

Town of Oyster Bay New York



Comprehensive Annual Financial Report

Year Ended December 31, 2015



TOWN OF OYSTER BAY,

NEW YORK

Comprehensive Annual Financial Report
Year Ended December 31, 2015

Prepared by:
The Office of the Comptroller

TOWN OF OYSTER BAY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2015
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**INTRODUCTORY
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Places to Play and Visit

TOWN BEACHES AND PARKS

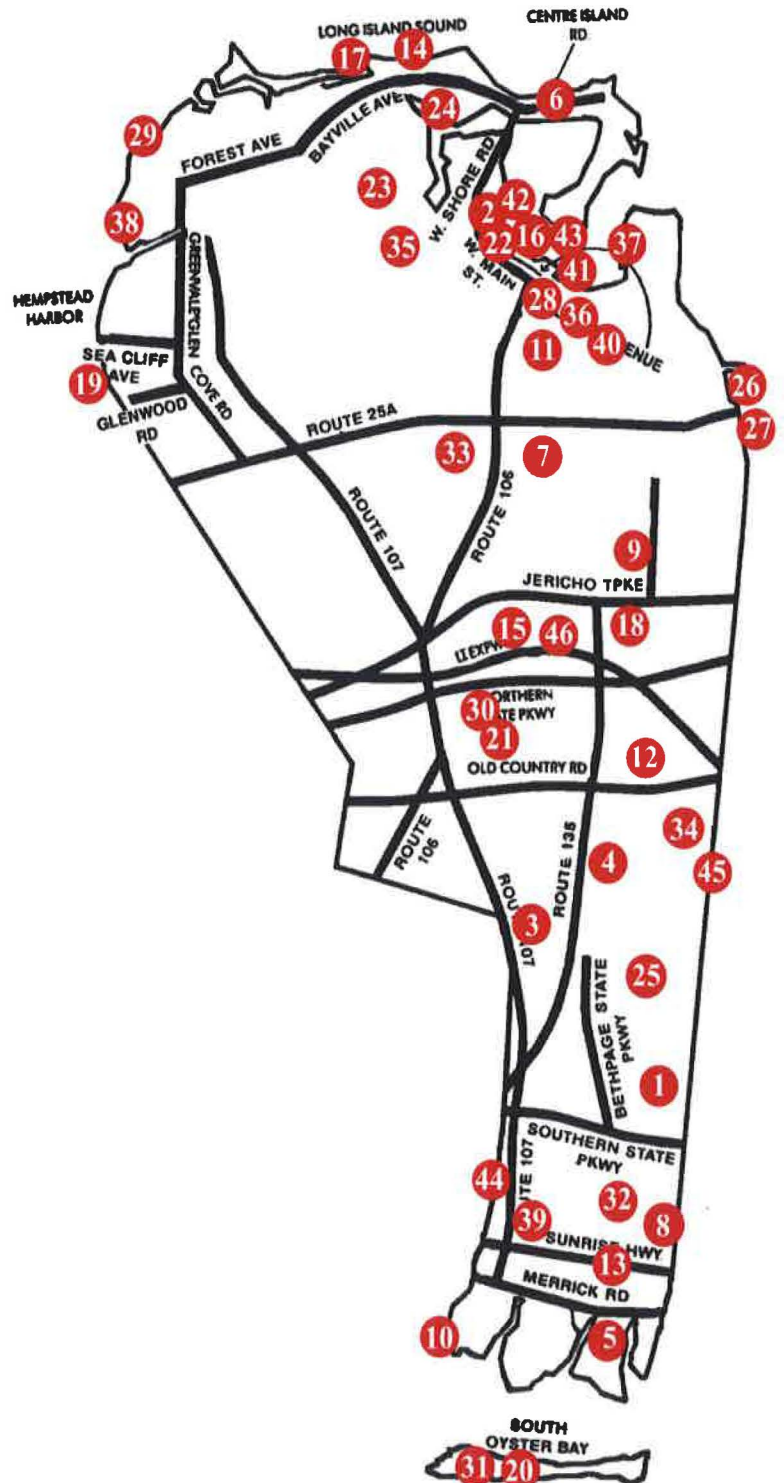
1. Ellsworth W. Allen Town Park
2. Beekman Beach Park
3. Bethpage Community Park
4. Borella Field
5. John J. Burns Town Park
6. Centre Island Beach
7. (The) Farm at Oyster Bay
8. Field of Dreams
9. Golf Course and Clubhouse
10. Philip B. Healey Beach at Florence Avenue
11. Senator Ralph J. Marino Memorial 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

TOWN FACILITIES

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

As of December 31, 2015

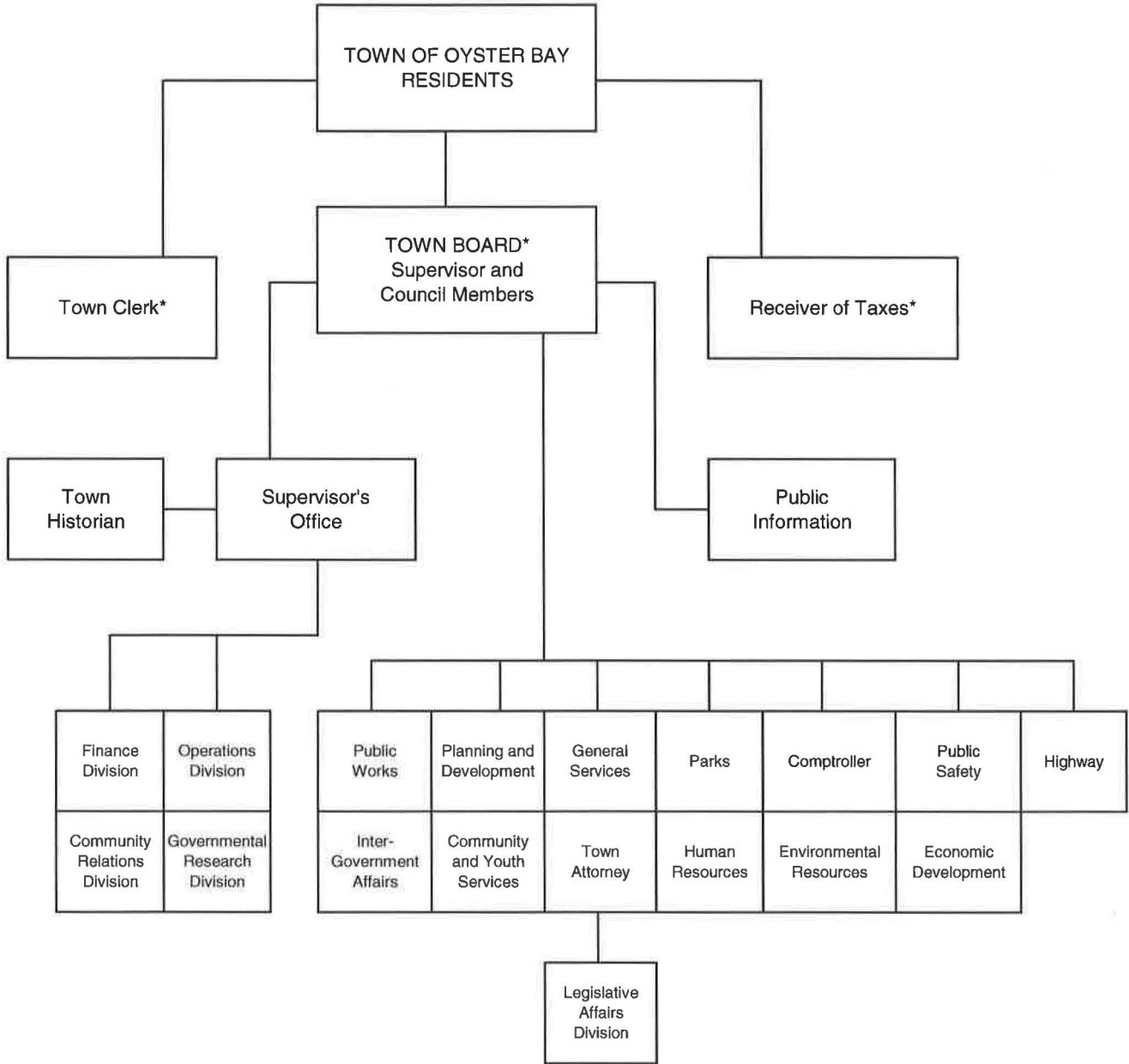
TOWN BOARD:

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, 2015



* Elected by Town of Oyster Bay voters.



Office of the Comptroller
Town of Oyster Bay
Town Hall
Oyster Bay, New York 11771-1592
(516) 624-6440

Christine M. Wiss
Deputy Comptroller

January 16, 2017

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, 2015, 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 2015 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, 2015, 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, Towns are required to include their financial reporting. 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 auditor's 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to this "single audit", including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the independent auditor's 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)

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. ITD is in the process of upgrading its existing network security by implementing advanced firewall services that include cutting edge Intrusion Prevention Services and Advanced Malware Protection.

This will allow ITD to monitor security threats with a more advanced proactive approach to ensure the integrity of the Town's enterprise network. 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.

ITD has successfully implemented VMware virtualization over the past two years in the Town's main datacenter, completing the first phase of the move toward a fully realized Disaster Recovery and Business Continuity environment. The next phase will allow the town to leverage resources at the both the datacenters in Town Hall North and Department of Public Works which will maximize utilization, while minimizing failover of critical systems and services in the event of disaster or failure of either datacenter. This will allow ITD to fully utilize all the resources at both sites while still providing a Business Continuity plan for the Town as a whole.

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, Information Technology Support Desk, Marina Management, Street Lighting Management, the Comptroller's Office accounting and control, Information Technology 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.

High Level (GIS)

In keeping with the Town's GIS agreements with Nassau County and qualifying consulting firms, all of the requests for geographic data layers from outside entities continue to be satisfied. The requests that have been received by the Town in 2015 have ranged from small areas with only a few GIS layers to large areas, some of which include the entire Town, and many data layers.

The Town's GIS Committee continued to meet, review issues and make collaborative decisions related to ongoing initiatives together. The committee consists of representatives from 11 Town departments including: Comptroller, Information Technology, Intergovernmental Affairs, Highway, Parks, Department Environmental Resources, Receiver of Taxes, Planning and Development, Public Safety, Economic Development and Department of Public Works. The primary topics of discussion generally include the maintenance and ongoing enhancement to the GIS viewers, additional tools, improved data, new data services, software upgrades, integration requirements and user training.

As of 2015, eight Town departments/divisions have access to a GIS data viewer tailored to their department-specific data needs. Users, both public and Town staff, accessed the viewers approximately 3,000 times per month. Each is based on a similar foundation, but with geographic data overlays that provide useful information to Town staff and assist with the daily operation of each department. The viewers were updated to reflect minor software changes and continually maintained as new data requests were received. In 2015, new viewers were developed and deployed for General Services and Environmental Resources. The DER viewer displays a wide variety of soil, water and other environmental data. It also provides access to a map of the mooring locations maintained by DER. The General Services viewer provides basic property information and a link to view the latest facility diagram for Town Hall South. As an extension of the existing property information in the viewers, an additional web service was deployed on September 30, 2015, which accesses property description data at the County and displays it in a new Property Detail tab in the GIS viewers.

MAJOR INITIATIVES (continued)

Continued data GIS processing was one of the largest efforts in 2015. For Signs and Street Lighting, the GIS data was continually improved and updated throughout the year. Thousands of GIS data points were updated with more relevant and current data. Line data for circuits was also greatly improved. Additional significant data updates in 2015 included zoning changes for P&D, drainage outfall locations, and updates for addresses and street names.

In 2015, Bowne GIS resources continued to support the Highway department with advisory and technical support related to the integration of GIS and other software applications, specifically, Maximo. The major components of the GIS integration with Maximo were completed prior to 2015, but staff questions and requests, as well as troubleshooting are ongoing. As fundamental data changes were made to Maximo, we also modified and republished the GIS services as needed. This ensures that the mapping component of Maximo continues to function as designed and return the required data that is housed in the GIS database.

Energy Efficiency/Green Energy

As the global demand for energy continues to increase, energy conservation has become more important than ever. The Town of Oyster Bay has stayed ahead of the curve and has instituted policies and programs to make not only the operations of Town facilities more energy efficient, but that promote energy conservation in the private sector. As part of the plan to make Town buildings more energy efficient, Energy Star rated air conditioning units have been installed along with thermal glass windows. Boilers have been 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 has been 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. The Town has also continued to use 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 have gotten into the act. The Town employed the use of 10 electric powered golf carts in use at the Town golf course, which of course 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 has been conserving energy is by the installation of energy efficient street lighting. As the old street lighting fixtures come to the end of their life span, they have been replaced with these energy-saving fixtures. With 23,000 street lighting fixtures across the Town, it has helped reduce energy consumption and saved taxpayers money.

In the private sector, the Town has continued to mandate 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 has used 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 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:

PLANNING FOR THE FUTURE (continued)

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 has been 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.

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. Each 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, renovations at Tappen Marina, and replacement of pea gravel with fibar at playgrounds across the Town. Work has also been completed on new floating docks at John J. Burns Town Park, and renovation and expansion of the seawall at Ransom Beach in Bayville.

One of the areas of infrastructure not readily visible is the Town's computer system. The Town has consistently been upgrading and modernizing its computer network to streamline tasks and better serve the public. Most recently, the Receiver of Taxes office, the Office of the Comptroller and Highway Department have upgraded systems; thereby, improving both internal processes and services to residents.

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 has been an investment in a better future for everyone.

Next Generation Housing

Affordable housing for first-time homebuyers has been one of the critical needs on Long Island in the recent past. 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 starter housing. To date, 76 units of next generation housing have been approved.

Waterfront Protection and Vitalization Plans

The Town of Oyster Bay spearheaded the formation of the Oyster Bay/Cold Spring Harbor Protection Committee, which has brought 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 has recognized 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 has approved amendments and additions to Town Code pertaining to storm water management, erosion and sediment control. These amendments have established storm water requirements and controls that have protected and safeguarded the public and regulated 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 28th 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 has consistently led the way in tree preservation since 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.

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.

FINANCIAL INFORMATION (continued)

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.

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.



Christine M. Wiss
Deputy Comptroller

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**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 nonmajor 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, 2015, 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 nonmajor component units, Massapequa Water District, Plainview Water District, Hicksville Water District, Locust Valley Water District, Oyster Bay Water District, Jericho Water District, Bethpage Water District, Syosset Sanitation District, Oyster Bay Sewer District and Glenwood-Glenhead Garbage District which represent 85.8%, 85.8%, and 81.9%, respectively, of the assets, net position, and revenues of the aggregate discretely presented nonmajor 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 those ten nonmajor 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. The financial statements of the nonmajor component units presented discretely in these financial statements, Plainview Water District, Hicksville Water District, Locust Valley Water District, Oyster Bay Water District, Jericho Water District, South Farmingdale Water District, Syosset Sanitation District, Oyster Bay Sewer District and Glenwood-Glenhead Garbage District were not 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 Nonmajor 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
Fiduciary Funds	Unmodified

Basis for Qualified Opinions on Governmental Activities and General Fund

Management had chosen to recognize as revenue in 2013, 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 governmental activities and the general fund would have a liability in the amount of \$30,025,000. In the statement of net position, total net position (deficit) would increase from a deficit of \$304,655,455 to a deficit of \$334,680,455 and in the balance sheet the fund balance (deficit) of the general fund would be increased from \$25,290,348 to \$55,315,348.

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, 2015, 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 nonmajor 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, 2015, 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.

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 January 16, 2017, 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

January 16, 2017

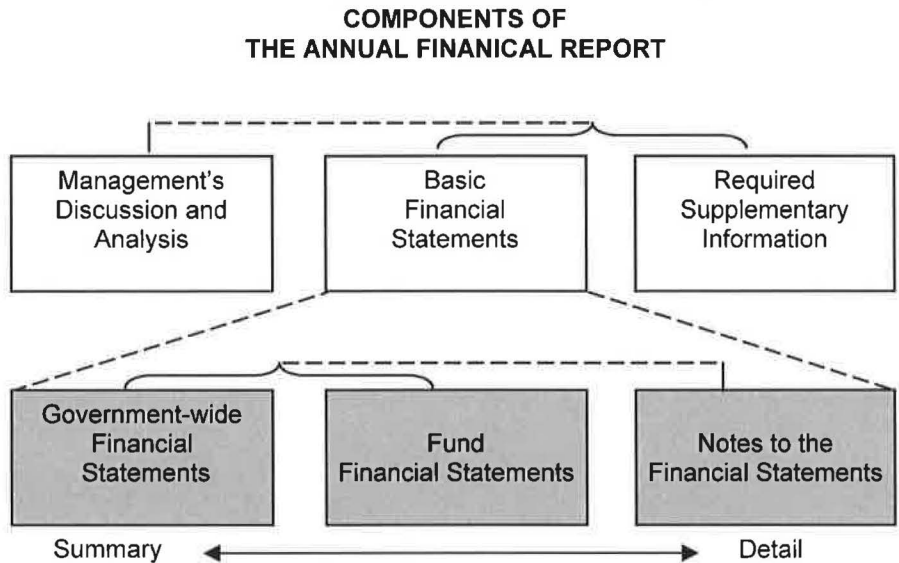
REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

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, 2015. 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, 2015

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.

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, restrictions 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, 2015

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, 2015

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 \$304,655,455 at the close of the most recent year.

Condensed Statement of Net Position
Governmental Activities
as of December 31, 2015 and 2014

	2015	(As Restated)* 2014
Assets		
Current and other assets	\$ 101,188,734	\$ 64,530,994
Capital assets	720,801,929	738,263,270
Total assets	<u>821,990,663</u>	<u>802,794,264</u>
Deferred Outflows of Resources	<u>16,207,664</u>	<u>18,587,865</u>
Liabilities		
Current and other liabilities	312,599,904	229,783,890
Long-term liabilities	829,227,167	863,200,405
Total liabilities	<u>1,141,827,071</u>	<u>1,092,984,295</u>
Deferred Inflows of Resources	<u>1,026,711</u>	<u>450,488</u>
Net Position		
Net investment in capital assets	41,720,284	39,210,064
Restricted	2,849,979	1,808,763
Unrestricted (deficit)	(349,225,718)	(313,071,481)
Total net position	<u>\$ (304,655,455)</u>	<u>\$ (272,052,654)</u>

* Amounts for 2014 were restated for comparative purposes to show the effect of applying Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date." See Note 6 of the audited financial statements for more details.

Total assets and deferred outflows of resources of the Town as of December 31, 2015 were \$838,198,327, an increase of \$16,816,198 over the prior year. Total liabilities and deferred inflows of resources as of December 31, 2015 were \$1,142,853,782, an increase of \$49,418,999 over the prior year. This results in an overall net position deficit of \$304,655,455 as of December 31, 2015. Of the Town's net position balance \$41,720,284 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 \$2,849,979 that is restricted by statute or for other specific purposes and \$349,225,718 that is an unrestricted deficit.

The deficit balance of unrestricted net position includes unfunded long-term liabilities. 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 \$24,763,330, other postemployment benefits payable in the amount of \$194,019,635, compensated absences in the amount of \$24,678,925, claims and judgments payable in the amount of \$25,027,955, other litigation payable of \$22,559,018, landfill closure and post-closure care costs in the amount of \$5,850,000, net pension liability – proportionate share of \$10,761,642 and a retirement incentive payable of \$11,667.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

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, 2015 and 2014

	2015	(As Restated) 2014**
Program Revenues		
Charges for services	\$ 17,044,132	\$ 17,144,795
Operating grants and contributions	4,535,703	10,777,160
Capital grants and contributions	2,465,139	4,522,687
Total Program Revenues	<u>24,044,974</u>	<u>32,444,642</u>
General Revenues		
Real property taxes	215,667,149	198,080,058
Other real property tax items	4,993,937	3,678,417
Non-property tax items	5,308,648	5,112,339
Interest earnings	218,014	181,680
Local government assistance - unrestricted	14,258,755	13,942,484
State aid - unrestricted	12,311,610	10,327,711
Other	3,837,127	8,005,579
Total General Revenues	<u>256,595,240</u>	<u>239,328,268</u>
Total Revenues	<u>280,640,214</u>	<u>271,772,910</u>
Program Expenses		
General government support	36,189,828	38,162,097
Public safety	29,462,383	28,286,861
Transportation	59,896,037	62,982,460
Economic assistance and opportunity	4,041,854	4,192,597
Culture and recreation	70,411,344	66,674,609
Home and community services	87,939,688	86,904,193
Interest on debt	25,301,881	24,225,844
Total Expenses	<u>313,243,015</u>	<u>311,428,661</u>
Decrease in Net Position	(32,602,801)	(39,655,751)
Net Position at Beginning of Year, as restated	(272,052,654)	(229,844,942)
*Cumulative Effect of Change in Accounting Principle	-0-	(2,551,961)
Net Position at End of Year, as restated	<u>\$ (304,655,455)</u>	<u>\$ (272,052,654)</u>

*The cumulative effect of applying GASB Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date" is shown as an adjustment to the beginning net position in 2015. See Note 6 of the audited financial statements for more details.

**Certain expenditure amounts presented in the prior year have been reclassified in order to be consistent with the current year's presentation.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Net position, from all governmental activities, decreased by \$32,602,801 in the current year. Key elements of the governmental activities are:

- The current year deficit was mainly due to an increase in the unfunded liability for other postemployment benefits in the amount of \$26,655,112, a net increase in expenses related to other litigation in the amount of \$6,767,706, the increase in the liability for compensated absences in the amount of \$1,477,660, an increase in the liability due to the Employees' Retirement System in the amount of \$2,178,076, and an increase in claims and judgments payable in the amount of \$2,320,452, offset by a decrease in landfill and post closure care costs liability of \$4,020,000 and a \$3,633,512 decrease in net pension liability – proportionate share.
- Total revenues were \$280,640,214 in 2015, an increase of \$8,867,304 from the prior year. General revenues were up overall by \$17,266,972, due primarily to an increase in real property taxes in the current year by \$17,587,091. Program revenues were down from the prior year by \$8,399,668 due to decreases in operating and capital grants. Program revenues related to the functions of transportation and home and community services decreased \$4,570,693 and \$3,826,785, respectively. This was mainly due to decreased state and federal aid related to Hurricane Sandy. Additionally, program revenues related to home and community services decreased due to reductions in state aid related to landfill and post-closure care costs.
- Total program expenses were \$313,243,015 in 2015, an increase of \$1,814,354 from the prior year. Although the overall expense increase was not significant year over year, changes within certain functions were. General government support decreased from the prior year \$1,972,269, mainly due to a decrease in the community college tuition chargeback. Transportation decreased \$3,086,423 mainly due to decreased repairs related to Hurricane Sandy. These decreases were offset by a \$3,736,735 increase in culture and recreation, which was mainly due to increases in the allocation of employee benefits and a \$1,076,037 increase of interest on debt.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2015

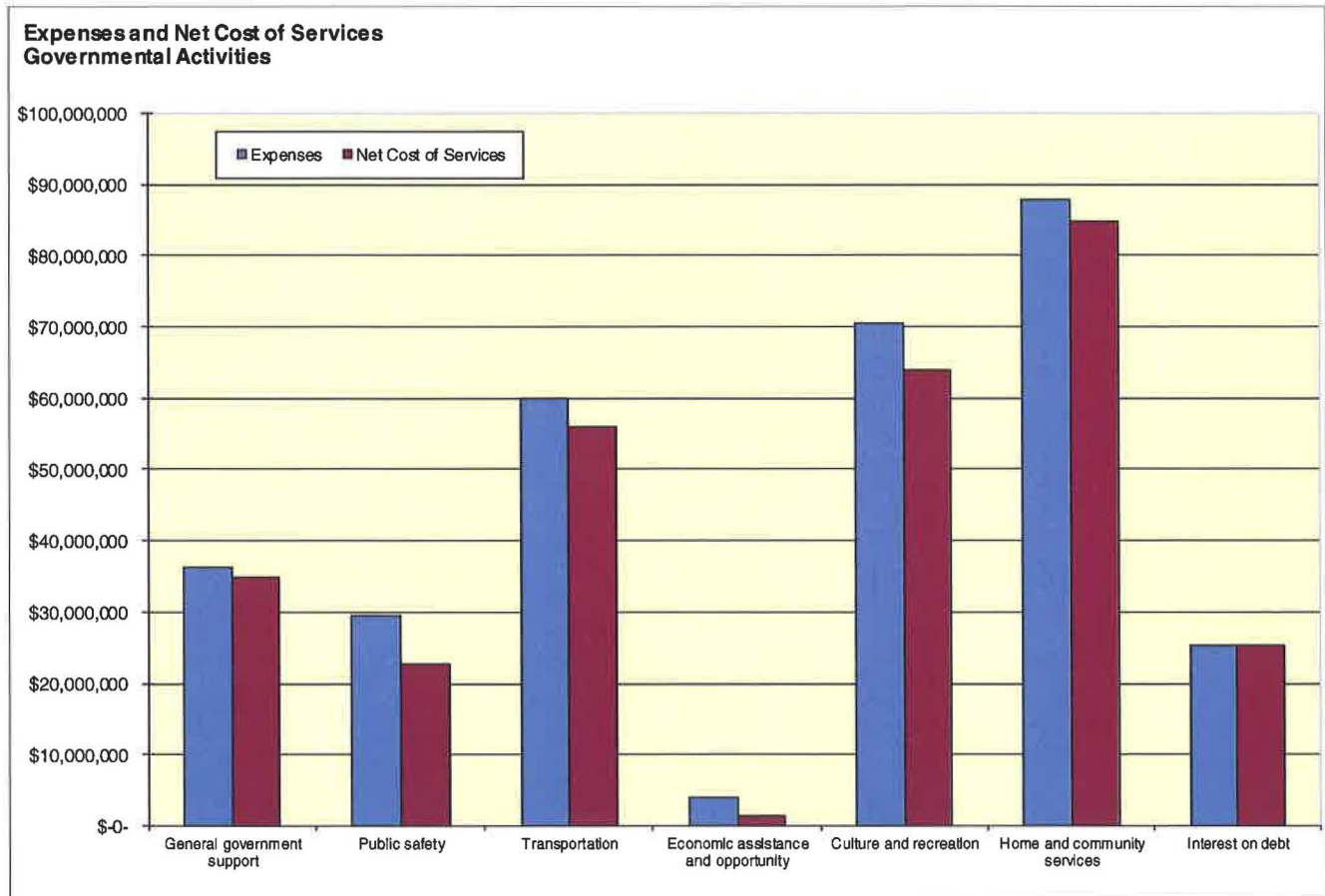
GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

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, 2015 and 2014

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
General government support	\$ 36,189,828	\$ 38,162,097	\$ 34,903,216	\$ 37,025,541
Public safety	29,462,383	28,286,861	22,764,427	22,180,960
Transportation	59,896,037	62,982,460	56,028,593	54,544,323
Economic assistance and opportunity	4,041,854	4,192,597	1,375,422	1,076,467
Culture and recreation	70,411,344	66,674,609	64,048,281	60,016,943
Home and community services	87,939,688	86,904,193	84,776,221	79,913,941
Interest on debt	25,301,881	24,225,844	25,301,881	24,225,844
	<u>\$ 313,243,015</u>	<u>\$ 311,428,661</u>	<u>\$ 289,198,041</u>	<u>\$ 278,984,019</u>

The total cost of all governmental activities this year was \$313,243,015. The net cost of these services after being subsidized by program revenues was \$289,198,041.



TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2015

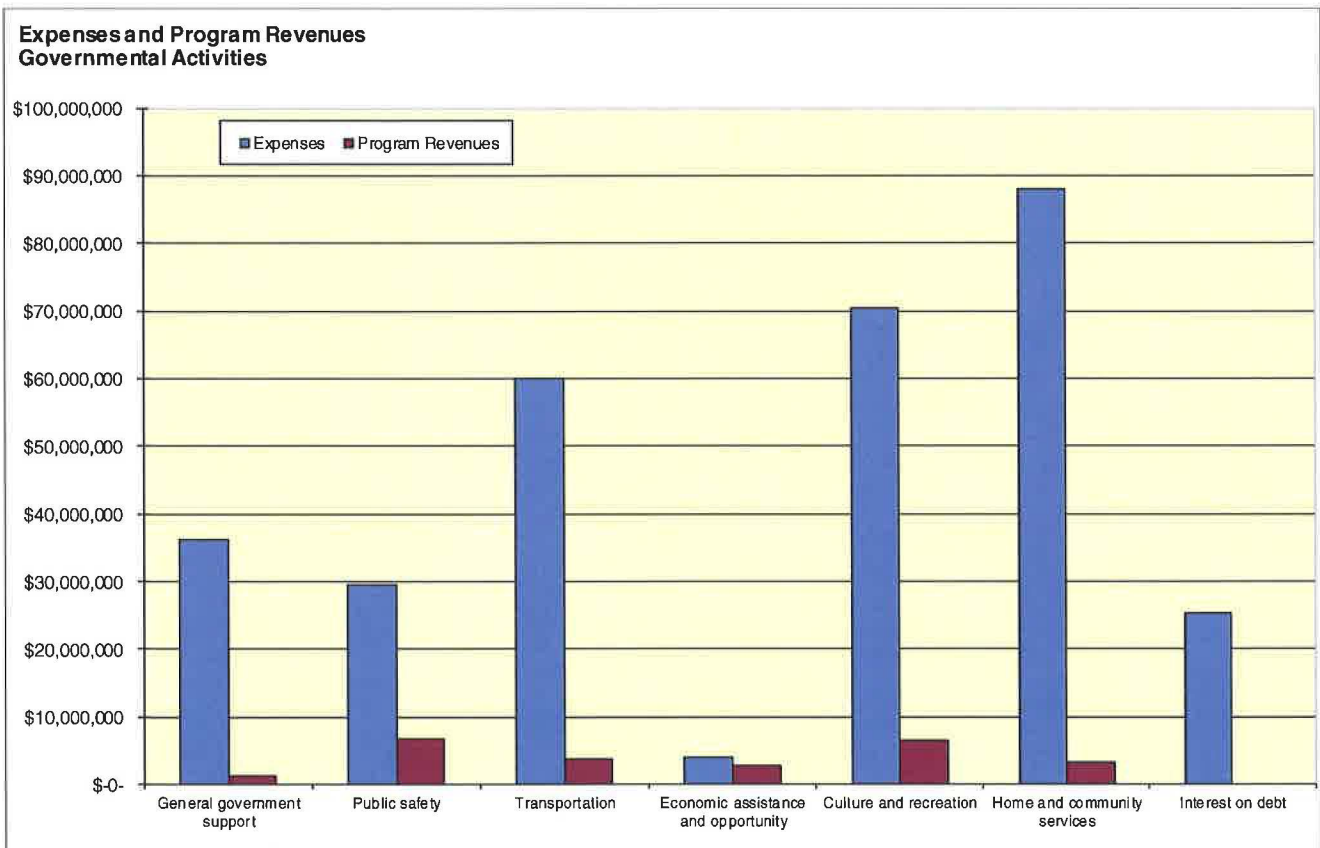
GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

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, 2015 and 2014

	Total Cost of Services		Program Revenues	
	2015	2014	2015	2014
General government support	\$ 36,189,828	\$ 38,162,097	\$ 1,286,612	\$ 1,136,556
Public safety	29,462,383	28,286,861	6,697,956	6,105,901
Transportation	59,896,037	62,982,460	3,867,444	8,438,137
Economic assistance and opportunity	4,041,854	4,192,597	2,666,432	3,116,130
Culture and recreation	70,411,344	66,674,609	6,363,063	6,657,666
Home and community services	87,939,688	86,904,193	3,163,467	6,990,252
Interest on debt	25,301,881	24,225,844		
	<u>\$ 313,243,015</u>	<u>\$ 311,428,661</u>	<u>\$ 24,044,974</u>	<u>\$ 32,444,642</u>

The total cost of all governmental activities this year was \$313,243,015. The cost of these services were subsidized by program revenues of \$24,044,974.



TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2015

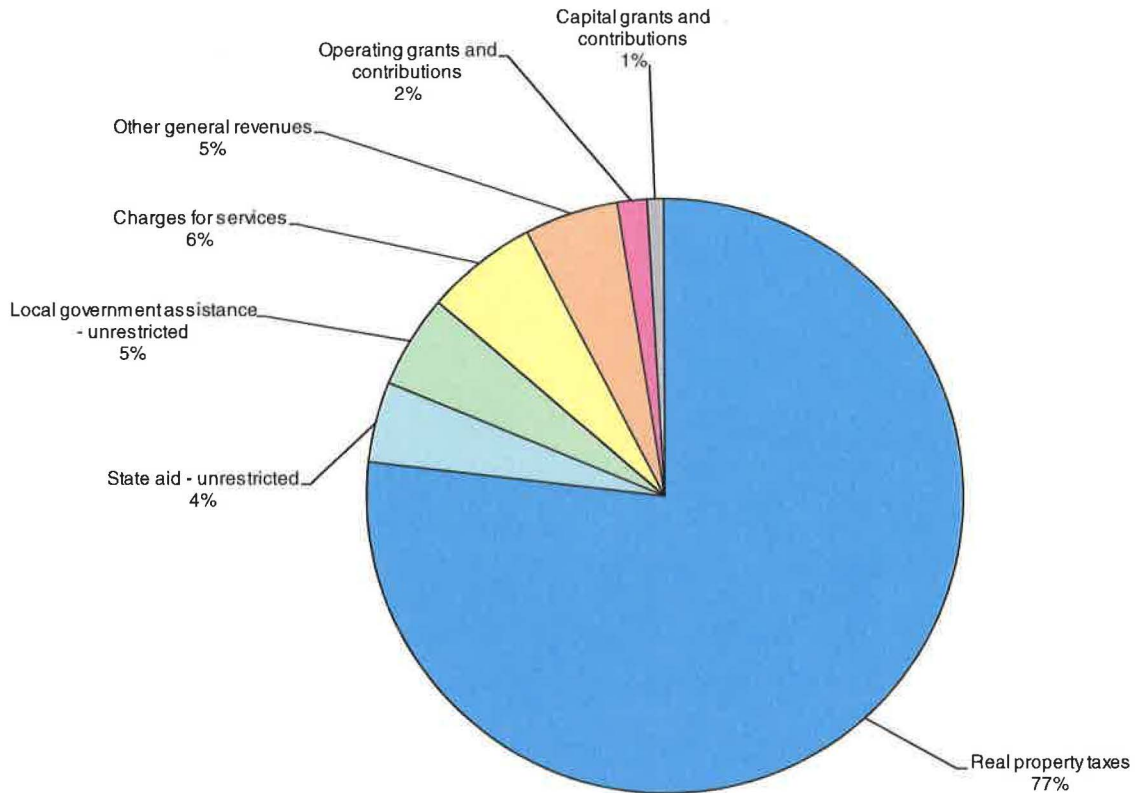
GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Revenue by Source

Governmental Activities

Year ended December 31, 2015

Real property taxes	\$ 215,667,149
State aid - unrestricted	12,311,610
Local government assistance - unrestricted	14,258,755
Charges for services	17,044,132
Other general revenues	14,357,726
Operating grants and contributions	4,535,703
Capital grants and contributions	2,465,139
	\$ 280,640,214



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, 2015

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (continued)

Governmental Funds (continued)

At December 31, 2015, the Town's governmental funds reported a total ending fund balance deficit of \$123,627,843, an increase of \$32,752,105 from the prior year deficit. The category breakdown of fund balance is as follows:

- **Nonspendable fund balance** - \$49,861,898 (inherently nonspendable) includes the portion of net resources that are not in spendable form or will not convert to cash within the current period.
- **Restricted fund balance** - \$2,849,979 (externally enforceable limitations on use) includes amounts subject to limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments.
- **Assigned fund balance** - \$30,330 (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** - \$176,370,050 (residual net resources) is the remaining total fund balance deficit in the General Fund, Highway Fund, Garbage Collection Districts Fund, Solid Waste Disposal District Fund, Capital Projects Fund, Town Outside Village Fund, Drainage District, Park Districts, Lighting Districts and Public Parking District.

The change in total governmental fund balance was due largely to the increase in the Capital Projects Fund deficit of \$30,588,043 which is due to the timing between capital project expenditures and encumbrances and their recognition of corresponding permanent financing sources. The General Fund and the Solid Waste Disposal Fund also reported increases to their fund balance deficit in the amounts of \$7,783,183 and \$1,687,415 respectively. The Town began the year with an anticipated \$187,386 decrease resulting from the appropriation of fund balance for the 2015 budget in the governmental funds. During the year the Town appropriated an additional \$6,963,939 in fund balance to fund operations.

The changes in fund balance in the General Fund, Highway Fund, Garbage Collection Districts Fund, Solid Waste Disposal District Fund, Capital Projects Fund and Nonmajor Governmental Funds are explained in their respective paragraphs below.

In the General Fund, fund deficit was increased by \$7,783,183 from \$17,507,165 to \$25,290,348. Revenues and other financing sources totaled \$114,687,448, an increase of \$4,988,420 from the prior year, while expenditures and other financing uses totaled \$122,470,631, a decrease of \$6,245,610 from the prior year. The increase in revenue is mainly due to the increase in real property taxes of \$3,184,072. The decrease in expenditures and other financing uses was mainly due to decreases in general government support and debt service expenditures. Although the Town has increased revenues and reduced expenditures from the prior year, the increase in the deficit was due to higher than originally anticipated expenditures and other financing uses of \$6,631,054. This resulted from higher than anticipated legal expenditures, hospital, medical, and dental benefits costs, debt service expenditures and transfers out.

In the Highway Fund, fund deficit was decreased by \$1,947,859 from a \$4,798,035 deficit to a \$2,850,176 deficit. Revenues totaled \$52,222,260, an increase of \$8,151,946 from the prior year, while expenditures and other financing uses totaled \$50,274,401, a decrease of \$2,515,957 from the prior year. The increase in revenue was mainly due to an increase in real property taxes of \$12,134,456 offset by decreases of federal and state aid of \$3,583,592. The decrease in expenditures and other financing uses was mainly due to the decrease in transportation expenditures of \$1,635,014 and debt service expenditures of \$2,479,323, offset by an increase of transfers out of \$1,270,578.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (continued)

Governmental Funds (continued)

In the Garbage Collection Districts Fund, the fund balance deficit was decreased by \$892,277 from a \$7,795,411 deficit to a \$6,903,134 deficit. Revenues totaled \$44,925,664, a decrease of \$1,790,860 from the prior year, while expenditures and other financing uses totaled \$44,033,387, a decrease of \$2,822,066 from the prior year. The decrease in revenue is due to litigation recoveries recognized in the prior year of \$2,436,044 offset by increases in real property taxes and payments in lieu of taxes of \$547,553. The overall decrease in expenditures and other financing uses was mainly due to a decrease in sanitation expenditures, related to a settlement paid in 2014.

In the Solid Waste Disposal District Fund, fund balance deficit was increased by \$1,687,415 from a \$13,538,272 deficit to a \$15,225,687 deficit. Revenues totaled \$30,788,567 a decrease of \$3,555,203 from the prior year, while expenditures and other financing uses totaled \$32,475,982, a decrease of \$2,269,218 from the prior year. The decrease in revenue was mainly due the decrease of state and federal aid of \$2,359,505 and the litigation recovery of \$863,956 received in the prior year. The overall decrease in expenditures and other financing uses was mainly due to a decrease in sanitation expenditures and transfers out.

In the Capital Projects Fund, the fund balance deficit was increased by \$30,588,043, from a \$50,943,968 deficit to a \$81,532,011 deficit. The 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, 2015 the Town had \$139,165,000 of bond anticipation notes outstanding to finance capital projects which is up from the prior year balance of \$84,620,000. 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 \$3,314,666. Revenues were \$71,529,622, an increase of \$2,087,500 over the prior year, while expenditures and other financing uses totaled \$68,214,956, an increase of \$112,157 over the prior year. The increase in revenue was mainly due to an increase in real property taxes of \$2,213,413. Expenditures and other financing uses amounts were relatively consistent with the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town appropriated expenditures in the original General Fund budget in excess of estimated revenues in the amount of \$1,732 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 budget for expenditures and other financing uses was increased as well by the appropriation of additional unassigned fund balance by \$4,826,924. 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, 2015

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2015 the Town had \$720,801,929, 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 expenditures in the amount of \$4,243,294. The Town's nonmajor component units had \$204,763,324 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>	<u>2015</u>	<u>2014</u>
Land	\$ 114,611,393	\$ 114,563,770
Development rights	1,306,296	1,306,296
Construction in progress	2,289,468	2,636,035
Land rights	9,296,520	9,296,520
Buildings	149,493,291	148,727,811
Improvements other than buildings	496,800,245	486,232,921
Machinery and equipment	99,169,973	96,077,823
Software	23,368,420	19,881,491
Infrastructure		
Roads, curbs and sidewalks	402,573,838	385,663,135
Drainage system	178,315,447	178,153,937
Lighting system	22,166,642	21,423,065
Total capital assets	<u>1,499,391,533</u>	<u>1,463,962,804</u>
Less: accumulated depreciation	778,589,604	725,699,534
Primary government - Total net capital assets	<u>\$ 720,801,929</u>	<u>\$ 738,263,270</u>

During 2015, the Town's capital assets were decreased by \$17,461,341. The decrease in capital assets included additions net of prior year construction in progress placed into service of \$36,431,658, offset by depreciation expense of \$53,876,306 and a loss on dispositions of \$16,693.

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>	<u>2015</u>	<u>2014</u>
Land	\$ 5,979,602	\$ 5,979,602
Construction in progress	38,403,089	36,283,030
Buildings	59,395,634	59,357,808
Improvements other than buildings	103,677,964	89,198,342
Machinery and equipment	39,816,819	39,487,928
Software	80,768	73,056
Infrastructure		
Water mains	81,648,653	80,761,038
Sewer system	1,517,692	1,517,692
Total capital assets	<u>330,520,221</u>	<u>312,658,496</u>
Less: accumulated depreciation	125,756,897	118,399,463
Component units - Total net capital assets	<u>\$ 204,763,324</u>	<u>\$ 194,259,033</u>

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

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 2016 and the next five years. (dollars in thousands):

<u>Equipment</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund	\$ 7,978	\$ 2,615	\$ 1,755	\$ 1,618	\$ 1,639	\$ 1,181
General - Part Town	1,496	400				
Highway Fund	4,647					
Special Districts	6,414	4,129	2,485	1,729	3,215	3,455
Total Equipment	<u>\$ 20,535</u>	<u>\$ 7,144</u>	<u>\$ 4,240</u>	<u>\$ 3,347</u>	<u>\$ 4,854</u>	<u>\$ 4,636</u>
<u>Improvements</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund	\$ 6,859	\$ 3,550	\$ 3,310	\$ 2,910	\$ 3,035	\$ 2,860
Highway Fund	32,675					
Special Districts	6,625	2,560	2,385	2,235	2,085	1,835
Total Improvements	<u>\$ 46,159</u>	<u>\$ 6,110</u>	<u>\$ 5,695</u>	<u>\$ 5,145</u>	<u>\$ 5,120</u>	<u>\$ 4,695</u>
Total Program	<u>\$ 66,694</u>	<u>\$ 13,254</u>	<u>\$ 9,935</u>	<u>\$ 8,492</u>	<u>\$ 9,974</u>	<u>\$ 9,331</u>

Debt Administration

Standard & Poor's has assigned long term underlying rating of BBB with a stable outlook to the Town's outstanding bonds.

At December 31, 2015, the Town had \$662,465,000 in long term general obligation bonds outstanding, of which \$598,897,181 was for general Town purposes. Also outstanding at year-end were bond anticipation notes in the amount of \$160,965,000 of which \$142,465,000 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, 2015 was 18.53%.

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, 2015

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 2016, which factors in inflation and other adjustments to revenues and expenditures as well as prior year positive and negative fund balances. The 2016 budget includes an overall increase in real property tax revenue from the prior year of .03% for the Town's overall governmental activities, which is within the Tax Cap Law limit.

The Town has adopted a budget for 2017, which factors in inflation and other adjustments to revenues and expenditures as well as prior year positive and negative fund balances. The 2017 budget includes an overall increase in real property tax revenue from the prior year of 11.48% 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 2017 calendar year.

State Aid and Local Assistance

The Town receives financial assistance from New York State and Nassau County. During 2015, financial assistance included state aid – mortgage tax \$10,629,188; state aid – per capita \$1,682,422 and County local government assistance of \$14,258,755. 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 2016 budget included similar amounts for this financial assistance.

Bond Rating

In 2016, Standard & Poor's assigned an underlying rating of BB+ with a negative outlook to the Town's outstanding bonds. Moody's withdrew its rating in January 2016 due to insufficient or otherwise inadequate information to support the maintenance of the rating, since the Town was not able to provide Moody's with audited financial statements for fiscal year 2014 as they were not complete at that time.

Collective Bargaining Agreement

The Town and the Civil Service Employees Association (CSEA) entered into a Memorandum of Agreement dated December 29, 2016, which was ratified by the members of the CSEA and the Town Board, to provide a new Collective Bargaining Agreement between the CSEA and the Town for the period January 1, 2017 through December 31, 2021. This agreement provides for the wages of the Union and exempt employees to be reduced by two percent for the period commencing with the first pay period of 2017 through the last pay period of 2018, as well as, other adjustments to benefits.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES (continued)

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.

Town Concessionaire Litigation

The Town is currently in litigation on certain matters which involve a Town concessionaire. The Town Attorney cannot predict the outcome of the pending litigations and investigation or whether any additional litigation against the Town or its officers or officials will be initiated. Additional information on this matter can be found in Note 4.C to the financial statements.

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**BASIC FINANCIAL
STATEMENTS**

TOWN OF OYSTER BAY
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF NET POSITION
December 31, 2015

	Primary Governmental Activities	Nonmajor Component Units
ASSETS		
Current Assets:		
Cash and investments	\$ 43,302,166	\$ 55,868,257
Accounts receivable, net of allowances \$424,959	4,422,440	9,308,601
State and federal aid receivables	10,578,486	
Due from other governments	5,913,279	2,631,823
Due from primary government		12,891,543
Due from component units	5,120,233	
Other assets		1,165
Inventory of material and supplies	3,118,030	721,004
Prepaid items	14,367	1,053,967
Total Current Assets	72,469,001	82,476,360
Non-Current Assets:		
State and federal aid receivables, net of current portion	7,775,563	
Due from other governments, net of current portion	20,944,170	
Non-depreciable capital assets	118,207,157	44,382,691
Depreciable capital assets, net of depreciation	602,594,772	160,380,633
Total Non-Current Assets	749,521,662	204,763,324
Total Assets	821,990,663	287,239,684
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refundings, net of accumulated amortization	6,106,033	104,239
Pensions	10,101,631	2,258,172
Total Deferred Outflows of Resources	16,207,664	2,362,411

(continued)

See notes to the financial statements.

TOWN OF OYSTER BAY
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF NET POSITION
December 31, 2015

	Primary Governmental Activities	Nonmajor Component Units
LIABILITIES		
Current Liabilities:		
Accounts payable	30,450,314	6,195,704
Accrued liabilities	9,706,426	504,998
Accrued interest payable	8,982,453	631,589
Bond anticipation notes payable	142,465,000	18,500,000
Revenue anticipation note payable	11,000,000	
Tax anticipation notes payable	19,000,000	
Due to other governments	38,268	90,311
Due to primary government		5,994,172
Grant advances	22,512	
Unearned income		141,132
Other liabilities		576,921
Non-current liabilities due within one year:		
General obligation bonds payable	54,920,985	4,817,483
Due to Employees Retirement System	3,043,895	
Compensated absences	5,138,063	327,413
Claims and judgments payable	4,982,303	
Other litigation payable	22,363,018	
Estimated liability for landfill closure and postclosure care costs	475,000	
Retirement incentive payable	11,667	
Other debt		835,000
Total Current Liabilities	312,599,904	38,614,723
Non-Current Liabilities:		
General obligation bonds payable	557,568,941	59,316,490
Due to Employees Retirement System	21,719,435	
Other postemployment benefits payable	194,019,635	25,304,919
Compensated absences	19,540,862	3,825,676
Claims and judgments payable	20,045,652	
Other litigation payable	196,000	
Estimated liability for landfill closure and postclosure care costs	5,375,000	
Net pension liability - proportionate share	10,761,642	1,623,788
Other debt		10,790,000
Total Non-Current Liabilities	829,227,167	100,860,873
Total Liabilities	1,141,827,071	139,475,596
DEFERRED INFLOWS OF RESOURCES		
Gain on refunding		33,040
Pensions	1,026,711	82,689
Total Deferred Inflows of Resources	1,026,711	115,729
NET POSITION		
Net investment in capital assets	41,720,284	129,464,447
Restricted:		
Home and community services	227,281	22,428,716
Economic assistance and opportunity	318,890	
Debt service	2,303,808	
Unrestricted (deficit)	(349,225,718)	(1,882,393)
Total Net Position	\$ (304,655,455)	\$ 150,010,770

TOWN OF OYSTER BAY
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF ACTIVITIES
Year ended December 31, 2015

Function/Program	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Government Activities:				
General government support	\$ 36,189,828	\$ 1,286,612		
Public safety	29,462,383	6,697,956		
Transportation	59,896,037	1,899,617	\$ 3,260	\$ 1,964,567
Economic assistance and opportunity	4,041,854		2,666,432	
Culture and recreation	70,411,344	6,175,419	182,745	4,899
Home and community services	87,939,688	984,528	1,683,266	495,673
Interest on debt	25,301,881			
Total Primary Government	\$ 313,243,015	\$ 17,044,132	\$ 4,535,703	\$ 2,465,139
NONMAJOR COMPONENT UNITS				
Home and community services	\$ 55,233,599	\$ 29,115,708	\$ 27,543	\$ -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

Total General Revenues

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

See notes to the financial statements.

Net (Expenses) Revenue and
Change in Net Position

	Primary Government		Nonmajor Component Units
\$	(34,903,216)		
	(22,764,427)		
	(56,028,593)		
	(1,375,422)		
	(64,048,281)		
	(84,776,221)		
	(25,301,881)		
	<u>(289,198,041)</u>		
			<u>\$ (26,090,348)</u>
\$	215,667,149	\$	23,261,564
	4,993,937		442,699
	5,308,648		
	218,014		177,267
	14,258,755		
	12,311,610		24,110
	3,837,127		8,779,912
	<u>256,595,240</u>		<u>32,685,552</u>
	<u>(32,602,801)</u>		<u>6,595,204</u>
	(269,500,693)		143,700,160
	<u>(2,551,961)</u>		<u>(284,594)</u>
	<u>(272,052,654)</u>		<u>143,415,566</u>
\$	<u>(304,655,455)</u>	\$	<u>150,010,770</u>

TOWN OF OYSTER BAY
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	MAJOR FUNDS		
	General	Highway	Garbage Collection Districts
ASSETS			
Cash and investments	\$ 16,124	\$ 101,168	\$ 7,863
Accounts receivable, net of allowances for doubtful accounts of \$424,959	2,064,878	621,546	22,202
Due from other funds		291,089	10,690,056
State and federal aid receivables	7,630,877	184,488	
Due from other governments	7,551,704	126,825	2,436,044
Due from component units			
Inventory of material and supplies	1,858,301	659,916	
Prepaid items	14,367		
Total Assets	\$ 19,136,251	\$ 1,985,032	\$ 13,156,165
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 11,394,887	\$ 1,217,963	\$ 2,800,451
Accrued liabilities	4,254,904	817,245	1,822,804
Bond anticipation notes payable			2,436,044
Revenue anticipation note payable	11,000,000		
Tax anticipation notes payable			13,000,000
Due to other governments	38,268		
Due to other funds	17,738,540	2,800,000	
Grant advances			
Total Liabilities	44,426,599	4,835,208	20,059,299
FUND BALANCES (DEFICIT)			
Nonspendable	9,209,971	1,037,229	10,690,056
Restricted			
Assigned			
Unassigned	(34,500,319)	(3,887,405)	(17,593,190)
Total Fund Balances (Deficit)	(25,290,348)	(2,850,176)	(6,903,134)
Total Liabilities and Fund Balances (Deficit)	\$ 19,136,251	\$ 1,985,032	\$ 13,156,165

See notes to the financial statements.

