

Town of Ossining, New York

Financial Statements and
Supplementary Information

Year Ended December 31, 2013

Town of Ossining, New York

Table of Contents

	<u>Page No.</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet - Governmental Funds	16
Reconciliation of Governmental Funds Balance Sheet to the Government-Wide	
Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances -	
Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes	
in Fund Balances of Governmental Funds to the Statement of Activities	21
Statement of Revenues, Expenditures and Changes in Fund Balances -	
Budget and Actual - General, Town Outside Villages, Highway and Special	
Districts Funds	22
Internal Service Fund	
Statement of Net Position	25
Statement of Revenues, Expense and Changes in Net Position	26
Statement of Cash Flows	27
Statement of Assets and Liabilities - Fiduciary Fund	28
Notes to Financial Statements	29
Required Supplementary Information	
Other Post Employment Benefits	
Schedule of Funding Progress - Last Three Fiscal Years	53
Combining and Individual Fund Financial Statements and Schedules	
Major Governmental Funds	
General Fund	
Comparative Balance Sheet	54
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual	55
Schedule of Revenues and Other Financing Sources Compared to Budget	57
Schedule of Expenditures and Other Financing Uses Compared to Budget	60
Town Outside Villages Fund	
Comparative Balance Sheet	63
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual	64
Schedule of Revenues and Other Financing Sources Compared to Budget	66
Schedule of Expenditures and Other Financing Uses Compared to Budget	67
Highway Fund	
Comparative Balance Sheet	70
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual	71

Town of Ossining, New York

Table of Contents (Concluded)

	<u>Page No.</u>
Special Districts Fund	
Combining Balance Sheet - Sub-Funds	73
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Sub-Funds	75
Capital Projects Fund	
Comparative Balance Sheet	77
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	78
Project-Length Schedule	79
Non-Major Governmental Funds	
Combining Balance Sheet	81
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	82
Special Purpose Fund	
Comparative Balance Sheet	83
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	84
Debt Service Fund	
Comparative Balance Sheet	85
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	86
Internal Service Fund - Workers' Compensation Benefits Fund	
Comparative Statement of Net Position	88
Comparative Statement of Revenues, Expense and Changes in Net Position	89
Comparative Statement of Cash Flows	90

Independent Auditors' Report

**The Honorable Supervisor and Town Board
of the Town of Ossining, New York**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Ossining, New York ("Town") as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Town's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Town, as of December 31, 2013, and the respective changes in financial position, and where applicable cash flows, thereof, and the respective budgetary comparison for the General, Town Outside Villages, Highway and Special Districts funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

O'CONNOR DAVIES, LLP

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Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



O'Connor Davies, LLP
Harrison, New York
May 15, 2014

Town of Ossining, New York

Management's Discussion and Analysis (MD&A) December 31, 2013

Introduction

As management of the Town of Ossining, New York ("Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2013. It should be read in conjunction with the basic financial statements, which immediately follow this section, to enhance understanding of the Town's financial performance.

Financial Highlights

- The Town's government-wide financial statements reflect assets exceeding liabilities by \$6,323,840 at the close of the most recent fiscal year, which is an increase of \$496,901 in 2013. A deficit of \$515,713 exists for unrestricted net position, and is reflective of the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34 requiring the accrual of certain operating liabilities which will be satisfied in future years. The Town had significant increases in bond anticipation notes for capital improvements (\$500,000) and other post-employment benefit (OPEB) obligations (\$616,608) which resulted in the reduction of unrestricted net position government-wide.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$5,307,726, of which \$157,827 is nonspendable. Restricted funds total \$312,408 primarily for debt, parklands and trust. Assigned fund balance totals \$3,278,642, of which \$55,173 is assigned for subsequent year's expenditures. Unassigned fund balance for the General Fund totaled \$1,854,064, which was then reduced by \$295,215 for a deficit in the Capital Projects Fund unassigned fund balance reflective of short-term debt funding for the Town water main project.
- At the end of the current fiscal year, unassigned fund balance for the General Fund, \$1,854,064, was 31% of total General Fund expenditures and other financing uses.
- During the current fiscal year, the Town retired \$540,000 of general obligation debt. The Town's total outstanding general obligation bonds payable at December 31, 2013 totaled \$6,285,000.
- Throughout the current fiscal year, the Town retired \$184,327 of short-term capital debt in the form of bond anticipation notes. The Town issued short-term debt (\$500,000), and renewed debt (\$509,656) for capital projects. Short-term obligations totaled \$1,009,656 at the end of the fiscal year.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, real property taxes, earned but unused vacation leave and other post employment benefit (OPEB) obligations).

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

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains seven individual governmental funds: the General Fund, Town Outside Villages Fund, Highway Fund, Special Districts Funds, Capital Projects Fund, Debt Service Fund and Special Purpose Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Town Outside Villages, Highway, Special Districts and Capital

Projects Funds. These funds are considered to be major funds. The Debt Service and Special Purpose funds are not considered major funds and are combined into a single aggregated presentation.

The Town adopts annual budgets for the General Fund, Town Outside Villages Fund, Highway Fund and Special Districts Funds. Budgetary comparison statements have been provided for these funds within the basic financial statements to demonstrate compliance with the respective budgets.

Proprietary Funds

The Town maintains one type of proprietary fund. The Internal Service Fund is used to accumulate and allocate costs internally among the Town's various functions. The Town uses an internal service fund to account for its workers' compensation benefits (the Workers' Compensation Benefits Fund) for claims incurred through December 31, 2008 when the Town was self-insured. The liability for claims incurred prior to January 1, 2009 is recorded in the Internal Service Fund. In 2009, the Town changed its workers' compensation program to a municipal consortium program. These services are now classified as governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Town programs. The Town maintains only one type of fiduciary fund that is known as an agency fund. Resources are held in this fund by the Town purely in a custodial capacity. The activity in this fund is limited to the receipt, temporary investment and remittance of resources to the appropriate individual, organization or government.

The financial statements for the governmental and fiduciary funds can be found in the basic financial statements section of this report.

Notes to the Financial Statements

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

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information for the town's other post employment benefit obligations, the combining statements for the non-major governmental funds and schedules of budget to actual comparisons.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. For the Town, assets exceeded liabilities by \$6,323,840 at the close of the most recent fiscal year.

The following table reflects the condensed Statement of Net Position:

Governmental Activities

	December 31,	
	2013	2012
Current Assets	\$ 53,781,263	\$ 52,019,992
Capital Assets, net	10,264,527	10,411,139
Total Assets	64,045,790	62,431,131
Current Liabilities	47,784,261	46,674,417
Long-term Liabilities	9,937,689	9,929,775
Total Liabilities	57,721,950	56,604,192
NET POSITION		
Net Investment in Capital Assets	4,542,312	3,945,151
Restricted	2,297,241	2,286,781
Unrestricted	(515,713)	(404,993)
Total Net Position	\$ 6,323,840	\$ 5,826,939

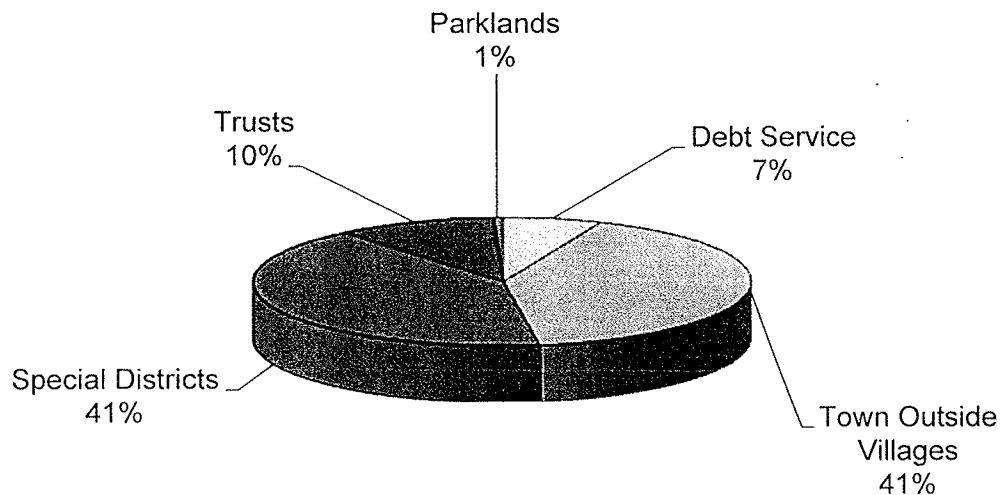
Net Position Distribution

The net position of the Town for the current reporting period includes infrastructure amounts for items such as roads, sewer and drainage acquired or constructed after January, 2004. The current improvements for these infrastructure items are reported in the capital asset section. Although the Town's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the debt.

The restricted net position, of \$2,297,241, represents resources that are subject to external restrictions on their use, or the respective fund that the restricted resources are allocated. In following the guidelines set forth by GASB Statement No. 54, the restricted categories are summarized as follows:

	December 31,	
	2013	2012
Tax Certioraris	-	114,518
Debt Service	146,738	265,884
Town Outside Villages	949,194	661,277
Special Districts	950,507	923,128
Trusts	236,879	281,061
Parklands	13,923	40,913
	<u>\$ 2,297,241</u>	<u>\$ 2,286,781</u>

Restricted Net Position



The remaining balance of unrestricted net position, which is a deficit of \$515,713, must be financed from future operations. This deficit does not mean that the Town does not have resources available to meet its obligations in the ensuing year. Rather, it is the result of having long-term commitments, including certain claims, compensated absences and other post employment benefit obligations that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payments are made.

At the end of the current fiscal year, the Town was able to report positive net position balances for the government as a whole as well as for its governmental activities at fiscal year end.

**Changes in Net Position
December 31,**

	2013	2012
Program Revenues		
Charges for Services	\$ 1,745,810	\$ 1,971,519
Operating Grants and Contributions	468,530	342,044
Capital Grants and Contributions	140,746	111,099
General Revenues		
Real Property Taxes	10,072,911	9,794,694
Other Tax Items	625,729	653,799
Non-Property Taxes	760,451	713,217
Unrestricted Use of Money and Property	21,994	30,625
Sale of Property and Compensation for Loss	67,474	33,116
Unrestricted State Aid	780,141	669,900
Miscellaneous	29,361	36,555
Total Revenues	14,713,147	14,356,568
Program Expenses		
General Government Support	3,969,149	3,805,824
Public Safety	3,616,636	3,741,677
Health	799,190	678,942
Transportation	2,037,275	2,053,630
Economic Opportunity and Development	828,343	767,655
Culture and Recreation	1,381,533	1,226,777
Home and Community Services	1,346,360	1,367,504
Interest	237,760	228,422
Total Expenses	14,216,246	13,870,431
Change in Net Position	496,901	486,137
Net Position - Beginning	5,826,939	5,340,802
Net Position - Ending	\$ 6,323,840	\$ 5,826,939

Governmental Activities

Governmental activities increased the Town's net position during 2013 by \$496,901. For the fiscal year ended December 31, 2013, revenues from governmental activities totaled \$14,713,147. Tax revenues of \$11,459,091, comprised of real property taxes, other tax items and non-property taxes, represented the largest revenue source (78%).

The largest components of governmental activities' expenses were general government support \$3,969,149 (28%), public safety \$3,616,636 (25%), and transportation \$2,037,275 (14%).

The major changes in 2013 vs. 2012 were as follows:

Revenues:

- ❖ The increase in real property taxes resulted from prior year deferred tax revenues of \$389,407 which became current year General Fund tax revenue in 2013. The Town Outside Villages tax rate increased 1.36%, and the Town-Wide Water special district tax rate increased from \$.23018 to \$.46374 per 1000 assessed valuation for debt service payments.
- ❖ Charges for services revenue decreased government-wide 11%, from \$1,971,519 to \$1,745,810, with revenues for home and community services decreasing from \$825,490 to \$677,341 due to reduction in bulk sales of cemetery plots. Public safety service revenue decreased from \$714,023 to \$548,210 due to building permits sales (\$230,770 in 2012 to \$77,407 in 2013). Health revenues increased \$69,552 to \$234,680 in 2013 for Inter-municipal Ambulance Services.
- ❖ Non-property tax distribution from County in the form of sales tax increased by 7% and reflects the positive economic trend.
- ❖ Revenues categorized as operating grants and contributions increased from \$26,227 to \$172,187 at year end with significant increases in transportation for Federal Emergency Management Agency ("FEMA") funding.

Expenses:

- ❖ General government support expenditures in all funds increased by 4%, or \$163,325, overall attributable to Other Post Employment Benefit ("OPEB") obligations which increased 35%, or \$378,644. The Town traffic violations bureau expenses decreased by \$85,938 to \$66,676, and expenses for judgments and claims decreased \$46,456 reflective of the reduction in tax certiorari refunds.
- ❖ Public safety expenses decreased by \$125,041 in 2013, due to reduction of contractual obligations for remaining Police Officers (\$112,450). OPEB obligations decreased 3%, or \$19,785, attributable to the transfer of the police function to the county.
- ❖ An increase of 12% (\$154,756) for culture and recreation resulted from expenditures for personnel (\$15,876), capital improvements (\$62,095), and repair and maintenance (\$30,278), partially ascribed to Hurricane Sandy expenditures for parks recognized in 2013.
- ❖ Health expenditures increased by \$120,248 to \$799,190 due to additional inter-municipal agreements for ambulance services.

