

# Town of Oyster Bay New York



## Comprehensive Annual Financial Report

Year Ended December 31, 2013



**TOWN OF OYSTER BAY,**

**NEW YORK**

Comprehensive Annual Financial Report  
Year Ended December 31, 2013

Prepared by:  
The Office of the Comptroller  
**Robert J. McEvoy**  
*Comptroller*



**TOWN OF OYSTER BAY**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2013**  
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**INTRODUCTORY  
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# Places to Play and Visit

## TOWN BEACHES AND PARKS

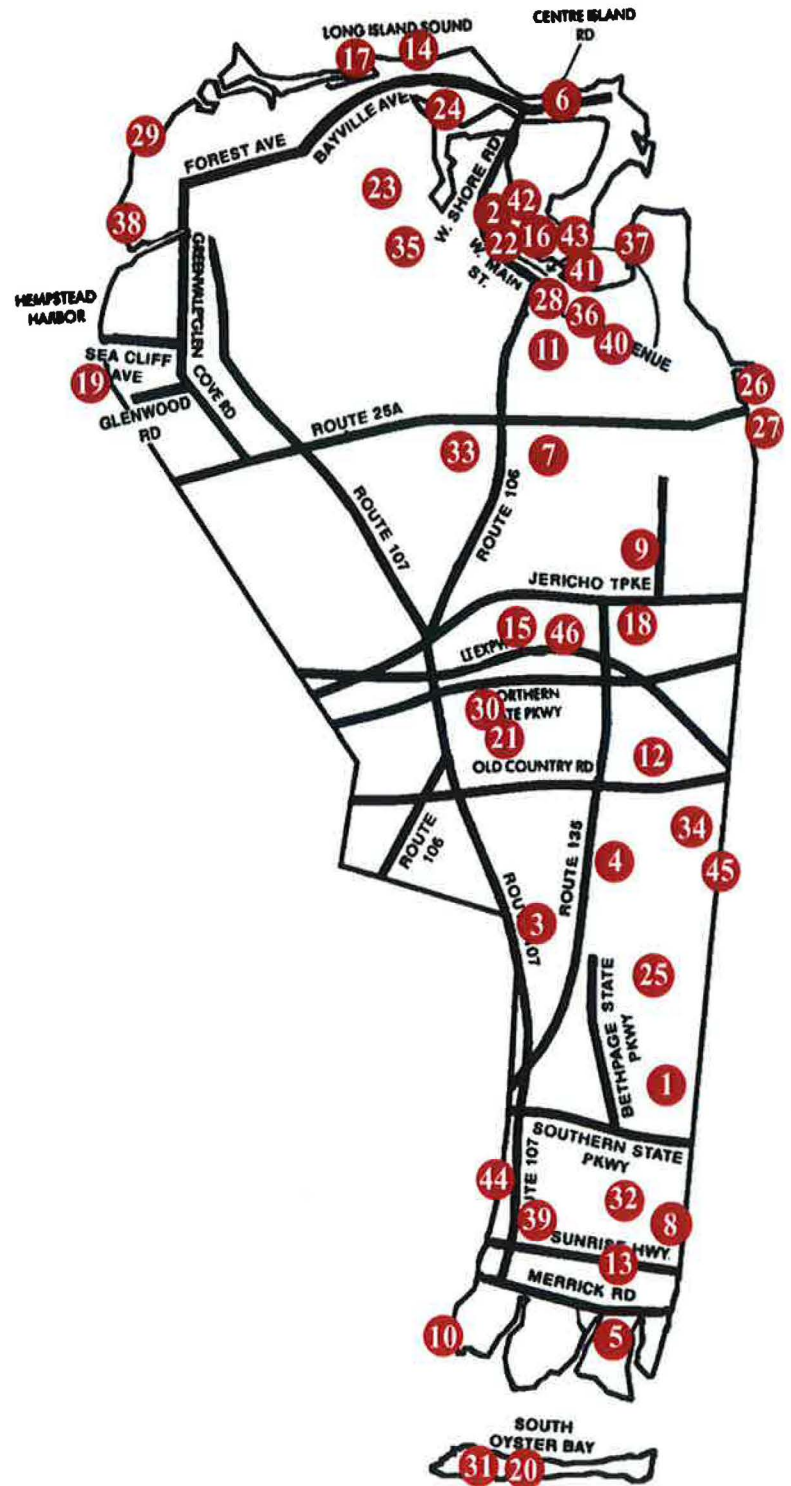
1. Ellsworth W. Allen Town Park
2. Beekman Beach Park
3. Bethpage Community Park
4. Borella Field
5. John J. Burns Town Park
6. Centre Island Beach
7. (The) Farm at Oyster Bay
8. Field of Dreams
9. Golf Course and Clubhouse
10. Philip B. Healey Beach at Florence Avenue
11. Senator Ralph J. Marino Memorial Field
12. Plainview-Old Bethpage Community Park
13. Marjorie R. Post Community Park
14. Charles E. Ransom Beach
15. Robbins Lane Community Park
16. Theodore Roosevelt Memorial Park & Beach
17. Stehli Beach
18. Syosset-Woodbury Community Park
19. Harry Tappen Beach
20. Tobay Beach
21. John Walker Memorial Park
22. Western Waterfront

## PLACES OF INTEREST

23. Bailey Arboretum
24. Bayville Historical Museum
25. Bethpage State Park
26. Cold Spring Harbor Fish Hatchery and Aquarium
27. Cold Spring Harbor Laboratory
28. Earle-Wightman House
29. Garvies Point Museum & Preserve
30. Hicksville Gregory Museum
31. John F. Kennedy Memorial Wildlife Sanctuary
32. Massapequa Preserve
33. Muttontown Nature Preserve
34. Old Bethpage Village Restoration
35. Planting Fields Arboretum State Historic Park
36. Raynham Hall Museum
37. Sagamore Hill National Historic Site
38. Sea Cliff Village Museum
39. Tackapausha Museum and Preserve
40. Theodore Roosevelt Memorial Sanctuary and Audubon Center
41. Townsend Museum
42. Waterfront Center

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43. Town Halls East and West
44. Town Hall South
45. Solid Waste Disposal Complex
46. Departments of Environmental Resources, Public Safety & Public Works, Highway Division, Animal Shelter



# TOWN OF OYSTER BAY, NEW YORK

## PRINCIPAL OFFICIALS

December 31, 2013

### TOWN BOARD:

SUPERVISOR

JOHN VENDITTO

COUNCILMAN

JOSEPH G. PINTO

COUNCILMAN

JOSEPH D. MUSCARELLA

COUNCILWOMAN

REBECCA M. ALESIA

COUNCILMAN

ANTHONY D. MACAGNONE

COUNCILMAN

CHRIS J. COSCHIGNANO

COUNCILWOMAN

MICHELE JOHNSON

TOWN CLERK

JAMES ALTADONNA, Jr.

RECEIVER OF TAXES

JAMES J. STEFANICH

TOWN ATTORNEY

LEONARD GENOVA

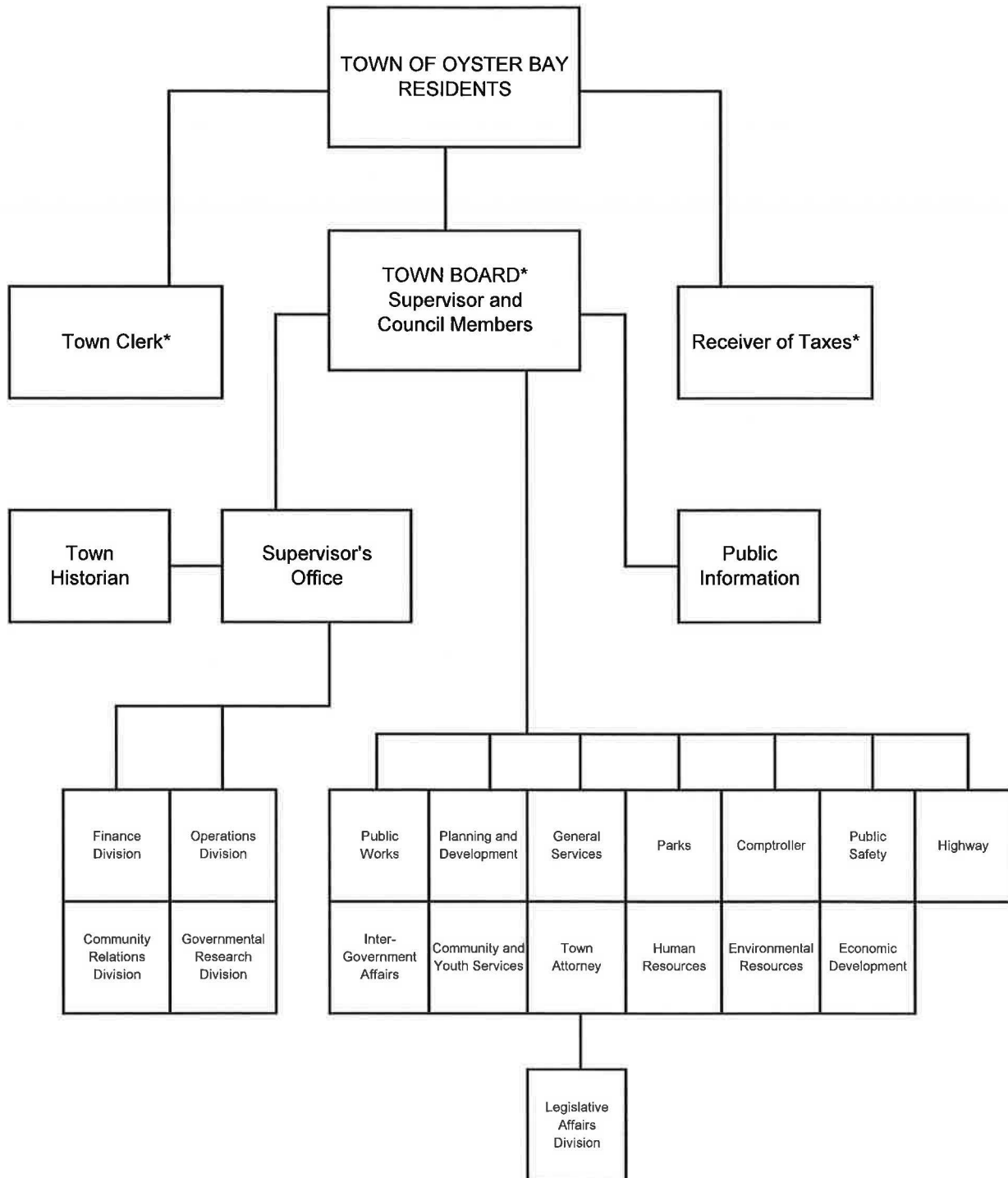
COMPTROLLER

ROBERT J. McEVOY

# TOWN OF OYSTER BAY, NEW YORK

## ORGANIZATIONAL CHART

December 31, 2013



\* Elected by Town of Oyster Bay voters.



**Office of the Comptroller  
Town of Oyster Bay**

Robert J. McEvoy  
Comptroller

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Leonard G. Kunzig  
Deputy Comptroller

Christine M. Wiss  
Deputy Comptroller

June 30, 2014

Honorable Members of the Town Board and Citizens of the Town of Oyster Bay:

The Comprehensive Annual Financial Report of the Town of Oyster Bay, New York (the "Town") for the year ended December 31, 2013, prepared by the Office of the Comptroller, is submitted herewith. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation including all disclosures rests with the Town. I believe the data is presented in a manner designed to set forth fairly the financial position and results of operations of the Town as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain a reasonable understanding of the Town's financial affairs have been included.

The Comptroller is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with U.S. generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgment by Town management.

The accounting firm Albrecht, Viggiano, Zureck & Company, P.C. was selected by the Town's Board to prepare the Town's 2013 Comprehensive Annual Financial Report. The accounting firm Cullen & Danowski, LLP was selected by the Town's Board to perform an independent audit of the Town's financial statements as of December 31, 2013, and for its year then ended. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

This report includes funds of various departments, agencies and other organizational units, which are considered part of the Town of Oyster Bay financial reporting entity. Criteria for determining the reporting entity and presentation of the related financial data are established by the Governmental Accounting Standards Board. The criteria include legal standing and financial accountability. Note 1 of the Notes to the Financial Statements provides detail on the financial reporting entity. A brief summary of the nature of significant nonmajor component units and their relationship to the Town of Oyster Bay are also provided in the Notes to the Financial Statements. The financial reporting entity includes eleven nonmajor component units: eight Commissioner-operated water districts, two Commissioner-operated sanitation districts and one Commissioner-operated sewer district. Although these nonmajor component units are legally separate entities, the Town of Oyster Bay is financially accountable for them. These nonmajor component units are presented discretely in a separate column in the basic financial statements to differentiate them from the Town's financial operations.

The Management Discussion and Analysis (MD&A), located in the financial section following the independent auditors' report, provides an introduction, overview, and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

The Town is required to undergo an annual "single audit" in conformity with the provisions of the Federal Single Audit Act Amendments of 1996 and the United States Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Information related to this "single audit", including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are not presented in this report, but rather are routinely presented as a separate report.



## HISTORY

"On June 4th, I anchored in a commodious haven on the north of Long Island. We found fine oysters there, from which the Dutch call it Oyster Bay." -Diary of David deVries, Voyager, 1639

The Town of Oyster Bay enjoys a rich and well-documented history. The first known European to sail past Long Island's south shore was Giovanni de Verrazano in 1524. David deVries was the first to record the name of Oyster Bay for the beautiful harbor on the Town's north shore in 1639. Long Island was first claimed by the Dutch as part of their province of New Netherland. In 1639, they purchased from the Native Americans a tract, which, on the east, included the present Town land. In 1648, Robert Williams of Hempstead bought from the Native Americans a large parcel of land, which is represented today by Hicksville and adjacent parts of Jericho, Plainview, Syosset and Woodbury.

Five years later, the Native American Chief Mohannes sold the land in the northern portion of Oyster Bay, extending on Long Island south to a point near Hicksville, to New Englanders Samuel Mayo, Peter Wright and William Leverich. Several other colonists joined in this first purchase and settled on the land.

In founding the Town, the New Englanders were seeking new opportunities on Long Island just east of the boundary established between the English and the Dutch. In 1667, three years after the English won New Netherland, the Town of Oyster Bay, inclusive of land to the "South Sea" (Great South Bay), was granted a patent by the English Governor, Sir Edmund Andros.

After the defeat of the American Army at the Battle of Long Island in August 1776, Oyster Bay fell under British occupation. The Revolutionary War found Long Island strongly loyalist. British troops used Raynham Hall as their headquarters, the Hall being the home of patriot Samuel Townsend and currently a museum. Raynham Hall today, reveals life from the American Revolution in the 1770s through Oyster Bay's affluent Victorian period in the 1870s and the beginning of the Gold Coast. Purchased by prominent community member, Samuel Townsend, the house was home to a total of three generations of this family. It is famous for housing the Queens Rangers, a loyalist regiment commanded by Lt. Col. John Graves Simcoe, during the Revolution. Added to the historic period room displays are stories of family haunts and the intrigue of General Washington's Culper Spy Ring. In fact, it was Robert Townsend (Culper Jr.) who gathered information leading to the capture of Major Andre and thwarted Benedict Arnold's plot to surrender West Point to the British. Despite the fact that he was arrested early in the war for his support of the patriots, his son, Robert remained active as an undercover agent for General Washington using the code name, "Culper, Jr.". With the aid of his sister, Sally, he reportedly secured information that led to the exposure of Benedict Arnold's plot to defect to the British and turn over West Point to their control.

After the Revolution, Oyster Bay continued primarily as an agricultural area through the nineteenth century. It did not come into national prominence again until the presidency of Theodore Roosevelt, an Oyster Bay resident whose home, Sagamore Hill, served as the "summer White House" from 1902 to 1908. This huge Victorian mansion, with its original furnishings, was dedicated as a national shrine during the administration of President Eisenhower. It has since been completely restored and is open to the public. Built in 1884-85, Sagamore Hill was the last permanent home of Theodore Roosevelt. The estate is named after the old Sagamore Mohannes, who as Chief of his little tribe, "signed away his rights to the land". The house is a 23 room Victorian structure of frame and brick. Among the Large Hall and other rooms on the first floor is the spacious North Room, added in 1905. This spectacular room measures 30 by 40 feet and is built of Philippine and American woods: mahogany, black walnut, swamp cypress, and hazel. Filled with hunting trophies, books, paintings, flags, and furniture, the room vividly reflects the spirit of Theodore Roosevelt. The 37-acre National Environmental Study Area includes a forest, tidal salt marsh, and bay beach. A guided nature walk explores the conservation efforts of Theodore Roosevelt, but is only available on summer weekends, if staffing permits. This area is accessible by tour only. The area includes the Theodore Roosevelt burial site at Young's Cemetery. The Town is also responsible for the Theodore Roosevelt Memorial Park and Beach located in the hamlet of Oyster Bay.

With the advent of World Wars I and II, the Town's primarily agricultural economy began changing to an industrial and business oriented society, especially in the area of aeronautics. Farmlands gave way to business complexes, factories and new housing. Today, Oyster Bay enjoys a well-balanced blend of commercial, residential, and recreational development, leading to the Town's slogan that "Oyster Bay is a great place to live, work and play."

## GOVERNMENT

The Town of Oyster Bay is classified under the New York State Town Law as a suburban town. The Town, located in the easternmost section of Nassau County, has an area of 114.6 square miles. Located within the Town are 18 incorporated villages, three of which are partially located in neighboring towns. The villages all have their independent forms of government, but real property located therein is subject to taxation by the Town for certain Town purposes.

In addition, there are 14 independently governed school districts and eight fire districts, which rely upon their own taxing powers granted by the State to raise revenue. Eight of these school districts are entirely within the Town while parts of the other six districts are located in neighboring towns.

The chief executive officer of the Town is the Supervisor, who is elected for a term of two years and is eligible to succeed himself. The Supervisor is a member and the presiding officer of the Town Board. In addition to the Supervisor, there are six members of the Town Board who are elected for four-year terms. The terms are staggered so that every two years the Supervisor and three Council members are elected. There is no limit to the number of terms that may be served by members of the Town Board. Both the Supervisor and Council members are elected at large. The elected Town Clerk and Receiver of Taxes serve terms of two and four years, respectively, and may succeed themselves.

## BUDGET

Formal budgetary integration is employed during the year as a management control device for the General, certain Special Revenue and Debt Service Funds. The Town Board adopts the budget and establishes legal level of control of the budget at the object level of expenditures. The object level identifies expenditures by the article purchased or service obtained in order to carry out a function. Appropriations are adopted at the object level. All budgetary amendments and transfers of appropriation require Town Board approval. Appropriations for all governmental funds except the Capital Projects Fund and Special Grant Funds lapse at year end. The Capital Projects and Special Grant Funds are budgeted on a project or grant basis.

## ECONOMIC CONDITION AND OUTLOOK

The Town of Oyster Bay has continued to maintain a balanced atmosphere between corporate and residential citizens. The Town, through the Town Board and the Department of Planning and Development, has in concert with the citizens of Oyster Bay, developed procedures to make sure that any new development in the Town maintains Oyster Bay's balanced growth.

Small businesses as well as large corporations have a friend in Oyster Bay. Cablevision Systems has been in Oyster Bay since its beginnings and enjoys a long-term relationship with the Town.

The occupational outlook anticipates growth in professional, technical, clerical and service industries. Many high-tech companies have located in the area, attracted by a well-educated and highly skilled work force. The unemployment rate in the Town continues to be below average as compared to the rest of the Long Island Region and New York State due to the fact that many companies have remained within the Town. Economic conditions are such that these companies are surviving the current economic environment.

## MAJOR INITIATIVES

### Information Technology Standardization and Alignment Project

As the Information Technology effort continues to mature, the Information Technology Division (ITD) is transitioning a large portion of improvement efforts from infrastructure development to enterprise level business process and data quality improvements. With focus on the value of these functions, and the strides we continue to complete in the infrastructure space, the Town is positioned to make measured improvements in the quality, control, and effectiveness of the Town's information resource and various electronic and business process systems.

## MAJOR INITIATIVES (continued)

### Information Technology Standardization and Alignment Project (continued)

A critical infrastructure milestone, core enterprise network, was achieved during 2011 establishing primary data and communication network redundancy with improvements in network security, control and audit functions. Focusing on both redundancy and best practice security, risk mitigation strategies were also advanced. ITD continues to support considerable growth of the physical network by adding more outlying facilities into the core network and extending the benefits of communications, electronic business process, data authoring and quality management to remote operational units. Similar advantages have been extended for the public's safety by integrating the Town's video security system and emergency call box systems into central control and monitoring system.

Organizational transformation began to emerge in the actions and strategies of the Town's diverse operational units. ITD began working closely with seventy percent of the Town's departments that were interested in the benefits and values provided by modern business process improvement and reengineering strategies. Some current improvement projects include; the Receiver of Taxes receiving process, IT Support Desk, Marina Management, Golf Course Management, Street Lighting Management, the Comptroller's Office accounting and control, IT systems incident management, and the Town Attorney's case management system. ITD will continue to stress strong fundamental Information Technology methods and practices for data stewardship, measurable control, and value. These attributes will help lead the Town's organizational improvement efforts towards excellence in operational control and more importantly, an excellent resident experience.

### Geographic Information System (GIS)

In keeping with the Town's GIS agreements with Nassau County and qualifying consulting firms, all of the requests for geographic layers continue to be satisfied. The requests that have been received have ranged from small areas with only a few layers to large areas, some of which include the entire Town, and many other layers.

The Town's GIS Committee, has been extended to include representatives from the Environmental Resources and Intergovernmental Affairs departments of the Town. The GIS Committee currently has representatives from eleven departments within the Town. The GIS committee continues to discover GIS needs within the Town and new ways to more effectively provide solutions to those GIS needs. To support the increased use of GIS within the Town, Town employees who were formally trained on the use and operation of the Environmental Systems Research Institute (ESRI) software product suite have been providing mapping products and services to Town Departments on an as needed basis. The use of Town resources to complete these services has reduced the overall costs for GIS consulting services, while increasing the knowledge and expertise of the GIS within the Town. It is anticipated that additional GIS training services will be provided to both existing and new GIS users within the Town. This additional training will further extend the Town's ability to support GIS related service requests from within the Town and from external consultants and constituents.

The Town upgraded the GIS software environment to the latest release from ESRI and migrated data and software to a new server architecture which includes integration with the Town's current enterprise database environment. The Town extended its agreement with Nassau County to include GIS source code sharing. While the County has shared data with the Town for many years, the Town and County will work together using a similar technology platform to encourage source code sharing for GIS functionality. The first type of GIS functionality to be shared with the Town includes a set of web services that provide geocoding services based upon street address, street intersections and Section, Block, and Lot (SBL) information. The cooperation with the County will continue, and it is anticipated to grow even more in 2014.

As of 2013 all of the current GIS applications available to Town employees have been upgraded. On average, the Town logs onto the GIS viewers approximately 3,050 times each month. This equates to 150 users each day. As expected, this rate has increased steadily over the past year with the inclusion of the Parks department and Highway department GIS viewers. Many manual tasks continue to be replaced by the GIS viewers which has increased the operational efficiency of many departments within the Town.

## MAJOR INITIATIVES (continued)

### Energy Efficiency/Green Energy

As the global demand for energy continues to increase, energy conservation is becoming more important than ever. The Town of Oyster Bay is ahead of the curve and is instituting policies and programs to make not only the operations of Town facilities more energy efficient, but to promote energy conservation in the private sector. As part of a plan to make Town buildings more energy efficient, Energy Star rated air conditioning units are being installed along with thermal glass windows. Boilers are being converted from oil to natural gas, which provides an increase in efficiency of 94%. The Town has also made its buildings more energy friendly by installing an energy-efficient lighting system. Additionally, the Town is currently using solar ("green") power at one of its facilities and is exploring the use of "green" power on a larger scale.

The municipal fleet is a significant energy user, and the Town has taken steps to reduce energy consumption by incorporating alternative fuel, hybrid electric/diesel and electric vehicles into its fleet with more hybrids to be added in the coming year. The Town is also using re-refined motor oil in trucks and cars. Re-refined oil is used motor oil that undergoes an extensive re-refining process to remove contaminants to produce a good-as-new base oil. Less energy is required to produce a gallon of re-refined base stock than a base stock from crude oil.

Even golf carts are getting into the act. There are currently 10 electric powered golf carts in use at the Town golf course. This saves on the use of gas to power them. The carts are plugged in at night to recharge when energy costs and consumption is lowest.

Another way the Town is conserving energy is by installing new energy efficient street lighting. As the old street lighting fixtures come to the end of their life span, they are being replaced with the energy-saving fixtures. With 23,000 street lighting fixtures across the Town, it is helping reduce energy consumption and saving taxpayers money.

The Town made excellent use of a \$5,023,529 grant by constructing a compressed natural gas (CNG) fueling facility at its Department of Public Works complex in Syosset and by converting 44 heavy-duty sanitation trucks to CNG. In addition to the 44 trucks that were to be repowered under that grant, the Town was awarded another grant to convert five additional sanitation trucks to CNG bringing the total number of CNG-fueled sanitation trucks converted to 49. The trucks that operate on CNG currently reduce the Town's petroleum usage by an estimated 204,000 gallons per year, or 17,000 gallons a month, thereby reducing our dependence on foreign oil. The clean-burning CNG vehicles produce an average of 27 percent fewer greenhouse emission than comparable gasoline or diesel models. Additionally, it is estimated that a total of 67,130 pounds of identifiable pollutants will be reduced annually. The project also resulted in green jobs in vehicle and equipment manufacturing, station construction and ongoing vehicle and station operations.

In the private sector, the Town is now mandating that home builders comply with the guidelines of the New York Energy Star Labeled Homes Program. By requiring all one and two-family homes, as well as multi-family dwellings, to comply with Energy Star guidelines, homeowners will be buying a more affordable place to live by virtue of lower energy costs.

## PLANNING FOR THE FUTURE

Two of the most important functions of local government are planning and land use. These are the tools the Oyster Bay Town Board is using to ensure that Oyster Bay remains among the most desirable places to live. Town Supervisor John Venditto and his fellow Town Board members have been working on plans, enacting legislation, and taking whatever steps are necessary to ensure a bright future for the Town where environmental resources are protected and the delicate balance of residential and business development continues to flourish. Some of the plans, legislation and actions are as follows:

### Aquifer Protection Overlay District

The protection of the underground aquifer, which serves as the Town's only source of drinking water, has always been a high priority for the Town of Oyster Bay. The Oyster Bay Town Board took a major step in protecting land within the Town's Special Groundwater Protection Area (SGPA) with the creation of an Aquifer Protection Overlay (APO) District and a special Recreation District (REC). The purpose of the APO District and the REC District is to provide further protection for properties located within the SGPA. Another important step in protecting the groundwater was the acquisition of the 26-acre Littauer property, now known as the Farm at Oyster Bay, which is in the SGPA and is now protected from any future development.



## PLANNING FOR THE FUTURE (continued)

### Infrastructure Improvements

When people hear the word infrastructure, the first things that come to mind are usually roads, buildings and bridges. These are all infrastructure, but infrastructure encompasses so much more. From sports and recreational facilities to computer and energy systems, the Town has numerous types of infrastructure. Infrastructure projects make up a large part of the Town's budget. Every year, money is budgeted for a variety of projects to maintain, improve and expand the Town's infrastructure.

Some recently completed infrastructure projects include the Parking Facility and the Police Athletic League Athletic Center in Hicksville; totally refurbished ball fields and tennis courts in Haypath Park, Old Bethpage; a major renovation of Joseph J. Saladino Memorial Marina at Tobay; construction of an indoor ice skating rink and turf field in Bethpage, reconstruction of Jackson Avenue in Syosset, construction of a new athletic complex on a portion of the former Packard School in Plainedge, construction of a new building for the Town's pre-school program in Massapequa, expansion of the spray park and installation of a new miniature golf course at Tobay Beach, construction of a new multi-purpose turf field and refurbishment of existing ball fields at Theodore Roosevelt Memorial Park in Oyster Bay, and replacement of pea gravel with fibar at playgrounds across the Town. Work is also underway on new floating docks at John J. Burns Town Park, a new floating courtesy dock at Tappen Marina, renovation and expansion of the seawall at Ransom Beach in Bayville, and construction of a new compressed natural gas (CNG) fueling station to serve the Town's growing fleet of CNG-powered vehicles.

One of the areas of infrastructure not readily visible is the Town's computer system. The Town is constantly upgrading and modernizing our computer network to streamline tasks and better serve the public. One of the offices most recently involved in a major upgrade is the Receiver of Taxes Office. With the improvements to the system, tax office personnel will be able to access the most up-to-date information on property and answers residents' questions more quickly.

Keeping the Town's infrastructure strong is important for many reasons. Reliable infrastructure systems allow the Town to better serve its residents and to continue providing the high quality municipal services and facilities that are hallmarks of the Town of Oyster Bay. Investing in our infrastructure is an investment in a better future for everyone.

### Next Generation Housing

Affordable housing for first-time homebuyers is one of the critical needs on Long Island. With the creation of the "Next Generation" zone, which allows for 12 units to the acre of price controlled, owner-occupied townhouses with garages, the Town of Oyster Bay became the first municipality on Long Island to have a separate zoning classification for starting housing. To date, 76 units of next generation housing have been approved.

### Waterfront Protection and Vitalization Plans

In recognition of the fact that our waterfront is one of our Town's most important assets, the Oyster Bay Town Board has worked with many local residents and environmentalists. Planning and environmental experts and consultants have been retained in order to develop plans which create and maintain marine, commercial and neighborhood business districts which will complement and enhance our communities. Plans have been adopted for the Glenwood-Glen Head Waterfront, Western and Eastern Waterfront (Oyster Bay Harbor), South Oyster Bay and Hempstead Harbors. These plans will allow the Town of Oyster Bay to better protect our most valuable natural resources.

The Town of Oyster Bay spearheaded the formation of the Oyster Bay/Cold Spring Harbor Protection Committee, bringing together communities that border the watershed to develop an integrated management plan for this important marine resource.

## PLANNING FOR THE FUTURE (continued)

### Save Environmental Asset (SEA) Fund III

As is consistent with the first two SEA Funds, SEA Fund III has been used for the acquisition of environmentally sensitive lands and improvements to park and recreational facilities. The Oyster Bay Town Board recognizes that preserving the Town's suburban way of life also means preserving open space and maintaining a diverse and expansive parks system. The Town Board has made a strong commitment to responsible environmental stewardship and ensuring that present and future generations have the opportunity to live in a community with open space and outstanding recreational areas. This was the third such bond approved by voters, the first being in 2000 and the second in 2004. Under the first two SEA Funds, the Town acquired more than 100 acres of land, including the 26-acre Littauer estate, now known as the Farm at Oyster Bay, with a large expanse of woods with paths and ponds, and undertook a variety of park improvement projects, including new playing fields, two new community centers, new playgrounds, and refurbishing pools and basketball courts, to name a few.

### Storm Water Management Legislation

Land development activities and associated increases in land being covered with impervious surfaces such as buildings, sidewalks, roads, and parking lots often increase storm water runoff rates and volumes, flooding, erosion and sediment transport and placement. To address these issues, the Town Board approved amendments and additions to Town Code pertaining to storm water management, erosion and sediment control. These amendments establish storm water requirements and controls that will protect and safeguard the public and regulate development activities so they are compatible with natural functions of a given site, thereby mitigating the adverse effects of storm water runoff, erosion and sedimentation.

The Town has undertaken a number of projects to mitigate the negative impacts of storm water runoff on its waterways, and more are in the development stage. To help residents understand what storm water runoff pollution is and how they can help mitigate it, the Town developed a brochure entitled *A Resident's Guide to Understanding Storm Water Runoff Pollution*. The brochure provides an overview of the how and why of storm water runoff pollution and offers residents easy ways they can help avoid creating storm water runoff pollution.

### Tree Preservation Ordinance

In keeping with the Town's progressive approach in protecting trees, the Town has been awarded its 26th consecutive "Tree City USA" award. Aside from their obvious aesthetic value, trees provide a number of tangible and intangible benefits to the suburban quality of life and are important considerations in planning and development. The Town of Oyster Bay was leading the way when it adopted a tree ordinance in 1973, becoming the first Town on Long Island to implement special legislation to protect its trees, and has made several revisions to the ordinance to better address the removal of trees, as well as the protection and enhancement of the Town's tree resources on private, as well as public property.

## FINANCIAL INFORMATION

### Internal Controls

Pursuant to Town Law §34, certain financial functions of the Town are the responsibility of the Comptroller. The Supervisor, however, is the chief fiscal officer of the Town. The Comptroller, who is responsible to the Town Board, also acts as accounting officer of the Town. The duties of the Comptroller include administration and direction and control of the following divisions: Audit and Control, Information Technology (IT), Payroll, Accounting and Accounts Payable.

## FINANCIAL INFORMATION (continued)

### Internal Controls (continued)

To assist in meeting internal control objectives, the Town has elected to undertake an annual systemic, formalized review of departmental operations pursuant to the New York State Governmental Accountability, Audit and Internal Control Act of 1987. It has developed and maintained a system of administrative controls in accordance with objectives of the Act, established guidelines for evaluation of systems of internal accounting and administrative control, and undertaken annual reviews and reports. As a recipient of federal assistance, the Town also is responsible for ensuring that an adequate internal control structure is in place to be in compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by Comptroller personnel, as well as by the independent auditors engaged to conduct the annual "single audit" as required by law.

In addition, the Town maintains controls in order to ensure compliance with the budgetary provisions embodied in the annual appropriated budgets approved by the Town Board. Activities of the General Fund, Town Outside Village Fund, Highway Fund, Debt Service Fund and Special Districts Funds including the Drainage District, Fire Protection Districts, Lighting District, Park Districts, Garbage Collection Districts, Solid Waste Disposal District, Public Parking District and Water Districts, with the exception of the Capital Projects and Special Grant Funds, are provided for in annual appropriated budgets.

Activities of the Special Grant Fund are provided in appropriated budgets, for the federally allowable life of use of funds, as individual grants are made available to the Town. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control at which expenditures cannot exceed the appropriated amount is exercised at the object level. The Town also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Appropriations, which have not been expended or encumbered, lapse at the end of the year. Encumbrances outstanding at year-end are recorded in order to reserve that portion of the applicable appropriation and may be expended in a subsequent budgetary period.

