

VILLAGE OF SLEEPY HOLLOW, NEW YORK

FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION

YEAR ENDED MAY 31, 2008

WITH INDEPENDENT AUDITORS' REPORT



VILLAGE OF SLEEPY HOLLOW, NEW YORK

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	11
Statement of Net Assets	12
Statement of Activities	
Fund Financial Statements:	13
Balance Sheet - Governmental Funds	
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Water Funds	19
Statement of Assets and Liabilities - Fiduciary Fund	21
Notes to Financial Statements	21
Individual Fund Financial Statements and Schedules:	
Major Governmental Funds:	
General Fund:	40
Comparative Balance Sheet	
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	41
Schedule of Revenues and Other Financing Sources Compared to Budget	43
Schedule of Expenditures and Other Financing Uses Compared to Budget	46
Water Fund:	50
Comparative Balance Sheet	
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	51
Capital Projects Fund:	53
Comparative Balance Sheet	
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	54
Non-Major Governmental Funds:	57
Combining Balance Sheet	
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	59
Parking Fund:	61
Comparative Balance Sheet	
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	62

VILLAGE OF SLEEPY HOLLOW, NEW YORK

TABLE OF CONTENTS (Concluded)

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	<u>Page</u>
Sewer Fund:	
Balance Sheet	64
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	65
Sanitation Fund:	
Balance Sheet	67
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	68
Special Purpose Fund:	
Comparative Balance Sheet	70
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	71



O'Connor Davies Munns & Dobbins, llp  
ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Village of Sleepy Hollow, New York as of and for the year ended May 31, 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Sleepy Hollow, New York as of May 31, 2008, and the respective changes in financial position, thereof, and the respective budgetary comparison for the General, Water, Parking, Sewer and Sanitation funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Bennett Kielson Storch DeSantis Division

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

*Bennett Kielson Storch DeSantis*

**The Government Services Division of  
O'Connor Davies Munns & Dobbins, LLP**  
November 14, 2008

**Village of Sleepy Hollow, New York  
Management's Discussion and Analysis (MD&A)  
May 31, 2008**

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**Introduction**

The management of the Village of Sleepy Hollow offers this narrative overview and analysis of the financial activities of the Village for the fiscal year ended May 31, 2008 to readers of the Village's financial statements. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance the understanding of the Village's financial performance.

This is the fourth year the Village of Sleepy Hollow is providing this report in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34 financial reporting. This year is the fourth year the Village has fixed assets included in the financial statement and readers should be aware that this is the second year that fixed assets include major infrastructure (i.e. roads, water lines, sanitary and storm sewers) as of May 31, 2008.

**Financial Highlights**

On the government-wide financial statements, the infrastructure evaluated at \$24.7 million as of May 31, 2008 is recorded in the capital assets. The assets of the Village exceeded the liabilities at the close of 2007/2008 by \$25,536,518.

At the end of Fiscal Years 2008 and 2007, unreserved fund balance for the General Fund was \$1,048,672 or 8.45% and \$1,328,480 or 11.5% of total General Fund expenditures and other financing uses.

As of the close of 2007-2008, the Village's governmental funds reported combined ending fund balances of \$1,609,081.

<u>Fund</u>	
General	\$ 1,234,987
Water	732,793
Parking	35,709
Sewer	117,751
Sanitation	6,917
Special Purpose	650,253
Capital Projects	<u>(1,169,329)</u>
	<u>\$ 1,609,081</u>

Exclusive of the Capital Projects Fund, the combined ending fund balance is \$2,778,410 of which \$2,518,324 is unreserved.

During the current fiscal year, the Village issued long term debt of \$5,326,070 and short-term bonds for Capital Projects of \$857,800. Additional short term financing was secured in the subsequent year of \$588,500. The Village redeemed \$700,000 of long-term debt and \$2,752,722 of short term debt.

## **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the 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 Village's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Village's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator as to whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the 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 (ex., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish the functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Village include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest.

## **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The 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 Village can be divided into two categories: governmental funds and fiduciary funds.

## **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in 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 Village maintains eight individual governmental funds: the General Fund, Water Fund, Parking Fund, Sewer Fund, Sanitation Fund, Special Purpose Fund and the Capital Projects Fund. The General, Water and Capital Projects funds are considered major funds and 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 these funds. The remaining funds are non-major and their information is aggregated and presented in a single column as other governmental funds.

Budgetary comparison statements are provided for the General Fund and Water Fund. Budgetary comparison statements have been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets.

## **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Village programs. The Village's fiduciary fund consists of an Agency Fund. Resources in the Agency Fund are held by the Village purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment, and remittance of resources to the appropriate individual, organization, or government.

## **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

## Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements and include individual fund financial statements and schedules of "budgets to actual" comparisons.

### Government-wide Financial Analysis

As noted previously, over a period of time net assets may serve as a useful indicator of a government's financial position. At fiscal year end, May 31, 2008, the assets of the Village exceeded the liabilities.

#### Net Assets May 31,

	2008	2007
Current Assets	\$ 3,610,634	\$ 4,038,139
Capital Assets, net	38,813,497	39,415,563
Total Assets	<u>42,424,131</u>	<u>43,453,702</u>
Current Liabilities	2,132,591	7,121,028
Non-Current Liabilities	14,755,022	9,961,417
Total Liabilities	<u>16,887,613</u>	<u>17,082,445</u>
Net Assets:		
Invested in Capital Assets, net of related debt	23,881,127	24,654,771
Restricted	1,672,189	1,590,259
Unrestricted	(16,798)	126,227
Total Net Assets	<u>\$ 25,536,518</u>	<u>\$ 26,371,257</u>

**Change in Net Assets  
Fiscal Year Ended May 31,**

	2008	2007
Revenues:		
Program Revenues:		
Charges for Services	\$ 4,639,626	\$ 4,283,026
Operating Grants and Contributions	136,600	99,340
Capital Grants and Contributions	2,119,908	747,187
Total Program Revenues	6,896,134	5,129,553
General Revenues:		
Real Property Taxes	8,260,618	7,629,663
Other Tax Items	467,730	612,851
Non-Property Taxes	1,451,698	1,453,397
Unrestricted Use of Money and Property	49,261	23,515
Sale of Property and Compensation for Loss	103,505	96,582
Gain on Sale of Asset	-	250,000
Unrestricted State Aid	198,352	250,063
Miscellaneous	86,058	455,178
Total General Revenues	10,617,222	10,771,249
Total Revenues	17,513,356	15,900,802
Program Expenses:		
General Government Support	2,841,444	3,352,953
Public Safety	5,186,875	4,524,269
Health	111,871	75,588
Transportation	4,110,466	2,149,028
Economic Opportunity and Development	78,941	19,805
Culture and Recreation	1,612,612	1,434,421
Home and Community Services	2,957,157	2,310,830
Interest	597,569	517,892
Total Expenses	17,496,935	14,384,786
Change in Net Assets	16,421	1,516,016
Net Assets - Beginning, as reported	26,371,257	(2,811,925)
Prior Period Adjustment	(851,160)	27,667,166
Net Assets - Beginning, as restated	25,520,097	24,855,241
Net Assets - Ending	\$ 25,536,518	\$ 26,371,257

## **Governmental Activities**

Governmental activities increased the Village's net assets by \$16,421 in 2008 and increased the Village's net assets by \$1,516,016 in 2007

For the fiscal years ended May 31, 2008 and 2007, revenues from governmental activities totaled \$17,513,356 and \$15,900,802, respectively. Tax revenues \$10,180,046 in 2008 and \$9,695,911 in 2007, comprised of real property taxes, other tax items and non-property taxes; represent the largest revenue source (58.1% in 2008 and 61.0% in 2007).

The largest components of governmental activities' expenses are public safety (29.6% in 2008 and 31.5% in 2007), transportation (23.5% in 2008 and 14.9% in 2007), general government support (16.2% in 2008 and 23.3% in 2007) and home and community services (16.9% in 2008 and 16.1% in 2007). Public safety includes police, fire and safety inspections. Transportation includes street administration and maintenance, snow removal and street lighting. General support reflects various administrative services including clerk, engineer, law, treasurer, justices and the Board of Trustees. Home and community services include planning, refuse and garbage and shade tree costs.

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

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

### **Governmental Funds**

The focus of the Village's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Village's financing requirements. In particular, unreserved fund balance may 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 Village's governmental funds reported combined ending fund balances of \$2,778,410 exclusive of the Capital Projects Fund. Approximately 90.6% or \$2,518,324 of the total ending fund balance 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: snow removal expenditures \$103,495, dedicated to pay for debt service \$82,820 and for inventories \$73,771.

The General Fund is the primary operating fund of the Village. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$1,048,672, representing 84.9% of the total General Fund balance of \$1,234,987. When the Fiscal Year 2007-2008 General Fund budget was adopted, it anticipated that revenues would equal expenditures. Actual results of operations resulted in a decrease in the fund balance of \$211,805. Revenues and other financing sources were \$12,193,787 which was \$745,075 less than the final budget. Expenditures and other financing uses were \$12,405,592, which was \$533,270 less than the final budget.

The Capital Projects Fund has a temporary undesignated fund deficit of \$1,169,329 due to \$1,126,300 in bond anticipation notes payable. Bond anticipation notes are recognized as revenue only when they are redeemed and converted to permanent financing. The majority of the capital projects are financed by long term debt and grants as of May 31, 2008.

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

#### **Capital Assets**

The Village's investment in capital assets for governmental activities at May 31, 2008, net of accumulated depreciation, was \$38,813,497. This investment in capital assets includes land, construction-in-progress, buildings, land improvements, infrastructure (not all inclusive) and machinery and equipment.