Solid Waste Disposal District	Debt Service	Capital Projects	Other Governmental Funds	Totals
\$ 86,730	\$ 100,628	\$ 42,462,946	\$ 526,707	\$ 43,302,166
1,642,420			71,394	4,422,440
217,885	1,664,040	9,500,000	11,150,649	33,513,719
1,855,691		8,096,546	586,447	18,354,049
909,613		41,000	949	11,066,135
		5,120,233		5,120,233
			599,813	3,118,030
				14,367
<u>\$ 4,712,339</u>	<u>\$ 1,764,668</u>	<u>\$ 65,220,725</u>	<u>\$ 12,935,959</u>	<u>\$ 118,911,139</u>
\$ 2,525,741		\$ 5,923,696	\$ 2,930,319	\$ 26,793,057
948,329			1,863,144	9,706,426
863,956		139,165,000		142,465,000
				11,000,000
6,000,000				19,000,000
				38,268
9,600,000		1,664,040	1,711,139	33,513,719
			22,512	22,512
<u>19,938,026</u>		<u>146,752,736</u>	<u>6,527,114</u>	<u>242,538,982</u>
695,885		16,539,434	11,689,323	49,861,898
	\$ 1,764,668		1,085,311	2,849,979
			30,330	30,330
<u>(15,921,572)</u>		<u>(98,071,445)</u>	<u>(6,396,119)</u>	<u>(176,370,050)</u>
<u>(15,225,687)</u>	<u>1,764,668</u>	<u>(81,532,011)</u>	<u>6,408,845</u>	<u>(123,627,843)</u>
<u>\$ 4,712,339</u>	<u>\$ 1,764,668</u>	<u>\$ 65,220,725</u>	<u>\$ 12,935,959</u>	<u>\$ 118,911,139</u>

TOWN OF OYSTER BAY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
December 31, 2015

Total Fund Balances (Deficit) - Governmental Funds \$ (123,627,843)

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	118,207,157
Capital assets - depreciable	1,381,184,376
Accumulated depreciation	(778,589,604)

Receivables in the Statement of Net Position that do not provide current financial resources are not reported as receivables in the funds	15,791,314
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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	(612,489,926)
Due to Employees Retirement System	(24,763,330)
Other postemployment benefits payable	(194,019,635)
Compensated absences	(24,678,925)
Claims and judgments payable	(25,027,955)
Other litigation payable	(22,559,018)
Estimated liability for landfill closure and postclosure care costs	(5,850,000)
Retirement incentive payable	(11,667)
Net pension liability - proportionate share	(10,761,642)

Deferred outflows of resources included in the Statement of Net Position	
Pensions	10,101,631
Deferred charges	6,106,033

Additional accounts payable included in the Statement of Net Position	(3,657,257)
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Deferred inflows of resources related to pensions included in the Statement of Net Position	(1,026,711)
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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.	(8,982,453)
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Net Position of Governmental Activities	<u>\$ (304,655,455)</u>
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TOWN OF OYSTER BAY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year ended December 31, 2015

	MAJOR FUNDS		
	General	Highway	Garbage Collection Districts
REVENUES			
Real property taxes	\$ 41,012,146	\$ 50,561,229	\$ 44,187,663
Other real property tax items	2,058,300	660,672	594,371
Non-property tax items	5,308,648		
Departmental income	6,175,851	960,006	
Intergovernmental charges	14,373,575	20,773	
Use of money and property	673,139	3	35,501
Licenses and permits	233,344		
Fines and forfeitures	640,896		
Sale of property and compensation for loss	556,529	12,661	
Miscellaneous local sources	1,303,179	9,225	103,560
Interfund revenues	29,596,471		
State aid	12,533,506	41,613	4,569
Federal aid	67,149	(43,922)	
Total Revenues	114,532,733	52,222,260	44,925,664
EXPENDITURES			
Current:			
General government support	36,654,468		
Public safety	5,376,056		
Transportation	899,859	18,003,614	
Economic assistance and opportunity	301,963		
Culture and recreation	17,188,915		
Home and community services	2,681,264		31,426,670
Employee benefits	24,526,409	5,711,835	10,497,718
Capital Outlay			
Debt Service:			
Principal			
Interest	522,426	605,233	34,331
Total Expenditures	88,151,360	24,320,682	41,958,719
Excess (Deficiency) of Revenues Over Expenditures	26,381,373	27,901,578	2,966,945
OTHER FINANCING SOURCES (USES)			
Transfers in	154,715		
Transfers out	(34,319,271)	(25,953,719)	(2,074,668)
Total Other Financing Sources (Uses)	(34,164,556)	(25,953,719)	(2,074,668)
Net Change in Fund Balances	(7,783,183)	1,947,859	892,277
Fund Balances (Deficit) at Beginning of Year	(17,507,165)	(4,798,035)	(7,795,411)
Fund Balances (Deficit) at End of Year	\$ (25,290,348)	\$ (2,850,176)	\$ (6,903,134)

See notes to the financial statements.

Solid Waste Disposal District	Debt Service	Capital Projects	Other Governmental Funds	Totals
\$ 21,497,354			\$ 58,408,757	\$ 215,667,149
455,655			1,224,939	4,993,937
				5,308,648
8,189,086			7,613,795	22,938,738
8,437				14,402,785
11,869	\$ 126,625		5,306	852,443
				233,344
				640,896
337,947			26,849	933,986
26,519	1,025,109	\$ 357,529	267,278	3,092,399
				29,596,471
256,700		1,932,299	6,860	14,775,547
5,000		175,311	3,975,838	4,179,376
<u>30,788,567</u>	<u>1,151,734</u>	<u>2,465,139</u>	<u>71,529,622</u>	<u>317,615,719</u>
	88,485			36,742,953
			15,633,738	21,009,794
			5,783,193	24,686,666
			2,614,340	2,916,303
			16,238,646	33,427,561
25,273,634			5,171,506	64,553,074
4,855,526			10,247,470	55,838,958
		35,133,901		35,133,901
	50,506,321			50,506,321
44,549	24,290,566		55,188	25,552,293
<u>30,173,709</u>	<u>74,885,372</u>	<u>35,133,901</u>	<u>55,744,081</u>	<u>350,367,824</u>
614,858	(73,733,638)	(32,668,762)	15,785,541	(32,752,105)
	74,885,372	2,080,719		77,120,806
(2,302,273)			(12,470,875)	(77,120,806)
<u>(2,302,273)</u>	<u>74,885,372</u>	<u>2,080,719</u>	<u>(12,470,875)</u>	
(1,687,415)	1,151,734	(30,588,043)	3,314,666	(32,752,105)
(13,538,272)	612,934	(50,943,968)	3,094,179	(90,875,738)
<u>\$ (15,225,687)</u>	<u>\$ 1,764,668</u>	<u>\$ (81,532,011)</u>	<u>\$ 6,408,845</u>	<u>\$ (123,627,843)</u>

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, 2015

Net Change in Fund Balance \$ (32,752,105)

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	36,431,658
Depreciation expense	(53,876,306)
Loss on dispositions	(16,693)

Net change in deferred outflows of resources not reported in the funds:	
Deferred charges on refundings	(638,639)
Pension related amounts	(1,741,561)

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:

Accounts payable	(125,553)
Due to Employees Retirement System	(2,178,076)
Other postemployment benefits payable	(26,655,112)
Other litigation payable	(22,559,018)
Compensated absences	(1,477,660)
Claims and judgments payable	(2,320,452)
Estimated liability for landfill closure and postclosure care costs	4,020,000
Retirement incentive payable	11,667
Net pension liability - proportionate share	3,633,512
Accrued interest cost	976,341

Net change in deferred inflows of resources related to pensions (1,026,711)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 17,185,586

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.

Repayment of bond principal	50,506,321
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Change in Net Position of Governmental Activities	\$ (32,602,801)
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See notes to the financial statements.

TOWN OF OYSTER BAY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2015

ASSETS	<u>Agency Funds</u>
Cash	\$ 76,903,534
Due from component units	<u>873,939</u>
Total Assets	<u><u>\$ 77,777,473</u></u>
LIABILITIES	
Due to the Comptroller of the State of New York	\$ 75
Due to the Department of Environmental Conservation of the State of New York	420
Due to the Department of Health of the State of New York	1,395
Due to the Department of Agriculture and Markets of the State of New York	137
Due to school districts	61,844,443
Due to the Treasurer of Nassau County	176,191
Due to component units	12,891,543
Other agency liabilities	<u>2,863,269</u>
Total Liabilities	<u><u>\$ 77,777,473</u></u>

See notes to the financial statements.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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 and Comptroller 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 and non-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, 2015

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, receivables, and deferred outflows of resources as well as long-term debt and obligations and deferred inflows of resources. 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, 2015

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 source of revenue is real property taxes.

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

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, 2015

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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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.

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 collectable within 60 days after the year end. The Town generally considers all other revenues available if they are collectable 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 will remain uncollected after one year, the Town classifies 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) principal and interest on indebtedness are recognized as expenditures when due; (b) other long-term liabilities 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' primary governmental activities column, reconciliations are 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, 2015

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 (expenditure/expense) 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 activities. The Town also reports amounts related to pensions, which consists of differences between the pension plans expected and actual experience, net differences between the pension plans projected and actual investment earnings, and contributions made subsequent to the measurement date.

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. The Town reports deferred inflows of resources associated with its pension and the amounts that are derived from the changes in proportion and differences between the Town's contributions and proportionate share of contributions.

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, 2015

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, other litigation payable, estimated liability for landfill closure and post closure costs, retirement incentive payable, net pension liability, 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 55.5% 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, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

10. Benefits

Eligible Town employees participate in the New York State and Local Employees' Retirement System.

Town employees may choose to participate in the Town's elective deferred compensation plans established under Internal Revenue Code Section 457.

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 with at least five consecutive years of service 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 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."

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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)

In the fund financials 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), (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).

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 and 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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, 2015, the Town adopted:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date*. These Statements establish financial reporting standards for state and local governments which have defined benefit and defined contribution pension plans that are measuring and recognizing liabilities, deferred outflows or resources, deferred inflows of resources and expense/expenditures as related to defined benefit and contribution plans. The implementation of these Statements resulted in reporting a restatement of the Town's net position (See Note 6) and required additional note disclosure as well as required supplementary information.

16. Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date of the independent auditor's report, which is the date the financial statements were available to be issued.

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, 2015, 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 fund balance in the General Fund would be decreased by \$30,025,000 and total liabilities would be increased respectively. In addition, the net position on the Statement of Net Position would be decreased by the same amount.

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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

- 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.
- 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. 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.
- 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. 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, 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 2015 budget included an overall increase in real property tax revenue from the prior year of 8.83% 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 2015 calendar year.

B. Noncompliance with Legal Provisions

During 2015, General Fund expenditures caused an overdraw of the Town's cash resources resulting in the temporary use of proceeds of general obligations in the Capital Fund. Such use of Capital Fund monies is not authorized under Section 165.00 of the Local Finance Law. This transaction was recorded as an interfund receivable and payable between the General Fund and the Capital Fund as of December 31, 2015.

In May 2015, the Town issued tax anticipation notes in anticipation of the collection of the second half 2015 real property taxes or assessments of the Town. Upon collection of these taxes and assessments, these monies were not set aside for the repayment of the notes and instead used for operating purposes, which is a violation of Local Finance Law Section 24.

C. 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, 2015

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

C. 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
Fund Balances:								
Nonspendable:								
Long-term receivables	\$ 7,337,303	\$ 377,313	\$ 10,690,056	\$ 695,885		\$ 16,539,434	\$ 11,089,510	\$ 46,729,501
Inventory	1,858,301	659,916					599,813	3,118,030
Prepaid items	14,367							14,367
Total Nonspendable	<u>9,209,971</u>	<u>1,037,229</u>	<u>10,690,056</u>	<u>695,885</u>	<u>\$ -0-</u>	<u>16,539,434</u>	<u>11,689,323</u>	<u>49,861,898</u>
Restricted for:								
Debt service					1,764,668		539,140	2,303,808
Grantor restrictions							546,171	546,171
Total Restricted	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,764,668</u>	<u>-0-</u>	<u>1,085,311</u>	<u>2,849,979</u>
Assigned to:								
Fire protection districts							5,598	5,598
Water districts							24,732	24,732
Total Assigned	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>30,330</u>	<u>30,330</u>
Unassigned, reported in								
General fund	(34,500,319)							(34,500,319)
Special revenue funds		(3,887,405)	(17,593,190)	(15,921,572)			(6,396,119)	(43,798,286)
Capital Projects fund						(98,071,445)		(98,071,445)
Total Unassigned	<u>(34,500,319)</u>	<u>(3,887,405)</u>	<u>(17,593,190)</u>	<u>(15,921,572)</u>	<u>-0-</u>	<u>(98,071,445)</u>	<u>(6,396,119)</u>	<u>(176,370,050)</u>
Total Fund Balances (Deficits)	<u>\$ (25,290,348)</u>	<u>\$ (2,850,176)</u>	<u>\$ (6,903,134)</u>	<u>\$ (15,225,687)</u>	<u>\$ 1,764,668</u>	<u>\$ (81,532,011)</u>	<u>\$ 6,408,845</u>	<u>\$ (123,627,843)</u>

D. Deficit Fund Equity

Individual funds with total fund deficits as of December 31, 2015 were as follows:

	Total Fund Balance (Deficit)
General Fund	\$ (25,290,348)
Highway Fund	(2,850,176)
Garbage Collection Districts	(6,903,134)
Solid Waste Disposal District	(15,225,687)
Capital Projects Fund	(81,532,011)
Public Parking District	(1,760,698)

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

D. Deficit Fund Equity (continued)

The General Fund carried forward a deficit of \$17,507,165. The deficit further increased in 2015 due to higher than originally anticipated expenditures of \$6,631,054 which was primarily due to higher than anticipated hospital, medical, and dental benefits, legal expenditures and debt service expenditures. The Town anticipates eliminating this deficit through reductions in expenditures combined with increases to program revenue, allowing for increases in property taxes where necessary.

The Highway Fund carried forward a deficit of \$4,798,035 from the prior year. In the current year, the Town was able to decrease this deficit by maintaining expenditures lower than budgeted amounts. The Town had originally budgeted \$52,137,553 in expenditures and other financing uses and expended \$50,274,401 which resulted in an original positive budget variance of \$1,863,152. The Town anticipates continuing to eliminate this deficit through reductions in expenditures combined with increases to program revenue, allowing for increases in property taxes where necessary.

The Garbage Collection District carried forward a deficit of \$7,795,411 from the prior year. In the current year, the Town was able to decrease this deficit through positive budgetary results. The Town had originally budgeted \$44,456,551 in expenditures and other financing uses and expended \$44,033,387 which resulted in a positive budget variance of \$423,164. In addition, the Town recognized revenues in excess of originally budgeted amounts of \$469,113 which was mainly due to unanticipated PILOT payments. The Town anticipates continuing to eliminate this deficit through reductions in expenditures combined with increases to program revenue, allowing for increases in property taxes where necessary.

The Solid Waste Disposal District carried forward a deficit of \$13,538,272 from the prior year. The increase in the deficit is due to lower than anticipated revenues. The lower than anticipated revenues of \$1,760,373 was the result of lower than anticipated departmental income of \$1,210,914 and state aid – other of \$776,552. The Town anticipates eliminating this deficit through reductions in expenditures combined with increases to program revenue, allowing for increases in property taxes where necessary.

The Capital Projects Fund carried forward a deficit of \$50,943,968 from the prior year. 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 Public Parking District's carried forward a deficit of \$2,049,632 from the prior year. The Town was able to decrease this deficit by maintaining expenditures lower than budgeted amounts. The Town had originally budgeted \$8,572,345 in expenditures and other financing uses and expended \$8,302,567 which resulted in a positive budget variance of \$269,778. The Town anticipates continuing to eliminate this deficit through reductions in expenditures combined with increases to program revenue, allowing for increases in property taxes where necessary.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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).

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

	Governmental Funds	Fiduciary Funds		
		Town Agency	Town Clerk	Receiver of Taxes
Cash:				
Demand Deposits	\$ 20,540,410	\$ 14,375,232	\$ 35,175	\$ 62,492,527
Money Market	22,753,671			
Total Cash	<u>43,294,081</u>	<u>14,375,232</u>	<u>35,175</u>	<u>62,492,527</u>
Cash on Hand:				
Petty Cash	8,085			600
	<u>\$ 43,302,166</u>	<u>\$ 14,375,232</u>	<u>\$ 35,175</u>	<u>\$ 62,493,127</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 are to 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, 2015, the Town's bank deposit balances were \$122,718,446. Of these balances, \$41,288,233 was covered by the Federal Deposit Insurance Corporation, \$10,676,196 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, \$28,246,275 was covered by collateral held by the Town's agent, a third-party financial institution, in the Town's name, \$42,503,664 was collateralized with securities held by the pledging financial institution, or its trust, in the name of the Town and \$4,078 was uncollateralized.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

As of December 31, 2015, 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, 2015, the Town's nonmajor component units bank deposit balances were \$52,551,310. Of these balances, \$6,015,824 was covered by Federal Deposit Insurance Corporation, \$33,180,889 was covered by collateral held by the nonmajor component unit's agent, a third-party financial institution, in the nonmajor component unit's name, \$13,354,597 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 \$4,634,255.

B. Interfund Receivables, Payables and Transfers

Interfund receivable and payable balances for the Town at December 31, 2015 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		\$ 17,738,540
Highway Fund	\$ 291,089	2,800,000
Garbage Collection Districts	10,690,056	
Solid Waste Disposal District	217,885	9,600,000
Debt Service	1,664,040	
Capital Projects Fund	9,500,000	1,664,040
Total Major Funds	22,363,070	31,802,580
Nonmajor Funds:		
Town Outside Village Fund	3,016,596	
Special Grants Fund		61,139
Drainage District	2,160,426	
Park Districts	3,380,834	
Fire Protection Districts	800,000	
Lighting District	1,738,371	
Public Parking District	54,422	1,650,000
Total Nonmajor Funds	11,150,649	1,711,139
Total	\$ 33,513,719	\$ 33,513,719

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

B. Interfund Receivables, Payables and Transfers (continued)

Interfund transfer balances for the Town at December 31, 2015 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>
Major Funds:		
General Fund - Townwide	\$ 154,715	\$ 34,319,271
Highway Fund		25,953,719
Garbage Collection Districts		2,074,668
Solid Waste Disposal District		2,302,273
Debt Service Fund	74,885,372	
Capital Projects Fund	2,080,719	
Total Major Funds	<u>77,120,806</u>	<u>64,649,931</u>
Nonmajor Funds:		
Town Outside Village Fund		309,468
Drainage District		1,547,928
Park Districts		5,071,482
Lighting District		360,328
Public Parking District		5,181,669
Total Nonmajor Funds	<u>-0-</u>	<u>12,470,875</u>
Total	<u>\$ 77,120,806</u>	<u>\$ 77,120,806</u>

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

Primary government	Balance 1/1/15	Additions	Deletions	Balance 12/31/15
Capital assets not being depreciated				
Land	\$ 114,563,770	\$ 47,623		\$ 114,611,393
Development rights	1,306,296			1,306,296
Construction in progress	2,636,035	4,169,517	\$ 4,516,084	2,289,468
Total capital assets not being depreciated	<u>118,506,101</u>	<u>4,217,140</u>	<u>4,516,084</u>	<u>118,207,157</u>
Depreciable capital assets				
Land rights	9,296,520			9,296,520
Buildings	148,727,811	765,480		149,493,291
Improvements other than buildings	486,232,921	10,567,324		496,800,245
Machinery and equipment	96,077,823	4,095,079	1,002,929	99,169,973
Software	19,881,491	3,486,929		23,368,420
Infrastructure				
Roads, curbs and sidewalks	385,663,135	16,910,703		402,573,838
Drainage system	178,153,937	161,510		178,315,447
Lighting system	21,423,065	743,577		22,166,642
Total depreciable capital assets	<u>1,345,456,703</u>	<u>36,730,602</u>	<u>1,002,929</u>	<u>1,381,184,376</u>
Less accumulated depreciation				
Land rights	3,190,943	686,507		3,877,450
Buildings	38,100,185	4,496,663		42,596,848
Improvements other than buildings	270,016,033	17,169,081		287,185,114
Machinery and equipment	67,382,994	7,862,534	986,236	74,259,292
Software	5,688,652	2,442,604		8,131,256
Infrastructure				
Roads, curbs and sidewalks	155,239,619	19,822,812		175,062,431
Drainage system	169,473,874	1,044,539		170,518,413
Lighting system	16,607,234	351,566		16,958,800
Total accumulated depreciation	<u>\$ 725,699,534</u>	<u>\$ 53,876,306</u>	<u>\$ 986,236</u>	<u>778,589,604</u>
Total net depreciable capital assets				<u>602,594,772</u>
Total net capital assets				<u>\$ 720,801,929</u>

Depreciation expense was charged to governmental functions as follows:

General government support	\$ 6,688,423
Public safety	447,926
Transportation	24,475,254
Culture and recreation	16,386,661
Home and community services	5,878,042
Total governmental activities depreciation expense	<u>\$ 53,876,306</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, 2015, the Town has not recorded any such impairment losses.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (continued)

Discretely presented component units	Balance 1/1/15	Additions	Deletions	Balance 12/31/15
Capital assets not being depreciated				
Land	\$ 5,979,602			\$ 5,979,602
Construction in progress	36,283,030	\$ 13,569,617	\$ 11,449,558	38,403,089
Total capital assets not being depreciated	<u>42,262,632</u>	<u>13,569,617</u>	<u>11,449,558</u>	<u>44,382,691</u>
Depreciable capital assets				
Buildings	59,357,808	37,826		59,395,634
Improvements other than buildings	89,198,342	14,494,381	14,759	103,677,964
Machinery and equipment	39,487,928	734,479	405,588	39,816,819
Software	73,056	7,712		80,768
Infrastructure				
Water mains	80,761,038	871,353	(16,262)	81,648,653
Sewer system	1,517,692			1,517,692
Total depreciable capital assets	<u>270,395,864</u>	<u>16,145,751</u>	<u>404,085</u>	<u>286,137,530</u>
Less accumulated depreciation				
Buildings	18,532,035	1,468,623		20,000,658
Improvements other than buildings	30,910,276	3,243,128	690	34,152,714
Machinery and equipment	26,890,782	1,770,755	442,936	28,218,601
Software	56,527	5,314		61,841
Infrastructure				
Water mains	41,156,043	1,286,845	(808)	42,443,696
Sewer system	853,800	25,587		879,387
Total accumulated depreciation	<u>\$ 118,399,463</u>	<u>\$ 7,800,252</u>	<u>\$ 442,818</u>	<u>125,756,897</u>
Total net depreciable capital assets				<u>160,380,633</u>
Total net capital assets				<u>\$ 204,763,324</u>

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

Home and community services	<u>\$ 7,800,252</u>
Total discretely presented component unit depreciation expense	<u>\$ 7,800,252</u>

D. Indebtedness

Short-term Debt

Bond Anticipation Notes (BANs) – Bond anticipation notes (BANs) are generally used as a temporary means of financing capital expenditures in the Capital Projects Fund. Additionally, BANs were issued for litigation settlement in the Garbage Collection Districts and Solid Waste Disposal District. 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. 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 .95% to 2.00% and were due at various dates through 2016, and were renewed at maturity.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Short-term Debt (continued)

These notes are summarized by purpose as follows:

	Balance 1/1/15	Issued	Redeemed	Balance 12/31/15
Primary Government:				
Garbage Collection Districts	\$ 2,436,044			\$ 2,436,044
Solid Waste Disposal District	863,956			863,956
Capital Projects Fund:				
General Fund - Townwide	33,245,025	\$ 14,352,663	\$ 1,900,000	45,697,688
Highway Fund	43,914,828	30,194,631		74,109,459
Garbage Collection Districts	830,844	4,136,431		4,967,275
Solid Waste Disposal District	2,537,012	1,304,028		3,841,040
Town Outside Village Fund	1,374,117	1,903,672		3,277,789
Drainage District	17,033			17,033
Park Districts	2,134,315	4,407,923		6,542,238
Lighting District	166,229	128,474		294,703
Public Parking District	400,597	17,178		417,775
Total Capital Projects Fund	<u>84,620,000</u>	<u>56,445,000</u>	<u>1,900,000</u>	<u>139,165,000</u>
Total Primary Government	<u>87,920,000</u>	<u>56,445,000</u>	<u>1,900,000</u>	<u>142,465,000</u>
Component Units:				
Locust Valley Water District	2,000,000	3,715,000		5,715,000
Jericho Water District		3,000,000		3,000,000
So. Farmingdale Water District		1,285,000		1,285,000
Bethpage Water District	7,000,000	1,500,000		8,500,000
Total Component Units	<u>9,000,000</u>	<u>9,500,000</u>	<u>-0-</u>	<u>18,500,000</u>
Total Bond Anticipation Notes	<u>\$ 96,920,000</u>	<u>\$ 65,945,000</u>	<u>\$ 1,900,000</u>	<u>\$ 160,965,000</u>

Revenue Anticipation Notes (RANs) – This note was issued as a temporary means of financing a cash flow deficit in the General Fund for 2015. This RAN, with an interest rate of 2.0% was redeemed on March 25, 2016 from local government assistance revenue collected.

These notes are summarized as follows:

	Balance 1/1/15	Issued	Redeemed	Balance 12/31/15
Primary Government:				
General Fund - Townwide	\$ 10,000,000	\$ 11,000,000	\$ 10,000,000	\$ 11,000,000

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Short-term Debt (continued)

Tax Anticipation Notes (TANs) – The General and Highway Fund notes were issued as a temporary means of financing a cash flow deficit for 2014. These TANs, with interest rates ranging from 0.23% to 1.00%, were redeemed on March 27, 2015 from ad valorem taxes. The Garbage Collection and Solid Waste Disposal notes were issued as a temporary means of financing a cash flow deficit for 2015. These TANs, with an interest rate of 1.5%, were redeemed on March 25, 2016 from ad valorem taxes.