### Reporting Achievements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Oyster Bay for its comprehensive annual financial report for the year ended December 31, 2012. This was the twelfth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

### Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Comptroller's Office, Albrecht, Viggiano, Zureck & Company, P.C. and our independent auditors Cullen & Danowski, LLP. I appreciate the efforts of all who assisted and contributed to its preparation.



Robert J. McEvoy  
Comptroller



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Town of Oyster Bay  
New York**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO



**FINANCIAL  
SECTION**

## INDEPENDENT AUDITOR'S REPORT

Honorable Supervisor and Town Board  
Town of Oyster Bay  
Oyster Bay, New York

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Oyster Bay, 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of ten of the eleven component units, which represent 86.5%, 87.4%, and 90.7%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for ten of the eleven component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Two of the eleven financial statements of the discretely presented component units were audited in accordance with *Government Auditing Standards*. 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 auditor's 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 entity'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 entity'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 financial statement 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.

### ***Summary of Opinions***

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Aggregate Discretely Presented Component Units	Unmodified
General Fund	Qualified
Highway Fund	Unmodified
Garbage Collection Districts Fund	Unmodified
Solid Waste Disposal Fund	Unmodified
Debt Service Fund	Unmodified
Capital Projects Fund	Unmodified
Other Governmental Funds	Unmodified

### ***Basis for Qualified Opinions on Governmental Activities and General Fund***

Management has chosen to recognize as revenue the proceeds collected on a sale of land which has not closed. Accounting principles generally accepted in the United States of America require consummation of a sale in order to recognize revenue on the sale of property. If the proceeds had been recorded as a deposit as required by generally accepted accounting principles the revenue in the governmental activities and the general fund would be decreased and liabilities would be increased by \$30,025,000. In the statement of net position, total net position (deficit) would increase from a deficit of \$229,844,942 to a deficit of \$259,869,942 and in the balance sheet the fund balance of the general fund would be decreased from \$1,510,048 to \$(28,514,952) .

### ***Qualified Opinions***

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinions on Governmental Activities and General Fund" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the Governmental Activities and the General Fund of the Town of Oyster Bay, New York as of December 31, 2013, and the respective

changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Unmodified Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the aggregate discretely presented component units, each major fund other than the General Fund, and the aggregate remaining fund information of the Town of Oyster Bay, New York, as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Changes in Accounting Principles***

As discussed in Note 1, "Summary of Significant Accounting Policies", the Town has adopted the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and GASB Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*, as of December 31, 2013.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and the schedule of funding progress for other postemployment benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Oyster Bay, New York's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relates 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2014, on our consideration of the Town of Oyster Bay, New York's internal control over financial reporting and on our tests on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Oyster Bay, New York's internal control over financial reporting and compliance.

*Cullen & Danowski, LLP*

June 30, 2014

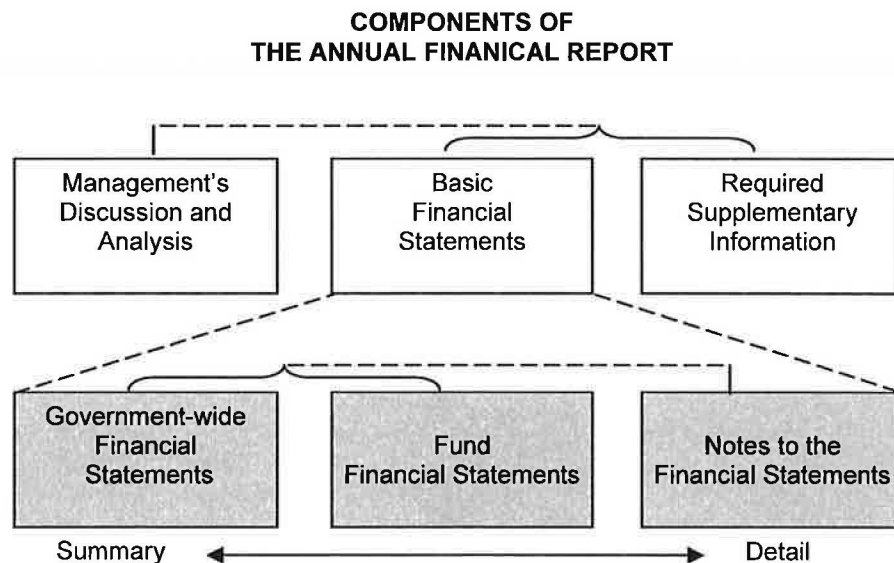
**REQUIRED SUPPLEMENTARY INFORMATION**  
**Management's Discussion and Analysis**

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

As management of the Town of Oyster Bay (the "Town"), we offer readers of the financial statements this narrative overview and analysis of the financial activities for the year ended December 31, 2013. We encourage readers to consider the information presented here, in conjunction with additional information that we have furnished in our letter of transmittal of this report.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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



**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. The intent of the government-wide financial statements is to give the reader a long-term view of the Town's financial condition.

The Statement of Net Position presents financial information on all of the Town's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. This combines and consolidates the Town's current financial resources with capital assets and long-term obligations. The purpose of this statement is to give the reader an understanding of the Town's total net worth. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's buildings, roads, drainage and other assets to assess the overall health of the Town.

The Statement of Activities presents information showing how the Town's net position changed during the most recent year. Revenues and expenses are reported by activity to give the reader an understanding of how each of the Town's activities is being supported. 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 periods. This method is known as the accrual basis of accounting and is different from the modified accrual basis of accounting used in the Town's fund financial statements.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**OVERVIEW OF THE FINANCIAL STATEMENTS** (continued)

**Government-wide Financial Statements** (continued)

The Town's government-wide financial statements include both the governmental activities of the Town itself (known as the primary government) and of its legally separate nonmajor component units for which the Town is financially accountable. Financial information for these nonmajor component units is reported separately (discretely presented) from the financial information presented for the primary government.

The prior year net position has been restated as a result of the implementation of Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in order to recognize debt issuance cost expenses incurred. Previously, the debt issuance cost expenses were amortized over the duration of the related debt.

Governmental Activities

The Town's basic services are reported here, including: general government support; public safety; transportation; economic assistance and opportunity; culture and recreation and home and community services. Property taxes, local government assistance, mortgage taxes, franchise fees, fines, and state and federal grants finance these activities. The Town also charges fees to customers to help it cover the cost of certain services it provides.

Nonmajor Component Units

Nonmajor component units are legally separate organizations for which the Town is either financially accountable, or the nature and significance of their relationship with the Town is such that exclusion would cause the Town's financial statements to be misleading or incomplete. These entities are reported in a separate column in the government-wide statements. The Town includes eleven separate legal entities in its report (eight water districts, two sanitation districts, and one sewer district).

Information on separately issued financial statements is shown in Note 5 to the financial statements.

**Fund Financial Statements**

The fund financial statements focus on current available resources and are organized and operated on the basis of funds, each of which is defined as an accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction or limitations. The Town, like other 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 two categories: governmental funds and fiduciary funds.

Governmental Funds

The Town's activities are reported in 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 on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financial 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 effect of the Town's near term financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.



**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

**Fund Financial Statements (continued)**

Governmental Funds (continued)

The Town maintains fourteen (14) individual governmental funds. 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 six (6) major funds. The General Fund, Highway Fund, Garbage Collection Districts Fund, Solid Waste Disposal District Fund, Debt Service Fund, and Capital Projects Fund are reported as major funds. Data from the eight (8) other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining and individual fund statements in the other supplementary information section in this report.

The Town adopts an annual appropriated budget for its General and Special Revenue Funds, except for the following funds: Capital Projects Fund and Special Grants Fund. A budgetary comparison schedule for the General Fund, Highway Fund, Garbage Collection Districts Fund, and Solid Waste Disposal District Fund can be found in the section labeled "Required Supplementary Information Other Than Management's Discussion and Analysis". The budgetary comparison schedule for the Debt Service Fund and all nonmajor governmental funds with the exception of the Special Grants Fund can be found in the section labeled "Other Supplementary Information".

Fiduciary Funds

All of the Town's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**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.

**Other Information**

In addition to the basic financial statements this report contains required supplementary information other than management's discussion and analysis and other supplementary information immediately following the notes to the financial statements.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$229,844,942 at the close of the most recent year.

Condensed Statement of Net Position  
Governmental Activities  
as of December 31, 2013 and 2012

	2013	2012
<b>Assets</b>		
Current and other assets	\$ 45,098,765	\$ 106,262,334
Capital assets	736,456,516	705,493,158
Total assets	<u>781,555,281</u>	<u>811,755,492</u>
<b>Deferred Outflows of Resources</b>	<u>3,579,319</u>	
<b>Liabilities</b>		
Current and other liabilities	405,325,961	517,387,040
Long-term liabilities	609,173,643	497,786,419
Total liabilities	<u>1,014,499,604</u>	<u>1,015,173,459</u>
<b>Deferred Inflows of Resources</b>	<u>479,938</u>	
<b>Net Position</b>		
Net investment in capital assets	32,343,595	26,762,896
Restricted	1,201,964	1,276,840
Unrestricted (deficit)	(263,390,501)	(231,457,703)
Total net position	<u>\$ (229,844,942)</u>	<u>\$ (203,417,967)</u>

Total assets and deferred outflows of resources of the Town as of December 31, 2013 were \$785,134,600, a decrease of \$26,620,892. Total liabilities and deferred inflows of resources as of December 31, 2013 were \$1,014,979,542, a decrease of \$193,917. This results in an overall net position deficit of \$229,844,942 as of December 31, 2013. Of the Town's net position balance \$32,343,595 reflects the Town's investment in capital assets (e.g., land, development rights, construction in progress, land rights, buildings, improvements other than buildings, machinery and equipment, software, roads, curbs, sidewalks, drainage systems and lighting systems); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens and consequently, these assets are not available for future spending. Although the Town's investment 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 will not be used to liquidate these liabilities. The Town's net position balance also included \$1,201,964 that is restricted by statute or other specific purposes and \$263,390,501 that is an unrestricted deficit.

The deficit balance of unrestricted net position does not necessarily indicate stress. The Town, in its effort to limit real property tax rate increases, used up cash reserves and certain unanticipated expenses resulted in deficits in the governmental funds which now total \$13,466,931, excluding the Capital Projects Fund. The deficit balance of unrestricted net position includes this amount from the operating funds. In addition, unfunded long-term liabilities, contribute to the Town's deficit in net position. These long-term liabilities will be funded through future budgetary appropriations when they become payable in future periods. Included in these long-term liabilities are due to Employees' Retirement System in the amount of \$20,123,940, other postemployment benefits payable in the amount of \$142,885,026, compensated absences in the amount of \$21,377,882, claims and judgments payable in the amount of \$26,846,653, landfill closure and post-closure care costs in the amount of \$10,650,000 and retirement incentive payable in the amount of \$68,334.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**GOVERNMENT-WIDE FINANCIAL ANALYSIS** (continued)

Our analysis below focuses on the changes in net position of the Town's governmental activities.

Changes in Net Position  
Governmental Activities  
for the years ended December 31, 2013 and 2012

	2013	2012
Program Revenues		
Charges for services	\$ 16,715,028	\$ 15,339,090
Operating grants and contributions	15,217,357	18,126,195
Capital grants and contributions	10,328,219	5,666,110
Total Program Revenues	<u>42,260,604</u>	<u>39,131,395</u>
General Revenues		
Real property taxes	182,180,760	175,579,664
Other real property tax items	3,390,556	3,197,633
Non-property tax items	4,863,692	4,696,524
Interest earnings	246,628	147,906
Local government assistance - unrestricted	14,680,867	13,733,876
State aid - unrestricted	11,883,093	11,184,538
Other	10,062,430	12,963,873
Total General Revenues	<u>227,308,026</u>	<u>221,504,014</u>
Total Revenues	<u>269,568,630</u>	<u>260,635,409</u>
Program Expenses		
General government support	36,575,649	32,796,871
Public safety	29,134,180	27,821,478
Transportation	68,083,600	71,035,386
Economic assistance and opportunity	4,035,988	4,039,287
Culture and recreation	71,386,725	70,617,267
Home and community services	93,926,958	85,793,941
Interest on debt	22,180,971	21,318,102
Total Expenses	<u>325,324,071</u>	<u>313,422,332</u>
Excess (Deficiency) Before Special Item	<u>(55,755,441)</u>	<u>(52,786,923)</u>
Special Item		
Proceeds from sale of land	30,025,000	
Decrease in Net Position	<u>(25,730,441)</u>	<u>(52,786,923)</u>
Net Position at Beginning of Year	<u>(203,417,967)</u>	<u>(150,631,044)</u>
*Cumulative Effect of Change in Accounting Principle	<u>(696,534)</u>	
Net Position at Beginning of Year, as Restated	<u>(204,114,501)</u>	<u>(150,631,044)</u>
Net Position at End of Year	<u>\$ (229,844,942)</u>	<u>\$ (203,417,967)</u>

\* The Town's financial statements presented herein are for the year ended December 31, 2013 and the cumulative effect of applying Governmental Accounting Standards Board (GASB) Statement No. 65, "Items Previously Reported as Assets and Liabilities"; is shown as an adjustment to the beginning net position of 2013. Accordingly, the condensed financial information presented above also reflects this cumulative effect of the accounting change to the beginning net position of 2013. The condensed financial information for the year ended December 31, 2012 was not restated.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**GOVERNMENT-WIDE FINANCIAL ANALYSIS** (continued)

Net position, from all governmental activities, decreased by \$25,730,441 in the current year. Key elements of the governmental activities are:

- The current year decrease in net position is due in part to budgetary planning by the Town. Overall, the Town appropriated expenditures in excess of estimated revenues by designating \$4,011,326 of prior year fund balance. The current year deficit was also due to an increase in the unfunded liability for other postemployment benefits in the amount of \$23,086,362, an increase in claims and judgments payable in the amount of \$14,752,694 and an increase in the liability due to the Employees' Retirement System in the amount of \$4,785,928 offset by an additional \$12,505,000 in land sale proceeds which were in excess of the amount originally anticipated.
- Total revenues were \$269,568,630 in 2013, an increase of \$8,933,221 over the prior year. In addition, the Town is reporting a special item for the proceeds related to the sale of land in the amount of \$30,025,000. Total revenues inclusive of the special item were \$299,593,630 an increase of \$38,958,221 over the prior year. Total expenses were \$325,324,071 in 2013 an increase of \$11,901,739 over the prior year. The increase in total revenues inclusive of the special item was mainly due to the recognition of the sale of Town land for \$30,025,000 and an increase in real property taxes of \$6,601,096. The increase in expenses was mainly due to an increase in employee benefits expenditures of \$17,037,923, of which \$15,995,569 related to the actuarially determined workers compensation liability for the year ended December 31, 2013 and an increase in litigation expenses of \$837,692, offset by a decrease in Super Storm Sandy clean-up expenditures of \$3,325,581 and a decrease in Nassau County tuition chargeback expenditures, inclusive of the Fashion Institute of Technology's four year program of \$1,846,789.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)**

The following chart illustrates the total and net cost of services by function for the Town's governmental funds.

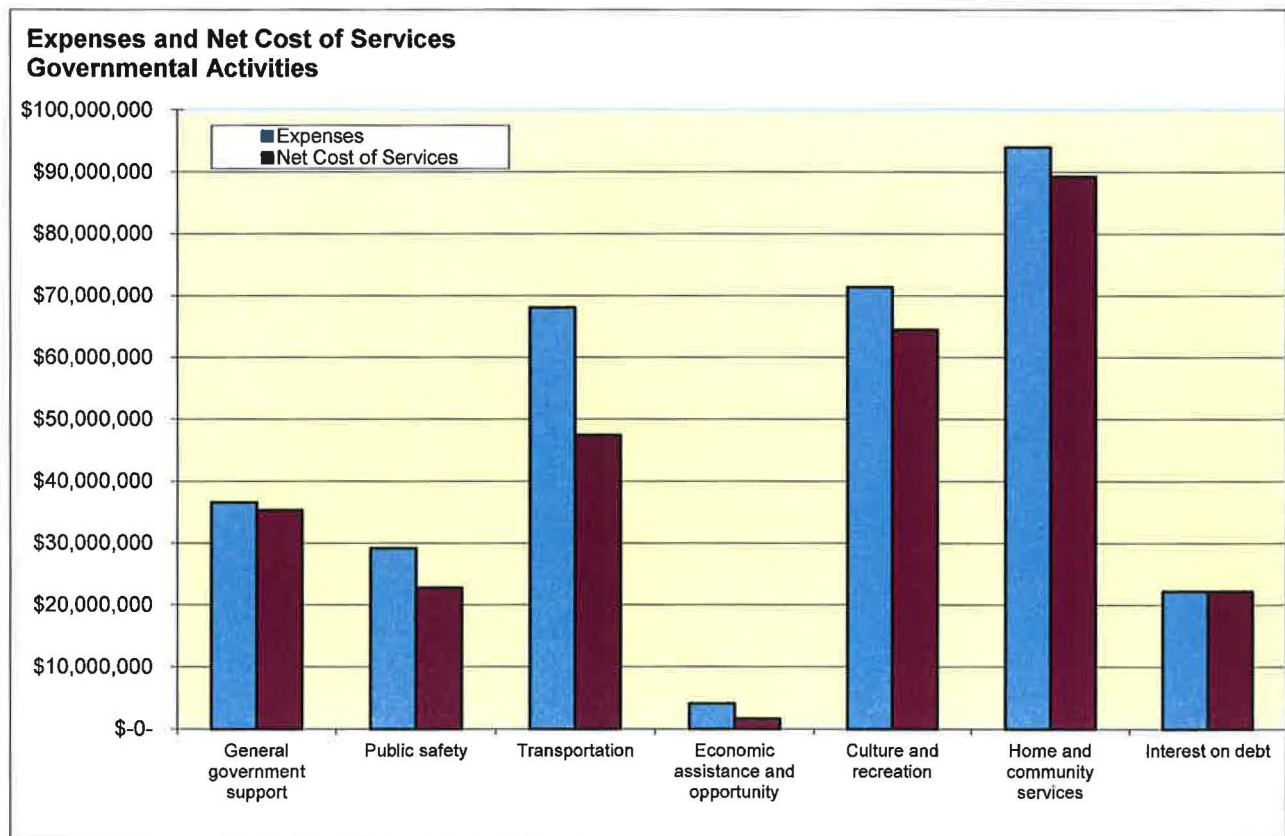
**Net Cost of Services**

**Governmental Activities**

for the years ended December 31, 2013 and 2012

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
General government support	\$ 36,575,649	\$ 32,796,871	\$ 35,335,259	\$ 31,793,507
Public safety	29,134,180	27,821,478	22,779,712	23,216,941
Transportation	68,083,600	71,035,386	47,408,528	53,950,429
Economic assistance and opportunity	4,035,988	4,039,287	1,628,857	1,340,186
Culture and recreation	71,386,725	70,617,267	64,461,259	63,697,570
Home and community services	93,926,958	85,793,941	89,268,881	78,974,202
Interest on debt	22,180,971	21,318,102	22,180,971	21,318,102
	<u>\$ 325,324,071</u>	<u>\$ 313,422,332</u>	<u>\$ 283,063,467</u>	<u>\$ 274,290,937</u>

The total cost of all governmental activities this year was \$325,324,071. The net cost of these services after being subsidized by program revenues was \$283,063,467.





**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

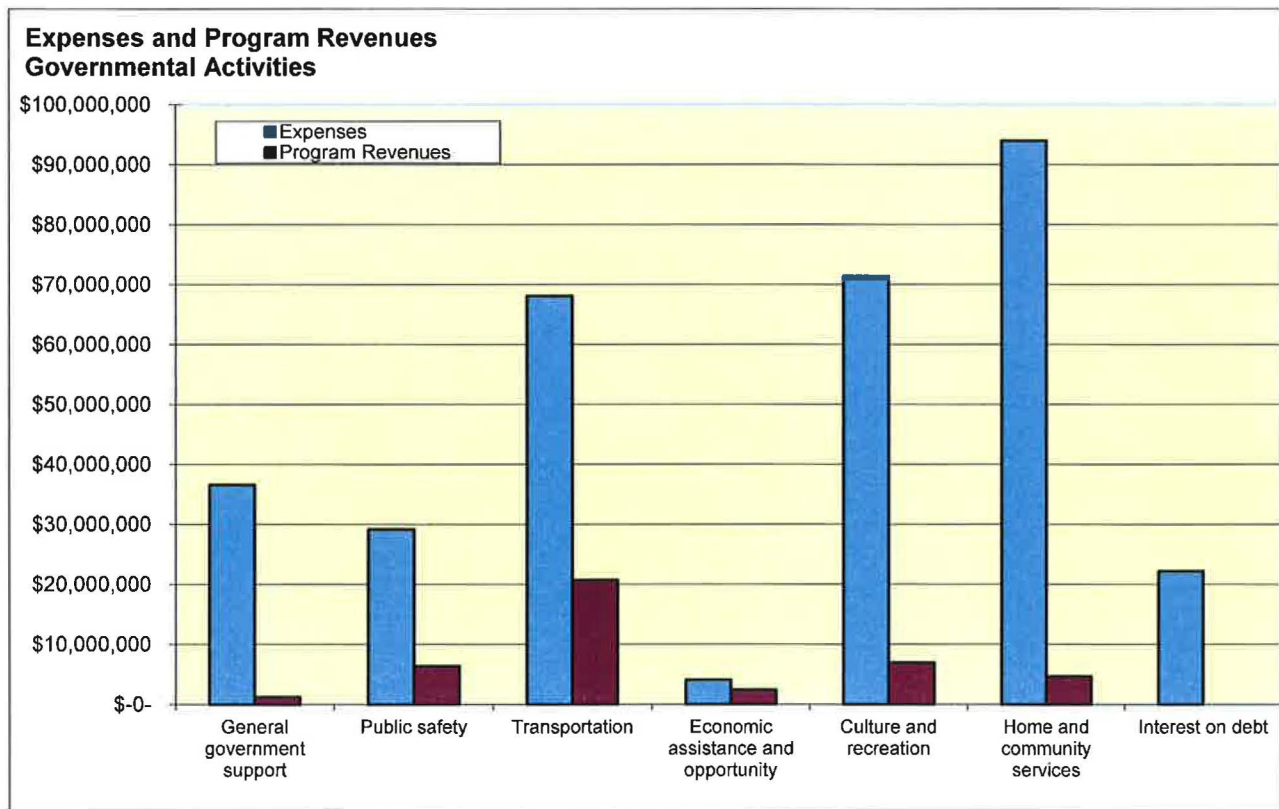
**GOVERNMENT-WIDE FINANCIAL ANALYSIS** (continued)

The following chart illustrates the total costs of services and program revenues by function for the Town's governmental activities.

Total Cost of Services and Program Revenues  
Governmental Activities  
for the years ended December 31, 2013 and 2012

	Total Cost of Services		Program Revenues	
	2013	2012	2013	2012
General government support	\$ 36,575,649	\$ 32,796,871	\$ 1,240,390	\$ 1,003,364
Public safety	29,134,180	27,821,478	6,354,468	4,604,537
Transportation	68,083,600	71,035,386	20,675,072	17,084,957
Economic assistance and opportunity	4,035,988	4,039,287	2,407,131	2,699,101
Culture and recreation	71,386,725	70,617,267	6,925,466	6,919,697
Home and community services	93,926,958	85,793,941	4,658,077	6,819,739
Interest on debt	22,180,971	21,318,102		
	<u>\$ 325,324,071</u>	<u>\$ 313,422,332</u>	<u>\$ 42,260,604</u>	<u>\$ 39,131,395</u>

The total cost of all governmental activities this year was \$325,324,071. The cost of these services were subsidized by program revenues of \$42,260,604.



**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

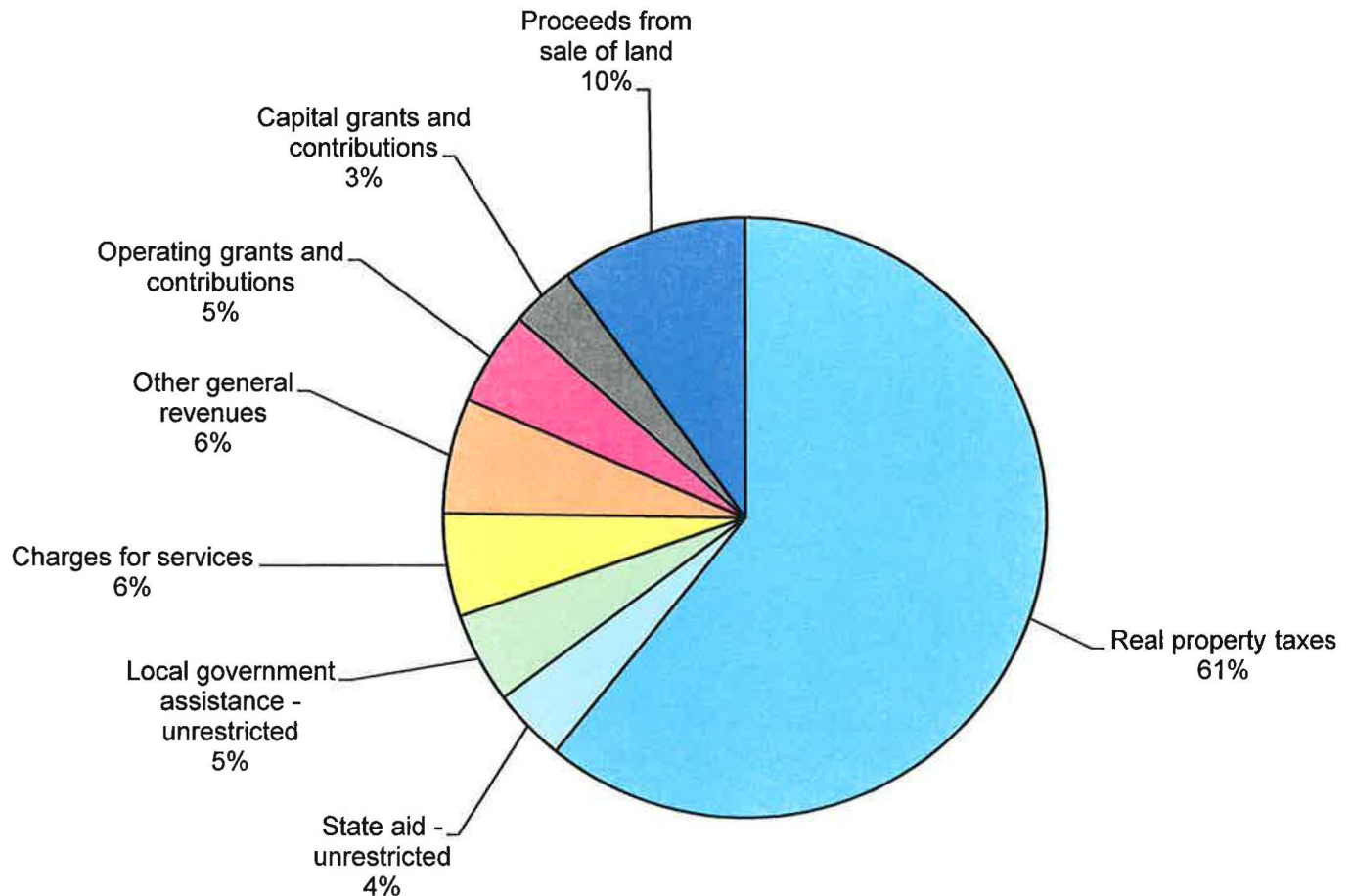
**GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)**

**Revenue and Special Item by Source**

Governmental Activities

Year ended December 31, 2013

Real property taxes	\$ 182,180,760
State aid - unrestricted	11,883,093
Local government assistance - unrestricted	14,680,867
Charges for services	16,715,028
Other general revenues	18,563,306
Operating grants and contributions	15,217,357
Capital grants and contributions	10,328,219
Proceeds from sale of land	30,025,000
	<u>\$ 299,593,630</u>



**FINANCIAL ANALYSIS OF THE TOWN'S FUNDS**

**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. In particular, spendable fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**FINANCIAL ANALYSIS OF THE TOWN'S FUNDS** (continued)

**Governmental Funds** (continued)

At December 31, 2013, the Town's governmental funds reported a total ending fund balance deficit of \$300,379,791, a decrease of \$63,495,310 in comparison with the prior year deficit. This change in total governmental fund balance was due primarily to increases in the net change in fund balance in the General Fund, Garbage Collection Districts Fund, Capital Projects Fund and Nonmajor Governmental Funds fund balance as explained in their respective paragraphs below. The governmental funds reported a fund balance deficit, exclusive of the Capital Projects Fund, of \$13,466,931. The category breakdown of fund balance is as follows:

- **Nonspendable fund balance** - \$6,413,317 (inherently non spendable) includes the portion of net resources that cannot be spent because they must be maintained intact.
- **Restricted fund balance** - \$1,201,964 (externally enforceable limitations on use) include amounts subject to limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments.
- **Assigned fund balance** - \$5,633,333 (limitation resulting from intended use) consists of amounts where the intended use is established by the Town Board, but do not meet the criteria to be classified as restricted or committed.
- **Unassigned fund balance deficit** - \$313,628,405 (residual net resources) is the remaining total fund balance deficit in the General Fund, Garbage Collection Districts Fund, Solid Waste Disposal District Fund, Capital Projects Fund, Town Outside Village Fund and Public Parking District.

The Town began the year with an anticipated \$4,011,326 decrease resulting from the appropriation of fund balance for the 2013 budget in the governmental funds. During the year the Town appropriated an additional \$3,892,875 in fund balance to fund operations. Other changes in total governmental fund balances were primarily due to the receipt of other financing sources (general obligation bond proceeds) of \$107,056,379 in the Capital Projects Fund which had a \$52,555,006 surplus for the year ended December 31, 2013, revenue from the sale of Town property which was \$12,505,000 more than originally budgeted and \$10,713,453 in unexpected federal emergency disaster assistance for the continued clean-up of Super Storm Sandy. The federal emergency disaster assistance reported by the Town was 90% of the Super Storm Sandy clean-up expenditures incurred by the Town during 2013.

In the General Fund, fund balance increased by \$8,422,072 from a \$6,912,024 deficit to a \$1,510,048 surplus. Overall, revenues and other financing sources totaled \$124,354,082, an increase of \$11,671,709 from the prior year, while expenditures and other financing uses totaled \$115,932,010, a decrease of \$2,532,206 from the prior year. The increase in revenue was mainly due to an increase in the sale of real property of \$30,025,000 and an increase in mortgage tax of \$698,555 offset by a decrease in Nassau County local government assistance of \$13,733,876, a decrease in other financing sources of \$3,862,807 and a decrease in interfund revenues of \$1,452,415. The decrease in expenditures was mainly due to a decrease in culture and recreation expenditures of \$1,871,109, a decrease in general government support expenditures of \$1,799,796, a decrease in employee benefits expenditures of \$1,215,370, a decrease in home and community services expenditures of \$819,996, a decrease in public safety expenditures of \$540,592 and a decrease in transportation expenditures of \$125,002 offset by an increase in transfers out of \$2,504,098 and an increase in debt interest of \$1,394,229.

In the Highway Fund, fund balance decreased by \$185,089 due in part to the Town appropriating expenditures in the budget in excess of the respective estimated revenues, by designating \$2,500,201 of unassigned fund balance from the prior year. Overall, revenues and other financing sources totaled \$48,814,830, a decrease of \$4,440,348 from the prior year, while expenditures and other financing uses totaled \$48,999,919, a decrease of \$5,227,145 from the prior year. The decrease in revenue was mainly due to a decrease in federal and state aid of \$2,262,185, a decrease in real property taxes of \$1,326,464 and a decrease in other financing sources of \$1,086,730. The decrease in expenditures was due to a decrease in transportation expenditures of \$4,569,076 and a decrease in transfers out of \$1,994,501 offset by an increase in debt interest of \$1,043,080.



**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (continued)**

**Governmental Funds (continued)**

In the Garbage Collection Districts Fund, the fund balance deficit was reduced by \$2,673,708. Overall, revenues and other financing sources totaled \$46,336,601, an increase of \$20,729,783 from the prior year, while expenditures and other financing uses totaled \$43,662,893, an increase of \$740,691 from the prior year. The increase in revenue was mainly due to an increase in Nassau County local government assistance of \$13,688,646 and an increase in real property taxes of \$8,194,808 offset by a decrease in other financing sources of \$678,297 and a decrease in federal aid of \$446,125. The increase in expenditures was due to an increase in employee benefits expenditures of \$1,515,337 offset by a decrease in home and community services expenditures of \$1,031,773.

In the Solid Waste Disposal District Fund, fund balance deficit was increased by \$1,287,208. Overall, revenues and other financing sources totaled \$33,699,412, an increase of \$3,891,301 from the prior year, while expenditures and other financing uses totaled \$34,986,620, an increase of \$1,190,006 from the prior year. The increase in revenue was mainly due to an increase in real property taxes of \$2,280,936, an increase federal and state aid of \$1,228,784 and an increase in intergovernmental charges of \$809,186 offset by a decrease in departmental income of \$312,159 and a decrease in other financing sources of \$301,672. The increase in expenditures was mainly due to an increase in home and community services expenditures of \$577,101 and an increase in employee benefits expenditures of \$548,929.

In the Capital Projects Fund, the fund balance deficit was reduced by \$52,555,006 mainly due to the Town issuing \$107,056,379 in general obligation bonds in the current year. The remaining fund balance deficit results from differences in timing between project expenditures and the recognition of corresponding permanent financing sources. Since project expenditures are initially financed by the issuance of bond anticipation notes, and the proceeds of these short-term borrowings are recorded as fund liabilities rather than as other financing sources in accordance with GAAP, fund balance deficits occur. At December 31, 2013 the Town had \$295,310,000 of bond anticipation notes outstanding to finance capital projects. The deficit will be eliminated when long-term bonds payable are issued to redeem the bond anticipation notes payable.