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

<b>Capital Assets</b>		
<b>May 31,</b>		
	2008	2007
<u>Asset</u>		
Land	\$ 2,938,414	\$ 2,938,414
Construction-in-Progress	2,467,631	1,072,887
Buildings	2,489,866	2,112,113
Land Improvements	1,929,884	1,539,443
Infrastructure	24,707,055	27,331,793
Machinery and Equipment	4,280,647	4,420,913
Total (net of depreciation)	\$ 38,813,497	\$ 39,415,563

#### **Long-Term Debt /Short-Term Debt**

At the end of the current fiscal year, the Village had total bonded debt outstanding of \$13,806,070. As required by New York State Law, all bonds issued by the Village are general obligation bonds, backed by the full faith and credit of the Village.

During the FY 2007-2008, the Village issued bond anticipation notes totaling \$857,800 for various capital projects. The Village paid \$98,000 on bond anticipation notes for capital projects and redeemed \$5,214,292 from bond proceeds. In the subsequent fiscal year, additional bond anticipation notes of \$588,500 were issued.

## **Economic Factors and Next Year's Budgets and Rates**

While sales tax revenue stabilized from last year's projections, we anticipate a further decline as the price of gasoline related sales and retail store sale declines carryover in the future. Departmental Income rose modestly due to the increase in gross ambulance service billings and earnings and investments grew with the consolidation of bank accounts. State aid increased as the Village was able to recover prior year funds from the NYS Consolidated Highway Improvement Fund (CHIPS) for street improvement projects. Previous long time serving employee retirements notwithstanding, NYS retirement rates have stabilized while health insurance premiums continue to escalate. Mortgage revenue is expected to continue its decline in absolute dollars due to the current downward economic conditions within the real estate market. A hiring freeze was implemented and several positions that were open due to retirements were not filled, left temporarily open or replaced with lower salaried individuals. These and other factors were taken into consideration in developing the FY 2008-2009 budget.

### **Requests for Information**

This financial report is designed to provide a general overview of the Village of Sleepy Hollow's finances. Questions and comments concerning any of the information provided in this report should be addressed to Diane L. Jacobson, Treasurer, Village of Sleepy Hollow, 28 Beekman Avenue, Sleepy Hollow, New York 10591.

VILLAGE OF SLEEPY HOLLOW, NEW YORK

STATEMENT OF NET ASSETS

MAY 31, 2008

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and equivalents	\$ 2,136,689
Receivables:	
Taxes, net	56,164
Accounts	298,312
Water rents	608,578
Sewer rents	97,120
Due from other governments	340,000
Inventories	73,771
Capital assets:	
Land	2,938,414
Construction-in-progress	2,467,631
Buildings	2,489,866
Land improvements	1,929,884
Infrastructure	24,707,055
Machinery and equipment	4,280,647
	<u>42,424,131</u>
Total Assets	
<b>LIABILITIES</b>	
Accounts payable	564,330
Retainages payable	96,407
Due to retirement systems	103,043
Due to other governments	31,698
Accrued interest payable	180,392
Unearned revenues	22,741
Overpayments	7,680
Bond anticipation notes payable	1,126,300
Non-current liabilities:	
Due within one year:	
Bonds payable	956,070
New York State loan - retirement	38,044
Compensated absences	62,346
Due in more than one year:	
Bonds payable	12,850,000
New York State loan - retirement	287,445
Compensated absences	561,117
	<u>16,887,613</u>
Total Liabilities	
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	23,881,127
Restricted for:	
Snow removal	103,495
Debt service	82,820
Special Revenue Funds	
Water	698,764
Parking	28,191
Sewer	105,827
Sanitation	2,839
Special purpose	650,253
Unrestricted	(16,798)
	<u>\$ 25,536,518</u>
Total Net Assets	

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

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VILLAGE OF SLEEPY HOLLOW, NEW YORK

STATEMENT OF ACTIVITIES  
YEAR ENDED MAY 31, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
General government support	\$ 2,841,444	\$ 166,137	\$ 5,250	\$ 49,579	\$ (2,620,478)
Public safety	5,186,875	339,105	21,516	-	(4,826,254)
Health	111,871	-	-	-	(111,871)
Transportation	4,110,466	157,803	64,071	-	(3,888,592)
Economic opportunity and development	78,941	-	4,337	-	(74,604)
Culture and recreation	1,612,612	86,617	15,860	1,723,230	213,095
Home and community services	2,957,157	3,889,964	25,566	281,620	1,239,993
Interest	597,569	-	-	65,479	(532,090)
<b>Total Governmental Activities</b>	<b>\$ 17,496,935</b>	<b>\$ 4,639,626</b>	<b>\$ 136,600</b>	<b>\$ 2,119,908</b>	<b>(10,600,801)</b>
<b>General Revenues:</b>					
Real property taxes					8,260,618
Other tax items:					
Payments in lieu of taxes					326,389
Interest and penalties on real property taxes					141,341
Non-property taxes:					
Franchise fees					101,620
Utilities gross receipts taxes					105,874
Non-property tax distribution from County					1,244,204
Unrestricted use of money and property					49,261
Sale of property and compensation for loss					103,505
Unrestricted State aid					198,352
Miscellaneous					86,058
<b>Total General Revenues</b>					<b>10,617,222</b>
<b>Change in Net Assets</b>					<b>16,421</b>
Net Assets - Beginning, as reported					26,371,257
Prior Period Adjustment					(851,160)
Net Assets - Beginning, as restated					25,520,097
Net Assets - Ending					<b>\$ 25,536,518</b>

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

VILLAGE OF SLEEPY HOLLOW, NEW YORK

BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 MAY 31, 2008

	General	Water	Capital Projects
<b>ASSETS</b>			
Cash and Equivalents	\$ 1,236,154	\$ 86,524	\$ 199,701
Taxes Receivable, net of allowance for uncollectible taxes	56,164	-	-
Other Receivables:			
Accounts	150,246	-	-
Water rents	-	608,578	-
Sewer rents	-	-	-
Due from other governments	340,000	-	-
Due from other funds	65,046	132,086	-
	555,292	740,664	-
Inventories	-	73,771	-
Total Assets	<u>\$ 1,847,610</u>	<u>\$ 900,959</u>	<u>\$ 199,701</u>
<b>LIABILITIES AND FUND BALANCES (DEFICITS)</b>			
Liabilities:			
Accounts payable	\$ 408,488	\$ 141,925	\$ -
Retainages payable	-	-	96,407
Due to retirement systems	99,543	3,500	-
Due to other funds	15,860	-	146,323
Due to other governments	31,698	-	-
Deferred revenues	-	22,741	-
Deferred tax revenues	49,354	-	-
Overpayments	7,680	-	-
Bond anticipation notes payable	-	-	1,126,300
Total Liabilities	612,623	168,166	1,369,030
Fund Balances (Deficits):			
Reserved for snow removal	103,495	-	-
Reserved for debt service	82,820	-	-
Reserved for inventories	-	73,771	-
Unreserved, reported in:			
General Fund	1,048,672	-	-
Special Revenue Funds	-	659,022	-
Capital Projects Fund	-	-	(1,169,329)
Total Fund Balances (Deficits)	1,234,987	732,793	(1,169,329)
Total Liabilities and Fund Balances (Deficits)	<u>\$ 1,847,610</u>	<u>\$ 900,959</u>	<u>\$ 199,701</u>

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

Other Governmental Funds	Total Governmental Funds
\$ 614,310	\$ 2,136,689
-	56,164
148,066	298,312
-	608,578
97,120	97,120
-	340,000
97,137	294,269
342,323	1,638,279
-	73,771
<u>\$ 956,633</u>	<u>\$ 3,904,903</u>
\$ 13,917	\$ 564,330
-	96,407
-	103,043
132,086	294,269
-	31,698
-	22,741
-	49,354
-	7,680
-	1,126,300
146,003	2,295,822
-	103,495
-	82,820
-	73,771
-	1,048,672
810,630	1,469,652
-	(1,169,329)
810,630	1,609,081
<u>\$ 956,633</u>	<u>\$ 3,904,903</u>

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RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS  
YEAR ENDED MAY 31, 2008

and Balances - Total Governmental Funds	<u>\$ 1,609,081</u>
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds -	<u>38,813,497</u>
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds - Real property taxes	<u>49,354</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(13,806,070)
Compensated absences	(623,463)
New York State loan - retirement	(325,489)
Accrued interest payable	<u>(180,392)</u>
	<u>(14,935,414)</u>
Net Assets of Governmental Activities	<u><u>\$ 25,536,518</u></u>

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

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

	General	Water	Capital Projects
<b>Revenues:</b>			
Real property taxes	\$ 8,239,962	\$ -	\$ -
Other tax items	467,730	-	-
Non-property taxes	1,451,698	-	-
Departmental income	304,671	2,855,167	-
Intergovernmental charges	11,221	-	-
Use of money and property	179,469	2,327	-
Licenses and permits	349,009	-	-
Fines and forfeitures	94,398	-	-
Sale of property and compensation for loss	103,505	-	-
State aid	263,494	-	1,774,429
Federal aid	26,766	-	-
Miscellaneous	86,058	-	280,000
<b>Total Revenues</b>	<b>11,577,981</b>	<b>2,857,494</b>	<b>2,054,429</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General government support	2,341,955	89,951	-
Public safety	3,311,389	-	-
Health	111,871	-	-
Transportation	1,106,434	-	-
Economic opportunity and development	82,837	-	-
Culture and recreation	1,311,901	-	-
Home and community services	16,372	1,841,829	-
Employee benefits	2,696,859	426,823	-
<b>Debt service:</b>			
Principal	621,551	114,682	-
Interest	483,774	107,803	-
Capital outlay	-	-	2,988,070
<b>Total Expenditures</b>	<b>12,084,943</b>	<b>2,581,088</b>	<b>2,988,070</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(506,962)</b>	<b>276,406</b>	<b>(933,641)</b>
<b>Other Financing Sources (Uses):</b>			
Bonds issued	-	-	5,326,070
Transfers in	615,806	-	261,222
Transfers out	(320,649)	(318,288)	-
<b>Total Other Financing Sources (Uses)</b>	<b>295,157</b>	<b>(318,288)</b>	<b>5,587,292</b>
<b>Net Changes in Fund Balances</b>	<b>(211,805)</b>	<b>(41,882)</b>	<b>4,653,651</b>
<b>Fund Balances (Deficits) - Beginning of Year</b>	<b>1,446,792</b>	<b>774,675</b>	<b>(5,822,980)</b>
<b>Fund Balances (Deficits) - End of Year</b>	<b>\$ 1,234,987</b>	<b>\$ 732,793</b>	<b>\$ (1,169,329)</b>