	Balance 1/1/15	Issued	Redeemed	Balance 12/31/15
Primary Government:				
General Fund - Townwide	\$ 10,000,000		\$ 10,000,000	
Highway Fund	10,000,000		10,000,000	
Garbage Collection Districts		\$ 13,000,000		\$ 13,000,000
Solid Waste Disposal District		6,000,000		6,000,000
Total Tax Anticipation Notes	\$ 20,000,000	\$ 19,000,000	\$ 20,000,000	\$ 19,000,000

Long-term Debt

Summary of changes in long-term debt transactions for the year ended December 31, 2015 is as follows:

	Balance 1/1/15 (Restated)	Increases	Reductions	Balance 12/31/15	Non-current liabilities due within one year	Non-current liabilities
Primary Government:						
General obligation bonds payable	\$ 649,403,502		\$ 50,506,321	\$ 598,897,181	\$ 53,513,713	\$ 545,383,468
Plus premiums on issuance	15,000,017		1,407,272	13,592,745	1,407,272	12,185,473
Total general obligation bonds	664,403,519		51,913,593	612,489,926	54,920,985	557,568,941
Due to Employees' Retirement System	22,585,254	\$ 4,773,406	2,595,330	24,763,330	3,043,895	21,719,435
Other postemployment benefits payable	167,364,523	36,864,629	10,209,517	194,019,635		194,019,635
Compensated absences	23,201,265	2,513,124	1,035,464	24,678,925	5,138,063	19,540,862
Claims and judgments payable	22,707,503	7,172,189	4,851,737	25,027,955	4,982,303	20,045,652
Other litigation payable		22,559,018		22,559,018	22,363,018	196,000
Estimated liability for landfill closure and post-closure care costs	9,870,000		4,020,000	5,850,000	475,000	5,375,000
Retirement incentive payable	23,334		11,667	11,667	11,667	
Net pension liability - proportionate share	14,395,154	11,696,366	15,329,878	10,761,642		10,761,642
Total non-current liabilities	\$ 924,550,552	\$ 85,578,732	\$ 89,967,186	\$ 920,162,098	\$ 90,934,931	\$ 829,227,167
Component Units:						
General obligation bonds payable	\$ 68,017,877		\$ 4,450,058	\$ 63,567,819	\$ 4,791,287	\$ 58,776,532
Plus premiums on issuance	550,084	\$ 42,266	26,196	566,154	26,196	539,958
Total general obligation bonds	68,567,961	42,266	4,476,254	64,133,973	4,817,483	59,316,490
Due to Employees' Retirement System	172,358		172,358	-		
Other postemployment benefits payable	21,695,649	5,203,707	1,594,437	25,304,919		25,304,919
Compensated absences	4,069,071	501,509	417,491	4,153,089	327,413	3,825,676
Net pension liability - proportionate share	1,443,524	991,224	810,960	1,623,788		1,623,788
Other debt	12,435,000		810,000	11,625,000	835,000	10,790,000
Total non-current liabilities	\$ 108,383,563	\$ 6,738,706	\$ 8,281,500	\$ 106,840,769	\$ 5,979,896	\$ 100,860,873

The balances restated as of January 1, 2015 relate to the adoption and application of applying GASB Statements No. 68 and 71 which have restated the beginning balance of the net pension liability – proportionate share.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Long-term Debt (continued)

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 1.023% to 5.20% and have maturity dates in 2016 through 2043. The original amount borrowed for debt currently outstanding was \$890,055,832.

A summary of these bonds by purpose is as follows:

	Balance 1/1/15	Issued	Redeemed	Balance 12/31/15
Primary Government:				
General Fund - Townwide	\$ 291,070,303		\$ 21,132,022	\$ 269,938,281
Highway Fund	214,774,984		17,889,946	196,885,038
Garbage Collection Districts	17,165,225		1,417,679	15,747,546
Solid Waste Disposal District	20,521,402		1,504,641	19,016,761
Town Outside Village Fund	2,566,672		216,899	2,349,773
Drainage District	5,545,343		1,364,090	4,181,253
Park Districts	41,383,781		3,551,572	37,832,209
Lighting District	2,877,141		251,070	2,626,071
Public Parking District	53,498,651		3,178,402	50,320,249
Total Primary Government	649,403,502	\$ -0-	50,506,321	598,897,181
Component Units:				
Massapequa Water District	5,031,313		410,983	4,620,330
Plainview Water District	19,217,422		1,320,254	17,897,168
Locust Valley Water District	4,377,000		206,000	4,171,000
Oyster Bay Water District	3,577,669		338,515	3,239,154
Jericho Water District	6,620,000		298,000	6,322,000
So. Farmingdale Water District	13,291,920		808,644	12,483,276
Bethpage Water District	12,719,600		658,600	12,061,000
Oyster Bay Sewer District	3,182,953		409,062	2,773,891
Total Component Units	68,017,877	-0-	4,450,058	63,567,819
Total General Obligation Bonds	\$ 717,421,379	\$ -0-	\$ 54,956,379	\$ 662,465,000

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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 primary government is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
For years ending December 31, 2016	\$ 53,513,713	\$ 20,708,270	\$ 74,221,983
2017	54,683,196	19,007,204	73,690,400
2018	53,768,458	17,221,166	70,989,624
2019	51,526,952	15,480,942	67,007,894
2020	52,718,461	13,641,949	66,360,410
2021 - 2025	206,456,965	45,262,114	251,719,079
2026 - 2030	114,321,436	11,611,731	125,933,167
2031 - 2035	10,848,000	568,876	11,416,876
2036 - 2040	640,000	88,399	728,399
2041 - 2043	420,000	15,219	435,219
Totals	<u>\$ 598,897,181</u>	<u>\$ 143,605,870</u>	<u>\$ 742,503,051</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
For years ending December 31, 2016	\$ 4,791,287	\$ 2,264,224	\$ 7,055,511
2017	4,641,804	2,099,970	6,741,774
2018	4,526,542	1,938,365	6,464,907
2019	4,263,048	1,782,653	6,045,701
2020	4,161,539	1,630,741	5,792,280
2021 - 2025	21,353,035	5,899,253	27,252,288
2026 - 2030	17,253,564	2,214,702	19,468,266
2031 - 2035	2,577,000	103,080	2,680,080
Totals	<u>\$ 63,567,819</u>	<u>\$ 17,932,988</u>	<u>\$ 81,500,807</u>

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Long-term Debt (continued)

Retirement Incentive Payable – Starting in 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 \$11,667 of the retirement incentive in 2015. The remaining portion of the retirement incentive of \$11,667 will be paid in 2016.

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, net pension liability, other litigation payable, and retirement incentive payable are liquidated through future budgetary appropriations in the funds that gave rise to the liability.

Nonmajor Component Unit Debt

One of the Town's nonmajor component units has issued serial bonds not guaranteed by the Town to finance improvements to that district. The outstanding serial bonds of \$11,625,000 have been included under the caption "Other debt" because the Town does not bear any responsibility with respect to this debt in its repayment.

E. Retirement System

Plan Description

The Town of Oyster Bay participates in the New York State and Local Employees' Retirement System ("System"). This is a cost-sharing multiple-employer defined benefit retirement system. The net position of the System is held in the New York Common Retirement Fund ("Fund"), which was established to hold all net assets and record changes in fiduciary net position allocated to the system. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("RSSL"). Once a public employer elects to participate in the System, the election is irrevocable.

The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan ("GLIP"), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report may be found at <http://www.osc.state.ny.us/retire/publications/index.php> or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244-0001.

Obligation of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). 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.

Benefits Provided

The System provides retirement benefits as well as death and disability benefits.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Benefits Provided (continued)

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit, there is no minimum service requirement. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 and Tier 2, is 55 and 62 respectively.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2% of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 1 members who joined on or after June 17, 1971, each year of final average salary is limited to no more than 20% of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% of the average of the previous two years.

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit calculation: Generally the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2% of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5% of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years. For Tier 3, 4, and 5 members, each year of final average salary is limited to no more than 10% of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 members is age 63 for System members.

Benefit calculation: Generally, the benefit is 1.67% of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75% of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2% of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Tier 6 (continued)

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10% of the average of the previous four years.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 members, the accidental disability benefit is a pension of 75% of final average salary, with an offset for any workers' compensation benefits received. The benefit for eligible Tier 3, 4 and 5 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first \$50,000 of an ordinary death benefit is paid in the form of group life term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post-Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: 1) all pensioners who have attained age 62 and have been retired for five years; 2) all pensioners who have attained age 55 and have been retired for ten years; 3) all disability pensioners, regardless of age, who have been retired for five years; 4) recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and 5) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed \$18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50% of the annual consumer price index as published by the U.S. Bureau of Labor, but cannot be less than 1% or exceed 3%.

Contributions

Plan members who joined the system before July 27, 1976 are not required to make contributions. Those joining after July 27, 1976 and before January 1, 2010 with less than ten years of membership are required to contribute 3% of their annual salary. Those joining on or after January 1, 2010 and before April 1, 2012 are required to contribute 3% of their salary for System members throughout active membership. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, depending upon their salary, throughout active membership. Under the authority of the NYSRSSL, the Comptroller shall certify annually the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's year ended March 31.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Contributions (continued)

The actual contributions were equal to 100% of the actuarially required amounts. The credits and miscellaneous adjustments represent modifications made by the System to the prior year's contributions due to differences between estimated and actual salaries for the plan year. Amortization payments relate to the pension related debt, as discussed below. The required contributions as billed by the Plan, for the Town, 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
2015	\$ 15,731,608	\$ 1,414,982	\$ (2,619,285)	\$ (1,449,204)	\$ 13,078,101
2014	17,713,824	1,414,984	(4,898,263)	(904,680)	13,325,865
2013	16,653,827	1,414,983	(6,444,139)	1,020,331	12,645,002

Funding Policy

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 deferred amount 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 2015, the Town paid \$335,921 toward this program and has a remaining liability at December 31, 2015 of \$2,731,896.

In addition, pursuant to Chapter 57 of the Laws of 2010, the Town's total deferred amount related to the 2012 fiscal year was \$6,895,103 and will be billed and paid over ten years beginning in 2014 and will include interest at 3.00%. During 2015, the Town paid \$619,507 toward this program and has a remaining liability at December 31, 2015 of \$5,674,133.

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 deferred amount 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%. During 2015, the Town paid \$415,472 toward this program and has a remaining liability at December 31, 2015 of \$5,742,071.

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 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 2014 fiscal year is \$4,525,561. The cost of the program is billed and paid over twelve years beginning in 2016 and will include interest at 3.50%.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Funding Policy (continued)

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 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 deferred amount related to the 2015 fiscal year is \$4,773,406. The cost of the program is billed and paid over twelve years beginning in 2017 and will include interest at 3.31%.

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 in 2010. The cost of the program is billed and paid over five years beginning with 2012 and will include interest at 7.5%. During 2015, the Town paid \$1,224,430 toward this program and has a remaining liability at December 31, 2015 of \$1,316,263.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total Principal and Interest</u>
For years ending December 31, 2016	\$ 3,043,895	\$ 745,686	\$ 3,789,581
2017	2,117,365	745,698	2,863,063
2018	2,189,627	673,435	2,863,062
2019	2,264,373	598,689	2,863,062
2020	2,341,697	521,366	2,863,063
2021 - 2025	9,919,674	1,426,115	11,345,789
2026 - 2028	2,886,699	162,332	3,049,031
Totals	<u>\$ 24,763,330</u>	<u>\$ 4,873,321</u>	<u>\$ 29,636,651</u>

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

Below is the Town's proportionate share of the net pension liability of the System and its related employer allocation percentage.

<u>Measurement Date</u>	<u>Net Pension Liability</u>	<u>Allocation of the System's Total Net Liability</u>
March 31, 2015	\$ 10,761,642	0.3185572%

The net pension liability was determined by an actuarial valuation as of April 1, 2014 and was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members. There was no significant change in the Town's proportionate share from March 31, 2014 to March 31, 2015.

For the year ended December 31, 2015, the Town recognized pension expense of \$9,461,950. At December 31, 2015 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension (continued)

Deferred Outflows of Resources:

Difference between expected and actual experience	\$	344,492
Net difference between projected and actual investment earnings on pension plan investments		1,869,161
Contributions made subsequent to the measurement date		7,887,978
Total Deferred Outflows of Resources - pension amounts	\$	10,101,631

Deferred Inflows of Resources:

Changes in proportion and differences between the Town's contributions and proportionate share of contributions	\$	1,026,711
Total Deferred Inflows of Resources - pension amounts	\$	1,026,711

Deferred outflows of resources related to pensions resulting from the Town's contribution subsequent to the measurement date in the amount of \$7,887,978 will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended March 31, 2016	\$	296,736
2017		296,736
2018		296,735
2019		296,735
		\$ 1,186,942

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Actuarial Valuation Date	April 1, 2014
Investment rate of return, including inflation	7.50%
Salary scale:	
Inflation	2.70%
Productivity and merit	2.20%
Total Salary scale	4.90%
Inflation rate	2.70%
Cost of living adjustments	1.40%
Decrement tables	April 1, 2005 - March 2010 System's Experience

Annuitant mortality rates are based on the April 1, 2005 – March 31, 2010 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2014.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Actuarial Assumptions (continued)

The actuarial assumptions used in the April 1, 2014 valuation are based on the results of an actuarial experience study for the period April 1, 2005 – March 31, 2010.

The long term rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. Consideration was given to using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015 are summarized below:

<u>Asset Class:</u>	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
Domestic equity	38.00%	7.30%
International equity	13.00%	8.55%
Private equity	10.00%	11.00%
Real estate	8.00%	8.25%
Absolute return strategies	3.00%	6.75%
Opportunistic portfolio	3.00%	8.60%
Real assets	3.00%	8.65%
Bonds and mortgages	18.00%	4.00%
Cash	2.00%	2.25%
Inflation indexed bonds	2.00%	4.00%
	<u>100.00%</u>	

The discount rate used to calculate the total pension liability was 7.5% for the System. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage point higher (8.5%) than the current rate:

	1.00% Decrease 6.50%	Current Assumption 7.50%	1.00% Increase 8.50%
Town's proportionate share of the collective net pension liability/(asset)	\$ 71,731,003	\$ 10,761,642	\$ (40,711,616)

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the respective valuation date were as follows:

Valuation Date	(Dollars in thousands) <u>April 1, 2014</u>
Employers' total pension liability	\$ (164,591,504)
Plan net position	161,213,259
Employers' net pension liability	<u>\$ (3,378,245)</u>
Ratio of plan net position to the Employers' total pension liability	97.95%

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.

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, 2015 is as follows:

Active employees	1,167
Retired employees	<u>806</u>
Total	<u><u>1,973</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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

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

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, 2015, the Town's annual other postemployment benefits cost (expenses) was \$36,864,629. Considering the annual expense as well as the payment of current health insurance premiums, which totaled \$10,209,517 for retirees and their beneficiaries, the result was an increase in the other postemployment benefits liability of \$26,655,112 for the year ended December 31, 2015. The Town's nonmajor component unit's annual other postemployment benefits cost (expenses) were \$5,203,707. Considering the annual expense as well as the payment of current health insurance premiums, which totaled \$1,594,437 for retirees and their beneficiaries, the result was an increase in the other postemployment benefits liability of \$3,609,270 for the year ended December 31, 2015.

Benefit Obligations and Normal Cost

	<u>Medical Plan</u>	<u>Medicare Part B</u>	<u>Dental Plan</u>	<u>Vision Plan</u>	<u>Total</u>
Retired employees	\$ 149,255,255	\$ 28,624,638	\$ 11,024,410	\$ 2,988,563	\$ 191,892,866
Active employees	185,105,824	34,156,298	17,601,439	5,114,282	241,977,843
Unfunded actuarial accrued liability (UAAL)	<u>\$ 334,361,079</u>	<u>\$ 62,780,936</u>	<u>\$ 28,625,849</u>	<u>\$ 8,102,845</u>	<u>\$ 433,870,709</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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

3. DETAILED NOTES ON ALL FUNDS (continued)

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

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

Level Percentage of Projected Pay Amortization
Calculation of ARC under the Entry Age Method

	Medical Plan	Medicare Part B	Dental Plan	Vision Plan	Total
Normal cost	\$ 12,185,551	\$ 2,315,539	\$ 1,169,823	\$ 347,720	\$ 16,018,633
Amortization of unfunded actuarial liability (UAAL) over 30 years	16,486,206	3,128,993	1,405,279	391,074	21,411,552
Interest	972,681	197,878	92,765	26,941	1,290,265
Annual required contribution (ARC)	29,644,438	5,642,410	2,667,867	765,735	38,720,450
Interest on net OPEB obligation	4,774,105	1,078,723	549,333	153,151	6,555,312
Adjustment to ARC	(6,125,663)	(1,384,112)	(704,850)	(196,508)	(8,411,133)
OPEB Cost	28,292,880	5,337,021	2,512,350	722,378	36,864,629
Less: Contribution for year ended December 31, 2015	8,468,226	1,054,456	575,228	111,607	10,209,517
Increase in other postemployment benefits liability	19,824,654	4,282,565	1,937,122	610,771	26,655,112
Other postemployment benefits liability at December 31, 2014	122,836,186	27,018,040	13,581,532	3,928,765	167,364,523
Other postemployment benefits liability at December 31, 2015	<u>\$ 142,660,840</u>	<u>\$ 31,300,605</u>	<u>\$ 15,518,654</u>	<u>\$ 4,539,536</u>	<u>\$ 194,019,635</u>
Percent of annual OPEB cost contributed	29.93%	19.76%	22.90%	15.45%	27.69%

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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
2015	\$ 36,864,629	27.69%	\$ 194,019,635
2014	34,481,596	29.01%	167,364,523
2013	33,019,605	30.08%	142,885,026

The funded status of the plan as of January 1, 2015, projected for the year ended December 31, 2015 is as follows:

	Actuarial Accrued Liability (AAL)	Actuarial Value of Plan Assets	Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Town	\$ 433,870,709	\$ -0-	\$ 433,870,709	0.00%	\$ 80,812,874	536.88%
Component Units	63,163,292	-0-	63,163,292	0.00%	11,211,225	563.39%

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, 2015 actuarial valuation, the liabilities were computed using the entry age normal method and level percentage of projected payroll of active plan members on an open 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 6.0% to 9.0% healthcare cost trend increase for the year ended 2015 and reduced decrements to a rate of 5.0% after five years.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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, 2015, the value of the accumulated vacation time and sick leave was \$24,678,925 for the primary government. The liability for compensated absences for the nonmajor component units amounted to \$4,153,089.

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.

The Town is self-insured for property protection on the first \$50,000, except for earthquake and flood which are on the first \$100,000 and additionally for flood 1% of the total insurable value per location of loss arising out of a named storm with a minimum of \$100,000 per loss. The Town has insurance protection coverage of up to \$100,000,000 for any one loss and annual aggregate, except for flood and earthquake, which have limits of \$5,000,000 for any one loss and annual aggregate and \$2,500,000 for any one loss and annual aggregate, respectively. Flood insurance protection is excluded in FEMA designated zones.

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 include attorney, consulting and other fees. The Town is also self-insured for unemployment benefits paid.

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.

Although the eventual outcome of these claims for workers' compensation and general liability cannot presently be determined, the Town has estimated unsettled claims and litigation to be \$25,027,955, 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.

There were no settlements in excess of insurance coverage over the last three years.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

A. Risk Management (continued)

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	
	2015	2014	2015	2014
Unpaid claims and claim adjustment expenditures at the beginning of year	<u>\$ 20,088,523</u>	<u>\$ 23,453,534</u>	<u>\$ 2,618,980</u>	<u>\$ 3,393,119</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>3,602,249</u>	<u>(116,643)</u>	<u>3,569,940</u>	<u>1,108,569</u>
Total incurred claims and claim adjustment expenditures	<u>3,602,249</u>	<u>(116,643)</u>	<u>3,569,940</u>	<u>1,108,569</u>
Payments:				
Claims expenditures attributable to insured events of the current and prior years	<u>2,868,456</u>	<u>3,248,368</u>	<u>1,983,281</u>	<u>1,882,708</u>
Total payments	<u>2,868,456</u>	<u>3,248,368</u>	<u>1,983,281</u>	<u>1,882,708</u>
Total unpaid claims and claim adjustment expenditures at the end of the year	<u>\$ 20,822,316</u>	<u>\$ 20,088,523</u>	<u>\$ 4,205,639</u>	<u>\$ 2,618,980</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) conducted 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. The Town and the former property owners proceeded to trial on the valuation of the property, which the Town would be required to pay to the prior owners. After the trial, the court determined the value of the property to be approximately \$31,300,000, which is inclusive of interest and other costs. The Town disagrees with the Court's decision and has filed a Notice of Appeal.

The Town has also 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. The ultimate value of the parcel will be subject to determination at trial, however, it is uncertain what amounts of additional payments will be required by the Town.

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 in 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

B. Property Condemnation And Environmental Issues (continued)

The Town also has completed 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. The Town submitted a Remedial Investigation (RI) Report for NYSDEC's review in January of 2016. The RI Report concludes that no further action is necessary based on trends observed during the investigation. It is the Town's position that existing Interim Remedial Measures (IRMs) installed by Northrop Grumman Systems Corporation (NGSC) to contain high concentrations of volatile organic compounds (VOCs) in vapors and groundwater around the perimeter of the park are adequately intercepting much lower concentrations of Freon along with the other VOCs.

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. Litigation

Garbage Tax Litigation

For several years, there has been litigation involving the taxation of property owned by Keyspan and Verizon by various garbage/sanitation districts. In short, the courts found that taxation to be improper, as Keyspan's infrastructure and Verizon's telephone poles did not generate garbage, and should have therefore been exempt from the garbage taxation. The Courts have held that the Town was obligated to first compensate Keyspan and Verizon for the amounts paid by them, but that the County, pursuant to the County Guaranty provision of the County Charter, must then compensate the Town.

In 2014, the Town paid a settlement from Garbage Collection Districts and the Solid Waste Disposal Fund to Verizon New York, Inc. which will be reimbursed from Nassau County under the relevant provisions of the Nassau County Administrative Code, collectively known as the "County Guarantee". This settlement amounted to \$3,300,000 for which all final Town required payments have been made, and there is no remaining liability on the balance sheet of these funds. In addition, based on the recovery anticipated under the "County Guarantee" cited above, the Town recorded a due from other governments of \$2,436,044 and \$863,956, respectively, on the balance sheets of the Garbage Collection Districts and Solid Waste Disposal Fund. The Town considers these receivables to be long-term, and accordingly has presented it as nonspendable fund balance.

In January 2016, the Town settled a judgment with Keyspan on which the Town paid \$21,400,000, to reimburse Keyspan for taxes paid in certain Sanitation and Solid Waste Districts over a period of several years. In addition to the Verizon and Keyspan settlements mentioned above, \$12,396,368 was paid to Verizon for the same purpose related to earlier years' judgments, an additional \$963,018 was paid to New York Water Company in 2016, and \$196,000 is expected to be paid to other utilities in 2017. Accordingly, the Town has accrued a liability of \$22,559,018 in other litigation payable in the government-wide financial statements for the settlements that were and are expected to be paid subsequent to year end.

The Town has reached a settlement which will have the County settle these disputes by paying the Town \$26,700,000 (70% of all utilities judgments) by March 2017, of which the first \$13,000,000 was received on May 27, 2016. The remaining \$13,700,000 is due to the Town by the end of the first quarter of 2017. Accordingly, the Town has recorded due from other governments of \$15,791,312 in the government-wide financial statements, which represents a receivable equal to 70% of the other litigation payable liability based of the settlement agreement reached with the County.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

C. Litigation (continued)

Town Concessionaire Litigation

The Town is aware of certain investigations and litigations regarding certain purported amendments to agreements with a Town concessionaire. On September 8, 2015, the United States Attorney for the Eastern District of New York indicted this Town concessionaire on criminal charges alleging, according to the indictment, that the Town concessionaire provided payments and other things of value to a Town employee in exchange for assistance in obtaining bank loans guaranteed by the Town totaling approximately \$20,000,000. The Nassau County District Attorney, on August 25, 2015, and the Securities and Exchange Commission, on October 20, 2015, requested information from the Town concerning these allegations as well as certain of the Town's public disclosures including official statements from outstanding bond and note issues. The Town has provided documents to the Nassau County District Attorney, and is continuing to provide information to the Securities and Exchange Commission in response to these inquiries. The Town has cooperated with all law enforcement inquiries regarding these allegations.

The Town is a defendant in three lawsuits in New York arising from the purported agreements with the Town concessionaire. The first lawsuit was filed in January 2016 and the other two were filed in July 2016. In each of the lawsuits against the Town, a lender to the Town concessionaire has brought suit against the Town seeking to enforce one of the purported amendments and contending that it requires the Town to reimburse the lender for unpaid amounts on its loan following default by the concessionaire. The total amount of damages sought by the three lenders across all three lawsuits is approximately \$18,000,000. It is the Town's position that the three amendments that are subject of the lawsuits are each unenforceable because (i) they were not authorized by the Town Board, (ii) they were not executed and delivered by Town officials with knowledge or understanding of their content, and (iii) even if validity enacted, they would constitute impermissible municipal guarantees in violation of the New York State Constitution. The Town has filed motions to dismiss in each of the lawsuits. Its motion was denied in one of the lawsuits and remains pending in the other two lawsuits.

The Town Attorney cannot predict the outcome of the above pending litigations and investigations or whether any additional litigation against the Town or its officers or officials will be initiated. However, in the event that there is a judgment entered against the Town for monetary damages, the Local Finance Law permits the Town to issue bonds or notes to fund such judgment.

As to previous amendments with the concessionaire that were properly authorized by the Town Board, the Town may be required to make a payment to the concessionaire in connection with the Town's exercise of its right to terminate the Golf Course/The Woodlands Catering Hall Agreement.

On October 18, 2016, the Supervisor, John Venditto, was charged by a grand jury in the U.S. District Court for the Eastern District of New York with solicitation and receipt of bribes in exchanged for official action in connection with the Town concessionaire referred above, honest service wire fraud and obstruction of justice. The Supervisor has denied all charges. The Town Supervisor resigned effective January 4, 2017.

Fashion Institute of Technology Litigation

New York State Education law permits community colleges to charge and collect from each county with New York State – outside of the geographic region in which the college is located – the operating cost allocable to students attending the college from such counties. The state law allows the counties to charge back such amounts to the cities and towns within the counties in which the students reside.