Financial Analysis of the Town's Funds

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

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$5,307,726, a net increase of \$1,102,134 from the prior year amount. Nonspendable fund balance totaled \$157,827 at the end of the period. Restricted fund balance of \$312,408 is for debt service (\$61,606), and special purpose trusts (\$250,802). Assigned fund balance for outstanding purchases (\$5,500), subsequent year expenditures (\$55,173) and major funds (\$3,217,969) totaled \$3,278,642. Unassigned fund balance retains a balance of \$1,558,849 comprised of a deficit in short-term financing for capital projects of \$295,215, offsetting the positive unassigned fund balance in the General Fund of \$1,854,064 at year end.

The General Fund is the primary operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,854,064, representing 94% of the total General Fund balance of \$1,968,844. The nonspendable fund balance component is \$109,280 and consists of amounts representing prepaid expenditures. Prepaid expenditures have been established to account for a portion of the New York State retirement payments made in advance. The assigned fund balance classification aggregates \$5,500, for purchases on order at year-end.

The Town Outside Villages Fund contains activity primarily for public safety expenditures, and assigned fund balance at fiscal year end totaled \$1,530,207, representing 99.8% of the total Town Outside Villages Fund balance of \$1,533,292. Prepaid expenditures classified as nonspendable at year end total \$3,085.

The Highway Fund contains activity for transportation expenditures, and assigned fund balance at fiscal year end totaled \$692,204, representing 94% of the total Highway Fund balance amount of \$736,457. Nonspendable fund balance of \$44,253 represents prepaid expenditures.

The Special Districts Fund contains activity for the operation and maintenance of the Town's water, sewer, lighting, fire protection, refuse and garbage and ambulance districts. The assigned fund balance at fiscal year end totaled \$965,599, representing 99.9% of the total Special Districts Fund balance amount of \$966,808. Nonspendable fund balance of \$1,209 represents prepaid expenditures.

General Fund Budgetary Highlights

The General Fund appropriated fund balance of \$114,000 for the 2013 fiscal year for the reclassification of franchise revenues to Town Outside Villages Fund. Actual results of operations resulted in a increase of \$718,233 in total fund balance with an increase of \$790,137 for unassigned fund balance at the close of the fiscal year. Revenues and other financing sources were \$5,895,590, which was \$731,388 higher than the final budget. The major areas where revenues exceeded anticipated budget amounts were Real property taxes (\$2,975,698 vs. \$3,394,925) due to reduced deferred taxes, Other tax items (\$417,650 vs. \$503,833) resulting from increased revenues for property tax penalties, and State aid (\$597,000 vs. \$849,644) representing mortgage tax revenues. Expenditures and other financing uses were \$5,177,357, which was \$157,357 less than the final budget. The major areas where spending was less than budgeted was General Government Support (\$82,473), Economic Opportunity and Development (\$25,588), and Employee Benefits (\$46,082).

The difference between the appropriations originally budgeted and the final appropriation budget for the General Fund was \$185,026 (\$5,149,868 vs. \$5,334,894). The appropriation budgets for culture and recreation increased \$127,744 to fund unanticipated expenditures from Hurricane Sandy, transfers out to capital for projects increased \$87,350, and economic opportunity and development decreased by \$18,932 for reduced expenditures for senior nutrition program.

Town Outside Villages Fund Budgetary Highlights

The Town Outside Villages Fund ("TOV") operations for the fiscal year resulted in an increase to fund balance of \$220,592 due to revenues of \$3,761,029 being higher than expenditures and other financing uses of \$3,540,437.

Actual revenues of \$3,761,029 were higher than the final budget amount of \$3,651,434, an increase of \$109,595. Building permit revenue of \$77,407 exceeded the budget by \$17,407 due to increased building activity, unanticipated revenue for film permits of \$22,600, and sales tax distribution revenues of \$760,451 were higher than budgeted by \$60,451. Expenditures for TOV were lower than budgeted with actual expenditures totaling \$3,540,437. This was a decrease of \$166,856 from the final budget of \$3,707,293. Expenditures showing the largest variance from budget to actual were Public Safety (\$74,416), and General Government Support (\$56,721).

Highway Fund Budgetary Highlights

The Highway Fund's operations for the fiscal year resulted in an increase to fund balance of \$87,523 due to expenditures and other financing uses of \$2,302,570 being less than revenues and other financing sources of \$2,390,093.

Revenues received for the Highway Fund were higher than budgeted with actual revenues and other financing sources totaling \$2,390,093, which was an increase of \$109,067 from the final budget amount of \$2,281,026. Actual expenditures and other financing uses for the fiscal year were \$2,302,570. This was a decrease of \$196,165 from the final budget of \$2,498,735. Actual results of operations resulted in increased expenditures for snow services (\$14,715) and decreased expenditures for employee benefits (\$86,052) and unallocated contingency (\$40,274). Actual revenues exceeded the final budget for Hurricane Sandy Federal aid (\$159,006), and insurance recoveries (\$4,718).

Capital Assets and Indebtedness

The Town's net investment in capital assets for its governmental activities as of December 31, 2013, amounted to \$10,264,527 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction-in-progress.

**Town of Ossining Capital Assets
(Net of Depreciation)**

	2013	2012
Land	\$ 1,360,073	\$ 1,360,073
Buildings and Improvements	4,989,688	5,185,511
Machinery and Equipment	580,400	700,351
Infrastructure	2,682,185	2,771,858
Construction-in-Progress	652,181	393,346
	<u>\$ 10,264,527</u>	<u>\$ 10,411,139</u>

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Amounts expended resulted in an increase to construction-in-progress (\$258,835), and decreases to buildings and improvements (\$195,821), machinery and equipment (\$119,953), and infrastructure (\$89,673). These items resulted in a net decrease of \$146,612 in capital assets, net of accumulated depreciation.
- The Old Albany Post Road restoration project expenses totaled \$124,717 and remains as construction-in-progress (CIP). CIP increased for Cedar Lane and Stormytown Water Mains (\$13,912) to \$392,643, building improvements for Croton Avenue (\$39,695) and Shine House (\$55,550) increased CIP to \$652,181. Equipment purchases increased machinery and equipment capital assets \$68,827 at year end.

Additional information on the Town's capital assets can be found in Note 3,C of this report.

Long-Term / Short-Term Indebtedness

At the end of the current fiscal year, the Town had total bonded indebtedness of \$6,285,000 classified as long-term debt. The Town paid \$540,000 in principal on outstanding obligations and issued no additional long-term debt during the fiscal year. As required by New York State Law, all bonds issued by the Town are general obligation bonds, backed by the full faith and credit of the Town.

Short-term debt for the Town totaled \$1,009,656 in the form of bond anticipation notes (BAN's). The Town redeemed \$184,327 of short-term debt, and renewed various BAN's totaling \$509,656 which mature in 2014. The Town also issued new BAN's totaling \$500,000 for Old Albany Post Road capital improvements.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which a Town may incur. The State Constitution provides that the Town may not contract indebtedness in any amount greater than seven percent of the average full value of taxable real property in the Town for the most recent five years. Certain indebtedness is excluded in ascertaining the Town's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt", may be issued without regard to the constitutional limits and without affecting the Town's authority to issue debt subject to the limit. The Town had used \$6,058,333, or 1.71%, of the constitutional debt limit leaving \$347,597,398 remaining to be used when the constitutional debt limit was calculated in September 2012.

Additional information on the Town's long-term debt can be found in Note 3G of this report.

Subsequent Event – Sale of Town-Owned Real Estate and Building

As disclosed in the notes to financial statements, the Town sold the former public safety building and land located at 507 North State Road, for \$1,475,000, which was less than the amount of outstanding bonds of \$2,559,000 on the original building construction project and purchase of land. The appraisal that the Town obtained put the sale value at up to \$1,600,000, and noted that this was a specialty building that was constructed for the sole purpose of being a police station. Consequently, some of the costs associated with the original construction (for instance, the holding cells and other security features, and radio/communications equipment) may not be of substantial value to a potential purchaser. In addition, the building was completed in 2005, before the recent recession and downturn in the national economy and resulting drop in real estate values.

In June 2014, The Town intends to use the \$1,475,000 sale proceeds and \$235,000 of accumulated fund balance in the Town Outside Villages Fund to retire 2003 series public improvement serial bonds of \$1,710,000 that become callable. This move is estimated to save the Town approximately \$354,000 in bond interest costs that would have been otherwise paid through 2023. The remaining \$37,000 balance from the 2003 serial bond will be paid in 2018. In addition, as of December 31, 2013, the 2007 series public improvement serial bonds included \$626,000 due on the former public safety building. The Town will continue to make the required annual debt service payments on this serial bond, and anticipates redeeming the remaining bond balance of \$456,000 attributable to the public safety building when it becomes callable in 2017, resulting in an additional interest savings of \$105,390 that would have been otherwise paid through 2027.

Requests for Information

This financial report is designed to provide a general overview of the Town of Ossining, New York's finances for all those with an interest in those finances. Questions and comments concerning any of the information provided in this report should be addressed to Dale M. Ferreira, 16 Croton Avenue, Ossining, New York 10562.

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Town of Ossining, New York

Statement of Net Position

December 31, 2013

	<u>Governmental Activities</u>
ASSETS	
Cash and equivalents	\$ 19,621,739
Investments	32,824
Receivables	
Taxes, net	33,424,814
Accounts	142,481
State and Federal aid	23,354
Due from other governments	378,224
Prepaid expenses	157,827
Capital assets	
Not being depreciated	2,012,254
Being depreciated, net	<u>8,252,273</u>
Total Assets	<u>64,045,790</u>
LIABILITIES	
Accounts payable	1,346,887
Accrued liabilities	166,316
Due to school districts	45,190,007
Unearned revenues	18,115
Bond anticipation notes payable	1,009,656
Accrued interest payable	53,280
Non-current liabilities	
Due within one year	557,500
Due in more than one year	<u>9,380,189</u>
Total Liabilities	<u>57,721,950</u>
NET POSITION	
Net investment in capital assets	4,542,312
Restricted for	
Debt service	146,738
Town outside villages	949,194
Special Districts	
Water	18,441
Sewer	649,725
Lighting	23,681
Fire	50,437
Refuse	183,227
Ambulance	24,996
Trusts	236,879
Parklands	13,923
Unrestricted	<u>(515,713)</u>
Total Net Position	<u><u>\$ 6,323,840</u></u>

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

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Town of Ossining, New York

Statement of Activities

Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government support	\$ 3,969,149	\$ 279,764	\$ 30,933	\$ -	\$ (3,658,452)
Public safety	3,616,636	548,210	89,290	-	(2,979,136)
Health	799,190	234,680	242	-	(564,268)
Transportation	2,037,275	5,815	172,187	126,983	(1,732,290)
Economic opportunity and development	828,343	-	164,956	-	(663,387)
Culture and recreation	1,381,533	-	-	-	(1,381,533)
Home and community services	1,346,360	677,341	10,922	13,051	(645,046)
Interest	237,760	-	-	712	(237,048)
Total Governmental Activities	\$ 14,216,246	\$ 1,745,810	\$ 468,530	\$ 140,746	(11,861,160)
General revenues					
Real property taxes					10,072,911
Other tax items					
Franchise fees					121,198
Payments in lieu of taxes					17,699
Interest and penalties on real property taxes					486,832
Non-property taxes					
Non-property tax distribution from County					760,451
Unrestricted use of money and property					21,994
Sale of property and compensation for loss					67,474
Unrestricted State aid					780,141
Miscellaneous					29,361
Total General Revenues					12,358,061
Change in Net Position					496,901
Net Position - Beginning					5,826,939
Net Position - Ending					\$ 6,323,840

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

Town of Ossining, New York

Balance Sheet
Governmental Funds
December 31, 2013

	General	Town Outside Villages	Highway	Special Districts
ASSETS				
Cash and equivalents	\$ 14,308,968	\$ 2,457,937	\$ 754,052	\$ 1,125,094
Investments	-	-	-	-
Taxes receivable, net of allowance for uncollectible taxes	33,424,814	-	-	-
Other receivables				
Accounts	84,953	55,528	2,000	-
State and Federal aid	16,893	-	-	-
Due from other governments	168,336	196,862	6,008	5,686
Due from other funds	1,304	179	3,197	87
	271,486	252,569	11,205	5,773
Prepaid expenditures	109,280	3,085	44,253	1,209
Total Assets	<u>\$ 48,114,548</u>	<u>\$ 2,713,591</u>	<u>\$ 809,510</u>	<u>\$ 1,132,076</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities				
Accounts payable	\$ 103,213	\$ 1,147,944	\$ 38,270	\$ 45,491
Accrued liabilities	131,516	947	33,853	-
Due to school districts	45,190,007	-	-	-
Due to other funds	13,873	31,408	930	119,777
Unearned revenues	-	-	-	-
Bond anticipation notes payable	-	-	-	-
Total Liabilities	45,438,609	1,180,299	73,053	165,268
Deferred inflows of resources				
Deferred tax revenues	707,095	-	-	-
Total Liabilities and Deferred Inflows of Resources	46,145,704	1,180,299	73,053	165,268
Fund balances (deficits)				
Nonspendable	109,280	3,085	44,253	1,209
Restricted	-	-	-	-
Assigned	5,500	1,530,207	692,204	965,599
Unassigned	1,854,064	-	-	-
Total Fund Balances (Deficits)	1,968,844	1,533,292	736,457	966,808
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)	<u>\$ 48,114,548</u>	<u>\$ 2,713,591</u>	<u>\$ 809,510</u>	<u>\$ 1,132,076</u>