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

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 8,239,962
-	467,730
-	1,451,698
1,148,676	4,308,514
-	11,221
28,521	210,317
-	349,009
-	94,398
-	103,505
-	2,037,923
-	26,766
-	366,058
<u>1,177,197</u>	<u>17,667,101</u>
53,970	2,485,876
-	3,311,389
-	111,871
67,591	1,174,025
-	82,837
-	1,311,901
477,445	2,335,646
193,796	3,317,478
-	736,233
43,806	635,383
-	2,988,070
<u>836,608</u>	<u>18,490,709</u>
<u>340,589</u>	<u>(823,608)</u>
-	5,326,070
104,935	981,963
(343,026)	(981,963)
<u>(238,091)</u>	<u>5,326,070</u>
102,498	4,502,462
708,132	(2,893,381)
<u>\$ 810,630</u>	<u>\$ 1,609,081</u>

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VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

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

Net Change in Fund Balances - Total Governmental Funds \$ 4,502,462

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period. This amount is less than the total capital outlay since capital outlay includes amounts that are under the capitalization threshold and, therefore, were not capitalized.

Capital outlay expenditures	2,865,638
Depreciation expense	<u>(2,978,266)</u>
	<u>(112,628)</u>

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

Real property taxes	<u>20,656</u>
---------------------	---------------

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.

Bonds issued	(5,326,070)
Principal paid on bonds	700,000
Principal paid on New York State loan - retirement	<u>36,233</u>
	<u>(4,589,837)</u>

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

Compensated absences	157,954
Accrued interest	<u>37,814</u>
	<u>195,768</u>

Change in Net Assets of Governmental Activities \$ 16,421

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

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

	General Fund			Variance with Final Budget (Positive) Negative
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Real property taxes	\$ 8,327,657	\$ 8,327,657	\$ 8,239,962	\$ (87,695)
Other tax items	389,000	389,000	467,730	78,730
Non-property taxes	1,426,000	1,426,000	1,451,698	25,698
Departmental income	351,500	351,500	304,671	(46,829)
Intergovernmental charges	12,000	12,000	11,221	(779)
Use of money and property	105,000	105,000	179,469	74,469
Licenses and permits	647,000	647,000	349,009	(297,991)
Fines and forfeitures	130,000	130,000	94,398	(35,602)
Sale of property and compensation of loss	74,000	74,000	103,505	29,505
State aid	286,484	286,484	263,494	(22,990)
Federal aid	-	61,002	26,766	(34,236)
Miscellaneous	205,000	205,800	86,058	(119,742)
<b>Total Revenues</b>	<b>11,953,641</b>	<b>12,015,443</b>	<b>11,577,981</b>	<b>(437,462)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	2,721,853	2,500,185	2,341,955	158,230
Public safety	3,393,721	3,490,746	3,311,389	179,357
Health	74,660	112,495	111,871	624
Transportation	1,049,194	1,145,014	1,106,434	38,580
Economic opportunity and development	95,600	104,214	82,837	21,377
Culture and recreation	1,282,930	1,354,513	1,311,901	42,612
Home and community services	25,000	25,000	16,372	8,628
Employee benefits	2,889,090	2,818,519	2,696,859	121,660
<b>Debt service:</b>				
Principal	580,318	585,699	621,551	(35,852)
Interest	389,149	466,752	483,774	(17,022)
<b>Total Expenditures</b>	<b>12,501,515</b>	<b>12,603,137</b>	<b>12,084,943</b>	<b>518,194</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(547,874)</b>	<b>(587,694)</b>	<b>(506,962)</b>	<b>80,732</b>
<b>Other Financing Sources (Uses):</b>				
Transfers in	923,419	923,419	615,806	(307,613)
Transfers out	(375,545)	(335,725)	(320,649)	15,076
<b>Total Other Financing Sources (Uses)</b>	<b>547,874</b>	<b>587,694</b>	<b>295,157</b>	<b>(292,537)</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>(211,805)</b>	<b>(211,805)</b>
<b>Fund Balances - Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>1,446,792</b>	<b>1,446,792</b>
<b>Fund Balances - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,234,987</b>	<b>\$ 1,234,987</b>

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

Water Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget (Positive) Negative
\$ -	\$ -	\$ -	\$ -
-	-	-	-
3,141,730	3,141,730	2,855,167	(286,563)
6,000	6,000	2,327	(3,673)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>3,147,730</u>	<u>3,147,730</u>	<u>2,857,494</u>	<u>(290,236)</u>
115,000	89,949	89,951	(2)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1,767,792	1,905,443	1,841,829	63,614
559,359	446,032	426,823	19,209
114,682	115,063	114,682	381
101,540	102,267	107,803	(5,536)
<u>2,658,373</u>	<u>2,658,754</u>	<u>2,581,088</u>	<u>77,666</u>
<u>489,357</u>	<u>488,976</u>	<u>276,406</u>	<u>(212,570)</u>
-	-	-	-
<u>(664,357)</u>	<u>(663,976)</u>	<u>(318,288)</u>	<u>345,688</u>
<u>(664,357)</u>	<u>(663,976)</u>	<u>(318,288)</u>	<u>345,688</u>
(175,000)	(175,000)	(41,882)	133,118
175,000	175,000	774,675	599,675
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 732,793</u>	<u>\$ 732,793</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

STATEMENT OF ASSETS AND LIABILITIES

FIDUCIARY FUND

MAY 31, 2008

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	<u>Agency</u>
<b>ASSETS</b>	
Accounts Receivable	<u>\$ 120,342</u>
<b>LIABILITIES</b>	
Accounts Payable	\$ 118,151
Payroll Taxes	<u>2,191</u>
Total Liabilities	<u>\$ 120,342</u>

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

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

The Village of Sleepy Hollow, New York was established in 1874 and operates in accordance with Village Law and the various other applicable laws of the State of New York. The Village Board of Trustees is the legislative body responsible for overall operation. The Village Administrator serves as the chief executive officer and the Village Treasurer serves as the chief financial officer. The Village provides the following services to its residents: public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

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

**A. Financial Reporting Entity**

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

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

**B. Government-Wide Financial Statements**

The government-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) report information on all non-fiduciary activities of the Village as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used.

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

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

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

**C. Fund Financial Statements**

The accounts of the 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, revenues and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Village maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the statements or page following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Village's resources are reflected in the fund financial statements in two broad fund categories, in accordance with generally accepted accounting principles as follows:

**Fund Categories**

- a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the Village's major governmental funds.

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

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 Village is as follows:

Water Fund - used to record the water utility operations of the Village, which renders services on a user charge basis to the general public.

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 - used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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

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

Parking Fund - used to account for the operation and maintenance of the public parking spaces and lots in the Village.

Sewer Fund - used to record the sewer operations of the Village, which renders services on a user charge basis to the general public.

Sanitation Fund - used to record the sanitary operations of the Village, which renders services on a user charge basis to the general public.

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

- b. Fiduciary Funds (not included in Government-wide Financial Statements) - Fiduciary Funds are used to account for assets held by the Village in agency capacity on behalf of others. These include Agency Funds. The Agency Fund is used to account for employer payroll tax withholdings and various other 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*. 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.

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

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 are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**E. Assets, Liabilities and Net Assets or Fund Balances**

**Deposit and Investment Risk Disclosure**

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

The Village's investment policies are governed by State statutes. The Village has adopted its own written investment policy which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The Village is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Village has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions, and accordingly, the School District's policy provides for no credit risk on investments.

The Village utilizes a pooled investment concept for all governmental funds to facilitate its investment program. Investment income from this pooling is allocated to the respective funds based upon the sources of funds invested.

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the Village's name. The Village's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at May 31, 2008.

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

The Village 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 as of June 1st and are levied and payable in two installments due in June and December. The Village has the responsibility for the billing and collection of its own taxes. The Village also has the responsibility for in-rem foreclosure proceedings.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the Village. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred. Allowances are recorded when appropriate.

**Due From/To Other Funds** - During the course of its operations, the Village has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of May 31, 2008, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

**Inventories** - The inventories reflected in the financial statements of the Water Fund represent materials and supplies for general use and are valued at cost on a first-in, first-out basis. These inventories consist primarily of items held for consumption. The cost is recorded as inventory at the time individual inventory items are purchased. The Village uses the consumption method to relieve inventory. Reported inventories are equally offset by a reservation of fund balance in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of current assets.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

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

<u>Class</u>	<u>Life in Years</u>
Buildings	25-50
Land improvements	20
Infrastructure	20-65
Machinery and equipment	5-15

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 Village has reported deferred revenues in the General Fund of \$49,354 for real property taxes and \$22,741 for fees received in advance in the Water Fund. These amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

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

**Long-Term Liabilities** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are amortized over the term of the related debt.

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

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

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

**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 snow removal, debt service, inventories and trusts 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 balances 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, certain Special Revenue and Capital Projects funds. Encumbrances outstanding at year-end, if any, are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

**G. Use of Estimates**

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

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

**A. Budgetary Data**

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

- a) On or before March 20th, the budget officer submits to the Board of Trustees a tentative operating budget for the fiscal year commencing the following June 1st. The tentative budget includes the proposed expenditures and the means of financing.
- b) The Board of Trustees, on or before March 31st, meets to discuss and review the tentative budget.
- c) The Board of Trustees conducts a public hearing on the tentative budget to obtain taxpayer comments on or before April 15th.