Fashion Institute of Technology (FIT), a community college, has required Nassau County to reimburse its operating costs allocable to its Nassau students since, at least, 2003. The County did not, in turn, charge back these costs to the Towns until 2010, despite a 2003 Nassau County Legislature Resolution authorizing it to do so.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

C. Litigation (continued)

Fashion Institute of Technology Litigation (continued)

The Town has recognized expenditures for all chargebacks from 2010 to the present. In June 2015 the County sent a demand letter to the Town for the FIT chargebacks for 2004-2009 in the amount of \$7,045,513. The Town refused to make payment, and, in response, the County withheld such sums from the Town's share of local government assistance revenue.

The neighboring Town of North Hempstead experienced the same 2004-2009 chargebacks and brought a lawsuit in Nassau County Supreme Court. The Court found that Nassau County was and is barred by the statute of limitations to collect on charge backs more than six years prior. Nassau County has appealed the ruling to the Appellate Division, Second Department.

Because the facts and circumstances of the subject matter are exactly the same in both the Town of North Hempstead and the Town of Oyster Bay, the decision by the Appellate Divisions will have binding precedential effect on the parties involved. In the event the Appellate Division affirms the Nassau County Supreme Court decision, Nassau County will be precluded from seeking chargebacks from the Town for the period of 2004-2009.

Based on the above, the Town has not recorded expenditures or a liability for the 2004-2009 FIT chargebacks in the financial statements.

Class Action Lawsuit

On December 5, 2016, the Town was served with a summons and complaint by a group of residents purporting to act as class representatives in a personal injury action arising out of activities by Grumman Aerospace Corporation and its successors in interest, Northrop Grumman Corporation (collectively, "Grumman") in the Bethpage area over a nearly 60-year period. These plaintiffs allege, in substance, that Grumman's discharge of chemicals used in its manufacturing of aircraft, weapons, and spacecraft contaminated the ground and groundwater aquifer and, relatedly, the plaintiffs' properties, thereby leading to personal injuries. The plaintiffs allege four causes of action sounding in negligence, strict liability (against Grumman, only), trespass, and nuisance, and, for each cause of action, allege damages in excess of \$100,000,000. The plaintiffs also request punitive damages in an unspecified amount. At this early stage of the litigation, there has been no discovery to assess the validity of the damages allegations.

Inclusion of the Town as a defendant in the subject action is related to the Town's current ownership of 18 acres of land which had previously been part of a more than 600 acre complex used in Grumman's manufacturing operations before this parcel was conveyed to the Town in 1962 and subsequently developed as Bethpage Community Park (the "Park").

The plaintiffs do not allege that the Town was, in any way, engaged in the discharge or disposal of such chemicals that contributed to the contamination which caused the alleged injuries. The Town has acted to reduce the Grumman contamination by completing major remediation in the Park. Accordingly, even if the plaintiffs in this case are able to establish that they have suffered injuries attributable to contamination from the Grumman site, which of itself is by no means certain, there does not appear to be any reasonable likelihood that the facts of this matter would justify a significant judgment against the Town.

It is the Town's position that Grumman is, in any case, the party which would be ultimately liable for any proven harms to the plaintiffs. In a related matter, the Town is pursuing litigation against Grumman for reimbursement of certain remediation expenses of the Town incurred in the performance of its obligations under the DEC agreement. Accordingly, no liability has been accrued.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

C. Litigation (continued)

Discrimination Litigation

In April, 2014, the United States Government commenced a civil action against the Town and then-Supervisor John Venditto, alleging, in sum and substance, that the Town's Next Generation and Golden Age housing programs (collectively, the "Housing Programs") were discriminatory and in violation of, *inter alia*, the Fair Housing Act inasmuch as the Housing Programs had an alleged disparate impact upon African Americans. To be clear, the Government's allegations were and remain based upon statistics only, and, significantly, do not contain any indicia that the Housing Programs were intentionally designed and implemented to have a discriminatory intent.

More specifically, according to the Government, the Town's Housing Programs have discriminatory effects because (1) the Housing Programs give priority to Town residents and relatives of Town residents and (2) the eligible population in the Town happens to include a smaller percentage of African Americans than the eligible populations of New York City and Nassau and Suffolk Counties. Responding to the Government's Complaint, the Town has argued, among other things, that the Fair Housing Act prohibits intentional discrimination, only; that a disparate impact claim based upon statistics alone is legally insufficient; and, that notwithstanding the foregoing points, the Fair Housing Act does not require municipalities to engage in "racial balancing" as the Government seeks.

The Government's Complaint seeks a declaration that the Housing Programs violated the Fair Housing Act, an injunction to enjoin the Town and its employees from engaging in discrimination on the basis of race, ordering the Town to take steps to prevent discriminatory conduct, and insignificant civil penalties, and unspecified damages related to the financial position of the Town. The Town has vigorously defended against this action, which is presently stayed pending the resolution of an unrelated court proceeding.

D. Compressed Natural Gas - Grant Funding

In April 2010, the Town entered into an agreement for grant funding that was made available under the American Recovery and Reinvestment Act of 2009. Pursuant to that grant, the Town was awarded approximately \$5,000,000, to be used in the purchase of compressed natural gas ("CNG") vehicles, the conversion of conventional vehicles to compressed natural gas, and/or the construction of compressed natural gas fueling station(s). Subsequent to 2010, the grant agreement was amended and the final grant awarded to the Town was approximately \$5,200,000.

Consistent with the grant award, the Town constructed a CNG fueling station and converted several diesel trucks to CNG. As designed, the cost of the Town's CNG fueling station, located at the Department of Public Works (DPW) Complex at 150 Miller Place, Syosset, New York, was approximately \$2,000,000 and the purchase of CNG trucks and/or the conversion of conventional trucks to CNG was approximately \$3,000,000, which left approximately \$200,000 of grant monies unexpended.

Subsequent to the grant award, the Town entered into a contract to sell the real property upon which the Town's CNG fueling station was located. Under the terms of that contract, the Town must vacate the property by 2021. In view of the relocation from the DPW Complex, the Town inquired as to the procedures that govern the decommissioning of the CNG fueling station. Regardless of the disposition of the CNG fueling station, the Town intends to continue use of the CNG fueled trucks.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

D. Compressed Natural Gas - Grant Funding (continued)

With respect to the CNG fueling station, the U.S. Department of Energy ("DOE") has indicated that, upon consent of the DOE, the Town may sell those components for which the Town no longer has a use. For those components that the Town does not sell or otherwise dispose of pursuant to DOE instructions, the Town may be responsible to reimburse the DOE for the value of such equipment, after factoring depreciation. Since the Town plans to continue use of the CNG trucks, there should be no potential reimbursement for this portion of the grant award. At this time, however, it would not be possible to determine the possible exposure to the DOE because the Town is unclear as to when it will fully vacate the DPW Complex, how much of the CNG fueling infrastructure the Town will retain, whether the Town will be permitted to sell or otherwise dispose of and, assuming such permission is granted by the DOE, the value that the Town will raise through such sales or dispositions, and the indeterminate depreciated value of the remaining equipment.

E. 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. In 1994, the Old Bethpage Landfill was determined to have to continue post-closure care maintenance and monitoring until 2024. If the EPA determines the landfill to be remediated before the thirty years are complete, 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 2015, the costs to remediate these landfill sites have been reduced as a result of evaluations performed by the NYS DEC. The liability has been reduced by \$3,545,000 as the annual monitoring costs estimated have been reduced from \$780,000 to \$475,000. Accordingly, as of December 31, 2015 the Town has recorded a liability of \$5,850,000, 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.

F. Federal and State Grants

The Town has received grants, which are subject to audit by agencies of the state and federal governments. Such audits may result in disallowances and a request for a return of funds. Based on prior audits, the Town's administration believes disallowances, if any, will be immaterial.

G. Construction and Other Capital Acquisition Commitments

Construction in progress commitments for equipment purchases and other capital acquisition commitments amounting to \$4,243,294 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

H. 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 \$6,781 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. Rental expenditures on this lease for the year ended December 31, 2015 totaled \$81,964.

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 \$31,601 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. Rental expenditures on this lease for the year ended December 31, 2015 totaled \$381,878.

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

For years ending December 31, 2016	\$	423,994
2017		389,563
2018		396,008
2019		402,645
2020		<u>134,960</u>
	\$	<u>1,747,170</u>

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

The Town's financial statements are for the year ended December 31, 2015. The information contained in this note is projected for the plan year ending June 30, 2016 based on information for the plan year ended on June 30, 2016, which is the most recent plan year for which complete information is available.

The Town sponsors a defined benefit 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 \$174,863 during 2015.

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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

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

Program Description (continued)

Participation, vesting and service credit (continued)

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.

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 per year of service 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 1, 2015.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

I. 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, 2016		\$	4,085,439
Assets Available for Benefits			
	<u>% of total</u>		
Annuity contracts	100.00%	\$	1,967,064
Less: Liabilities			<u>-0-</u>
Total Net Assets Available for Benefits		\$	<u>1,967,064</u>
Unfunded Liability for Prior Service		\$	<u>2,118,375</u>

Prior Service Costs

There are no prior service costs being amortized.

Receipts and Disbursements

Plan Net Assets, July 1, 2015		\$	1,795,868
Changes during the year:			
Plan contributions	\$ 296,881		
Changes in fair market value of investments	60,509		
Plan benefit withdrawals	(165,793)		
Premiums	(15,662)		
Administrative and Other Fees/Charges	<u>(4,739)</u>		
Plan Net Assets, June 30, 2016		\$	<u>1,967,064</u>

Contributions

Amount of sponsoring board's required contribution:		\$	315,727
Amount of sponsoring board's actual contribution:		\$	296,881

Administration Fees

Fees paid to designated Plan administrator / actuary:		\$	4,739
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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

4. COMMITMENTS AND CONTINGENCIES (continued)

I. 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

The Town is also a sponsor of the Roslyn Fire Department LOSAP Plan and contributed approximately \$1,800 in 2015. Additionally, the Town is in the process of determining joint sponsorship for East Norwich Fire Department and anticipates the sponsorship amount to be approximately 25.0%.

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, 2015:

Condensed Statement of Net Position:

	Current Assets	Due from Primary Government	Capital Assets Net of Depreciation	Deferred Outflows of Resources	Current Liabilities	Due to Primary Government	Other Long-Term Liabilities	Deferred Resources	Net Investment in Capital Assets	Restricted	Unrestricted (Deficit)
Massapequa Water District	\$ 5,087,431	\$ 18,649	\$ 15,638,435	\$ 225,664	\$ 682,037	\$ 395,785	\$ 8,174,678	\$ 72,057	\$ 10,985,064	\$ 1,198,889	\$ (538,331)
Plainview Water District	5,401,485	1,931	30,624,884	299,064	2,573,185	178,514	20,212,539		12,727,716	1,833,069	(1,197,659)
Hicksville Water District	22,062,714	128,525	30,399,583	438,226	2,235,484		15,281,671		23,215,925	7,224,803	5,071,165
Locust Valley Water District	1,536,498	2,730,764	13,332,946	143,312	6,323,995	1,693,773	5,632,534		13,332,946	295,065	(9,534,793)
Oyster Bay Water District	2,301,112		10,694,784	89,790	559,345	873,939	4,369,862	23,049	6,583,454	1,140,991	(464,954)
Jericho Water District	12,503,767	3,506,484	24,618,240	320,969	4,700,694	141,815	11,150,413		18,624,583	4,174,438	2,157,517
South Farmingdale Water District	13,090,679	3,276,970	24,336,138	250,923	3,956,187		15,218,808		12,447,101	2,674,526	6,658,088
Bethpage Water District	5,893,053	3,072,647	41,972,071	181,178	10,816,835	2,710,346	13,879,923	20,623	21,411,071	3,886,935	(1,606,784)
Syosset Sanitation District	283,791	52									283,843
Oyster Bay Sewer District	1,262,187	47,972	13,146,243	413,285	694,563		6,940,445		10,136,587		(2,901,908)
Glenwood-Glenhead Garbage District	162,100	107,549			78,226						191,423
	<u>\$ 69,584,817</u>	<u>\$ 12,891,543</u>	<u>\$ 204,763,324</u>	<u>\$ 2,362,411</u>	<u>\$ 32,620,551</u>	<u>\$ 5,994,172</u>	<u>\$ 100,860,873</u>	<u>\$ 115,729</u>	<u>\$ 129,464,447</u>	<u>\$ 22,428,716</u>	<u>\$ (1,882,393)</u>

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

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

Condensed Statement of Activities:

	Program			General Revenue			Net Position		
	Expenses	Charges for Services	Operating	Property Tax	Other	Change	1/1/15	12/31/15	
			Grants and Contributions						Net (Expense) Revenue
Massapequa Water District	\$ 5,312,281	\$ 3,907,742		\$ (1,404,539)	\$ 2,045,632	\$ 497,716	\$ 1,138,809	\$ 10,506,813	\$ 11,645,622
Plainview Water District	7,756,803	4,173,369		(3,583,434)	3,714,405	254,621	385,592	12,977,534	13,363,126
Hicksville Water District	7,425,978	3,057,397		(4,368,581)	4,703,247	674,964	1,009,630	34,502,263	35,511,893
Locust Valley Water District	2,473,753	1,887,442		(586,311)	509,560	250,514	173,763	3,919,455	4,093,218
Oyster Bay Water District	2,301,397	1,076,733		(1,224,664)	884,343	454,622	114,301	7,145,190	7,259,491
Jericho Water District	9,569,575	8,804,750	\$ 27,543	(737,282)	1,184,245	443,875	890,838	24,065,700	24,956,538
South Farmingdale Water District	6,756,999	3,580,825		(3,176,174)	1,917,720	5,703,207	4,444,753	17,334,962	21,779,715
Bethpage Water District	6,529,054	2,130,328		(4,398,726)	3,412,166	992,449	5,889	23,685,333	23,691,222
Syosset Sanitation District	1,051,830			(1,051,830)	577,248	129	(474,453)	758,296	283,843
Oyster Bay Sewer District	4,803,928	497,122		(4,306,806)	3,383,230	43,145	(880,431)	8,115,110	7,234,679
Glenwood-Glenhead Garbage District	1,252,001			(1,252,001)	929,768	108,746	(213,487)	404,910	191,423
	<u>\$ 55,233,599</u>	<u>\$ 29,115,708</u>	<u>\$ 27,543</u>	<u>\$ (26,090,348)</u>	<u>\$ 23,261,564</u>	<u>\$ 9,423,988</u>	<u>\$ 6,595,204</u>	<u>\$ 143,415,566</u>	<u>\$ 150,010,770</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. EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE ON CURRENT-PERIOD FINANCIAL STATEMENTS

Government-Wide Financial Statements

For the fiscal year ended December 31, 2015, the Town implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions – Amendment to GASB Statement No. 27* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment to GASB 68*. The implementation of the Statement No. 68 and No. 71 resulted in the retroactive reporting of a liability and deferred outflow and inflow of resources related to the Town's participation in the NYS Local Employees Retirement System. As a result the Town's January 1, 2015 government activities net position was decreased by \$2,551,961 from (\$269,500,693) to (\$272,052,654).

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

7. SUBSEQUENT EVENTS

Debt Issuance

In February 2016, the Town issued \$121,775,000 of bond anticipation notes bearing interest rates ranging from 2.75% to 3.25%, which mature on February 3, 2017. Of these bond anticipation notes, \$22,700,000 were considered federally taxable and were used to fund litigation settlements.

In June 2016, the Town issued \$10,000,000 of revenue anticipation notes at an interest rate of 3.75% and \$7,000,000 of tax anticipation notes at an interest rate of 3.75%, which both mature March 31, 2017.

In June 2016, the Town renewed \$51,285,000 of bond anticipation notes at interest rates 4.00%, which mature June 1, 2018.

In June 2016, the Town renewed \$18,985,000 of bond anticipation notes at an interest rate of 3.875%, which mature on June 28, 2017.

In June 2016, the Town issued \$7,565,000 bond anticipation notes at an interest rate of 5.25%, which mature on February 3, 2017. These notes are considered federally taxable and were used to fund litigation settlements and employment separation costs.

Installment Purchase Debt

The Town entered into an installment purchase debt agreement to purchase computer equipment for \$350,000 with annual payments of \$120,141 at an interest rate of 4.30% for three years. This lease commences in February 2016 with the first payment due March 1, 2016 and a termination date March 1, 2018.

8. NEW PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has issued the following Statements:

Statement No. 72 "*Fair Value Measurement and Application*" includes requirements that will enhance the comparability of financial statements among governments by requiring the measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015.

Statement No. 73 "*Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB 68 - and amendments to Certain Provisions of GASB 67 and 68*" the objective is to clarify the existing guidance as well as establishes new requirements for pensions not covered by Statement No. 67 and No. 68. The requirements of this Statement are effective for fiscal years beginning after June 15, 2015 - except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for fiscal years beginning after June 15, 2016.

Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*", which outlines reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2017.

Statement No. 76, "*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*," the objective of which is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2015

8. NEW PRONOUNCEMENTS (continued)

Statement No. 77, "*Tax Abatement Disclosures*," the objective of which is to improve financial reporting by providing the users of financial statements with information about the nature and magnitude of tax abatements, and helping the users understand how tax abatements affect a government's future ability to raise resources and meet its financial obligations, as well as the impact on the government's financial position and economic condition. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015.

Statement No. 78, "*Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*," amends the scope and applicability of Statement No. 68. This Statement establishes accounting and financial reporting standards for defined benefit pensions provided to employees of a state or local governmental employers through a cost-sharing multiple employer defined benefit pension plan that meets certain criteria of Statement No. 68 and that (a) is not a state or local governmental pension plan, (b) is used to provided defined benefit pensions both to employees of state/local governmental employers as well as to employees of non-state/local governmental employers and (c) has no predominant state or local governmental employer, either individually or collectively with other state or local governmental employers that provide pensions through the pension plan. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015.

Statement No. 80, "*Blending Requirements for Certain Component Units – an Amendment of Statement No.14*," the objective of which is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2016.

Statement No. 82, "*Pension Issues – an Amendment of Statements No. 67, 68, and 73*," the objective of which is to address issues regarding (a) the presentation of payroll-related measures in required supplementary information, (b) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (c) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of the Statement are effective for reporting beginning after June 15, 2016, except for the requirements for selection of assumptions in a certain circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

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, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 40,758,868	\$ 41,019,693	\$ 41,012,146	\$ (7,547)
Total Real Property Taxes	40,758,868	41,019,693	41,012,146	(7,547)
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	250,000	423,767	395,249	(28,518)
Interest and penalty on taxes	1,500,000	1,663,051	1,663,051	
Total Other Real Property Tax Items	1,750,000	2,086,818	2,058,300	(28,518)
NON-PROPERTY TAX ITEMS				
Franchises - cable TV	5,000,000	5,303,046	5,308,648	5,602
Total Non-Property Tax Items	5,000,000	5,303,046	5,308,648	5,602
DEPARTMENTAL INCOME				
Town clerk fees	500,000	523,623	523,623	
Attorney fees	10,000	10,839	10,839	
Other general departmental income	15,000	15,000	4,200	(10,800)
Tax collector fees	65,000	65,000		(65,000)
Public pound charge dog fees	15,000	21,428	21,428	
Recreation fees	350,000	456,025	456,025	
Community service fees	620,000	620,000	421,145	(198,855)
Recreational concessions	450,000	537,505	537,505	
Beach, pool, golf fees	3,600,000	3,600,000	3,287,859	(312,141)
Boat basin fees	200,000	200,129	200,129	
Dock storage leases	750,000	750,000	635,921	(114,079)
Incineration and disposal charges	77,177	77,177	77,177	
Total Departmental Income	6,652,177	6,876,726	6,175,851	(700,875)
INTERGOVERNMENTAL CHARGES				
Dog pound facilities, other governments	700	700	670	(30)
Services other governments	7,000	114,150	114,150	
Nassau County local government assistance	15,000,000	15,000,000	14,258,755	(741,245)
Total Intergovernmental Charges	15,007,700	15,114,850	14,373,575	(741,275)
USE OF MONEY AND PROPERTY				
Interest and earnings	60,000	60,000	38,712	(21,288)
Rental of real property	450,000	632,875	632,875	
Commissions	3,800	3,800	1,552	(2,248)
Total Use of Money and Property	513,800	696,675	673,139	(23,536)

(continued)

TOWN OF OYSTER BAY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
LICENSES AND PERMITS				
Games of chance	200	200	180	(20)
Bingo licenses	1,400	1,400	743	(657)
Dog license fund apportionment	21,000	21,000	14,941	(6,059)
Road opening permits	150,000	217,480	217,480	
Total Licenses and Permits	<u>172,600</u>	<u>240,080</u>	<u>233,344</u>	<u>(6,736)</u>
FINES AND FORFEITURES				
Court fines	750,000	750,000	640,371	(109,629)
Fines and penalties - dog cases	600	600	525	(75)
Total Fines and Forfeitures	<u>750,600</u>	<u>750,600</u>	<u>640,896</u>	<u>(109,704)</u>
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of scrap and excess material	6,000	32,785	32,785	
Sale of surplus equipment	30,000	30,000		(30,000)
Sale of real property		14,336	14,336	
Insurance recoveries	285,320	285,320	507,936	222,616
Other compensation for loss	35,000	35,000	1,472	(33,528)
Total Sale of Property and Compensation for Loss	<u>356,320</u>	<u>397,441</u>	<u>556,529</u>	<u>159,088</u>
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures	570,000	719,390	351,020	(368,370)
Premiums on obligations		109,450	109,450	
Miscellaneous revenue	723,664	1,375,269	842,709	(532,560)
Miscellaneous Local Sources	<u>1,293,664</u>	<u>2,204,109</u>	<u>1,303,179</u>	<u>(900,930)</u>
INTERFUND REVENUES	<u>31,647,116</u>	<u>31,647,116</u>	<u>29,596,471</u>	<u>(2,050,645)</u>
STATE AID				
Mental health	130,000	130,000	109,566	(20,434)
Per capita	1,700,000	1,700,000	1,682,422	(17,578)
Mortgage tax	10,000,000	12,523,640	10,629,188	(1,894,452)
Emergency disaster assistance		20,288	23,485	3,197
Youth program	100,000	100,000	65,000	(35,000)
Other	5,000	13,847	23,845	9,998
Total State Aid	<u>11,935,000</u>	<u>14,487,775</u>	<u>12,533,506</u>	<u>(1,954,269)</u>
FEDERAL AID				
Emergency disaster assistance			31,879	31,879
Other		36,962	35,270	(1,692)
Total Federal Aid		<u>36,962</u>	<u>67,149</u>	<u>30,187</u>
Total Revenue	<u>\$ 115,837,845</u>	<u>\$ 120,861,891</u>	<u>\$ 114,532,733</u>	<u>\$ (6,329,158)</u>

(continued)

TOWN OF OYSTER BAY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Town board	\$ 2,065,942	\$ 2,037,227	\$ 2,037,227		
Executive	1,038,389	1,001,777	1,001,777		
Comptroller	5,292,897	6,349,328	6,342,426		\$ 6,902
Receiver of taxes	1,218,890	1,227,509	1,227,249		260
Town clerk	1,354,910	1,383,345	1,383,345		
Town attorney	2,610,792	4,579,178	4,577,758	\$ 972	448
Human resources	990,660	922,791	922,791		
Public works	1,255,788	1,464,426	1,463,930		496
General services	7,370,003	6,655,557	6,622,356	67	33,134
Central vehicle maintenance	8,903,129	8,770,955	8,072,744	7,704	690,507
Other general government support	1,919,255	2,083,917	1,591,890	79,000	413,027
Unallocated insurance and payment for losses	1,544,559	1,713,199	1,410,975	10,086	292,138
Total General Government Support	35,565,214	38,189,209	36,654,468	97,829	1,436,912
PUBLIC SAFETY					
Public safety	4,441,688	4,240,380	4,238,715	1,184	481
Animal shelter	1,033,402	1,137,500	1,137,341		159
Total Public Safety	5,475,090	5,377,880	5,376,056	1,184	640
TRANSPORTATION					
Superintendent of highways	918,659	905,373	899,859		5,514
Total Transportation	918,659	905,373	899,859		5,514
ECONOMIC ASSISTANCE AND OPPORTUNITY					
Publicity	37,500	12,328	12,328		
Economic development	385,601	289,635	289,635		
Economic Assistance And Opportunity	423,101	301,963	301,963		
CULTURE AND RECREATION					
Community and youth services	4,931,713	4,788,831	4,788,574		257
Parks, recreation, beaches	11,857,210	12,400,483	12,400,341		142
Total Culture and Recreation	16,788,923	17,189,314	17,188,915		399
HOME AND COMMUNITY SERVICES					
Intergovernmental affairs	1,497,943	1,196,455	1,019,491		176,964
Housing authority	14,500	14,500	14,500		
Environmental control	1,430,642	1,659,773	1,647,273	12,188	312
Total Home and Community Services	2,943,085	2,870,728	2,681,264	12,188	177,276

(continued)

TOWN OF OYSTER BAY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EMPLOYEE BENEFITS					
State Employee Retirement System	6,097,657	7,242,616	6,207,147		1,035,469
Social security	3,331,935	3,355,819	3,355,819		
Workers' compensation	942,451	757,539	726,754		30,785
Disability benefits	16,500				
Unemployment benefits	102,000	25,361	25,361		
Hospital, medical and dental	12,293,227	14,592,756	14,211,328		381,428
Total Employee Benefits	<u>22,783,770</u>	<u>25,974,091</u>	<u>24,526,409</u>		<u>1,447,682</u>
Total Current	<u>84,897,842</u>	<u>90,808,558</u>	<u>87,628,934</u>	<u>111,201</u>	<u>3,068,423</u>
DEBT SERVICE					
Debt interest:					
Bond anticipation notes		382,942	382,942		
Revenue anticipation notes		71,111	71,111		
Tax anticipation notes		68,373	68,373		
Total Debt Service		<u>522,426</u>	<u>522,426</u>		
Total Expenditures	<u>84,897,842</u>	<u>91,330,984</u>	<u>88,151,360</u>	<u>111,201</u>	<u>3,068,423</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,940,003	29,530,907	26,381,373	(111,201)	(3,260,735)
OTHER FINANCING SOURCES (USES)					
Transfers in			154,715		154,715
Transfers out:					
Debt service fund	(30,941,735)	(32,459,563)	(32,419,271)		40,292
Capital projects fund		(1,900,000)	(1,900,000)		
Total Other Financing Sources (Uses)	<u>(30,941,735)</u>	<u>(34,359,563)</u>	<u>(34,164,556)</u>		<u>195,007</u>
Net Change in Fund Balance	<u>\$ (1,732)</u>	<u>\$ (4,828,656)</u>	<u>(7,783,183)</u>	<u>\$ (111,201)</u>	<u>\$ (3,065,728)</u>
Fund Balance (Deficit) at Beginning of Year			<u>(17,507,165)</u>		
Fund Balance (Deficit) at End of Year			<u><u>\$(25,290,348)</u></u>		