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

Capital Projects	Other Governmental	Total Governmental Funds
\$ 703,195	\$ 269,371	\$ 19,618,617
-	32,824	32,824
-	-	33,424,814
-	-	142,481
6,461	-	23,354
-	1,332	378,224
41,550	149,914	196,231
48,011	151,246	740,290
-	-	157,827
<u>\$ 751,206</u>	<u>\$ 453,441</u>	<u>\$ 53,974,372</u>
\$ 6,664	\$ 5,305	\$ 1,346,887
-	-	166,316
-	-	45,190,007
30,101	32,481	228,570
-	18,115	18,115
1,009,656	-	1,009,656
1,046,421	55,901	47,959,551
-	-	707,095
1,046,421	55,901	48,666,646
-	-	157,827
-	312,408	312,408
-	85,132	3,278,642
(295,215)	-	1,558,849
(295,215)	397,540	5,307,726
<u>\$ 751,206</u>	<u>\$ 453,441</u>	<u>\$ 53,974,372</u>

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Town of Ossining, New York

Reconciliation of Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position December 31, 2013

Fund Balances - Total Governmental Funds	\$ 5,307,726
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	10,264,527
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	707,095
Long-term liabilities that are not due and payable in the current period are not reported in the funds.	
Accrued interest payable	(53,280)
Bonds payable	(6,285,000)
Compensated absences	(39,543)
Other post employment benefit obligations payable	(3,577,685)
	(9,955,508)
Net Position of Governmental Activities	\$ 6,323,840

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

Town of Ossining, New York

Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2013

	General	Town Outside Villages	Highway	Special Districts
REVENUES				
Real property taxes	\$ 3,394,925	\$ 2,740,907	\$ 2,178,523	\$ 2,147,963
Other tax items	503,833	121,198	-	698
Non-property taxes	-	760,451	-	-
Departmental income	39,953	101,857	5,815	174,380
Intergovernmental charges	420,387	-	-	234,680
Use of money and property	43,284	6,278	1,518	2,438
Licenses and permits	3,438	22,600	-	-
Fines and forfeitures	226,274	-	-	-
Sale of property and compensation for loss	67,474	4,455	947	-
State aid	849,644	-	-	-
Federal aid	140,895	-	159,006	-
Miscellaneous	90,029	3,283	10,640	-
Total Revenues	5,780,136	3,761,029	2,356,449	2,560,159
EXPENDITURES				
Current				
General government support	2,230,325	229,435	152,623	105,675
Public safety	-	2,628,744	-	604,006
Health	-	-	-	799,190
Transportation	-	-	1,256,319	68,616
Economic opportunity and development	533,534	-	-	-
Culture and recreation	985,781	-	-	-
Home and community services	-	25,889	-	764,576
Employee benefits	1,201,989	312,217	510,125	-
Debt service				
Principal	-	-	-	-
Interest	-	-	1,921	3,420
Capital outlay	-	-	-	-
Total Expenditures	4,951,629	3,196,285	1,920,988	2,345,483
Excess (Deficiency) of Revenues Over Expenditures	828,507	564,744	435,461	214,676
OTHER FINANCING SOURCES (USES)				
Transfers in	115,454	-	33,644	87,000
Transfers out	(225,728)	(344,152)	(381,582)	(301,345)
Total Other Financing Sources (Uses)	(110,274)	(344,152)	(347,938)	(214,345)
Net Change in Fund Balances	718,233	220,592	87,523	331
FUND BALANCES (DEFICITS)				
Beginning of Year	1,250,611	1,312,700	648,934	966,477
End of Year	\$ 1,968,844	\$ 1,533,292	\$ 736,457	\$ 966,808

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

Capital Projects	Other Governmental	Total Governmental Funds
\$ -	\$ -	\$ 10,462,318
-	-	625,729
-	-	760,451
-	497,836	819,841
-	-	655,067
-	6,781	60,299
-	-	26,038
-	-	226,274
-	-	72,876
28,224	-	877,868
98,759	13,051	411,711
-	130	104,082
126,983	517,798	15,102,554
-	-	2,718,058
-	-	3,232,750
-	-	799,190
-	-	1,324,935
-	-	533,534
-	-	985,781
-	560,258	1,350,723
-	-	2,024,331
-	540,000	540,000
-	226,131	231,472
259,646	-	259,646
259,646	1,326,389	14,000,420
(132,663)	(808,591)	1,102,134
514,677	882,371	1,633,146
(116,241)	(264,098)	(1,633,146)
398,436	618,273	-
265,773	(190,318)	1,102,134
(560,988)	587,858	4,205,592
\$ (295,215)	\$ 397,540	\$ 5,307,726

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Town of Ossining, New York

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended December 31, 2013

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

Net Change in Fund Balances - Total Governmental Funds	\$ 1,102,134
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount may be less than total capital outlay since capital outlay includes amounts that are under the capitalization threshold. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital outlay expenditures	327,662
Depreciation expense	(474,274)
	<u>(146,612)</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>(389,407)</u>
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Debt proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal paid on serial bonds	<u>540,000</u>
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest	(6,288)
Compensated absences	13,682
Other post employment benefit obligations	<u>(616,608)</u>
	<u>(609,214)</u>

Change in Net Position of Governmental Activities	<u>\$ 496,901</u>
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The notes to the financial statements are an integral part of this statement.

Town of Ossining, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
General, Town Outside Villages, Highway and Special Districts Funds
Year Ended December 31, 2013

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 2,980,852	\$ 2,975,689	\$ 3,394,925	\$ 419,236
Other tax items	417,650	417,650	503,833	86,183
Non-property taxes	-	-	-	-
Departmental income	25,800	25,800	39,953	14,153
Intergovernmental charges	433,174	433,173	420,387	(12,786)
Use of money and property	60,800	60,800	43,284	(17,516)
Licenses and permits	2,500	2,500	3,438	938
Fines and forfeitures	225,000	225,000	226,274	1,274
Sale of property and compensation for loss	-	51,200	67,474	16,274
State aid	597,000	597,000	849,644	252,644
Federal aid	73,400	151,647	140,895	(10,752)
Miscellaneous	103,000	107,051	90,029	(17,022)
Total Revenues	4,919,176	5,047,510	5,780,136	732,626
EXPENDITURES				
Current				
General government support	2,322,708	2,312,798	2,230,325	82,473
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	-	-	-	-
Economic opportunity and development	578,054	559,122	533,534	25,588
Culture and recreation	861,429	989,173	985,781	3,392
Home and community services	-	-	-	-
Employee benefits	1,249,297	1,248,071	1,201,989	46,082
Debt service				
Interest	-	-	-	-
Total Expenditures	5,011,488	5,109,164	4,951,629	157,535
Excess (Deficiency) of Revenues Over Expenditures	(92,312)	(61,654)	828,507	890,161
OTHER FINANCING USES				
Transfers in	116,692	116,692	115,454	(1,238)
Transfers out	(138,380)	(225,730)	(225,728)	2
Total Other Financing Uses	(21,688)	(109,038)	(110,274)	(1,236)
Net Change in Fund Balances	(114,000)	(170,692)	718,233	888,925
FUND BALANCES				
Beginning of Year	114,000	170,692	1,250,611	1,079,919
End of Year	\$ -	\$ -	\$ 1,968,844	\$ 1,968,844

Town Outside Villages Fund				Highway Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,752,011	\$ 2,743,334	\$ 2,740,907	\$ (2,427)	\$ 2,187,348	\$ 2,180,452	\$ 2,178,523	\$ (1,929)
114,000	114,000	121,198	7,198	-	-	-	-
700,000	700,000	760,451	60,451	-	-	-	-
79,300	80,100	101,857	21,757	5,550	5,550	5,815	265
-	-	-	-	-	-	-	-
9,000	9,000	6,278	(2,722)	5,000	5,000	1,518	(3,482)
-	-	22,600	22,600	-	-	-	-
-	-	-	-	-	-	-	-
-	-	4,455	4,455	-	-	947	947
-	-	-	-	-	-	-	-
-	-	-	-	-	50,880	159,006	108,126
5,000	5,000	3,283	(1,717)	5,500	5,500	10,640	5,140
3,659,311	3,651,434	3,761,029	109,595	2,203,398	2,247,382	2,356,449	109,067
300,692	286,156	229,435	56,721	189,945	204,227	152,623	51,604
2,648,693	2,703,160	2,628,744	74,416	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,242,332	1,314,824	1,256,319	58,505
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
51,160	49,760	25,889	23,871	-	-	-	-
314,612	324,063	312,217	11,846	616,259	596,177	510,125	86,052
-	-	-	-	1,921	1,921	1,921	-
3,315,157	3,363,139	3,196,285	166,854	2,050,457	2,117,149	1,920,988	196,161
344,154	288,295	564,744	276,449	152,941	130,233	435,461	305,228
-	-	-	-	-	33,644	33,644	-
(344,154)	(344,154)	(344,152)	2	(152,941)	(381,586)	(381,582)	4
(344,154)	(344,154)	(344,152)	2	(152,941)	(347,942)	(347,938)	4
-	(55,859)	220,592	276,451	-	(217,709)	87,523	305,232
-	55,859	1,312,700	1,256,841	-	217,709	648,934	431,225
\$ -	\$ -	\$ 1,533,292	\$ 1,533,292	\$ -	\$ -	\$ 736,457	\$ 736,457

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Town of Ossining, New York

Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual (Continued)
General, Town Outside Villages, Highway and Special Districts Funds
Year Ended December 31, 2013

	Special Districts Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Real property taxes	\$ 2,156,552	\$ 2,147,372	\$ 2,147,963	\$ 591
Other tax items	610	610	698	88
Non-property taxes	-	-	-	-
Departmental income	165,920	165,920	174,380	8,460
Intergovernmental charges	-	210,063	234,680	24,617
Use of money and property	7,000	7,000	2,438	(4,562)
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Sale of property and compensation for loss	-	-	-	-
State aid	-	-	-	-
Federal aid	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	2,330,082	2,530,965	2,560,159	29,194
EXPENDITURES				
Current				
General government support	73,320	112,203	105,675	6,528
Public safety	604,007	604,007	604,006	1
Health	589,128	799,191	799,190	1
Transportation	63,000	68,616	68,616	-
Economic opportunity and development	-	-	-	-
Culture and recreation	-	-	-	-
Home and community services	864,548	862,485	764,576	97,909
Employee benefits	-	-	-	-
Debt service				
Interest	3,420	3,420	3,420	-
Total Expenditures	2,197,423	2,449,922	2,345,483	104,439
Excess (Deficiency) of Revenues Over Expenditures	132,659	81,043	214,676	133,633
OTHER FINANCING SOURCES (USES)				
Transfers in	55,132	130,132	87,000	(43,132)
Transfers out	(206,359)	(301,359)	(301,345)	14
Total Other Financing Uses	(151,227)	(171,227)	(214,345)	(43,118)
Net Change in Fund Balances	(18,568)	(90,184)	331	90,515
FUND BALANCES				
Beginning of Year	18,568	90,184	966,477	876,293
End of Year	\$ -	\$ -	\$ 966,808	\$ 966,808

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

Town of Ossining, New York

Statement of Net Position

Internal Service Fund - Workers' Compensation Benefits Fund

December 31, 2013

	Governmental Activities Internal Service Fund
ASSETS	
Cash and equivalents	\$ 3,122
Due from other funds	<u>32,339</u>
Total Assets	<u>35,461</u>
LIABILITIES	
Current liabilities	
Current portion of claims payable	3,500
Claims payable, less current portion	<u>31,961</u>
Total Liabilities	<u>\$ 35,461</u>

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

Town of Ossining, New York

Statement of Revenues, Expenses and Changes

in Net Position

Internal Service Fund - Workers' Compensation Benefits Fund

Year Ended December 31, 2013

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Departmental charges	\$ 14,433
OPERATING EXPENSES	
Employee benefits	14,433
Income from Operations	-
NET POSITION	
Beginning of Year	-
End of Year	\$ -

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

Town of Ossining, New York

Statement of Cash Flows

Internal Service Fund - Workers' Compensation Benefits Fund

Year Ended December 31, 2013

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from departmental charges	\$ 69,445
Cash payments to insurance carriers, claimants and other	<u>(69,445)</u>
Net Cash from Operating Activities	-
CASH AND EQUIVALENTS	
Beginning of Year	<u>3,122</u>
End of Year	<u><u>\$ 3,122</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES	
Income from operations	\$ -
Adjustments to reconcile income from operations to net cash from operating activities	
Changes in operating assets and liabilities	
Due from other funds	55,012
Claims payable	<u>(55,012)</u>
Net Cash from Operating Activities	<u><u>\$ -</u></u>

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

Town of Ossining, New York

Statement of Assets and Liabilities

Fiduciary Fund

December 31, 2013

	<u>Agency</u>
ASSETS	
Cash and equivalents	\$ 45,083
Accounts receivable	<u>5,312</u>
 Total Assets	 <u><u>\$ 50,395</u></u>
 LIABILITIES	
Accounts payable	\$ 10,350
Deposits	<u>40,045</u>
 Total Liabilities	 <u><u>\$ 50,395</u></u>

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

Note 1 - Summary of Significant Accounting Policies

The Town of Ossining, New York ("Town") was established in 1845 and operates in accordance with Town Law and the various other applicable laws of the State of New York. The Town Board is the legislative body responsible for overall operation. The Town Supervisor serves as both the chief executive and chief financial officer. The Town 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 Town conform to generally accepted accounting principles as applicable to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Town's more significant accounting policies:

A. Financial Reporting Entity

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

In evaluating how to define the Town, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the Town'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 Town's reporting entity.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Town 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 Position presents the financial position of the Town 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 Town does not allocate indirect expenses to functions in the Statement of Activities.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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

C. Fund Financial Statements

The accounts of the Town 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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The Town 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. Proprietary and 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 pages following, which briefly explain the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The Town's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

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

General Fund - The General Fund constitutes the primary operating fund of the Town and is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for specified purposes other than debt service or capital projects. The major special revenue funds of the Town are as follows:

Town Outside Villages Fund - The Town Outside Villages Fund is used to account for transactions which by statute affect only those areas outside the boundaries of the villages located within the Town. The major revenues of this fund are real property taxes and non-property taxes.

