

Town of Oyster Bay New York



Comprehensive Annual Financial Report

Year Ended December 31, 2020



TOWN OF OYSTER BAY,

NEW YORK

Comprehensive Annual Financial Report
Year Ended December 31, 2020

Prepared by:
The Office of the Comptroller

TOWN OF OYSTER BAY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2020
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INTRODUCTORY SECTION

Places to Play and Visit

TOWN BEACHES AND PARKS

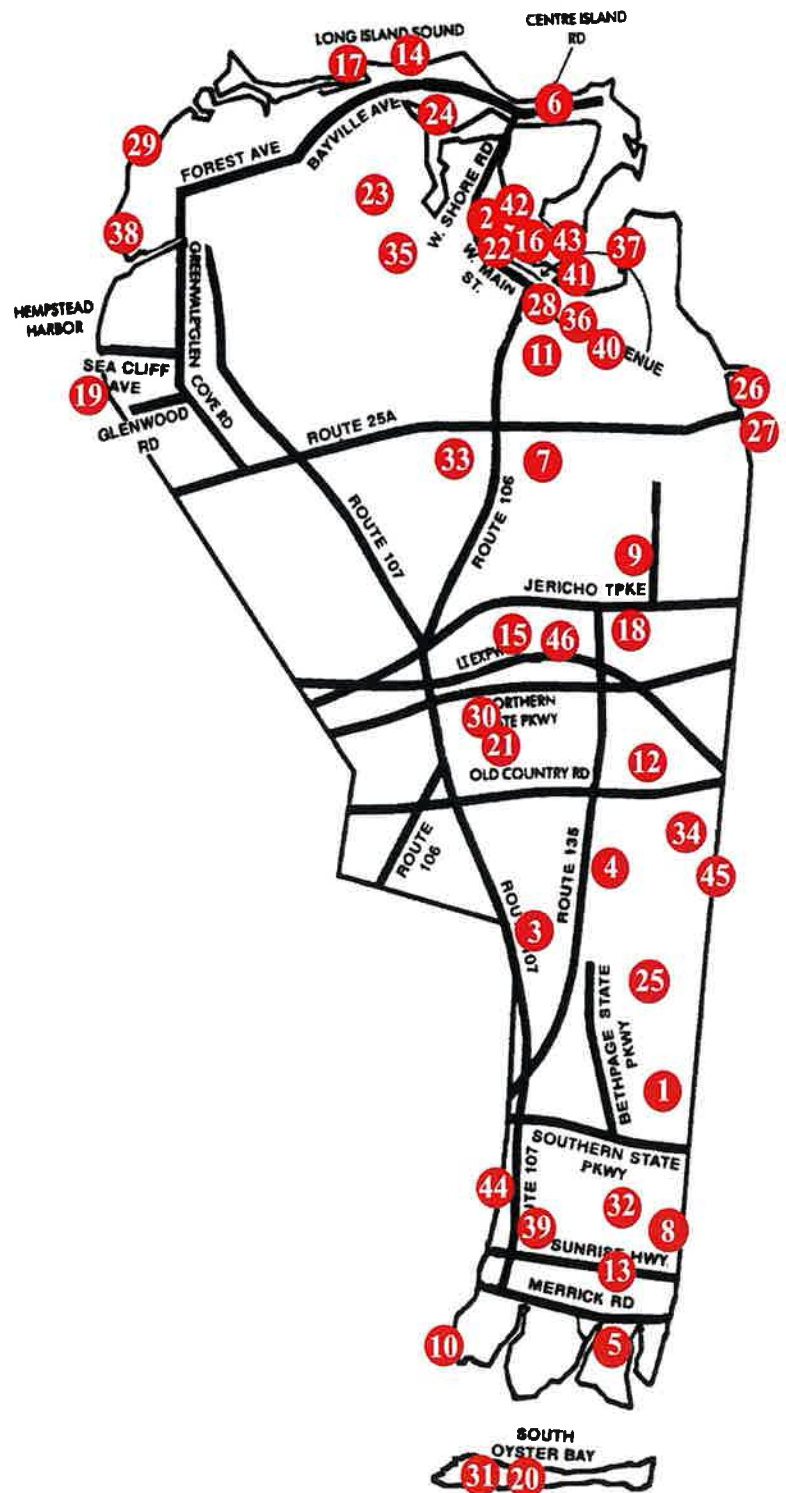
1. Ellsworth W. Allen Town Park
2. Beekman Beach Park
3. Bethpage Community Park
4. Borella Field
5. John J. Burns Town Park
6. Centre Island Beach
7. (The) Farm at Oyster Bay
8. Field of Dreams
9. Golf Course and Clubhouse
10. Philip B. Healey Beach at Florence Avenue
11. Senator Ralph J. Marino Memorial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

PLACES OF INTEREST

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

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44. Town Hall South
45. Solid Waste Disposal Complex
46. Departments of Public Safety & Public Works, Highway Division, Animal Shelter



TOWN OF OYSTER BAY, NEW YORK

PRINCIPAL OFFICIALS

December 31, 2020

TOWN BOARD:

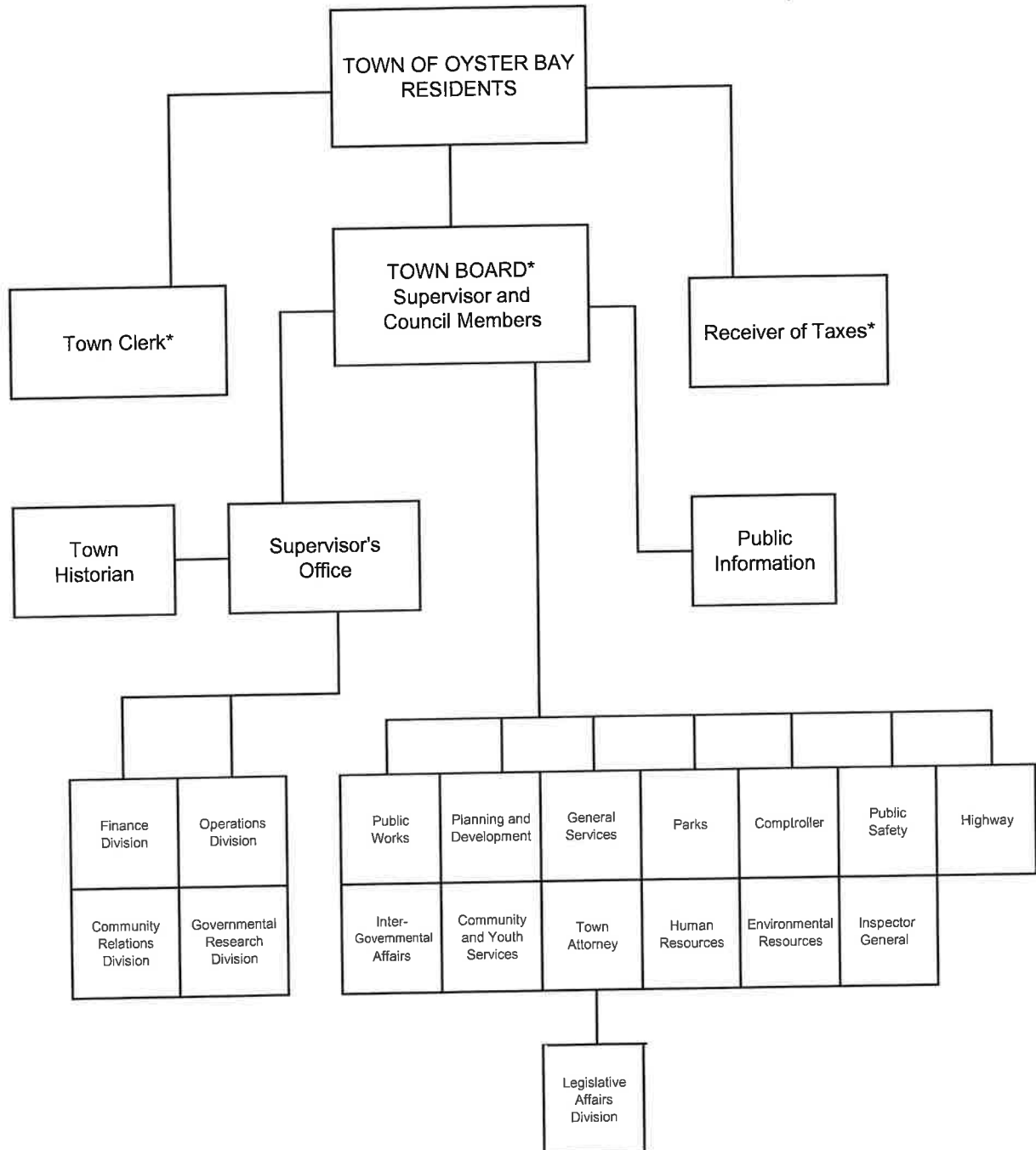
SUPERVISOR	JOSEPH S. SALADINO
COUNCILWOMAN	MICHELE M. JOHNSON
COUNCILMAN	LOUIS B. IMBROTO
COUNCILMAN	THOMAS P. HAND
COUNCILMAN	STEVEN L. LABRIOLA
COUNCILWOMAN	LAURA L. MAIER
COUNCILWOMAN	VICKI WALSH
TOWN CLERK	RICHARD LaMARCA
RECEIVER OF TAXES	JEFFREY P. PRAVATO
TOWN ATTORNEY	FRANK M. SCALERA*
COMPTROLLER	STEVEN C. BALLAS

* Effective, August 18, 2020, Joseph Nocella resigned, effective January 3, 2020.