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

- d) After the public hearing and on or before May 1st, the Trustees meet to consider and adopt the budget.
- e) Formal budgetary integration is employed during the year as a management control device for General and Water funds.
- f) Budgets for General, Water, Parking, Sewer, Sanitation 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. An annual budget is not legally adopted by the Board for the Special Purpose Fund.
- g) The Village Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Board of Trustees. Any modifications to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Board.
- h) Appropriations in General, Water, Parking, Sewer, Sanitation 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 Board of Trustees. Individual amendments for the current year were not material in relation to the original appropriations which were amended.

**B. Expenditures in Excess of Budget**

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

General Fund:	
General Government Support -	
Treasurer	\$ 1,085
Debt Service:	
Principal -	
State loan	36,233
Interest:	
Serial bonds	762
State loan	18,086
Transfers Out -	
Sanitation Fund	12,858
Water Fund:	
General Government Support	2
Debt Service - Interest	5,536
Parking Fund -	
Transfer Out	12,174

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

**C. Property Tax Limitation**

The Village is permitted by the Constitution of the State of New York to levy taxes up to 2% of the five year average full valuation of taxable real estate located within the Village, exclusive of the amount raised for the payment of interest on and redemption of long-term debt. In accordance with this definition, the maximum amount of the levy for the 2007-08 fiscal year was \$19,775,392 which exceeded the actual levy by \$11,447,735.

**D. Capital Projects Fund Deficit**

The undesignated deficit in the Capital Projects Fund of \$1,169,329 arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes payable are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. These deficits will be reduced and eliminated as the bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficit, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

**E. Prior Period Adjustments**

The Village, during the 2008 fiscal year, has determined that amounts recorded as a liability on the government-wide financial statements for New York State loan – retirement was understated by \$361,722. An adjustment to decrease net assets in the government-wide financial statements has been made to reflect this change.

The Village, during 2008 fiscal year, became aware that certain capital assets should not have been included in the financial statements, as a result, the beginning net assets in the government-wide financial statements were decreased by \$489,438.

**F. Future Application of Accounting Standards**

Retiree health care costs have traditionally been accounted for and financed on a pay-as-you go basis. Each year's budget has included an appropriation for the current year's cost of retiree health care. GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions ("OPEB"), requires that retiree health care costs be treated on an accrual basis, on the Village's "government-wide" financial statements. Presently, New York State has not established a vehicle to fund this liability. Recently, the New York State Comptroller announced legislation to authorize the creation of trust funds to help State and local governments plan for the costs of OPEB.

The Village's annual OPEB cost (expense) is calculated based on the annual required contribution ("ARC") of the employer, which is an actuarially determined amount. 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 recognized under the "pay-as-you-go" approach. The ARC represents

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

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.

The Village has not yet determined the impact of GASB Statement No. 45 on the financial statements. GASB Statement No. 45 is effective for the Village's fiscal year ending May 31, 2009.

**Note 3 - Detailed Notes on All Funds**

**A. Taxes Receivable**

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

Taxes Receivable - Current	\$ 121,718
Taxes Receivable - Overdue	<u>399,196</u>
	520,914
Allowance for uncollectible taxes	<u>(464,750)</u>
	<u>\$ 56,164</u>

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

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

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ 65,046	\$ 15,860
Water	132,086	-
Capital Projects	-	146,323
Other Governmental	<u>97,137</u>	<u>132,086</u>
	<u>\$ 294,269</u>	<u>\$ 294,269</u>

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

VILLAGE OF SLEEPY HOLLOW, NEW YORK

NOTES TO FINANCIAL STATEMENTS (Continued)  
MAY 31, 2008

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

**C. Capital Assets**

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

	Balance June 1, 2007, As reported	Prior Period Adjustment *	Balance June 1, 2007, As restated	Additions	Deletions	Balance May 31, 2008
<b>Capital Assets, not being depreciated:</b>						
Land	\$ 2,938,414	\$ -	\$ 2,938,414	\$ -	\$ -	\$ 2,938,414
Construction-in-progress	1,072,887	-	1,072,887	2,342,342	947,598	2,467,631
<b>Total Capital Assets, not being depreciated</b>	<b>\$ 4,011,301</b>	<b>\$ -</b>	<b>\$ 4,011,301</b>	<b>\$ 2,342,342</b>	<b>\$ 947,598</b>	<b>\$ 5,406,045</b>
<b>Capital Assets, being depreciated:</b>						
Buildings	\$ 3,953,966	\$ -	\$ 3,953,966	\$ 452,540	-	\$ 4,406,506
Land improvements	1,888,778	-	1,888,778	500,604	-	2,389,382
Infrastructure	81,166,275	(473,381)	80,692,894	-	-	80,692,894
Machinery and equipment	8,730,183	3,708	8,733,891	517,750	-	9,251,641
<b>Total Capital Assets, being depreciated</b>	<b>95,739,202</b>	<b>(469,673)</b>	<b>95,269,529</b>	<b>1,470,894</b>	<b>-</b>	<b>96,740,423</b>
<b>Less Accumulated Depreciation for:</b>						
Buildings	1,841,853	(13,137)	1,828,716	87,924	-	1,916,640
Land improvements	349,335	13,137	362,472	97,026	-	459,498
Infrastructure	53,834,482	19,765	53,854,247	2,131,592	-	55,985,839
Machinery and equipment	4,309,270	-	4,309,270	661,724	-	4,970,994
<b>Total Accumulated Depreciation</b>	<b>60,334,940</b>	<b>19,765</b>	<b>60,354,705</b>	<b>2,978,266</b>	<b>-</b>	<b>63,332,971</b>
<b>Total Capital Assets, being depreciated, net</b>	<b>\$ 35,404,262</b>	<b>\$ (489,438)</b>	<b>\$ 34,914,824</b>	<b>\$ (1,507,372)</b>	<b>\$ -</b>	<b>\$ 33,407,452</b>
<b>Capital Assets, net</b>	<b>\$ 39,415,563</b>	<b>\$ (489,438)</b>	<b>\$ 38,926,125</b>	<b>\$ 834,970</b>	<b>\$ 947,598</b>	<b>\$ 38,813,497</b>

\* See Note 2E

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

General Government Support	\$ 239,016
Public Safety	238,117
Transportation	<u>2,501,133</u>
<b>Total Depreciation Expense</b>	<b>\$ <u>2,978,266</u></b>

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

**D. Pension Plans**

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

Funding Policy - The Systems are non-contributory except for employees who joined ERS after July 27, 1976 and have less than ten years of service, who contribute 3% of their salary. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion (GTLI) and regular pension contributions. Contribution rates for the plans' year ended March 31, 2008 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	1 75I	12.1%
	3 A14	8.9
	4 A15	8.9
PFRS	2 375I	10.9
	2 384D	14.7

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

	<u>ERS</u>	<u>PFRS</u>
2008	\$ 266,246	\$ 416,730
2007	327,929	258,654
2006	333,880	340,589

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

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

<u>Fund</u>	<u>Amount</u>
General	\$ 226,929
Water	24,737
Parking	2,381
Sanitation	6,990
Sewer	5,209
	<u>\$ 266,246</u>

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

**E. Short-Term Capital Borrowings**

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

Purpose	Issue Date	Maturity Date	Interest Rate	Balance June 1, 2007	New Issues	Redemptions	Balance at May 31, 2008
Various Capital Projects	7/15/04	7/11/08	3.85 %	\$ 196,000	\$ -	\$ 98,000	\$ 98,000
Various Capital Projects	11/18/05	8/16/07	N/A	647,522	-	647,522	-
Various Capital Projects	11/18/05	8/14/08	3.73	2,177,700	-	2,007,200	170,500
Various Capital Projects	11/16/06	8/16/07	N/A	2,559,570	-	2,559,570	-
Various Capital Projects	2/29/08	2/27/09	2.26	-	857,800	-	857,800
				<u>\$ 5,580,792</u>	<u>\$ 857,800</u>	<u>\$ 5,312,292</u>	<u>\$ 1,126,300</u>

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

Interest expenditures of \$158,354 were recorded in the fund financial statements in the General Fund, Water Fund, Sewer and Parking Fund. Interest expense of \$62,258 was recorded in the government-wide financial statements.

**F. Long-Term Liabilities**

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

	Balance #NAME? As reported	Prior Period Adjustment	Balance #NAME? As restated	New Issues/ Additions	Maturities and/or Payments	Balance May 31, #NAME?	Due Within One Year
Bonds Payable	\$ 9,180,000	\$ -	\$ 9,180,000	\$ 5,326,070	\$ 700,000	\$ 13,806,070	\$ 956,070
Compensated Absences	781,417	-	781,417	112,410	270,364	623,463	#NAME?
New York State loan - retirement	-	361,722	361,722	-	#NAME?	#NAME?	38,044
Total Long-Term Liabilities	<u>\$ 9,961,417</u>	<u>\$ 361,722</u>	<u>\$ 10,323,139</u>	<u>\$ 5,438,480</u>	<u>\$ #NAME?</u>	<u>\$ #NAME?</u>	<u>\$ #NAME?</u>

Each governmental fund's liability for bonds and compensated absences is liquidated by the respective fund.

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

**Bonds Payable**

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

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at May 31, 2008
Various Village purposes	1995	\$ 1,091,000	July, 2009	6.10 - 6.20 %	\$ 225,000
Various Village purposes	2001	2,890,000	August, 2016	4.00 - 5.00	1,960,000
Various Village purposes	2003	3,473,000	March, 2015	2.25 - 5.00	2,205,000
Various Village purposes	2004	4,517,512	August, 2024	3.50 - 7.50	4,090,000
Various Village purposes	2007	5,326,070	August, 2024	4.00 - 5.00	5,326,070
					<u>\$ 13,806,070</u>

Interest expenditures of \$460,769 were recorded in the fund financial statements in the General, Water, Sewer and Parking Funds. Interest expense of \$519,051 was recorded in the government-wide financial statements.