TOWN OF OYSTER BAY
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 50,561,229	\$ 50,561,229	\$ 50,561,229	
Total Real Property Taxes	50,561,229	50,561,229	50,561,229	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	400,000	555,350	660,672	\$ 105,322
Total Other Real Property Tax Items	400,000	555,350	660,672	105,322
DEPARTMENTAL INCOME				
Road restoration fee	50,324	50,324	44,322	(6,002)
Public safety cleanup	100,000	100,000	136,624	36,624
Public safety sidewalk repair	1,000,000	1,000,000	779,060	(220,940)
Total Departmental Income	1,150,324	1,150,324	960,006	(190,318)
INTERGOVERNMENTAL CHARGES				
Services other governments	10,000	10,000	20,773	10,773
Total Intergovernmental Charges	10,000	10,000	20,773	10,773
USE OF MONEY AND PROPERTY				
Interest and earnings	6,000	6,000	1	(5,999)
Rental of real property			2	2
Total Use of Money and Property	6,000	6,000	3	(5,997)
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries			12,661	12,661
Total Sale of Property and Compensation for Loss			12,661	12,661
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures	10,000	10,000	4,743	(5,257)
Miscellaneous revenue			4,482	4,482
Total Miscellaneous Local Sources	10,000	10,000	9,225	(775)
STATE AID				
Emergency disaster assistance			41,613	41,613
Total State Aid			41,613	41,613
FEDERAL AID				
Emergency disaster assistance			(43,922)	(43,922)
Total Federal Aid			(43,922)	(43,922)
Total Revenues	52,137,553	52,292,903	52,222,260	(70,643)

(continued)

TOWN OF OYSTER BAY
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
TRANSPORTATION					
Maintenance of streets	13,808,630	14,417,225	12,657,951		1,759,274
Machinery	2,824,708	2,830,184	2,513,724		316,460
Snow removal	2,097,225	2,913,094	2,831,939	79,470	1,685
Total Transportation	<u>18,730,563</u>	<u>20,160,503</u>	<u>18,003,614</u>	<u>79,470</u>	<u>2,077,419</u>
EMPLOYEE BENEFITS					
State Employee Retirement System	1,177,889	1,317,210	1,310,869		6,341
Social security	643,632	643,632	603,315		40,317
Workers' compensation	479,782	458,318	458,318		
Disability benefits	2,500	2,500			2,500
Hospital, medical and dental	4,943,291	3,359,140	3,339,333		19,807
Total Employee Benefits	<u>7,247,094</u>	<u>5,780,800</u>	<u>5,711,835</u>		<u>68,965</u>
Total Current	<u>25,977,657</u>	<u>25,941,303</u>	<u>23,715,449</u>	<u>79,470</u>	<u>2,146,384</u>
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		536,860	536,860		
Tax anticipation notes		68,373	68,373		
Total Debt Service		<u>605,233</u>	<u>605,233</u>		
Total Expenditures	<u>25,977,657</u>	<u>26,546,536</u>	<u>24,320,682</u>	<u>79,470</u>	<u>2,146,384</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	26,159,896	25,746,367	27,901,578	(79,470)	2,075,741
OTHER FINANCING SOURCES (USES)					
Transfers out:					
Debt service fund	(26,159,896)	(25,618,285)	(25,618,285)		
Other funds		(335,434)	(335,434)		
Total Other Financing Sources (Uses)	<u>(26,159,896)</u>	<u>(25,953,719)</u>	<u>(25,953,719)</u>		
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ (207,352)</u>	1,947,859	<u>\$ (79,470)</u>	<u>\$ 2,075,741</u>
Fund Balance (Deficit) at Beginning of Year			<u>(4,798,035)</u>		
Fund Balance (Deficit) at End of Year			<u>\$ (2,850,176)</u>		

TOWN OF OYSTER BAY
GARBAGE COLLECTION DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 44,187,662	\$ 44,187,662	\$ 44,187,663	\$ 1
Total Real Property Taxes	44,187,662	44,187,662	44,187,663	1
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	240,799	240,799	594,371	353,572
Total Other Real Property Tax Items	240,799	240,799	594,371	353,572
USE OF MONEY AND PROPERTY				
Interest and earnings	28,090	34,844	35,501	657
Total Use of Money and Property	28,090	34,844	35,501	657
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures			45,792	45,792
Premiums on obligations			57,568	57,568
Miscellaneous revenue			200	200
Total Miscellaneous Local Sources			103,560	103,560
STATE AID				
Emergency disaster assistance			4,569	4,569
Total State Aid			4,569	4,569
Total Revenues	44,456,551	44,463,305	44,925,664	462,359

(continued)

TOWN OF OYSTER BAY
GARBAGE COLLECTION DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Sanitation	32,485,697	31,926,467	31,426,670	499,797
Total Home and Community Services	32,485,697	31,926,467	31,426,670	499,797
EMPLOYEE BENEFITS				
State Employee Retirement System	2,251,451	2,887,012	2,365,878	521,134
Social security	1,230,257	1,178,632	1,178,632	
Workers' compensation	1,255,473	1,631,810	1,631,810	
Unemployment benefits	6,000			
Disability benefits	3,200			
Hospital, medical and dental	5,161,190	5,321,398	5,321,398	
Total Employee Benefits	9,907,571	11,018,852	10,497,718	521,134
Total Current	42,393,268	42,945,319	41,924,388	1,020,931
DEBT SERVICE:				
Debt interest:				
Bond anticipation notes		34,331	34,331	
Total Debt Service		34,331	34,331	
Total Expenditures	42,393,268	42,979,650	41,958,719	1,020,931
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,063,283	1,483,655	2,966,945	1,483,290
OTHER FINANCING SOURCES (USES)				
Transfers out:				
Debt service fund	(2,063,283)	(2,075,108)	(2,074,668)	440
Total Other Financing Sources (Uses)	(2,063,283)	(2,075,108)	(2,074,668)	440
Net Change in Fund Balance	\$ -0-	\$ (591,453)	892,277	\$ 1,483,730
Fund Balance (Deficit) at Beginning of Year			(7,795,411)	
Fund Balance (Deficit) at End of Year			<u>\$ (6,903,134)</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, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 21,497,354	\$ 21,497,354	\$ 21,497,354	
Total Real Property Taxes	21,497,354	21,497,354	21,497,354	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	240,000	240,000	455,655	\$ 215,655
Total Other Real Property Tax Items	240,000	240,000	455,655	215,655
DEPARTMENTAL INCOME				
Refuse and garbage charges	9,400,000	9,400,000	8,189,086	(1,210,914)
Total Departmental Income	9,400,000	9,400,000	8,189,086	(1,210,914)
INTERGOVERNMENTAL CHARGES				
Refuse and garbage charges - other governments			8,437	8,437
Total Intergovernmental Charges			8,437	8,437
USE OF MONEY AND PROPERTY				
Interest and earnings	11,586	11,586	11,869	283
Total Use of Money and Property	11,586	11,586	11,869	283
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of recyclable material	400,000	400,000	337,947	(62,053)
Total Sale of Property and Compensation for Loss	400,000	400,000	337,947	(62,053)
MISCELLANEOUS LOCAL SOURCES				
Premiums on obligations			26,419	26,419
Miscellaneous revenue			100	100
Total Miscellaneous Local Sources			26,519	26,519
STATE AID				
Emergency disaster assistance			33,252	33,252
Other	1,000,000	1,000,000	223,448	(776,552)
Total State Aid	1,000,000	1,000,000	256,700	(743,300)
FEDERAL AID				
Other			5,000	5,000
Total Federal Aid			5,000	5,000
Total Revenues	32,548,940	32,548,940	30,788,567	(1,760,373)

(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, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Sanitation	16,640,653	16,983,158	16,470,421	512,737
Recycling	9,362,728	8,977,191	8,803,213	173,978
Total Home and Community Services	<u>26,003,381</u>	<u>25,960,349</u>	<u>25,273,634</u>	<u>686,715</u>
EMPLOYEE BENEFITS				
State Employee Retirement System	1,178,605	1,467,090	1,124,753	342,337
Social security	644,024	644,024	621,649	22,375
Workers' compensation	352,498	511,595	511,595	
Unemployment benefits	9,000	9,000		9,000
Disability benefits	6,300	6,300		6,300
Hospital, medical and dental	2,024,339	2,625,747	2,597,529	28,218
Total Employee Benefits	<u>4,214,766</u>	<u>5,263,756</u>	<u>4,855,526</u>	<u>408,230</u>
Total Current	<u>30,218,147</u>	<u>31,224,105</u>	<u>30,129,160</u>	<u>1,094,945</u>
DEBT SERVICE:				
Debt interest:				
Bond anticipation notes		44,549	44,549	
Total Debt Service		<u>44,549</u>	<u>44,549</u>	
Total Expenditures	<u>30,218,147</u>	<u>31,268,654</u>	<u>30,173,709</u>	<u>1,094,945</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,330,793	1,280,286	614,858	(665,428)
OTHER FINANCING SOURCES (USES)				
Transfers out:				
Debt service fund	(2,330,793)	(2,330,793)	(2,302,273)	28,520
Total Other Financing Sources (Uses)	<u>(2,330,793)</u>	<u>(2,330,793)</u>	<u>(2,302,273)</u>	<u>28,520</u>
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ (1,050,507)</u>	<u>(1,687,415)</u>	<u>\$ (636,908)</u>
Fund Balance (Deficit) at Beginning of Year			<u>(13,538,272)</u>	
Fund Balance (Deficit) at End of Year			<u><u>\$(15,225,687)</u></u>	

TOWN OF OYSTER BAY
SCHEDULE OF FUNDING PROGRESS
FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
December 31, 2015

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
2015	\$ -0-	\$ 433,870,709	\$ 433,870,709	0.00%	\$ 80,812,874	536.88%
2013*	\$ -0-	\$ 411,582,353	\$ 411,582,353	0.00%	\$ 93,592,829	439.76%
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, 2014.

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

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

TOWN OF OYSTER BAY
SCHEDULE OF CONTRIBUTIONS
December 31, 2015

Year Ended December 31,	Contractually Required Contributions	Contributions recognized by the plan in relation to the contractually required contributions	Contribution deficiency (excess)	Covered Payroll	Contribution as a percentage of covered payroll
2015	15,112,830	10,327,189	4,785,641	87,297,307	17.31%
2014	16,227,162	9,980,533	6,246,629	81,871,351	19.82%
2013	17,448,825	10,683,465	6,765,360	79,520,605	21.94%
2012	15,808,562	10,354,332	5,454,230	90,863,367	17.40%
2011	12,471,195	8,978,629	3,492,566	89,891,250	13.87%
2010	9,171,197	8,126,858	1,044,339	88,764,270	10.33%
2009	6,559,441	6,559,441	-0-	90,032,402	7.29%
2008	6,754,401	6,754,401	-0-	80,934,845	8.35%
2007	7,248,733	7,070,156	178,577	76,098,491	9.53%
2006	8,628,015	8,077,578	550,437	71,758,337	12.02%

Note - amounts presented for each year were determined as of December 31st and the contractually required contributions are based on the amounts invoiced by the New York State Local Retirement System.

TOWN OF OYSTER BAY
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
December 31, 2015

	<u>2015</u>	<u>2014</u>
Town's proportion of the net pension liability	0.3185572%	0.3185572%
Town's proportionate share of the net collective pension liability	10,761,642	14,395,154
Town's covered-employee payroll	82,956,655	79,614,352
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	12.97%	18.08%
Plan net position as a percentage of the total pension liability coming from plan	97.90%	97.20%

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, 2015

	Special Revenue Funds			
	Town Outside Village	Special Grants	Drainage District	Park Districts
ASSETS				
Cash and investments	\$ 45,523	\$ 255,100	\$ 98,945	\$ 24,348
Accounts receivable, net of allowances for doubtful accounts of \$15,284	11,348		10,939	37,613
Due from other funds	3,016,596		2,160,426	3,380,834
State and federal aid receivables		586,447		
Due from other governments				
Inventory of material and supplies				
Total Assets	\$ 3,073,467	\$ 841,547	\$ 2,270,310	\$ 3,442,795
LIABILITIES				
Accounts payable	\$ 1,328,245	\$ 132,487	\$ 87,907	\$ 877,816
Accrued liabilities	588,967	79,238	103,181	896,743
Due to other funds		61,139		
Grant advances		22,512		
Total Liabilities	1,917,212	295,376	191,088	1,774,559
FUND BALANCES (DEFICITS)				
Nonspendable	3,016,596		2,160,426	3,319,695
Restricted		546,171		
Assigned				
Unassigned	(1,860,341)		(81,204)	(1,651,459)
Total Fund Balances (Deficits)	1,156,255	546,171	2,079,222	1,668,236
Total Liabilities and Fund Balances (Deficit)	\$ 3,073,467	\$ 841,547	\$ 2,270,310	\$ 3,442,795

Fire Protection Districts	Lighting District	Public Parking District	Water Districts	Total Non-Major Funds
\$ 44,175	\$ 20,101	\$ 13,783	\$ 24,732	\$ 526,707
3,346	4,647	3,501		71,394
800,000	1,738,371	54,422		11,150,649
	949			586,447
	599,813			949
				599,813
<u>\$ 847,521</u>	<u>\$ 2,363,881</u>	<u>\$ 71,706</u>	<u>\$ 24,732</u>	<u>\$ 12,935,959</u>
\$ 41,923	\$ 363,480	\$ 98,461		\$ 2,930,319
	111,072	83,943		1,863,144
		1,650,000		1,711,139
				22,512
<u>41,923</u>	<u>474,552</u>	<u>1,832,404</u>		<u>6,527,114</u>
800,000	2,338,184	54,422		11,689,323
		539,140		1,085,311
5,598			\$ 24,732	30,330
	(448,855)	(2,354,260)		(6,396,119)
<u>805,598</u>	<u>1,889,329</u>	<u>(1,760,698)</u>	<u>24,732</u>	<u>6,408,845</u>
<u>\$ 847,521</u>	<u>\$ 2,363,881</u>	<u>\$ 71,706</u>	<u>\$ 24,732</u>	<u>\$ 12,935,959</u>

TOWN OF OYSTER BAY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year ended December 31, 2015

	Special Revenue Funds			
	Town Outside Village	Special Grants	Drainage District	Park Districts
REVENUES				
Real property taxes	\$ 6,239,973		\$ 4,822,768	\$ 26,050,220
Other real property tax items	124,865		152,445	545,986
Departmental income	6,774,919			636,836
Use of money and property	1,746		942	1,164
Sale of property and compensation for loss				17,429
Miscellaneous local sources	11,842	\$ 235,960		12
State aid			1,835	2,459
Federal aid		3,975,838		
Total Revenues	<u>13,153,345</u>	<u>4,211,798</u>	<u>4,977,990</u>	<u>27,254,106</u>
EXPENDITURES				
Current:				
Public safety	7,539,881			
Transportation				
Economic assistance and opportunity		2,614,340		
Culture and recreation				16,238,646
Home and community services	1,570,091	1,686,688	1,910,298	
Employee benefits	2,957,926	20,142	757,528	4,920,853
Debt Service:				
Interest	16,189		247	30,596
Total Expenditures	<u>12,084,087</u>	<u>4,321,170</u>	<u>2,668,073</u>	<u>21,190,095</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,069,258</u>	<u>(109,372)</u>	<u>2,309,917</u>	<u>6,064,011</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(309,468)		(1,547,928)	(5,071,482)
Total Other Financing Sources (Uses)	<u>(309,468)</u>		<u>(1,547,928)</u>	<u>(5,071,482)</u>
Net Change in Fund Balances	759,790	(109,372)	761,989	992,529
Fund Balances (Deficits) at Beginning of Year	<u>396,465</u>	<u>655,543</u>	<u>1,317,233</u>	<u>675,707</u>
Fund Balances (Deficits) at End of Year	<u>\$ 1,156,255</u>	<u>\$ 546,171</u>	<u>\$ 2,079,222</u>	<u>\$ 1,668,236</u>

Fire Protection Districts	Lighting District	Public Parking District	Water Districts	Total Non-Major Funds
\$ 8,131,066	\$ 4,915,050	\$ 8,249,680		\$ 58,408,757
141,605	117,473	142,565		1,224,939
		197,611	\$ 4,429	7,613,795
348	870	236		5,306
	9,420			26,849
19,464				267,278
	1,157	1,409		6,860
				3,975,838
<u>8,292,483</u>	<u>5,043,970</u>	<u>8,591,501</u>	<u>4,429</u>	<u>71,529,622</u>
8,093,857				15,633,738
	3,509,324	2,273,869		5,783,193
				2,614,340
				16,238,646
			4,429	5,171,506
	749,740	841,281		10,247,470
	2,408	5,748		55,188
<u>8,093,857</u>	<u>4,261,472</u>	<u>3,120,898</u>	<u>4,429</u>	<u>55,744,081</u>
<u>198,626</u>	<u>782,498</u>	<u>5,470,603</u>		<u>15,785,541</u>
	(360,328)	(5,181,669)		(12,470,875)
	(360,328)	(5,181,669)		(12,470,875)
198,626	422,170	288,934		3,314,666
606,972	1,467,159	(2,049,632)	24,732	3,094,179
<u>\$ 805,598</u>	<u>\$ 1,889,329</u>	<u>\$ (1,760,698)</u>	<u>\$ 24,732</u>	<u>\$ 6,408,845</u>

TOWN OF OYSTER BAY
TOWN OUTSIDE VILLAGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 6,239,963	\$ 6,239,963	\$ 6,239,973	\$ 10
Total Real Property Taxes	6,239,963	6,239,963	6,239,973	10
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	35,000	35,000	124,865	89,865
Total Other Real Property Tax Items	35,000	35,000	124,865	89,865
DEPARTMENTAL INCOME				
Building fees	6,110,000	6,860,000	6,523,769	(336,231)
Zoning board fees	230,000	230,000	241,400	11,400
Planning fees	6,000	6,000	9,750	3,750
Total Departmental Income	6,346,000	7,096,000	6,774,919	(321,081)
USE OF MONEY AND PROPERTY				
Interest and earnings	10,503	10,503	1,746	(8,757)
Total Use of Money and Property	10,503	10,503	1,746	(8,757)
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures	25,000	25,000	519	(24,481)
Photo processing fee	15,000	15,000	11,323	(3,677)
Total Miscellaneous Local Sources	40,000	40,000	11,842	(28,158)
Total Revenues	12,671,466	13,421,466	13,153,345	(268,121)

(continued)

TOWN OF OYSTER BAY
TOWN OUTSIDE VILLAGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
PUBLIC SAFETY					
Building	6,740,882	7,646,656	7,105,641	99	540,916
Animal warden services	434,257	434,257	434,240		17
Total Public Safety	<u>7,175,139</u>	<u>8,080,913</u>	<u>7,539,881</u>	<u>99</u>	<u>540,933</u>
CULTURE AND RECREATION					
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>
HOME AND COMMUNITY SERVICES					
Board of appeals	367,818	448,532	354,066		94,466
Planning and development - staff	1,456,179	1,307,180	1,216,025		91,155
Total Home and Community Services	<u>1,823,997</u>	<u>1,755,712</u>	<u>1,570,091</u>		<u>185,621</u>
EMPLOYEE BENEFITS					
State Employee Retirement System	830,142	1,042,727	800,383		242,344
Social security	453,613	453,613	428,547		25,066
Workers' compensation	84,603	40,222	40,222		
Disability benefits	2,300	2,300			2,300
Unemployment benefits	4,000	4,000			4,000
Hospital, medical and dental	1,967,015	1,695,133	1,688,774		6,359
Total Employee Benefits	<u>3,341,673</u>	<u>3,237,995</u>	<u>2,957,926</u>		<u>280,069</u>
Total Current	<u>12,345,809</u>	<u>13,079,620</u>	<u>12,067,898</u>	<u>99</u>	<u>1,011,623</u>
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		16,189	16,189		
Total Debt Service		<u>16,189</u>	<u>16,189</u>		
Total Expenditures	<u>12,345,809</u>	<u>13,095,809</u>	<u>12,084,087</u>	<u>99</u>	<u>1,011,623</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	325,657	325,657	1,069,258	(99)	743,502
OTHER FINANCING SOURCES (USES)					
Transfers out:					
Debt service fund	(325,657)	(325,657)	(309,468)		16,189
Total Other Financing Sources (Uses)	<u>(325,657)</u>	<u>(325,657)</u>	<u>(309,468)</u>		<u>16,189</u>
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>759,790</u>	<u>\$ (99)</u>	<u>\$ 759,691</u>
Fund Balance at Beginning of Year			<u>396,465</u>		
Fund Balance at End of Year			<u>\$ 1,156,255</u>		

TOWN OF OYSTER BAY
DRAINAGE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 4,822,716	\$ 4,822,716	\$ 4,822,768	\$ 52
Total Real Property Taxes	4,822,716	4,822,716	4,822,768	52
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	130,000	130,000	152,445	22,445
Total Other Real Property Tax Items	130,000	130,000	152,445	22,445
USE OF MONEY AND PROPERTY				
Interest and earnings	2,367	2,367	942	(1,425)
Total Use of Money and Property	2,367	2,367	942	(1,425)
STATE AID				
Emergency disaster assistance			1,835	1,835
Total State Aid			1,835	1,835
Total Revenues	4,955,083	4,955,083	4,977,990	22,907

(continued)

TOWN OF OYSTER BAY
DRAINAGE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Drainage	2,041,545	2,332,122	1,910,298	421,824
Total Home and Community Services	2,041,545	2,332,122	1,910,298	421,824
EMPLOYEE BENEFITS				
State Employee Retirement System	142,949	183,125	133,916	49,209
Social security	78,111	82,091	82,091	
Disability benefits	500	500		500
Workers' compensation	62,194	3,528	3,528	
Hospital, medical and dental	762,518	539,335	537,993	1,342
Unemployment insurance	1,000	1,000		1,000
Total Employee Benefits	1,047,272	809,579	757,528	52,051
Total Current	3,088,817	3,141,701	2,667,826	473,875
DEBT SERVICE:				
Debt interest:				
Bond anticipation notes		247	247	
Total Debt Service		247	247	
Total Expenditures	3,088,817	3,141,948	2,668,073	473,875
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,866,266	1,813,135	2,309,917	496,782
OTHER FINANCING SOURCES (USES)				
Transfers out:				
Debt service fund	(1,866,266)	(1,821,701)	(1,547,928)	273,773
Total Other Financing Sources (Uses)	(1,866,266)	(1,821,701)	(1,547,928)	273,773
Net Change in Fund Balance	\$ -0-	\$ (8,566)	761,989	\$ 770,555
Fund Balance at Beginning of Year			1,317,233	
Fund Balance at End of Year			\$ 2,079,222	

TOWN OF OYSTER BAY
PARK DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 26,050,215	\$ 26,050,215	\$ 26,050,220	\$ 5
Total Real Property Taxes	26,050,215	26,050,215	26,050,220	5
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	344,882	367,513	545,986	178,473
Total Other Real Property Tax Items	344,882	367,513	545,986	178,473
DEPARTMENTAL INCOME				
Recreational concessions	24,000	24,000		(24,000)
Special recreational facility charge	915,000	915,000	636,836	(278,164)
Total Departmental Income	939,000	939,000	636,836	(302,164)
USE OF MONEY AND PROPERTY				
Interest and earnings	38	38	1,164	1,126
Total Use of Money and Property	38	38	1,164	1,126
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Insurance recoveries		111,762	17,429	(94,333)
Total Sale of Property and Compensation for Loss		111,762	17,429	(94,333)
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous revenue			12	12
Total Miscellaneous Local Sources			12	12
STATE AID				
Emergency disaster assistance			2,459	2,459
Total State Aid			2,459	2,459
Total Revenues	27,334,135	27,468,528	27,254,106	(214,422)

(continued)

TOWN OF OYSTER BAY
PARK DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
CULTURE AND RECREATION					
Parks, pools and rinks	16,818,571	17,171,790	16,238,646	3,905	929,239
Total Culture and Recreation	16,818,571	17,171,790	16,238,646	3,905	929,239
EMPLOYEE BENEFITS					
State Employee Retirement System	1,181,867	1,472,849	1,189,826		283,023
Social security	698,591	699,878	690,906		8,972
Workers' compensation	296,067	150,303	150,303		
Disability insurance	5,500				
Unemployment insurance	2,000				
Hospital, medical and dental	3,198,990	2,889,821	2,889,818		3
Total Employee Benefits	5,383,015	5,212,851	4,920,853		291,998
Total Current	22,201,586	22,384,641	21,159,499	3,905	1,221,237
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		30,596	30,596		
Total Debt Service		30,596	30,596		
Total Expenditures	22,201,586	22,415,237	21,190,095	3,905	1,221,237
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,132,549	5,053,291	6,064,011	(3,905)	1,006,815
OTHER FINANCING SOURCES (USES)					
Transfers out:					
Debt service fund	(5,137,573)	(5,105,984)	(5,071,482)		34,502
Total Other Financing Sources (Uses)	(5,137,573)	(5,105,984)	(5,071,482)		34,502
Net Change in Fund Balance	\$ (5,024)	\$ (52,693)	992,529	\$ (3,905)	\$ 1,041,317
Fund Balance at Beginning of Year			675,707		
Fund Balance at End of Year			<u>\$ 1,668,236</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, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 8,131,064	\$ 8,138,918	\$ 8,131,066	\$ (7,852)
Total Real Property Taxes	<u>8,131,064</u>	<u>8,138,918</u>	<u>8,131,066</u>	<u>(7,852)</u>
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	<u>24,517</u>	<u>24,517</u>	<u>141,605</u>	<u>117,088</u>
Total Other Real Property Tax Items	<u>24,517</u>	<u>24,517</u>	<u>141,605</u>	<u>117,088</u>
USE OF MONEY AND PROPERTY				
Interest and earnings			<u>348</u>	<u>348</u>
Total Use of Money and Property			<u>348</u>	<u>348</u>
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures			<u>19,464</u>	<u>19,464</u>
Total Miscellaneous Local Sources			<u>19,464</u>	<u>19,464</u>
Total Revenues	<u>8,155,581</u>	<u>8,163,435</u>	<u>8,292,483</u>	<u>129,048</u>
EXPENDITURES				
CURRENT:				
PUBLIC SAFETY				
Fire protection	<u>8,336,211</u>	<u>8,344,065</u>	<u>8,093,857</u>	<u>250,208</u>
Total Public Safety	<u>8,336,211</u>	<u>8,344,065</u>	<u>8,093,857</u>	<u>250,208</u>
Total Expenditures	<u>8,336,211</u>	<u>8,344,065</u>	<u>8,093,857</u>	<u>250,208</u>
Net Change in Fund Balance	<u>\$ (180,630)</u>	<u>\$ (180,630)</u>	<u>198,626</u>	<u>\$ 379,256</u>
Fund Balance at Beginning of Year			<u>606,972</u>	
Fund Balance at End of Year			<u>\$ 805,598</u>	