Note 1 - Summary of Significant Accounting Policies (Continued)

Highway Fund - The Highway Fund is used to account for road and bridge maintenance and improvements as defined in the Highway Law of the State of New York. The major revenue of this fund is real property taxes.

Special Districts Fund - The Special Districts Fund is provided to account for the operation and maintenance of the Town's water, sewer, lighting, fire protection, refuse and garbage and ambulance districts. The major revenue of this fund is real property taxes.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

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

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

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

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

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

Deposits, Investments and Risk Disclosure

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

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

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The Town 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

Note 1 - Summary of Significant Accounting Policies (Continued)

include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

Custodial credit risk is the risk that in the event of a bank failure, the Town'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 or collateralized by securities held by the pledging financial institution's trust department but not in the Town's name. The Town's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2013.

Investments - All investments are stated at fair value. Investments consist of certificates of deposits which are fixed rate investments maturing in more than three months and are secured by FDIC coverage and collateral is posted by the respective depository.

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

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

The Town functions in both a fiduciary and guarantor relationship with the County of Westchester and the various school districts located within the Town with respect to the collection and payment of real property taxes levied by such jurisdictions. County taxes are included in the Town's levy and are payable without penalty for thirty days. The County Charter provides for the Town to collect County and school districts taxes and remit them as collected to the respective municipality. However, the Town must remit to the County sixty percent of the amount levied by May 25th and the balance of forty percent on October 15th. With respect to school districts taxes, the Charter provides that the Town satisfy the warrant of each school district by April 5th. Thus, the Town's fiduciary responsibility is from the date of the levy until the due date of the respective tax warrant at which time the Town must satisfy its obligation to the municipalities regardless of the amounts collected. The County tax warrant is due in October and uncollected County taxes have been accounted for in a manner similar to Town taxes. The collection of school districts taxes is deemed a financing transaction until the warrants are satisfied.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Due From/To Other Funds - During the course of its operations, the Town has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2013, balances of interfund amounts receivable or payable have been recorded in the fund financial statements.

Inventory - There are no inventory values presented in the balance sheets of the respective funds of the Town. Purchases of inventorable items at various locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement, insurance and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

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 Town 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. Infrastructure assets consist of assets that were acquired or constructed subsequent to January 1, 2004.

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 and equipment of the Town are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings and improvements	20-50
Machinery and equipment	5-10
Infrastructure	20-50

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 funds balance sheet.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The Town has reported unearned revenues of \$18,115 for payments received in advance in the Special Purpose Fund. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources - In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Town has reported deferred inflows of resources of \$707,095 for real property taxes in the General Fund. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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 Position. Bond premiums and discounts 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 expended as incurred.

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 the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Position - Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position on the Statement of Net Position includes, net investment in capital assets, restricted for debt service, town outside villages, special districts, trusts and parklands. The balance is classified as unrestricted.

Fund Balances - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Town Board is the highest level of decision making authority for the Town that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Town removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Town Board.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the Town Board for amounts assigned for balancing the subsequent year's budget or the Town Comptroller for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Note 1 - Summary of Significant Accounting Policies (Continued)

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the Town's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the Town's policy to use fund balance in the following order: committed, assigned and unassigned.

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, Town Outside Villages, Highway and Special Districts funds. Encumbrances outstanding at year-end are generally reported as assigned 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, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which is May 15, 2014.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

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

- a) Prior to October 20th, the head of each administrative unit shall submit to the budget officer an estimate of revenues and expenditures for such administrative unit for the ensuing year.

Note 2 - Stewardship, Compliance and Accountability (Continued)

- b) The budget officer, upon completion of the review of the estimates, shall prepare a tentative budget and file such budget in the office of the Town Clerk on or before October 30th.
- c) On or before November 10th, the Town Clerk shall present the tentative budget to the Town Board.
- d) The Town Board shall review the tentative budget and may make such changes, alterations and revisions as it shall consider advisable and which are consistent with law. Upon completion of such review, the tentative budget and any modifications as approved by the Town Board shall become the preliminary budget.
- e) On or before December 10th, the Town Board shall hold a public hearing on the preliminary budget.
- f) After the public hearing, the Town Board may further change, alter and revise the preliminary budget subject to provisions of the law.
- g) The preliminary budget as submitted or amended shall be adopted by resolution no later than December 20th.
- h) Formal budgetary integration is employed during the year as a management control device for General, Town Outside Villages, Highway, Special Districts and Debt Service funds.
- i) Budgets for General, Town Outside Villages, Highway, Special Districts and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Proprietary or Special Purpose funds.
- j) The Town Board has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Town Board. Any modification to appropriations resulting from an increase in revenue estimates or supplemental reserve appropriations also require a majority vote by the Town Board.
- k) Appropriations in General, Town Outside Villages, Highway, Special Districts and Debt Service funds lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted or as amended by the Town Board.

B. Property Tax Limitation

The Town is not limited as to the maximum amount of real property taxes which may be raised. However, on June 24, 2011, the Governor signed Chapter 97 of the Laws of 2011 ("Tax Levy Limitation Law"). This applies to all local governments.

Note 2 - Stewardship, Compliance and Accountability (Continued)

The Tax Levy Limitation Law restricts the amount of real property taxes that may be levied by a Town in a particular year, beginning with the 2012 year. It expires on June 16, 2016.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the Town to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the 20 National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The Town is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the Town, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the Town. The Town Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Town Board first enacts, by a vote of at least sixty percent of the total voting power of the Town Board, a local law to override such limit for such coming fiscal year.

C. Application of Accounting Standards

For the year ended December 31, 2013, the Town implemented GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities"*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows/inflows of resources, certain items that were previously reported as assets and liabilities. This statement also recognizes as outflows of resources (expenses or expenditures) or inflows of resources (revenues), certain items that were previously reported as assets and liabilities.

D. Capital Projects Fund Deficit

The unassigned deficit in the Capital Projects Fund of \$295,215 arises 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 bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds

A. Taxes Receivable

Taxes receivable at December 31, 2013 consisted of the following:

Town and County taxes - Current	\$	286,593
School districts taxes - Current		31,898,376
Taxes receivable - Overdue		1,239,845
Property acquired for taxes		<u>38,148</u>
		33,462,962
Allowance for uncollectible taxes		<u>(38,148)</u>
	\$	<u>33,424,814</u>

School districts taxes are offset by liabilities to the school districts which will be paid no later than April 5, 2014. Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of \$707,095, which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

B. Due From/To Other Funds

The balances reflected as due from/to other funds at December 31, 2013 were as follows:

Fund	Due From	Due To
General	\$ 1,304	\$ 13,873
Town Outside Villages	179	31,408
Highway	3,197	930
Special Districts	87	119,777
Capital Projects	41,550	30,101
Non-Major Governmental	149,914	32,481
Internal Service - Workers' Compensation Benefits	<u>32,339</u>	<u>-</u>
	<u>\$ 228,570</u>	<u>\$ 228,570</u>

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

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

C. Capital Assets

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

	Balance January 1, 2013	Additions	Balance December 31, 2013
Capital Assets, not being depreciated			
Land	\$ 1,360,073	\$ -	\$ 1,360,073
Construction-in-Progress	393,346	258,835	652,181
Total Capital Assets, not being depreciated	<u>\$ 1,753,419</u>	<u>\$ 258,835</u>	<u>\$ 2,012,254</u>
Capital Assets, being depreciated			
Buildings and Improvements	\$ 7,027,692	\$ -	\$ 7,027,692
Machinery and Equipment	3,129,716	68,827	3,198,543
Infrastructure	3,022,026	-	3,022,026
Total Capital Assets, being depreciated	<u>13,179,434</u>	<u>68,827</u>	<u>13,248,261</u>
Less Accumulated Depreciation for			
Buildings and Improvements	1,842,181	195,823	2,038,004
Machinery and Equipment	2,429,365	188,778	2,618,143
Infrastructure	250,168	89,673	339,841
Total Accumulated Depreciation	<u>4,521,714</u>	<u>474,274</u>	<u>4,995,988</u>
Total Capital Assets, being depreciated, net	<u>\$ 8,657,720</u>	<u>\$ (405,447)</u>	<u>\$ 8,252,273</u>
Capital Assets, net	<u>\$ 10,411,139</u>	<u>\$ (146,612)</u>	<u>\$ 10,264,527</u>

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

Governmental Activities:	
General Government Support	\$ 50,473
Public Safety	91,614
Transportation	141,996
Economic Opportunity and Development	4,659
Culture and Recreation	121,879
Home and Community Services	<u>63,653</u>
Total Depreciation Expense	<u>\$ 474,274</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

D. Accrued Liabilities

Accrued liabilities at December 31, 2013 were as follows:

	<u>Fund</u>			
	<u>General</u>	<u>Town Outside Villages</u>	<u>Highway</u>	<u>Total</u>
Payroll and Employee				
Benefits	\$ 23,464	\$ 947	\$ 33,853	\$ 58,264
Other	108,052	-	-	108,052
	<u>\$ 131,516</u>	<u>\$ 947</u>	<u>\$ 33,853</u>	<u>\$ 166,316</u>

E. Pension Plans

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

Funding Policy - The Systems are non-contributory except for employees in tiers 3 and 4 that have less than ten years of service, who contribute 3% of their salary, employees in tier 5 who also contribute 3% of their salary without regard to their years of service and employees in tier 6 who contribute between 3% and 6% depending on salary levels and also without regard to years of service. Contributions are certified by the State Comptroller and expressed as a percentage of members' salary. Contribution rates are actuarially determined and based upon membership tier and plan. Contributions consist of a life insurance portion and regular pension contributions. Contribution rates for the plan year ended March 31, 2014 are as follows:

	<u>Tier/Plan</u>	<u>Rate</u>
ERS	3 A14	21.0 %
	4 A15	21.0
	5 A15	16.9
	6 A15	11.4

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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

	ERS	PFRS
2013	\$ 576,558	\$ 7,292
2012	398,864	19,614
2011	381,734	37,351

The ERS and PFRS contributions were equal to 100% of the actuarially required contribution for each respective fiscal year.

The current ERS contribution for the Town was charged to the funds identified below. The current PFRS contribution was charged to the Town Outside Villages Fund.

Fund	Amount
General	\$ 393,854
Town Outside Villages	13,625
Highway	164,529
Special Districts	4,550
	<u>\$ 576,558</u>

F. Short-Term Capital Borrowings

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

Purpose	Year of Original Issue	Maturity Date	Rate of Interest	Balance January 1, 2013	New Issues	Redemptions	Balance December 31, 2013
Samstag Retaining Wall	2008	-	- %	\$ 15,101	\$ -	\$ 15,101	\$ -
Highway Dump Trucks	2008	-	-	2,582	-	2,582	-
Highway Dump Truck	2008	-	-	9,000	-	9,000	-
Leaf Machine	2008	-	-	5,300	-	5,300	-
North State Street Road Drainage	2012	09/26/2014	0.72	50,000	-	5,000	45,000
Old Albany Post Road "S" Curve	2012	09/26/2014	0.72	162,000	-	49,844	112,156
Water Mains Cedar Lane	2012	09/26/2014	0.72	450,000	-	97,500	352,500
Old Albany Post Road "S" Curve	2013	09/26/2014	0.72	-	500,000	-	500,000
				<u>\$ 693,983</u>	<u>\$ 500,000</u>	<u>\$ 184,327</u>	<u>\$ 1,009,656</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 were recorded in the fund financial statements as identified below. Interest expense of \$5,814 was recorded in the government-wide financial statements for governmental activities.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

<u>Fund</u>	<u>Amount</u>
Highway	\$ 1,921
Special Districts	3,420
	<u>\$ 5,341</u>

G. Long-Term Liabilities

The following table summarizes changes in the Town's long-term indebtedness for the year ended December 31, 2013:

	Balance January 1, 2013	Additions	Maturities and/or Payments	Balance December 31, 2013	Due Within One Year
Bonds Payable					
Capital construction	\$ 5,905,000	\$ -	\$ 478,000	\$ 5,427,000	\$ 488,000
Other	920,000	-	62,000	858,000	62,000
	6,825,000	-	540,000	6,285,000	550,000
Claims Payable	90,473	14,433	69,445	35,461	3,500
Compensated Absences	53,225	-	13,682	39,543	4,000
Other Post Employment Benefit Obligations Payable	2,961,077	1,014,473	397,865	3,577,685	-
	<u>\$ 9,929,775</u>	<u>\$ 1,028,906</u>	<u>\$ 1,020,992</u>	<u>\$ 9,937,689</u>	<u>\$ 557,500</u>

Each governmental fund's liability for compensated absences and other post employment benefit obligations is liquidated by the respective fund. The Town's indebtedness for bonds, bond anticipation notes and installment purchase debt is satisfied by the Debt Service Fund, which is funded primarily by the General, Town Outside Villages, Highway and Special Districts funds. Claims are paid by the Internal Service Fund - Workers' Compensation Benefits Fund, which is funded by the various governmental funds.