TOWN OF OYSTER BAY, NEW YORK

ORGANIZATIONAL CHART

December 31, 2020



* Elected by Town of Oyster Bay voters.



Office of the Comptroller Town of Oyster Bay

Steven C. Ballas
Comptroller

Town Hall
Oyster Bay, NY 11771-1592
(516) 624-6440

Christine M. Wiss
Deputy Comptroller

June 25, 2021

Dear Supervisor and Honorable Members of the Town Board:

We are pleased to present the Comprehensive Annual Financial Report known hereafter as the Annual Report of the Town of Oyster Bay, New York ("Town") for the year ended December 31, 2020, prepared by the Office of the Comptroller. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation including all disclosures rests with the Town. We 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 Town, like all other local governments in New York State, is required by state law to publish a complete set of financial statements at the close of each fiscal year. The financial statements must be presented in conformity with U.S. Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards. This report is published to fulfill that requirement and to provide further accountability to citizens and other interested parties by providing a more comprehensive report in lieu of the minimum basic financial statement requirements.

The Comptroller's Office 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 the preparation of financial statements in conformity with GAAP. 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. All internal control evaluations occur within the above framework. We believe that the Town's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The accounting firm PKF O'Connor Davies, formally Albrecht, Viggiano, Zureck & Company, P.C. was selected in a competitive bid process by the Town's Board to assist in the preparation of the Town's 2020 Annual Report. The accounting firm Cullen & Danowski, LLP was also selected by the Town Board in a competitive bid process to perform an independent audit of the Town's financial statements as of December 31, 2020, and for its year then ended. The auditor's report on the basic financial statements, and combining and individual fund statements, and schedules are included in the financial section of this report. As management, to the best of our knowledge and belief, this financial report is complete, accurate and reliable in all material respects.

Our Annual Report is divided into the following sections:

The Introductory Section includes information about the organizational structure of the Town, the Town's economy and major initiatives.

The Financial Section is prepared in accordance with the Governmental Accounting Standards Board (GASB) requirements by including the Management's Discussion and Analysis (MD&A), the Basic Financial Statements including notes, Required Supplementary Information and Other Supplementary Information. The Basic Financial Statements include the government-wide financial statements that present an overview of the Town's entire financial operations and the fund financial statements that present the financial information of each of the Town's major funds, as well as non-major governmental, fiduciary and other funds. Also included in this section is the Independent Auditors' Report on the basic financial statements.

The Statistical Section includes tables containing historical financial data, debt statistics, and miscellaneous social and economic data of the Town that are of interest to potential investors in our bonds and to other readers. While the data included in the statistical section has been carefully verified and is believed to be accurate, it has not been subjected to the same audit process as has been applied to the statements and schedules in the financial section.

This report includes funds of various departments, agencies and other organizational units, which are considered part of the Town of Oyster Bay's financial reporting entity. Criteria for determining the reporting entity and presentation of the related financial data are established by GASB. The criteria include legal standing and financial accountability. Note 1.A of the Notes to the Financial Statements provides detail on the financial reporting entity.

A brief summary of the nature of non-major 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 non-major component units: eight Commissioner-operated water districts, two Commissioner-operated sanitation districts and one Commissioner-operated sewer district. Although these non-major component units are legally separate entities, the Town is required to include their financial reporting. These non-major component units are presented discretely in a separate column in the basic financial statements to differentiate them from the Town's financial operations.

As an annual financial report, this document provides financial detail and historical trends beyond the basic financial statements in the Financial Section. Management's Discussion and Analysis of the basic financial statements immediately follows the Report of the Independent Auditor and provides a prescribed narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The Town is required to undergo a 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 da 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. 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.

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.

During the Revolutionary War, British troops used Raynham Hall in Oyster Bay Hamlet as their headquarters, the hall being the home of patriot Samuel Townsend and currently a museum; 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.

HISTORY (continued)

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. The mansion has since completely been restored and is open to the public. This 37-acre area includes a forest, tidal salt marsh, and bay beach. A guided nature walk explores the conservation efforts of Theodore Roosevelt.

With the advent of World Wars I and II, the Town's primarily agricultural economy began changing to one of industry and business, 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, making it one of the most revered suburban environments in the country.

GOVERNMENT

New York State Town Law classifies the Town of Oyster Bay as a suburban town. The Town, located in the easternmost section of Nassau County, has an area of 114 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 of New York to raise revenue. Half of these school districts are entirely within the Town while portions of the remaining districts are located in neighboring municipalities.

The chief executive officer of the Town is the Supervisor, who is elected for a term of two years. The Supervisor is a member and the presiding officer of the Town Board. In addition to the Supervisor, residents elect six members to the Town Board to serve non-concurrent four-year terms. 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.

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 the 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 appropriations 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 is an economic engine within Nassau County. The headquarters of major employers, including nationally known Altice USA, GEICO, Long Island University – Post and National Grid/PSEG are located within the Town of Oyster Bay. The Town has one of the lowest unemployment rates in the metropolitan area and State of New York, as well as one of the "richest-towns-in-America" according to Bloomberg News. The Motion Picture and Television Industry continues to expand, as the Town of Oyster Bay is home to one of the largest production facilities on the East Coast.

Notable economic development in the past year consists of:

- The 1-800-Flowers company moved its corporate headquarters to Jericho.
- Home Depot is opening a new final destination facility in Hicksville.
- GEICO is adding over 100 jobs to their offices in Woodbury.
- London Jewelers selected Glen Head for their new corporate headquarters.
- Amazon plans to create over 600 new jobs and build a new distribution facility in Syosset, which is a significant boost to the economy, generating recurring economic activity while providing for an environmental cleanup to a brownfield property that has sat dormant for more than three decades.

ECONOMIC CONDITION AND OUTLOOK (continued)

As the economy and population continue to grow, so does our community. Significant growth is anticipated in the coming years as downtown Hicksville transforms into a vibrant mixed-use community. The Town, through the Town Board and the Department of Planning and Development, has in concert with the residents of Oyster Bay, developed procedures to ensure that new development in the Town, maintains Oyster Bay's suburban quality of life.

COVID-19, the global pandemic, as characterized by the World Health Organization on March 11, 2020, and its lasting effect on our economy is uncertain. However, Wall Street has praised the Town of Oyster Bay for its handling of finances even during the pandemic with not one, but three, bond rating increases in 2020.

Once the economy began to reopen from State-mandated closures, the Town Board knew it was critical to jumpstart the way in which government operates. The Building Department eliminated red tape so restaurants could open outdoor dining immediately and this program was extended into 2021. The Town reprioritized the workforce to process building applications at a faster pace thus helping the workforce.

The Town continues to offer free online resume and job skills services to help residents at home prepare for workforce re-entry. A group of professional experts offer free startup advice to small businesses. The Town Board is committed to helping residents, especially those most in need during this current crisis, find meaningful employment opportunities.

MAJOR INITIATIVES

Navigating the Worldwide Pandemic

Since the first days of the COVID-19 pandemic in early 2020, Town of Oyster Bay government has fully operated and delivered every available service. To assist residents at home, a live-chat and portal titled 'Town Hall at Home' was launched to keep all services available. A COVID-19 Task Force was created to implement best practices, contact trace and keep the workforce safe. A COVID-19 testing site was opened by the Town for its workforce and other municipal employees. Eligibility was later expanded to the public, and vaccines continue to be available through our Town. With the help from our Receiver of Taxes, we successfully advocated to extend tax deadlines for our residents, which was essential for many during these financially challenging times. We also provided information on how to grieve taxes. The Town Clerk continued to perform socially distanced marriage ceremonies – including numerous vows for frontline workers concerned for their personal safety. We also expanded our operations to help residents in need of food assistance. In partnership with Island Harvest and LI Cares Food Banks, we collected tons of food to help prevent hunger. With a drop in blood supply at local hospitals, we converted the Hicksville Athletic Center into a sterile facility for Long Island Blood Services in order to collect significant donations.

Now, almost a year after the pandemic began, we are still navigating these difficult waters together. With many citizens stuck at home, for too long, we adjusted our free entertainment this past summer so citizens could enjoy drive-in movies and concerts at our parks and beaches. We held a drive-in ceremony to remember the victims of September 11th, spearheaded an incredibly successful Cruise-Thru Holiday Toy Drive with the United States Marine Corps, and collected more than 20,000 toys for local children. We continue to re-evaluate how Town government operates so that we can best serve our residents while delivering services at a cost of \$144 a month for the average homeowner (less than a normal monthly cable bill).

Financial Improvements

The Annual Report continues to demonstrate that the Town of Oyster Bay maintains a strong financial footing. Confidence in the current management team has been recognized by two independent Wall Street firms, with three credit rating increases in 2020. Moody's Financial Services and Standard and Poor's Global Ratings both recognized The Town of Oyster Bay's success in reducing debt by a historic \$160 million. A single credit rating increase during this COVID economic crisis is amazing, yet three is remarkable. Additionally, the New York State Comptroller's Office recently removed the Town of Oyster Bay from its fiscal stress-monitoring list for the first time since the program's inception in 2013. In accordance with State Comptroller guidelines and recommendations, all the Town's major funds have a positive fund balance.