The total Nonmajor Governmental Funds' fund balance surplus was increased by \$1,399,891. Overall, revenues and other financing sources totaled \$64,929,670, a decrease of \$4,131,162 from the prior year, while expenditures and other financing uses totaled \$63,529,779, a decrease of \$2,448,069 from the prior year. The decrease in revenue was mainly due to a decrease in real property taxes of \$2,388,546, a decrease in other financing sources of \$2,014,735 and a decrease in federal and state aid of \$1,308,843 offset by an increase in departmental income of \$1,388,356. The decrease in expenditures was mainly due to a decrease in culture and recreation expenditures of \$1,405,095, a decrease in transfers out of \$1,065,336, a decrease in transportation expenditures of \$708,594 and a decrease in home and community services expenditures of \$538,008 offset by an increase in employee benefits expenditures of \$1,098,787.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Town appropriated expenditures in the original General Fund budget in excess of estimated revenues in the amount of \$32,735, by designating unassigned fund balance from the prior year. Over the course of the year the Town Board revises the budget as needed so that expenditures do not exceed appropriations. In the General Fund, various transfers between appropriations were approved for this purpose. The budget was also revised as a result of encumbrances from the prior year. The final revenue budget was increased by \$2,804,785 mainly as a result of the Town increasing the sale of real property budget by \$2,350,000 due to the receipt of a deposit and installment payment on the sale of Town property that was in excess of the amount originally budgeted. The final expenditure and other financing uses budget was increased by \$4,131,676 as a result of the revenue budget increases of \$2,804,785 and the appropriation of additional unassigned fund balance of \$1,326,891. The majority of the increased expenditure and other financing uses budgets were related to general government support services and employee benefits.

Please see the General Fund section for more details on the comparison of final budget to actual amounts.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of December 31, 2013 the Town had \$736,456,516 in net capital assets including land, development rights, construction in progress, land rights, buildings, improvements other than buildings, machinery and equipment, software, roads, curbs and sidewalks, drainage and street lighting. In addition, the Town has encumbered funds for commitments of capital expenses in the amount of \$16,773,829. The Town's nonmajor component units had \$183,902,601 in net capital assets including land, construction in progress, buildings, improvements other than buildings, machinery and equipment, software, water and sewer mains.

Capital Assets at December 31,

<u>Primary government</u>	2013	2012
Land	\$ 114,378,467	\$ 111,459,819
Development rights	1,306,296	1,306,296
Construction in progress	16,971,774	10,567,810
Land rights	8,697,634	7,367,265
Buildings	143,239,165	139,169,904
Improvements other than buildings	469,512,439	448,534,883
Machinery and equipment	96,039,312	93,046,035
Software	13,331,833	7,797,788
Infrastructure		
Roads, curbs and sidewalks	353,075,399	402,229,361
Drainage system	174,750,941	172,060,301
Lighting system	20,729,068	19,999,920
Total capital assets	1,412,032,328	1,413,539,382
Less: accumulated depreciation	675,575,812	708,046,224
Primary government - Total net capital assets	\$ 736,456,516	\$ 705,493,158

During 2013, the Town's capital assets were increased by \$30,963,358. The increase in capital assets included additions net of prior year construction in progress placed into service of \$81,960,849, offset by depreciation expense of \$50,762,417. In addition the Town removed fully depreciated roads, curbs and sidewalks and other aging assets of \$83,467,903, offset by the removal of \$83,232,829 of accumulated depreciation on those assets.

Additional information on the Town's capital assets can be found in Note 3.C to the financial statements.

Capital Assets at December 31,

<u>Nonmajor component units</u>	2013	2012
Land	\$ 5,979,602	\$ 5,979,602
Construction in progress	41,648,554	37,134,349
Buildings	55,804,603	53,990,120
Improvements other than buildings	82,908,040	74,664,152
Machinery and equipment	38,318,209	36,283,410
Software	61,056	59,136
Infrastructure		
Water mains	69,295,983	68,312,027
Sewer system	1,287,791	1,266,841
Total capital assets	295,303,838	277,689,637
Less: accumulated depreciation	111,401,237	104,735,452
Component units - Total net capital assets	\$ 183,902,601	\$ 172,954,185

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**CAPITAL ASSET AND DEBT ADMINISTRATION (continued)**

**Capital Assets (continued)**

The capital program is a long range financing guide and not a definitive plan. Each appropriation must be authorized by Town Board resolution before its commencement. Each may be financed by issuance of general obligation bonds, which, at times, are preceded by issuance of bond anticipation notes for various periods of time depending on the probable usefulness of the purpose of the expenditure. The following sets forth a summary of the Town's capital program, as originally adopted for 2014 and the next five years.  
(dollars in thousands):

<u>Equipment</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund	\$ 5,481	\$ 2,716	\$ 2,223	\$ 1,695	\$ 1,346	\$ 1,148
General - Part Town	1,320	50	50	50	50	50
Highway Fund	1,412					
Special Districts	3,269	1,841	2,558	2,431	2,293	1,652
Total Equipment	<u>\$ 11,482</u>	<u>\$ 4,607</u>	<u>\$ 4,831</u>	<u>\$ 4,176</u>	<u>\$ 3,689</u>	<u>\$ 2,850</u>
<u>Improvements</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund	\$ 9,879	\$ 4,314	\$ 4,094	\$ 3,947	\$ 3,297	\$ 3,397
Highway Fund	28,825					
Special Districts	3,795	2,710	2,610	2,460	2,460	2,460
Total Improvements	<u>\$ 42,499</u>	<u>\$ 7,024</u>	<u>\$ 6,704</u>	<u>\$ 6,407</u>	<u>\$ 5,757</u>	<u>\$ 5,857</u>
Total Program	<u>\$ 53,981</u>	<u>\$ 11,631</u>	<u>\$ 11,535</u>	<u>\$ 10,583</u>	<u>\$ 9,446</u>	<u>\$ 8,707</u>

**Debt Administration**

The Town received an A rating with a negative outlook from Standard & Poor's Ratings Services and a Aa3 rating with a negative outlook from Moody's Investors Service for the year ended December 31, 2013.

At December 31, 2013, the Town had \$451,421,379 in long term general obligation bonds outstanding, of which \$427,388,078 was for general Town purposes. Also outstanding at year-end were bond anticipation notes in the amount of \$343,150,000 of which \$295,310,000 was for general Town purposes.

Debt Limit

The Town has the power to contract indebtedness for any Town purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven percent of the average full valuation of taxable real estate of the Town, and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service.

The constitutional method for determining full valuation is calculated by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Board of Equalization and Assessment. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five. Percentage of debt contracting power exhausted at December 31, 2013 was 17.25%.

Additional information on the Town's debt activity can be found in Note 3.D to the financial statements.

**TOWN OF OYSTER BAY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
December 31, 2013

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

**Property Tax**

Chapter 97 of the Laws of 2011 (the "Tax Cap Law") was enacted on June 24, 2011 and took effect for the 2012 budget year. The Tax Cap Law limits annual increases of the Town's overall real property tax to no more than the lesser of 2.00% or the rate of inflation. Certain increases to the tax levy are excluded from the limitations imposed by the Tax Cap Law including exclusions for certain expenditures for retirement system contributions and tort judgments payable by the Town. In addition, the Town Board may override the limitations if the Town Board enacts, by vote of at least sixty percent of the voting power of the Town Board, a local law to override such limit for the upcoming budget year. The Tax Cap Law does not provide exclusion for debt service on general obligations issued by the Town.

The Town has adopted a budget for 2014, which factors in inflation and other adjustments to revenues and expenses as well as prior year positive and negative fund balances. The 2014 budget includes an overall increase in real property tax revenue from the prior year of 8.76% for the Town's overall governmental activities. The Town Board, by majority vote, approved to override the limitations of the Tax Cap Law for the annual budget and real property tax levy for the 2014 calendar year.

**State Aid and Local Assistance**

The Town receives financial assistance from New York State and Nassau County. During 2013, financial assistance included state aid – mortgage tax \$10,200,671; state aid – per capita \$1,682,422 and County local government assistance of \$14,680,867. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the Town may be affected by a delay in the payment of state aid. The State is not constitutionally obligated to maintain or continue state aid to the Town. The Town's 2014 budget included similar amounts for this financial assistance.

**Property Condemnation and Environmental Issues**

The Town is currently in litigation on certain matters which involve property condemnation and/or the remediation for the contamination by environmentally hazardous substances. These matters are at various stages of litigation and it is uncertain as to the outcome. Additional information on these matters can be found in Note 4.B to the financial statements.

**CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town of Oyster Bay, Office of the Comptroller, Oyster Bay, New York.

**BASIC FINANCIAL  
STATEMENTS**

**TOWN OF OYSTER BAY**  
**GOVERNMENT-WIDE FINANCIAL STATEMENT**  
**STATEMENT OF NET POSITION**  
December 31, 2013

	Primary Governmental Activities	Nonmajor Component Units
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and investments	\$ 10,747,605	\$ 62,281,665
Accounts receivable, net of allowances \$429,375	3,872,441	8,591,796
Rehabilitation loan receivable	13,000	
State and federal aid receivables	16,072,304	
Due from other governments	8,046,686	532,576
Due from primary government		6,949,411
Due from component units	2,917,160	
Other assets		700
Inventory of material and supplies	3,300,270	643,575
Prepaid items	129,299	1,027,765
Total Current Assets	<u>45,098,765</u>	<u>80,027,488</u>
<b>Non-Current Assets:</b>		
Non-depreciable capital assets	132,656,537	47,628,156
Depreciable capital assets, net of depreciation	<u>603,799,979</u>	<u>136,274,445</u>
Total Non-Current Assets	<u>736,456,516</u>	<u>183,902,601</u>
<b>Total Assets</b>	<u>781,555,281</u>	<u>263,930,089</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charges on refundings, net of accumulated amortization	<u>3,579,319</u>	
<b>Total Deferred Outflows of Resources</b>	<u>3,579,319</u>	

(continued)

**TOWN OF OYSTER BAY**  
**GOVERNMENT-WIDE FINANCIAL STATEMENT**  
**STATEMENT OF NET POSITION**  
December 31, 2013

	Primary Governmental Activities	Nonmajor Component Units
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts payable	36,726,852	6,455,063
Accrued liabilities	5,100,195	875,817
Accrued interest payable	9,538,228	182,767
Bond anticipation notes payable	295,310,000	47,840,000
Revenue anticipation note payable	10,000,000	
Due to other governments	1,101,380	
Due to primary government		2,917,160
Grant advances	47,191	
Unearned income		377,567
Non-current liabilities due within one year:		
General obligation bonds payable	38,759,653	2,348,904
Due to Employees Retirement System	2,064,247	160,334
Compensated absences	1,068,894	161,154
Claims and judgments payable	4,760,987	
Estimated liability for landfill closure and postclosure care costs	780,000	
Retirement incentive payable	68,334	
Other debt		797,760
Total Current Liabilities	<u>405,325,961</u>	<u>62,116,526</u>
<b>Non-Current Liabilities:</b>		
General obligation bonds payable	395,964,270	21,684,397
Due to Employees Retirement System	18,059,693	172,359
Other postemployment benefits payable	142,885,026	18,669,399
Compensated absences	20,308,988	3,832,548
Claims and judgments payable	22,085,666	
Estimated liability for landfill closure and postclosure care costs	9,870,000	
Other debt		12,435,000
Total Non-Current Liabilities	<u>609,173,643</u>	<u>56,793,703</u>
<b>Total Liabilities</b>	<u>1,014,499,604</u>	<u>118,910,229</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unearned revenue from real property taxes		56,201
Unearned revenue from real property tax items	479,938	27,375
<b>Total Deferred Inflows of Resources</b>	<u>479,938</u>	<u>83,576</u>
<b>NET POSITION</b>		
Net investment in capital assets	32,343,595	111,744,448
Restricted:		
Home and community services	231,982	27,671,986
Economic assistance and opportunity	290,216	
Debt service	679,766	
Unrestricted (deficit)	<u>(263,390,501)</u>	<u>5,519,850</u>
<b>Total Net Position</b>	<u>\$ (229,844,942)</u>	<u>\$ 144,936,284</u>

See notes to the financial statements



**TOWN OF OYSTER BAY**  
**GOVERNMENT-WIDE FINANCIAL STATEMENT**  
**STATEMENT OF ACTIVITIES**  
Year ended December 31, 2013

Function/Program	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Government Activities:				
General government support	\$ 36,575,649	\$ 1,229,235	\$ 11,155	
Public safety	29,134,180	6,354,468		
Transportation	68,083,600	2,029,540	8,816,940	\$ 9,828,592
Economic assistance and opportunity	4,035,988		2,338,607	68,524
Culture and recreation	71,386,725	6,307,093	213,954	404,419
Home and community services	93,926,958	794,692	3,836,701	26,684
Interest on debt	22,180,971			
Total Primary Government	\$ 325,324,071	\$ 16,715,028	\$ 15,217,357	\$ 10,328,219
NONMAJOR COMPONENT UNITS				
Home and community services	\$ 53,308,143	\$ 26,377,032	\$ 302,751	\$ -0-

**General Revenues**

Real property taxes  
Other real property tax items  
Non-property tax items  
Interest earnings  
Local government assistance - unrestricted  
State aid - unrestricted  
Other

**Special Item**

Proceeds from sale of land

Total General Revenues and Special Item

Change in Net Position

**Net Position at Beginning of Year**

Cumulative Effect of  
Change in Accounting Principle

Net Position at Beginning of Year, as Restated

Net Position at End of Year

Net (Expenses) Revenue and Change in Net Position

<u>Primary</u>		<u>Nonmajor</u>	
<u>Government</u>		<u>Component</u>	
		<u>Units</u>	
\$	(35,335,259)		
	(22,779,712)		
	(47,408,528)		
	(1,628,857)		
	(64,461,259)		
	(89,268,881)		
	<u>(22,180,971)</u>		
\$	<u>(283,063,467)</u>		
		\$	<u>(26,628,360)</u>
\$	182,180,760	\$	22,147,376
	3,390,556		370,879
	4,863,692		
	246,628		190,081
	14,680,867		
	11,883,093		
	10,062,430		6,735,609
	<u>30,025,000</u>		
	<u>257,333,026</u>		<u>29,443,945</u>
	(25,730,441)		2,815,585
	(203,417,967)		142,120,699
	<u>(696,534)</u>		
	<u>(204,114,501)</u>		<u>142,120,699</u>
\$	<u>(229,844,942)</u>	\$	<u>144,936,284</u>

**TOWN OF OYSTER BAY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2013

	MAJOR FUNDS		
	General	Highway	Garbage Collection Districts
<b>ASSETS</b>			
Cash and investments	\$ 32,034		
Accounts receivable, net of allowances for doubtful accounts of \$429,375	1,605,616	\$ 641,728	\$ 22,202
Rehabilitation loan receivable			
Due from other funds	2,768,967	2,016,824	2,816,861
State and federal aid receivables	2,103,916	2,612,547	
Due from other governments	3,399,530	115,234	2,551,427
Due from component units			
Inventory of material and supplies	1,565,286	1,029,721	
Prepaid items	129,299		
<b>Total Assets</b>	<b>\$ 11,604,648</b>	<b>\$ 6,416,054</b>	<b>\$ 5,390,490</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 6,767,634	\$ 1,874,822	\$ 2,096,348
Accrued liabilities	2,153,453	502,861	944,132
Bond anticipation notes payable			
Revenue anticipation note payable			10,000,000
Due to other governments	1,101,380		
Due to other funds			
Grant advances			
<b>Total Liabilities</b>	<b>10,022,467</b>	<b>2,377,683</b>	<b>13,040,480</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned revenue from real property tax items	72,133	116,362	6,492
Unavailable rehabilitation loan			
<b>Total Deferred Inflows of Resources</b>	<b>72,133</b>	<b>116,362</b>	<b>6,492</b>
<b>FUND BALANCES (DEFICIT)</b>			
Nonspendable	4,678,333	1,029,721	
Restricted			
Assigned		2,892,288	
Unassigned	(3,168,285)		(7,656,482)
<b>Total Fund Balances (Deficit)</b>	<b>1,510,048</b>	<b>3,922,009</b>	<b>(7,656,482)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</b>	<b>\$ 11,604,648</b>	<b>\$ 6,416,054</b>	<b>\$ 5,390,490</b>

See notes to the financial statements.

Solid Waste Disposal	Debt Service	Capital Projects	Other Governmental Funds	Totals
	\$ 100,628	\$ 9,623,847	\$ 991,096	\$ 10,747,605
\$ 1,525,624			77,271	3,872,441
			13,000	13,000
	38,852	1,646,586	5,495,521	14,783,611
2,214,175		8,852,635	289,031	16,072,304
1,224,974		748,557	6,964	8,046,686
		2,917,160		2,917,160
			705,263	3,300,270
				129,299
<u>\$ 4,964,773</u>	<u>\$ 139,480</u>	<u>\$ 23,788,785</u>	<u>\$ 7,578,146</u>	<u>\$ 59,882,376</u>
\$ 3,782,472		\$ 15,391,645	\$ 3,513,931	\$ 33,426,852
459,898			1,039,851	5,100,195
		295,310,000		295,310,000
				10,000,000
				1,101,380
13,822,288			961,323	14,783,611
			47,191	47,191
<u>18,064,658</u>		<u>310,701,645</u>	<u>5,562,296</u>	<u>359,769,229</u>
36,957			247,994	479,938
			13,000	13,000
<u>36,957</u>			<u>260,994</u>	<u>492,938</u>
			705,263	6,413,317
	\$ 139,480		1,062,484	1,201,964
			2,741,045	5,633,333
(13,136,842)		(286,912,860)	(2,753,936)	(313,628,405)
(13,136,842)	139,480	(286,912,860)	1,754,856	(300,379,791)
<u>\$ 4,964,773</u>	<u>\$ 139,480</u>	<u>\$ 23,788,785</u>	<u>\$ 7,578,146</u>	<u>\$ 59,882,376</u>

**TOWN OF OYSTER BAY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE**  
**STATEMENT OF NET POSITION**  
December 31, 2013

Total Fund Balances (Deficit) - Governmental Funds	\$	(300,379,791)
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Amounts reported for governmental activities in the  
Statement of Net Position are different because:

Capital assets less accumulated depreciation are  
included in the Statement of Net Position:

Capital assets - non-depreciable		132,656,537
Capital assets - depreciable		1,279,375,791
Accumulated depreciation		(675,575,812)

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows in the funds		13,000
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Long-term liabilities applicable to the Town's  
governmental activities are not due and payable  
in the current period and accordingly are not  
reported in the funds. However these liabilities  
are included in the Statement of Net Position:

General obligation bonds payable, inclusive of premiums		(434,723,923)
Due to Employees Retirement System		(20,123,940)
Other postemployment benefits payable		(142,885,026)
Compensated absences		(21,377,882)
Claims and judgments payable		(26,846,653)
Estimated liability for landfill closure and postclosure care costs		(10,650,000)
Retirement incentive payable		(68,334)

Deferred charges included in the Statement of Net Position		3,579,319
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Additional accounts payable included in the Statement of Net Position		(3,300,000)
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Interest payable applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported in the funds. However these liabilities are included in the Statement of Net Position.		(9,538,228)
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Net Position of Governmental Activities	\$	<u>(229,844,942)</u>
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See notes to the financial statements.

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**TOWN OF OYSTER BAY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
Year ended December 31, 2013

	MAJOR FUNDS		
	General	Highway	Garbage Collection Districts
<b>REVENUES</b>			
Real property taxes	\$ 37,852,748	\$ 38,399,315	\$ 32,372,968
Other real property tax items	1,622,076	459,259	242,891
Non-property tax items	4,863,692		
Departmental income	6,219,819	1,039,757	
Intergovernmental charges	13,235	16,433	13,688,646
Use of money and property	629,656	4,895	18,255
Licenses and permits	205,178		
Fines and forfeitures	666,753		
Sale of property and compensation for loss	352,844	12,198	
Miscellaneous local sources	1,331,868	66,033	789
Interfund revenues	28,423,597		
State aid	12,096,785		
Federal aid	50,831	8,816,940	
Total Revenues	94,329,082	48,814,830	46,323,549
<b>EXPENDITURES</b>			
Current:			
General government support	37,872,731		
Public safety	4,833,153		
Transportation	751,376	25,153,110	
Economic assistance and opportunity	417,710		
Culture and recreation	16,549,636		
Home and community services	2,702,812		31,734,477
Employee benefits	24,311,576	5,608,861	9,645,425
Capital Outlay			
Debt Service:			
Principal			
Interest	5,124,105	2,850,732	219,805
Total Expenditures	92,563,099	33,612,703	41,599,707
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	1,765,983	15,202,127	4,723,842
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in			
Transfers out	(23,368,911)	(15,387,216)	(2,063,186)
Issuance of debt			
Premiums on obligations			13,052
Total Other Financing Sources (Uses)	(23,368,911)	(15,387,216)	(2,050,134)
<b>SPECIAL ITEM</b>			
Proceeds from sale of land	30,025,000		
Total Special Item	30,025,000		
<b>Net Change in Fund Balances</b>	8,422,072	(185,089)	2,673,708
<b>Fund Balances (Deficit) at Beginning of Year</b>	(6,912,024)	4,107,098	(10,330,190)
<b>Fund Balances (Deficit) at End of Year</b>	\$ 1,510,048	\$ 3,922,009	\$ (7,656,482)

See notes to the financial statements.

Solid Waste Disposal	Debt Service	Capital Projects	Other Governmental Funds	Totals
\$ 20,480,539			\$ 53,075,190	\$ 182,180,760
241,769			824,561	3,390,556
				4,863,692
8,379,736			7,480,812	23,120,124
999,902				14,718,216
13,356	\$ 118,103		40,088	824,353
				205,178
				666,753
470,613			70,305	905,960
94,100	7,868,323	\$ 147,898	261,217	9,770,228
				28,423,597
1,134,301		1,755,944		14,987,030
1,885,096		8,424,377	3,177,497	22,354,741
33,699,412	7,986,426	10,328,219	64,929,670	306,411,188
	111,411			37,984,142
			14,945,116	19,778,269
			5,619,214	31,523,700
			2,394,982	2,812,692
			15,812,623	32,362,259
27,638,222			4,552,938	66,628,449
4,393,181			9,492,971	53,452,014
		84,324,592		84,324,592
	30,680,747			30,680,747
392,811	11,781,506		1,589,407	21,958,366
32,424,214	42,573,664	84,324,592	54,407,251	381,505,230
1,275,198	(34,587,238)	(73,996,373)	10,522,419	(75,094,042)
	33,009,247	22,495,000		55,504,247
(2,562,406)		(3,000,000)	(9,122,528)	(55,504,247)
		107,056,379		107,056,379
	1,494,921			1,507,973
(2,562,406)	34,504,168	126,551,379	(9,122,528)	108,564,352
				30,025,000
				30,025,000
(1,287,208)	(83,070)	52,555,006	1,399,891	63,495,310
(11,849,634)	222,550	(339,467,866)	354,965	(363,875,101)
\$ (13,136,842)	\$ 139,480	\$ (286,912,860)	\$ 1,754,856	\$ (300,379,791)

**TOWN OF OYSTER BAY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
Year ended December 31, 2013

Net Change in Fund Balance	\$	63,495,310
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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. The amount by which capital outlay exceeds depreciation expense in the current period is:

Capital outlay		81,960,849
Depreciation expense		(50,762,417)
Loss on dispositions		(235,074)

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:

Deferred charges		(276,354)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(61,000)
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Other assets not available to pay for current period expenditures and therefore, are deferred and amortized in the Statement of Activities.		(1,029,246)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.

Issuance of debt		(107,056,379)
Repayment of bond principal		30,680,747
Due to Employees Retirement System		(4,785,928)
Other postemployment benefits payable		(23,086,362)
Compensated absences		(454,626)
Claims and judgments payable		(14,752,694)
Estimated liability for landfill closure and postclosure care costs		780,000
Retirement incentive payable		68,333
Other debt		7,005
Accrued interest cost		(222,605)

Change in Net Position of Governmental Activities	\$	(25,730,441)
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See notes to the financial statements.

**TOWN OF OYSTER BAY**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
December 31, 2013

	Agency Funds
<b>ASSETS</b>	
Cash	\$ 62,721,444
<b>Total Assets</b>	<u>\$ 62,721,444</u>
<b>LIABILITIES</b>	
Due to the Comptroller of the State of New York	\$ 45
Due to the Department of Environmental Conservation of the State of New York	401
Due to the Department of Health of the State of New York	1,147
Due to the Department of Agriculture and Markets of the State of New York	90
Due to school districts	52,679,390
Due to the Treasurer of Nassau County	176,191
Due to component units	6,949,411
Other agency liabilities	<u>2,914,769</u>
<b>Total Liabilities</b>	<u>\$ 62,721,444</u>

See notes to the financial statements.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Oyster Bay (the "Town"), which was established in 1653, is governed by Town Law and other general laws of the State of New York and various local laws. The Town Board is the legislative body responsible for overall operations. The Town Board consists of the Supervisor who is elected for a term of two years and six council members who are elected for terms of four years. The Town Board appoints the Town Attorney, Comptroller and the Commissioner of Public Works whose terms are fixed by Town Law. The Town Clerk and Receiver of Taxes are elected and serve for two years and four years, respectively. The Director of Finance is appointed by the Supervisor. The Town Board appoints the following eleven Commissioners: Public Works, Community and Youth Services, General Services, Human Resources, Intergovernmental Affairs, Parks, Planning and Development, Environmental Resources, Public Safety, Highways, and Economic Development. The Commissioners serve at the discretion of the Town Board.

The Town provides a full range of municipal services, including public safety, transportation, home and community services, public works and road maintenance, recreation and parks, and general and administrative services.

The financial statements of the Town of Oyster Bay have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units, except for the accounting of the sale of land discussed in Note 1.E. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The more significant of the Town's accounting policies are described below.

**A. Reporting Entity**

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

The decision to include a potential component unit in the Town of Oyster Bay reporting entity is based on several criteria, including legal standing, financial accountability, dependency or the determination by management that it would be misleading to exclude the component unit. Based on the application of these criteria, the following is a summary of certain entities considered in determining the Town of Oyster Bay's reporting entity.

Certain special districts of the Town are separate legal entities and have separately elected boards of commissioners. These special districts provide water, sewer and sanitation services to residents and businesses within the districts. The special districts cannot issue bonded debt without the approval and the backing of the full faith and credit of the Town. Budgets and tax rates are approved by the Town. Tax levies of the special districts are collected by the Town Receiver of Taxes. As a result of this fiscal dependency, the Town is financially accountable for these special districts. Accordingly, these special districts have been determined to be nonmajor component units of the Town and are presented discretely in a separate column in the combined government-wide financial statements to emphasize that they are legally separate from the primary government. Condensed financial statements along with the addresses of the administrative office, for these nonmajor component units are presented in Note 5.

**B. Government-Wide and Fund Financials Statements**

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the Town as a whole, except fiduciary activities with separate columns for the primary governmental activities as well as the discretely presented nonmajor component units.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**B. Government-Wide and Fund Financials Statements** (continued)

Government-wide Financial Statements (continued)

In the government-wide Statement of Net Position, the Town's governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts: net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functional categories (general government support, public safety, transportation, economic assistance, culture and recreation and home and community services), which are otherwise supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants to produce the net cost of each program. Program revenues include (a) charges for services and (b) operating and capital grants and contributions that are directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function) are normally covered by general revenue (property, taxes, intergovernmental revenues, interest income, etc.).

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Eliminations have been made to prevent distortion of the direct costs and program revenues reported. Sales and purchases of goods and services for a price approximating their external value are not eliminated between the funds in the government-wide financial statements.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

Fund Financial Statements

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds are presented by type in the fund financial statements. Certain funds of the Town are utilized to account for resources derived from and/or expenditures applicable to an area less than the entire town. In the fund financial statements the emphasis is on the major funds and nonmajor funds are summarized into a single column. Accordingly, the Town maintains the following fund types:

**Governmental Funds** - Governmental funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. Government funds are further classified as major and nonmajor funds.

The Town reports the following major governmental funds:

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

Special Revenue Funds - are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.



**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Government-Wide and Fund Financials Statements (continued)**

Fund Financial Statements (continued)

**Governmental Funds (continued)**

Highway Fund - is a Special Revenue Fund used to account for maintenance and improvement of the Town's roadways and the cost of snow removal. The major sources of revenue are real property taxes and federal aid as a result of Super Storm Sandy cleanup costs.

Garbage Collection Districts - is a Special Revenue Fund used to account for sanitation services provided by garbage collection district #1 and #2. The major sources of revenue are real property taxes and intergovernmental charges.

Solid Waste Disposal District - is a Special Revenue Fund used to account for the solid waste disposal and recycling service of the Town. The major sources of revenue are real property taxes and departmental income.

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

Capital Projects Fund - is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Additionally, the Town accounts for and reports the following nonmajor funds:

Special Revenue Funds include the following:

Town Outside Village - is used to account for revenues and expenditures for certain services provided to the area of the Town located outside of incorporated villages.

Special Grant Fund - is used to account for Federal Aid for the Community Development Block Grant, Temporary Assistance for Needy Families, Workforce Investment Act Programs and other federal grant programs.

Special District Funds - are used to account for taxes or other revenues, which are raised or received to provide special services to areas that encompass less than the whole Town. The Special District Funds consist of a number of separate districts, which are administered by the Town Board as follows:

Drainage District

Fire Protection Districts:

Bayville

East Norwich

Glenwood - Glen Head

Northeast Farmingdale

Greenvale

Oyster Bay

Plainview

Lighting District

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Government-Wide and Fund Financials Statements (continued)**

Fund Financial Statements (continued)

Special District Funds (continued)

Park Districts:

Bethpage  
Glenwood - Glen Head  
Hempstead-Oyster Bay  
Community Hall  
and Swimming Pool  
Hicksville  
Jericho

Locust Valley  
Massapequa  
Nassau Shores  
Oyster Bay  
Plainview - Old Bethpage  
South Farmingdale  
Syosset

Public Parking District

Water District:

Northeast Farmingdale

**Fiduciary Funds** - Fiduciary Funds are used to account for assets held by the Town in a trustee or custodial capacity.

Agency Fund - is for money (and/or property) received and held in the capacity of trustee, custodian or agent. The Town's fiduciary funds include agency funds as follows:

Town Agency Funds – accounts for consolidated payroll, amounts due to component units and other agency liabilities.

Town Clerk Agency Funds – accounts for amounts due to other governments for license and permit fees.

Town Receiver of Taxes Agency Funds – accounts for amounts due to other governments for general and school taxes collected.

**Discretely Presented Nonmajor Component Units**

Certain special districts that have separately elected boards and provide water, sewer, and sanitation services to residents and businesses within their districts. These districts, which follow government fund accounting principles and are accounted for as discretely presented nonmajor component units, are as follows:

Bethpage Water District  
Jericho Water District  
Massapequa Water District  
Plainview Water District  
Oyster Bay Sewer District  
Syosset Sanitation District

Hicksville Water District  
Locust Valley Water District  
Oyster Bay Water District  
South Farmingdale Water District  
Glenwood - Glenhead Garbage District

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Measurement focus refers to what is being measured whereas the basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

In the government-wide statements, governmental activities are presented using the economic resources measurement focus and are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation** (continued)

In the funds statements, governmental funds use a current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (measurable and available to finance current operations). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered available if they are collectible within 60 days after the year end. The Town generally considers all other revenues available if they are collectible within 120 days after the year end. Revenues susceptible to accrual include Nassau County local assistance at year end on behalf of the Town, franchise fees, and charges for services, intergovernmental revenues and operating transfers. In certain unusual circumstances this application of the Town's normal availability period for a given revenue source might distort revenue trends from one year to the next. In such unusual circumstances, revenues maybe considered available if received beyond 120 days, however to the extent the revenue remains uncollected after one year, the Town would classify the fund balance as nonspendable.

Permits, fees, and other similar revenues are not susceptible to accrual because generally they are not measurable until they are received in cash. In those instances where expenditures are the prime factor in determining eligibility for state and federal grants, revenues are recognized when the expenditure is incurred. In the Capital Projects Fund, long-term debt is recognized as revenue upon receipt of the proceeds. Expenditures are recorded on the accrual basis except that (a) expenditures for prepaid expenses are recognized when incurred; (b) principal and interest on indebtedness are recognized as expenditures when due; (c) compensated absences, such as vacation and sick leave, which vest or accumulate, are charged as expenditures when paid.

Because governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements' governmental column, reconciliation is presented that briefly explains the adjustments necessary to reconcile ending net position and the change in net position.

**D. Assets, Liabilities and Net Position or Fund Equity**

**1. Receivables**

Receivables include amounts due from Federal, State, and other governments or entities for services provided by the Town. Receivables are recorded and revenues recognized as earned or as specific program expenditures are incurred.

**2. Prepaid Items**

Prepaid items in the government-wide statements represent a portion of a multiple year maintenance contract and nonmajor component unit retirement benefits that will benefit a future period.

**3. Inventory - Materials and Supplies**

Inventory in the General and Special Revenue Funds is valued at cost, using weighted average cost method. Inventory in these funds is accounted for under the consumption method.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities and Net Position or Fund Equity** (continued)

**4. Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation and amortization on all assets is provided on the straight-line basis over the following estimated useful lives:

Land rights	10-15 years
Buildings	40 years
Improvements other than buildings	20 years
Machinery and equipment	8-10 years
Software	5-10 years
Infrastructure:	
Roads, curbs and sidewalks	20 years
Drainage system	20 years
Street lighting	20 years

Infrastructure assets, consisting of certain improvements other than buildings including roads, curbs, sidewalks, drainage system, street lighting, water mains and sewer system are capitalized along with other capital assets.

See nonmajor component units' audited financial statements for specific component unit policy information.

In the fund financial statements capital assets are recorded as capital outlay expenditures in the governmental fund upon acquisition.

**5. Deferred Outflows/Inflows of Resources**

In addition to assets, the balance sheet or statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of fund equity or net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. In this category, the Town reports deferred charges on refundings that will be recognized in a future period in the government-wide statement of net position.

In addition to liabilities, the balance sheet or statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of fund equity or net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. In this category, the Town reports unearned revenue from real property tax items and an unavailable rehabilitation loan. The unearned revenue from real property tax items will be recognized as revenues in the period that the amounts are levied or imposed in both the governmental funds balance sheet and the government-wide statement of net position. The unavailable rehabilitation loan is deferred and recognized as an inflow of resources in the period that the amounts become available.