Bonds Payable

Bonds payable at December 31, 2013 are comprised of the following individual issues:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding at December 31, 2013</u>
Public Improvements	2000	\$ 1,561,000	June, 2020	5.250 - 5.50 %	\$ 590,000
Public Improvements	2003	4,736,000	May, 2023	3.500 - 4.50	2,185,000
Public Improvements	2007	1,695,000	April, 2027	4.125 - 4.25	1,220,000
Public Improvements	2012	2,425,000	February, 2032	2.000 - 3.00	2,290,000
					<u>\$ 6,285,000</u>

Interest expenditures of \$226,131, were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$231,946 was recorded in the government-wide financial statements for governmental activities.

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2013 including interest payments of \$1,440,396 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 550,000	\$ 216,357
2015	555,000	197,157
2016	565,000	177,260
2017	560,000	156,719
2018	550,000	135,985
2019-2023	2,185,000	402,193
2024-2028	895,000	130,872
2029-2032	425,000	23,853
	<u>\$ 6,285,000</u>	<u>\$ 1,440,396</u>

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

Claims Payable

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

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

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

	<u>2013</u>	<u>2012</u>
Balance - Beginning of Year	\$ 90,473	\$ 121,096
Provision for Claims and Claims Adjustment Expenses	14,433	18,125
Claims and Claims Adjustment Expenses Paid	<u>(69,445)</u>	<u>(48,748)</u>
Balance - End of Year	<u>\$ 35,461</u>	<u>\$ 90,473</u>
Due Within One Year	<u>\$ 3,500</u>	<u>\$ 9,000</u>

Compensated Absences

Sick leave for all Town employees may be accumulated, however, the Town is not required to pay accumulated sick leave upon retirement or termination. Vacation time for police may be carried forward and any days not used by March 31st of the subsequent year shall be paid to the employee. Employees covered under the Teamsters bargaining agreement may accumulate a maximum of 10 days of vacation which will be paid upon separation of service. Employees covered under the CSEA bargaining agreement forfeit vacation days not used by June 30th of the subsequent year. Certain employees are also eligible for compensation for terminal leave upon retirement. The value of compensated absences has been reflected in the government-wide financial statements.

Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the Town provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the Town may vary according to length of service. The cost of providing post employment health care benefits is shared between the Town and the retired employee. Substantially all of the Town's employee's may become eligible for those benefits if they reach normal retirement age while working for the Town. The cost of retiree health care benefits is recognized as an expenditure as claims are paid in the fund financial statements. The Town has recognized revenues and expenditures of \$11,470 for Medicare Part D payments made directly to its health insurance carrier on behalf of its retirees.

The Town's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

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

The Town is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis. The assumed rates of increase in post-retirement benefits are as follows:

<u>Year Ended December 31,</u>	<u>Assumed Increase</u>
2013	8.0 %
2014	7.0
2015	6.0
2016+	5.0

The amortization basis is the level percentage of payroll with a closed amortization approach with 25 years remaining in the amortization period. The actuarial assumptions included a 4% investment rate of return, a 3.5% inflation rate and a 2.5% annual payroll growth rate. The Town currently has no assets set aside for the purpose of paying post employment benefits. The actuarial cost method utilized was the entry age method.

The number of participants as of December 31, 2013 was as follows:

Active Employees	46
Retired Employees	<u>44</u>
Total	<u>90</u>

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Amortization Component	
Actuarial Accrued Liability as of January 1, 2013	\$ 12,625,483
Assets at Market Value	-
Unfunded Actuarial Accrued Liability ("UAAL")	<u>\$ 12,625,483</u>
Funded Ratio	<u>0.00%</u>
Covered Payroll (Active plan members)	<u>\$ 2,539,196</u>
UAAL as a Percentage of Covered Payroll	<u>497.22%</u>
Annual Required Contribution	\$ 1,038,040
Adjustment to annual required contribution	(142,010)
Interest on Net OPEB Obligation	<u>118,443</u>
Annual OPEB Cost	1,014,473
Contributions Made	<u>(397,865)</u>
Increase in Net OPEB Obligation	616,608
Net OPEB Obligation - Beginning of Year	<u>2,961,077</u>
Net OPEB Obligation - End of Year	<u>\$ 3,577,685</u>

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

<u>Fiscal Year Ended December 31,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2011	\$ 1,026,420	41.10 %	\$ 2,386,136
2012	971,990	40.80	2,961,077
2013	1,014,473	39.22	3,577,685

H. 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:

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

Transfers Out	Transfers In					Total
	General Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	
General Fund	\$ -	\$ -	\$ -	\$ 87,350	\$ 138,378	\$ 225,728
Town Outside Villages Fund	-	-	-	-	344,152	344,152
Highway Fund	-	-	-	281,827	99,755	381,582
Special Districts Fund	-	-	-	117,500	183,845	301,345
Capital Projects Fund	-	-	-	-	116,241	116,241
Non-Major Governmental Funds	115,454	33,644	87,000	28,000	-	264,098
	<u>\$ 115,454</u>	<u>\$ 33,644</u>	<u>\$ 87,000</u>	<u>\$ 514,677</u>	<u>\$ 882,371</u>	<u>\$ 1,633,146</u>

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

I. Net Position

The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position 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 Debt Service - the component of net position that reports the difference between assets and liabilities with constraints placed on their use by Local Finance Law.

Restricted for Town Outside Villages - the component of net position that represents funds restricted for Town Outside Villages purposes.

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

Restricted for Trusts - the component of net position that has been established to set aside funds in accordance with the terms of the grants.

Restricted for Parklands - the component of net position that has been established pursuant to New York State Law. These amounts represent funds received by the Town in lieu of parklands as a condition precedent to the approval of a parcel by the Planning Board. These funds may be used only for recreation purposes.

Unrestricted - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

Town of Ossining, New York

Notes to Financial Statements (Continued)
December 31, 2013

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2013						2012							
	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	Total	General Fund	Town Outside Villages Fund	Highway Fund	Special Districts Fund	Capital Projects Fund	Non-Major Governmental Funds	Total
Nonspendable														
Prepaid expenditures	\$ 109,280	\$ 3,085	\$ 44,253	\$ 1,209	\$ -	\$ -	\$ 157,827	\$ 72,540	\$ 2,207	\$ 34,984	\$ 1,014	\$ -	\$ -	\$ 110,745
Restricted														
Tax certioraris	-	-	-	-	-	-	-	144	46,610	35,277	32,487	-	-	114,516
Debt service	-	-	-	-	-	61,606	61,606	-	-	-	-	-	94,060	94,060
Parklands	-	-	-	-	-	13,923	13,923	-	-	-	-	-	40,913	40,913
Trusts	-	-	-	-	-	236,879	236,879	-	-	-	-	-	281,061	281,061
Total Restricted	-	-	-	-	-	312,408	312,408	144	46,610	35,277	32,487	-	416,034	530,552
Assigned														
Purchases on order														
General government support	5,500	-	-	-	-	-	5,500	-	-	-	-	-	-	-
Home and community services	-	-	-	-	-	-	-	-	-	-	18,568	-	-	18,568
	5,500	-	-	-	-	-	5,500	-	-	-	18,568	-	-	18,568
Subsequent year's expenditures	-	-	-	-	-	85,132	85,132	114,000	-	-	43,132	-	171,824	328,955
Major Funds	-	1,530,207	692,204	965,599	-	-	3,188,010	-	1,263,883	578,673	871,276	-	-	2,713,832
Total Assigned	5,500	1,530,207	692,204	965,599	-	85,132	3,278,642	114,000	1,263,883	578,673	932,976	-	171,824	3,061,356
Unassigned	1,854,034	-	-	-	(295,215)	-	1,558,849	1,063,927	-	-	-	(560,988)	-	502,939
Total Fund Balances	\$ 1,988,844	\$ 1,533,282	\$ 736,457	\$ 966,808	\$ (295,215)	\$ 397,540	\$ 5,307,726	\$ 1,250,611	\$ 1,312,700	\$ 648,934	\$ 966,477	\$ (560,988)	\$ 587,858	\$ 4,205,592

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been established to account for retirement, insurance and certain other payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Purchases on order represent the Town's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions. The amounts are reflected as assigned fund balance except where the assignment would cause a negative unassigned fund balance.

Subsequent year's expenditures represent that at December 31, 2013, the Town Board has assigned the above amounts to be appropriated for the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted or assigned. Unassigned fund balance in the Capital Projects Fund represents the deficit balances in the capital projects.

Note 4 - Summary Disclosure of Significant Contingencies

Litigation

The Town, in common with other municipalities, receives numerous notices of claims for money damages arising from false arrest, property damage or personal injury. Of the claims pending, none are expected to have a material effect on the financial position of the Town, if adversely settled.

There are currently pending tax certiorari proceedings, the results of which could require the payment of future tax refunds by the Town if existing assessment rolls are modified based on the outcome of the litigation proceedings. However, the amount of these refunds cannot be determined at the present time. Any payments resulting from adverse decisions will be funded in the year the payment is made.

A proceeding was commenced by the Village of Briarcliff Manor against the Town in connection with the proposed annexation of election districts 17 and 20 from the unincorporated area of Ossining to the Village of Briarcliff Manor. The Town has retained outside counsel to handle this matter.

Contingencies

The Town participates in various Federal grant programs. These programs may be subject to program compliance audits. Accordingly, the Town's compliance with applicable grant requirements may 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 Town anticipates such amounts, if any, to be immaterial.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

Risk Management

The Town purchases various conventional insurance policies to limit its exposure to loss. The general liability policy provides coverage of \$1 million per occurrence and \$2 million in the aggregate. The public officials liability policy provides coverage up to \$10 million. In addition, the Town has an excess liability policy which provides coverage up to \$10 million per occurrence and \$20 million in the aggregate. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

Effective January 1, 2009, the Town purchased conventional workers' compensation insurance. Previous to that, the Town was self-insured for workers' compensation benefits. The Town is responsible for outstanding claims under the previous self-insured plan. The Town retains the risk for these claims up to \$125,000 per year. Insurance coverage has been secured for losses in excess of \$125,000. The governmental funds are charged premiums by the Internal Service Fund.

The Town purchases conventional health insurance for its employees.

Note 5 - Subsequent Event

In February 2014, the Town sold the former public safety and property located at 507 North State Road, for \$1,475,000. As of December 31, 2013, the serial bonds outstanding on the building and land aggregated \$2,559,000. The Town intends to use the \$1,475,000 of sale proceeds and \$235,000 of accumulated fund balance in the Town Outside Villages Fund in June 2014 to retire serial bonds of \$1,710,000 that become callable. In addition, the Town's 2014 adopted budget included \$186,000 for principal payments on these bonds that become due during the year.