MAJOR INITIATIVES (continued)

Taxes and Jobs

While other municipalities responded to the pandemic with plans to raise taxes next year in 2021, Oyster Bay's 2021 Adopted Budget continues to sustain the property tax cut approved by the Town Board in 2017 by implementing a plan that again freezes property taxes in 2021 for a third straight year. Accordingly, nearly \$5.2 million is back in the pockets of residents rather than in the coffers of government. This taxpayer savings is possible due to debt reduction initiatives and internal controls, which limit new spending. To lay the foundation for the town's economic recovery, the Town Board has been working diligently to attract new employers. Anti-tax, pro-jobs policies have prepared the Town for the return of jobs at a time when our economy and residents need them the most.

Transparency and Ethics Reforms

The Supervisor and Town Board have worked tirelessly to deliver important services and restore the public's trust in government. To accomplish just that, the Supervisor and the Town Board took swift action to install a new, independent Board of Ethics with real and meaningful oversight. Together, the Supervisor and Town Board have instituted disclosure requirements for contractors, vendors and high-level employees to prevent conflicts of interest and misdeeds.

To enhance transparency and ultimately save money, the Supervisor and Town Board enhanced live streaming of Town Board meetings and work sessions so that the public may view the meetings from the comfort of their own home. These initiatives have been especially successful during the pandemic, as government buildings were closed to the public and viewing of Town business remained available. The good-government organization, Reclaim New York, recognized the Town of Oyster Bay for their accomplishments. In fact, the Town of Oyster Bay is the first government in the State to collaborate with Reclaim New York to proactively improve transparency and provide residents unprecedented access to government. Furthermore, the Town was awarded a grade A from the Empire Center for its enhanced website transparency efforts to assist the public.

As a part of its commitment to transparency, integrity and ethics, The Town Board also created a new office of the Inspector General to oversee all aspects of the Town's contracting processes, furthering their initiatives to provide residents with confidence that proper rules and regulations are being followed when contracting with vendors and procuring goods and services. As the first local Town in New York State to appoint an Inspector General (which was done in January 2019), the current official has extensive experience working with the FBI, CIA, and DEA.

To further protect taxpayers while increasing accountability for contractors and departments, the Supervisor and the Town Board approved reforms to the Town's official Procurement Policy. These enhancements strengthen procedures and better hold both contractors and departments accountable. The new policy includes expanding the list of familial relationships that would constitute a conflict of interest so as to minimize the possibility of such conflicts, defining the terms 'responsible bidder' and 'responsible vendor' more specifically, establishing criteria to determine whether a vendor is capable of 'fully performing' the contract, requiring prospective vendors to submit a disclosure questionnaire to the Inspector General so he may perform a thorough, top-down review of the vendor's background information, mandating the Town's existing practice of requiring that RFPs be posted to the Town's website, providing criteria for RFP review committees to consider when evaluating proposals, and requiring departments to prepare and release a new RFP in any case when they seek to extend an agreement for a period beyond three years from the original agreement date to ensure that the Town is getting the best price for the services or goods.

Information Technology Standardization and Alignment Project

As information technology continues to advance, the Information Technology Division ("ITD") continues to balance their efforts across a wide spectrum of improvements ranging from infrastructure development and maintenance to enterprise level business process and data quality improvements. Organizational transformation continues in the actions and strategies of the Town's diverse operational units. The ITD continues to work closely with Town departments to add value by providing modern business process improvement and reengineered strategies. Many of these efforts streamlined internal processes. In addition, the ITD provides technical support to all departments/users and locations throughout the Town. The 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. Additionally, the IT Steering Committee was reestablished. This committee's mission is to continue to develop and align IT development efforts with the overall strategy of the Town.

MAJOR INITIATIVES (continued)

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 worked to institute policies and programs to make not only the operations of Town facilities more energy efficient, but also promote energy conservation in the private sector. As part of the plan to improve efficiency in Town facilities, Energy Star rated air conditioning units have been installed along with thermal glass windows. Boilers have been converted from oil to natural gas, which provide an increase in efficiency of 94%. The Town has also made its buildings more energy-friendly by installing an energy-efficient lighting system. This initiative was accomplished through grant funding, at no cost to Town residents. Additionally, the Town is currently using solar ("green") power at one of its facilities at a significant savings and has been exploring the use of "green" power on a larger scale. As a result, taxpayers will save millions of dollars. Furthermore, largely due to the Same Day Permit Program, the Town has been recognized by the New York State Energy and Research Development Authority ("NYSERDA") as a leader in issuing permits for solar panel installation.

The Town has also been conserving energy through the installation of energy efficient street lighting. As old street lighting fixtures come to the end of their lifespan, new energy-saving fixtures are installed. The Town also installed solar lighting systems on the top level of the Hicksville Commuter Parking Garage – helping to save taxpayers money and reduce the Town's carbon footprint by 4,000 pounds annually. In just three months, the system has generated 908-kilowatt hours while only consuming 647-kilowatt hours. This equates to 984 pounds of carbon offset - the equivalent of 11 trees absorbing carbon dioxide. This Smart Off-Grid lighting system enables remote control, monitoring, and management of the lighting systems, ensuring our residents high reliability and low maintenance costs. Additionally, this Smart Off-Grid lighting allows service personnel to optimize lighting profiles, such as dimming the lights during periods of prolonged bad weather to preserve battery power, and includes automated monitoring and alerts.

In the private sector, the Town has continued to mandate that homebuilders 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 purchasing a more affordable residence to live by virtue of lower energy costs.

The Town recently began a major environmental cleanup initiative at a contaminated ballfield at Bethpage Community Park. Through the Town's efforts, and with cooperation from the DEC, the Grumman Corporation is remediating two types of contamination under the ballfield, which has been shuttered to the public for nearly two decades. The Town has also continued to fight for the protection of our drinking water as it relates to the Grumman Navy Plume, an issue for which the Supervisor has been at the forefront throughout his career in various levels of government.

Recently, the Town approved an agreement with the Northrop Grumman Corporation to open a path for pipes connecting a hotspot of environmental contamination (known as RW-21) to a treatment plant on the Grumman property. This remedial system is funded by Grumman and constructed under the oversight of the Town and the NYS Department of Environmental Conservation (DEC). At the Town's direction, Grumman will be required to conduct continued community outreach to keep local residents apprised of the construction progress. Between final pipeline installation and treatment plant construction, the remedial system is anticipated to be in full operation in summer of 2022. After years of collaboration between Federal, State and Town governments – along with the Bethpage Water District and surrounding districts – the Supervisor and Town Board were successful in forcing Grumman and the Navy to pay for these cleanups and follow the remediation plans designed by the New York State Department of Environmental Conservation. This was a critical step forward in remediating the plume by opening the path for pipes that will connect groundwater recovery wells at a hotspot of environmental contamination, known as RW-21, to a treatment plant on the Grumman property utilizing Town roadways.

PLANNING FOR THE FUTURE AND PROTECTING QUALITY OF LIFE

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 our Town remains among the most desirable places to live. In a short time, the Supervisor and the Town Board have made great strides to help protect the quality of life guarded by Town residents, while taking steps 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.

PLANNING FOR THE FUTURE AND PROTECTING QUALITY OF LIFE (continued)

Some of the plans, legislation and actions are as follows:

Quality of Life Taskforce

To help address various issues facing communities throughout the Town, the Town Board created a Quality of Life Task Force, which has achieved many successes, including the removal of squatters and demolition of dangerous and abandoned homes. The Quality of Life Task Force is charged with combatting vacant and dilapidated homes, as well as focus on code enforcement concerns such as illegal housing, illegal business signs, noise, and unlicensed and uninsured contractors and landscapers. More than a dozen zombie homes have already been demolished through the work of this task force.

To help combat zombie homes in local communities and protect taxpayers, the Town Board in 2018 approved a comprehensive package of laws that increase the Town's ability to seek restitution from property owners and lending institutions in violation of Town Code. These new legislations further allow the Town to recover costs associated with maintenance of vacant properties, and require that a \$25,000 trust account must be established when a home enters into foreclosure. Most recently, the Town approved the creation of a mortgage default registry, which adds an additional layer of protection to its existing provisions for properties in foreclosure and holds lending institutions and property owners responsible for any maintenance required on an abandoned or derelict property.

Infrastructure Improvements

When people hear the word infrastructure, the first thought that comes to mind is 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 maintains numerous assets. Each year, the Town works to appropriately budget infrastructure improvements and maintenance initiatives. In addition to the vast infrastructure improvements made at Town parks and other facilities, the Town has consistently upgraded and modernized its computer network to streamline tasks and better serve the public.

The Supervisor and Town Board have increased funding for road repaving. The Town Board has understood the frustration of residents regarding road conditions. For too long, conditions of roadways throughout the Town were left ignored. For that reason, the Town Board made smart investments in roadways while continuing to strike the balance for taxpayers. Town officials have worked to restore roadways in the most cost responsible and cost-conscious way possible. In just the past few years, the Town has already repaved more than 400 streets, with more planned throughout this year. Thanks to these efforts, the Town has already achieved restoration of the worst condition roads in neighborhoods throughout the Town and have repaved in all communities. This was all achieved while making sure to strike the important balance between protecting tax dollars and getting the roads done. Officials do however understand the need to improve roadways, and continue to work to get as many done in the most cost effective way possible.