**New York State Loan Payable – Retirement**

The State Legislature enacted Chapter 260 of the Laws of 2004. This chapter authorized local governments to amortize the portion of their respective 2004 contribution which exceeded 7.0% of covered payroll, over a ten year period, commencing in 2005. The amortization payment would include interest at 5% per annum. The City elected to amortize the maximum allowable ERS and PFRS contributions. The ERS amount required to be amortized for the primary government during 2008 was \$16,194, including interest and was charged to expenditures in the General Fund. The PFRS amount required to be amortized during 2008 was \$21,600, including interest. This amount was charged to expenditures in the General Fund. The balance due at May 31, 2008 was \$93,704 for ERS and \$124,985 for PFRS.

The State Legislature enacted Chapter 260 of the Laws of 2004. 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. The City elected to amortize the maximum allowable ERS and PFRS contributions which aggregated \$26,677 for ERS and \$100,920 for PFRS. The ERS amount required to be amortized for the primary government during 2008 was \$3,455 including interest and was charged to expenditures in the General Fund. The PFRS amount required to be amortized during 2008 was \$13,070, including interest. This amount was charged to expenditures in the General Fund. The balance due at May 31, 2008 was \$22,329 for ERS and \$84,471 for PFRS.

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

**Payments to Maturity**

The annual requirements to amortize all outstanding bonded debt as of May 31, 2008, including interest payments of \$4,448,957 are as follows:

Year Ending May 31,	General Fund		Water Fund		Parking Fund	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 772,453	\$ 409,704	155,528	103,879	23,768	24,332
2010	808,550	377,605	162,200	98,117	24,750	23,181
2011	724,550	348,276	169,900	92,182	25,850	22,075
2012	748,000	321,546	175,150	86,008	26,950	20,987
2013	779,000	293,321	182,850	79,449	28,050	19,887
2014-2018	3,251,500	1,006,489	817,400	289,083	161,700	79,790
2019-2023	2,289,900	465,639	692,200	141,686	201,300	40,549
2024-2025	1,063,200	44,909	321,300	13,686	93,500	3,902
	<u>\$ 10,437,153</u>	<u>\$ 3,267,489</u>	<u>\$ 2,676,528</u>	<u>\$ 904,090</u>	<u>\$ 585,868</u>	<u>\$ 234,703</u>

Year Ending May 31,	Sewer Fund		New York State loan - retirement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	4,321	4,424	\$ 38,044	\$ 16,275	\$ 994,114	\$ 558,614
2010	4,500	4,215	39,945	14,374	1,039,945	517,492
2011	4,700	4,014	41,943	12,376	966,943	478,923
2012	4,900	3,816	44,040	10,279	999,040	442,636
2013	5,100	3,616	46,242	8,077	1,041,242	404,350
2014-2018	29,400	14,507	115,275	9,887	4,375,275	1,399,756
2019-2023	36,600	7,373	-	-	3,220,000	655,247
2024-2025	17,000	710	-	-	1,495,000	63,207
	<u>\$ 106,521</u>	<u>\$ 42,675</u>	<u>\$ 325,489</u>	<u>\$ 71,268</u>	<u>\$ 14,131,559</u>	<u>\$ 4,520,225</u>

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

**Compensated Absences**

Pursuant to the terms of existing collective bargaining agreements, certain employees are permitted to accumulate unused sick and personal leave. The maximum accumulation varies with each agreement. Upon termination, employees will be compensated for such accumulated leave at varying amounts according to the terms of each agreement. The value of the compensated absences has been reflected in the government-wide financial statements.

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

**G. Revenues and Expenditures**

**Interfund Transfers**

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

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Total</u>
	<u>General</u>	<u>Capital Projects</u>	<u>Other Governmental</u>	
General	\$ -	\$ 215,714	104,935	\$ 320,649
Water	295,631	22,657	-	318,288
Other Governmental	320,175	22,851	-	343,026
	<u>\$ 615,806</u>	<u>\$ 261,222</u>	<u>\$ 104,935</u>	<u>\$ 981,963</u>

Transfers are used to 1) move funds earmarked in the operating funds to fulfill commitments for Capital Projects and General funds expenditures and 2) move funds from the operating funds to the Debt Service Fund as debt service principal and interest payments become due.

**Post-Employment Health Care Benefits**

In addition to providing pension benefits, the Village provides certain health care benefits for retired employees. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Village may vary according to length of service. Substantially all of the Village's employees may become eligible for those benefits if they reach normal retirement age while working for the Village. The cost of retiree health care benefits is recognized as an expenditure as claims are paid. During the year, \$486,984 was paid on behalf of 44 retirees and this amount has been recorded as an expenditure and expense.

**H. Net Assets**

The components of net assets are detailed below:

*Invested in Capital Assets, net of Related Debt* - the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted for Snow Removal* - the component of net assets that reflects funds restricted for snow removal pursuant to General Municipal Law.

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

*Restricted for Debt Service* - the component of net assets that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

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

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

**I. Fund Balances**

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

**Reserved**

Inventories in the Special Revenue - Water Fund have been reserved to indicate that a portion of fund balance is not "available" for appropriation or expenditure because the asset is in the form of commodities. The Village anticipates utilizing them in the normal course of operations.

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

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

**A. Litigation**

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

**Contingencies**

The Village participates in various Federal grant programs. These programs may be subject to program compliance audits pursuant to the Single Audit Act. Accordingly, the Village's compliance with applicable grant requirements will be established at a future date. The amount of expenditures, which may be disallowed by the granting agencies cannot be determined at this time, although the Village anticipates such amounts, if any, to be immaterial.

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

**Risk Management**

The Village maintains various liability insurance policies to provide against potential losses. The general liability policy provides coverage up to \$1 million and the Village has an umbrella policy with \$4 million of coverage. In addition, there is a police professional liability policy providing coverage of \$3 million. Settled claims resulting from these risks have not exceeded commercial insurance coverage for any of the past three fiscal years. The Village purchases conventional medical and workers' compensation coverage.

**Note 5 - Subsequent Event**

The Village, in August 2008, issued a bond anticipation note for various Village improvements in the amount of \$588,500. The note is due August 14, 2009 with interest at 2.5%.

VILLAGE OF SLEEPY HOLLOW, NEW YORK

GENERAL FUND  
COMPARATIVE BALANCE SHEET  
MAY 31, 2008 AND 2007

<u>ASSETS</u>		
	<u>2008</u>	<u>2007</u>
Cash:		
Demand deposits	\$ 1,234,614	\$ 1,931,372
Petty cash	1,540	1,540
	<u>1,236,154</u>	<u>1,932,912</u>
Taxes Receivable, net of allowance for uncollectible taxes of \$464,750 in 2008 and \$397,712 in 2007	<u>56,164</u>	<u>65,384</u>
Other Receivables:		
Accounts	150,246	98,266
Due from other governments	340,000	409,580
State and Federal aid	-	28,880
Due from other funds	<u>65,046</u>	<u>-</u>
	<u>555,292</u>	<u>536,726</u>
Total Assets	<u>\$ 1,847,610</u>	<u>\$ 2,535,022</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 408,488	\$ 405,451
Due to retirement systems	99,543	105,584
Due to other funds	15,860	528,281
Due to other governments	31,698	-
Deferred tax revenues	49,354	28,698
Overpayments	<u>7,680</u>	<u>20,216</u>
Total Liabilities	<u>612,623</u>	<u>1,088,230</u>
Fund Balance:		
Reserved for snow removal	103,495	100,971
Reserved for debt service	82,820	17,341
Unreserved and undesignated	<u>1,048,672</u>	<u>1,328,480</u>
Total Fund Balance	<u>1,234,987</u>	<u>1,446,792</u>
Total Liabilities and Fund Balance	<u>\$ 1,847,610</u>	<u>\$ 2,535,022</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

GENERAL FUND  
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED MAY 31, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues:</b>				
Real property taxes	\$ 8,327,657	\$ 8,327,657	\$ 8,239,962	\$ (87,695)
Other tax items	389,000	389,000	467,730	78,730
Non-property taxes	1,426,000	1,426,000	1,451,698	25,698
Departmental income	351,500	351,500	304,671	(46,829)
Intergovernmental charges	12,000	12,000	11,221	(779)
Use of money and property	105,000	105,000	179,469	74,469
Licenses and permits	647,000	647,000	349,009	(297,991)
Fines and forfeitures	130,000	130,000	94,398	(35,602)
Sale of property and compensation for loss	74,000	74,000	103,505	29,505
State aid	286,484	286,484	263,494	(22,990)
Federal aid	-	61,002	26,766	(34,236)
Miscellaneous	205,000	205,800	86,058	(119,742)
<b>Total Revenues</b>	<b>11,953,641</b>	<b>12,015,443</b>	<b>11,577,981</b>	<b>(437,462)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government support	2,721,853	2,500,185	2,341,955	158,230
Public safety	3,393,721	3,490,746	3,311,389	179,357
Health	74,660	112,495	111,871	624
Transportation	1,049,194	1,145,014	1,106,434	38,580
Economic opportunity and development	95,600	104,214	82,837	21,377
Culture and recreation	1,282,930	1,354,513	1,311,901	42,612
Home and community services	25,000	25,000	16,372	8,628
Employee benefits	2,889,090	2,818,519	2,696,859	121,660
<b>Debt service:</b>				
Principal	580,318	585,699	621,551	(35,852)
Interest	389,149	466,752	483,774	(17,022)
<b>Total Expenditures</b>	<b>12,501,515</b>	<b>12,603,137</b>	<b>12,084,943</b>	<b>518,194</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(547,874)</b>	<b>(587,694)</b>	<b>(506,962)</b>	<b>80,732</b>
<b>Other Financing Sources (Uses):</b>				
Sale of real property	-	-	-	-
Transfers in	923,419	923,419	615,806	(307,613)
Transfers out	(375,545)	(335,725)	(320,649)	15,076
<b>Total Other Financing Sources</b>	<b>547,874</b>	<b>587,694</b>	<b>295,157</b>	<b>(292,537)</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>(211,805)</b>	<b>(211,805)</b>
Fund Balance - Beginning of Year, as reported	-	-	1,446,792	1,446,792
Prior Period Adjustment	-	-	-	-
Fund Balance - Beginning of Year, as restated	-	-	1,446,792	1,446,792
<b>Fund Balance - End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,234,987</b>	<b>\$ 1,234,987</b>