TOWN OF OYSTER BAY
LIGHTING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 4,915,049	\$ 4,915,049	\$ 4,915,050	\$ 1
Total Real Property Taxes	4,915,049	4,915,049	4,915,050	1
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	100,000	100,000	117,473	17,473
Total Other Real Property Tax Items	100,000	100,000	117,473	17,473
USE OF MONEY AND PROPERTY				
Interest and earnings	2,082	2,082	870	(1,212)
Total Use of Money and Property	2,082	2,082	870	(1,212)
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sales of scrap and excess materials			2,784	2,784
Insurance recoveries	10,000	10,000	6,636	(3,364)
Total Sale of Property and Compensation for Loss	10,000	10,000	9,420	(580)
STATE AID				
Emergency disaster assistance			1,157	1,157
Total State Aid			1,157	1,157
Total Revenues	5,027,131	5,027,131	5,043,970	16,839

(continued)

TOWN OF OYSTER BAY
LIGHTING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
TRANSPORTATION					
Lighting	3,735,653	4,033,601	3,509,324	1,772	522,505
Total Transportation	3,735,653	4,033,601	3,509,324	1,772	522,505
EMPLOYEE BENEFITS					
State Employee Retirement System	159,415	215,530	182,522		33,008
Social security	87,109	90,499	90,499		
Disability benefits	200	200			200
Workers' compensation	49,060	11,996	11,996		
Hospital, medical and dental	625,428	464,723	464,723		
Unemployment benefits	2,000	2,000			2,000
Total Employee Benefits	923,212	784,948	749,740		35,208
Total Current	4,658,865	4,818,549	4,259,064	1,772	557,713
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		2,408	2,408		
Total Debt Service		2,408	2,408		
Total Expenditures	4,658,865	4,820,957	4,261,472	1,772	557,713
Excess (Deficiency) of Revenues Over (Under) Expenditures	368,266	206,174	782,498	(1,772)	574,552
OTHER FINANCING SOURCES (USES)					
Transfers out:					
Debt service fund	(368,266)	(368,266)	(360,328)		7,938
Total Other Financing Sources (Uses)	(368,266)	(368,266)	(360,328)		7,938
Net Change in Fund Balance	\$ -0-	\$ (162,092)	422,170	\$ (1,772)	\$ 582,490
Fund Balance at Beginning of Year			1,467,159		
			\$ 1,889,329		

TOWN OF OYSTER BAY
PUBLIC PARKING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 8,249,679	\$ 8,249,679	\$ 8,249,680	\$ 1
Total Real Property Taxes	8,249,679	8,249,679	8,249,680	1
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	106,666	106,666	142,565	35,899
Total Other Real Property Tax Items	106,666	106,666	142,565	35,899
DEPARTMENTAL INCOME				
Parking permits	180,000	180,000	172,168	(7,832)
Parking meter fees	35,000	35,000	25,443	(9,557)
Total Departmental Income	215,000	215,000	197,611	(17,389)
USE OF MONEY AND PROPERTY				
Interest and earnings	1,000	1,000	236	(764)
Total Use of Money and Property	1,000	1,000	236	(764)
STATE AID				
Emergency disaster assistance			1,409	1,409
Total State Aid			1,409	1,409
Total Revenues	8,572,345	8,572,345	8,591,501	19,156

(continued)

TOWN OF OYSTER BAY
PUBLIC PARKING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Encumbrances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
TRANSPORTATION					
Parking	2,409,270	2,612,640	2,273,869	1,146	337,625
Total Transportation	2,409,270	2,612,640	2,273,869	1,146	337,625
EMPLOYEE BENEFITS					
State Employee Retirement System	116,605	140,729	140,346		383
Social security	63,716	65,575	65,575		
Workers compensation	77,842	138,659	138,659		
Disability benefits	1,000				
Unemployment benefits	1,000				
Hospital, medical and dental	718,002	496,701	496,701		
Total Employee Benefits	978,165	841,664	841,281		383
Total Current	3,387,435	3,454,304	3,115,150	1,146	338,008
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		5,748	5,748		
Total Debt Service		5,748	5,748		
Total Expenditures	3,387,435	3,460,052	3,120,898	1,146	338,008
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,184,910	5,112,293	5,470,603	(1,146)	357,164
OTHER FINANCING SOURCES (USES)					
Transfers out:					
Debt service fund	(5,184,910)	(5,181,669)	(5,181,669)		
Total Other Financing Sources (Uses)	(5,184,910)	(5,181,669)	(5,181,669)		
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ (69,376)</u>	288,934	<u>\$ (1,146)</u>	<u>\$ 357,164</u>
Fund Balance (Deficit) at Beginning of Year			(2,049,632)		
Fund Balance (Deficit) at End of Year			<u>\$ (1,760,698)</u>		

TOWN OF OYSTER BAY
WATER DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
DEPARTMENTAL INCOME				
Water rental arrears	\$ 4,429	\$ 4,429	\$ 4,429	
Total Departmental Income	4,429	4,429	4,429	
Total Revenues	4,429	4,429	4,429	
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Water	4,429	4,429	4,429	
Total Home and Community Services	4,429	4,429	4,429	
Total Expenditures	4,429	4,429	4,429	
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ -0-</u>	-0-	<u>\$ -0-</u>
Fund Balance at Beginning of Year			24,732	
Fund Balance at End of Year			<u>\$ 24,732</u>	

TOWN OF OYSTER BAY
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
USE OF MONEY AND PROPERTY				
Interest and earnings			\$ 126,625	\$ 126,625
Total Use of Money and Property			126,625	126,625
MISCELLANEOUS LOCAL SOURCES				
Premiums on bond anticipation notes	\$ 2,000,000	\$ 2,000,000	1,025,109	(974,891)
Total Miscellaneous Local Sources	2,000,000	2,000,000	1,025,109	(974,891)
Total Revenues	2,000,000	2,000,000	1,151,734	(848,266)
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Fiscal agent fees	90,000	98,500	88,485	10,015
Total General Government Support	90,000	98,500	88,485	10,015
Total Current	90,000	98,500	88,485	10,015
DEBT SERVICE:				
Debt principal - serial bonds	50,771,322	50,771,322	50,506,321	265,001
Debt interest - serial bonds	25,517,048	25,497,760	24,290,566	1,207,194
Total Debt Service	76,288,370	76,269,082	74,796,887	1,472,195
Total Expenditures	76,378,370	76,367,582	74,885,372	1,482,210
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,378,370)	(74,367,582)	(73,733,638)	633,944
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Other funds	74,378,370	74,378,370	74,885,372	507,002
Total Other Financing Sources (Uses)	74,378,370	74,378,370	74,885,372	507,002
Net Change in Fund Balance	\$ -0-	\$ 10,788	1,151,734	\$ 1,140,946
Fund Balance at Beginning of Year			612,934	
Fund Balance at End of Year			\$ 1,764,668	

TOWN OF OYSTER BAY
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2015

	<u>Town Agency Fund</u>	<u>Town Clerk Agency Fund</u>	<u>Town Receiver of Taxes Agency Fund</u>	<u>Total Agency Funds</u>
ASSETS				
Cash	\$ 14,375,232	\$ 35,175	\$ 62,493,127	\$ 76,903,534
Due from component units	873,939			873,939
Total Assets	<u>\$ 15,249,171</u>	<u>\$ 35,175</u>	<u>\$ 62,493,127</u>	<u>\$ 77,777,473</u>
LIABILITIES				
Due to the Comptroller of the State of New York		\$ 75		\$ 75
Due to the Department of Environmental Conservation of the State of New York		420		420
Due to the Department of Health of the State of New York		1,395		1,395
Due to the Department of Agriculture and Markets of the State of New York		137		137
Due to school districts			\$ 61,844,443	61,844,443
Due to the Treasurer of Nassau County			176,191	176,191
Due to component units	\$ 12,891,543			12,891,543
Other agency liabilities	2,357,628	33,148	472,493	2,863,269
Total Liabilities	<u>\$ 15,249,171</u>	<u>\$ 35,175</u>	<u>\$ 62,493,127</u>	<u>\$ 77,777,473</u>

TOWN OF OYSTER BAY
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN AGENCY ASSETS AND LIABILITIES
Year ended December 31, 2015

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
ASSETS				
Town Agency Funds				
Cash	\$ 9,271,866	\$ 156,391,269	\$ 151,287,903	\$ 14,375,232
Due from component units		873,939		873,939
Total Assets - Town Agency Funds	9,271,866	157,265,208	151,287,903	15,249,171
Town Clerk Agency Funds				
Cash	35,017	650,817	650,659	35,175
Total Assets - Town Clerk Agency Funds	35,017	650,817	650,659	35,175
Town Receiver of Taxes Agency Funds				
Cash	47,829,628	1,553,160,185	1,538,496,686	62,493,127
Taxes Agency Funds	47,829,628	1,553,160,185	1,538,496,686	62,493,127
Total Assets	\$ 57,136,511	\$1,711,076,210	\$1,690,435,248	\$ 77,777,473
LIABILITIES				
Town Agency Funds				
Consolidated payroll		\$ 95,952,488	\$ 95,952,488	
Due to component units	\$ 6,970,611	33,380,992	27,460,060	\$ 12,891,543
Other agency liabilities	2,301,255	27,931,728	27,875,355	2,357,628
Total Liabilities - Town Agency Funds	9,271,866	157,265,208	151,287,903	15,249,171
Town Clerk Agency Funds				
Due to the Comptroller of the State of New York	30	1,459	1,414	75
Due to the Department of Environmental Conservation of the State of New York	599	34,631	34,810	420
Due to the Department of Health of the State of New York	1,868	28,238	28,711	1,395
Due to the Department of Agriculture and Markets of the State of New York	127	2,401	2,391	137
Other agency liabilities	32,393	584,088	583,333	33,148
Total Liabilities - Town Clerk Agency Funds	35,017	650,817	650,659	35,175
Town Receiver of Taxes Agency Funds				
Due to school districts	47,087,169	1,023,848,646	1,009,091,372	61,844,443
Due to the Treasurer of Nassau County	176,269	221,109,851	221,109,929	176,191
Other agency liabilities	566,190	308,201,688	308,295,385	472,493
Total Liabilities - Town Receiver of Taxes Agency Funds	47,829,628	1,553,160,185	1,538,496,686	62,493,127
Total Liabilities	\$ 57,136,511	\$1,711,076,210	\$1,690,435,248	\$ 77,777,473

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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 COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
December 31, 2015

	Massapequa Water District	Plainview Water District	Hicksville Water District	Locust Valley Water District
ASSETS				
Current Assets:				
Cash and investments	\$ 2,357,975	\$ 4,006,033	\$21,030,534	\$ 789,839
Accounts receivable, net of allowance for doubtful accounts	2,659,476	917,941	765,888	477,874
Due from other governments	10,379	148,697	157,709	4,631
Due from primary government	18,649	1,931	128,525	2,730,764
Prepaid charges	59,601	201,706	102,796	155,993
Other assets			465	
Inventory of materials and supplies		127,108	5,322	108,161
Total Current Assets	<u>5,106,080</u>	<u>5,403,416</u>	<u>22,191,239</u>	<u>4,267,262</u>
Non-Current Assets:				
Non-depreciable capital assets	5,783,757	689,088	14,302,941	1,953,014
Depreciable capital assets, net of depreciation	9,854,678	29,935,796	16,096,642	11,379,932
Total Non-Current Assets	<u>15,638,435</u>	<u>30,624,884</u>	<u>30,399,583</u>	<u>13,332,946</u>
Total Assets	<u>20,744,515</u>	<u>36,028,300</u>	<u>52,590,822</u>	<u>17,600,208</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refundings				
Pensions	225,664	299,064	438,226	143,312
Total Deferred Outflows of Resources	<u>225,664</u>	<u>299,064</u>	<u>438,226</u>	<u>143,312</u>
LIABILITIES				
Current Liabilities:				
Accounts payable	108,582	702,751	1,152,822	274,295
Accrued liabilities	62,330	82,963	53,496	
Accrued interest payable	59,874	233,036		
Bond anticipation notes payable				5,715,000
Due to other governments		90,311		
Due to primary government	395,785	178,514		1,693,773
Unearned income	26,621		5,952	84,000
Other liabilities				5,700
Non-current liabilities due within one year				
General obligation bonds payable	424,630	1,464,124		245,000
Compensated absences			188,214	
Other debt			835,000	
Total Current Liabilities	<u>1,077,822</u>	<u>2,751,699</u>	<u>2,235,484</u>	<u>8,017,768</u>
Non-Current Liabilities:				
General obligation bonds payable	4,195,701	16,433,044		4,256,389
Other postemployment benefits payable	3,424,575	3,184,337	3,879,696	1,002,177
Compensated absences	326,577	344,494	467,284	296,289
Net pension liability - proportionate share	227,825	250,664	144,691	77,679
Other debt			10,790,000	
Total Non-Current Liabilities	<u>8,174,678</u>	<u>20,212,539</u>	<u>15,281,671</u>	<u>5,632,534</u>
Total Liabilities	<u>9,252,500</u>	<u>22,964,238</u>	<u>17,517,155</u>	<u>13,650,302</u>
DEFERRED INFLOWS OF RESOURCES				
Pensions	39,017			
Gain on refunding	33,040			
Total Deferred Inflows of Resources	<u>72,057</u>			
NET POSITION				
Net investment in capital assets	10,985,064	12,727,716	23,215,925	13,332,946
Restricted	1,198,889	1,833,069	7,224,803	295,065
Unrestricted	(538,331)	(1,197,659)	5,071,165	(9,534,793)
Total Net Position	<u>\$ 11,645,622</u>	<u>\$ 13,363,126</u>	<u>\$ 35,511,893</u>	<u>\$ 4,093,218</u>

Oyster Bay Water District	Jericho Water District	South Farmingdale Water District	Bethpage Water District	Syosset Sanitation District	Oyster Bay Sewer District	Glenwood- Glenhead Garbage District	Totals
\$ 1,879,512	\$ 9,755,728	\$ 9,967,523	\$ 4,488,005	\$ 283,791	\$ 1,147,917	\$ 161,400	\$ 55,868,257
351,542	2,255,810	1,151,279	728,791				9,308,601
	4,155	1,884,537	421,715				2,631,823
	3,506,484	3,276,970	3,072,647	52	47,972	107,549	12,891,543
20,123	242,146	74,784	82,548		114,270		1,053,967
						700	1,165
49,935	245,928	12,556	171,994				721,004
2,301,112	16,010,251	16,367,649	8,965,700	283,843	1,310,159	269,649	82,476,360
1,188,684	880,037	1,995,413	17,394,978		194,779		44,382,691
9,506,100	23,738,203	22,340,725	24,577,093		12,951,464		160,380,633
10,694,784	24,618,240	24,336,138	41,972,071		13,146,243		204,763,324
12,995,896	40,628,491	40,703,787	50,937,771	283,843	14,456,402	269,649	287,239,684
					104,239		104,239
89,790	320,969	250,923	181,178		309,046		2,258,172
89,790	320,969	250,923	181,178		413,285		2,362,411
78,757	731,603	1,556,542	1,337,396		174,730	78,226	6,195,704
	37,908	76,218	192,083				504,998
39,897	84,051	170,852			43,879		631,589
	3,000,000	1,285,000	8,500,000				18,500,000
							90,311
873,939	141,815		2,710,346				5,994,172
24,559							141,132
35,645	465,447	350	56,730		13,049		576,921
369,568	339,000	832,059	706,900		436,202		4,817,483
10,919	42,685	35,166	23,726		26,703		327,413
							835,000
1,433,284	4,842,509	3,956,187	13,527,181		694,563	78,226	38,614,723
2,869,586	5,983,000	11,651,216	11,354,100		2,573,454		59,316,490
1,211,407	4,092,812	2,696,076	2,154,536		3,659,303		25,304,919
207,455	811,008	668,163	197,057		507,349		3,825,676
81,414	263,593	203,353	174,230		200,339		1,623,788
							10,790,000
4,369,862	11,150,413	15,218,808	13,879,923		6,940,445		100,860,873
5,803,146	15,992,922	19,174,995	27,407,104		7,635,008	78,226	139,475,596
23,049			20,623				82,689
							33,040
23,049			20,623				115,729
6,583,454	18,624,583	12,447,101	21,411,071		10,136,587		129,464,447
1,140,991	4,174,438	2,674,526	3,886,935				22,428,716
(464,954)	2,157,517	6,658,088	(1,606,784)	283,843	(2,901,908)	191,423	(1,882,393)
\$ 7,259,491	\$24,956,538	\$21,779,715	\$23,691,222	\$ 283,843	\$ 7,234,679	\$ 191,423	\$150,010,770

TOWN OF OYSTER BAY
DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
Year ended December 31, 2015

	Massapequa Water District	Plainview Water District	Hicksville Water District	Locust Valley Water District
EXPENSES				
Current:				
Home and community services	\$ 5,312,281	\$ 7,756,803	\$ 7,425,978	\$ 2,473,753
Total Expenses	<u>5,312,281</u>	<u>7,756,803</u>	<u>7,425,978</u>	<u>2,473,753</u>
PROGRAM REVENUES				
Charges for services	3,907,742	4,173,369	3,057,397	1,887,442
Operating grants and contributions				
Total Program Revenues	<u>3,907,742</u>	<u>4,173,369</u>	<u>3,057,397</u>	<u>1,887,442</u>
Net Expenses	<u>(1,404,539)</u>	<u>(3,583,434)</u>	<u>(4,368,581)</u>	<u>(586,311)</u>
GENERAL REVENUES				
Real property taxes	2,045,632	3,714,405	4,703,247	509,560
Other real property tax items		41,658	165,881	
Use of money and property - interest and earnings	1,760	11,922	81,887	5,885
Sales of property and compensation for loss		29,176	41,932	
State aid		7,256	3,379	
Miscellaneous local sources	495,956	164,609	381,885	244,629
Total General Revenues	<u>2,543,348</u>	<u>3,969,026</u>	<u>5,378,211</u>	<u>760,074</u>
Changes in Net Position	<u>1,138,809</u>	<u>385,592</u>	<u>1,009,630</u>	<u>173,763</u>
Net Position at Beginning of Year	10,590,524	13,033,167	34,467,736	3,899,995
Cumulative Effect of Change in Accounting Principle	<u>(83,711)</u>	<u>(55,633)</u>	<u>34,527</u>	<u>19,460</u>
Net Position at Beginning of Year, as restated	<u>10,506,813</u>	<u>12,977,534</u>	<u>34,502,263</u>	<u>3,919,455</u>
Net Position at End of Year	<u>\$ 11,645,622</u>	<u>\$ 13,363,126</u>	<u>\$ 35,511,893</u>	<u>\$ 4,093,218</u>

Oyster Bay Water District	Jericho Water District	South Farmingdale Water District	Bethpage Water District	Syosset Sanitation District	Oyster Bay Sewer District	Glenwood- Glenhead Garbage District	Totals
\$ 2,301,397	\$ 9,569,575	\$ 6,756,999	\$ 6,529,054	\$ 1,051,830	\$ 4,803,928	\$ 1,252,001	\$ 55,233,599
2,301,397	9,569,575	6,756,999	6,529,054	1,051,830	4,803,928	1,252,001	55,233,599
1,076,733	8,804,750 27,543	3,580,825	2,130,328		497,122		29,115,708 27,543
1,076,733	8,832,293	3,580,825	2,130,328	-0-	497,122	-0-	29,143,251
(1,224,664)	(737,282)	(3,176,174)	(4,398,726)	(1,051,830)	(4,306,806)	(1,252,001)	(26,090,348)
884,343 34,065	1,184,245	1,917,720	3,412,166 92,767	577,248	3,383,230	929,768 108,328	23,261,564 442,699
1,562	17,948	28,649	24,298	129	2,809	418	177,267
10,152 3,065	339,342	5,250,233	65,017		10,410		5,735,852 24,110
405,778	86,585	424,325	810,367		29,926		3,044,060
1,338,965	1,628,120	7,620,927	4,404,615	577,377	3,426,375	1,038,514	32,685,552
114,301	890,838	4,444,753	5,889	(474,453)	(880,431)	(213,487)	6,595,204
7,189,477	24,130,094	17,341,490	23,748,464	758,296	8,136,007	404,910	143,700,160
(44,287)	(64,394)	(6,528)	(63,131)		(20,897)		(284,594)
7,145,190	24,065,700	17,334,962	23,685,333	758,296	8,115,110	404,910	143,415,566
\$ 7,259,491	\$ 24,956,538	\$ 21,779,715	\$ 23,691,222	\$ 283,843	\$ 7,234,679	\$ 191,423	\$ 150,010,770

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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>
Financial Trends	
These schedules contain information to help the reader understand how the Town's financial performance and well-being have changed over time.	139-146
Revenue Capacity	
These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.	147-152
Debt Capacity	
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.	153-156
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	157-158
Operating Information	
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.	160-164

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

Year Ended December 31,	2015	2014 ⁽¹⁾	2013	2012	2011
Primary government					
Governmental activities					
Net position					
Net investment					
in capital assets	\$ 41,720,284	\$ 39,210,064	\$ 32,343,595	\$ 26,762,896	\$ 24,260,496
Restricted	2,849,979	1,808,763	1,201,964	1,276,840	2,026,619
Unrestricted (deficit)	<u>(349,225,718)</u>	<u>(313,071,481)</u>	<u>(263,390,501)</u>	<u>(231,457,703)</u>	<u>(176,918,159)</u>
Total primary government net position	<u><u>\$(304,655,455)</u></u>	<u><u>\$(272,052,654)</u></u>	<u><u>\$(229,844,942)</u></u>	<u><u>\$(203,417,967)</u></u>	<u><u>\$(150,631,044)</u></u>

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

Note ⁽¹⁾

Net position was restated in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date."

2010	2009	2008	2007	2006
\$ 24,709,247	\$ 29,999,229	\$ 39,411,317	\$ 43,046,627	\$ 43,111,426
659,882	4,077,987	4,695,733	6,784,573	4,782,128
<u>(142,604,599)</u>	<u>(101,048,213)</u>	<u>(76,760,000)</u>	<u>(55,802,910)</u>	<u>(30,386,111)</u>
<u>\$ (117,235,470)</u>	<u>\$ (66,970,997)</u>	<u>\$ (32,652,950)</u>	<u>\$ (5,971,710)</u>	<u>\$ 17,507,443</u>

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

Year Ended December 31,	2015	2014	2013	2012
Expenses				
Governmental activities:				
General government support	\$ 36,189,828	\$ 38,162,097	\$ 36,575,649	\$ 32,796,871
Public safety	29,462,383	28,286,861	29,134,180	27,821,478
Transportation	59,896,037	62,982,460	68,083,600	71,035,386
Economic assistance and opportunity	4,041,854	4,192,597	4,035,988	4,039,287
Culture and recreation	70,411,344	66,674,609	71,386,725	70,617,267
Home and community service	87,939,688	86,904,193	93,926,958	85,793,941
Interest on debt	25,301,881	24,225,844	22,180,971	21,318,102
Total governmental activities expenses	<u>313,243,015</u>	<u>311,428,661</u>	<u>325,324,071</u>	<u>313,422,332</u>
Total primary government expenses	<u>\$ 313,243,015</u>	<u>\$ 311,428,661</u>	<u>\$ 325,324,071</u>	<u>\$ 313,422,332</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government support	\$ 1,286,612	\$ 1,136,556	\$ 1,229,235	\$ 1,003,364
Public safety	6,697,956	6,024,901	6,354,468	4,564,537
Transportation	1,899,617	2,922,521	2,029,540	2,285,793
Culture and recreation	6,175,419	6,230,650	6,307,093	6,586,215
Home and community service	984,528	830,167	794,692	899,181
Operating grants and contributions	4,535,703	10,777,160	15,217,357	18,126,195
Capital grants and contributions	2,465,139	4,522,687	10,328,219	5,666,110
Total governmental activities program revenues	<u>24,044,974</u>	<u>32,444,642</u>	<u>42,260,604</u>	<u>39,131,395</u>
Total primary government program revenues	<u>\$ 24,044,974</u>	<u>\$ 32,444,642</u>	<u>\$ 42,260,604</u>	<u>\$ 39,131,395</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (289,198,041)</u>	<u>\$ (278,984,019)</u>	<u>\$ (283,063,467)</u>	<u>\$ (274,290,937)</u>
Total primary government net expense	<u>\$ (289,198,041)</u>	<u>\$ (278,984,019)</u>	<u>\$ (283,063,467)</u>	<u>\$ (274,290,937)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Real property taxes	\$ 215,667,149	\$ 198,080,058	\$ 182,180,760	\$ 175,579,664
Other real property tax items	4,993,937	3,678,417	3,390,556	3,197,633
Non-property tax items	5,308,648	5,112,339	4,863,692	4,696,524
Interest earnings	218,014	181,680	246,628	147,906
Local government assistance - unrestricted	14,258,755	13,942,484	14,680,867	13,733,876
State aid - unrestricted	12,311,610	10,327,711	11,883,093	11,184,538
Other	3,837,127	8,005,579	10,062,430	12,963,873
Special item			30,025,000	
Total primary government government general revenues/other	<u>256,595,240</u>	<u>239,328,268</u>	<u>257,333,026</u>	<u>221,504,014</u>
Total primary government	<u>\$ 256,595,240</u>	<u>\$ 239,328,268</u>	<u>\$ 257,333,026</u>	<u>\$ 221,504,014</u>
Change in Net Position				
Governmental activities	<u>\$ (32,602,801)</u>	<u>\$ (39,655,751)</u>	<u>\$ (25,730,441)</u>	<u>\$ (52,786,923)</u>
Total primary government	<u>\$ (32,602,801)</u>	<u>\$ (39,655,751)</u>	<u>\$ (25,730,441)</u>	<u>\$ (52,786,923)</u>

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

Note: Certain amounts presented in 2014 have been reclassified in order to be consistent with the current year's presentation. There was no effect on net position at the end of the year.