Ellsworth Allen Park in Farmingdale – a former Superfund site – was recently transformed into a community recreation and sports complex with ballfields, a softball field, t-ball field and multi-purpose athletic field. Elsewhere, new playgrounds and pickle ball courts have been installed, tennis courts renovated, and pool and beach facilities upgraded. This is a direct result of the Supervisor and the Board's tenacity as this property sat vacant for some time.

Keeping the Town's infrastructure strong is important for many reasons; it allows 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.

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.

The protecting of Oyster Bay Harbor, known as one of the crown jewels of the Town, is of utmost importance to Town officials, who have worked diligently to help improve its water quality. Each year, Town officials head out to seed Oyster Bay Harbor with millions of clam and oyster seeds. This initiative improves water quality, bolsters the local economy and improves the resiliency of our coastal communities by restoring shellfish populations to the harbor. To further enhance water protection efforts, the Town worked with the local baymen's association to construct a new Shellfish Hatchery. This facility, located at the marina of Theodore Roosevelt Memorial Park, significantly bolsters the Town's shellfish management program. Having seeded the harbor with up to 2 million baby oysters and clams in the past, the Town has now increased that number to upwards of 8-10 million on an annual basis. We now also grow and harvest kelp – strengthening our ecosystem and reducing our carbon footprint.

PLANNING FOR THE FUTURE AND PROTECTING QUALITY OF LIFE (continued)

Waterfront Protection and Vitalization Plans (continued)

The Town's various initiatives have kept communities beautiful, infrastructure strong, all while continuing to preserve and protect the quality of life enjoyed by Town residents. These initiatives have resulted in the Town being recognized by a variety of agencies. Recently, the Town was ranked by one of the country's most prestigious financial sources, Money Magazine, as the best place to live on Long Island. The publication, which rated the top 50 places in the nation to live, also recognized Oyster Bay Town as the second in New York State and 34th in the nation because it has what residents most desire.

The Town was praised as a safe, enjoyable community for residents to raise their families, earn a living through economic opportunities and for its strong housing market. The Town also ranked high in terms of job growth and economic opportunity, as well as boasting an extremely low unemployment rate.

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, direction and control of the following divisions: Audit and Control, Information Technology, 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 undertaken annual reviews and reports. As a recipient of federal assistance, the Town also is responsible for ensuring that an adequate internal control structure is in place to be in compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by Comptroller personnel, as well as by the independent auditors engaged to conduct the annual single audit as required by law.

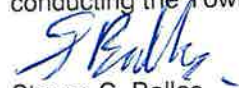
In addition, the Town maintains controls in order to ensure compliance with the budgetary provisions embodied in the annual appropriated budgets approved by the Town Board. Activities of the General Fund, Town Outside Village Fund, Highway Fund, Debt Service Fund and Special Districts Funds including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

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

ACKNOWLEDGMENTS

I would like to express my appreciation to the entire staff of the Comptroller's Office, PKF O'Connor Davies and our independent auditors Cullen & Danowski, LLP, whose professionalism, dedication and efficiency are responsible for the preparation of this report.

Finally, I want to thank the Supervisor and the Town Board for their commitment and support in planning and conducting the Town's financial operations.


Steven C. Ballas
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, 2020, 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 seven of the eleven nonmajor component units, Hicksville Water District, Locust Valley Water District, Oyster Bay Water District, Bethpage Water District, Syosset Sanitation District, Oyster Bay Sewer District and Glenwood-Glenhead Garbage District which represent 50.9%, 57.3% and 49.5%, 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 eight 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, Massapequa Water District, Plainview 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 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 deposit collected on a sale of land which had not and will not close. 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 as of December 31, 2019, the statement of net position and the general fund would have had a liability in the amount of \$30,025,000. In the statement of net position, total net position (deficit) would have been reflected as a deficit of \$554,972,430 (as opposed to a deficit of \$524,947,430) and in the balance sheet, the fund balance of the general fund would have been reflected as a deficit of \$21,826,131 (as opposed to a fund balance of \$8,198,869).

In 2020, the Town reached agreement to cancel the land sale and returned \$30,025,000. This payment is recorded as a Special Item in the governmental activities and the general fund. Had the deposit on the land been properly recorded as a deposit (liability) as of December 31, 2019, this

payment would have been a reduction of a liability and no amount would have been recorded as a Special Item - use of funds in the governmental activities or general fund. As of December 31, 2020 the net position and fund balance of the general fund are fairly stated in accordance with accounting principles generally accepted in the United States of America.

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, 2020, 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, 2020, 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 schedules, schedule of changes in the town's total other postemployment benefits liability and related ratios, schedule of pension contributions, schedule of proportionate share of the net pension liability, and the schedule of proportionate share of the length of service award program liability, schedule of changes in the length of service award program liability and related ratios 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2021, 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 the effectiveness of the Town of Oyster Bay, New York's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Oyster Bay, New York's internal control over financial reporting and compliance.

Cullen & Danowski, LLP

June 25, 2021

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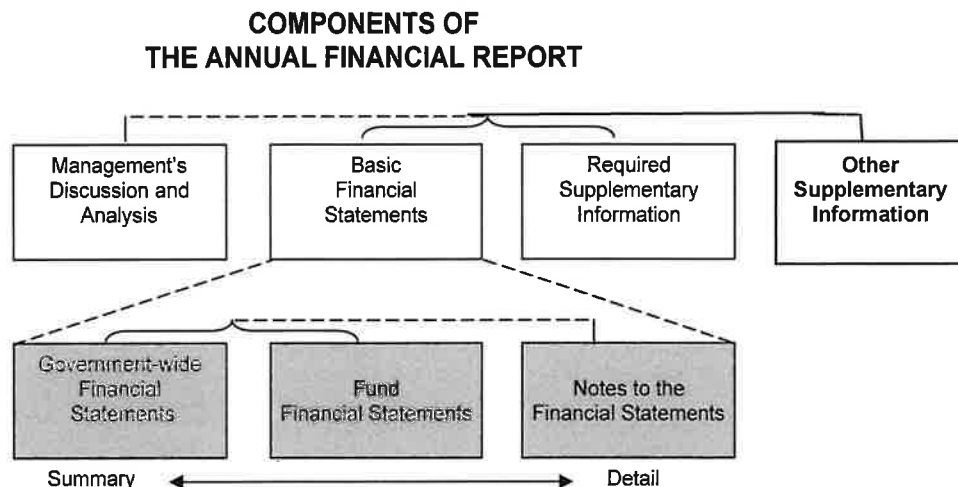
REQUIRED SUPPLEMENTARY INFORMATION
Management's Discussion and Analysis

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

As management of the Town of Oyster Bay ("Town"), we offer readers of the financial statements this narrative overview and analysis of the financial activities for the year ended December 31, 2020. 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, 2020

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 funds balance sheet and governmental funds 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, 2020

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 funds 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, Special Revenue Funds, and Debt Service Fund 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 Net Position and Statement of Changes in Fiduciary Net Position. 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, 2020

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 \$557,930,632 at the close of the most recent year.

Condensed Statement of Net Position
Governmental Activities - Primary Government
as of December 31, 2020 and 2019

	2020	2019
Assets		
Current and other assets	\$ 165,888,126	\$ 108,777,601
Long-term assets	11,994,624	10,402,250
Capital assets	<u>617,855,831</u>	<u>633,172,192</u>
Total assets	<u>795,738,581</u>	<u>752,352,043</u>
Deferred Outflows of Resources	<u>168,123,400</u>	<u>104,517,085</u>
Liabilities		
Current and other liabilities	205,969,764	128,150,074
Long-term liabilities	<u>1,210,943,110</u>	<u>1,117,525,877</u>
Total liabilities	<u>1,416,912,874</u>	<u>1,245,675,951</u>
Deferred Inflows of Resources	<u>104,879,739</u>	<u>136,140,607</u>
Net Position		
Net investment in capital assets	97,055,188	94,413,718
Restricted	14,722,722	9,225,629
Unrestricted (deficit)	<u>(669,708,542)</u>	<u>(628,586,777)</u>
Total net position	<u>\$ (557,930,632)</u>	<u>\$ (524,947,430)</u>

Total assets and deferred outflows of resources of the Town as of December 31, 2020 were \$963,861,981, an increase of \$106,992,853 over the prior year. Total liabilities and deferred inflows of resources as of December 31, 2020 were \$1,521,792,613, an increase of \$139,976,055 over the prior year balance. This results in an overall net position deficit of \$557,930,632 as of December 31, 2020. Of the Town's net position balance, \$97,055,188 reflects the Town's investment in capital assets, net of accumulated depreciation (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 \$14,722,722 that is restricted by statute or for other specific purposes and \$669,708,542 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 \$14,364,901, compensated absences in the amount of \$27,274,898, retirement incentive payable of \$1,774,000, claims and judgments payable in the amount of \$24,286,912, other litigation payable of \$196,000, estimated liability for landfill closure and post-closure care costs in the amount of \$2,100,000, capital lease payable of \$55,855, other postemployment benefits payable in the amount of \$558,778,764, length of service award program liability – proportionate share of \$15,640,357 and net pension liability – proportionate share of \$74,081,920.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