**6. Premiums of Debt Issuance**

Premiums related to the issuance of long-term debt are amortized on a straight-line basis over the life of the issue and are presented as part of the general obligations in the non-current liabilities.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Liabilities and Net Position or Fund Equity (continued)**

**7. Long-Term Obligations**

The liabilities for long-term obligations consisting of general obligation bonds payable, due to Employees' Retirement System, other postemployment benefits payable, compensated absences, claims and judgments payable, estimated liability for landfill closure and post closure costs, retirement incentive payable, and other debt are recognized in the government-wide financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of applicable bond premium or discount.

In the fund statements, long-term obligations are not reported as liabilities. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. 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 actual debt proceeds received, are reported as debt service expenditures.

**8. Interfund Transactions**

Interfund transactions, exclusive of interfund services provided and used, have been eliminated from the government-wide financial statements. In the funds statements interfund transactions include:

**a) Interfund Revenues**

Interfund revenues in the General Fund represent amounts charged for services or facilities provided by the General Fund and charging the cost to the other funds. The amounts paid by the fund receiving the benefits of the service or facilities are reflected as an expenditure of that fund. The interfund revenue recorded in the General Fund is substantially an administrative charge which allocates 61% of the expenditures for the Town Board, Executive, Comptroller, Receiver of Taxes, Town Clerk, Town Attorney, Human Resources, General Services and Public Safety Departments to other funds for services rendered.

**b) Transfers**

Transfers represent payments to the Debt Service and Capital Projects Funds from the other funds for their appropriate share of the debt service or capital project costs.

**9. Real Property Tax Assessment and Collection Procedures**

In Nassau County, the assessment and lien of real property for taxation is done by the County Department of Assessment. The County assessment rolls are used for the levy of real property taxes by the town and the school districts, as well as by the County and by Special Districts of the County and the town. The Town of Oyster Bay Receiver of Taxes collects all real property taxes for the Town, Nassau County, Town Special Districts and School Districts. Real property taxes become a lien on January 1st for general taxes and October 1st for school taxes.

Town and County taxes are levied on January 1, and are due in two installments, 50% on January 1 and 50% on July 1, payable without penalty to February 10 and August 10, respectively. Penalties are imposed thereafter at the rate of 1% per month from January 1 and July 1 until August 31, after which taxes are payable to the County Treasurer. The Town retains the total amount of Town, Highway and Town Special Districts levies from the amount collected, and forwards the balance collected to the County which assumes collection responsibility. The Town and Town's Special Districts therefore realize annually the 100% collection of real property taxes.

Accounts receivable includes restored taxes from prior tax rolls received within 60 days of year-end.

School District property taxes are levied on October 1, and are also payable in two installments; however, a separate tax bill is sent out for school tax purposes. School property taxes are due in two installments, 50% on October 1 and 50% on April 1 payable without penalty to November 10 and May 10, respectively. The County is also responsible for uncollected school taxes.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities and Net Position or Fund Equity** (continued)

**10. Other Postemployment Benefits**

In addition to providing pension benefits, the Town provides health insurance coverage and survivor benefits for retired employees and their survivors. Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town.

Health care benefits in accordance with New York State Health Insurance Rules and Regulations (administered by the New York State Department of Civil Service), are provided through the New York State Empire Plan (the "Empire Plan") whose premiums are based on the benefits paid throughout the State during the year.

The Town recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid. The Town's union contracts and ordinances require that it provide its eligible enrollees with the Empire Plan benefit coverage, or if another provider is utilized, the equivalent coverage. Under the provisions of the Empire Plan, premiums are adjusted on a prospective basis for any losses experienced by the Empire Plan. The Town has the option to terminate its participation in the Empire Plan at any time without liability for its respective share of any previously incurred loss. The liability for these other postemployment benefits payable is recorded as a non-current liability in the government-wide statements.

**11. Compensated Absences**

The liability for vested or accumulated vacation or sick leave (compensated absences) is recorded as current and non-current obligations in the government-wide statements. The current portion of this debt is estimated based on historical trends. Compensated absence liability and expense are reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

The amount that is expected to be liquidated with expendable available financial resources is reported as expenditures and a liability in the fund statement of the respective fund that will pay it.

**12. Net Position and Fund Equity Classifications**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a) Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Accounts payable in the Capital Projects Fund are capital related debt and are used in the calculation of net investment in capital assets.
- b) Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources; they are 1) nonspendable, 2) restricted 3) committed, 4) assigned, or 5) unassigned.

- a) Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form (i.e. prepaid items or inventories), or (b) will not convert to cash within the current period (i.e. long term receivables and financial assets held for resale), or (c) legally or contractually required to be maintained intact (i.e. the principal of a permanent fund).



**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**D. Assets, Liabilities and Net Position or Fund Equity** (continued)

**12. Net Position And Fund Equity Classifications** (continued)

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

- b) Restricted fund balance reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- c) Committed fund balance reflects amounts that can only be used for specific purposes by a government using its highest and most binding level of decision making authority. The Town's highest decision making authority is the Town Board, who by adoption of a Town ordinance prior to year end, can commit fund balance. Those committed amounts cannot be used for any other purpose unless the Town Board removes or changes the specified use by taking the same type of action imposing the commitment.
- d) Assigned fund balance reflects the amounts constrained by the Town's "intent" to be used for specific purposes, but are neither restricted nor committed. The Town Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
- e) Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, and then unrestricted resources – committed, assigned and unassigned - in order as needed.

**13. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded for budgetary control purpose, is employed in the governmental funds. Encumbrances are reported as restrictions, commitments, or assignments of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

**14. Use Of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**15. New Pronouncements**

The Town has adopted all of the current Statements of the Governmental Accounting Standards Board (GASB) that are applicable. During the year ended December 31, 2013, the Town adopted:

- a) *GASB Statement No. 61, The Financial Reporting Entity*: Omnibus – an amendment of GASB Statements No. 14 and No. 34. This statement modifies certain requirements for inclusion of component units in the financial reporting, amends criteria for reporting component units as if they were part of the primary government and clarifies the reporting of equity interests in legally separate organizations. This pronouncement had no effect on the financial statements.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Assets, Liabilities and Net Position or Fund Equity (continued)**

15. New Pronouncements (continued)

- b) *GASB Statement No. 65, Items Previously Reported as Assets and Liabilities.* This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The implementation of this pronouncement resulted in reporting a restatement of the Town's opening net position and a change in the presentation of the statement of net position and the balance sheets for the governmental funds. Additional information on the restatement of opening net position can be found in Note 6 to the financial statements.
- c) *GASB Statement No. 66, Technical Corrections – 2012 - an amendment of GASB Statements No. 10 and No. 62.* This statement improves accounting and financial reporting for a governmental entity by resolving conflicting guidance in previously issued pronouncements. This pronouncement had no effect on the financial statements.

16. Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date of the financial statements.

**E. Accounting for Sale of Land**

In August 2013, the Town executed an agreement for the sale of a parcel of Town land with a total purchase price of \$32,500,000. Upon the execution of this agreement, the Town received a \$2,500,000 deposit payment and a \$27,525,000 installment payment, which were recorded as revenue in the General Fund. Upon closing of this land sale, the Town will receive the balance in the amount of \$2,475,000 and transfer title to the buyer. Although generally accepted accounting principles require that the revenue from the sale of land be recorded at the time that the seller has received the full sale price and that all conditions necessary for closing have been met, the Town has chosen to recognize revenue for the deposit and installment payment as revenue as the agreement is non-revocable.

At December 31, 2013, the Town had not yet closed on the land sale and title for the land has not transferred to the buyer. Accordingly, if the deposit payment and installment payment had been recorded under the deposit method in conformity with generally accepted accounting principles, total revenue and fund balance in the General Fund would be decreased by \$30,025,000 and total liabilities would be increased respectively.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

- a) On or before September 20th, each department, officer or district submits to the Budget Officer and to the Comptroller a detailed estimate of the budget known as "departmental estimates" for the amount of revenue to be received and expenditures to be made for the ensuing year.
- b) On or before September 30th, the Budget Officer files with the Town Clerk and the Comptroller and presents to the Town Board a tentative budget for the ensuing year.
- c) On or before October 5th, the Town Board reviews the tentative budget and files with the Town Clerk a preliminary budget.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)**

**A. Budgetary Information (continued)**

- d) The Town Board conducts a public hearing on the preliminary budget and on or before November 20th; the Town Board meets to adopt the budget now known as the "annual budget".
- e) Formal budgetary integration is employed during the year as a management control device for the General, certain Special Revenue and Debt Service Funds. The Town Board adopts the budget and establishes legal level of control of the budget at the object level of expenditures. The object level identifies expenditures by the article purchased or service obtained in order to carry out a function. Appropriations are adopted at the object level. All budgetary amendments and transfers of appropriation require Town Board approval. Appropriations for all governmental funds except the Capital Projects Fund lapse at year end.

In order to show the full legal level of budgetary compliance for the General and certain Special Revenue Funds, detailed individual statements of revenues, expenditures and changes in fund balances - budget and actual, are presented in a separate budget report.

- f) Budgets for the General, Debt Service, and Special Revenue Funds exclusive of the Special Grant Fund, are legally adopted for each year. The budgets are adopted on a basis of accounting consistent with GAAP, except that appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior years. In the event that actual revenues received exceed budgeted amounts, additional budgetary appropriations are made. The Capital Projects and Special Grant Funds are budgeted on a project or grant basis.
- g) In June 2011, New York State enacted Chapter 97, Laws of 2011 Real Property Tax Levy Cap and Mandate Relief Provisions, which includes a 2.00% property tax cap for municipalities, however there are permitted exceptions and adjustments that can increase the property tax cap percentage. Beginning in 2012 and lasting through at least June 15, 2016, no local government is authorized to increase its property tax levy by more than the calculated property tax cap; however local governments can exceed the property tax cap limit by a 60% vote of the governing body and annually adopting a local law.

The 2013 budget included an overall increase in real property tax revenue from the prior year of 3.86% for the Town's overall governmental activities which is in compliance with the property tax cap imposed by New York State after allowable adjustments and exclusions.

**B. Fund Balance (Deficit)**

The fund balance section of the balance sheets of the governmental funds focus on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. The components of fund balance include the following items, as needed: 1) nonspendable, 2) restricted, 3) committed, 4) assigned, or 5) unassigned.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)**

**B. Fund Balance (Deficit) (continued)**

The following table provides the detail regarding fund balance categories and classifications for the governmental funds which show components of nonspendable fund balances, as well as the purposes for restricted, and assigned fund balance. The unassigned fund balance is also shown.

	General Fund	Highway Fund	Garbage Collection Districts Fund	Solid Waste Disposal Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total
<b>Fund Balances:</b>								
<b>Nonspendable:</b>								
Long-term receivables	\$ 2,983,748							\$ 2,983,748
Inventory	1,565,286	\$ 1,029,721					\$ 705,263	3,300,270
Prepaid items	129,299							129,299
Total Nonspendable	<u>4,678,333</u>	<u>1,029,721</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>705,263</u>	<u>6,413,317</u>
<b>Restricted for:</b>								
Debt service					139,480		540,286	679,766
Grantor restrictions							522,198	522,198
Total Restricted	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>139,480</u>	<u>-0-</u>	<u>1,062,484</u>	<u>1,201,964</u>
<b>Assigned to:</b>								
Subsequent year's budget		2,800,006					845,301	3,645,307
Purchases on order		92,282					3,222	95,504
Special revenue funds								
Drainage district							729,216	729,216
Park districts							305,942	305,942
Fire protection districts							305,181	305,181
Lighting district							527,535	527,535
Water districts							24,648	24,648
Total Assigned	<u>-0-</u>	<u>2,892,288</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2,741,045</u>	<u>5,633,333</u>
<b>Unassigned, reported in</b>								
General fund	(3,168,285)							(3,168,285)
Special revenue funds			(7,656,482)	(13,136,842)			(2,753,936)	(23,547,260)
Capital Projects fund						(286,912,860)		(286,912,860)
Total Unassigned	<u>(3,168,285)</u>	<u>-0-</u>	<u>(7,656,482)</u>	<u>(13,136,842)</u>	<u>-0-</u>	<u>(286,912,860)</u>	<u>(2,753,936)</u>	<u>(313,628,405)</u>
<b>Total Fund Balances (Deficits)</b>	<u>\$ 1,510,048</u>	<u>\$ 3,922,009</u>	<u>\$ (7,656,482)</u>	<u>\$ (13,136,842)</u>	<u>\$ 139,480</u>	<u>\$ (286,912,860)</u>	<u>\$ 1,754,856</u>	<u>\$ (300,379,791)</u>

**C. Deficit Fund Equity**

Individual funds with total fund deficits as of December 31, 2013 were as follows:

	Total Fund Balance (Deficit)
Garbage Collection District	\$ (7,656,482)
Solid Waste Disposal District	(13,136,842)
Capital Projects Fund	(286,912,860)
Town Outside Village	(1,535,028)
Public Parking District	(678,622)

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)**

**C. Deficit Fund Equity (continued)**

The Garbage Collection District carried forward a deficit of \$10,330,190 from the prior year. The decrease in the deficit was the result of lower than originally expected revenues and other financing sources offset by lower than originally expected expenditures and other financing uses. The lower than anticipated revenues and other financing sources of \$43,849, was mainly due to less than anticipated Nassau County local government assistance offset partially by payment in lieu of taxes and premiums on obligations that were in excess of the amounts expected. The lower than anticipated expenditures and other financing uses of \$2,717,557, was mainly due to lower than anticipated transfers out offset partially by higher than anticipated expenditures for sanitation costs, employee benefits and debt interest. The Town anticipates eliminating the deficit through increases in property taxes in addition to reductions in planned expenditures in the subsequent year.

The Solid Waste Disposal District carried forward a deficit of \$11,849,634 from the prior year. The increase in the deficit was the result of higher than originally expected revenues offset by higher than originally expected expenditures and other financing uses. The higher than anticipated revenues of \$2,167,209, was mainly due to the collection of emergency disaster assistance, state aid, sale of property and compensation for loss and miscellaneous local sources that were in excess of the amounts expected. The higher than anticipated expenditures and other financing uses of \$3,454,417, was mainly due to higher than anticipated expenditures for sanitation costs, recycling costs, employee benefits and debt interest offset partially by lower than anticipated transfers out. The Town anticipates eliminating the deficit through increases in property taxes and departmental income in the subsequent year.

The Capital Projects Fund carried forward a deficit of \$339,467,866 from the prior year. In the current year, the Capital Projects Fund's deficit decreased as a result of the Town issuing long-term general obligation bonds. The Capital Projects Fund's remaining deficit resulted from differences in timing between project expenditures and the recognition of additional permanent financing sources. Since project expenditures are initially financed by the issuance of bond anticipation notes, and the proceeds of these short-term borrowings are recorded as fund liabilities rather than as other financing sources in accordance with GAAP, fund balance deficits occur. These deficits will be eliminated when additional long-term bonds payable are issued to redeem the bond anticipation notes payable.

The Town Outside Village carried forward a deficit of \$4,491,238 from the prior year. The decrease in the deficit was the result of higher than originally expected revenues and lower than originally expected expenditures and other financing uses. The higher than anticipated revenues of \$1,286,994, was mainly due to the collection of departmental income for building fees that was in excess of the amount expected. The lower than anticipated expenditures and other financing uses of \$1,669,216, was mainly due to lower than anticipated expenditures for home and community services, employee benefits, and transfers out offset partially by higher than anticipated expenditures for public safety services and debt interest. The Town anticipates eliminating the deficit through reductions in planned expenditures in the subsequent year.

The Public Parking District's deficit resulted in part due to budgetary planning by the Town. Overall, the Town originally appropriated expenditures in excess of estimated revenues by \$202,024. The deficit was also due to lower than originally expected revenues and higher than originally expected expenditures and other financing uses. The lower than anticipated revenues of \$409,421, was mainly due to a reduction in departmental income for parking permits offset partially by the collection of payment in lieu of taxes that was in excess of the amount expected. The higher than anticipated expenditures and other financing uses of \$104,932, was mainly due to higher than anticipated expenditures for debt interest offset partially by lower than anticipated expenditures for transportation costs, employee benefits and transfers out. The Town anticipates eliminating the deficit through increases in property taxes in the subsequent year.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

Cash consists of funds deposited in demand accounts, time deposit accounts and certificates of deposit with maturities of less than three months.

The Town's investments are governed by a formal investment policy. The Town's monies must be deposited in FDIC-insured commercial banks or trust companies located within the state. The Town is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury, U.S. Agencies and investments made by the Cooperative Liquid Asset Security System (CLASS).

CLASS is a cooperative investment plan consisting of U.S. Treasury Obligations and repurchase agreements relating to treasury obligations. Investments are stated at cost, which approximates market. CLASS was established as a cooperative investment arrangement organized under the CLASS Municipal Cooperation Agreement made pursuant to New York General Municipal Law, Article 3A and 5-G. CLASS is rated AAAM by Standard and Poor's Rating Services.

Cash and investments of the Primary government consist of the following:

	Governmental Funds	Fiduciary Funds		
		Town Agency	Town Clerk	Receiver of Taxes
Cash in Banks:				
Demand Deposits	\$ 3,405,471		\$ 31,503	\$ 53,511,277
Money Market	<u>7,334,499</u>	<u>\$ 9,178,064</u>		
Total Cash in Banks	<u>10,739,970</u>	<u>9,178,064</u>	<u>31,503</u>	<u>53,511,277</u>
Cash on Hand:				
Petty Cash	<u>7,635</u>			<u>600</u>
	<u>\$ 10,747,605</u>	<u>\$ 9,178,064</u>	<u>\$ 31,503</u>	<u>\$ 53,511,877</u>

It is the Town's policy to require collateral held in the name of the Town for demand deposits, money market deposits and certificates of deposit for all deposits not covered by the Federal Deposit Insurance Corporation. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

**Custodial Credit Risk – Deposits / Investments–** Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, a government may be unable to recover deposits, or recover collateral securities that are in possession of an outside agency. Custodial credit risk for investments exists when, in the event of the failure of the counterparty, a government will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

Deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either:

- Uncollateralized
- Collateralized with securities held by the pledging financial institution, or
- Collateralized with securities held by the pledging financial institution's trust department or agent but not in the Town's name

At December 31, 2013, the Town's bank deposit balances were \$79,878,283. Of these balances, \$9,553,463 was covered by the Federal Deposit Insurance Corporation, \$4,726,545 was covered by an irrevocable stand-by letter of credit issued by the Federal Home Loan Bank, which was held by the pledging financial institution in the Town's name, \$28,729,723 was covered by collateral held by the Town's agent, a third-party financial institution, in the Town's name and \$36,868,552 was collateralized with securities held by the pledging financial institution, or its trust, in the name of the Town.



**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**A. Cash and Investments (continued)**

As of December 31, 2013, the Town of Oyster Bay did not have any investments subject to credit risk, interest-rate risk or concentration of credit risk.

At December 31, 2013, the Town's nonmajor component units bank deposit balances were \$58,712,633. Of these balances, \$6,283,677 was covered by Federal Deposit Insurance Corporation, \$24,603,956 was covered by collateral held by the nonmajor component unit's agent, a third-party financial institution, in the nonmajor component unit's name, \$27,825,000 was collateralized with securities held by the pledging financial institution, or its trust, in the name of the nonmajor component unit.

In addition, the Town's nonmajor component units had investments, consisting of U.S. Treasury obligations, government bonds and repurchase agreements relating to Treasury obligations totaling \$3,340,431.

**B. Interfund Receivables, Payables and Transfers**

Interfund receivable and payable balances for the Town at December 31, 2013 represent temporary borrowings, reimbursement of program, operating and capital expenditures, as well as, premiums, interest earnings, and accrued interest which are intended to service debt in the future. These amounts will be reimbursed subsequent to year end and are stated as follows:

	Amount Receivable	Amount Payable
Major Funds:		
General Fund - Townwide	\$ 2,768,967	
Highway Fund	2,016,824	
Garbage Collection Districts	2,816,861	
Solid Waste Disposal District		\$ 13,822,288
Debt Service	38,852	
Capital Projects Fund	1,646,586	
Total Major Funds	<u>9,288,090</u>	<u>13,822,288</u>
Nonmajor Funds:		
Town Outside Village Fund		400,904
Special Grants Fund		27,159
Drainage District	884,000	
Park Districts	2,871,506	
Fire Protection Districts	490,015	
Lighting District	1,250,000	
Public Parking District		533,260
Total Nonmajor Funds	<u>5,495,521</u>	<u>961,323</u>
Total	<u>\$ 14,783,611</u>	<u>\$ 14,783,611</u>



**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS** (continued)

**B. Interfund Receivables, Payables and Transfers** (continued)

Interfund transfer balances for the Town at December 31, 2013 represent primarily the payment of general obligation bonds and bond anticipation notes principal and interest and are stated as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<b>Major Funds:</b>		
General Fund - Townwide		\$ 23,368,911
Highway Fund		15,387,216
Garbage Collection Districts		2,063,186
Solid Waste Disposal District		2,562,406
Debt Service Fund	\$ 33,009,247	
Capital Projects Fund	22,495,000	3,000,000
Total Major Funds	<u>55,504,247</u>	<u>46,381,719</u>
<b>Nonmajor Funds:</b>		
Town Outside Village Fund		289,265
Drainage District		2,331,792
Park Districts		3,590,992
Lighting District		273,447
Public Parking District		2,637,032
Total Nonmajor Funds	<u>-0-</u>	<u>9,122,528</u>
Total	<u>\$ 55,504,247</u>	<u>\$ 55,504,247</u>

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**C. Capital Assets**

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
<b>Primary government</b>				
Capital assets not being depreciated				
Land	\$ 111,459,819	\$ 2,918,648		\$ 114,378,467
Development rights	1,306,296			1,306,296
Construction in progress	10,567,810	16,971,774	\$ 10,567,810	16,971,774
Total capital assets not being depreciated	<u>123,333,925</u>	<u>19,890,422</u>	<u>10,567,810</u>	<u>132,656,537</u>
Depreciable capital assets				
Land rights	7,367,265	1,330,369		8,697,634
Buildings	139,169,904	4,201,261	132,000	143,239,165
Improvements other than buildings	448,534,883	20,977,556		469,512,439
Machinery and equipment	93,046,035	6,959,101	3,965,824	96,039,312
Software	7,797,788	5,534,045		13,331,833
Infrastructure				
Roads, curbs and sidewalks	402,229,361	30,216,117	79,370,079	353,075,399
Drainage system	172,060,301	2,690,640		174,750,941
Lighting system	19,999,920	729,148		20,729,068
Total depreciable capital assets	<u>1,290,205,457</u>	<u>72,638,237</u>	<u>83,467,903</u>	<u>1,279,375,791</u>
Less accumulated depreciation				
Land rights	1,857,840	646,598		2,504,438
Buildings	30,871,915	3,547,374	13,200	34,406,089
Improvements other than buildings	236,451,712	16,474,628		252,926,340
Machinery and equipment	56,697,205	8,976,978	3,849,550	61,824,633
Software	1,854,715	1,605,471		3,460,186
Infrastructure				
Roads, curbs and sidewalks	197,336,759	17,989,784	79,370,079	135,956,464
Drainage system	166,977,450	1,233,884		168,211,334
Lighting system	15,998,628	287,700		16,286,328
Total accumulated depreciation	<u>\$ 708,046,224</u>	<u>\$ 50,762,417</u>	<u>\$ 83,232,829</u>	<u>675,575,812</u>
Total net depreciable capital assets				<u>603,799,979</u>
Total net capital assets				<u>\$ 736,456,516</u>

Depreciation expense was charged to governmental functions as follows:

General government support	\$ 5,724,743
Public safety	445,857
Transportation	22,875,483
Economic assistance and opportunity	3,211
Culture and recreation	15,262,745
Home and community services	6,450,378
Total governmental activities depreciation expense	<u>\$ 50,762,417</u>

The Town of Oyster Bay evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. The Town's policy is to record an impairment loss in the period when the Town determines that the carrying amount of the asset will not be recoverable. At December 31, 2013, the Town has not recorded any such impairment losses.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**C. Capital Assets (continued)**

<b>Discretely presented component units</b>	Balance 1/1/13	Additions	Deletions	Balance 12/31/13
Capital assets not being depreciated				
Land	\$ 5,979,602			\$ 5,979,602
Construction in progress	37,134,349	13,863,462	\$ 9,349,257	41,648,554
Total capital assets not being depreciated	43,113,951	13,863,462	9,349,257	47,628,156
Depreciable capital assets				
Buildings	53,990,120	1,814,483		55,804,603
Improvements other than buildings	74,664,152	8,243,888		82,908,040
Machinery and equipment	36,283,410	2,249,724	214,925	38,318,209
Software	59,136	1,920		61,056
Infrastructure				
Water mains	68,312,027	983,956		69,295,983
Sewer system	1,266,841	20,950		1,287,791
Total depreciable capital assets	234,575,686	13,314,921	214,925	247,675,682
Less accumulated depreciation				
Buildings	15,826,240	1,299,144		17,125,384
Improvements other than buildings	25,728,396	2,536,790		28,265,186
Machinery and equipment	23,465,291	1,819,529	151,318	25,133,502
Software	41,823	7,137		48,960
Infrastructure				
Water mains	38,865,648	1,133,900		39,999,548
Sewer system	808,054	20,603		828,657
Total accumulated depreciation	\$ 104,735,452	\$ 6,817,103	\$ 151,318	111,401,237
Total net depreciable capital assets				136,274,445
Total net capital assets				\$ 183,902,601

Depreciation expense was charged to discretely presented component units as follows:

Home and community services	\$ 6,817,103
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**D. Indebtedness**

Short-term Debt

**Bond Anticipation Notes (BANs)** – Bond anticipation notes (BANs) are used as a temporary means of financing capital expenditures in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12 month period thereafter. Liabilities for BANs are generally accounted for in the Capital Projects Fund. BANs are expected to be paid from the proceeds of future bond issues after renewal of these notes. These BANs bear interest rates ranging from 1.50% to 5.00% and are due at various dates through 2014.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**D. Indebtedness (continued)**

Short-term Debt (continued)

These notes are summarized by purpose as follows:

	Balance 1/1/13	Issued	Redeemed	Balance 12/31/13
<b>Primary Government:</b>				
Capital Projects Fund:				
General Fund - Townwide	\$ 189,372,133	\$ 20,185,042	\$ 56,325,608	\$ 153,231,567
Highway Fund	114,649,259	18,040,024	49,113,894	83,575,389
Garbage Collection Districts	4,728,971	541,793	1,446,511	3,824,253
Solid Waste Disposal District	14,859,879		4,533,325	10,326,554
Town Outside Village Fund	1,463,830	562,445	167,275	1,859,000
Drainage District	813,696	10,070	197,317	626,449
Park Districts	15,648,149	3,067,710	3,328,033	15,387,826
Lighting District	1,116,432		383,421	733,011
Public Parking District	42,241,609	75,730	16,571,388	25,745,951
Total Primary Government	<u>384,893,958</u>	<u>42,482,814</u>	<u>132,066,772</u>	<u>295,310,000</u>
<b>Component Units:</b>				
Massapequa Water District	2,700,000		600,000	2,100,000
Plainview Water District	11,500,000	2,400,000	110,000	13,790,000
Locust Valley Water District	4,670,000		650,000	4,020,000
Oyster Bay Water District	1,450,000		50,000	1,400,000
Jericho Water District	7,000,000		190,000	6,810,000
So. Farmingdale Water District	3,330,000	6,000,000	1,530,000	7,800,000
Bethpage Water District	13,280,000		1,360,000	11,920,000
Total Component Units	<u>43,930,000</u>	<u>8,400,000</u>	<u>4,490,000</u>	<u>47,840,000</u>
Total Bond Anticipation Notes	<u>\$ 428,823,958</u>	<u>\$ 50,882,814</u>	<u>\$ 136,556,772</u>	<u>\$ 343,150,000</u>

**Revenue Anticipation Notes (RANs)** – The General Fund note was issued as a temporary means of financing a cash flow deficit for 2012. This RAN with an interest rate of 3.00% was redeemed on March 29, 2013 from state aid and local sources revenue. The Garbage Collection Districts note was issued as a temporary means of financing a cash flow deficit for 2013. This RAN, with interest rates ranging from 0.29% to 1.50%, was redeemed on March 28, 2014 from local sources revenue collected.

These notes are summarized as follows:

	Balance 1/1/13	Issued	Redeemed	Balance 12/31/13
<b>Primary Government:</b>				
General Fund - Townwide	\$ 16,800,000		\$ 16,800,000	
Garbage Collection Districts		\$ 10,000,000		\$ 10,000,000
Total Revenue Anticipation Notes	<u>\$ 16,800,000</u>	<u>\$ 10,000,000</u>	<u>\$ 16,800,000</u>	<u>\$ 10,000,000</u>

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**D. Indebtedness (continued)**

Short-term Debt (continued)

**Deficiency Notes** – These notes were issued as a temporary means of financing deficiencies that resulted from a shortfall in budgeted revenues in the General Fund, Town Outside Village Fund and Garbage Collection Districts during 2012. These Deficiency Notes with an interest rate of 2.00% were redeemed on June 7, 2013 from ad valorem taxes collected.

	Balance 1/1/13	Issued	Redeemed	Balance 12/31/13
<b>Primary Government:</b>				
General Fund - Townwide	\$ 7,000,000		\$ 7,000,000	
Garbage Collection Districts	4,300,000		4,300,000	
Town Outside Village Fund	1,700,000		1,700,000	
<b>Total Deficiency Notes</b>	<b>\$ 13,000,000</b>	<b>\$ -0-</b>	<b>\$ 13,000,000</b>	<b>\$ -0-</b>

**Budget Notes** – These notes were issued as a temporary means of financing unforeseen expenditures caused by the public emergency following Super Storm Sandy in the General Fund, Highway Fund, Garbage Collection Districts, Solid Waste Disposal District, Drainage District, Park Districts, Lighting District and Public Parking District during 2012. These Budget Notes with interest rates ranging from 0.63% to 1.25% were redeemed on December 13, 2013 from Federal Emergency Management Agency revenue collected.

	Balance 1/1/13	Issued	Redeemed	Balance 12/31/13
<b>Primary Government:</b>				
General Fund - Townwide	\$ 311,526		\$ 311,526	
Highway Fund	12,471,220		12,471,220	
Garbage Collection Districts	446,125		446,125	
Solid Waste Disposal District	1,061,392		1,061,392	
Drainage District	178,513		178,513	
Park Districts	256,133		256,133	
Lighting District	118,410		118,410	
Public Parking District	156,681		156,681	
<b>Total Budget Notes</b>	<b>\$ 15,000,000</b>	<b>\$ -0-</b>	<b>\$ 15,000,000</b>	<b>\$ -0-</b>

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**D. Indebtedness (continued)**

Long-term Debt

Summary of changes in long-term debt transactions for the year ended December 31, 2013 is as follows:

	Balance 1/1/13	Increases	Reductions	Balance 12/31/13	Non-current liabilities due within one year	Non-current liabilities
<b>Primary Government:</b>						
General obligation bonds payable	\$ 351,012,446	\$ 107,056,379	\$ 30,680,747	\$ 427,388,078	\$ 38,196,096	\$ 389,191,982
Plus premiums on issuance	6,306,599	1,494,921	465,675	7,335,845	563,557	6,772,288
Total general obligation bonds	357,319,045	108,551,300	31,146,422	434,723,923	38,759,653	395,964,270
Due to Employees' Retirement System	15,338,012	6,157,543	1,371,615	20,123,940	2,064,247	18,059,693
Other postemployment benefits payable	119,798,664	33,019,605	9,933,243	142,885,026		142,885,026
Compensated absences	20,923,256	1,644,821	1,190,195	21,377,882	1,068,894	20,308,988
Claims and judgments payable	12,093,959	20,131,996	5,379,302	26,846,653	4,760,987	22,085,666
Estimated liability for landfill closure and post-closure care costs	11,430,000		780,000	10,650,000	780,000	9,870,000
Retirement incentive payable	136,667		68,333	68,334	68,334	
Other debt	7,005		7,005			
Total non-current liabilities	\$ 537,046,608	\$ 169,505,265	\$ 49,876,115	\$ 656,675,758	\$ 47,502,115	\$ 609,173,643

	Balance 1/1/13	Increases	Reductions	Balance 12/31/13	Non-current liabilities due within one year	Non-current liabilities
<b>Component Units:</b>						
General obligation bonds payable	\$ 22,792,554	\$ 3,320,000	\$ 2,079,253	\$ 24,033,301	\$ 2,348,904	\$ 21,684,397
Due to Employees' Retirement System	481,841		149,148	332,693	160,334	172,359
Other postemployment benefits payable	15,731,043	4,475,568	1,537,212	18,669,399		18,669,399
Compensated absences	3,609,811	678,756	294,865	3,993,702	161,154	3,832,548
Other debt	14,009,507		776,747	13,232,760	797,760	12,435,000
Total non-current liabilities	\$ 56,624,756	\$ 8,474,324	\$ 4,837,225	\$ 60,261,855	\$ 3,468,152	\$ 56,793,703

**General Obligation Bonds** - The Town borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities, which are backed by the full faith and credit of the Town, bear interest at various rates from 0.263% to 6.90% and have maturity dates in 2014 through 2043. The original amount borrowed for debt currently outstanding, excluding defeased debt is \$616,730,832.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**D. Indebtedness (continued)**

Long-term Debt (continued)

**General Obligation Bonds (continued)**

A summary of these bonds by purpose is as follows:

	Balance 1/1/13	Issued	Redeemed	Balance 12/31/13
<b>Primary Government:</b>				
General Fund - Townwide	\$ 142,423,790	\$ 44,694,288	\$ 11,789,468	\$ 175,328,610
Highway Fund	122,631,769	40,494,885	11,094,824	152,031,830
Garbage Collection Districts	15,233,620	1,000,853	1,064,534	15,169,939
Solid Waste Disposal District	10,763,598	3,079,191	941,234	12,901,555
Town Outside Village Fund	1,608,079	19,516	100,489	1,527,106
Drainage District	8,802,432	135,893	1,969,144	6,969,181
Park Districts	29,915,864	2,571,184	2,423,419	30,063,629
Lighting District	2,217,183	332,030	178,712	2,370,501
Public Parking District	17,416,111	14,728,539	1,118,923	31,025,727
Total Primary Government	351,012,446	107,056,379	30,680,747	427,388,078
<b>Component Units:</b>				
Massapequa Water District	3,099,911	500,000	266,277	3,333,634
Plainview Water District	7,249,634		736,759	6,512,875
Locust Valley Water District		540,000		540,000
Oyster Bay Water District	2,762,809		262,271	2,500,538
So. Farmingdale Water District	5,001,323	1,360,000	333,338	6,027,985
Bethpage Water District	544,800	920,000	74,600	1,390,200
Oyster Bay Sewer District	4,134,077		406,008	3,728,069
Total Component Units	22,792,554	3,320,000	2,079,253	24,033,301
Total General Obligation Bonds	\$ 373,805,000	\$ 110,376,379	\$ 32,760,000	\$ 451,421,379

Future principal and interest payments to maturity for the primary government is as follows:

	Principal	Interest	Total Principal and Interest
For years ending December 31, 2014	\$ 38,196,096	\$ 14,711,820	\$ 52,907,916
2015	38,817,756	13,584,497	52,402,253
2016	39,662,479	12,284,726	51,947,205
2017	40,485,884	10,941,250	51,427,134
2018	39,203,684	9,583,777	48,787,461
2019 - 2023	148,220,969	30,296,800	178,517,769
2024 - 2028	80,956,210	7,420,044	88,376,254
2029 - 2033	550,000	182,641	732,641
2034 - 2038	610,000	117,400	727,400
2039 - 2043	685,000	41,556	726,556
Totals	\$ 427,388,078	\$ 99,164,511	\$ 526,552,589



**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**D. Indebtedness (continued)**

Long-term Debt (continued)

**General Obligation Bonds (continued)**

Future principal and interest payments to maturity for the component units is as follows:

	Principal	Interest	Total Principal and Interest
For years ending December 31, 2014	\$ 2,348,904	\$ 927,675	\$ 3,276,579
2015	2,353,623	848,873	3,202,496
2016	2,432,521	756,318	3,188,839
2017	2,219,116	663,623	2,882,739
2018	2,026,316	578,317	2,604,633
2019 - 2023	7,579,031	1,862,777	9,441,808
2024 - 2028	5,073,790	473,030	5,546,820
Totals	<u>\$ 24,033,301</u>	<u>\$ 6,110,613</u>	<u>\$ 30,143,914</u>

**Retirement Incentive Payable** – During 2012 the Town offered employees meeting specific criteria an incentive to retire from active employment. As part of the agreement, employees had the option to receive the retirement incentive payment over a three year period. The Town paid \$68,333 of the retirement incentive in 2012 and 2013 with the remaining \$68,334 to be paid in 2014.