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 7,723,039	\$ 7,723,039	\$ 7,700,556	\$ (22,483)
320,000	320,000	612,851	292,851
1,420,000	1,420,000	1,453,397	33,397
231,500	231,500	254,524	23,024
2,500	2,500	36,457	33,957
81,250	81,250	82,822	1,572
205,700	205,700	510,568	304,868
150,000	150,000	110,332	(39,668)
129,000	129,000	96,582	(32,418)
394,577	394,577	273,151	(121,426)
39,000	39,000	46,754	7,754
107,250	107,250	455,178	347,928
<u>10,803,816</u>	<u>10,803,816</u>	<u>11,633,172</u>	<u>829,356</u>
2,576,158	2,458,770	2,453,522	5,248
2,982,258	3,229,727	3,069,734	159,993
73,360	83,289	75,588	7,701
931,083	1,294,442	1,289,046	5,396
17,200	19,104	19,104	-
1,098,575	1,235,654	1,224,195	11,459
21,000	7,211	18,663	(11,452)
3,137,300	2,423,273	2,229,199	194,074
570,750	570,750	605,257	(34,507)
331,996	417,460	351,622	65,838
<u>11,739,680</u>	<u>11,739,680</u>	<u>11,335,930</u>	<u>403,750</u>
(935,864)	(935,864)	297,242	1,233,106
-	-	250,000	-
1,033,864	1,033,864	673,564	(360,300)
(98,000)	(98,000)	(225,027)	127,027
<u>935,864</u>	<u>935,864</u>	<u>698,537</u>	<u>(233,273)</u>
-	-	995,779	995,779
-	-	642,045	642,045
-	-	(191,032)	(191,032)
-	-	451,013	451,013
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,446,792</u>	<u>\$ 1,446,792</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES COMPARED TO BUDGET  
YEAR ENDED MAY 31, 2008

(With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
<b>REAL PROPERTY TAXES</b>	\$ 8,327,657	\$ 8,327,657	\$ 8,239,962	\$ (87,695)	\$ 7,700,556
<b>OTHER TAX ITEMS</b>					
Payments in lieu of taxes	299,000	299,000	326,389	27,389	513,281
Interest and penalties on real property taxes	90,000	90,000	141,341	51,341	99,570
<b>NON-PROPERTY TAXES</b>	389,000	389,000	467,730	78,730	612,851
<b>Franchise fees</b>	81,000	81,000	101,620	20,620	87,814
Utilities gross receipts taxes	110,000	110,000	105,874	(4,126)	126,474
Non-property tax distribution from County	1,235,000	1,235,000	1,244,204	9,204	1,239,109
<b>DEPARTMENTAL INCOME</b>	1,426,000	1,426,000	1,451,698	25,698	1,453,397
Clerk - Treasurer fees	12,000	12,000	6,398	(5,602)	10,449
Building department	35,000	35,000	21,025	(13,975)	25,175
Police fees	42,000	42,000	38,710	(3,290)	61,951
Registrar fees	20,000	20,000	29,026	9,026	21,705
Ambulance charges	50,000	50,000	106,665	56,665	34,334
Parks and recreation charges	94,500	94,500	86,617	(7,883)	89,006
Zoning Board fees	8,000	8,000	2,700	(5,300)	5,000
Planning Board fees	90,000	90,000	13,530	(76,470)	6,904
	351,500	351,500	304,671	(46,829)	254,524

INTERGOVERNMENTAL CHARGES

Snow removal fees	12,000	12,000	11,221	(779)	36,457
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USE OF MONEY AND PROPERTY

Earnings on investments	40,000	40,000	117,264	77,264	28,066
Rental of real property	65,000	65,000	62,205	(2,795)	54,756
	105,000	105,000	179,469	74,469	82,822

LICENSES AND PERMITS

Business and occupational licenses	3,000	3,000	11,893	8,893	2,922
Permit fees	644,000	644,000	337,116	(306,884)	507,646

FINES AND FORFEITURES

Fines and forfeited bail	647,000	647,000	349,009	(297,991)	510,568
	130,000	130,000	94,398	(35,602)	110,332

SALE OF PROPERTY AND COMPENSATION FOR LOSS

Minor sales	4,000	4,000	3,327	(673)	100
Sale of equipment	10,000	10,000	3,239	(6,761)	20,000
Insurance recoveries	35,000	35,000	33,494	(1,506)	44,531
Other	25,000	25,000	63,445	38,445	31,951
	74,000	74,000	103,505	29,505	96,582

STATE AID

Per capita	75,484	75,484	67,558	(7,926)	63,577
Mortgage tax	180,000	180,000	130,794	(49,206)	186,486
Consolidated Highway Improvement Program	25,000	25,000	60,805	35,805	17,897
Other	6,000	6,000	4,337	(1,663)	5,191
	286,484	286,484	263,494	(22,990)	273,151

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
<b>FEDERAL AID</b>					
Federal Emergency Management Agency	\$ -	\$ -	\$ 5,250	\$ 5,250	\$ -
COPS grant	-	61,002	21,516	(39,486)	46,754
	-	61,002	26,766	(34,236)	46,754
<b>MISCELLANEOUS</b>					
Gifts and donations	10,000	10,800	1,475	(9,325)	-
Refund of prior year expenditures	50,000	50,000	51,437	1,437	226,710
Other	145,000	145,000	33,146	(111,854)	228,468
	205,000	205,800	86,058	(119,742)	455,178
<b>TOTAL REVENUES</b>	<b>11,953,641</b>	<b>12,015,443</b>	<b>11,577,981</b>	<b>(437,462)</b>	<b>11,633,172</b>
<b>OTHER FINANCING SOURCES</b>					
Sale of real property	-	-	-	-	250,000
Transfers in:					
Parking Fund	216,325	216,325	216,325	-	219,051
Sewer Fund	103,850	103,850	103,850	-	116,950
Water Fund	603,244	603,244	295,631	(307,613)	337,563
	923,419	923,419	615,806	(307,613)	673,564
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>923,419</b>	<b>923,419</b>	<b>615,806</b>	<b>(307,613)</b>	<b>923,564</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$ 12,877,060</b>	<b>\$ 12,938,862</b>	<b>\$ 12,193,787</b>	<b>\$ (745,075)</b>	<b>\$ 12,556,736</b>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES COMPARED TO BUDGET

YEAR ENDED MAY 31, 2008

(With Comparative Actuals for 2007)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
<b>GENERAL GOVERNMENT SUPPORT</b>					
Board of Trustees	\$ 32,000	\$ 33,321	\$ 33,321	\$ -	\$ 30,173
Justice	156,971	156,044	153,868	2,176	141,649
Mayor	29,500	25,025	24,846	179	24,575
Administrator	57,693	147,827	147,771	56	144,311
Auditor	64,000	75,244	70,294	4,950	48,000
Treasurer	203,751	191,033	192,118	(1,085)	214,542
Tax collector	5,000	6,474	6,474	-	4,324
Assessor	25,000	25,000	25,000	-	25,000
Village clerk	101,053	117,681	117,681	-	105,067
Law	227,000	242,181	242,181	-	444,715
Engineer	10,000	10,000	8,624	1,376	10,652
Elections	15,750	15,583	1,540	14,043	11,823
Buildings	349,668	349,717	345,677	4,040	197,638
Central garage	668,967	682,907	682,091	816	753,058
Unallocated insurance	228,000	215,878	215,878	-	225,574
Municipal association dues	8,500	2,270	2,270	-	8,341
Judgments and claims	50,000	50,000	206	49,794	49,787
Taxes and assessments	129,000	129,000	47,115	81,885	14,293
Economic development	20,000	25,000	25,000	-	-
Contingent account	340,000	-	-	-	-
	2,721,853	2,500,185	2,341,955	158,230	2,453,522
<b>PUBLIC SAFETY</b>					
Police	2,940,000	3,001,003	2,864,508	136,495	2,670,483
Jail	2,250	2,250	465	1,785	846
Fire Department	171,900	207,922	207,664	258	150,812
Control of animals	3,360	3,360	3,360	-	3,763
Safety inspection	276,211	276,211	235,392	40,819	243,830
	3,393,721	3,490,746	3,311,389	179,357	3,069,734

HEALTH

Ambulance	50,660	76,958	76,334	624	47,594
Public Health Neighborhood Registrar of Vital Statistics	6,000	6,000	6,000	-	6,500
	18,000	29,537	29,537	-	21,494
	74,660	112,495	111,871	624	75,588

TRANSPORTATION

Street administration	61,633	119,033	117,996	1,037	71,237
Street maintenance	780,561	779,171	765,220	13,951	1,033,647
Snow removal	125,000	132,810	132,810	-	105,761
Street lighting	80,000	112,000	89,961	22,039	77,510
Off-street parking	2,000	2,000	447	1,553	891
	1,049,194	1,145,014	1,106,434	38,580	1,289,046

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Programs for the aging	95,600	104,214	82,837	21,377	19,104
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CULTURE AND RECREATION

Parks, playgrounds and recreation	531,858	578,395	562,163	16,232	542,642
Youth programs	41,118	54,633	54,633	-	50,689
Library	536,630	536,630	536,630	-	499,188
Celebrations	61,000	72,531	63,733	8,798	49,030
Adult recreation	112,324	112,324	94,742	17,582	82,646
	1,282,930	1,354,513	1,311,901	42,612	1,224,195