Town of Ossining, New York

Required Supplementary Information - Schedule of Funding Progress

Other Post Employment Benefits

Last Three Fiscal Years

Valuation Date	Actuarial		Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
	Value of Assets	Accrued Liability				
January 1, 2013	\$ -	\$ 12,625,483	\$ 12,625,483	- %	\$ 2,539,196	497.22 %
January 1, 2012	-	12,116,081	12,116,081	-	2,477,264	489.09
January 1, 2011	-	13,246,437	13,246,437	-	2,693,928	491.71

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Town of Ossining, New York

General Fund
Comparative Balance Sheet
December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 14,308,968	\$ 11,716,905
Taxes receivable		
Town and County taxes	286,593	284,559
School districts taxes	31,898,376	33,546,923
Taxes receivable overdue	1,239,845	897,918
Property acquired for taxes	38,148	38,148
	33,462,962	34,767,548
Allowance for uncollectible taxes	(38,148)	(38,148)
	33,424,814	34,729,400
Other receivables		
Accounts	84,953	162,970
State and Federal aid	16,893	41,744
Due from other governments	168,336	49,894
Due from other funds	1,304	-
	271,486	254,608
Prepaid expenditures	109,280	72,540
Total Assets	\$ 48,114,548	\$ 46,773,453
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 103,213	\$ 128,703
Accrued liabilities	131,516	124,139
Due to school districts	45,190,007	44,132,333
Due to other funds	13,873	3,765
Unearned revenues	-	37,400
Total Liabilities	45,438,609	44,426,340
Deferred inflows of resources		
Deferred tax revenues	707,095	1,096,502
Total Liabilities and Deferred Inflows of Resources	46,145,704	45,522,842
Fund balance		
Nonspendable	109,280	72,540
Restricted	-	144
Assigned	5,500	114,000
Unassigned	1,854,064	1,063,927
Total Fund Balance	1,968,844	1,250,611
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 48,114,548	\$ 46,773,453

Town of Ossining, New York

General Fund

**Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Years Ended December 31,**

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 2,980,852	\$ 2,975,689	\$ 3,394,925	\$ 419,236
Other tax items	417,650	417,650	503,833	86,183
Departmental income	25,800	25,800	39,953	14,153
Intergovernmental charges	433,174	433,173	420,387	(12,786)
Licenses and permits	2,500	2,500	3,438	938
Use of money and property	60,800	60,800	43,284	(17,516)
Fines and forfeitures	225,000	225,000	226,274	1,274
Sale of property and compensation for loss	-	51,200	67,474	16,274
State aid	597,000	597,000	849,644	252,644
Federal aid	73,400	151,647	140,895	(10,752)
Miscellaneous	103,000	107,051	90,029	(17,022)
Total Revenues	4,919,176	5,047,510	5,780,136	732,626
EXPENDITURES				
Current				
General government support	2,322,708	2,312,798	2,230,325	82,473
Economic opportunity and development	578,054	559,122	533,534	25,588
Culture and recreation	861,429	989,173	985,781	3,392
Home and community services	-	-	-	-
Employee benefits	1,249,297	1,248,071	1,201,989	46,082
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	5,011,488	5,109,164	4,951,629	157,535
Excess (Deficiency) of Revenues Over Expenditures	(92,312)	(61,654)	828,507	890,161
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Transfers in	116,692	116,692	115,454	(1,238)
Transfers out	(138,380)	(225,730)	(225,728)	2
Total Other Financing Sources (Uses)	(21,688)	(109,038)	(110,274)	(1,236)
Net Change in Fund Balance	(114,000)	(170,692)	718,233	888,925
FUND BALANCE				
Beginning of Year	114,000	170,692	1,250,611	1,079,919
End of Year	\$ -	\$ -	\$ 1,968,844	\$ 1,968,844

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,863,248	\$ 2,844,376	\$ 2,652,602	\$ (191,774)
485,959	485,959	653,172	167,213
34,800	34,800	42,074	7,274
424,071	424,071	419,530	(4,541)
-	-	3,071	3,071
90,800	90,800	55,671	(35,129)
225,000	225,000	245,457	20,457
-	-	33,116	33,116
805,000	817,275	728,776	(88,499)
66,500	66,500	76,474	9,974
91,200	91,200	106,148	14,948
5,086,578	5,079,981	5,016,091	(63,890)
2,437,250	2,517,474	2,378,250	139,224
570,525	577,430	552,540	24,890
863,959	921,947	912,470	9,477
7,500	7,500	6,729	771
1,251,151	1,178,198	1,071,210	106,988
22,814	218,678	218,678	-
8,438	8,438	1,944	6,494
5,161,637	5,429,665	5,141,821	287,844
(75,059)	(349,684)	(125,730)	223,954
-	195,864	195,864	-
52,692	52,692	52,691	(1)
(135,500)	(138,229)	(134,015)	4,214
(82,808)	110,327	114,540	4,213
(157,867)	(239,357)	(11,190)	228,167
157,867	239,357	1,261,801	1,022,444
\$ -	\$ -	\$ 1,250,611	\$ 1,250,611

Town of Ossining, New York

**General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2013
(With Comparative Actuals for 2012)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
REAL PROPERTY TAXES	\$ 2,980,852	\$ 2,975,689	\$ 3,394,925	\$ 419,236	\$ 2,652,602
OTHER TAX ITEMS					
Franchise fees	-	-	-	-	116,627
Payments in lieu of taxes	17,650	17,650	17,001	(649)	17,674
Interest and penalties on real property taxes	400,000	400,000	486,832	86,832	518,871
	417,650	417,650	503,833	86,183	653,172
DEPARTMENTAL INCOME					
Reimbursement for tax sale advertising					
Clerk fees	6,500	6,500	17,990	11,490	18,790
Public health fees	7,300	7,300	8,268	968	8,404
Parks and recreation fees	8,500	8,500	11,140	2,640	11,620
Marina and dock fees	1,500	1,500	-	(1,500)	1,350
	2,000	2,000	2,555	555	1,910
	25,800	25,800	39,953	14,153	42,074
INTERGOVERNMENTAL CHARGES					
Reimbursement for election expenses	15,500	15,500	16,332	832	20,737
Reimbursement for parking violations	227,904	227,903	227,904	1	230,768
Reimbursement for clerk services	189,770	189,770	176,151	(13,619)	168,025
	433,174	433,173	420,387	(12,786)	419,530
LICENSES AND PERMITS					
Dog license fees	2,500	2,500	3,438	938	3,071
USE OF MONEY AND PROPERTY					
Earnings on investments	40,000	40,000	21,994	(18,006)	30,625
Rental of real property	20,800	20,800	21,290	490	25,046
	60,800	60,800	43,284	(17,516)	55,671

FINES AND FORFEITURES					
Fines and forfeited bail	225,000	225,000	226,274	1,274	245,457
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Insurance recoveries	-	51,200	67,474	16,274	33,116
STATE AID					
Per capita	151,000	151,000	151,987	987	151,987
Mortgage tax	400,000	400,000	628,154	228,154	517,913
Supplemental Nutrition Assistance Program	46,000	46,000	41,277	(4,723)	46,314
Other	-	-	28,226	28,226	12,562
	597,000	597,000	849,644	252,644	728,776
FEDERAL AID					
Emergency disaster assistance	-	78,247	82,837	4,590	-
Title III B	8,000	8,000	11,082	3,082	10,025
Title III C-1	25,000	25,000	23,739	(1,261)	25,423
Title III C-2	25,000	25,000	23,237	(1,763)	25,776
Commodity funding	15,400	15,400	-	(15,400)	15,250
	73,400	151,647	140,895	(10,752)	76,474
MISCELLANEOUS					
Call-A-Cab	32,000	32,000	26,071	(5,929)	31,933
Senior Nutrition Program	43,700	43,700	37,802	(5,898)	44,244
Medicare Part D subsidy	16,300	16,300	8,265	(8,035)	17,309
Refund of prior year's expenditures	-	-	1,052	1,052	977
Gifts and donations	-	4,051	5,200	1,149	-
Other	11,000	11,000	11,639	639	11,685
	103,000	107,051	90,029	(17,022)	106,148
TOTAL REVENUES	4,919,176	5,047,510	5,780,136	732,626	5,016,091

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Town of Ossining, New York

General Fund

Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)

Year Ended December 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
OTHER FINANCING SOURCES					
Bonds Issued	\$ -	\$ -	\$ -	\$ -	\$ 195,864
Transfers in					
Debt Service Fund	116,692	116,692	115,454	(1,238)	52,691
TOTAL OTHER FINANCING SOURCES	116,692	116,692	115,454	(1,238)	248,555
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 5,035,868	\$ 5,164,202	\$ 5,895,590	\$ 731,388	\$ 5,264,646

Town of Ossining, New York

General Fund

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2013

(With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
GENERAL GOVERNMENT SUPPORT					
Town Board	\$ 44,236	\$ 44,507	\$ 44,506	\$ 1	\$ 44,735
Town Justice	569,873	569,873	514,270	55,603	584,531
Supervisor	129,258	131,338	131,234	104	127,401
Auditor	25,225	25,386	25,386	-	25,836
Tax Collector	221,991	226,796	225,908	888	213,937
Assessor	385,744	362,697	358,669	4,028	340,188
Town Clerk	202,435	204,129	203,549	580	194,384
Town Attorney	155,391	146,926	145,949	977	213,156
Engineer	7,000	24,526	24,525	1	12,801
Elections	74,074	75,014	73,902	1,112	73,360
Buildings	193,923	202,411	194,410	8,001	192,513
Central communications	43,281	44,625	44,624	1	46,306
Central data processing	161,004	147,847	147,280	567	150,329
Unallocated insurance	57,351	56,396	54,092	2,304	48,334
Judgments and claims	5,000	31,528	30,973	555	77,618
Filing fees	3,000	3,000	1,141	1,859	4,065
Taxes on Town owned property	4,000	4,000	3,890	110	3,844
Inter-Municipal Agreement Study	-	-	-	-	13,275
Metropolitan commuter transportation mobility tax	6,884	6,884	6,017	867	7,317
Contingency	33,038	4,915	-	4,915	-
	<u>2,322,708</u>	<u>2,312,798</u>	<u>2,230,325</u>	<u>82,473</u>	<u>2,373,930</u>

ECONOMIC OPPORTUNITY AND DEVELOPMENT

Veteran's services	4,000	4,000	3,925	75	8,100
Nutrition - C-1	37,850	37,850	37,344	506	38,157
Nutrition - C-2	66,500	66,500	52,092	14,408	61,283
Transportation support services	437,004	417,931	409,122	8,809	415,797
Supplemental Nutrition Assistance Program	29,000	29,141	27,865	1,276	30,588
R.U.O.K. Program	3,700	3,700	3,186	514	2,935
	578,054	559,122	533,534	25,588	556,860

CULTURE AND RECREATION

Parks	439,091	564,369	563,495	874	498,395
Youth programs	397,338	399,522	399,522	-	392,728
Celebrations	7,500	11,551	10,885	666	5,775
Parks sewer lift stations	17,500	13,731	11,879	1,852	15,572
	861,429	989,173	985,781	3,392	912,470

HOME AND COMMUNITY SERVICES

Cemeteries	-	-	-	-	6,729
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EMPLOYEE BENEFITS

State retirement	389,394	393,855	393,854	1	261,499
Social security	154,894	150,433	149,361	1,072	150,696
Workers' compensation benefits	50,550	50,550	45,898	4,652	45,388
Life and dental insurance	45,000	45,000	39,806	5,194	43,488
Unemployment benefits	20,000	18,774	6,344	12,430	17,625
Disability insurance	3,000	3,000	2,699	301	3,559
Hospital and medical insurance	586,459	586,459	564,027	22,432	548,955
	1,249,297	1,248,071	1,201,989	46,082	1,071,210

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Town of Ossining, New York

**General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended December 31, 2013
(With Comparative Actuals for 2012)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
DEBT SERVICE					
Bond anticipation notes					
Principal	\$ -	\$ -	\$ -	\$ -	\$ 218,678
Interest	-	-	-	-	1,944
					220,622
TOTAL EXPENDITURES	5,011,488	5,109,164	4,951,629	157,535	5,141,821
OTHER FINANCING USES					
Transfers out					
Debt Service Fund	138,380	138,380	138,378	2	112,691
Capital Projects Fund	-	87,350	87,350	-	21,324
TOTAL OTHER FINANCING USES	138,380	225,730	225,728	2	134,015
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 5,149,868	\$ 5,334,894	\$ 5,177,357	\$ 157,537	\$ 5,275,836

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Town of Ossining, New York

Town Outside Villages Fund
Comparative Balance Sheet
December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 2,457,937	\$ 2,594,922
Receivables		
Accounts	55,528	23,693
Due from other governments	196,862	185,089
Due from other funds	179	-
	<u>252,569</u>	<u>208,782</u>
Prepaid expenditures	<u>3,085</u>	<u>2,207</u>
Total Assets	<u>\$ 2,713,591</u>	<u>\$ 2,805,911</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 1,147,944	\$ 1,179,811
Accrued liabilities	947	8,317
Due to other funds	<u>31,408</u>	<u>305,083</u>
Total Liabilities	<u>1,180,299</u>	<u>1,493,211</u>
Fund balance		
Nonspendable	3,085	2,207
Restricted	-	46,610
Assigned	<u>1,530,207</u>	<u>1,263,883</u>
Total Fund Balance	<u>1,533,292</u>	<u>1,312,700</u>
Total Liabilities and Fund Balance	<u>\$ 2,713,591</u>	<u>\$ 2,805,911</u>

Town of Ossining, New York

Town Outside Villages Fund

Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Years Ended December 31,

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 2,752,011	\$ 2,743,334	\$ 2,740,907	\$ (2,427)
Other tax items	114,000	114,000	121,198	7,198
Non-property taxes	700,000	700,000	760,451	60,451
Departmental income	79,300	80,100	101,857	21,757
Use of money and property	9,000	9,000	6,278	(2,722)
Licenses and permits	-	-	22,600	22,600
Sale of property and compensation for loss	-	-	4,455	4,455
Miscellaneous	5,000	5,000	3,283	(1,717)
Total Revenues	3,659,311	3,651,434	3,761,029	109,595
EXPENDITURES				
Current				
General government support	300,692	286,156	229,435	56,721
Public safety	2,648,693	2,703,160	2,628,744	74,416
Home and community services	51,160	49,760	25,889	23,871
Employee benefits	314,612	324,063	312,217	11,846
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	3,315,157	3,363,139	3,196,285	166,854
Excess (Deficiency) of Revenues Over Expenditures	344,154	288,295	564,744	276,449
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Transfers out	(344,154)	(344,154)	(344,152)	2
Total Other Financing Uses	(344,154)	(344,154)	(344,152)	2
Net Change in Fund Balance	-	(55,859)	220,592	276,451
FUND BALANCE				
Beginning of Year	-	55,859	1,312,700	1,256,841
End of Year	\$ -	\$ -	\$ 1,533,292	\$ 1,533,292