**Other Long-Term Liabilities** - Liabilities for claims and judgments payable and landfill closure and post-closure care costs are liquidated through future budgetary appropriations in the General Fund. The liabilities for compensated absences, other postemployment benefits payable, due to Employees' Retirement System and retirement incentive payable are liquidated through future budgetary appropriations in the funds that gave rise to the liability.

Nonmajor Component Unit Debt

Two of the Town's nonmajor component units have issued serial bonds guaranteed by other governments to finance improvements to those districts. The outstanding serial bonds of \$13,232,760 have been included under the caption "Other debt" because the Town does not bear any responsibility with respect to this debt in its repayment.

Defeasance of Debt

In prior years, the Town of Oyster Bay defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. At December 31, 2013, \$104,000 of these bonds outstanding are considered defeased, of which \$104,000 was for general Town purposes.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**E. Retirement System**

Plan Description

The Town of Oyster Bay participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer defined benefit pension plan. The System provides retirement benefits as well as death and disability benefits.

Obligation of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the System. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of their funds.

A publicly available annual report containing financial statements and required supplemental information for the Employees' Retirement System may be obtained by writing to the New York State Retirement System, Governor Smith State Building, Albany, NY 12244.

Funding Policy

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System on or after July 27, 1976, and who have less than ten years of membership or credited service with a retirement system under the provisions of article nineteen of the NYSRSSL. These employees are required to contribute 3% of their salary. Employees who joined the system after January 1, 2010 and before April 1, 2012 are required to contribute 3% of their salary for their entire career. Employees who joined the system on or after April 1, 2012 are required to contribute between 3% and 6% depending upon their salary for their entire career. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

The Town is required to contribute at an actuarially determined rate. The actual contributions were equal to the actuarially required amounts and also include additional contributions to fund various early retirement incentives made available to the Town employees. The credits and miscellaneous adjustments represent modifications made by the ERS for prior years contributions.

The required contributions paid by the Primary government, for the current year and two preceding years were:

	Annual Required Contribution	Retirement Incentive Installment	Chapter 57 Amortization Adjustment	Credits and Miscellaneous Adjustments	Total Payment
2013	\$ 16,653,827	\$ 1,414,983	\$ (6,444,139)	\$ 1,020,331	\$ 12,645,002
2012	13,272,768	1,414,982	(3,703,672)	(488,933)	10,495,145
2011	10,066,475			110,309	10,176,784

The Town's contribution to the system was 100% of the contributions required each year.

Pursuant to Chapter 57 of the Laws of 2010, the New York State Legislature authorized local governments to amortize a portion of their retirement bill for 10 years. This law requires participating governments to make payments on a current basis, while amortizing existing unpaid amounts relating to the New York State and Local Employees' Retirement System's fiscal years when the local employer opts to participate in the program. The Town's total cost related to the 2011 fiscal year was \$3,703,672 and will be billed and paid over ten years beginning with 2013 and will include interest at 3.75%. During 2013 the Town paid \$312,076 toward this program and has a remaining liability at December 31, 2013 of \$3,391,596.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**E. Retirement System (continued)**

Funding Policy (continued)

In addition, pursuant to Chapter 57 of the Laws of 2010, the Town has amortized amounts related to the 2012 fiscal year and has a total unpaid liability of \$6,895,103. The cost of the program is billed and paid over ten years beginning in 2014 and will include interest at 3.00%.

Pursuant to Chapter 57 of the Laws of 2013, the New York State Legislature authorized local governments to amortize a portion of their retirement bill for 12 years. This law requires participating governments to make payments on a current basis, while amortizing existing unpaid amounts relating to the New York State and Local Employees' Retirement System's fiscal years when the local employer opts to participate in the program. The Town's total unpaid liability related to the 2013 fiscal year is \$6,157,543. The cost of the program is billed and paid over twelve years beginning in 2015 and will include interest at 3.76%.

Pursuant to Chapter 105 of the Laws of 2010, the New York State Legislature authorized local governments to make available a retirement incentive program with total costs to the Town of \$6,154,219. The cost of the program is billed and paid over five years beginning with 2012 and will include interest at 7.5%. During 2013, the Town paid \$1,059,539 toward this program and has a remaining liability at December 31, 2013 of \$3,679,698.

Future principal and interest payments to maturity for the Chapter 57 amortizations and the retirement incentives are as follows:

**Primary Government:**

	Principal	Interest	Total Principal and Interest
For years ending December 31, 2014	\$ 2,064,247	\$ 610,015	\$ 2,674,262
2015	2,595,330	725,928	3,321,258
2016	2,733,967	587,291	3,321,258
2017	1,466,125	440,151	1,906,276
2018	1,516,222	423,332	1,939,554
2019 - 2023	7,944,368	1,112,505	9,056,873
2024 - 2026	1,803,681	137,307	1,940,988
Totals	<u>\$ 20,123,940</u>	<u>\$ 4,036,529</u>	<u>\$ 24,160,469</u>

**F. Other Postemployment Benefits (Obligations for Health Insurance)**

In the government-wide financial statements, the cost of other postemployment benefits (OPEB), like the cost of pension benefits, generally should be associated with the period in which the cost occurs, rather than in the future years when it will be paid. The Town recognizes the costs of other postemployment benefits in the year when the employee services are received, reports the accumulated liability from prior years, and provides information useful in assessing potential demands on the Town's future cash flows. Recognition of the liability accumulated from prior years will be phased in over 30 years and commenced with the 2007 liability.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**F. Other Postemployment Benefits (Obligations for Health Insurance) (continued)**

Plan Description

The Town, as a single-employer defined benefit OPEB plan, per its contract with employees, will pay the full premium costs for medical (currently provided by Empire Core Plan plus Enhancement or H.I.P.) insurance coverage at retirement, provided the employee retired after December 31, 1974 and had been employed with the Town for at least five consecutive years and the retiree is at least 55 years of age. The Town will also pay the full premium costs for dental (currently provided by CIGNA Healthcare) and optical (currently provided by CSEA Employee Benefit Fund) insurance coverage at retirement for employees who retired after January 1, 2006 and had been employed with the Town for at least five consecutive years and the retiree is at least 55 years of age. This contract will be renegotiated at various times in the future. The retiree is also eligible for full Medicare reimbursement in the amount of \$1,259 per year. Healthcare benefits for non-union employees are similar to those of union employees. Upon death of a retiree who retired after January 1, 2006 and before January 1, 2010, the Town will continue health insurance for a period of three years and dental insurance for a period of three months after the death of the retiree for the non-remarried spouse and dependents of the employee. Upon death of a retiree who retired after January 1, 2010, the Town will continue health insurance for a period of five years and dental insurance for a period of three months after the death of the retiree for the non-remarried spouse and dependents of the employee.

Plan Description

The number of participants updated for the year ended December 31, 2013 is as follows:

Active employees	1,157
Retired employees	<u>806</u>
Total	<u><u>1,963</u></u>

There have been no significant changes in the number of employees or the type of coverage since that date.

The Town, as administrator of the plan, does not issue a separate report.

Funding Policy

The Town currently pays for other postemployment benefits on a pay-as-you-go basis.

Annual Other Postemployment Benefit Cost

For the year ended December 31, 2013, the Town's annual other postemployment benefits cost (expenses) was \$33,019,605. Considering the annual expense as well as the payment of current health insurance premiums, which totaled \$9,933,243 for retirees and their beneficiaries, the result was an increase in the other postemployment benefits liability of \$23,086,362 for the year ended December 31, 2013. The Town's nonmajor component unit's annual other postemployment benefits cost (expenses) were \$4,475,568. Considering the annual expense as well as the payment of current health insurance premiums, which totaled \$1,537,212 for retirees and their beneficiaries, the result was an increase in the other postemployment benefits liability of \$2,938,356 for the year ended December 31, 2013.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**F. Other Postemployment Benefits (Obligations for Health Insurance) (continued)**

Annual Other Postemployment Benefit Cost (continued)

	<u>Benefit Obligations and Normal Cost</u>				
	<u>Medical Plan</u>	<u>Medicare Part B</u>	<u>Dental Plan</u>	<u>Vision Plan</u>	<u>Total</u>
Retired employees	\$ 144,482,673	\$ 29,960,152	\$ 11,008,834	\$ 2,804,183	\$ 188,255,842
Active employees	155,204,267	27,343,750	16,217,420	4,349,072	203,114,509
Unfunded actuarial accrued liability (UAAL)	<u>\$ 299,686,940</u>	<u>\$ 57,303,902</u>	<u>\$ 27,226,254</u>	<u>\$ 7,153,255</u>	<u>\$ 391,370,351</u>

The Town's annual other postemployment benefit cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined. 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 (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the Town's other postemployment benefits liability:

	<u>Level Percentage of Projected Pay Amortization</u> <u>Calculation of ARC under the Entry Age Method</u>				
	<u>Medical Plan</u>	<u>Medicare Part B</u>	<u>Dental Plan</u>	<u>Vision Plan</u>	<u>Total</u>
Normal cost	\$ 11,010,306	\$ 2,034,050	\$ 1,168,663	\$ 321,653	\$ 14,534,672
Amortization of unfunded actuarial liability (UAAL) over 30 years	14,122,822	2,721,574	1,264,693	330,615	18,439,704
Interest	830,576	170,260	87,418	23,684	1,111,938
Annual required contribution (ARC)	25,963,704	4,925,884	2,520,774	675,952	34,086,314
Interest on net OPEB obligation	3,463,140	774,109	393,201	110,279	4,740,729
Adjustment to ARC	(4,242,379)	(948,291)	(481,675)	(135,093)	(5,807,438)
OPEB Cost	25,184,465	4,751,702	2,432,300	651,138	33,019,605
Less: Contribution for year ended December 31, 2013	<u>8,290,572</u>	<u>989,308</u>	<u>553,151</u>	<u>100,212</u>	<u>9,933,243</u>
Increase in other postemployment benefits liability	16,893,893	3,762,394	1,879,149	550,926	23,086,362
Other postemployment benefits liability at December 31, 2012	<u>87,932,842</u>	<u>19,322,374</u>	<u>9,743,594</u>	<u>2,799,854</u>	<u>119,798,664</u>
Other postemployment benefits liability at December 31, 2013	<u>\$ 104,826,735</u>	<u>\$ 23,084,768</u>	<u>\$ 11,622,743</u>	<u>\$ 3,350,780</u>	<u>\$ 142,885,026</u>
Percent of annual OPEB cost contributed	32.92%	20.82%	22.74%	15.39%	30.08%

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**F. Other Postemployment Benefits (Obligations for Health Insurance) (continued)**

Funded Status and Funding Progress

The percentage contributed for the current year and the preceding two years were:

	Annual OPEB Cost	Percentage Contributed	Net OPEB Obligation
2013	\$ 33,019,605	30.08%	\$ 142,885,026
2012	32,772,944	27.57%	119,798,664
2011	31,456,489	27.66%	96,062,175

The funded status of the plan as of January 1, 2013, projected for the year ended December 31, 2013 is as follows:

	Actuarial Accrued Liability (AAL)	Actuarial Value of Plan Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Town	\$ 391,370,351	\$ -0-	\$ 391,370,351	0.00%	\$ 89,519,572	437.19%
Component Units	53,648,381	-0-	53,648,381	0.00%	10,509,187	510.49%

The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial Methods and Assumptions

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the employer's annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term liability in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

In the January 1, 2013 actuarial valuation, the liabilities were computed using the entry age normal method and level percentage of projected payroll of active plan members on a closed basis. The actuarial assumptions utilized a 4.0% interest rate, a 2.5% inflation rate and a 2.5% payroll growth rate. The valuation assumes a 5.0% to 8.0% healthcare cost trend increase for the year ended 2013 and reduced decrements to a rate of 5.0% after five years. The remaining closed amortization period at December 31, 2013 was twenty-three years.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**3. DETAILED NOTES ON ALL FUNDS (continued)**

**G. Compensated Absences**

Town employees are granted vacation and sick leave and earn compensatory absences in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave, subject to certain limitations.

Estimated vacation, sick leave and compensatory absences accumulated by governmental fund type employees have been recorded in the statement of net position. Payment of vacation time and sick leave is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payments of vacation, sick leave and compensatory absences when such payments become due. As of December 31, 2013, the value of the accumulated vacation time and sick leave was \$21,377,882 for the primary government. The liability for compensated absences for the nonmajor component units amounted to \$3,993,702.

**4. COMMITMENTS AND CONTINGENCIES**

**A. Risk Management**

In common with other municipalities, the Town receives numerous notices of claims. The Town is self-insured for the first \$1,000,000 per occurrence and carries excess liability insurance coverage of \$10,000,000 per occurrence with a \$10,000,000 annual aggregate and is self-insured for claims under this coverage. Although the eventual outcome of these claims cannot presently be determined, the Town Attorney has estimated unsettled claims and litigation to be \$28,846,653, which is included in the claims and judgments payable liability in the government-wide financial statements. The Town is of the opinion that the ultimate settlement of the outstanding claims will not result in a material adverse effect on the Town's financial position.

The Town is self-insured for property protection on the first \$25,000 per loss with insurance protection coverage of up to \$212,184,000 for any one loss and annual aggregate except for flood and earthquake, which have limits of \$10,000,000 for any one loss and a \$10,000,000 annual aggregate. The Town carries building and contents coverage in excess of \$212,184,000.

The Town is self-insured for workers' compensation insurance and disability insurance. Estimated benefits to be paid are appropriated in the various operating funds of the Town. The actuarially determined workers' compensation liability is reported without a discount when it is probable that a loss has occurred and that the amount of that loss can be reasonably estimated. The result of the process is not an exact amount as it depends on many complex factors such as inflation. The estimate of the claims liability includes amounts for incremental claim adjustments which includes attorney, consulting and other fees. The Town is also self-insured for unemployment benefits paid.

There have been no significant reductions in insurance coverage as compared to the prior year, and there were no settlements in excess of insurance coverage over the last three years.



**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**4. COMMITMENTS AND CONTINGENCIES (continued)**

**A. Risk Management (continued)**

The Town's workers compensation liability is based on an actuarial analysis and the Town's general liability reserves are estimated based on consultations with legal counsel and past experience with similar claims. The Town has not purchased any annuity contracts with regard to its workers' compensation or general liability claims. The schedule below presents the changes in claims liabilities for the past two years for workers' compensation and general liability and includes an estimate of claims that have been incurred but not yet reported.

	Workers' Compensation		General Liability	
	2013	2012	2013	2012
Unpaid claims and claim adjustment expenditures at the beginning of the year	<u>\$ 7,457,965</u>	<u>\$ 7,603,604</u>	<u>\$ 4,635,994</u>	<u>\$ 4,261,649</u>
Incurred claims and claim adjustment Expenditures:				
Provision for insured events of the current year and increases or decreases in provision for insured events of prior years	<u>19,241,562</u>	<u>2,740,219</u>	<u>890,434</u>	<u>2,344,182</u>
Total incurred claims and claim adjustment expenditures	<u>19,241,562</u>	<u>2,740,219</u>	<u>890,434</u>	<u>2,344,182</u>
Payments:				
Claims expenditures attributable to insured events of the current and prior years	<u>3,245,993</u>	<u>2,885,858</u>	<u>2,133,309</u>	<u>1,969,837</u>
Total payments	<u>3,245,993</u>	<u>2,885,858</u>	<u>2,133,309</u>	<u>1,969,837</u>
Total unpaid claims and claim adjustment expenditures at the end of the year	<u>\$ 23,453,534</u>	<u>\$ 7,457,965</u>	<u>\$ 3,393,119</u>	<u>\$ 4,635,994</u>

**B. Property Condemnation And Environmental Issues**

The Town has acquired title to approximately 14 acres through a condemnation proceeding of which the United States Environmental Protection Agency (EPA) will be conducting remediation of environmentally hazardous substances at the subject property. The property will eventually be converted to a public park. In May 2007, under the EPA's jurisdiction, a group made up of prior owners of the property commenced the soil remediation process at the site, which was completed in 2009. The Town has already made payments to the EPA for the remediation and payments to the former property owners as payment on the condemnation. However, additional payments may be required to the property owner and/or EPA contingent upon the value/purchase price of the property. There is a fair chance at this time that the Court will value the property in the range of approximately \$5-6 million, however it is uncertain what amount of additional payments will be required by the Town.

The Town has recently acquired title to a second parcel of land of approximately 7.5 acres abutting the 14 acres, discussed above. The Town has made a payment of \$4,500,000 to the former owners. There is a fair chance that the Court will value the property at \$6,500,000, however, it is uncertain what amounts of additional payments will be required by the Town.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**4. COMMITMENTS AND CONTINGENCIES (continued)**

**B. Property Condemnation And Environmental Issues (continued)**

In another matter, the Town is currently engaged in litigation against the former owner of certain property donated to the Town for use as park land. Due to the apparent environmental concerns to the residents regarding the park, the Town has chosen to take a proactive stance, and remediated the environmental concerns to the park by the summer of 2007. The Town's position is that the former owner is the cause of the environmental problems and has commenced litigation to recover the cost of this remediation. The former owner has counterclaims against the Town claiming the Town contributed to the contamination. Outside counsel has assessed that the Town can be found up to 30% contributorily liable on the theory that the Town has knowledge of the environmental hazards. It is uncertain what, if any recovery will be received or additional amounts paid by the Town. The Town also is currently undertaking an investigation at the direction of the New York State Department of Environmental Conservation (NYSDEC) with regard to Freon in groundwater and soil vapors in the area around the park. Additional costs may be incurred by the Town if the NYSDEC determines that any remedial action is necessary based on the findings of the investigation, which is expected to be completed in 2014.

The Town has recorded additional accounts payable in the amount of \$3,300,000 in the government-wide financial statements for the property condemnation and environmental issues discussed above.

**C. FIT Tuition Charge Back**

In 2010, Nassau County (County) commenced a chargeback to the cities and towns within the County for amounts paid for its cost of educating County residents at the Fashion Institute of Technology (FIT) under the community college reimbursement provisions of the New York State Education Law. On January 16, 2013, the Appellate Division, Second Department ruled that the County could charge back for FIT payments made by the County for both two year associate programs as well as four year undergraduate programs and masters programs upon the adoption of the appropriate County resolution. In that same decision, the Appellate Division ruled that the County could not offset the disputed chargebacks against the Town's share of intergovernmental revenue. The final resolution of this matter is pending as the parties have moved in the Appellate Division for reargument.

It is still the position of the Town that FIT is not a community college and the amount of FIT tuition charge back, if any will be substantially less than the original amount. As of December 31, 2013, the FIT tuition charge back to the Town amounts to \$7,428,679, which has been withheld in total by the County from the Town's intergovernmental revenue. The Town has recorded the chargeback payable of \$7,428,679 in the fund financial statements as an offset to the amount due from the County. To prevent distortion of the intergovernmental revenue trends from one year to the next, the Town has recorded the full amount of intergovernmental revenue in the fund financial statements. The long-term portion of this receivable from the County in the amount of \$2,983,748 is classified as nonspendable fund balance in the General Fund.

**D. Landfill Closure and Post-Closure Care Costs**

State and federal laws and regulations require the Town to place a final cover on its landfill sites and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. The Syosset Landfill stopped receiving waste in 1975 and the Old Bethpage Landfill stopped receiving waste in 1986. Based on monitoring by the EPA, post-closure care costs for the Syosset Landfill were estimated to continue until 2033. If the EPA determines the landfill to be remediated before 2033, the liability for post-closure care costs will be reduced. Likewise, if the EPA determines that additional post-closure care costs are needed, the liability may increase. In 1994, the Old Bethpage Landfill was determined to have to continue post-closure care maintenance and monitoring until 2024. Accordingly, as of December 31, 2013 the Town has recorded a liability of \$10,650,000, which represents the provision to be made in future budgets for unfunded closure and post-closure landfill costs. Actual costs may vary due to inflation or deflation, changes in technology, or changes in regulations or applicable laws.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**4. COMMITMENTS AND CONTINGENCIES (continued)**

**E. Construction and Other Capital Acquisition Commitments**

Construction in progress, commitments for equipment purchases and other capital acquisition commitments amounting to \$16,773,829 have been recorded as encumbrances in the Capital Projects Fund. It is anticipated that these projects will be paid for by the issuance of general obligation bonds.

**F. Lease Commitments and Leased Assets**

The Town leases office and storage space under an operating lease which commenced in July 2012 and expires in June 2016. The lease amount for the current year is \$6,415 per month inclusive of a \$405 heating charge. The Town is responsible for increases in taxes over the base lease year as well as all utilities and repairs. Total rental expenditures on this lease for the year ended December 31, 2013 totaled \$80,599.

The Town also leases additional storage space under an operating lease which commenced in June 2010 and expires in April 2020. The lease amount for the current year is \$30,623 per month. The monthly payment includes a proportionate share of real estate taxes as well as a proportionate share of all common area maintenance charges. Total rental expenditures on this lease for the year ended December 31, 2013 totaled \$382,617.

Minimum annual commitments under the operating leases described above are as follows:

For years ending December 31, 2014	\$	449,397
2015		457,491
2016		423,994
2017		389,563
2018		396,008
2019 – 2020		<u>537,605</u>
	\$	<u>2,654,058</u>

**G. Oyster Bay Fire Protection Area Length of Service Award Program (LOSAP)**

The Town's financial statements are for the year ended December 31, 2013. The information contained in this note is projected for the plan year ending June 30, 2014 based on information for the plan year ended on June 30, 2013, which is the most recent plan year for which complete information is available.

The Town sponsors a defined contribution Length of Service Award Program for the active volunteer firefighters of the Oyster Bay Fire Protection Area. The program took effect on July 1, 1991. The program was established pursuant to Article 11-A of the General Municipal Law. The program provides municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Town is approximately a 55.00% sponsor of the program for the Oyster Bay Fire Protection Area and contributed \$157,169 during 2013.

Program Description

**Participation, vesting and service credit**

Active volunteer firefighters who have reached the age of 17 are eligible to participate in the program upon joining the fire company. Participants acquire a nonforfeitable right to a service award after being credited with 5 years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is age 62, and completion of 1 year of plan participation. In general, an active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates fifty points.

Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for 5 years of firefighting service rendered prior to the establishment of the program.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**4. COMMITMENTS AND CONTINGENCIES (continued)**

**G. Oyster Bay Fire Protection Area Length of Service Award Program (LOSAP) (continued)**

Program Description (continued)

**Benefits**

A participant's benefit under the program is the amount resulting from the contributions made by the sponsors on behalf of the participant, plus interest and/or other earnings resulting from the investment of the contributions, less necessary administrative costs, forfeitures and losses resulting from the investment of contributions. Contributions in the amount of \$20 per month are made on behalf of each participant who is credited with a year of firefighting service. The maximum number of years of firefighting service for which a participant may receive a contribution is forty years. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program provides statutorily mandatory disability and death benefits.

Fiduciary Investment and Control

Service credit is determined by the sponsoring board, based on certified information from the fire companies having members who participate in the program. Each fire company must maintain all required records on forms prescribed by the sponsoring board. The sponsoring board has retained and designated Glatfelter VFIS Specialty Benefits to assist in the administration of the program. The designated program administrator's functions include calculating the amount to be contributed at the end of each year based upon the criteria set forth in the Plan Document. Disbursements for the payment of benefits or administrative expenses must be approved by the sponsoring board and delivered to the custodian through a payment schedule.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The trust agreement is dated July 1, 1991, and the trustee is the sponsoring board.

Authority to invest program assets is vested in the sponsoring board. Subject to restrictions in the plan document, program assets are invested in accordance with a statutory "prudent person" rule. The plan document restricts the sponsoring board from investing in securities or obligations issued by the Town, other than a de minimis amount held in common investment vehicles in which the Trustee invests. The sponsoring board is required to retain an actuary to determine the amount of the sponsoring board's contributions to the plan. The actuary retained by the sponsoring board for this purpose is Glatfelter VFIS Specialty Benefits. Portions of the following information are derived from a report prepared by the actuary dated October 16, 2013.

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**4. COMMITMENTS AND CONTINGENCIES (continued)**

**G. Oyster Bay Fire Protection Area Length of Service Award Program (LOSAP) (continued)**

Program Financial Condition

**Assets and Liabilities**

Actuarial present value of benefits at June 30, 2013                      \$    5,004,863

Assets Available for Benefits

	<u>% of total</u>	
Annuity contracts	100.00%	\$    1,915,308
Less: Liabilities		<u>-0-</u>
Total Net Assets Available for Benefits		<u>\$    1,915,308</u>
Unfunded Liability for Prior Service		<u>\$            -0-</u>

**Prior Service Costs**

There are no prior service costs being amortized.

**Receipts and Disbursements**

Plan Net Assets, July 1, 2012                                              \$    1,726,603

Changes during the year:

Plan contributions	\$ 268,534	
Changes in fair market value of investments	82,784	
Plan benefit withdrawals	(141,994)	
Premiums	(15,984)	
Administrative and Other Fees/Charges	<u>(4,635)</u>	
Plan Net Assets, June 30, 2013		<u>\$    1,915,308</u>

**Contributions**

Amount of sponsoring board's required contribution:                      \$        272,483

Amount of sponsoring board's actual contribution:                      \$        268,534

**Administration Fees**

Fees paid to designated Plan administrator / actuary:                      \$            4,635

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**4. COMMITMENTS AND CONTINGENCIES (continued)**

**G. Oyster Bay Fire Protection Area Length of Service Award Program (LOSAP) (continued)**

Funding Methodology and Actuarial Assumptions

**Normal Costs**

The actuarial valuation methodology used by the actuary to determine the sponsor's contribution is the Entry Age Normal Frozen Initial Liability method. The assumptions used by the actuary to determine the sponsor's contribution and the actuarial present value of benefits are:

Assumed rate of return on investment      4.75%

Mortality Tables used for

Withdrawal	None
Disability	None
Retirement	1984 Unisex Pensioners
Death (Actives)	1984 Unisex Pensioners
Death (Inactive)	1984 Unisex Pensioners

**5. CONDENSED FINANCIAL STATEMENTS FOR THE DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS**

The following represents condensed financial statements for the discretely presented nonmajor component units as of and for the year ended December 31, 2013:

Condensed Statement of Net Position:

	Current Assets	Due from Primary Government	Capital Assets Net of Depreciation	Current Liabilities	Due to Primary Government	Other Long-Term Liabilities	Deferred Inflows of Resources	Net Investment in Capital Assets	Restricted	Unrestricted (Deficit)
Massapequa Water District	\$ 4,914,361	\$ 391,658	\$ 13,926,533	\$ 3,113,799		\$ 5,895,799		\$ 8,492,899	\$ 785,483	\$ 944,572
Plainview Water District	5,079,604	875,061	31,579,667	15,829,528	\$ 64,998	8,392,114		11,276,792	2,352,905	(382,005)
Hicksville Water District	25,901,636	48,674	25,633,080	1,980,485		16,024,875	\$ 56,201	17,365,912	10,879,075	5,276,842
Locust Valley Water District	1,457,168	216,283	8,556,730	4,708,986		1,488,886		8,556,730	55,785	(4,580,206)
Oyster Bay Water District	2,167,112	378,284	10,053,588	2,016,004		3,361,986		6,323,335	995,857	(98,198)
Jericho Water District	11,055,594	826,565	24,588,665	8,243,667	141,815	3,780,171		18,462,964	4,673,255	1,168,952
South Farmingdale Water District	7,957,756	3,119,077	24,435,398	9,024,769		8,262,606		13,187,906	2,977,993	2,058,957
Bethpage Water District	10,986,611	505,563	31,484,071	13,435,446	2,710,347	3,020,270		18,161,111	4,951,633	697,438
Syosset Sanitation District	763,637	144		19						763,762
Oyster Bay Sewer District	1,977,416	560,519	13,644,869	770,651		6,566,996		9,916,799		(1,071,642)
Glenwood-Glenhead Garbage District	817,182	27,583		76,012			27,375			741,378
	<u>\$ 73,078,077</u>	<u>\$ 6,949,411</u>	<u>\$ 183,902,601</u>	<u>\$ 59,199,366</u>	<u>\$ 2,917,160</u>	<u>\$ 56,793,703</u>	<u>\$ 83,576</u>	<u>\$ 111,744,448</u>	<u>\$ 27,671,986</u>	<u>\$ 5,519,850</u>

**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**5. CONDENSED FINANCIAL STATEMENTS FOR THE DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS (continued)**

Condensed Statement of Activities:

	Program				General Revenue		Net Position		
	Operating		Net (Expense)	Property	Tax	Other	Change	1/1/13	12/31/13
	Charges for	Grants and							
	Expenses	Services	Contributions	Revenue					
Massapequa Water District	\$ 5,427,666	\$ 3,850,347		\$ (1,577,319)	\$ 2,044,753	\$ 278,107	\$ 745,541	\$ 9,477,413	\$ 10,222,954
Plainview Water District	7,423,326	3,568,639	\$ 65,304	(3,789,383)	3,446,845	109,911	(232,627)	13,480,319	13,247,692
Hicksville Water District	7,281,080	2,901,416	30,407	(4,349,257)	4,505,179	603,984	759,906	32,761,923	33,521,829
Locust Valley Water District	2,246,123	1,556,523		(689,600)	442,641	306,208	59,249	3,973,060	4,032,309
Oyster Bay Water District	2,421,197	1,028,061	4,598	(1,388,538)	891,748	462,192	(34,598)	7,255,592	7,220,994
Jericho Water District	9,460,615	8,575,155	66,920	(818,540)	1,184,243	522,019	887,722	23,417,449	24,305,171
South Farmingdale Water District	6,734,350	2,753,301	41,832	(3,939,217)	1,657,045	742,040	(1,540,132)	19,764,988	18,224,856
Bethpage Water District	5,760,396	1,645,236		(4,115,160)	3,040,525	4,164,827	3,090,192	20,719,990	23,810,182
Syosset Sanitation District	589,684			(589,684)	557,237	754	(31,693)	795,455	763,762
Oyster Bay Sewer District	4,616,211	498,354	93,690	(4,024,167)	3,468,857	18,954	(536,356)	9,381,513	8,845,157
Glenwood-Glenhead Garbage District	1,347,495			(1,347,495)	908,303	87,573	(351,619)	1,092,997	741,378
	<u>\$ 53,308,143</u>	<u>\$ 26,377,032</u>	<u>\$ 302,751</u>	<u>\$ (26,628,360)</u>	<u>\$ 22,147,376</u>	<u>\$ 7,296,569</u>	<u>\$ 2,815,585</u>	<u>\$ 142,120,699</u>	<u>\$ 144,936,284</u>

Complete financial statements of the individual nonmajor component units can be obtained from their respective administrative offices:

Massapequa Water District  
84 Grand Avenue  
Massapequa, N.Y. 11758

Plainview Water District  
10 Manetto Hill Road  
Plainview, N.Y. 11803

Hicksville Water District  
4 Dean Street  
Hicksville, N.Y. 11802

Locust Valley Water District  
Buckram Road  
Locust Valley, N.Y. 11560

Oyster Bay Water District  
45 Audrey Avenue  
Oyster Bay, N.Y. 11771

Jericho Water District  
125 Convent Road  
Syosset, N.Y. 11791

South Farmingdale Water District  
40 Langdon Road  
Farmingdale, N.Y. 11735

Bethpage Water District  
25 Adams Avenue  
Bethpage, N.Y. 11714

Syosset Sanitation District  
P.O. Box 14  
Syosset, N.Y. 11791

Oyster Bay Sewer District  
15 Bay Avenue  
Oyster Bay, N.Y. 11771

Glenwood - Glenhead Garbage District  
P.O. Box 181  
Glenwood Landing, N.Y. 11547

**6. CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE**

The Town implemented Governmental Accounting Standards Board (GASB) Statement No. 65, "Items Previously Reported as Assets and Liabilities". One of the provisions of this GASB Statement is to recognize debt issuance costs as an outflow of resources/expense in the period incurred, as these costs no longer meet the definition of an asset or deferred outflow of resources, as defined in GASB Statement No. 65 or Concepts Statement No. 4.