HOME AND COMMUNITY SERVICES

Planning	15,000	15,000	11,067	3,933	1,211
Refuse and garbage	10,000	10,000	5,305	4,695	17,452
Shade trees	25,000	25,000	16,372	8,628	18,663

(Continued)

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2007 Actual
<b>EMPLOYEE BENEFITS</b>					
State retirement	\$ 731,054	\$ 711,437	\$ 643,659	\$ 67,778	\$ 504,979
Local police welfare fund	32,200	34,831	34,831	-	45,970
Social security	394,888	388,048	373,556	14,492	382,721
Workers' compensation	357,548	272,504	272,504	-	208,629
Life insurance	25,000	23,766	19,529	4,237	18,189
Unemployment benefits	50,000	9,000	8,867	133	27,029
Hospital and medical benefits	1,296,000	1,376,533	1,342,132	34,401	1,033,894
Dental benefits	2,400	2,400	1,781	619	7,788
	<u>2,889,090</u>	<u>2,818,519</u>	<u>2,696,859</u>	<u>121,660</u>	<u>2,229,199</u>
<b>DEBT SERVICE</b>					
Principal:					
Serial bonds	580,318	585,699	585,318	381	570,750
State loan	-	-	36,233	(36,233)	34,507
	<u>580,318</u>	<u>585,699</u>	<u>621,551</u>	<u>(35,852)</u>	<u>605,257</u>
Interest:					
Serial bonds	277,205	352,201	352,963	(762)	291,650
State loan	-	-	18,086	(18,086)	19,811
Bond anticipation notes	111,944	114,551	112,725	1,826	40,161
	<u>389,149</u>	<u>466,752</u>	<u>483,774</u>	<u>(17,022)</u>	<u>351,622</u>
	<u>969,467</u>	<u>1,052,451</u>	<u>1,105,325</u>	<u>(52,874)</u>	<u>956,879</u>
<b>TOTAL EXPENDITURES</b>	<u>12,501,515</u>	<u>12,603,137</u>	<u>12,084,943</u>	<u>518,194</u>	<u>11,335,930</u>

Transfers out:							
Sanitation Fund	92,077	92,077	104,935	(12,858)	127,027		
Capital Projects Fund	283,468	243,648	215,714	27,934	98,000		
	<u>375,545</u>	<u>335,725</u>	<u>320,649</u>	<u>15,076</u>	<u>225,027</u>		
TOTAL OTHER FINANCING USES							
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 12,877,060</u>	<u>\$ 12,938,862</u>	<u>\$ 12,405,592</u>	<u>\$ 533,270</u>	<u>\$ 11,560,957</u>		

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VILLAGE OF SLEEPY HOLLOW, NEW YORK

WATER FUND  
COMPARATIVE BALANCE SHEET  
MAY 31, 2008 AND 2007

	<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash:			
Demand deposits		\$ 86,474	\$ 266,012
Petty cash		50	50
		<u>86,524</u>	<u>266,062</u>
Receivables:			
Water rents		608,578	493,906
Due from other funds		<u>132,086</u>	<u>148,086</u>
		<u>740,664</u>	<u>641,992</u>
Inventories		<u>73,771</u>	<u>32,426</u>
Total Assets		<u>\$ 900,959</u>	<u>\$ 940,480</u>
	<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:			
Accounts payable		\$ 141,925	\$ 127,622
Due to retirement systems		3,500	15,442
Deferred revenues		<u>22,741</u>	<u>22,741</u>
Total Liabilities		<u>168,166</u>	<u>165,805</u>
Fund Balance:			
Reserved for inventories		73,771	32,426
Unreserved:			
Designated for subsequent year's expenditures		347,000	175,000
Unreserved and undesignated		<u>312,022</u>	<u>567,249</u>
Total Fund Balance		<u>732,793</u>	<u>774,675</u>
Total Liabilities and Fund Balance		<u>\$ 900,959</u>	<u>\$ 940,480</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

WATER FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED MAY 31, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 3,141,730	\$ 3,141,730	\$ 2,855,167	\$ (286,563)
Use of money and property	6,000	6,000	2,327	(3,673)
Total Revenues	<u>3,147,730</u>	<u>3,147,730</u>	<u>2,857,494</u>	<u>(290,236)</u>
Expenditures:				
Current:				
General government support	115,000	89,949	89,951	(2)
Home and community services	1,767,792	1,905,443	1,841,829	63,614
Employee benefits	559,359	446,032	426,823	19,209
Debt service:				
Principal	114,682	115,063	114,682	381
Interest	101,540	102,267	107,803	(5,536)
Total Expenditures	<u>2,658,373</u>	<u>2,658,754</u>	<u>2,581,088</u>	<u>77,666</u>
Excess of Revenues Over Expenditures	489,357	488,976	276,406	(212,570)
Other Financing Uses - Transfers out	<u>(664,357)</u>	<u>(663,976)</u>	<u>(318,288)</u>	<u>345,688</u>
Net Change in Fund Balance	(175,000)	(175,000)	(41,882)	133,118
Fund Balance - Beginning of Year	<u>175,000</u>	<u>175,000</u>	<u>774,675</u>	<u>599,675</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 732,793</u>	<u>\$ 732,793</u>

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,680,500	\$ 2,680,500	\$ 2,302,842	\$ (377,658)
5,000	5,000	5,311	311
<u>2,685,500</u>	<u>2,685,500</u>	<u>2,308,153</u>	<u>(377,347)</u>
140,000	93,307	93,307	-
1,293,734	1,450,594	1,414,841	35,753
460,000	349,833	262,983	86,850
109,250	109,250	109,250	-
113,055	113,055	113,055	-
<u>2,116,039</u>	<u>2,116,039</u>	<u>1,993,436</u>	<u>122,603</u>
569,461	569,461	314,717	(254,744)
<u>(569,461)</u>	<u>(569,461)</u>	<u>(337,563)</u>	<u>231,898</u>
-	-	(22,846)	(22,846)
-	-	797,521	797,521
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 774,675</u>	<u>\$ 774,675</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash - Demand deposits	<u>\$ 199,701</u>	<u>\$ 428,638</u>
 <u>LIABILITIES AND FUND DEFICIT</u>  		
Liabilities:		
Accounts payable	\$ -	\$ 520,492
Retainages payable	96,407	69,057
Due to other funds	146,323	81,277
Bond anticipation notes payable	<u>1,126,300</u>	<u>5,580,792</u>
Total Liabilities	1,369,030	6,251,618
Fund Deficit - Unreserved and undesignated	<u>(1,169,329)</u>	<u>(5,822,980)</u>
Total Liabilities and Fund Deficit	<u>\$ 199,701</u>	<u>\$ 428,638</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

	2008	2007
Revenues:		
Use of money and property	\$ -	\$ 39,400
State aid	1,774,429	572,831
Federal aid	-	124,263
Miscellaneous	280,000	10,026
Total Revenues	<u>2,054,429</u>	<u>746,520</u>
Expenditures - Capital outlay	<u>2,988,070</u>	<u>3,276,321</u>
Deficiency of Revenues Over Expenditures	<u>(933,641)</u>	<u>(2,529,801)</u>
Other Financing Sources:		
Bonds issued	5,326,070	-
Transfers in	261,222	98,000
Total Other Financing Sources	<u>5,587,292</u>	<u>98,000</u>
Net Change in Fund Balance	4,653,651	(2,431,801)
Fund Deficit - Beginning of Year	<u>(5,822,980)</u>	<u>(3,391,179)</u>
Fund Deficit - End of Year	<u>\$ (1,169,329)</u>	<u>\$ (5,822,980)</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

	<u>Parking Fund</u>	<u>Sewer Fund</u>	<u>Sanitation Fund</u>	<u>Special Purpose Fund</u>
<u>ASSETS</u>				
Cash - Demand deposits	\$ 6,194	\$ 20,631	\$ 34,369	\$ 553,116
Receivables:				
Accounts	29,515	-	118,551	-
Sewer rents	-	97,120	-	-
Due from other funds	-	-	-	97,137
	<u>29,515</u>	<u>97,120</u>	<u>118,551</u>	<u>97,137</u>
Total Assets	<u>\$ 35,709</u>	<u>\$ 117,751</u>	<u>\$ 152,920</u>	<u>\$ 650,253</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 13,917	\$ -
Due to other funds	-	-	132,086	-
Total Liabilities	-	-	146,003	-
Fund Balances - Unreserved and undesignated	<u>35,709</u>	<u>117,751</u>	<u>6,917</u>	<u>650,253</u>
Total Liabilities and Fund Balances	<u>\$ 35,709</u>	<u>\$ 117,751</u>	<u>\$ 152,920</u>	<u>\$ 650,253</u>

Total Non-Major  
Governmental Funds

2008

2007

\$ 614,310    \$ 119,535

148,066    103,549

97,120    59,001

97,137    609,558

342,323    772,108

\$ 956,633    \$ 891,643

\$ 13,917    \$ 35,425

132,086    148,086

146,003    183,511

810,630    708,132

\$ 956,633    \$ 891,643

VILLAGE OF SLEEPY HOLLOW, NEW YORK

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED MAY 31, 2008  
 (With Comparative Totals for May 31, 2007)

	Parking Fund	Sewer Fund	Sanitation Fund	Special Purpose Fund
Revenues:				
Departmental income	\$ 402,510	\$ 410,991	\$ 335,175	\$ -
Use of money and property	742	11,919	-	15,860
Total Revenues	<u>403,252</u>	<u>422,910</u>	<u>335,175</u>	<u>15,860</u>
Expenditures:				
Current:				
General government support	17,990	17,990	17,990	-
Transportation	67,591	-	-	-
Home and community services	-	129,258	348,187	-
Employee benefits	22,230	104,550	67,016	-
Debt service - interest	40,785	3,021	-	-
Total Expenditures	<u>148,596</u>	<u>254,819</u>	<u>433,193</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>254,656</u>	<u>168,091</u>	<u>(98,018)</u>	<u>15,860</u>
Other Financing Sources (Uses):				
Transfers in	-	-	104,935	-
Transfers out	(235,912)	(107,114)	-	-
Total Other Financing Sources (Uses)	<u>(235,912)</u>	<u>(107,114)</u>	<u>104,935</u>	<u>-</u>
Net Change in Fund Balances	<u>18,744</u>	<u>60,977</u>	<u>6,917</u>	<u>15,860</u>
Fund Balances - Beginning of Year, as reported	16,965	56,774	-	634,393
Prior Period Adjustment	-	-	-	-
Fund Balances - Beginning of Year, as restated	<u>16,965</u>	<u>56,774</u>	<u>-</u>	<u>634,393</u>
Fund Balances - End of Year	<u>\$ 35,709</u>	<u>\$ 117,751</u>	<u>\$ 6,917</u>	<u>\$ 650,253</u>