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 - Primary Government

for the years ended December 31, 2020 and 2019

	2020	2019
Program Revenues		
Charges for services	\$ 21,819,693	\$ 24,649,401
Operating grants and contributions	3,188,637	3,803,917
Capital grants and contributions	2,597,728	4,222,594
Total Program Revenues	<u>27,606,058</u>	<u>32,675,912</u>
General Revenues		
Real property taxes	234,006,232	234,677,867
Other real property tax items	9,950,890	10,305,298
Non-property tax items	5,310,815	5,561,876
Interest earnings	1,450,290	2,540,127
Local government assistance - unrestricted	15,343,744	16,049,873
State aid - unrestricted	15,482,645	12,654,751
Other	7,981,042	4,906,643
Total General Revenues	<u>289,525,658</u>	<u>286,696,435</u>
Total Revenues	<u>317,131,716</u>	<u>319,372,347</u>
Program Expenses		
General government support	35,982,790	35,175,120
Public safety	33,205,685	29,005,596
Transportation	61,171,190	57,514,994
Economic assistance and opportunity	3,175,699	3,228,546
Culture and recreation	75,407,863	69,175,777
Home and community services	88,149,870	77,446,692
Interest on debt	20,634,593	22,040,827
Total Expenses	<u>317,727,690</u>	<u>293,587,552</u>
Change in Net Position before Special Item	(595,974)	25,784,795
Special Items		
Return of proceeds from sale of land		(2,475,000)
Settlement for terminated land sale	(30,450,000)	
Change in Net Position	<u>(31,045,974)</u>	<u>23,309,795</u>
Net Position at Beginning of Year, as reported	(524,947,430)	(548,257,225)
Prior Period Adjustment*	(1,937,228)	
Net Position at Beginning of Year, as restated*	<u>(526,884,658)</u>	<u>(548,257,225)</u>
Net Position at End of Year	<u>\$ (557,930,632)</u>	<u>\$ (524,947,430)</u>

*The prior period adjustment, reflects the opening balance of the volunteer Plainview Fire Department Length of Service Award Program that the Town assumed sole sponsorship of on January 1, 2020. See Notes 3.F and 6.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Net position, from all governmental activities, decreased by \$31,045,974 in the current year. Key elements of the governmental activities are:

- The current year decrease was mainly due to the decrease in fund balance of \$21,300,808 shown in the governmental funds, adjusted for various items presented in the government-wide financial statements. These items included the issuance of debt totaling \$81,327,000, repayment of bond principal \$123,804,534, net increase of \$12,439,999 in pension related items, net increase of \$16,726,309 related to the unfunded liability for other postemployment benefits, decrease in claims and judgments payable of \$1,836,063, increase in compensated absences and retirement incentive of \$5,961,012 and adjustments related to capital assets where the depreciation and loss on dispositions exceed capital additions by \$15,316,361.
- Total revenues were \$317,131,716 in 2020, a decrease of \$2,240,631 from the prior year. General revenues were up overall by \$2,829,223, due primarily to increases in premiums on obligations of \$1,199,497, State aid unrestricted of \$2,827,894 due to increased mortgage tax revenues received offset by decreases in real property taxes and interest earnings totaling \$1,761,472. Program revenues decreased from the prior year by \$5,069,854 due to a decrease in capital grants and contributions of \$1,624,866, primarily due to a decrease in culture and recreation and home and community grant activity. In addition, charges for services decreased by \$2,829,708 which was mainly due to decreases in building and alteration permits.
- Total program expenses were \$317,727,690 in 2020, an increase of \$24,140,138 from the prior year. Expenses increased for all functions except for a small decrease of \$52,847 in economic assistance and opportunity and a decrease of \$1,406,234 in interest on debt. These increases in expenses were \$807,670 in general government support, \$4,200,089 in public safety, \$3,656,196 in transportation, \$6,232,086 in culture and recreation and \$10,703,178 in home and community services. The increase in total cost of services was mainly due to increases of \$13,417,357 related to pension and LOSAP related benefits, \$5,458,355 related to the other postemployment benefits, \$1,774,000 for the retirement incentive program and approximately \$2.0 million in Isaias storm and \$600 thousand in COVID-19 costs.
- The Town reported a special item of \$30,450,000 on the Statement of Activities for the settlement for the terminated land sale. For more information on this nonrecurring special item see Note 4.C – DPW Property Litigation.

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

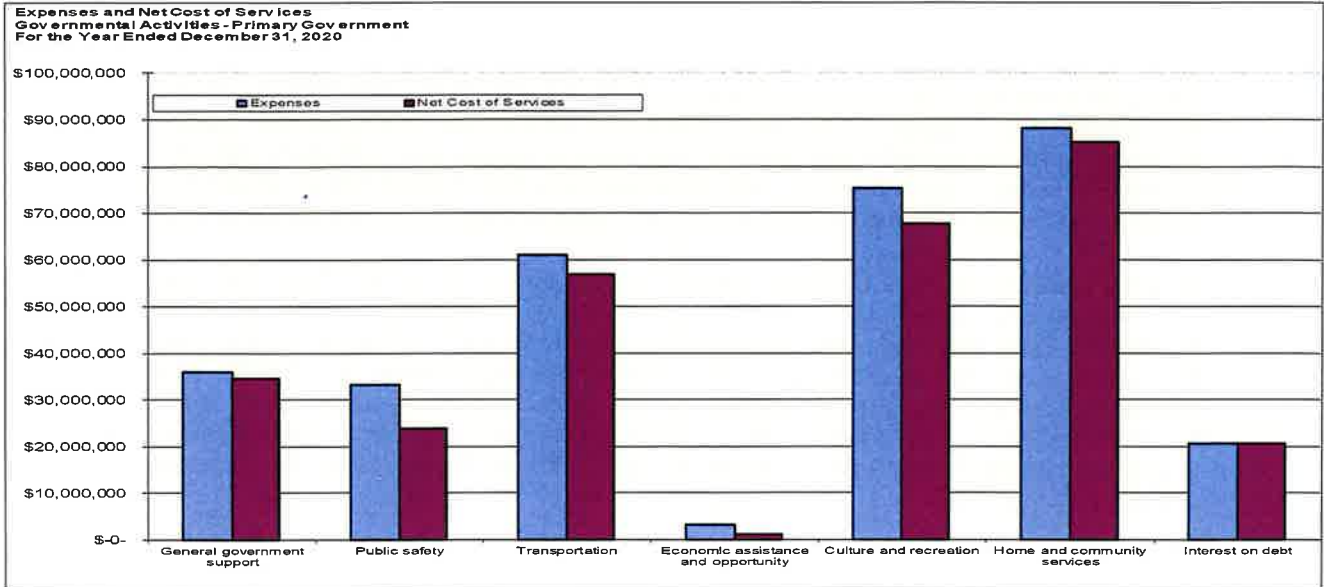
Net Cost of Services
Governmental Activities - Primary Government
for the years ended December 31, 2020 and 2019

	Total Cost of Services		Net Cost of Services	
	2020	2019	2020	2019
General government support	\$ 35,982,790	\$ 35,175,120	\$ 34,702,835	\$ 33,356,932
Public safety	33,205,685	29,005,596	23,772,667	17,368,093
Transportation	61,171,190	57,514,994	56,987,171	53,700,227
Economic assistance and opportunity	3,175,699	3,228,546	1,111,337	836,625
Culture and recreation	75,407,863	69,175,777	67,658,796	60,348,295
Home and community services	88,149,870	77,446,692	85,254,233	73,260,641
Interest on debt	20,634,593	22,040,827	20,634,593	22,040,827
	<u>\$ 317,727,690</u>	<u>\$ 293,587,552</u>	<u>\$ 290,121,632</u>	<u>\$ 260,911,640</u>

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

The total cost of all governmental activities this year was \$317,727,690. The net cost of these services after being subsidized by program revenues was \$290,121,632.

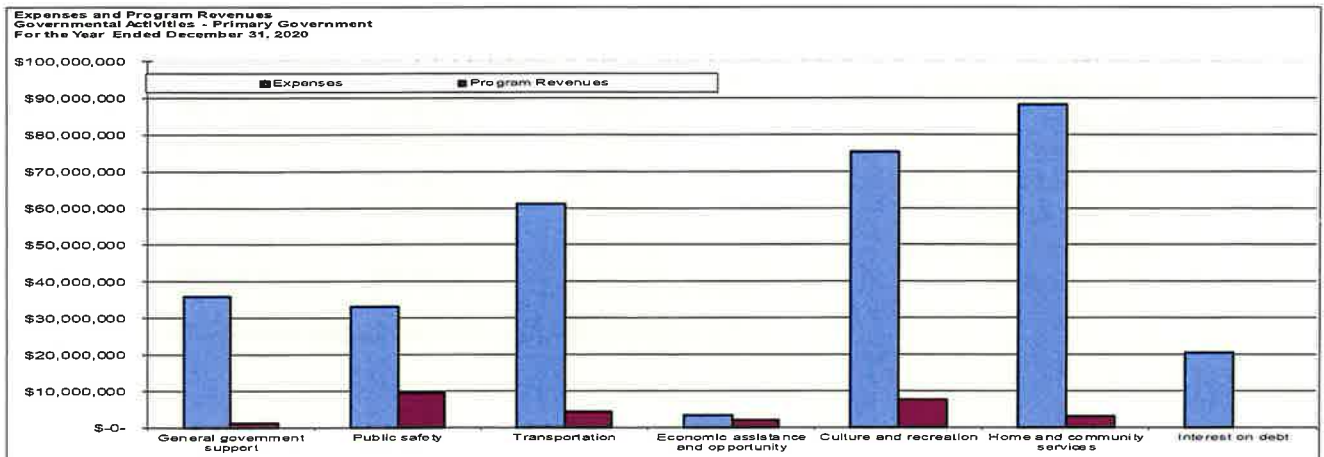


The following chart illustrates the total costs of services and program revenues by function for the Town's governmental activities.