The implementation of this GASB Statement required the Town to retroactively recognize debt issuance costs as an outflow of resources and to restate net position as of January 1, 2013. As a result, the net position at the beginning of the year was decreased by \$696,534 from a deficit of \$203,417,967 to a deficit of \$204,114,501. The difference represents a restatement for unamortized bond issuance costs that were amortized under the prior standards but expensed in the period incurred under the new standards.



**TOWN OF OYSTER BAY**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2013

**7. SUBSEQUENT EVENTS**

In February 2014, the Town issued \$52,120,000 of bond anticipation notes bearing interest rates ranging from 0.55% to 1.50%, which mature on February 6, 2015.

In March 2014, the Town issued \$140,225,000 of public improvement general obligation bonds at interest rates ranging from 3.00% to 4.00%, which mature March 1, 2028.

In April 2014, the Town issued \$69,430,000 of public improvement refunding bonds at interest rates ranging from 2.00% to 5.00%, which mature January 15, 2028.

**8. NEW PRONOUNCEMENTS**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 *"Accounting and Financial Reporting for Pensions"*—an amendment of GASB Statement No. 27. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that are provided by other entities. The requirements of the new statement become effective for fiscal periods beginning after June 15, 2014.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 69 *"Government Combinations and Disposals of Government Operations"*. The primary objective of this Statement is to establish accounting and financial reporting standards related to government combinations and disposals of government operations including a variety of transactions referred to as mergers, acquisitions and transfers of operations. The requirements of the new statement become effective for fiscal periods beginning after December 15, 2013.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 70 *"Accounting and Financial Reporting for Nonexchange Financial Guarantees"*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The requirements of the new statement become effective for fiscal periods beginning after June 15, 2013.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 71 *"Pension Transition for Contributions Made Subsequent to the Measurement Date"*—an amendment of GASB Statement No. 68. The primary objective of this Statement is to address an issue regarding amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The requirements of the new statement become effective for fiscal periods beginning after June 15, 2014.

The Town is currently evaluating the impact of the above pronouncements.

**REQUIRED SUPPLEMENTARY  
INFORMATION OTHER THAN  
MANAGEMENT'S DISCUSSION AND  
ANALYSIS**

**Schedules of Revenues, Expenditures, and  
Changes in Fund Balances – Budget and Actual  
Major Governmental Funds and Schedules**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The budgets are adopted on a basis of accounting consistent with GAAP. In the event that actual revenues received exceed budgeted amounts, additional budgetary appropriations are made. The Capital Projects and Special Grant Funds are budgeted on a project or grant basis. In order to show the full legal level of budgetary compliance for the General and certain Special Revenue Funds, detailed individual statements of revenues, expenditures and changes in fund balances - budget and actual, are presented in a separate budget report.

**TOWN OF OYSTER BAY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>				
Ad valorem taxes	\$ 37,664,884	\$ 37,664,884	\$ 37,852,748	\$ 187,864
Total Real Property Taxes	37,664,884	37,664,884	37,852,748	187,864
<b>OTHER REAL PROPERTY TAX ITEMS</b>				
Payment in lieu of taxes	186,619	221,619	265,929	44,310
Interest and penalty on taxes	1,550,000	1,550,000	1,356,147	(193,853)
Total Other Real Property Tax Items	1,736,619	1,771,619	1,622,076	(149,543)
<b>NON-PROPERTY TAX ITEMS</b>				
Franchises - cable TV	4,800,000	4,800,000	4,863,692	63,692
Total Non-Property Tax Items	4,800,000	4,800,000	4,863,692	63,692
<b>DEPARTMENTAL INCOME</b>				
Town clerk fees	600,000	600,000	503,167	(96,833)
Attorney fees	15,000	15,000	6,000	(9,000)
Other general departmental income	25,000	25,000	14,600	(10,400)
Tax collector fees	12,000	12,000	115,110	103,110
Public pound charge dog fees	13,500	13,500	19,981	6,481
Recreation fees	600,000	625,000	331,823	(293,177)
Community service fees	300,000	350,000	577,317	227,317
Recreational concessions	260,000	260,000	467,457	207,457
Beach, pool, golf fees	4,900,000	4,900,000	3,249,103	(1,650,897)
Boat basin fees	300,000	300,000	124,691	(175,309)
Dock storage leases	730,000	730,000	727,663	(2,337)
Incineration and disposal charges	82,907	82,907	82,907	
Total Departmental Income	7,838,407	7,913,407	6,219,819	(1,693,588)
<b>INTERGOVERNMENTAL CHARGES</b>				
Dog pound facilities, other governments	700	700	1,137	437
Services other governments	7,000	7,000	12,098	5,098
Total Intergovernmental Charges	7,700	7,700	13,235	5,535
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	100,000	100,000	51,930	(48,070)
Rental of real property	450,000	450,000	577,726	127,726
Commissions	3,800	3,800		(3,800)
Total Use of Money and Property	553,800	553,800	629,656	75,856

(continued)

**TOWN OF OYSTER BAY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>LICENSES AND PERMITS</b>				
Games of chance	200	200	180	(20)
Bingo licenses	1,400	1,400	353	(1,047)
Dog license fund apportionment	21,000	21,000	16,135	(4,865)
Road opening permits	130,000	130,000	188,510	58,510
Total Licenses and Permits	152,600	152,600	205,178	52,578
<b>FINES AND FORFEITURES</b>				
Court fines	750,000	750,000	657,085	(92,915)
Fines and penalties - dog cases	600	600	9,668	9,068
Total Fines and Forfeitures	750,600	750,600	666,753	(83,847)
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Sale of scrap and excess material	5,000	5,000	19,583	14,583
Sale of surplus equipment	30,000	30,000		(30,000)
Insurance recoveries		135,740	291,741	156,001
Other compensation for loss	35,000	35,000	41,520	6,520
Total Sale of Property and Compensation for Loss	70,000	205,740	352,844	147,104
<b>MISCELLANEOUS LOCAL SOURCES</b>				
Refund of prior year expenditures	765,569	865,347	592,165	(273,182)
Gifts and donations	1,000	1,000		(1,000)
Miscellaneous revenue	624,087	624,087	739,703	115,616
Miscellaneous Local Sources	1,390,656	1,490,434	1,331,868	(158,566)
<b>INTERFUND REVENUES</b>	29,154,741	29,264,008	28,423,597	(840,411)
<b>STATE AID</b>				
Mental health	130,000	130,000	125,126	(4,874)
Per capita	2,000,000	2,000,000	1,682,422	(317,578)
Mortgage tax	10,000,000	10,000,000	10,200,671	200,671
Youth program	101,015	101,015	88,566	(12,449)
Other	5,000	5,000		(5,000)
Total State Aid	12,236,015	12,236,015	12,096,785	(139,230)
<b>FEDERAL AID</b>				
Emergency disaster assistance			11,155	11,155
Other			39,676	39,676
Total Federal Aid			50,831	50,831
Total Revenue	\$ 96,356,022	\$ 96,810,807	\$ 94,329,082	\$ (2,481,725)

(continued)

**TOWN OF OYSTER BAY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
<b>EXPENDITURES</b>					
<b>CURRENT:</b>					
<b>GENERAL GOVERNMENT SUPPORT</b>					
Town board	\$ 1,678,346	\$ 1,834,846	\$ 1,805,793	\$ 602	\$ 28,451
Executive	1,035,890	1,089,090	1,066,863		22,227
Comptroller	4,239,918	6,175,618	6,155,809		19,809
Receiver of taxes	1,099,315	1,105,615	1,103,321		2,294
Town clerk	1,070,792	1,117,492	1,101,763		15,729
Town attorney	1,906,922	3,210,522	3,020,574	186,129	3,819
Human resources	884,431	993,560	977,904		15,656
Public works	1,855,348	2,091,382	2,083,936	800	6,646
General services	6,563,438	7,170,895	7,076,581	1,071	93,243
Central vehicle maintenance	8,343,263	8,940,417	8,831,810		108,607
Other general government support	1,721,304	3,444,049	3,332,614		111,435
Unallocated insurance and payment for losses	1,133,824	1,317,310	1,315,763		1,547
Total General Government Support	31,532,791	38,490,796	37,872,731	188,602	429,463
<b>PUBLIC SAFETY</b>					
Public safety	3,834,827	3,815,607	3,794,852	4,191	16,564
Animal shelter	952,554	1,083,036	1,038,301		44,735
Total Public Safety	4,787,381	4,898,643	4,833,153	4,191	61,299
<b>TRANSPORTATION</b>					
Superintendent of highways	794,900	752,532	751,376		1,156
Total Transportation	794,900	752,532	751,376		1,156
<b>ECONOMIC ASSISTANCE AND OPPORTUNITY</b>					
Publicity	65,000	59,300	58,777		523
Economic development	339,077	369,677	358,933		10,744
Economic Assistance And Opportunity	404,077	428,977	417,710		11,267
<b>CULTURE AND RECREATION</b>					
Community and youth services	5,109,646	5,440,546	5,354,137	28,096	58,313
Parks, recreation, beaches	10,023,427	11,267,452	11,195,499		71,953
Total Culture and Recreation	15,133,073	16,707,998	16,549,636	28,096	130,266
<b>HOME AND COMMUNITY SERVICES</b>					
Intergovernmental affairs	883,011	1,177,955	981,211	3,279	193,465
Housing authority	14,500	16,500	15,500		1,000
Environmental control	1,935,258	1,741,983	1,706,101	396	35,486
Total Home and Community Services	2,832,769	2,936,438	2,702,812	3,675	229,951

(continued)

**TOWN OF OYSTER BAY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
<b>EMPLOYEE BENEFITS</b>					
State Employee Retirement System	5,129,683	5,758,783	5,758,783		
Social security	2,803,005	3,105,405	3,105,320		85
Workers' compensation	1,184,076	1,310,497	1,287,203		23,294
Disability benefits	16,488	14,488			14,488
Unemployment benefits	67,000	64,000	63,645		355
Hospital, medical and dental	11,875,451	14,151,642	14,096,625		55,017
Total Employee Benefits	21,075,703	24,404,815	24,311,576		93,239
Total Current	76,560,694	88,620,199	87,438,994	224,564	956,641
<b>DEBT SERVICE</b>					
Debt interest:					
Bond anticipation notes		4,747,788	4,747,788		
Revenue anticipation notes		233,800	233,800		
Deficiency note		139,611	139,611		
Budgetary note		2,906	2,906		
Total Debt Service		5,124,105	5,124,105		
Total Expenditures	76,560,694	93,744,304	92,563,099	224,564	956,641
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	19,795,328	3,066,503	1,765,983	(224,564)	(1,525,084)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out:					
Debt service fund	(37,348,063)	(12,664,809)	(11,737,591)		927,218
Capital projects fund		(11,631,320)	(11,631,320)		
Total Other Financing Sources (Uses)	(37,348,063)	(24,296,129)	(23,368,911)		927,218
<b>SPECIAL ITEM</b>					
Proceeds from sale of land	17,520,000	19,870,000	30,025,000		10,155,000
Total Special Item	17,520,000	19,870,000	30,025,000		10,155,000
<b>Net Change in Fund Balance</b>	<b>\$ (32,735)</b>	<b>\$ (1,359,626)</b>	8,422,072	<b>\$ (224,564)</b>	<b>\$ 9,557,134</b>
<b>Fund Balance (Deficit) at Beginning of Year</b>			(6,912,024)		
Fund Balance at End of Year			<u>\$ 1,510,048</u>		

**TOWN OF OYSTER BAY**  
**HIGHWAY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 38,399,943	\$ 38,399,943	\$ 38,399,315	\$ (628)
Total Real Property Taxes	38,399,943	38,399,943	38,399,315	(628)
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	375,000	375,000	459,259	84,259
Total Other Real Property Tax Items	375,000	375,000	459,259	84,259
DEPARTMENTAL INCOME				
Road restoration fee	25,000	25,000	50,305	25,305
Public safety cleanup	160,000	160,000	63,652	(96,348)
Public safety sidewalk repair	1,000,000	1,000,000	925,800	(74,200)
Total Departmental Income	1,185,000	1,185,000	1,039,757	(145,243)
INTERGOVERNMENTAL CHARGES				
Services other governments	5,000	5,000	16,433	11,433
Total Intergovernmental Charges	5,000	5,000	16,433	11,433
USE OF MONEY AND PROPERTY				
Interest and earnings	6,000	6,000	4,894	(1,106)
Rental of real property			1	1
Total Use of Money and Property	6,000	6,000	4,895	(1,105)
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries			12,198	12,198
Total Sale of Property and Compensation for Loss			12,198	12,198
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures	4,000	4,000	65,729	61,729
Miscellaneous revenue			304	304
Total Miscellaneous Local Sources	4,000	4,000	66,033	62,033
FEDERAL AID				
Emergency disaster assistance		13,278,818	8,816,940	(4,461,878)
Total Federal Aid		13,278,818	8,816,940	(4,461,878)
Total Revenues	39,974,943	53,253,761	48,814,830	(4,438,931)

(continued)



**TOWN OF OYSTER BAY**  
**HIGHWAY FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
<b>EXPENDITURES</b>					
<b>CURRENT:</b>					
<b>TRANSPORTATION</b>					
Maintenance of streets	12,872,481	26,173,647	20,911,222	918	5,261,507
Machinery	2,703,740	2,701,240	2,700,987		253
Snow removal	2,339,840	2,319,840	1,540,901	91,364	687,575
Total Transportation	17,916,061	31,194,727	25,153,110	92,282	5,949,335
<b>EMPLOYEE BENEFITS</b>					
State Employee Retirement System	1,156,707	1,371,440	1,371,440		
Social security	715,504	715,504	643,918		71,586
Workers' compensation	436,165	284,825	284,825		
Disability benefits	2,530	2,530			2,530
Hospital, medical and dental	4,453,065	3,322,966	3,308,678		14,288
Total Employee Benefits	6,763,971	5,697,265	5,608,861		88,404
Total Current	24,680,032	36,891,992	30,761,971	92,282	6,037,739
<b>DEBT SERVICE:</b>					
Debt interest:					
Bond anticipation notes		2,734,410	2,734,409		1
Budgetary note		116,323	116,323		
Total Debt Service		2,850,733	2,850,732		1
Total Expenditures	24,680,032	39,742,725	33,612,703	92,282	6,037,740
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	15,294,911	13,511,036	15,202,127	(92,282)	1,598,809
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out:					
Debt service fund	(17,795,112)	(9,908,110)	(9,283,599)		624,511
Capital projects fund		(6,103,617)	(6,103,617)		
Total Other Financing Sources (Uses)	(17,795,112)	(16,011,727)	(15,387,216)		624,511
<b>Net Change in Fund Balance</b>	<u>\$ (2,500,201)</u>	<u>\$ (2,500,691)</u>	(185,089)	<u>\$ (92,282)</u>	<u>\$ 2,223,320</u>
<b>Fund Balance at Beginning of Year</b>			4,107,098		
<b>Fund Balance at End of Year</b>			<u>\$ 3,922,009</u>		

**TOWN OF OYSTER BAY**  
**GARBAGE COLLECTION DISTRICTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**Year ended December 31, 2013**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>				
Ad valorem taxes	\$ 32,373,452	\$ 32,373,452	\$ 32,372,968	\$ (484)
Total Real Property Taxes	32,373,452	32,373,452	32,372,968	(484)
<b>OTHER REAL PROPERTY TAX ITEMS</b>				
Payment in lieu of taxes	190,000	190,000	242,891	52,891
Total Other Real Property Tax Items	190,000	190,000	242,891	52,891
<b>INTERGOVERNMENTAL CHARGES</b>				
Nassau County local government assistance	13,800,000	14,185,452	13,688,646	(496,806)
Total Intergovernmental Charges	13,800,000	14,185,452	13,688,646	(496,806)
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	16,198	16,198	18,255	2,057
Total Use of Money and Property	16,198	16,198	18,255	2,057
<b>MISCELLANEOUS LOCAL SOURCES</b>				
Refund of prior year expenditures	800	800	687	(113)
Miscellaneous revenue			102	102
Total Miscellaneous Local Sources	800	800	789	(11)
Total Revenues	46,380,450	46,765,902	46,323,549	(442,353)

(continued)

**TOWN OF OYSTER BAY**  
**GARBAGE COLLECTION DISTRICTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>EXPENDITURES</b>				
<b>CURRENT:</b>				
<b>HOME AND COMMUNITY SERVICES</b>				
Sanitation	30,931,520	31,899,023	31,734,477	164,546
Total Home and Community Services	30,931,520	31,899,023	31,734,477	164,546
<b>EMPLOYEE BENEFITS</b>				
State Employee Retirement System	2,004,745	2,125,184	2,125,184	
Social security	1,095,450	1,128,257	1,128,257	
Workers' compensation	1,141,339	1,502,067	1,502,067	
Unemployment benefits	6,000	6,000		6,000
Disability benefits	3,233	3,233		3,233
Hospital, medical and dental	4,651,464	4,890,852	4,889,917	935
Total Employee Benefits	8,902,231	9,655,593	9,645,425	10,168
Total Current	39,833,751	41,554,616	41,379,902	174,714
<b>DEBT SERVICE:</b>				
Debt interest:				
Bond anticipation notes		129,884	129,883	1
Deficiency note		85,762	85,761	1
Budgetary note		4,161	4,161	
Total Debt Service		219,807	219,805	2
Total Expenditures	39,833,751	41,774,423	41,599,707	174,716
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	6,546,699	4,991,479	4,723,842	(267,637)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Debt service fund	(6,546,699)	(4,545,821)	(1,617,528)	2,928,293
Capital projects fund		(445,658)	(445,658)	
Premiums on obligations			13,052	13,052
Total Other Financing Sources (Uses)	(6,546,699)	(4,991,479)	(2,050,134)	2,941,345
<b>Net Change in Fund Balance</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	2,673,708	<u>\$ 2,673,708</u>
<b>Fund Balance (Deficit) at Beginning of Year</b>			(10,330,190)	
<b>Fund Balance (Deficit) at End of Year</b>			<u>\$ (7,656,482)</u>	

**TOWN OF OYSTER BAY**  
**SOLID WASTE DISPOSAL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>				
Ad valorem taxes	\$20,480,802	\$ 20,480,802	\$20,480,539	\$ (263)
Total Real Property Taxes	20,480,802	20,480,802	20,480,539	(263)
<b>OTHER REAL PROPERTY TAX ITEMS</b>				
Payment in lieu of taxes	245,000	245,000	241,769	(3,231)
Total Other Real Property Tax Items	245,000	245,000	241,769	(3,231)
<b>DEPARTMENTAL INCOME</b>				
Refuse and garbage charges	8,400,000	8,400,000	8,379,736	(20,264)
Total Departmental Income	8,400,000	8,400,000	8,379,736	(20,264)
<b>INTERGOVERNMENTAL CHARGES</b>				
Nassau County local government assistance	1,000,000	1,055,000	992,221	(62,779)
Refuse and garbage charges - other governments	1,401	1,401	7,681	6,280
Total Intergovernmental Charges	1,001,401	1,056,401	999,902	(56,499)
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	15,000	15,000	13,356	(1,644)
Total Use of Money and Property	15,000	15,000	13,356	(1,644)
<b>SALE OF PROPERTY AND COMPENSATION FOR LOSS</b>				
Sale of recyclable material	390,000	390,000	420,613	30,613
Insurance recoveries			50,000	50,000
Total Sale of Property and Compensation for Loss	390,000	390,000	470,613	80,613
<b>MISCELLANEOUS LOCAL SOURCES</b>				
Refund of prior year expenditures			94,100	94,100
Total Miscellaneous Local Sources			94,100	94,100
<b>STATE AID</b>				
Other	1,000,000	1,012,400	1,134,301	121,901
Total State Aid	1,000,000	1,012,400	1,134,301	121,901
<b>FEDERAL AID</b>				
Emergency disaster assistance		1,885,096	1,885,096	
Total Federal Aid		1,885,096	1,885,096	
Total Revenues	31,532,203	33,484,699	33,699,412	214,713

(continued)

**TOWN OF OYSTER BAY**  
**SOLID WASTE DISPOSAL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
<b>EXPENDITURES</b>					
<b>CURRENT:</b>					
<b>HOME AND COMMUNITY SERVICES</b>					
Sanitation	17,270,985	19,524,200	19,505,314	14,061	4,825
Recycling	7,827,153	8,133,947	8,132,908		1,039
Total Home and Community Services	25,098,138	27,658,147	27,638,222	14,061	5,864
<b>EMPLOYEE BENEFITS</b>					
State Employee Retirement System	1,057,009	1,018,821	1,018,821		
Social security	577,580	587,480	587,117		363
Workers' compensation	320,453	391,634	391,634		
Unemployment benefits	9,000				
Disability benefits	6,467	467			467
Hospital, medical and dental	1,800,007	2,396,486	2,395,609		877
Total Employee Benefits	3,770,516	4,394,888	4,393,181		1,707
Total Current	28,868,654	32,053,035	32,031,403	14,061	7,571
<b>DEBT SERVICE:</b>					
Debt interest:					
Bond anticipation notes		382,911	382,911		
Budgetary note		9,900	9,900		
Total Debt Service		392,811	392,811		
Total Expenditures	28,868,654	32,445,846	32,424,214	14,061	7,571
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	2,663,549	1,038,853	1,275,198	(14,061)	222,284
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out:					
Debt service fund	(2,663,549)	(1,108,549)	(1,108,272)		277
Capital projects fund		(1,454,135)	(1,454,134)		1
Total Other Financing Sources (Uses)	(2,663,549)	(2,562,684)	(2,562,406)		278
<b>Net Change in Fund Balance</b>	<u>\$ -0-</u>	<u>\$ (1,523,831)</u>	<u>(1,287,208)</u>	<u>\$ (14,061)</u>	<u>\$ 222,562</u>
<b>Fund Balance (Deficit) at Beginning of Year</b>			<u>(11,849,634)</u>		
<b>Fund Balance (Deficit) at End of Year</b>			<u><u>\$ (13,136,842)</u></u>		

**TOWN OF OYSTER BAY**  
**SCHEDULE OF FUNDING PROGRESS**  
**FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)**  
**December 31, 2013**

Actuarial Valuation Date January 1,	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
2013	\$ -0-	\$ 391,370,351	\$ 391,370,351	0.00%	\$ 89,519,572	437.19%
2011*	\$ -0-	\$ 379,849,782	\$ 379,849,782	0.00%	\$ 104,827,203	362.36%
2011	\$ -0-	\$ 359,114,413	\$ 359,114,413	0.00%	\$ 96,905,559	370.58%
2009**	\$ -0-	\$ 328,057,295	\$ 328,057,295	0.00%	\$ 101,894,535	321.96%
2009	\$ -0-	\$ 311,297,473	\$ 311,297,473	0.00%	\$ 97,425,295	319.52%
2007	\$ -0-	\$ 272,669,707	\$ 272,669,707	0.00%	\$ 83,658,200	325.93%

\* Projected for the year ended December 31, 2012.

\*\* Projected for the year ended December 31, 2010.

**OTHER SUPPLEMENTARY  
INFORMATION**

Combining and Individual Fund Statements of  
Revenues, Expenditures, and Changes in  
Fund Balances – Budget and Actual  
Nonmajor Governmental Special Revenue  
Funds and Schedules



**TOWN OF OYSTER BAY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
December 31, 2013

	Special Revenue Funds			
	Town Outside Village	Special Grants	Drainage District	Park Districts
<b>ASSETS</b>				
Cash and investments	\$ 38,762	\$ 504,067	\$ 21,794	\$ 134,172
Accounts receivable, net of allowances for doubtful accounts of \$15,284	10,123		10,939	48,171
Rehabilitation loan receivable		13,000		
Due from other funds			884,000	2,871,506
State and federal aid receivables		288,771		260
Due from other governments				
Inventory of material and supplies				
<b>Total Assets</b>	<u>\$ 48,885</u>	<u>\$ 805,838</u>	<u>\$ 916,733</u>	<u>\$ 3,054,109</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 870,774	\$ 196,290	\$ 102,275	\$ 1,595,614
Accrued liabilities	287,277		60,962	595,469
Due to other funds	400,904	27,159		
Grant advances		47,191		
<b>Total Liabilities</b>	<u>1,558,955</u>	<u>270,640</u>	<u>163,237</u>	<u>2,191,083</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unearned revenue from real property tax items	24,958		24,280	83,369
Unavailable rehabilitation loan		13,000		
<b>Total Deferred Inflows of Resources</b>	<u>24,958</u>	<u>13,000</u>	<u>24,280</u>	<u>83,369</u>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendable				
Restricted		522,198		
Assigned			729,216	779,657
Unassigned	(1,535,028)			
<b>Total Fund Balances (Deficits)</b>	<u>(1,535,028)</u>	<u>522,198</u>	<u>729,216</u>	<u>779,657</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</b>	<u>\$ 48,885</u>	<u>\$ 805,838</u>	<u>\$ 916,733</u>	<u>\$ 3,054,109</u>

Fire Protection Districts	Lighting District	Public Parking District	Water Districts	Total Non-Major Funds
\$ 243,397	\$ 23,196	\$ 1,060	\$ 24,648	\$ 991,096
	4,647	3,391		77,271
				13,000
490,015	1,250,000			5,495,521
				289,031
	6,964			6,964
	705,263			705,263
<u>\$ 733,412</u>	<u>\$ 1,990,070</u>	<u>\$ 4,451</u>	<u>\$ 24,648</u>	<u>\$ 7,578,146</u>
\$ 179,500	\$ 479,397	\$ 90,081		\$ 3,513,931
	61,296	34,847		1,039,851
		533,260		961,323
				47,191
<u>179,500</u>	<u>540,693</u>	<u>658,188</u>		<u>5,562,296</u>
72,601	17,901	24,885		247,994
				13,000
<u>72,601</u>	<u>17,901</u>	<u>24,885</u>		<u>260,994</u>
	705,263			705,263
		540,286		1,062,484
481,311	726,213		\$ 24,648	2,741,045
		(1,218,908)		(2,753,936)
<u>481,311</u>	<u>1,431,476</u>	<u>(678,622)</u>	<u>24,648</u>	<u>1,754,856</u>
<u>\$ 733,412</u>	<u>\$ 1,990,070</u>	<u>\$ 4,451</u>	<u>\$ 24,648</u>	<u>\$ 7,578,146</u>

**TOWN OF OYSTER BAY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
Year ended December 31, 2013

		Special Revenue Funds			
		Town Outside Village	Special Grants	Drainage District	Park Districts
<b>REVENUES</b>					
Real property taxes		\$ 8,234,240		\$ 5,318,641	\$ 22,632,002
Other real property tax items		94,828		126,581	333,738
Departmental income		6,457,170			829,039
Use of money and property		11,928		2,043	17,930
Sale of property and compensation for loss					68,500
Miscellaneous local sources		17,918	\$ 228,743	913	13,463
Federal aid			3,177,235		262
	Total Revenues	14,816,084	3,405,978	5,448,178	23,894,934
<b>EXPENDITURES</b>					
Current:					
Public safety		7,254,156			
Transportation					
Economic assistance and opportunity			2,394,982		
Culture and recreation					15,812,623
Home and community services		1,520,184	1,002,802	2,026,757	
Employee benefits		2,723,275		812,157	4,541,451
Debt Service:					
Interest		72,994		16,771	429,586
	Total Expenditures	11,570,609	3,397,784	2,855,685	20,783,660
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>		3,245,475	8,194	2,592,493	3,111,274
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out		(289,265)		(2,331,792)	(3,590,992)
	Total Other Financing Sources (Uses)	(289,265)		(2,331,792)	(3,590,992)
<b>Net Change in Fund Balances</b>		2,956,210	8,194	260,701	(479,718)
<b>Fund Balances (Deficits) at Beginning of Year</b>		(4,491,238)	514,004	468,515	1,259,375
	Fund Balances (Deficits) at End of Year	\$ (1,535,028)	\$ 522,198	\$ 729,216	\$ 779,657

Fire Protection Districts	Lighting District	Public Parking District	Water Districts	Total Non-Major Funds
\$ 7,515,817	\$ 3,923,655	\$ 5,450,835		\$ 53,075,190
105,821	82,019	81,574		824,561
		191,408	\$ 3,195	7,480,812
3,130	2,377	2,663	17	40,088
	1,805			70,305
	180			261,217
				3,177,497
7,624,768	4,010,036	5,726,480	3,212	64,929,670
7,690,960				14,945,116
	3,622,651	1,996,563		5,619,214
				2,394,982
				15,812,623
			3,195	4,552,938
	644,661	771,427		9,492,971
	32,221	1,037,835		1,589,407
7,690,960	4,299,533	3,805,825	3,195	54,407,251
(66,192)	(289,497)	1,920,655	17	10,522,419
	(273,447)	(2,637,032)		(9,122,528)
	(273,447)	(2,637,032)		(9,122,528)
(66,192)	(562,944)	(716,377)	17	1,399,891
547,503	1,994,420	37,755	24,631	354,965
\$ 481,311	\$ 1,431,476	\$ (678,622)	\$ 24,648	\$ 1,754,856

**TOWN OF OYSTER BAY**  
**TOWN OUTSIDE VILLAGE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>				
Ad valorem taxes	\$ 8,234,372	\$ 8,234,372	\$ 8,234,240	\$ (132)
Total Real Property Taxes	8,234,372	8,234,372	8,234,240	(132)
<b>OTHER REAL PROPERTY TAX ITEMS</b>				
Payment in lieu of taxes	45,000	45,000	94,828	49,828
Total Other Real Property Tax Items	45,000	45,000	94,828	49,828
<b>DEPARTMENTAL INCOME</b>				
Building fees	5,000,000	5,525,000	6,243,895	718,895
Zoning board fees	191,000	191,000	208,025	17,025
Planning fees	15,000	15,000	5,250	(9,750)
Total Departmental Income	5,206,000	5,731,000	6,457,170	726,170
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings	1,718	1,718	11,928	10,210
Total Use of Money and Property	1,718	1,718	11,928	10,210
<b>MISCELLANEOUS LOCAL SOURCES</b>				
Refund of prior year expenditures	25,000	25,000	5,371	(19,629)
Photo processing fee	17,000	17,000	12,547	(4,453)
Total Miscellaneous Local Sources	42,000	42,000	17,918	(24,082)
Total Revenues	13,529,090	14,054,090	14,816,084	761,994

(continued)

**TOWN OF OYSTER BAY**  
**TOWN OUTSIDE VILLAGE**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
<b>EXPENDITURES</b>					
<b>CURRENT:</b>					
<b>PUBLIC SAFETY</b>					
Building	6,571,842	7,332,904	6,929,375	712	402,817
Animal warden services	324,781	324,781	324,781		
Total Public Safety	<u>6,896,623</u>	<u>7,657,685</u>	<u>7,254,156</u>	<u>712</u>	<u>402,817</u>
<b>CULTURE AND RECREATION</b>					
Memorial day assistance	5,000	5,000			5,000
Total Culture and Recreation	<u>5,000</u>	<u>5,000</u>			<u>5,000</u>
<b>HOME AND COMMUNITY SERVICES</b>					
Board of appeals	343,410	445,319	339,311		106,008
Planning and development - staff	1,240,713	1,241,459	1,180,873		60,586
Total Home and Community Services	<u>1,584,123</u>	<u>1,686,778</u>	<u>1,520,184</u>		<u>166,594</u>
<b>EMPLOYEE BENEFITS</b>					
State Employee Retirement System	734,286	713,707	713,707		
Social security	401,235	403,135	394,644		8,491
Workers' compensation	76,911	33,358	33,358		
Disability benefits	2,315	2,315			2,315
Unemployment benefits	3,300	2,300			2,300
Hospital, medical and dental	1,770,723	1,590,793	1,581,566		9,227
Total Employee Benefits	<u>2,988,770</u>	<u>2,745,608</u>	<u>2,723,275</u>		<u>22,333</u>
Total Current	<u>11,474,516</u>	<u>12,095,071</u>	<u>11,497,615</u>	<u>712</u>	<u>596,744</u>
<b>DEBT SERVICE:</b>					
Debt interest:					
Bond anticipation notes		39,088	39,088		
Deficiency note		33,906	33,906		
Total Debt Service		<u>72,994</u>	<u>72,994</u>		
Total Expenditures	<u>11,474,516</u>	<u>12,168,065</u>	<u>11,570,609</u>	<u>712</u>	<u>596,744</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	2,054,574	1,886,025	3,245,475	(712)	1,358,738
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out:					
Debt service fund	(2,054,574)	(1,738,266)	(141,506)		1,596,760
Capital projects fund		(147,759)	(147,759)		
Total Other Financing Sources (Uses)	<u>(2,054,574)</u>	<u>(1,886,025)</u>	<u>(289,265)</u>		<u>1,596,760</u>
<b>Net Change in Fund Balance</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>2,956,210</u>	<u>\$ (712)</u>	<u>\$ 2,955,498</u>
<b>Fund Balance (Deficit) at Beginning of Year</b>			<u>(4,491,238)</u>		
<b>Fund Balance (Deficit) at End of Year</b>			<u>\$ (1,535,028)</u>		

**TOWN OF OYSTER BAY**  
**DRAINAGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 5,318,705	\$ 5,318,705	\$ 5,318,641	\$ (64)
Total Real Property Taxes	5,318,705	5,318,705	5,318,641	(64)
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	126,603	126,603	126,581	(22)
Total Other Real Property Tax Items	126,603	126,603	126,581	(22)
USE OF MONEY AND PROPERTY				
Interest and earnings	2,000	2,000	2,043	43
Total Use of Money and Property	2,000	2,000	2,043	43
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures			911	911
Miscellaneous revenue			2	2
Total Miscellaneous Local Sources			913	913
Total Revenues	5,447,308	5,447,308	5,448,178	870

(continued)