Total Non-Major  
Governmental Funds

<u>2008</u>	<u>2007</u>
\$ 1,148,676	\$ 1,005,505
<u>28,521</u>	<u>28,345</u>
<u>1,177,197</u>	<u>1,033,850</u>
53,970	56,955
67,591	54,924
477,445	487,129
193,796	135,526
<u>43,806</u>	<u>23,630</u>
<u>836,608</u>	<u>758,164</u>
<u>340,589</u>	<u>275,686</u>
104,935	127,027
<u>(343,026)</u>	<u>(336,001)</u>
<u>(238,091)</u>	<u>(208,974)</u>
<u>102,498</u>	<u>66,712</u>
708,132	627,044
<u>-</u>	<u>14,376</u>
<u>708,132</u>	<u>641,420</u>
<u>\$ 810,630</u>	<u>\$ 708,132</u>

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VILLAGE OF SLEEPY HOLLOW, NEW YORK

PARKING FUND  
 COMPARATIVE BALANCE SHEET  
 MAY 31, 2008 AND 2007

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash - Demand deposits	\$ 6,194	\$ 1,730
Accounts Receivable	<u>29,515</u>	<u>16,965</u>
Total Assets	<u>\$ 35,709</u>	<u>\$ 18,695</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities - Accounts payable	\$ -	\$ 1,730
Fund Balance - Unreserved and undesignated	<u>35,709</u>	<u>16,965</u>
Total Liabilities and Fund Balance	<u>\$ 35,709</u>	<u>\$ 18,695</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

PARKING FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED MAY 31, 2008 AND 2007

	2008			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 382,000	\$ 382,000	\$ 402,510	\$ 20,510
Use of money and property	3,000	3,000	742	(2,258)
Total Revenues	<u>385,000</u>	<u>385,000</u>	<u>403,252</u>	<u>18,252</u>
Expenditures:				
Current:				
General government support	24,000	17,990	17,990	-
Transportation	62,570	80,257	67,591	12,666
Employee benefits	33,214	22,230	22,230	-
Debt service -				
Interest	17,544	40,785	40,785	-
Total Expenditures	<u>137,328</u>	<u>161,262</u>	<u>148,596</u>	<u>12,666</u>
Excess of Revenues Over Expenditures	247,672	223,738	254,656	5,586
Other Financing Uses -				
Transfers out	(247,672)	(223,738)	(235,912)	(12,174)
Net Change in Fund Balance	-	-	18,744	18,744
Fund Balance (Deficit) - Beginning of Year	-	-	16,965	16,965
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,709</u>	<u>\$ 35,709</u>

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 412,000	\$ 412,000	\$ 347,398	\$ (64,602)
3,000	3,000	1,214	(1,786)
<u>415,000</u>	<u>415,000</u>	<u>348,612</u>	<u>(66,388)</u>
37,000	37,000	18,665	-
7,712	7,712	54,924	(47,212)
25,700	25,700	18,607	-
<u>19,685</u>	<u>19,685</u>	<u>19,630</u>	<u>-</u>
<u>90,097</u>	<u>90,097</u>	<u>111,826</u>	<u>(47,212)</u>
324,903	324,903	236,786	(113,600)
<u>(324,903)</u>	<u>(324,903)</u>	<u>(219,051)</u>	<u>105,852</u>
-	-	17,735	17,735
-	-	(770)	(770)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,965</u>	<u>\$ 16,965</u>

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VILLAGE OF SLEEPY HOLLOW, NEW YORK

SEWER FUND  
 COMPARATIVE BALANCE SHEET  
 MAY 31, 2008 AND 2007

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash - Demand deposits	\$ 20,631	\$ 614
Sewer Rents Receivable	<u>97,120</u>	<u>59,001</u>
Total Assets	<u>\$ 117,751</u>	<u>\$ 59,615</u>
 <u>LIABILITIES AND FUND BALANCE</u>  		
Liabilities - Accounts payable	\$ -	\$ 2,841
Fund Balance - Unreserved and undesignated	<u>117,751</u>	<u>56,774</u>
Total Liabilities and Fund Balance	<u>\$ 117,751</u>	<u>\$ 59,615</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

SEWER FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
YEARS ENDED MAY 31, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Departmental income	\$ 377,000	\$ 377,000	\$ 410,991	\$ 33,991
Use of money and property	4,000	4,000	11,919	7,919
Total Revenues	<u>381,000</u>	<u>381,000</u>	<u>422,910</u>	<u>41,910</u>
Expenditures:				
Current:				
General government support	24,000	19,000	17,990	1,010
Home and community services	144,867	137,230	129,258	7,972
Employee benefits	108,283	108,727	104,550	4,177
Debt service - Interest	-	8,929	3,021	5,908
Total Expenditures	<u>277,150</u>	<u>273,886</u>	<u>254,819</u>	<u>19,067</u>
Excess of Revenues Over Expenditures	103,850	107,114	168,091	60,977
Other Financing Uses - Transfers out	<u>(103,850)</u>	<u>(107,114)</u>	<u>(107,114)</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>60,977</u>	<u>60,977</u>
Fund Balance - Beginning of Year, as reported	-	-	56,774	56,774
Prior Period Adjustment	-	-	-	-
Fund Balance - Beginning of Year, as restated	<u>-</u>	<u>-</u>	<u>56,774</u>	<u>56,774</u>
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 117,751</u>	<u>\$ 117,751</u>

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 366,000	\$ 366,000	\$ 336,330	\$ (29,670)
3,000	3,000	2,731	(269)
<u>369,000</u>	<u>369,000</u>	<u>339,061</u>	<u>(29,939)</u>
60,000	28,791	19,582	9,209
131,750	162,959	159,954	3,005
60,300	60,300	42,600	17,700
-	-	-	-
<u>252,050</u>	<u>252,050</u>	<u>222,136</u>	<u>29,914</u>
116,950	116,950	116,925	(25)
<u>(116,950)</u>	<u>(116,950)</u>	<u>(116,950)</u>	<u>-</u>
-	-	(25)	(25)
-	-	42,423	42,423
-	-	14,376	14,376
-	-	56,799	56,799
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,774</u>	<u>\$ 56,774</u>

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VILLAGE OF SLEEPY HOLLOW, NEW YORK

SANITATION FUND  
 COMPARATIVE BALANCE SHEET  
 MAY 31, 2008 AND 2007

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash - Demand deposits	\$ 34,369	\$ 92,356
Accounts Receivable	118,551	86,584
 Total Assets	 <u>\$ 152,920</u>	 <u>\$ 178,940</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 13,917	\$ 30,854
Due to other funds	132,086	148,086
 Total Liabilities	 146,003	 178,940
 Fund Balance - Unreserved and undesignated	 6,917	 -
 Total Liabilities and Fund Balance	 <u>\$ 152,920</u>	 <u>\$ 178,940</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

SANITATION FUND

COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 YEARS ENDED MAY 31, 2008 AND 2007

	2008			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues -				
Departmental income	\$ 340,001	\$ 340,001	\$ 335,175	\$ (4,826)
Expenditures:				
Current:				
General government support	24,000	17,990	17,990	-
Home and community services	323,414	349,659	348,187	1,472
Employee benefits	84,664	67,016	67,016	-
Debt service - Interest	-	-	-	-
Total Expenditures	432,078	434,665	433,193	1,472
Excess (Deficiency) of Revenues Over Expenditures	(92,077)	(94,664)	(98,018)	(3,354)
Other Financing Sources (Uses):				
Transfers in	92,077	94,664	104,935	10,271
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	92,077	94,664	104,935	10,271
Net Change in Fund Balance	-	-	6,917	6,917
Fund Balance (Deficit) - Beginning of Year	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 6,917	\$ 6,917

2007

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 428,000	\$ 428,000	\$ 321,777	\$ (106,223)
5,000	18,708	18,708	-
301,650	330,972	327,175	3,797
94,800	74,320	74,319	1
4,000	4,000	4,000	-
<u>405,450</u>	<u>428,000</u>	<u>424,202</u>	<u>3,798</u>
<u>22,550</u>	<u>-</u>	<u>(102,425)</u>	<u>(102,425)</u>
-	-	127,027	127,027
<u>(22,550)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(22,550)</u>	<u>-</u>	<u>127,027</u>	<u>127,027</u>
-	-	24,602	24,602
-	-	(24,602)	(24,602)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

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	<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
Cash - Demand deposits		\$ 553,116	\$ 24,835
Due from Other Funds		<u>97,137</u>	<u>609,558</u>
Total Assets		<u>\$ 650,253</u>	<u>\$ 634,393</u>
	<u>FUND BALANCE</u>		
Reserved for Trusts		<u>\$ 650,253</u>	<u>\$ 634,393</u>

VILLAGE OF SLEEPY HOLLOW, NEW YORK

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

	<u>2008</u>	<u>2007</u>
Revenues -		
Use of money and property	\$ 15,860	\$ 24,400
Expenditures	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	15,860	24,400
Fund Balance - Beginning of Year	<u>634,393</u>	<u>609,993</u>
Fund Balance - End of Year	<u>\$ 650,253</u>	<u>\$ 634,393</u>