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,751,845	\$ 2,737,859	\$ 2,737,859	\$ -
-	-	-	-
800,000	800,000	713,217	(86,783)
103,300	103,300	240,973	137,673
9,000	9,000	15,101	6,101
3,000	3,000	25	(2,975)
5,000	11,375	17,576	6,201
-	-	49,188	49,188
3,672,145	3,664,534	3,773,939	109,405
147,606	195,600	182,300	13,300
2,746,089	2,747,711	2,653,380	94,331
66,557	70,568	66,589	3,979
357,529	353,597	298,298	55,299
35,007	340,784	340,678	106
4,353	2,981	2,658	323
3,357,141	3,711,241	3,543,903	167,338
315,004	(46,707)	230,036	276,743
-	305,777	305,777	-
(315,004)	(321,678)	(321,678)	-
(315,004)	(15,901)	(15,901)	-
-	(62,608)	214,135	276,743
-	62,608	1,098,565	1,035,957
\$ -	\$ -	\$ 1,312,700	\$ 1,312,700

Town of Ossining, New York

**Town Outside Villages Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2013
(With Comparative Actuals for 2012)**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
REAL PROPERTY TAXES	\$ 2,752,011	\$ 2,743,334	\$ 2,740,907	\$ (2,427)	\$ 2,737,859
OTHER TAX ITEMS					
Franchise fees	114,000	114,000	121,198	7,198	-
NON-PROPERTY TAXES					
Non-property tax distribution from County	700,000	700,000	760,451	60,451	713,217
DEPARTMENTAL INCOME					
Police fees	2,000	2,000	2,150	150	2,600
Alarm fees and fines	13,500	13,500	13,500	-	3,525
Building inspection fees	60,000	60,000	77,407	17,407	230,770
Zoning fees	500	500	600	100	150
Planning Board fees	2,500	3,300	7,225	3,925	3,025
Other fees	800	800	975	175	903
USE OF MONEY AND PROPERTY					
Earnings on investments	79,300	80,100	101,857	21,757	240,973
	9,000	9,000	6,278	(2,722)	15,101
LICENSES AND PERMITS					
Film permits	-	-	22,600	22,600	-
Dog licenses	-	-	-	-	25
	-	-	22,600	22,600	25

SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of equipment	-	-	3,550	3,550	17,576
Insurance recoveries	-	-	905	905	-
MISCELLANEOUS					
Refund of prior year's expenditures	-	-	4,455	4,455	17,576
Medicare Part D subsidy	5,000	5,000	78	78	42,604
			3,205	(1,795)	6,584
	5,000	5,000	3,283	(1,717)	49,188
TOTAL REVENUES	3,659,311	3,651,434	3,761,029	109,595	3,773,939
OTHER FINANCING SOURCES					
Bond anticipation notes issued	-	-	-	-	305,777
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 3,659,311	\$ 3,651,434	\$ 3,761,029	\$ 109,595	\$ 4,079,716

Town of Ossining, New York

Town Outside Villages Fund Schedule of Expenditures and Other Financing Uses Compared to Budget Year Ended December 31, 2013 (With Comparative Actuals for 2012)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)	2012 Actual
GENERAL GOVERNMENT SUPPORT					
Auditor	\$ 17,933	\$ 17,933	\$ 17,933	\$ -	\$ 17,393
Engineer	56,000	57,513	57,512	1	35,404
Central data processing	58,138	58,138	54,755	3,383	37,049
Unallocated insurance	30,278	30,891	30,720	171	29,202
Judgments and claims	8,000	62,782	62,655	127	58,293
Filing fees	1,000	1,000	425	575	3,172
Intermunicipal Agreement study	-	5,602	5,029	573	1,333
Metropolitan commuter transportation mobility tax	343	407	406	1	454
Contingency	129,000	51,890	-	51,890	-
	300,692	286,156	229,435	56,721	182,300
PUBLIC SAFETY					
Police	2,513,349	2,567,338	2,493,907	73,431	2,521,734
Control of animals	13,597	13,597	13,597	-	11,347
Building inspection	121,747	122,225	121,240	985	120,299
	2,648,693	2,703,160	2,628,744	74,416	2,653,380
HOME AND COMMUNITY SERVICES					
Zoning Board	2,800	3,500	3,031	469	1,865
Planning Board	35,860	33,760	20,319	13,441	50,524
Storm Water Management	12,000	12,000	2,153	9,847	14,000
Environmental Advisory Council	500	500	386	114	200
	51,160	49,760	25,889	23,871	66,589

EMPLOYEE BENEFITS

State retirement	13,907	13,907	13,625	282	7,896
Police retirement	-	7,293	7,292	1	19,614
Social security	7,728	9,141	9,141	-	10,221
Workers' compensation benefits	26,950	37,055	28,486	8,569	18,964
Life and dental insurance	7,800	7,800	4,955	2,845	6,799
Disability insurance	500	392	244	148	373
Hospital and medical insurance	257,727	248,475	248,474	1	234,431
	<u>314,612</u>	<u>324,063</u>	<u>312,217</u>	<u>11,846</u>	<u>298,298</u>

DEBT SERVICE

Principal					
Bond anticipation notes	-	-	-	-	340,678
Interest					
Bond anticipation notes	-	-	-	-	2,658
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>343,336</u>

89

TOTAL EXPENDITURES

	3,315,157	3,363,139	3,196,285	166,854	3,543,903
	<u>344,154</u>	<u>344,154</u>	<u>344,152</u>	<u>2</u>	<u>321,678</u>

OTHER FINANCING USES

Transfers out					
Debt Service Fund					
	<u>\$ 3,659,311</u>	<u>\$ 3,707,293</u>	<u>\$ 3,540,437</u>	<u>\$ 166,856</u>	<u>\$ 3,865,581</u>

TOTAL EXPENDITURES**AND OTHER FINANCING USES**

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Town of Ossining, New York

Highway Fund
Comparative Balance Sheet
December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 754,052	\$ 699,270
Receivables		
Accounts	2,000	85
Due from other governments	6,008	4,829
Due from other funds	3,197	-
	11,205	4,914
Prepaid expenditures	44,253	34,984
Total Assets	\$ 809,510	\$ 739,168
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 38,270	\$ 25,634
Accrued liabilities	33,853	20,970
Due to other funds	930	43,630
Total Liabilities	73,053	90,234
Fund balance		
Nonspendable	44,253	34,984
Restricted	-	35,277
Assigned	692,204	578,673
Total Fund Balance	736,457	648,934
Total Liabilities and Fund Balance	\$ 809,510	\$ 739,168

Town of Ossining, New York

Highway Fund

Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Years Ended December 31,

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 2,187,348	\$ 2,180,452	\$ 2,178,523	\$ (1,929)
Departmental income	5,550	5,550	5,815	265
Use of money and property	5,000	5,000	1,518	(3,482)
Sale of property and compen- sation for loss	-	-	947	947
State aid	-	-	-	-
Federal aid	-	50,880	159,006	108,126
Miscellaneous	5,500	5,500	10,640	5,140
Total Revenues	2,203,398	2,247,382	2,356,449	109,067
EXPENDITURES				
Current				
General government support	189,945	204,227	152,623	51,604
Transportation	1,242,332	1,314,824	1,256,319	58,505
Employee benefits	616,259	596,177	510,125	86,052
Debt service				
Principal				
Bond anticipation notes	-	-	-	-
Interest				
Bond anticipation notes	1,921	1,921	1,921	-
Tax anticipation notes	-	-	-	-
Total Expenditures	2,050,457	2,117,149	1,920,988	196,161
Excess (Deficiency) of Revenues Over Expenditures	152,941	130,233	435,461	305,228
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Transfers in	-	33,644	33,644	-
Transfers out	(152,941)	(381,586)	(381,582)	4
Total Other Financing Uses	(152,941)	(347,942)	(347,938)	4
Net Change in Fund Balance	-	(217,709)	87,523	305,232
FUND BALANCE				
Beginning of Year	-	217,709	648,934	431,225
End of Year	\$ -	\$ -	\$ 736,457	\$ 736,457

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 2,196,699	\$ 2,185,534	\$ 2,185,534	\$ -
5,550	5,550	7,900	2,350
5,000	5,000	7,262	2,262
-	-	-	-
-	-	6,380	6,380
-	-	-	-
-	-	12,358	12,358
2,207,249	2,196,084	2,219,434	23,350
132,984	164,308	151,545	12,763
1,264,351	1,226,825	1,159,036	67,789
583,510	583,510	546,118	37,392
26,474	258,474	258,474	-
3,607	3,615	3,615	-
1,313	1,313	-	1,313
2,012,239	2,238,045	2,118,788	119,257
195,010	(41,961)	100,646	142,607
-	232,000	232,000	-
-	8,112	8,112	-
(207,295)	(258,106)	(255,463)	2,643
(207,295)	(17,994)	(15,351)	2,643
(12,285)	(59,955)	85,295	145,250
12,285	59,955	563,639	503,684
\$ -	\$ -	\$ 648,934	\$ 648,934

Town of Ossining, New York

Special Districts Fund
Combining Balance Sheet - Sub-Funds
December 31, 2013
(With Comparative Totals for 2012)

		Sewer Districts		
	Townwide Water	Conso- lidated	North State Road	Lighting
ASSETS				
Cash				
Demand deposits	\$ 32,180	\$ 771,936	\$ 2,109	\$ 31,275
Receivables				
Accounts	-	-	-	-
Due from other governments	36	1,035	-	170
Due from other funds	16	45	3	2
	52	1,080	3	172
Prepaid expenditures	-	1,209	-	-
Total Assets	<u>\$ 32,232</u>	<u>\$ 774,225</u>	<u>\$ 2,112</u>	<u>\$ 31,447</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 9,352	\$ -	\$ 7,766
Due to other funds	12,815	101,935	-	-
Unearned revenues	-	-	-	-
Total Liabilities	<u>12,815</u>	<u>111,287</u>	<u>-</u>	<u>7,766</u>
Fund balances				
Nonspendable	-	1,209	-	-
Restricted	-	-	-	-
Assigned	19,417	661,729	2,112	23,681
Total Fund Balances	<u>19,417</u>	<u>662,938</u>	<u>2,112</u>	<u>23,681</u>
Total Liabilities and Fund Balances	<u>\$ 32,232</u>	<u>\$ 774,225</u>	<u>\$ 2,112</u>	<u>\$ 31,447</u>

Fire Protection	Refuse and Garbage	Ambulance	Totals	
			2013	2012
<u>\$ 53,887</u>	<u>\$ 209,976</u>	<u>\$ 23,731</u>	<u>\$ 1,125,094</u>	<u>\$ 1,019,035</u>
-	-	-	-	850
1,575	1,493	1,377	5,686	17,376
2	10	9	87	-
<u>1,577</u>	<u>1,503</u>	<u>1,386</u>	<u>5,773</u>	<u>18,226</u>
-	-	-	1,209	1,014
<u>\$ 55,464</u>	<u>\$ 211,479</u>	<u>\$ 25,117</u>	<u>\$ 1,132,076</u>	<u>\$ 1,038,275</u>
\$ -	\$ 28,252	\$ 121	\$ 45,491	\$ 71,630
5,027	-	-	119,777	68
-	-	-	-	100
<u>5,027</u>	<u>28,252</u>	<u>121</u>	<u>165,268</u>	<u>71,798</u>
-	-	-	1,209	1,014
-	-	-	-	32,487
<u>50,437</u>	<u>183,227</u>	<u>24,996</u>	<u>965,599</u>	<u>932,976</u>
<u>50,437</u>	<u>183,227</u>	<u>24,996</u>	<u>966,808</u>	<u>966,477</u>
<u>\$ 55,464</u>	<u>\$ 211,479</u>	<u>\$ 25,117</u>	<u>\$ 1,132,076</u>	<u>\$ 1,038,275</u>

Town of Ossining, New York

Special Districts Fund

Combining Schedule Of Revenues, Expenditures And Changes

In Fund Balances - Sub-Funds

Year Ended December 31, 2013

(With Comparative Totals for 2012)