**TOWN OF OYSTER BAY**  
**DRAINAGE DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>EXPENDITURES</b>				
<b>CURRENT:</b>				
<b>HOME AND COMMUNITY SERVICES</b>				
Drainage	2,079,094	2,142,860	2,026,757	116,103
Total Home and Community Services	2,079,094	2,142,860	2,026,757	116,103
<b>EMPLOYEE BENEFITS</b>				
State Employee Retirement System	159,708	138,431	138,431	
Social security	87,269	88,169	88,166	3
Disability benefits	541	541		541
Workers' compensation	56,540	13,151	13,151	
Hospital, medical and dental	691,249	578,526	572,409	6,117
Unemployment insurance	1,000	1,000		1,000
Total Employee Benefits	996,307	819,818	812,157	7,661
Total Current	3,075,401	2,962,678	2,838,914	123,764
<b>DEBT SERVICE:</b>				
Debt interest:				
Bond anticipation notes		15,107	15,106	1
Budgetary note		1,665	1,665	
Total Debt Service		16,772	16,771	1
Total Expenditures	3,075,401	2,979,450	2,855,685	123,765
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	2,371,907	2,467,858	2,592,493	124,635
<b>OTHER FINANCING (USES)</b>				
Transfers out:				
Debt service fund	(2,371,907)	(2,293,710)	(2,270,367)	23,343
Capital projects fund		(174,148)	(61,425)	112,723
Total Other Financing (Uses)	(2,371,907)	(2,467,858)	(2,331,792)	136,066
<b>Net Change in Fund Balance</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	260,701	<u>\$ 260,701</u>
<b>Fund Balance at Beginning of Year</b>			468,515	
<b>Fund Balance at End of Year</b>			<u>\$ 729,216</u>	

**TOWN OF OYSTER BAY**  
**PARK DISTRICTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 22,632,322	\$ 22,632,322	\$ 22,632,002	\$ (320)
Total Real Property Taxes	22,632,322	22,632,322	22,632,002	(320)
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	272,382	304,992	333,738	28,746
Total Other Real Property Tax Items	272,382	304,992	333,738	28,746
DEPARTMENTAL INCOME				
Recreational concessions	22,000	22,000	27,550	5,550
Special recreational facility charge	880,245	880,245	801,489	(78,756)
Total Departmental Income	902,245	902,245	829,039	(73,206)
USE OF MONEY AND PROPERTY				
Interest and earnings	17	8,155	17,930	9,775
Total Use of Money and Property	17	8,155	17,930	9,775
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries			68,500	68,500
Total Sale of Property and Compensation for Loss			68,500	68,500
MISCELLANEOUS LOCAL SOURCES				
Forfeitures of deposits			5,000	5,000
Refund of prior year expenditures		4,308	8,451	4,143
Miscellaneous revenue			12	12
Total Miscellaneous Local Sources		4,308	13,463	9,155
FEDERAL AID				
Emergency disaster assistance			262	262
Total Federal Aid			262	262
Total Revenues	23,806,966	23,852,022	23,894,934	42,912

(continued)

**TOWN OF OYSTER BAY**  
**PARK DISTRICTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
<b>EXPENDITURES</b>					
<b>CURRENT:</b>					
<b>CULTURE AND RECREATION</b>					
Parks, pools and rinks	14,815,689	16,140,975	15,812,623	1,930	326,422
Total Culture and Recreation	14,815,689	16,140,975	15,812,623	1,930	326,422
<b>EMPLOYEE BENEFITS</b>					
State Employee Retirement System	1,055,668	1,138,041	1,138,041		
Social security	604,311	651,011	649,533		1,478
Workers' compensation	269,151	209,448	209,448		
Disability benefits	5,386	86			86
Unemployment benefits	2,000	2,000			2,000
Hospital, medical and dental	2,863,296	2,544,941	2,544,429		512
Total Employee Benefits	4,799,812	4,545,527	4,541,451		4,076
Total Current	19,615,501	20,686,502	20,354,074	1,930	330,498
<b>DEBT SERVICE:</b>					
Debt interest:					
Bond anticipation notes		427,197	427,197		
Budgetary note		2,389	2,389		
Total Debt Service		429,586	429,586		
Total Expenditures	19,615,501	21,116,088	20,783,660	1,930	330,498
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	4,191,465	2,735,934	3,111,274	(1,930)	373,410
<b>OTHER FINANCING (USES)</b>					
Transfers out:					
Debt service fund	(4,392,728)	(2,941,570)	(2,834,143)		107,427
Capital projects fund		(756,849)	(756,849)		
Total Other Financing (Uses)	(4,392,728)	(3,698,419)	(3,590,992)		107,427
<b>Net Change in Fund Balance</b>	<u>\$ (201,263)</u>	<u>\$ (962,485)</u>	(479,718)	<u>\$ (1,930)</u>	<u>\$ 480,837</u>
<b>Fund Balance at Beginning of Year</b>			1,259,375		
<b>Fund Balance at End of Year</b>			<u>\$ 779,657</u>		

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**TOWN OF OYSTER BAY**  
**FIRE PROTECTION DISTRICTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**Year ended December 31, 2013**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 7,515,812	\$ 7,515,812	\$ 7,515,817	\$ 5
Total Real Property Taxes	7,515,812	7,515,812	7,515,817	5
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	79,831	79,831	105,821	25,990
Total Other Real Property Tax Items	79,831	79,831	105,821	25,990
USE OF MONEY AND PROPERTY				
Interest and earnings			3,130	3,130
Total Use of Money and Property			3,130	3,130
Total Revenues	7,595,643	7,595,643	7,624,768	29,125
<b>EXPENDITURES</b>				
CURRENT:				
PUBLIC SAFETY				
Fire protection	7,799,408	7,819,544	7,690,960	128,584
Total Public Safety	7,799,408	7,819,544	7,690,960	128,584
Total Expenditures	7,799,408	7,819,544	7,690,960	128,584
<b>Net Change in Fund Balance</b>	<u>\$ (203,765)</u>	<u>\$ (223,901)</u>	(66,192)	<u>\$ 157,709</u>
<b>Fund Balance at Beginning of Year</b>			547,503	
Fund Balance at End of Year			<u>\$ 481,311</u>	

**TOWN OF OYSTER BAY**  
**LIGHTING DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 3,923,703	\$ 3,923,703	\$ 3,923,655	\$ (48)
Total Real Property Taxes	3,923,703	3,923,703	3,923,655	(48)
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	85,000	85,000	82,019	(2,981)
Total Other Real Property Tax Items	85,000	85,000	82,019	(2,981)
USE OF MONEY AND PROPERTY				
Interest and earnings	2,000	2,000	2,377	377
Total Use of Money and Property	2,000	2,000	2,377	377
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries	8,000	8,000	1,805	(6,195)
Total Sale of Property and Compensation for Loss	8,000	8,000	1,805	(6,195)
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures			180	180
Total Miscellaneous Local Sources			180	180
Total Revenues	4,018,703	4,018,703	4,010,036	(8,667)

(continued)

**TOWN OF OYSTER BAY**  
**LIGHTING DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
<b>EXPENDITURES</b>					
<b>CURRENT:</b>					
<b>TRANSPORTATION</b>					
Lighting	3,685,441	3,859,188	3,622,651	1,292	235,245
Total Transportation	3,685,441	3,859,188	3,622,651	1,292	235,245
<b>EMPLOYEE BENEFITS</b>					
State Employee Retirement System	154,918	159,675	159,675		
Social security	84,652	84,652	81,637		3,015
Disability benefits	214	214			214
Workers' compensation	44,600	3,849	3,849		
Hospital, medical and dental	561,573	399,547	399,500		47
Unemployment benefits	2,000	1,700			1,700
Total Employee Benefits	847,957	649,637	644,661		4,976
Total Current	4,533,398	4,508,825	4,267,312	1,292	240,221
<b>DEBT SERVICE:</b>					
Debt interest:					
Bond anticipation notes		31,118	31,117		1
Budgetary note		1,104	1,104		
Total Debt Service		32,222	32,221		1
Total Expenditures	4,533,398	4,541,047	4,299,533	1,292	240,222
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(514,695)	(522,344)	(289,497)	(1,292)	231,555
<b>OTHER FINANCING (USES)</b>					
Transfers out:					
Debt service fund	(336,643)	(289,222)	(222,056)		67,166
Capital projects fund		(51,392)	(51,391)		1
Total Other Financing (Uses)	(336,643)	(340,614)	(273,447)		67,167
<b>Net Change in Fund Balance</b>	<u>\$ (851,338)</u>	<u>\$ (862,958)</u>	<u>(562,944)</u>	<u>\$ (1,292)</u>	<u>\$ 298,722</u>
<b>Fund Balance at Beginning of Year</b>			<u>1,994,420</u>		
<b>Fund Balance at End of Year</b>			<u>\$ 1,431,476</u>		



**TOWN OF OYSTER BAY**  
**PUBLIC PARKING DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
<b>REAL PROPERTY TAXES</b>				
Ad valorem taxes	\$ 5,450,901	\$ 5,450,901	\$ 5,450,835	\$ (66)
Total Real Property Taxes	5,450,901	5,450,901	5,450,835	(66)
<b>OTHER REAL PROPERTY TAX ITEMS</b>				
Payment in lieu of taxes	55,000	79,000	81,574	2,574
Total Other Real Property Tax Items	55,000	79,000	81,574	2,574
<b>DEPARTMENTAL INCOME</b>				
Parking permits	600,000	600,000	159,142	(440,858)
Parking meter fees	30,000	30,000	32,266	2,266
Total Departmental Income	630,000	630,000	191,408	(438,592)
<b>USE OF MONEY AND PROPERTY</b>				
Interest and earnings			2,663	2,663
Total Use of Money and Property			2,663	2,663
Total Revenues	6,135,901	6,159,901	5,726,480	(433,421)

(continued)

**TOWN OF OYSTER BAY**  
**PUBLIC PARKING DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>EXPENDITURES</b>				
<b>CURRENT:</b>				
<b>TRANSPORTATION</b>				
Parking	2,169,596	2,156,371	1,996,563	159,808
Total Transportation	2,169,596	2,156,371	1,996,563	159,808
<b>EMPLOYEE BENEFITS</b>				
State Employee Retirement System	108,846	125,330	125,330	
Social security	59,477	59,477	52,401	7,076
Workers compensation	70,765	73,131	73,131	
Disability benefits	1,076	76		76
Unemployment benefits	600	100		100
Hospital, medical and dental	647,795	521,170	520,565	605
Total Employee Benefits	888,559	779,284	771,427	7,857
Total Current	3,058,155	2,935,655	2,767,990	167,665
<b>DEBT SERVICE:</b>				
Debt interest:				
Bond anticipation notes		1,036,375	1,036,374	1
Budgetary note		1,461	1,461	
Total Debt Service		1,037,836	1,037,835	1
Total Expenditures	3,058,155	3,973,491	3,805,825	167,666
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	3,077,746	2,186,410	1,920,655	(265,755)
<b>OTHER FINANCING (USES)</b>				
Transfers out:				
Debt service fund	(3,279,770)	(794,270)	(794,183)	87
Capital projects fund		(1,842,849)	(1,842,849)	
Total Other Financing (Uses)	(3,279,770)	(2,637,119)	(2,637,032)	87
<b>Net Change in Fund Balance</b>	<u>\$ (202,024)</u>	<u>\$ (450,709)</u>	(716,377)	<u>\$ (265,668)</u>
<b>Fund Balance at Beginning of Year</b>			37,755	
<b>Fund Balance (Deficit) at End of Year</b>			<u>\$ (678,622)</u>	

**TOWN OF OYSTER BAY**  
**WATER DISTRICTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
DEPARTMENTAL INCOME				
Water rental arrears	\$ 2,268	\$ 3,195	\$ 3,195	
Total Departmental Income	2,268	3,195	3,195	
USE OF MONEY AND PROPERTY				
Interest and earnings			17	\$ 17
Total Use of Money and Property			17	17
Total Revenues	\$ 2,268	3,195	3,212	17
<b>EXPENDITURES</b>				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Water	22,268	23,195	3,195	20,000
Total Home and Community Services	22,268	23,195	3,195	20,000
Total Expenditures	22,268	23,195	3,195	20,000
Net Change in Fund Balance	\$ (20,000)	\$ (20,000)	17	\$ 20,017
Fund Balance at Beginning of Year			24,631	
Fund Balance at End of Year			\$ 24,648	

**TOWN OF OYSTER BAY**  
**DEBT SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
Year ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
USE OF MONEY AND PROPERTY				
Interest and earnings	\$ 200,000	\$ 200,000	\$ 118,103	\$ (81,897)
Total Use of Money and Property	200,000	200,000	118,103	(81,897)
MISCELLANEOUS LOCAL SOURCES				
Premiums on bond anticipation notes			7,868,323	7,868,323
Total Miscellaneous Local Sources			7,868,323	7,868,323
Total Revenues	200,000	200,000	7,986,426	7,786,426
<b>EXPENDITURES</b>				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Fiscal agent fees	60,000	111,411	111,411	
Total General Government Support	60,000	111,411	111,411	
Total Current	60,000	111,411	111,411	
DEBT SERVICE:				
Debt principal - serial bonds	66,100,747	66,099,336	30,680,747	35,418,589
Debt interest - serial bonds	20,828,298	20,828,298	11,781,506	9,046,792
Total Debt Service	86,929,045	86,927,634	42,462,253	44,465,381
Total Expenditures	86,989,045	87,039,045	42,573,664	44,465,381
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(86,789,045)	(86,839,045)	(34,587,238)	52,251,807
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Other funds	79,789,045	79,789,045	33,009,247	(46,779,798)
Premiums on obligations	7,000,000	7,050,000	1,494,921	(5,555,079)
Total Other Financing Sources (Uses)	86,789,045	86,839,045	34,504,168	(52,334,877)
<b>Net Change in Fund Balance</b>	<u>\$ -0-</u>	<u>\$ -0-</u>	(83,070)	<u>\$ (83,070)</u>
<b>Fund Balance at Beginning of Year</b>			222,550	
<b>Fund Balance at End of Year</b>			<u>\$ 139,480</u>	

**TOWN OF OYSTER BAY**  
**FIDUCIARY FUNDS**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**December 31, 2013**

	Town Agency Fund	Town Clerk Agency Fund	Town Receiver of Taxes Agency Fund	Total Agency Funds
<b>ASSETS</b>				
Cash	\$ 9,178,064	\$ 31,503	\$ 53,511,877	\$ 62,721,444
Total Assets	<u>\$ 9,178,064</u>	<u>\$ 31,503</u>	<u>\$ 53,511,877</u>	<u>\$ 62,721,444</u>
<b>LIABILITIES</b>				
Due to the Treasurer of the County of Nassau				
Due to the Comptroller of the State of New York		\$ 45		\$ 45
Due to the Department of Environmental Conservation of the State of New York		401		401
Due to the Department of Health of the State of New York		1,147		1,147
Due to the Department of Agriculture and Markets of the State of New York		90		90
Due to school districts			\$ 52,679,390	52,679,390
Due to the Treasurer of Nassau County			176,191	176,191
Due to component units	\$ 6,949,411			6,949,411
Other agency liabilities	<u>2,228,653</u>	<u>29,820</u>	<u>656,296</u>	<u>2,914,769</u>
Total Liabilities	<u>\$ 9,178,064</u>	<u>\$ 31,503</u>	<u>\$ 53,511,877</u>	<u>\$ 62,721,444</u>

**TOWN OF OYSTER BAY**  
**FIDUCIARY FUNDS**  
**COMBINING STATEMENT OF CHANGES IN AGENCY ASSETS AND LIABILITIES**  
Year ended December 31, 2013

	Balance January 1, 2013	Additions	Deductions	Balance December 31, 2013
<b>ASSETS</b>				
<b>Town Agency Funds</b>				
Cash	\$ 9,831,497	\$ 131,906,090	\$ 132,559,523	\$ 9,178,064
Total Assets - Town Agency Funds	9,831,497	131,906,090	132,559,523	9,178,064
<b>Town Clerk Agency Funds</b>				
Cash	29,558	631,205	629,260	31,503
Total Assets - Town Clerk Agency Funds	29,558	631,205	629,260	31,503
<b>Town Receiver of Taxes Agency Funds</b>				
Cash	62,385,521	1,499,917,617	1,508,791,261	53,511,877
Taxes Agency Funds	62,385,521	1,499,917,617	1,508,791,261	53,511,877
Total Assets	\$ 72,246,576	\$ 1,632,454,912	\$ 1,641,980,044	\$ 62,721,444
<b>LIABILITIES</b>				
<b>Town Agency Funds</b>				
Consolidated payroll		\$ 85,287,329	\$ 85,287,329	
Due to component units	\$ 7,739,632	31,210,016	32,000,237	\$ 6,949,411
Other agency liabilities	2,091,865	15,408,745	15,271,957	2,228,653
Total Liabilities - Town Agency Funds	9,831,497	131,906,090	132,559,523	9,178,064
<b>Town Clerk Agency Funds</b>				
Due to the Comptroller of the State of New York	60	799	814	45
Due to the Department of Environmental Conservation of the State of New York	572	34,623	34,794	401
Due to the Department of Health of the State of New York	1,282	24,660	24,795	1,147
Due to the Department of Agriculture and Markets of the State of New York	83	2,343	2,336	90
Other agency liabilities	27,561	568,780	566,521	29,820
Total Liabilities - Town Clerk Agency Funds	29,558	631,205	629,260	31,503
<b>Town Receiver of Taxes Agency Funds</b>				
Due to school districts	61,688,010	1,002,579,836	1,011,588,456	52,679,390
Due to the Treasurer of Nassau County	176,191	256,544,022	256,544,022	176,191
Other agency liabilities	521,320	240,793,759	240,658,783	656,296
Total Liabilities - Town Receiver of Taxes Agency Funds	62,385,521	1,499,917,617	1,508,791,261	53,511,877
Total Liabilities	\$ 72,246,576	\$ 1,632,454,912	\$ 1,641,980,044	\$ 62,721,444

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**DISCRETELY PRESENTED  
NONMAJOR COMPONENT UNITS**

The nonmajor component units of the Town provide water, sewer and sanitation services to residents and businesses within the districts. These districts are organized under New York State Town Law and have separately elected boards. Long-term debt, backed by the full faith and credit of the Town, and other matters result in an interdependency with the Town.

**TOWN OF OYSTER BAY**  
**DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS**  
**COMBINING STATEMENT OF NET POSITION**  
December 31, 2013

	Massapequa Water District	Plainview Water District	Hicksville Water District	Locust Valley Water District	Oyster Bay Water District
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash and investments	\$ 2,883,755	\$ 3,874,250	\$24,871,271	\$ 731,859	\$ 1,753,390
Accounts receivable, net of allowance for doubtful accounts	1,959,311	828,587	747,938	444,423	333,918
Due from other governments		58,688	172,147		
Due from primary government	391,658	875,061	48,674	216,283	378,284
Other assets					
Inventory of materials and supplies		122,785	7,368	105,828	45,522
Prepaid items	71,295	195,294	102,912	175,058	34,282
Total Current Assets	5,306,019	5,954,665	25,950,310	1,673,451	2,545,396
<b>Non-Current Assets:</b>					
Non-depreciable capital assets	5,698,255	9,354,765	8,439,939	1,953,014	274,122
Depreciable capital assets, net of depreciation	8,228,278	22,224,902	17,193,141	6,603,716	9,779,466
Total Non-Current Assets	13,926,533	31,579,667	25,633,080	8,556,730	10,053,588
<b>Total Assets</b>	<b>19,232,552</b>	<b>37,534,332</b>	<b>51,583,390</b>	<b>10,230,181</b>	<b>12,598,984</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts payable	395,512	777,536	1,051,928	547,986	315,513
Accrued liabilities	38,161	420,806	46,897		
Accrued interest payable	32,045	83,002			
Bond anticipation notes payable	2,100,000	13,790,000		4,020,000	1,400,000
Due to primary government		64,998			
Unearned income	239,591		16,365	108,000	8,703
Non-current liabilities due within one year					
General obligation bonds payable	308,490	758,184		33,000	261,806
Due to Employee Retirement System			80,295		20,569
Compensated absences					9,413
Other debt			785,000		
Total Current Liabilities	3,113,799	15,894,526	1,980,485	4,708,986	2,016,004
<b>Non-Current Liabilities:</b>					
General obligation bonds payable	3,025,144	5,754,691		507,000	2,238,732
Due to Employee Retirement System			86,317		22,111
Other postemployment benefits payable	2,506,268	2,336,847	2,858,436	716,168	922,291
Compensated absences	364,387	300,576	645,122	265,718	178,852
Other debt			12,435,000		
Total Non-Current Liabilities	5,895,799	8,392,114	16,024,875	1,488,886	3,361,986
<b>Total Liabilities</b>	<b>9,009,598</b>	<b>24,286,640</b>	<b>18,005,360</b>	<b>6,197,872</b>	<b>5,377,990</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned revenue:					
real property taxes			56,201		
real property tax items					
<b>Total Deferred Inflows of Resources</b>			<b>56,201</b>		
<b>NET POSITION</b>					
Net investment in capital assets	8,492,899	11,276,792	17,365,912	8,556,730	6,323,335
Restricted	785,483	2,352,905	10,879,075	55,785	995,857
Unrestricted (deficit)	944,572	(382,005)	5,276,842	(4,580,206)	(98,198)
<b>Total Net Position</b>	<b>\$10,222,954</b>	<b>\$13,247,692</b>	<b>\$33,521,829</b>	<b>\$ 4,032,309</b>	<b>\$ 7,220,994</b>

Jericho Water District	South Farmingdale Water District	Bethpage Water District	Syosset Sanitation District	Oyster Bay Sewer District	Glenwood- Glenhead Garbage District	Totals
\$ 7,825,680	\$ 6,979,402	\$ 9,946,924	\$ 763,637	\$ 1,835,015	\$ 816,482	\$ 62,281,665
2,787,689	856,382	633,548				8,591,796
		272,324		29,417		532,576
826,565	3,119,077	505,563	144	560,519	27,583	6,949,411
					700	700
210,160	18,097	133,815				643,575
232,065	103,875			112,984		1,027,765
11,882,159	11,076,833	11,492,174	763,781	2,537,935	844,765	80,027,488
549,147	5,537,041	15,671,588		150,285		47,628,156
24,039,518	18,898,357	15,812,483		13,494,584		136,274,445
24,588,665	24,435,398	31,484,071		13,644,869		183,902,601
36,470,824	35,512,231	42,976,245	763,781	16,182,804	844,765	263,930,089
1,315,735	752,886	998,018	19	223,918	76,012	6,455,063
70,790		299,163				875,817
		13,843		53,877		182,767
6,810,000	7,800,000	11,920,000				47,840,000
141,815		2,710,347				2,917,160
		4,908				377,567
	436,065	140,600		410,759		2,348,904
				59,470		160,334
47,142	35,818	46,154		22,627		161,154
		12,760				797,760
8,385,482	9,024,769	16,145,793	19	770,651	76,012	62,116,526
	5,591,920	1,249,600		3,317,310		21,684,397
				63,931		172,359
2,987,464	1,990,153	1,595,938		2,755,834		18,669,399
792,707	680,533	174,732		429,921		3,832,548
						12,435,000
3,780,171	8,262,606	3,020,270		6,566,996		56,793,703
12,165,653	17,287,375	19,166,063	19	7,337,647	76,012	118,910,229
						56,201
					27,375	27,375
					27,375	83,576
18,462,964	13,187,906	18,161,111		9,916,799		111,744,448
4,673,255	2,977,993	4,951,633				27,671,986
1,168,952	2,058,957	697,438	763,762	(1,071,642)	741,378	5,519,850
\$24,305,171	\$18,224,856	\$23,810,182	\$ 763,762	\$ 8,845,157	\$ 741,378	\$144,936,284

**TOWN OF OYSTER BAY**  
**DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS**  
**COMBINING STATEMENT OF ACTIVITIES**  
Year ended December 31, 2013

	Massapequa Water District	Plainview Water District	Hicksville Water District	Locust Valley Water District	Oyster Bay Water District
<b>EXPENSES</b>					
Current:					
Home and community services	\$ 5,427,666	\$ 7,423,326	\$ 7,281,080	\$ 2,246,123	\$ 2,421,197
Total Expenses	5,427,666	7,423,326	7,281,080	2,246,123	2,421,197
<b>PROGRAM REVENUES</b>					
Charges for services	3,850,347	3,568,639	2,901,416	1,556,523	1,028,061
Operating grants and contributions		65,304	30,407		4,598
Total Program Revenues	3,850,347	3,633,943	2,931,823	1,556,523	1,032,659
Net Expenses	(1,577,319)	(3,789,383)	(4,349,257)	(689,600)	(1,388,538)
<b>GENERAL REVENUES</b>					
Real property taxes	2,044,753	3,446,845	4,505,179	442,641	891,748
Other real property tax items		35,344	137,311		33,541
Use of money and property - interest and earnings	9,036	20,118	45,881	10,189	3,378
Sales of property and compensation for loss		49,033	49,568		
Miscellaneous local sources	269,071	5,416	371,224	296,019	425,273
Total General Revenues	2,322,860	3,556,756	5,109,163	748,849	1,353,940
<b>Changes in Net Position</b>	745,541	(232,627)	759,906	59,249	(34,598)
<b>Net Position at Beginning of Year</b>	9,477,413	13,480,319	32,761,923	3,973,060	7,255,592
<b>Net Position at End of Year</b>	<u>\$10,222,954</u>	<u>\$13,247,692</u>	<u>\$33,521,829</u>	<u>\$ 4,032,309</u>	<u>\$ 7,220,994</u>

Jericho Water District	South Farmingdale Water District	Bethpage Water District	Syosset Sanitation District	Oyster Bay Sewer District	Glenwood- Glenhead Garbage District	Totals
<u>\$ 9,460,615</u>	<u>\$ 6,734,350</u>	<u>\$ 5,760,396</u>	<u>\$ 589,684</u>	<u>\$ 4,616,211</u>	<u>\$ 1,347,495</u>	<u>\$ 53,308,143</u>
9,460,615	6,734,350	5,760,396	589,684	4,616,211	1,347,495	53,308,143
8,575,155	2,753,301	1,645,236		498,354		26,377,032
66,920	41,832			93,690		302,751
8,642,075	2,795,133	1,645,236	-0-	592,044	-0-	26,679,783
(818,540)	(3,939,217)	(4,115,160)	(589,684)	(4,024,167)	(1,347,495)	(26,628,360)
1,184,243	1,657,045	3,040,525	557,237	3,468,857	908,303	22,147,376
		77,938			86,745	370,879
17,806	22,490	54,302	754	5,299	828	190,081
235,412	24,744	2,902,038				3,260,795
268,801	694,806	1,130,549		13,655		3,474,814
1,706,262	2,399,085	7,205,352	557,991	3,487,811	995,876	29,443,945
887,722	(1,540,132)	3,090,192	(31,693)	(536,356)	(351,619)	2,815,585
23,417,449	19,764,988	20,719,990	795,455	9,381,513	1,092,997	142,120,699
<u>\$24,305,171</u>	<u>\$18,224,856</u>	<u>\$23,810,182</u>	<u>\$ 763,762</u>	<u>\$ 8,845,157</u>	<u>\$ 741,378</u>	<u>\$144,936,284</u>

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## STATISTICAL SECTION

This comprehensive statistical data for the Town includes, in some cases, statistical information for the villages, school districts, and special districts, which are not part of the Town reporting entity. It is intended to provide readers of this report with a broader and more complete understanding of the Town and its financial affairs than is possible from the financial statements and schedules included in the Financial Section. Many tables in this section cover several years for comparison purposes, and may present data from outside of the Town's accounting records. This part of the Town of Oyster Bay's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	<u>Page</u>
<b>Financial Trends</b>	
These schedules contain information to help the reader understand how the Town's financial performance and well-being have changed over time.	125-132
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.	133-138
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	139-143
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	144-145
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	146-150



**TOWN OF OYSTER BAY**  
**NET POSITION BY COMPONENT**  
**LAST TEN YEARS**  
(accrual basis of accounting)

<u>Year Ended December 31,</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Primary government					
Governmental activities					
Net position					
Net investment					
in capital assets	\$ 32,343,595	\$ 26,762,896	\$ 24,260,496	\$ 24,709,247	\$ 29,999,229
Restricted	1,201,964	1,276,840	2,026,619	659,882	4,077,987
Unrestricted (deficit)	<u>(263,390,501)</u>	<u>(231,457,703)</u>	<u>(176,918,159)</u>	<u>(142,604,599)</u>	<u>(101,048,213)</u>
Total primary government					
net position	<u><u>\$ (229,844,942)</u></u>	<u><u>\$ (203,417,967)</u></u>	<u><u>\$ (150,631,044)</u></u>	<u><u>\$ (117,235,470)</u></u>	<u><u>\$ (66,970,997)</u></u>

Source: Office of the Comptroller and the audited financial statements of the Town of Oyster Bay.

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
\$ 39,411,317	\$ 43,046,627	\$ 43,111,426	\$ 46,061,429	\$ 47,170,934
4,695,733	6,784,573	4,782,128	3,278,908	2,302,721
<u>(76,760,000)</u>	<u>(55,802,910)</u>	<u>(30,386,111)</u>	<u>(27,401,040)</u>	<u>(27,143,524)</u>
<u>\$ (32,652,950)</u>	<u>\$ (5,971,710)</u>	<u>\$ 17,507,443</u>	<u>\$ 21,939,297</u>	<u>\$ 22,330,131</u>

**TOWN OF OYSTER BAY**  
**CHANGES IN NET POSITION**  
**LAST TEN YEARS**  
(accrual basis of accounting)

Year Ended December 31,	2013	2012	2011	2010
<b>Expenses</b>				
Governmental activities:				
General government support	\$ 36,575,649	\$ 32,796,871	\$ 23,979,446	\$ 32,283,214
Public safety	29,134,180	27,821,478	26,314,669	24,145,307
Transportation	68,083,600	71,035,386	56,829,279	51,102,059
Economic assistance and opportunity	4,035,988	4,039,287	3,952,952	5,214,244
Culture and recreation	71,386,725	70,617,267	67,279,441	66,858,706
Home and community service	93,926,958	85,793,941	85,314,148	85,680,187
Interest on debt	22,180,971	21,318,102	18,275,637	14,948,060
Total governmental activities expenses	<u>325,324,071</u>	<u>313,422,332</u>	<u>281,945,572</u>	<u>280,231,777</u>
Total primary government expenses	<u>\$ 325,324,071</u>	<u>\$ 313,422,332</u>	<u>\$ 281,945,572</u>	<u>\$ 280,231,777</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government support	\$ 1,229,235	\$ 1,003,364	\$ 984,923	\$ 1,038,276
Public safety	6,354,468	4,564,537	4,067,938	4,271,347
Transportation	2,029,540	2,285,793	1,768,986	2,017,458
Culture and recreation	6,307,093	6,586,215	6,002,337	6,122,679
Home and community service	794,692	899,181	581,858	692,256
Operating grants and contributions	15,217,357	18,126,195	8,156,683	7,838,502
Capital grants and contributions	10,328,219	5,666,110	10,661,138	3,815,966
Total governmental activities program revenues	<u>42,260,604</u>	<u>39,131,395</u>	<u>32,223,863</u>	<u>25,796,484</u>
Total primary government program revenues	<u>\$ 42,260,604</u>	<u>\$ 39,131,395</u>	<u>\$ 32,223,863</u>	<u>\$ 25,796,484</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	<u>\$ (283,063,467)</u>	<u>\$ (274,290,937)</u>	<u>\$ (249,721,709)</u>	<u>\$ (254,435,293)</u>
Total primary government net expense	<u>\$ (283,063,467)</u>	<u>\$ (274,290,937)</u>	<u>\$ (249,721,709)</u>	<u>\$ (254,435,293)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Real property taxes	\$ 182,180,760	\$ 175,579,664	\$ 175,265,000	\$ 166,258,122
Other real property tax items	3,390,556	3,197,633	3,128,447	2,821,830
Non-property tax items	4,863,692	4,696,524	4,617,396	4,437,509
Interest earnings	246,628	147,906	283,646	389,697
Local government assistance - unrestricted	14,680,867	13,733,876	13,144,675	13,331,035
State aid - unrestricted	11,883,093	11,184,538	10,201,720	10,762,780
Other	10,062,430	12,963,873	9,685,251	6,169,847
Special item	30,025,000			
Extraordinary items				
Total primary government government general revenues/other	<u>257,333,026</u>	<u>221,504,014</u>	<u>216,326,135</u>	<u>204,170,820</u>
Total primary government	<u>\$ 257,333,026</u>	<u>\$ 221,504,014</u>	<u>\$ 216,326,135</u>	<u>\$ 204,170,820</u>
<b>Change in Net Position</b>				
Governmental activities	<u>\$ (25,730,441)</u>	<u>\$ (52,786,923)</u>	<u>\$ (33,395,574)</u>	<u>\$ (50,264,473)</u>
Total primary government	<u>\$ (25,730,441)</u>	<u>\$ (52,786,923)</u>	<u>\$ (33,395,574)</u>	<u>\$ (50,264,473)</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Oyster Bay.