Total Cost of Services and Program Revenues
Governmental Activities - Primary Government
for the Years Ended December 31, 2020 and 2019

	Total Cost of Services		Program Revenues	
	2020	2019	2020	2019
General government support	\$ 35,982,790	\$ 35,175,120	\$ 1,279,955	\$ 1,818,188
Public safety	33,205,685	29,005,596	9,433,018	11,637,503
Transportation	61,171,190	57,514,994	4,184,019	3,814,767
Economic assistance and opportunity	3,175,699	3,228,546	2,064,362	2,391,921
Culture and recreation	75,407,863	69,175,777	7,749,067	8,827,482
Home and community services	88,149,870	77,446,692	2,895,637	4,186,051
Interest on debt	20,634,593	22,040,827		
	<u>\$ 317,727,690</u>	<u>\$ 293,587,552</u>	<u>\$ 27,606,058</u>	<u>\$ 32,675,912</u>

The total cost of all governmental activities this year was \$317,727,690. The cost of these services were subsidized by program revenues of \$27,606,058.



TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

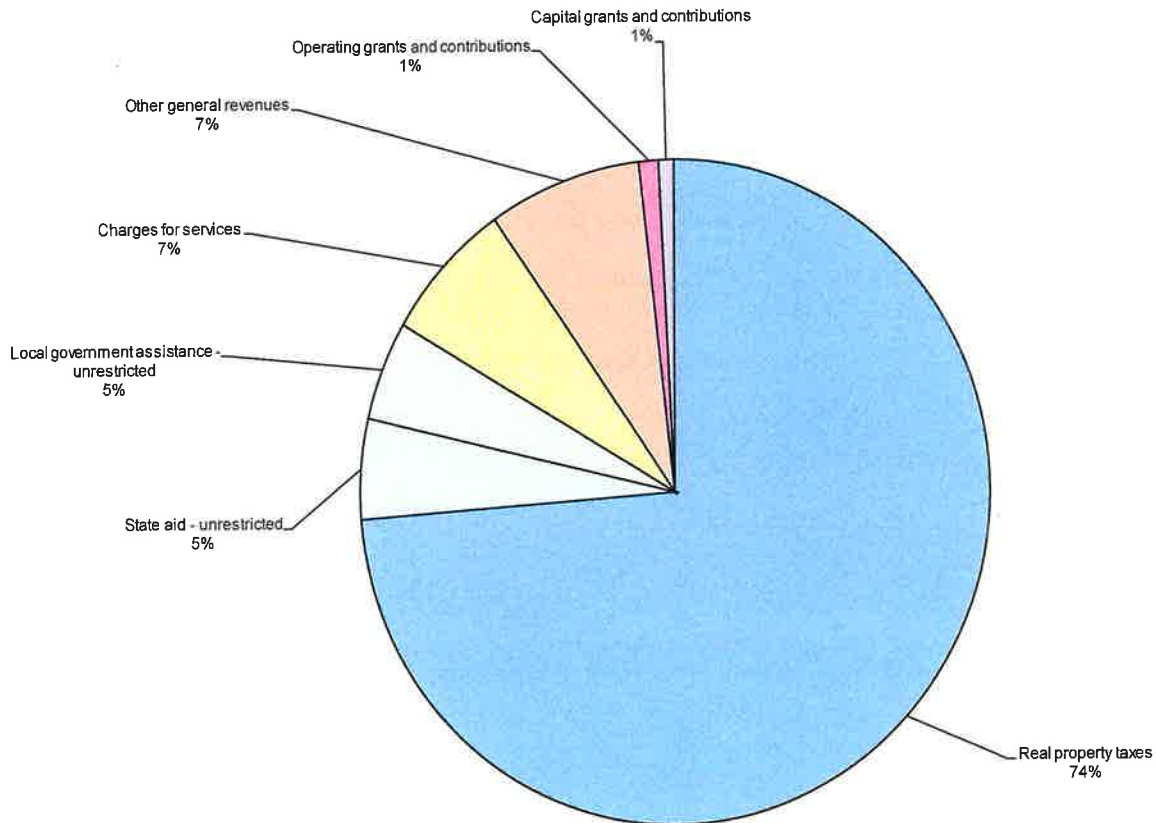
GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Revenue by Source

Governmental Activities - Primary Government

Year Ended December 31, 2020

Real property taxes	\$ 234,006,232
State aid - unrestricted	15,482,645
Local government assistance - unrestricted	15,343,744
Charges for services	21,819,693
Other general revenues	24,693,037
Operating grants and contributions	3,188,637
Capital grants and contributions	2,597,728
	<u>\$ 317,131,716</u>



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, spendable fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (continued)

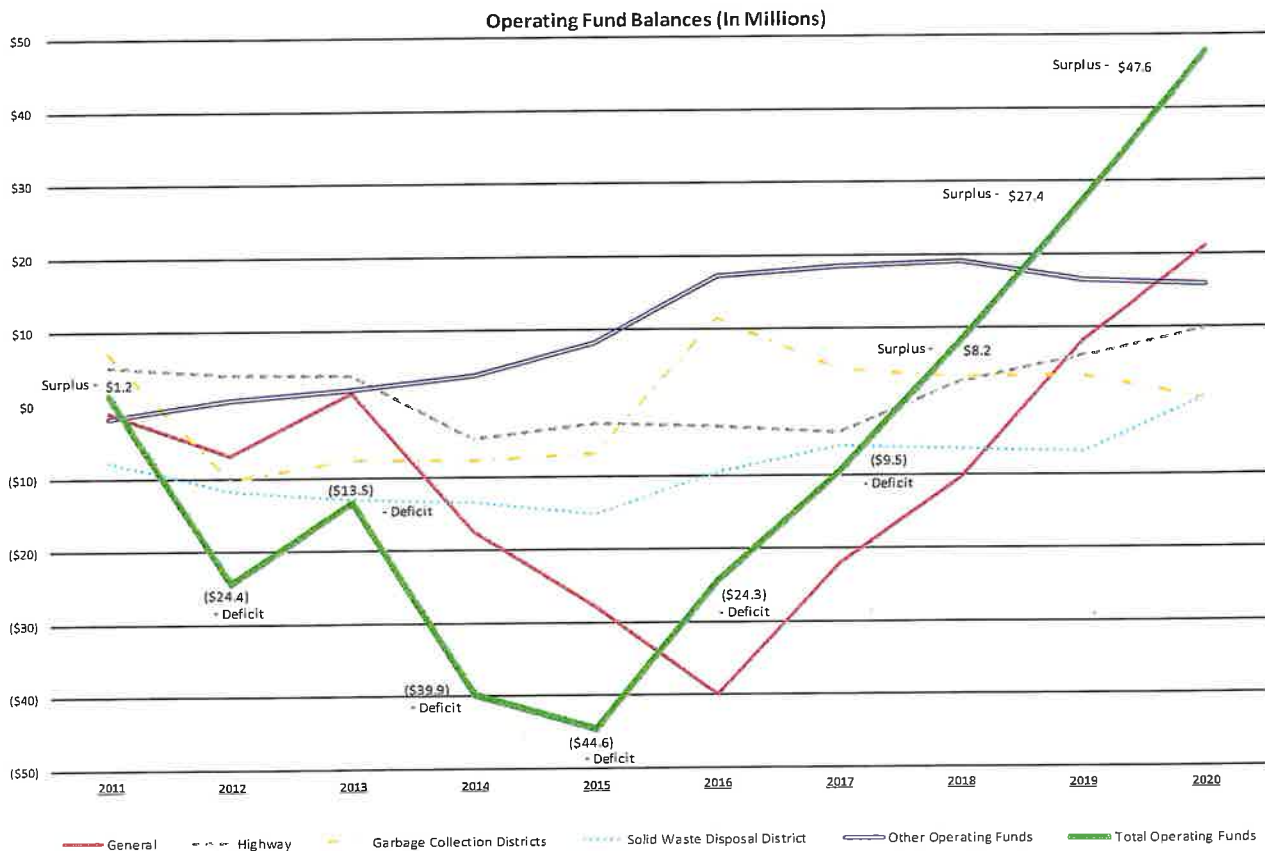
Governmental Funds (continued)

At December 31, 2020, the Town's governmental funds reported a total ending fund balance of \$52,463,334, a decrease of \$21,300,808 from the prior year fund balance of \$70,198,041, which was increased by \$3,566,101 for the inclusion of the volunteer Plainview Fire Department LOSAP. The category breakdown of fund balance is as follows:

- **Nonspendable fund balance** - \$3,247,175 (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** - \$63,126,463 (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** - \$15,906,148 (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** - \$29,816,452 (residual net resources) is the remaining total fund balance deficit in the Capital Projects Fund of \$43,472,228 and unassigned General Fund balance of \$13,655,776.