		Sewer Districts		
	Townwide Water	Conso- lidated	North State Road	Lighting
REVENUES				
Real property taxes	\$ 27,110	\$ 247,215	\$ 48,169	\$ 65,241
Other tax items	-	-	-	-
Departmental income	-	164,723	9,657	-
Intergovernmental charges	-	-	-	-
Use of money and property	77	1,530	23	76
Miscellaneous	-	-	-	-
Total Revenues	27,187	413,468	57,849	65,317
EXPENDITURES				
Current				
General government support	857	27,347	-	3,499
Public safety	-	-	-	-
Health	-	-	-	-
Transportation	-	-	-	68,616
Home and community services	-	275,936	-	-
Debt service				
Principal				
Bond anticipation notes	-	-	-	-
Interest				
Bond anticipation notes	3,420	-	-	-
Loan	-	-	-	-
Total Expenditures	4,277	303,283	-	72,115
Excess (Deficiency) of Revenues Over Expenditures	22,910	110,185	57,849	(6,798)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	-	-	-
Transfers in	87,000	-	-	-
Transfers out	(110,315)	(121,935)	(57,169)	(566)
Total Other Financing Sources (Uses)	(23,315)	(121,935)	(57,169)	(566)
Net Change in Fund Balances	(405)	(11,750)	680	(7,364)
FUND BALANCES				
Beginning of Year	19,822	674,688	1,432	31,045
End of Year	\$ 19,417	\$ 662,938	\$ 2,112	\$ 23,681

Fire Protection	Refuse and Garbage	Ambulance	Totals	
			2013	2012
\$ 626,636	\$ 536,194	\$ 597,398	\$ 2,147,963	\$ 2,021,043
-	-	698	698	627
-	-	-	174,380	169,037
-	-	234,680	234,680	165,128
97	393	242	2,438	22,968
-	-	-	-	2,053
626,733	536,587	833,018	2,560,159	2,380,856
31,545	30,332	12,095	105,675	125,288
604,006	-	-	604,006	588,545
-	-	799,190	799,190	681,548
-	-	-	68,616	65,121
-	488,640	-	764,576	826,051
-	-	-	-	207,170
-	-	-	3,420	2,002
-	-	-	-	11,032
635,551	518,972	811,285	2,345,483	2,506,757
(8,818)	17,615	21,733	214,676	(125,901)
-	-	-	-	186,359
-	-	-	87,000	5,115
(5,027)	(5,185)	(1,148)	(301,345)	(133,242)
(5,027)	(5,185)	(1,148)	(214,345)	58,232
(13,845)	12,430	20,585	331	(67,669)
64,282	170,797	4,411	966,477	1,034,146
\$ 50,437	\$ 183,227	\$ 24,996	\$ 966,808	\$ 966,477

Town of Ossining, New York

Capital Projects Fund
Comparative Balance Sheet
December 31,

	2013	2012
ASSETS		
Cash and equivalents	\$ 703,195	\$ 313,586
Accounts		
State and Federal aid	6,461	6,461
Due from other funds	41,550	-
	48,011	6,461
Total Assets	\$ 751,206	\$ 320,047
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 6,664	\$ 161,851
Retainage payable	-	15,596
Due to other funds	30,101	689
Unearned revenues	-	8,916
Bond anticipation notes payable	1,009,656	693,983
Total Liabilities	1,046,421	881,035
Fund deficit		
Unassigned	(295,215)	(560,988)
Total Liabilities and Fund Deficit	\$ 751,206	\$ 320,047

Town of Ossining, New York

Capital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes
in Fund Balance
Years Ended December 31,

	2013	2012
REVENUES		
State aid	\$ 28,224	\$ 110,372
Federal aid	98,759	-
Total Revenues	126,983	110,372
EXPENDITURES		
Capital outlay	259,646	764,776
Deficiency of Revenues Over Expenditures	(132,663)	(654,404)
OTHER FINANCING SOURCES (USES)		
Bonds issued	-	1,505,000
Transfers in	514,677	200,307
Transfers out	(116,241)	(8,786)
Total Other Financing Sources	398,436	1,696,521
Net Change in Fund Balance	265,773	1,042,117
FUND DEFICIT		
Beginning of Year	(560,988)	(1,603,105)
End of Year	<u>\$ (295,215)</u>	<u>\$ (560,988)</u>

Town of Ossining, New York

Capital Projects Fund

Project-Length Schedule

Inception of Project through December 31, 2013

PROJECT	Project Budget	Expenditures and Transfers	Unexpended Balance
Engel Park Shoreline	\$ 848,000	\$ 476,341	\$ 371,659
Old Albany Post Road "S" Curve	162,000	162,000	-
Water Mains Cedar Lane	475,240	475,240	-
Cedar Lane Drainage	235,500	55,536	179,964
Justice Court Assistance Program	17,458	14,890	2,568
North State Street Road Drainage	85,703	85,703	-
Shinehouse Restoration	65,350	55,550	9,800
Justice Court Assistance Program 2013	2,848	812	2,036
Lakeville Sewer Lift Station	20,000	9,650	10,350
Third Floor HVAC	50,000	39,695	10,305
Old Albany Post Road "S" Curve	500,000	124,717	375,283
Totals	<u>\$ 2,462,099</u>	<u>\$ 1,500,134</u>	<u>\$ 961,965</u>

Total Revenues	Fund Balance (Deficit) at December 31, 2013	Bond Anticipation Notes Outstanding at December 31, 2013
\$ 485,257	\$ 8,916	\$ -
165,063	3,063	112,156
122,740	(352,500)	352,500
235,500	179,964	-
17,458	2,568	-
40,703	(45,000)	45,000
65,350	9,800	-
2,848	2,036	-
20,000	10,350	-
50,000	10,305	-
-	(124,717)	500,000
<u>\$ 1,204,919</u>	<u>\$ (295,215)</u>	<u>\$ 1,009,656</u>

Town of Ossining, New York

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2013
(With Comparative Totals for 2012)

			Total Non-Major Governmental Funds	
	Special Purpose	Debt Service	2013	2012
ASSETS				
Cash and equivalents	\$ 269,371	\$ -	\$ 269,371	\$ 290,070
Investments	32,824	-	32,824	32,800
Receivables				
Accounts	-	-	-	16,075
Due from other governments	1,332	-	1,332	1,071
Due from other funds	-	149,914	149,914	265,884
	1,332	149,914	151,246	283,030
Total Assets	<u>\$ 303,527</u>	<u>\$ 149,914</u>	<u>\$ 453,441</u>	<u>\$ 605,900</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 5,305	\$ -	\$ 5,305	\$ 5,727
Due to other funds	29,305	3,176	32,481	-
Unearned revenues	18,115	-	18,115	12,315
Total Liabilities	<u>52,725</u>	<u>3,176</u>	<u>55,901</u>	<u>18,042</u>
Fund balances				
Restricted	250,802	61,606	312,408	416,034
Assigned	-	85,132	85,132	171,824
Total Fund Balances	<u>250,802</u>	<u>146,738</u>	<u>397,540</u>	<u>587,858</u>
Total Liabilities and Fund Balances	<u>\$ 303,527</u>	<u>\$ 149,914</u>	<u>\$ 453,441</u>	<u>\$ 605,900</u>

Town of Ossining, New York

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2013
(With Comparative Totals for 2012)

	Special Purpose	Debt Service	Total Non-Major Governmental Funds	
			2013	2012
REVENUES				
Departmental income	\$ 497,836	\$ -	\$ 497,836	\$ 642,403
Use of money and property	6,069	712	6,781	14,595
Federal aid	13,051	-	13,051	-
Miscellaneous	130	-	130	1,222
Total Revenues	517,086	712	517,798	658,220
EXPENDITURES				
Current				
Home and community services	560,258	-	560,258	451,621
Debt service				
Principal	-	540,000	540,000	443,513
Interest	-	226,131	226,131	195,463
Total Expenditures	560,258	766,131	1,326,389	1,090,597
Deficiency of Revenues Over Expenditures	(43,172)	(765,419)	(808,591)	(432,377)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	882,371	882,371	647,762
Transfers out	(28,000)	(236,098)	(264,098)	(60,803)
Total Other Financing Sources (Uses)	(28,000)	646,273	618,273	586,959
Net Change in Fund Balances	(71,172)	(119,146)	(190,318)	154,582
FUND BALANCES				
Beginning of Year	321,974	265,884	587,858	433,276
End of Year	<u>\$ 250,802</u>	<u>\$ 146,738</u>	<u>\$ 397,540</u>	<u>\$ 587,858</u>

Town of Ossining, New York

Special Purpose Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	<u>\$ 269,371</u>	<u>\$ 290,070</u>
Investments	<u>32,824</u>	<u>32,800</u>
Receivables		
Accounts	-	16,075
Due from other governments	<u>1,332</u>	<u>1,071</u>
	<u>1,332</u>	<u>17,146</u>
Total Assets	<u><u>\$ 303,527</u></u>	<u><u>\$ 340,016</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 5,305	\$ 5,727
Due to other funds	29,305	-
Unearned revenues	<u>18,115</u>	<u>12,315</u>
Total Liabilities	52,725	18,042
Fund balance		
Restricted	<u>250,802</u>	<u>321,974</u>
Total Liabilities and Fund Balance	<u><u>\$ 303,527</u></u>	<u><u>\$ 340,016</u></u>

Town of Ossining, New York

Special Purpose Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balance
Years Ended December 31,

	2013	2012
REVENUES		
Departmental income	\$ 497,836	\$ 642,403
Use of money and property	6,069	13,868
Federal aid	13,051	-
Miscellaneous	130	1,222
Total Revenues	517,086	657,493
EXPENDITURES		
Current		
Home and community services	560,258	451,621
Excess (Deficiency) of Revenues Over Expenditures	(43,172)	205,872
OTHER FINANCING USES		
Transfers out	(28,000)	-
Net Change in Fund Balance	(71,172)	205,872
FUND BALANCE		
Beginning of Year	321,974	116,102
End of Year	\$ 250,802	\$ 321,974

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Town of Ossining, New York

Debt Service Fund
Comparative Balance Sheet
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Due from other funds	<u>\$ 149,914</u>	<u>\$ 265,884</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	<u>\$ 3,176</u>	<u>\$ -</u>
Fund balance		
Restricted	61,606	\$ 94,060
Assigned	<u>85,132</u>	<u>171,824</u>
Total Fund Balance	<u>146,738</u>	<u>265,884</u>
Total Liabilities and Fund Balance	<u>\$ 149,914</u>	<u>\$ 265,884</u>

Town of Ossining, New York

Debt Service Fund

Comparative Schedule of Revenues, Expenditures and Changes

in Fund Balance - Budget and Actual

Years Ended December 31,

	2013			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Use of money and property	\$ -	\$ -	\$ 712	\$ 712
EXPENDITURES				
Debt service				
Principal				
Serial bonds	540,008	540,008	540,000	8
Installment purchase debt	-	-	-	-
	540,008	540,008	540,000	8
Interest				
Serial bonds	226,143	226,143	226,131	12
Installment purchase debt	-	-	-	-
	226,143	226,143	226,131	12
Total Expenditures	766,151	766,151	766,131	20
Deficiency of Revenues Over Expenditures	(766,151)	(766,151)	(765,419)	724
OTHER FINANCING SOURCES (USES)				
Transfers in	766,151	766,151	882,371	116,220
Transfers out	(171,824)	(280,468)	(236,098)	44,370
Total Other Financing Sources	594,327	485,683	646,273	160,590
Net Change in Fund Balance	(171,824)	(280,468)	(119,146)	161,314
FUND BALANCE				
Beginning of Year	171,824	280,468	265,884	(14,584)
End of Year	\$ -	\$ -	\$ 146,738	\$ 146,730

2012			
Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ -	\$ -	\$ 727	\$ 727
430,000	430,000	430,000	-
-	13,513	13,513	-
430,000	443,513	443,513	-
194,517	194,517	194,513	4
-	950	950	-
194,517	195,467	195,463	4
624,517	638,980	638,976	4
(624,517)	(638,980)	(638,249)	731
624,517	638,980	647,762	8,782
(52,692)	(60,804)	(60,803)	1
571,825	578,176	586,959	8,783
(52,692)	(60,804)	(51,290)	9,514
52,692	60,804	317,174	256,370
\$ -	\$ -	\$ 265,884	\$ 265,884

Town of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2013</u>	<u>2012</u>
ASSETS		
Cash and equivalents	\$ 3,122	\$ 3,122
Due from other funds	<u>32,339</u>	<u>87,351</u>
Total Assets	<u>35,461</u>	<u>90,473</u>
LIABILITIES		
Current liabilities		
Current portion of claims payable	3,500	9,000
Claims payable, less current portion	<u>31,961</u>	<u>81,473</u>
Total Liabilities	<u>\$ 35,461</u>	<u>\$ 90,473</u>

Town of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Revenues, Expenses and Changes in Net Position
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
OPERATING REVENUES		
Departmental charges	\$ 14,433	\$ 18,125
OPERATING EXPENSES		
Employee benefits	<u>14,433</u>	<u>18,125</u>
Income from Operations	-	-
NET POSITION		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Town of Ossining, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from departmental charges	\$ 69,445	\$ 48,748
Cash payments to insurance carriers, claimants and other	<u>(69,445)</u>	<u>(48,748)</u>
Net Cash from Operating Activities	-	-
CASH AND EQUIVALENTS		
Beginning of Year	<u>3,122</u>	<u>3,122</u>
End of Year	<u><u>\$ 3,122</u></u>	<u><u>\$ 3,122</u></u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ -	\$ -
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in operating assets and liabilities		
Due from other funds	55,012	30,623
Claims payable	<u>(55,012)</u>	<u>(30,623)</u>
Net Cash from Operating Activities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>