2009	2008	2007	2006	2005	2004
\$ 30,938,595	\$ 29,280,974	\$ 27,452,248	\$ 28,377,683	\$ 27,287,549	\$ 21,427,288
22,853,502	22,823,530	20,140,332	15,534,907	12,872,109	10,979,478
48,780,746	42,706,899	43,848,773	38,223,618	34,494,917	28,638,311
4,671,721	4,079,454	4,720,246	3,296,258	3,777,967	5,207,938
56,125,780	48,896,676	46,014,635	33,411,370	29,356,108	29,596,895
81,279,479	83,861,818	79,888,664	72,443,102	70,424,188	70,181,671
13,940,075	14,877,375	13,813,969	12,695,405	10,863,419	9,554,854
<u>258,589,898</u>	<u>246,526,726</u>	<u>235,878,867</u>	<u>203,982,343</u>	<u>189,076,257</u>	<u>175,586,435</u>
<u>\$ 258,589,898</u>	<u>\$ 246,526,726</u>	<u>\$ 235,878,867</u>	<u>\$ 203,982,343</u>	<u>\$ 189,076,257</u>	<u>\$ 175,586,435</u>
\$ 877,821	\$ 877,878	\$ 894,824	\$ 1,027,286	\$ 919,208	\$ 635,666
4,439,212	5,943,056	5,732,243	5,339,164	4,834,739	3,238,144
1,878,588	1,850,408	1,057,918	1,544,386	1,499,325	1,841,452
5,586,432	4,617,488	4,418,814	4,413,872	4,228,419	4,001,922
819,174	2,539,520	1,172,034	3,070,951	1,449,312	1,898,214
8,155,922	4,879,810	5,981,451	4,384,088	4,814,588	4,731,960
1,465,316	3,435,216	3,653,824	1,658,101	1,321,048	3,372,329
<u>23,222,465</u>	<u>24,143,376</u>	<u>22,911,108</u>	<u>21,437,848</u>	<u>19,066,639</u>	<u>19,719,687</u>
<u>\$ 23,222,465</u>	<u>\$ 24,143,376</u>	<u>\$ 22,911,108</u>	<u>\$ 21,437,848</u>	<u>\$ 19,066,639</u>	<u>\$ 19,719,687</u>
<u>\$ (235,367,433)</u>	<u>\$ (222,383,350)</u>	<u>\$ (212,967,759)</u>	<u>\$ (182,544,495)</u>	<u>\$ (170,009,618)</u>	<u>\$ (155,866,748)</u>
<u>\$ (235,367,433)</u>	<u>\$ (222,383,350)</u>	<u>\$ (212,967,759)</u>	<u>\$ (182,544,495)</u>	<u>\$ (170,009,618)</u>	<u>\$ (155,866,748)</u>
\$ 166,273,638	\$ 154,966,262	\$ 141,561,626	\$ 131,326,025	\$ 123,308,923	\$ 111,586,093
2,244,124	2,085,320	2,811,308	1,813,354	1,783,960	1,552,924
4,038,122	3,738,181	3,584,094	3,048,430	3,010,801	2,829,158
831,303	2,319,018	3,975,611	3,414,443	2,270,613	839,617
12,465,539	13,903,412	13,341,427	12,841,012	12,969,569	12,760,832
11,800,490	13,655,882	21,770,758	22,907,937	24,175,253	27,888,488
3,396,170	5,034,035	2,443,782	2,761,440	2,099,665	2,633,950
					(9,142,396)
<u>201,049,386</u>	<u>195,702,110</u>	<u>189,488,606</u>	<u>178,112,641</u>	<u>169,618,784</u>	<u>150,948,666</u>
<u>\$ 201,049,386</u>	<u>\$ 195,702,110</u>	<u>\$ 189,488,606</u>	<u>\$ 178,112,641</u>	<u>\$ 169,618,784</u>	<u>\$ 150,948,666</u>
<u>\$ (34,318,047)</u>	<u>\$ (26,681,240)</u>	<u>\$ (23,479,153)</u>	<u>\$ (4,431,854)</u>	<u>\$ (390,834)</u>	<u>\$ (4,918,082)</u>
<u>\$ (34,318,047)</u>	<u>\$ (26,681,240)</u>	<u>\$ (23,479,153)</u>	<u>\$ (4,431,854)</u>	<u>\$ (390,834)</u>	<u>\$ (4,918,082)</u>

**TOWN OF OYSTER BAY**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
(modified accrual basis of accounting)

Year Ended December 31,	2013	2012	2011 <sup>(1)</sup>	2010	2009
General Fund					
Reserved				\$ 1,708,530	\$ 1,919,359
Unreserved				374,746	6,279,485
Nonspendable	\$ 4,678,333	\$ 3,387,516	\$ 4,292,202		
Unassigned	<u>(3,168,285)</u>	<u>(10,299,540)</u>	<u>(5,422,383)</u>		
Total General Fund	<u>\$ 1,510,048</u>	<u>\$ (6,912,024)</u>	<u>\$ (1,130,181)</u>	<u>\$ 2,083,276</u>	<u>\$ 8,198,844</u>
All other governmental funds					
Reserved				\$ 33,306,988	\$ 75,490,973
Unreserved, reported in:					
Special Revenue Funds				6,665,244	7,444,464
Capital Projects Fund				(281,933,862)	(336,440,020)
Nonspendable	\$ 1,734,984	\$ 1,721,425	\$ 1,635,674		
Restricted	1,201,964	1,276,840	2,026,619		
Assigned	5,633,333	6,680,117	14,100,368		
Unassigned	<u>(310,460,120)</u>	<u>(366,641,459)</u>	<u>(298,511,328)</u>		
Total all other governmental funds	<u>\$ (301,889,839)</u>	<u>\$ (356,963,077)</u>	<u>\$ (280,748,667)</u>	<u>\$ (241,961,630)</u>	<u>\$ (253,504,583)</u>

Source: Office of the Comptroller and the audited financial statements of the Town of Oyster Bay.

Note: <sup>(1)</sup> Components of fund balance reclassified in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

2008	2007	2006	2005	2004
\$ 1,700,529	\$ 1,644,976	\$ 1,742,746	\$ 1,310,170	\$ 1,423,943
11,645,425	14,671,147	19,617,161	20,312,356	22,306,232
<u>\$ 13,345,954</u>	<u>\$ 16,316,123</u>	<u>\$ 21,359,907</u>	<u>\$ 21,622,526</u>	<u>\$ 23,730,175</u>

\$ 58,854,255	\$ 36,328,089	\$ 31,552,078	\$ 21,194,339	\$ 20,024,310
13,839,236	5,590,942	4,100,548	3,424,234	780,983
(231,148,619)	(133,639,662)	(115,787,954)	(128,129,004)	(86,627,959)

<u>\$ (158,455,128)</u>	<u>\$ (91,720,631)</u>	<u>\$ (80,135,328)</u>	<u>\$ (103,510,431)</u>	<u>\$ (65,822,666)</u>
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**TOWN OF OYSTER BAY**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
(modified accrual basis of accounting)

Year Ended December 31,	2013	2012	2011	2010	2009
<b>Revenues</b>					
Real property taxes	\$ 182,180,760	\$ 175,579,664	\$ 175,265,001	\$ 166,258,122	\$ 166,273,638
Other real property tax items	3,390,556	3,197,633	3,128,447	2,821,830	2,244,124
Non-property tax items	4,863,692	4,696,524	4,617,396	4,437,509	4,038,122
Departmental income	23,120,124	22,079,123	20,406,328	20,966,195	21,915,754
Intergovernmental charges	14,718,216	13,942,518	13,176,813	13,365,710	12,884,581
Use of money and property	824,353	603,056	735,241	894,246	1,208,674
License and permits	205,178	174,475	149,865	119,629	119,429
Fines and forfeitures	666,753	746,224	454,077	513,879	527,531
Sale of property and compensation for loss	905,960	1,606,331	333,447	396,953	419,791
Miscellaneous and local sources	9,770,228	1,803,732	5,105,926	3,530,852	3,253,042
Interfund revenues	28,423,597	29,876,012	29,160,183	26,942,095	24,410,321
State aid	14,987,030	13,608,089	13,732,037	14,549,881	16,686,465
Federal aid	22,354,741	21,139,005	12,200,790	7,362,931	4,735,263
<b>Total revenues</b>	<b>306,411,188</b>	<b>289,052,386</b>	<b>278,465,551</b>	<b>262,159,832</b>	<b>258,716,735</b>
<b>Expenditures</b>					
Current:					
General government support	37,984,142	39,712,264	34,125,789	36,650,794	35,459,470
Public safety	19,778,269	20,167,997	19,295,277	18,433,319	17,459,466
Transportation	31,523,700	36,926,372	25,912,405	24,496,655	24,814,537
Economic assistance and opportunity	2,812,692	3,184,421	3,200,016	4,121,859	3,828,861
Culture and recreation	32,362,259	35,638,463	35,039,970	33,278,647	31,438,530
Home and community service	66,628,449	68,441,125	67,054,880	69,766,398	67,781,406
Employee benefits	53,452,014	51,210,979	46,923,714	42,116,903	41,419,904
Capital outlay	84,324,592	78,651,835	114,031,571	123,578,275	101,778,497
Debt Service:					
Principal	30,680,747	31,355,462	25,975,875	20,526,759	22,756,967
Interest	21,958,366	20,754,691	16,402,710	13,086,920	14,445,618
Bond issuance costs			233,966		273,907
Advanced refunding escrow			2,731,641		1,790,652
<b>Total expenditures</b>	<b>381,505,230</b>	<b>386,043,609</b>	<b>390,927,814</b>	<b>386,056,529</b>	<b>363,247,815</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(75,094,042)</b>	<b>(96,991,223)</b>	<b>(112,462,263)</b>	<b>(123,896,697)</b>	<b>(104,531,080)</b>
<b>Other financing sources (uses)</b>					
Transfers in	55,504,247	52,917,281	42,553,991	42,092,659	40,597,795
Transfers out	(55,504,247)	(52,917,281)	(42,553,991)	(42,092,659)	(40,597,795)
Issuance of debt	107,056,379	7,500,000	61,575,000	125,449,000	
Premiums on obligations	1,507,973	7,494,970	8,915,009	3,875,082	5,591,215
Refunding bond issued			32,514,467		39,074,300
Payment to refunded bond escrow agent			(32,542,707)		(40,331,000)
<b>Total other financing sources (uses)</b>	<b>108,564,352</b>	<b>14,994,970</b>	<b>70,461,769</b>	<b>129,324,082</b>	<b>4,334,515</b>
<b>Special item</b>	<b>30,025,000</b>				
<b>Net change in fund balances</b>	<b>\$ 63,495,310</b>	<b>\$ (81,996,253)</b>	<b>\$ (42,000,494)</b>	<b>\$ 5,427,385</b>	<b>\$ (100,196,565)</b>
Debt service as a percentage of noncapital expenditures					
	17.57%	16.94%	16.37%	12.83%	14.78%

Source: Office of the Comptroller and the audited financial statements of the Town of Oyster Bay.

2008	2007	2006	2005	2004
\$ 154,966,262	\$ 141,561,626	\$ 131,326,025	\$ 123,308,923	\$ 111,586,093
2,085,320	2,811,308	1,813,354	1,783,960	1,552,924
3,738,181	3,584,094	3,048,430	3,010,801	2,829,158
23,640,211	22,720,584	24,603,121	22,266,020	22,176,986
14,266,470	13,675,191	13,103,282	13,199,409	12,980,913
2,706,212	4,349,291	4,005,643	2,696,926	966,480
211,967	149,806	139,944	122,712	143,023
293,488	275,606	301,220	346,826	349,370
867,677	916,559	801,351	683,120	668,871
4,093,979	2,018,414	2,236,624	2,383,468	2,576,285
21,594,481	20,257,890	18,651,183	15,683,447	14,747,294
15,854,956	26,229,932	25,038,625	25,790,398	30,710,066
6,115,952	5,176,101	3,836,502	4,520,492	5,282,711
250,435,156	243,726,402	228,905,304	215,796,502	206,570,174
33,993,375	30,691,664	27,209,517	25,782,339	23,424,903
17,158,885	14,922,227	12,964,921	10,955,667	9,479,306
21,431,751	21,841,905	21,958,988	19,181,462	17,335,033
3,359,651	3,897,085	2,730,482	3,284,222	3,180,816
27,106,969	24,903,758	23,622,658	22,821,411	20,157,560
74,303,619	66,152,574	65,012,028	59,566,813	60,412,606
37,671,690	38,960,749	36,224,777	33,876,288	30,792,269
86,452,980	85,957,746	51,890,093	49,549,275	60,778,951
21,881,062	21,007,985	19,350,939	20,569,298	19,681,600
16,287,762	12,555,008	11,176,588	10,005,141	9,239,711
339,647,744	320,890,701	272,140,991	255,591,916	254,482,755
(89,212,588)	(77,164,299)	(43,235,687)	(39,795,414)	(47,912,581)
33,556,976	38,517,501	33,981,160	36,251,675	33,183,638
(33,556,976)	(38,517,501)	(33,981,160)	(36,251,675)	(33,183,638)
18,224,433	59,550,000	65,610,000		51,705,000
1,283,489	985,212	738,171		
19,507,922	60,535,212	66,348,171		51,705,000
\$ (69,704,666)	\$ (16,629,087)	\$ 23,112,484	\$ (39,795,414)	\$ 3,792,419
15.17%	14.26%	13.76%	14.82%	15.08%



**TOWN OF OYSTER BAY**  
**ASSESSED VALUE, STATE EQUALIZATION RATE, AND ESTIMATED FULL VALUE OF REAL PROPERTY**  
**LAST TEN YEARS**

Year Ended December 31,	Class One		Class Two		Class Three		Class Four		Total Net Assessed Value	
		Residential Property		Condo and Co-Op Property		Utility and Special Franchise		Commercial Property		
2013	\$	109,989,707	\$	3,330,881	\$	7,965,140	\$	46,547,801	\$	167,833,529
2012		119,349,935		3,404,383		8,335,694		50,709,884		181,799,896
2011		124,558,277		3,587,770		8,063,217		58,814,856		195,024,120
2010		144,899,065		3,605,084		7,655,995		58,128,433		214,288,577
2009		145,410,757		3,134,057		6,973,758		55,900,961		211,419,533
2008		139,713,171		2,932,594		6,027,208		51,871,415		200,544,388
2007		131,590,763		2,743,279		5,693,347		48,435,541		188,462,930
2006		225,567,183		2,697,079		4,939,664		47,197,060		280,400,986
2005		364,135,751		2,659,027		4,882,323		47,239,027		418,916,128
2004*		370,833,774		2,669,334		5,096,507		48,513,107		427,112,722

Source: Town of Oyster Bay Annual Budget Report.

\*2004 was the first year of Nassau County's Reassessment.

Total Direct Tax Rate	State Equalization Rate	Full Valuation	Assessed Value as a Percentage of Full Value
4.41	0.31%	\$ 54,139,848,065	0.31%
3.93	0.31%	58,645,127,742	0.31%
3.77	0.32%	60,945,037,500	0.32%
3.48	0.34%	63,026,052,059	0.34%
3.42	0.33%	64,066,525,152	0.33%
3.19	0.31%	64,691,738,065	0.31%
2.95	0.29%	64,987,217,241	0.29%
1.88	0.29%	96,689,995,172	0.29%
1.99	0.50%	83,783,225,600	0.50%
2.89	0.81%	52,729,965,679	0.81%

**TOWN OF OYSTER BAY**  
**PROPERTY TAX RATES, DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN YEARS**

Town Direct Rates					
Years Ended December 31,	Full Valuation	State Equalization Rate	Total Net Assessed Value	Tax Levy For Town <sup>1</sup>	Total Town Direct Tax Rate <sup>1,2</sup>
2013	\$ 54,139,848,065	0.31%	\$ 167,833,529	\$ 238,793,854	4.41
2012	58,645,127,742	0.31%	181,799,896	230,699,358	3.93
2011	60,945,037,500	0.32%	195,024,120	229,899,564	3.77
2010	63,026,052,059	0.34%	214,288,577	219,045,576	3.48
2009	64,066,525,152	0.33%	211,419,533	219,357,222	3.42
2008	64,691,738,065	0.31%	200,544,388	206,512,925	3.19
2007	64,987,217,241	0.29%	188,462,930	191,419,715	2.95
2006	96,689,995,172	0.29%	280,400,986	181,310,611	1.88
2005	83,783,225,600	0.50%	418,916,128	167,057,512	1.99
2004	52,729,965,679	0.81%	427,112,722 <sup>3</sup>	152,606,248	2.89

Source: Receiver of Taxes - General and School Tax Warrants.

<sup>1</sup> Total tax levy, as well as the total direct rate for Town includes all Town controlled funds, Discretely Presented Component Units, Fire Hydrant, Rental District, Fire Districts, Incorporated Villages and Library Districts.

<sup>2</sup> Per \$1,000 of full valuation.

<sup>3</sup> Nassau County completed a county-wide reassessment in 2004 wherein it reassessed all properties within the County by utilizing one percent of market value applicable to each of the four property classes.

Overlapping Rates

County Tax Levy For Town	Total County Direct Rate <sup>2</sup>	School Levy	Total School Direct Rate <sup>2</sup>	Total Direct & Overlapping Rates
\$ 265,051,828	4.90	\$ 1,001,983,368	18.51	27.82
263,271,178	4.49	974,916,136	16.62	25.04
262,419,092	4.31	945,235,477	15.51	23.59
260,456,163	4.13	933,444,160	14.81	22.42
261,479,836	4.08	906,670,726	14.15	21.65
250,074,671	3.87	856,038,872	13.23	20.29
252,167,909	3.88	807,139,720	12.42	19.25
251,140,046	2.60	759,251,800	7.85	12.33
246,576,497	2.94	655,967,265	7.83	12.76
247,036,126	4.68	655,967,265	12.44	20.01

**TOWN OF OYSTER BAY**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

2013

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation
1	Long Island Power Authority	Public Utility - Public Franchise	\$ 4,467,870	2.66%
2	Keyspan Gas East	Public Utility - Public Franchise	2,370,358	1.41%
3	CLK-HP Various Properties	Office Buildings	2,019,401	1.20%
4	Verizon	Public Utility - Public Franchise	1,807,449	1.08%
5	Sunrise Mall Associates & Hudson Resources	Shopping Mall	1,607,882	0.96%
6	Broadway Mall (CGA Broadway Partners, LLC)	Shopping Mall	1,096,063	0.65%
7	Jericho Quads Associates	Office Buildings	846,526	0.50%
8	One-Two Jericho Plaza Owner, LLC	Office Buildings	756,137	0.45%
9	FED LI, LLC & GSM LI, LLC & ICA LI, LLC	Storage & Warehouse Facilities	627,601	0.37%
10	Northrop Grumman Corp. & Related Companies	Office Buildings	592,387	0.35%
Total			<u>\$ 16,191,674</u>	<u>(a) 9.63%</u>

(a) Represents 9.63% of the total taxable assessed valuation of the Town for 2013.

2004

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation
1	Long Island Lighting Company	Public Utility	\$ 2,520,695	0.59%
2	Northrop-Grumman Corp. & Related Companies	Engineering & Advanced Develc	1,806,902	0.42%
3	Verizon	Public Utility	1,418,613	0.33%
4	Industrial & Research Associates	Office Buildings	1,272,282	0.30%
5	Keyspan Energy	Public Utility	1,174,447	0.27%
6	Sunrise Mall Associates & Hudson Resources	Shopping Mall	1,121,356	0.26%
7	Jericho Quads	Office Buildings	1,090,716	0.26%
8	Broadway Mall	Shopping Mall	1,051,777	0.25%
9	Long Island Power Authority	Public Utility	984,487	0.23%
10	Nassau County IDA (Cablevision)	IDA (Communication)	642,671	0.15%
Total			<u>\$ 13,083,946</u>	<u>(b) 3.06%</u>

(b) Represents 3.06% of the total taxable assessed valuation of the Town for 2004.

Source: Town of Oyster Bay Official Statements.

**TOWN OF OYSTER BAY**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN YEARS**

<u>Year Ended December 31,</u>	<u>Tax Levy For Town <sup>(a)</sup></u>	<u>Amount Collected <sup>(b)</sup></u>	<u>Percent Collected</u>
2013	\$ 238,793,854	\$ 238,793,854	100.00%
2012	230,699,358	230,699,358	100.00%
2011	229,899,564	229,899,564	100.00%
2010	219,045,576	219,045,576	100.00%
2009	219,357,222	219,357,222	100.00%
2008	206,512,925	206,512,925	100.00%
2007	191,419,715	191,419,715	100.00%
2006	181,310,611	181,310,611	100.00%
2005	167,057,512	167,057,512	100.00%
2004	152,606,248	152,606,248	100.00%

Source: Receiver of Taxes - General Tax Levy.

<sup>(a)</sup> Total tax levy for Town includes all Town controlled funds, Discretely Presented Component Units, Fire Hydrant Rental District, Fire Districts, Incorporated Villages and Library Districts.

<sup>(b)</sup> During year of levy.

**TOWN OF OYSTER BAY**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN YEARS**

Year Ended	Governmental Activities General Obligation Bonds	Total Primary Government	Percentage of Personal Income <sup>1</sup>	Per Capita <sup>1</sup>
2013	\$ 434,723,923	\$ 434,723,923	0.46%	1,468
2012	357,319,045	357,319,045	0.39%	1,215
2011	374,867,908	374,867,908	0.43%	1,284
2010	339,297,023	339,297,023	0.40%	1,157
2009	234,374,782	234,374,782	0.23%	773
2008	258,388,449	258,388,449	0.26%	854
2007	262,045,078	262,045,078	0.31%	870
2006	223,503,063	223,503,063	0.27%	743
2005	177,244,002	177,244,002	0.24%	590
2004	197,813,300	197,813,300	0.28%	660

Source: Details regarding the outstanding debt can be found in the notes to the financial statements.

Notes: As of December 31, 2013, the Town had \$295,310,000 in short-term bond anticipation notes, which are not presented in this schedule.

As of December 31, 2013, the Town had \$10,000,000 in short-term revenue anticipation notes, which are not presented in this schedule.

Beginning with the year ended 2012, the amount reported for general obligation bonds is inclusive of premiums on general obligation bonds. Prior to 2012, the amount reported relates solely to general obligation bonds.

<sup>1</sup> See the schedule of Demographic and Economic Statistics for personal income and population.

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**TOWN OF OYSTER BAY**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN YEARS**

Year Ended	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Full Taxable Value <sup>1</sup> of Property	Per Capita <sup>2</sup>
2013	\$ 434,723,923	\$ 139,480	\$ 434,584,443	0.74%	1,468
2012	357,319,045	222,550	357,096,495	0.61%	1,215
2011	374,867,908	864,721	374,003,187	0.61%	1,281
2010	339,297,023	100,628	339,196,395	0.54%	1,157
2009	234,374,782	3,530,798	230,843,984	0.36%	761
2008	258,388,449	4,089,788	254,298,661	0.39%	840
2007	262,045,078	6,266,490	255,778,588	0.39%	849
2006	223,503,063	4,333,257	219,169,806	0.23%	729
2005	177,244,002	2,978,827	174,265,175	0.21%	580
2004	197,813,300	1,920,142	195,893,158	0.37%	653

Source: Details regarding outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> See the Schedule of Assessed Value, Equalization Rate and Estimated Full Value of Real Property for property value data.

<sup>2</sup> Population data can be found in the Schedule of Demographic and Economic Statistics.

Note: Beginning with the year ended 2012, the amount reported for general obligation bonds is inclusive of premiums on general obligation bonds. Prior to 2012, the amount reported

**TOWN OF OYSTER BAY**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
December 31, 2013

<u>Jurisdiction</u>	<u>Net Long-Term Debt</u>	<u>Percentage Applicable to the Town of Oyster Bay</u>	<u>Town of Oyster Bay Share of Debt (1)</u>
Direct:			
Town of Oyster Bay	\$ 434,723,923	100.00%	\$ 434,723,923
Total Direct Debt	<u>434,723,923</u>		<u>434,723,923</u>
Overlapping:			
Nassau County	3,980,539,361	25.68%	1,022,202,508
School Districts	35,614,038	100.00%	35,614,038
Fire Districts	6,744,711	100.00%	6,744,711
Water Districts	20,305,232	100.00%	20,305,232
Sewer District	3,728,069	100.00%	3,728,069
Incorporated Villages	<u>51,269,026</u>	100.00%	<u>51,269,026</u>
Total Overlapping Debt	<u>4,098,200,437</u>		<u>1,139,863,584</u>
Total Direct and Overlapping Debt	<u>\$ 4,532,924,360</u>		<u>\$ 1,574,587,507</u>

Source: Town of Oyster Bay Official Statement.

Note: The taxpayers share of overlapping debt is based upon the amount of the Town's equalized property values taken as a percentage of each separate units' total values.

(1) Only the Town portion of school districts and villages that lie partially in other towns has been considered.

**TOWN OF OYSTER BAY**  
**DEBT LIMIT MARGIN INFORMATION**  
December 31, 2013

Years Ended December 31,	Assessed Valuation	State Equalization Rate	Full Valuation
2013	\$ 167,833,529	0.31%	\$ 54,139,848,065
2012	181,799,896	0.31%	58,645,127,742
2011	195,024,120	0.32%	60,945,037,500
2010	214,288,577	0.34%	63,026,052,059
2009	211,419,533	0.33%	64,066,525,152
Total Five Year Full Valuation			<u>\$ 300,822,590,518</u>
Five Year Average Full Valuation of Taxable Real Property			<u>60,164,518,104</u>
Debt Limit - 7% of Five Year Average Full Valuation			<u>4,211,516,267</u>
Inclusions:			
Outstanding Bonds			451,421,379
Bond Anticipation Notes			<u>343,150,000</u>
Total Inclusions			<u>794,571,379</u>
Exclusions:			
Water Bonds			20,305,232
Water Bond Anticipation Notes			<u>47,840,000</u>
Total Exclusions			<u>68,145,232</u>
Total Net Indebtedness Subject to the Debt Limit			<u>726,426,147</u>
Net Debt Contracting Margin			<u>3,485,090,120</u>
Percent of Debt Limit Exhausted			17.25%

Last Ten Years

Year	Constitutional Debt Limit	Outstanding Indebtedness December 31	Less: Exclusions	Indebtedness Subject to Debt Limit	Net Debt Contracting Margin	Percent of Net Debt Contracting Margin Available
2013	\$ 4,211,516,267	\$ 794,571,379	\$ 68,145,232	\$ 726,426,147	\$ 3,485,090,120	82.75%
2012	4,359,242,727	802,628,958	62,588,477	740,040,481	3,619,202,246	83.02%
2011	4,448,031,980	724,175,945	48,693,585	675,482,360	3,772,549,620	84.81%
2010	4,526,990,068	659,294,000	31,357,617	627,936,383	3,899,053,685	86.13%
2009	4,341,939,581	521,340,800	25,166,102	496,174,698	3,845,764,883	88.57%
2008	3,996,543,411	451,486,933	24,870,785	426,616,148	3,569,927,263	89.33%
2007	3,700,867,994	407,005,000	26,297,261	380,707,739	3,320,160,255	89.71%
2006	3,306,525,278	333,670,000	24,717,437	308,952,563	2,997,572,715	90.66%
2005	2,987,238,099	329,005,000	25,307,498	303,697,502	2,683,540,597	89.83%
2004	2,688,240,424	301,513,400	34,547,100	266,966,300	2,421,274,124	90.07%

Source: Office of the Comptroller and the Official Statements of the Town of Oyster Bay.

**TOWN OF OYSTER BAY**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN YEARS**

Years Ended December 31,	Population <sup>1</sup>	Personal Income <sup>2</sup> (in millions)	Per Capita Income <sup>2</sup>	Median Age <sup>3</sup>	Unem- ployment Rate <sup>2,4</sup>	Year-Round Households Estimate <sup>4</sup>	Average Household Size Estimate <sup>4</sup>	Population Density Per Square Mile <sup>4,6</sup>	Public School Enrollment <sup>5</sup>
2013	296,108	\$ 95,475	\$ 44,704	42.9	5.50%	98,210	2.96	2,836	46,057
2012	293,990	91,120	47,757	44.9	6.50%	100,094	2.89	2,816	46,455
2011	292,033	87,992	45,529	42.6	6.40%	93,579	2.93	2,826	46,981
2010	293,214	83,985	45,607	42.8	6.80%	99,419	2.89	2,808	47,700
2009	303,285	101,648	44,606	39.8	6.50%	101,018	2.95	2,916	47,898
2008	302,589	100,146	35,895	40.0	4.40%	99,873	2.93	2,816	48,108
2007	301,273	85,217	62,981	42.8	3.50%	96,879	3.02	2,871	48,219
2006	300,786	81,756	44,757	41.8	3.60%	100,539	2.93	2,881	48,517
2005	300,616	73,161	43,135	39.4	3.80%	100,595	2.93	2,879	48,096
2004	299,840	70,643	41,534	41.1	4.10%	100,506	2.93	2,872	51,333

Sources:

- <sup>1</sup> Bureau of the Census / Long Island Regional Planning Board / Long Island Population Survey.
- <sup>2</sup> Bureau of Economic Analysis. Figures are for Nassau County. TOB figures not available.
- <sup>3</sup> State Department of Commerce
- <sup>4</sup> Long Island Business News - Doing Business on Long Island / LILCO Survey / Long Island Population Survey.
- <sup>5</sup> NYSED.gov
- <sup>6</sup> Wikipedia - Oyster Bay

**TOWN OF OYSTER BAY**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

2013

Rank	Name	Type of Business	Number of Employees
1	Cablevision Systems Corporation	Entertainment / Communications	A
2	Government Employees Insurance Company	Insurance Agents / Brokers	A
3	N.C. Association for Help of Retarded Children	Job Training & Vocational Rehab. Services	A
4	National Grid / LIPA	Public Utility	A
5	Northrop Grumman	Aerospace Industries	A
6	New York Institute of Technology	Professional Schools	A
7	St. Francis Hospital	General Medical & Surgical Hospital	A
8	Commercial Building Maintenance Corp.	Cleaning Services - Industrial	B
9	Darby Group Co., Inc.	Dental Equipment & Supplies - Wholesale	B
10	Plainview Hospital	Hospitals	B

2004

Rank	Name	Type of Business	Number of Employees
1	Cablevision Systems	Entertainment / Telecommunications	A
2	Keyspan	Public utility	A
3	King Kullen Grocery	Supermarket Chain	A
4	Government Employees Insurance Company	Life Insurance	A
5	St. Francis Hospital	General Medical & Surgical Hospital	A
6	Griffon Corporation	Manufacturing	B
7	JBL Incorporated	Household Audio / Video Equipment	B
8	Lackmann Culinary Services	Food Service Contractor	B
9	Macy's East, Inc.	Department Store	B
10	Pall Corporation	Surgical Appliance & Supplies	B

Source: Town of Oyster Bay Official Statements.

Note: Percentage of total Town employment is not available.

Code

- A More than 1,500 employees
- B 1,000 to 1,499 employees
- C 500 to 999 employees

**TOWN OF OYSTER BAY**  
**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION**  
**LAST TEN YEARS**

Function	Full-time Equivalent Employees as of December 31									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General government support	256	253	274	257	298	276	299	303	297	298
Public safety	118	116	125	119	124	133	115	109	78	77
Transportation	152	160	176	164	174	203	185	190	193	186
Economic assistance and opportunity	11	11	11	12	12	11	10	11	11	11
Culture and recreation	280	287	303	277	269	248	232	231	223	215
Home and community services	350	344	361	356	376	358	346	357	357	352
Total	<u>1,167</u>	<u>1,171</u>	<u>1,250</u>	<u>1,185</u>	<u>1,253</u>	<u>1,229</u>	<u>1,187</u>	<u>1,201</u>	<u>1,159</u>	<u>1,139</u>

Source: Office of the Comptroller of the Town of Oyster Bay.

**TOWN OF OYSTER BAY**  
**OPERATING INDICATORS BY FUNCTION**  
**LAST TEN YEARS**

Year Ended December 31,	2013	2012	2011	2010	2009
<b>Function</b>					
<b>Public Safety</b>					
Building					
Residential building permits issued	4,838	3,935	4,018	3,783	1,756
Commercial building permits issued	1,062	795	921	293	52
Public Safety					
Animals received	783	826	804	747	847
Animals adopted	354	233	327	200	276
Animals redeemed	127	172	127	116	143
Town Clerk					
Permits issued <sup>1</sup>	6,050	29,592	8,272	29,384	6,882
Fire					
Number of fire protection districts	7	7	7	7	7
Number of calls answered	8,926	7,822	18,240	17,498	19,232
<b>Transportation</b>					
Parking Meters					
Number of parking meters	275	275	305	305	305
Collections per month	2	2	2	2	2
Highways and Streets					
Street resurfacing (miles)	11	14	18	4	10
Number of trees planted	1,566	1,080	419	1,996	293
Number of trees removed	2,808	2,695	3,396	1,558	3,135
<b>Culture and Recreation</b>					
Beach permits issued	45,262	48,316	50,974	55,987	49,947
Registration for adult programs	709	238	400	339	142
Registration for summer programs	1,975	2,150	2,300	2,650	2,500
<b>Home and Community Services</b>					
Sanitation					
Refuse collected (tons/day)	1,259	1,293	633	565	650
Recyclables collected (tons/day)	195	178	190	208	208

Source: Various departments of the Town of Oyster Bay.

<sup>1</sup> Resident parking permits contained in this total are issued every two years.

2008	2007	2006	2005	2004
2,579	2,227	2,039	2,380	2,354
230	263	209	216	231
1,056	1,162	1,192	1,121	1,141
282	344	350	288	271
155	197	174	169	164
26,802	6,868	25,715	6,216	25,257
7	7	7	7	7
19,171	19,253	19,094	19,054	18,704
302	271	271	271	271
2	1	1	1	1
18	33	68	76	72
1,964	2,040	1,661	1,643	1,552
2,410	2,319	2,000	1,942	1,878
45,777	44,389	39,852	42,960	36,955
217	229	259	223	240
2,200	141	234	234	222
666	778	841	856	859
124	138	210	231	226



**TOWN OF OYSTER BAY**  
**CAPITAL ASSET STATISTICS BY FUNCTION**  
**LAST TEN YEARS**

Year Ended December 31,	2013	2012	2011	2010	2009
<b>Function</b>					
<b>General Government Support</b>					
Municipal buildings	3	3	3	3	3
Central vehicle maintenance					
Vehicles maintained	700	700	700	687	729
<b>Transportation</b>					
Highways and streets					
Streets (miles)	781	781	781	781	780
Streetlights <sup>1</sup>	23,000	25,000	25,000	25,000	20,703
Parking fields	54	54	54	54	54
<b>Culture and Recreation</b>					
Parks acreage	600	600	600	600	600
Beaches	9	9	9	9	9
Marinas	3	3	3	3	3
Boat basin slips	554	554	554	554	554
Swimming pools	5	5	5	5	5
Golf courses	1	1	1	1	1
Tennis courts	28	28	28	28	28
Community centers	11	11	11	11	10
<b>Home and Community Service</b>					
Sanitation					
Collection trucks	64	50	50	50	50

Source: Various departments of the Town of Oyster Bay.

<sup>1</sup> 2003 - 2005 numbers are an estimate from the Town of Oyster Bay Department of Public Works Division of Lighting.

N/A Information was not available for these years.

2008	2007	2006	2005	2004
3	3	3	3	3
729	707	707	N/A	N/A
780	732	732	732	732
20,652	20,551	20,451	20,351	20,251
54	40	40	40	40
600	600	600	600	600
9	9	9	9	9
3	3	3	3	3
554	554	554	554	554
5	5	5	5	5
1	1	1	1	1
28	28	28	28	28
10	10	10	10	10
50	50	50	50	50