2011	2010	2009	2008	2007	2006
\$ 23,979,446	\$ 32,283,214	\$ 30,938,595	\$ 29,280,974	\$ 27,452,248	\$ 28,377,683
26,314,669	24,145,307	22,853,502	22,823,530	20,140,332	15,534,907
56,829,279	51,102,059	48,780,746	42,706,899	43,848,773	38,223,618
3,952,952	5,214,244	4,671,721	4,079,454	4,720,246	3,296,258
67,279,441	66,858,706	56,125,780	48,896,676	46,014,635	33,411,370
85,314,148	85,680,187	81,279,479	83,861,818	79,888,664	72,443,102
18,275,637	14,948,060	13,940,075	14,877,375	13,813,969	12,695,405
<u>281,945,572</u>	<u>280,231,777</u>	<u>258,589,898</u>	<u>246,526,726</u>	<u>235,878,867</u>	<u>203,982,343</u>
<u>\$ 281,945,572</u>	<u>\$ 280,231,777</u>	<u>\$ 258,589,898</u>	<u>\$ 246,526,726</u>	<u>\$ 235,878,867</u>	<u>\$ 203,982,343</u>
\$ 984,923	\$ 1,038,276	\$ 877,821	\$ 877,878	\$ 894,824	\$ 1,027,286
4,067,938	4,271,347	4,439,212	5,943,056	5,732,243	5,339,164
1,768,986	2,017,458	1,878,588	1,850,408	1,057,918	1,544,386
6,002,337	6,122,679	5,586,432	4,617,488	4,418,814	4,413,872
581,858	692,256	819,174	2,539,520	1,172,034	3,070,951
8,156,683	7,838,502	8,155,922	4,879,810	5,981,451	4,384,088
10,661,138	3,815,966	1,465,316	3,435,216	3,653,824	1,658,101
<u>32,223,863</u>	<u>25,796,484</u>	<u>23,222,465</u>	<u>24,143,376</u>	<u>22,911,108</u>	<u>21,437,848</u>
<u>\$ 32,223,863</u>	<u>\$ 25,796,484</u>	<u>\$ 23,222,465</u>	<u>\$ 24,143,376</u>	<u>\$ 22,911,108</u>	<u>\$ 21,437,848</u>
<u>\$ (249,721,709)</u>	<u>\$ (254,435,293)</u>	<u>\$ (235,367,433)</u>	<u>\$ (222,383,350)</u>	<u>\$ (212,967,759)</u>	<u>\$ (182,544,495)</u>
<u>\$ (249,721,709)</u>	<u>\$ (254,435,293)</u>	<u>\$ (235,367,433)</u>	<u>\$ (222,383,350)</u>	<u>\$ (212,967,759)</u>	<u>\$ (182,544,495)</u>
\$ 175,265,000	\$ 166,258,122	\$ 166,273,638	\$ 154,966,262	\$ 141,561,626	\$ 131,326,025
3,128,447	2,821,830	2,244,124	2,085,320	2,811,308	1,813,354
4,617,396	4,437,509	4,038,122	3,738,181	3,584,094	3,048,430
283,646	389,697	831,303	2,319,018	3,975,611	3,414,443
13,144,675	13,331,035	12,465,539	13,903,412	13,341,427	12,841,012
10,201,720	10,762,780	11,800,490	13,655,882	21,770,758	22,907,937
9,685,251	6,169,847	3,396,170	5,034,035	2,443,782	2,761,440
<u>216,326,135</u>	<u>204,170,820</u>	<u>201,049,386</u>	<u>195,702,110</u>	<u>189,488,606</u>	<u>178,112,641</u>
<u>\$ 216,326,135</u>	<u>\$ 204,170,820</u>	<u>\$ 201,049,386</u>	<u>\$ 195,702,110</u>	<u>\$ 189,488,606</u>	<u>\$ 178,112,641</u>
<u>\$ (33,395,574)</u>	<u>\$ (50,264,473)</u>	<u>\$ (34,318,047)</u>	<u>\$ (26,681,240)</u>	<u>\$ (23,479,153)</u>	<u>\$ (4,431,854)</u>
<u>\$ (33,395,574)</u>	<u>\$ (50,264,473)</u>	<u>\$ (34,318,047)</u>	<u>\$ (26,681,240)</u>	<u>\$ (23,479,153)</u>	<u>\$ (4,431,854)</u>

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

Year Ended December 31,	2015	2014	2013	2012	2011 ⁽¹⁾
General Fund					
Reserved					
Unreserved					
Nonspendable	\$ 9,209,971	\$ 11,909,423	\$ 4,678,333	\$ 3,387,516	\$ 4,292,202
Unassigned	(34,500,319)	(29,416,588)	(3,168,285)	(10,299,540)	(5,422,383)
Total General Fund	\$ (25,290,348)	\$ (17,507,165)	\$ 1,510,048	\$ (6,912,024)	\$ (1,130,181)
All other governmental funds					
Reserved					
Unreserved, reported in:					
Special Revenue Funds					
Capital Projects Fund					
Nonspendable	\$ 40,651,927	\$ 22,070,329	\$ 1,734,984	\$ 1,721,425	\$ 1,635,674
Restricted	2,849,979	1,660,875	1,201,964	1,276,840	2,026,619
Assigned	30,330	24,732	5,633,333	6,680,117	14,100,368
Unassigned	(141,869,731)	(97,124,509)	(310,460,120)	(366,641,459)	(298,511,328)
Total all other governmental funds	\$ (98,337,495)	\$ (73,368,573)	\$ (301,889,839)	\$ (356,963,077)	\$ (280,748,667)

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

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

2010	2009	2008	2007	2006
\$ 1,708,530	\$ 1,919,359	\$ 1,700,529	\$ 1,644,976	\$ 1,742,746
374,746	6,279,485	11,645,425	14,671,147	19,617,161
<u>\$ 2,083,276</u>	<u>\$ 8,198,844</u>	<u>\$ 13,345,954</u>	<u>\$ 16,316,123</u>	<u>\$ 21,359,907</u>
\$ 33,306,988	\$ 75,490,973	\$ 58,854,255	\$ 36,328,089	\$ 31,552,078
6,665,244	7,444,464	13,839,236	5,590,942	4,100,548
(281,933,862)	(336,440,020)	(231,148,619)	(133,639,662)	(115,787,954)
<u>\$ (241,961,630)</u>	<u>\$ (253,504,583)</u>	<u>\$ (158,455,128)</u>	<u>\$ (91,720,631)</u>	<u>\$ (80,135,328)</u>

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

Year Ended December 31,	2015	2014	2013	2012	2011
Revenues					
Real property taxes	\$ 215,667,149	\$ 198,080,058	\$ 182,180,760	\$ 175,579,664	\$ 175,265,001
Other real property tax items	4,993,937	3,678,417	3,390,556	3,197,633	3,128,447
Non-property tax items	5,308,648	5,112,339	4,863,692	4,696,524	4,617,396
Departmental income	22,938,738	22,978,529	23,120,124	22,079,123	20,406,328
Intergovernmental charges	14,402,785	13,973,877	14,718,216	13,942,518	13,176,813
Use of money and property	852,443	777,031	824,353	603,056	735,241
License and permits	233,344	296,652	205,178	174,475	149,865
Fines and forfeitures	640,896	1,027,489	666,753	746,224	454,077
Sale of property and compensation for loss	933,986	468,532	905,960	1,606,331	333,447
Miscellaneous and local sources	3,092,399	7,774,106	9,770,228	1,803,732	5,105,926
Interfund revenues	29,596,471	29,949,479	28,423,597	29,876,012	29,160,183
State aid	14,775,547	17,497,657	14,987,030	13,608,089	13,732,037
Federal aid	4,179,376	7,744,354	22,354,741	21,139,005	12,200,790
Total revenues	317,615,719	309,358,520	306,411,188	289,052,386	278,465,551
Expenditures					
Current:					
General government support	36,742,953	39,420,479	37,984,142	39,712,264	34,125,789
Public safety	21,009,794	20,595,032	19,778,269	20,167,997	19,295,277
Transportation	24,686,666	26,210,566	31,523,700	36,926,372	25,912,405
Economic assistance and opportunity	2,916,303	3,366,498	2,812,692	3,184,421	3,200,016
Culture and recreation	33,427,561	32,963,253	32,362,259	35,638,463	35,039,970
Home and community service	64,553,074	69,396,713	66,628,449	68,441,125	67,054,880
Employee benefits	55,838,958	54,412,698	53,452,014	51,210,979	46,923,714
Capital outlay	35,133,901	57,144,686	84,324,592	78,651,835	114,031,571
Debt Service:					
Principal	50,506,321	38,231,954	30,680,747	31,355,462	25,975,875
Interest	25,552,293	23,805,275	21,958,366	20,754,691	16,402,710
Bond issuance costs		355,604			233,966
Advanced refunding escrow		3,622,850			2,731,641
Total expenditures	350,367,824	369,525,608	381,505,230	386,043,609	390,927,814
Excess (deficiency) of revenues over (under) expenditures	(32,752,105)	(60,167,088)	(75,094,042)	(96,991,223)	(112,462,263)
Other financing sources (uses)					
Transfers in	77,120,806	75,101,560	55,504,247	52,917,281	42,553,991
Transfers out	(77,120,806)	(75,101,560)	(55,504,247)	(52,917,281)	(42,553,991)
Issuance of debt		264,175,000	107,056,379	7,500,000	61,575,000
Premiums on obligations		8,649,587	1,507,973	7,494,970	8,915,009
Refunding bond issued		66,224,563			32,514,467
Payment to refunded bond escrow agent		(70,152,185)			(32,542,707)
Total other financing sources (uses)	-0-	268,896,965	108,564,352	14,994,970	70,461,769
Special item			30,025,000		
Net change in fund balances	\$ (32,752,105)	\$ 208,729,877	\$ 63,495,310	\$ (81,996,253)	\$ (42,000,494)
Debt service as a percentage of noncapital expenditures	24.23%	20.84%	17.57%	16.94%	16.37%

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

2010	2009	2008	2007	2006
\$ 166,258,122	\$ 166,273,638	\$ 154,966,262	\$ 141,561,626	\$ 131,326,025
2,821,830	2,244,124	2,085,320	2,811,308	1,813,354
4,437,509	4,038,122	3,738,181	3,584,094	3,048,430
20,966,195	21,915,754	23,640,211	22,720,584	24,603,121
13,365,710	12,884,581	14,266,470	13,675,191	13,103,282
894,246	1,208,674	2,706,212	4,349,291	4,005,643
119,629	119,429	211,967	149,806	139,944
513,879	527,531	293,488	275,606	301,220
396,953	419,791	867,677	916,559	801,351
3,530,852	3,253,042	4,093,979	2,018,414	2,236,624
26,942,095	24,410,321	21,594,481	20,257,890	18,651,183
14,549,881	16,686,465	15,854,956	26,229,932	25,038,625
7,362,931	4,735,263	6,115,952	5,176,101	3,836,502
<u>262,159,832</u>	<u>258,716,735</u>	<u>250,435,156</u>	<u>243,726,402</u>	<u>228,905,304</u>
36,650,794	35,459,470	33,993,375	30,691,664	27,209,517
18,433,319	17,459,466	17,158,885	14,922,227	12,964,921
24,496,655	24,814,537	21,431,751	21,841,905	21,958,988
4,121,859	3,828,861	3,359,651	3,897,085	2,730,482
33,278,647	31,438,530	27,106,969	24,903,758	23,622,658
69,766,398	67,781,406	74,303,619	66,152,574	65,012,028
42,116,903	41,419,904	37,671,690	38,960,749	36,224,777
123,578,275	101,778,497	86,452,980	85,957,746	51,890,093
20,526,759	22,756,967	21,881,062	21,007,985	19,350,939
13,086,920	14,445,618	16,287,762	12,555,008	11,176,588
	273,907			
	1,790,652			
<u>386,056,529</u>	<u>363,247,815</u>	<u>339,647,744</u>	<u>320,890,701</u>	<u>272,140,991</u>
(123,896,697)	(104,531,080)	(89,212,588)	(77,164,299)	(43,235,687)
42,092,659	40,597,795	33,556,976	38,517,501	33,981,160
(42,092,659)	(40,597,795)	(33,556,976)	(38,517,501)	(33,981,160)
125,449,000		18,224,433	59,550,000	65,610,000
3,875,082	5,591,215	1,283,489	985,212	738,171
	39,074,300			
	(40,331,000)			
<u>129,324,082</u>	<u>4,334,515</u>	<u>19,507,922</u>	<u>60,535,212</u>	<u>66,348,171</u>
<u>\$ 5,427,385</u>	<u>\$ (100,196,565)</u>	<u>\$ (69,704,666)</u>	<u>\$ (16,629,087)</u>	<u>\$ 23,112,484</u>
12.83%	14.78%	15.17%	14.26%	13.76%

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 Residential Property	Class Two Condo and Co-Op Property	Class Three Utility and Special Franchise	Class Four Commercial Property	Total Net Assessed Value
2015	\$ 103,499,098	\$ 3,314,650	\$ 8,110,700	\$ 43,333,487	\$ 158,257,935
2014	106,471,145	3,315,141	8,008,677	45,555,762	163,350,725
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

Source: Town of Oyster Bay Annual Budget Report.

Total Direct Tax Rate	State Equalization Rate	Full Valuation	Assessed Value as a Percentage of Full Value
4.67	0.27%	\$ 58,614,050,000	0.27%
4.69	0.30%	54,450,241,667	0.30%
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%

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 ³	Total Net Assessed Value	Tax Levy For Town ¹	Total Town Direct Tax Rate ^{1,2}
2015	\$ 58,614,050,000	0.27%	\$ 158,257,935	\$ 273,742,969	4.67
2014	54,450,241,667	0.30%	163,350,725	255,141,730	4.69
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

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

¹ 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.

² Per \$1,000 of full valuation.

³ 2006 rate increases are due to decreases in assessed valuations by Nassau County.

Overlapping Rates

County Tax Levy For Town	Total County Direct Rate ²	School Levy	Total School Direct Rate ²	Total Direct & Overlapping Rates
\$ 272,517,577	4.65	\$ 1,055,707,878	18.01	27.33
264,940,834	4.87	1,032,048,220	18.95	28.51
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

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

2015

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation
1	Long Island Power Authority	Public Utility - Public Franchise	\$ 4,885,986	3.09%
2	Keyspan Gas East	Public Utility - Public Franchise	2,000,615	1.26%
3	CLK-HP Various Properties	Office Buildings	1,488,280	0.94%
4	Verizon	Public Utility - Public Franchise	1,390,430	0.88%
5	Sunrise Mall Associates & Hudson Resources	Shopping Mall	1,043,658	0.66%
6	Jericho Quads Associates	Office Buildings	846,826	0.54%
7	Broadway Mall (CGA Broadway Partners LLC)	Shopping Mall	799,000	0.50%
8	One-Two Jericho Plaza Owner, LLC	Office Buildings	732,208	0.46%
9	Northrop Grumman Corp. & Related Companies	Office Buildings	520,522	0.33%
10	Norwich Gate Company LLC	Apartments - Garden	436,649	0.28%
Total			<u>\$ 14,144,174</u>	<u>(a) 8.94%</u>

(a) Represents 8.94% of the total taxable assessed valuation of the Town for 2015.

2006

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation
1	CLK-HP Various Properties	Office Buildings	1,987,569	0.71%
2	Long Island Lighting Company	Public Utility	1,879,478	0.67%
3	Verizon	Public Utility	1,590,716	0.57%
4	CGA Broadway Partners LLC	Shopping Mall	1,331,030	0.47%
5	Jericho Quads	Office Buildings	1,169,548	0.42%
6	Keyspan Energy	Public Utility	1,117,821	0.40%
7	Sunrise Mall Assoc. & Hudson Resources	Shopping Mall	1,088,196	0.39%
8	Long Island Power Authority	Public Utility	1,012,862	0.36%
9	Northrop Grumman Corp. & Related Co.	Engineering & Advanced Developm	948,782	0.34%
10	Mass One LLC	Shopping Center	539,535	0.19%
Total			<u>\$ 12,665,537</u>	<u>(b) 4.52%</u>

(b) Represents 4.52% of the total taxable assessed valuation of the Town for 2006.

Source: Town of Oyster Bay Official Statements.

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

Year Ended December 31,	Tax Levy For Town ^(a)	Amount Collected ^(b)	Percent Collected
2015	273,742,969	273,742,969	100.00%
2014	255,141,730	255,141,730	100.00%
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%

Source: Receiver of Taxes - General Tax Levy.

^(a) 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.

^(b) During year of levy.

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

Year Ended	<u>Governmental Activities</u> General Obligation Bonds	Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
2015	\$ 612,489,926	\$ 612,489,926	0.61%	2,050
2014	664,403,519	664,403,519	0.68%	2,258
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

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

Notes: As of December 31, 2015, the Town had \$142,465,000 in short-term bond anticipation notes, which are not presented in this schedule.

As of December 31, 2015, the Town had \$11,000,000 in short-term revenue anticipation notes, which are not presented in this schedule.

As of December 31, 2015, the Town had \$19,000,000 in short-term tax 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.

¹ See the schedule of Demographic and Economic Statistics for personal income and population.

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 ¹ of Property	Per Capita ²
2015	\$ 612,489,926	\$ 1,764,668	\$ 610,725,258	1.04%	2,044
2014	664,403,519	612,934	663,790,585	1.22%	2,255
2013	434,723,923	139,480	434,584,443	0.80%	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

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

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

² 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 relates solely to general obligation bonds.

TOWN OF OYSTER BAY
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2015

<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	\$ 612,489,926	100.00%	\$ 612,489,926
Total Direct Debt	<u>612,489,926</u>		<u>612,489,926</u>
Overlapping:			
Nassau County	4,048,686,251	26.09%	1,056,302,243
School Districts	24,056,209	100.00%	24,056,209
Fire Districts	6,655,000	100.00%	6,655,000
Water Districts	60,793,928	100.00%	60,793,928
Sewer District	2,773,891	100.00%	2,773,891
Incorporated Villages	<u>52,465,982</u>	100.00%	<u>52,465,982</u>
Total Overlapping Debt	<u>4,195,431,261</u>		<u>1,203,047,253</u>
Total Direct and Overlapping Debt	<u>\$ 4,807,921,187</u>		<u>\$ 1,815,537,179</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, 2015

Years Ended December 31,	Assessed Valuation	State Equalization Rate	Full Valuation
2015	\$ 158,257,935	0.27%	\$ 58,614,050,000
2014	163,350,725	0.30%	54,450,241,667
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%	<u>60,945,037,500</u>
Total Five Year Full Valuation			<u>\$ 286,794,304,974</u>
Five Year Average Full Valuation of Taxable Real Property			<u>57,358,860,995</u>
Debt Limit - 7% of Five Year Average Full Valuation			<u>4,015,120,270</u>
Inclusions:			
Outstanding Bonds			662,465,000
Bond Anticipation Notes			<u>160,965,000</u>
Total Inclusions			<u>823,430,000</u>
Exclusions:			
Water Bonds			60,793,928
Water Bond Anticipation Notes			<u>18,500,000</u>
Total Exclusions			<u>79,293,928</u>
Total Net Indebtedness Subject to the Debt Limit			<u>744,136,072</u>
Net Debt Contracting Margin			<u>3,270,984,198</u>
Percent of Debt Limit Exhausted			18.53%

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
2015	\$ 4,015,120,270	\$ 823,430,000	\$ 79,293,928	\$ 744,136,072	\$ 3,270,984,198	81.47%
2014	4,076,888,298	814,341,379	73,834,924	740,506,455	3,336,381,843	81.84%
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%

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 ¹	Personal Income ² (in millions)	Per Capita Income ^{2,7}	Median Age ^{3,7}	Unem- ployment Rate ^{2,4}	Year-Round Households Estimate ^{4,7}	Average Household Size Estimate ^{4,7}	Population Density Per Square Mile ^{4,6,7}	Public School Enrollment ⁵
2015	298,766	\$ 100,019	\$ 50,950	44.1	4.00%	98,872	2.97	2,862	44,840
2014	294,307	98,096	50,770	44.4	4.50%	99,159	2.95	2,853	45,330
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

Sources:

- ¹ Bureau of the Census / Long Island Regional Planning Board / Long Island Population Survey.
- ² Bureau of Economic Analysis. Figures are for Nassau County. TOB figures not available.
- ³ State Department of Commerce
- ⁴ Long Island Business News - Doing Business on Long Island / LILCO Survey / Long Island Population Survey.
- ⁵ NYSED.gov
- ⁶ Wikipedia - Oyster Bay
- ⁷ U.S. Census Bureau

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

2015

Rank	Name	Type of Business	Number of Employees
1	N.C. Association for Help of Retarded Children	Job Training & Vocational Rehab. Services	A
2	Government Employees Insurance Company	Insurance Agents / Brokers	A
3	Long Island University	Schools - Universities	A
4	National Grid / PSEGLI	Public Utility	A
5	Northrop Grumman	Defense Contractors	A
6	Rainbow Media	Multimedia Manufacturers	A
7	St. Francis Hospital	General Medical & Surgical Hospital	A
8	Darby Dental Supply	Physicians & Surgeons Equipment & Supplie	B
9	Cold Spring Harbor Laboratory	Schools - Universities & Colleges	B
10	Commercial Building Maintenance Corp	Cleaners	B

2006

Rank	Name	Type of Business	Number of Employees
1	Cablevision Systems	Cable Television Service	N/A
2	Continental Can Co., Inc.	Manufacturing	N/A
3	GEICO & Affiliates	Insurance	N/A
4	Long Island Lighting Company	Utility	N/A
5	Northrop-Grumman	Manufacturing	N/A
6	Photocircuits	Electronics	N/A
7	Ademco	Electronic Security Systems	N/A
8	Aeroflex Labs	Manufacturing	N/A
9	Alarm Decive Manufacturing Corp.	Burglar & Fire Alarm Equipment	N/A
10	Assoc. for the Help of Retarded Children	Treatment Center	N/A

Source: Town of Oyster Bay Official Statements.

Note: Percentage of total Town employment is not available.

N/A Information was not available for this years.

Code

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

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

Full-time Equivalent Employees as of December 31										
Function	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General government support	248	258	256	253	274	257	298	276	299	303
Public safety	123	126	118	116	125	119	124	133	115	109
Transportation	142	151	152	160	176	164	174	203	185	190
Economic assistance and opportunity	13	14	11	11	11	12	12	11	10	11
Culture and recreation	289	293	280	287	303	277	269	248	232	231
Home and community services	333	343	350	344	361	356	376	358	346	357
Total	<u>1,148</u>	<u>1,185</u>	<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>

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,	2015	2014	2013	2012	2011
Function					
General Government Support					
Public Safety					
Building					
Residential building permits issued	4,745	4,739	4,838	3,935	4,018
Commercial building permits issued	715	866	1,062	795	921
Public Safety					
Animals received	788	805	783	826	804
Animals adopted	363	258	354	233	327
Animals redeemed	127	130	127	172	127
Town Clerk					
Permits issued ¹	9,275	27,446	6,050	29,592	8,272
Fire					
Number of fire protection districts	7	7	7	7	7
Number of calls answered	8,321	7,503	8,926	7,822	18,240
Transportation					
Parking Meters					
Number of parking meters	275	275	275	275	305
Collections per month	2	2	2	2	2
Highways and Streets					
Street resurfacing (miles)	3	7	11	14	18
Number of trees planted	781	794	1,566	1,080	419
Number of trees removed	616	801	2,808	2,695	3,396
Economic Assistance and Opportunity					
Culture and Recreation					
Beach permits issued	38,943	39,795	45,262	48,316	50,974
Registration for adult programs	714	766	709	238	400
Registration for summer programs	1,627	1,685	1,975	2,150	2,300
Home and Community Services					
Sanitation					
Refuse collected (tons/day)	567	588	1,259	1,293	633
Recyclables collected (tons/day)	180	208	195	178	190

Source: Various departments of the Town of Oyster Bay.

¹ Resident parking permits contained in this total are issued every two years.

2010	2009	2008	2007	2006
3,783	1,756	2,579	2,227	2,039
293	52	230	263	209
747	847	1,056	1,162	1,192
200	276	282	344	350
116	143	155	197	174
29,384	6,882	26,802	6,868	25,715
7	7	7	7	7
17,498	19,232	19,171	19,253	19,094
305	305	302	271	271
2	2	2	1	1
4	10	18	33	68
1,996	293	1,964	2,040	1,661
1,558	3,135	2,410	2,319	2,000
55,987	49,947	45,777	44,389	39,852
339	142	217	229	259
2,650	2,500	2,200	141	234
565	650	666	778	841
208	208	124	138	210

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

Year Ended December 31,	2015	2014	2013	2012	2011
Function					
General Government Support					
Municipal buildings	3	3	3	3	3
Central vehicle maintenance					
Vehicles maintained	700	700	700	700	700
Transportation					
Highways and streets					
Streets (miles)	781	781	781	781	781
Streetlights ¹	20,927	20,927	23,000	25,000	25,000
Parking fields	54	54	54	54	54
Culture and Recreation					
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	11
Home and Community Service					
Sanitation					
Collection trucks	64	64	64	50	50

Source: Various departments of the Town of Oyster Bay.

N/A Information was not available for these years.

2010	2009	2008	2007	2006
3	3	3	3	3
687	729	729	707	707
781	780	780	732	732
25,000	20,703	20,652	20,551	20,451
54	54	54	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
11	10	10	10	10
50	50	50	50	50