The negative change in total governmental fund balance was due largely to the investment in the Capital Projects Fund of \$34,615,392 and the increase in costs in the Garbage Collection Districts and a corresponding decrease in property taxes in the same fund. The Town began the year anticipating that revenues would equal expenditures, utilizing no appropriations of fund balance for the 2020 budget in the governmental funds. During the year, the Town appropriated a total of \$1,415,425 in fund balance to fund operations, which included prior year encumbrances.

The chart below shows the ten-year trend of the operating fund balances of the Town. See the Statistical Section pages 155 - 156 for the detailed fund balances for each governmental fund.



TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (continued)

Governmental Funds (continued)

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.

General Fund	2020	2019	2018
Revenues	\$ 138,943,458	\$ 148,233,745	\$ 136,613,719
Expenditures	98,253,840	94,558,324	93,950,754
Other Financing Sources (Uses), net	(27,390,962)	(32,601,082)	(34,152,138)
Excess of Revenues over Expenditures	13,298,656	21,074,339	8,510,827
Special Items	(450,000)	(2,475,000)	3,122,789
Net Change in Fund Balance	12,848,656	18,599,339	11,633,616
Fund Balance (Deficit), beginning	8,198,869	(10,400,470)	(22,034,086)
Fund Balance (Deficit), ending	\$ 21,047,525	\$ 8,198,869	\$ (10,400,470)

The General Fund operated at a surplus of \$12,848,656 which provided a fund balance of \$21,047,525. Revenues decreased by \$9,290,287 from the prior year to \$138,943,458, while expenditures increased by \$3,695,516 to \$98,253,840 and other financing sources (uses) net decreased by \$5,210,120 to \$27,390,962 compared to the prior year. The decrease in revenue was mainly caused by decreases of \$1,862,316 in real property taxes, \$10,706,128 in intergovernmental charges – Nassau County local government assistance being allocated to other operating funds, offset by an increase in state aid – mortgage tax of \$2,827,894. The other financing sources (uses) net decreased because of a transfer in of \$7,056,624 from debt service. The special items in 2020 are the net of the settlement for terminated land sale and the proceeds from the bonds issued to finance the settlement. See Notes 1.E and 4.C. Overall, the Town increased the fund balance from a deficit of \$22,034,086 for the year ended December 31, 2017 by \$43,081,611 to a fund balance of \$21,047,525 at December 31, 2020.

Highway Fund	2020	2019	2018
Revenues	\$ 57,456,283	\$ 54,866,840	\$ 55,628,585
Expenditures	26,883,803	26,019,630	27,785,771
Other Financing Sources (Uses), net	(26,800,331)	(25,385,176)	(20,998,808)
Net Change in Fund Balance	3,772,149	3,462,034	6,844,006
Fund Balance (Deficit), beginning	6,136,983	2,674,949	(4,169,057)
Fund Balance, ending	\$ 9,909,132	\$ 6,136,983	\$ 2,674,949

In the Highway Fund, the fund balance was increased by \$3,772,149 to \$9,909,132. Revenues totaled \$57,456,283, an increase of \$2,589,443, while expenditures and net other financing sources (uses) totaled \$53,684,134, an increase of \$2,279,328 from the prior year. The increase of \$3,772,149 was the result of transfer in of funds from closed capital projects and an increase in property taxes of \$2,701,507 was offset by increases in expenditures of \$864,173 mainly due to the increase in debt service interest expenditures and the transfer out to the Capital Projects Fund of \$3,163,449. Overall, the Town increased the fund balance in the Highway Fund from a deficit of \$4,169,057 for the year ended December 31, 2017 by \$14,078,189 to a fund balance of \$9,909,132 as of the year ended December 31, 2020.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS (continued)

Governmental Funds (continued)

Garbage Collection Districts Fund	2020	2019	2018
Revenues	\$ 60,645,977	\$ 62,349,593	\$ 60,846,435
Expenditures	56,240,558	54,849,157	54,544,346
Other Financing Sources (Uses), net	(7,628,453)	(7,317,504)	(7,369,532)
Net Change in Fund Balance	(3,223,034)	182,932	(1,067,443)
Fund Balance, beginning	3,485,215	3,302,283	4,369,726
Fund Balance, ending	<u>\$ 262,181</u>	<u>\$ 3,485,215</u>	<u>\$ 3,302,283</u>

In the Garbage Collection Districts Fund, the fund balance decreased by \$3,223,034 to \$262,181. Revenues totaled \$60,645,977, a decrease of \$1,703,616 from the prior year, while expenditures and other financing source (uses) net totaled \$63,869,011, an increase of \$1,702,350 from the prior year. The decrease in revenues is primarily due to an decrease in real property taxes of \$2,558,518 offset by the increase in intergovernmental charges of \$1,000,000 for local government assistance from Nassau County. The overall increase in expenditures was mainly due to increases in overtime of \$838,047 and incinerator and disposal charges of \$1,088,918. Overall, the Town decreased the fund balance in the Garbage Collection Districts of \$4,369,726 for the year ended December 31, 2017 by \$4,107,545, to a fund balance of \$262,181 at December 31, 2020.

Solid Waste Disposal District Fund	2020	2019	2018
Revenues	\$ 35,176,586	\$ 25,435,423	\$ 27,158,603
Expenditures	23,502,508	21,738,438	23,222,280
Other Financing Sources (Uses), net	(4,183,846)	(4,164,708)	(4,361,216)
Net Change in Fund Balance	7,490,232	(467,723)	(424,893)
Fund Balance (Deficit), beginning	(6,908,834)	(6,441,111)	(6,016,218)
Fund Balance (Deficit), ending	<u>\$ 581,398</u>	<u>\$ (6,908,834)</u>	<u>\$ (6,441,111)</u>

In the Solid Waste Disposal District Fund, fund balance increased by \$7,490,232 from a deficit of \$6,908,834 to a fund balance of \$581,398. Revenues totaled \$35,176,586 an increase of \$9,741,163 from the prior year, while expenditures and other financing source (uses) net totaled \$27,686,354, an increase of \$1,783,208 from the prior year. The increase in revenue was mainly due to an increase in real property taxes of \$1,742,182, refuse and garbage charges of \$1,083,358 and \$7,000,000 for local government assistance from Nassau County. The overall increase in expenditures was mainly due to an increase in sanitation transport expenditures of \$1,334,247. Overall, the Town increased the fund balance in the Solid Waste Disposal District Fund from a deficit of \$6,016,218 for the year ended December 31, 2017 by \$6,597,616 to a fund balance of \$581,398 at December 31, 2020.

The total Nonmajor Governmental Funds' fund balance decreased by \$4,243,813. Revenues totaled \$62,398,532, a decrease of \$2,007,501 from the prior year, while expenditures and other financing sources (uses) net totaled \$66,642,345, a decrease of \$343,424 from the prior year. The decrease in revenue was mainly due to decreases in real property taxes and other real property tax items of \$1,045,602, departmental income of \$1,436,496 and federal aid of \$1,231,843 offset by \$1,999,999 for local government assistance from Nassau County. The decrease in expenditures was primarily caused by decrease in special grant program activity of \$1,423,372 offset by increases in expenditures in the Park Districts Fund of \$451,287 for park operations and in the Public Parking District Fund of \$138,347 for operations costs.

In the Capital Projects Fund, the fund balance decreased by \$37,944,998 to \$4,846,276. The decrease was the result of a decrease in state aid revenues of \$899,134 an interfund transfer out of \$10,836,615 for completed capital improvement projects and the timing of long-term financing for capital projects.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town appropriated expenditures in the original General Fund budget equal to estimated revenues for a balanced budget. 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 \$491,521. Please see the General Fund section for more details on the comparison of final budget to actual amounts.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of December 31, 2020, the Town had \$617,855,831, 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 \$9,058,235. The Town's nonmajor component units had \$304,607,295 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>2020</u>	<u>2019</u>
Land	\$ 116,512,327	\$ 116,512,327
Development rights	1,306,296	1,306,296
Construction in progress	3,341,582	2,618,712
Land rights	9,296,520	9,296,520
Buildings	171,617,478	169,321,538
Improvements other than buildings	522,436,711	518,782,396
Machinery and equipment	102,886,702	97,605,244
Software	27,239,143	26,145,838
Infrastructure:		
Roads, curbs and sidewalks	459,689,495	441,142,543
Drainage system	180,386,218	180,377,666
Lighting system	23,194,821	23,194,821
Total capital assets	1,617,907,293	1,586,303,901
Less: accumulated depreciation	1,000,051,462	953,131,709
Primary government - Total net capital assets	<u>\$ 617,855,831</u>	<u>\$ 633,172,192</u>

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Capital Assets (continued)

During 2020, the Town's capital assets decreased by \$15,316,361. The decrease in capital assets included depreciation expense of \$49,847,209 and a loss on dispositions of \$9,470, offset by additions net of prior year construction in progress placed into service of \$34,540,318.

