>	<u>\$ 52,115</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, 2009 AND 2008

	2009			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Real property taxes	\$ 2,300,807	\$ 2,300,807	\$ 2,300,807	\$ -
Departmental income	30,000	30,000	32,446	2,446
Use of money and property	19,200	19,200	5,923	(13,277)
State aid	8,000	8,000	7,650	(350)
Miscellaneous	-	-	-	-
Total Revenues	2,358,007	2,358,007	2,346,826	(11,181)
Expenditures -				
Current:				
Culture and recreation	1,672,679	1,655,802	1,641,628	14,174
Employee benefits	685,328	702,205	702,205	-
Total Expenditures	2,358,007	2,358,007	2,343,833	14,174
Excess (Deficiency) of Revenues Over Expenditures	-	-	2,993	2,993
Fund Balance -				
Beginning of Year	-	-	1,022	1,022
Fund Balance - End of Year	\$ -	\$ -	\$ 4,015	\$ 4,015

2008

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,211,205	\$ 2,211,205	\$ 2,211,205	\$ -
30,000	30,000	28,773	(1,227)
50,000	50,000	15,661	(34,339)
8,000	8,000	9,173	1,173
-	-	1,190	1,190
<u>2,299,205</u>	<u>2,299,205</u>	<u>2,266,002</u>	<u>(33,203)</u>
1,670,072	1,670,072	1,669,781	291
679,133	679,133	612,434	66,699
<u>2,349,205</u>	<u>2,349,205</u>	<u>2,282,215</u>	<u>66,990</u>
(50,000)	(50,000)	(16,213)	33,787
<u>50,000</u>	<u>50,000</u>	<u>17,235</u>	<u>(32,765)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,022</u>	<u>\$ 1,022</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

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

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 919,234	\$ 1,300,765
Investments	<u>185,000</u>	<u>270,000</u>
Total Assets	<u>\$ 1,104,234</u>	<u>\$ 1,570,765</u>
<u>FUND BALANCE</u>		
Reserved for Parklands	\$ 739,831	\$ 1,220,183
Reserved for Trusts	<u>364,403</u>	<u>350,582</u>
Total Fund Balance	<u>\$ 1,104,234</u>	<u>\$ 1,570,765</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

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

	<u>2009</u>	<u>2008</u>
Revenues:		
Use of money and property	\$ 18,221	\$ 53,485
Departmental income	<u>116,024</u>	<u>85,627</u>
Total Revenues	134,245	139,112
Expenditures - Current -		
Home and community services	<u>110,303</u>	<u>80,528</u>
Excess of Revenues Over Expenditures	23,942	58,584
Other Financing Uses -		
Transfers out	<u>(490,473)</u>	<u>(80,000)</u>
Net Change in Fund Balance	(466,531)	(21,416)
Fund Balance - Beginning of Year	<u>1,570,765</u>	<u>1,592,181</u>
Fund Balance - End of Year	<u>\$ 1,104,234</u>	<u>\$ 1,570,765</u>

TOWN/VILLAGE OF HARRISON, NEW YORK

INTERNAL SERVICE FUND - HEALTH BENEFITS FUND
 COMPARATIVE STATEMENT OF NET ASSETS
 DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
<u>ASSETS</u>		
Cash - Demand deposits	\$ 679,182	\$ 796,193
Accounts Receivable	<u>14,263</u>	<u>24,042</u>
Total Assets	<u>\$ 693,445</u>	<u>\$ 820,235</u>
<u>LIABILITIES</u>		
Current Liabilities:		
Accounts payable	\$ 117,648	\$ 91,958
Accrued liabilities	<u>575,797</u>	<u>728,277</u>
Total Liabilities	<u>\$ 693,445</u>	<u>\$ 820,235</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, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Operating Revenues - Charges for services	\$ 9,704,022	\$ 7,847,236
Operating Expenses:		
Insurance	209,592	197,015
Employee benefits	9,201,611	7,357,910
Contractual	<u>292,819</u>	<u>292,311</u>
Total Operating Expenses	<u>9,704,022</u>	<u>7,847,236</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, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Cash Flows From Operating Activities:		
Cash received from charges for services	\$ 9,713,801	\$ 7,832,729
Cash payments to vendors	(292,819)	(292,311)
Cash payments to insurance carriers and claimants	<u>(9,537,993)</u>	<u>(7,423,259)</u>
Net Cash Provided by (Used in) Operating Activities	(117,011)	117,159
Cash - Beginning of Year	<u>796,193</u>	<u>679,034</u>
Cash - End of Year	<u>\$ 679,182</u>	<u>\$ 796,193</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	9,779	(14,507)
Accounts payable	25,690	16,389
Accrued liabilities	<u>(152,480)</u>	<u>115,277</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (117,011)</u>	<u>\$ 117,159</u>