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>2020</u>	<u>2019</u>
Land	\$ 6,158,032	\$ 5,834,112
Construction in progress	78,819,187	41,657,081
Buildings	74,678,789	74,343,917
Improvements other than buildings	141,159,930	138,000,671
Machinery and equipment	73,891,903	61,098,714
Software	232,104	225,093
Infrastructure:		
Water mains	99,829,139	95,363,808
Sewer system	1,524,942	1,524,942
Total capital assets	476,294,026	418,048,338
Less: accumulated depreciation	171,686,731	160,217,100
Component units - Total net capital assets	<u>\$ 304,607,295</u>	<u>\$ 257,831,238</u>

The capital program is a long-range financing guide and not a definite 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 adopted for 2021 and the next five years (in thousands).

<u>Equipment</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Fund	\$ 6,409.3	\$ 4,591.1	\$ 4,336.1	\$ 4,796.0	\$ 3,998.0	\$ 3,612.0
General - Part Town	190.0	115.0	57.5	57.5	57.5	57.5
Highway Fund	3,652.0	2,347.0	2,417.0	3,377.0	2,417.0	2,347.0
Special Districts	5,711.1	634.5	654.0	639.0	456.0	465.0
Total Equipment	<u>\$ 15,962.4</u>	<u>\$ 7,687.6</u>	<u>\$ 7,464.6</u>	<u>\$ 8,869.5</u>	<u>\$ 6,928.5</u>	<u>\$ 6,481.5</u>
<u>Improvements</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
General Fund	\$ 13,345.0	\$ 7,795.0	\$ 5,065.0	\$ 4,730.0	\$ 5,515.0	\$ 4,420.0
Highway Fund	27,612.0	31,094.0	31,818.0	27,938.0	24,769.0	22,875.0
Special Districts	8,125.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0
Total Improvements	<u>\$ 49,082.0</u>	<u>\$ 40,889.0</u>	<u>\$ 38,883.0</u>	<u>\$ 34,668.0</u>	<u>\$ 32,284.0</u>	<u>\$ 29,295.0</u>
Total Program	<u>\$ 65,044.4</u>	<u>\$ 48,576.6</u>	<u>\$ 46,347.6</u>	<u>\$ 43,537.5</u>	<u>\$ 39,212.5</u>	<u>\$ 35,776.5</u>

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Debt Administration

At December 31, 2020, the Town had \$552,430,000 in long-term general obligation bonds outstanding, of which \$478,016,446 was for general Town purposes. Also outstanding at year-end were bond anticipation notes in the amount of \$200,504,534 of which \$120,315,000 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, 2020 was 13.41%.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Property Tax

Chapter 97 of the Laws of 2011 ("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 2021, which factors in inflation and other adjustments to revenues and expenditures. The 2021 budget includes an overall decrease in real property tax revenue from the prior year of .001% for the Town's overall governmental activities.

State Aid and Local Assistance

The Town receives financial assistance from New York State and Nassau County. During 2020, financial assistance included state aid – mortgage tax \$15,482,645; AIM related payment \$1,682,422 and County local government assistance of \$15,343,744. 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 2021 budget included similar amounts for this financial assistance.

Bond Rating

In February 2020, Moody's upgraded the Town's underlying bond rating from Baa3 to Baa2. In July 2020, Moody's upgraded the bond rating again. This time it was from Baa2 to Baa1. Their official outlook for the Town remains listed as Positive. In July 2020, Standard and Poor's upgraded the underlying bond rating by two notches, from BBB1 to BBB+. Their official outlook for the Town is listed as Stable.

TOWN OF OYSTER BAY
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

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.

Sale of Department of Public Works (DPW) Facility

On January 28, 2020, the Town Board voted to approve a settlement of \$30,450,000 to be paid to the Purchaser, which effectively canceled the sale of the Town's DPW Facility. On January 31, 2020, the Town paid the Purchaser the full settlement amount, and a stipulation of discontinuance was filed with the Court.

On the same day that the Town Board voted to approve the settlement, they also voted to approve the issuance of \$30,000,000 in bonds to pay for the settlement. Those bonds were issued in August 2020 and will be paid back over the course of the next 15 years. Serial bonds are considered a revenue as they are a permanent source of financing. The revenue generated by the \$30,000,000 in bonds will largely offset the \$30,450,000 expense incurred via the settlement, leaving only a \$450,000 net negative effect to the overall fund balance. Additional information on this matter can be found in Note 4.C to the financial statements.

COVID-19

The World Health Organization characterized the COVID-19 virus as a global pandemic on March 11, 2020. The duration and economic impact of this pandemic are uncertain. At this time, management is unable to quantify its potential effects on the operations and financial performance of the Town.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our taxpayers, customers and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Office of the Comptroller at Town of Oyster Bay, 74 Audrey Avenue, Oyster Bay, NY 11771.

BASIC FINANCIAL STATEMENTS

TOWN OF OYSTER BAY
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF NET POSITION
December 31, 2020

	Primary Governmental Activities	Nonmajor Component Units
ASSETS		
Current Assets:		
Cash and investments	\$ 134,843,525	\$ 89,949,233
Restricted cash and investments	7,877,805	
Accounts receivable, net of allowances \$1,122,351	3,944,898	9,558,763
State and federal aid receivables	7,767,694	6,627,235
Due from other governments, net of allowances \$53,132	5,186,260	658,066
Due from primary government		39,727,411
Due from component units	3,020,769	
Other assets		1,700
Inventory of material and supplies	3,247,175	888,885
Prepaid items		1,134,140
Total Current Assets	<u>165,888,126</u>	<u>148,545,433</u>
Non-Current Assets:		
Receivable - service concession arrangement	10,402,250	
State and federal aid receivables, net of current portion	1,563,708	
Due from other governments, net of current portion	28,666	
Non-depreciable capital assets	121,160,205	84,977,219
Depreciable capital assets, net of depreciation	496,695,626	219,630,076
Total Non-Current Assets	<u>629,850,455</u>	<u>304,607,295</u>
Total Assets	<u>795,738,581</u>	<u>453,152,728</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refundings, net of accumulated amortization	3,211,133	46,329
Other postemployment benefits	106,845,277	16,473,608
Length of service award program	3,099,891	
Pensions	54,967,099	8,699,164
Total Deferred Outflows of Resources	<u>168,123,400</u>	<u>25,219,101</u>

(continued)

TOWN OF OYSTER BAY
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF NET POSITION
December 31, 2020

	Primary Governmental Activities	Nonmajor Component Units
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 28,036,035	\$ 11,815,066
Accrued liabilities	7,620,921	1,563,810
Accrued interest payable	7,929,876	1,517,453
Bond anticipation notes payable	39,620,000	
Due to other governments	251,615	
Due to component units	39,727,411	
Due to primary government		3,020,769
Grant advances	155,876	
Deposits payable	2,459,763	1,039,370
Unearned income	70,000	160,884
Other liabilities		29,034
Non-current liabilities due within one year:		
General obligation bonds payable, inclusive of premiums	59,562,916	6,292,951
Bond anticipation notes payable long-term	8,140,000	661,667
Due to Employees' Retirement System	2,577,421	
Compensated absences	1,363,745	674,892
Claims and judgments payable	6,275,177	
Other litigation payable	196,000	
Estimated liability for landfill closure and postclosure care costs	300,000	
Retirement incentive payable	1,660,666	
Capital lease payable	22,342	
Other debt		1,470,662
Total Current Liabilities	<u>205,969,764</u>	<u>28,246,558</u>
Non-Current Liabilities:		
General obligation bonds payable, inclusive of premiums	432,229,854	68,255,968
Bond anticipation notes payable long-term	72,555,000	79,527,867
Due to Employees' Retirement System	11,787,480	
Compensated absences	25,911,153	3,737,771
Claims and judgments payable	18,011,735	
Estimated liability for landfill closure and postclosure care costs	1,800,000	
Retirement incentive payable	113,334	
Capital lease payable	33,513	
Other postemployment benefits payable	558,778,764	86,938,703
Length of service award program liability - proportionate share	15,640,357	
Net pension liability - proportionate share	74,081,920	11,171,927
Other debt, inclusive of premiums		26,733,628
Total Non-Current Liabilities	<u>1,210,943,110</u>	<u>276,365,864</u>
Total Liabilities	<u>1,416,912,874</u>	<u>304,612,422</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows on refundings, net of accumulated amortization	1,396,029	
Contractual service fees		3,812
Service concession arrangement	10,500,805	
Other postemployment benefits	89,577,708	11,912,717
Length of service award program	453,956	
Pensions	2,951,241	455,512
Total Deferred Inflows of Resources	<u>104,879,739</u>	<u>12,372,041</u>
NET POSITION		
Net investment in capital assets	97,055,188	166,625,775
Restricted:		
Length of service award program	7,877,805	
Culture and recreation	3,781	
Home and community services	288,730	36,401,628
Economic assistance and opportunity	496,989	
Debt service	6,055,417	
Unrestricted (deficit)	<u>(669,708,542)</u>	<u>(41,640,037)</u>
Total Net Position	<u>\$ (557,930,632)</u>	<u>\$ 161,387,366</u>

TOWN OF OYSTER BAY
GOVERNMENT-WIDE FINANCIAL STATEMENT
STATEMENT OF ACTIVITIES
Year ended December 31, 2020

Function/Program	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Government Activities:				
General government support	\$ 35,982,790	\$ 1,279,955		
Public safety	33,205,685	9,433,018		
Transportation	61,171,190	1,930,009		\$ 2,254,010
Economic assistance and opportunity	3,175,699		\$ 2,063,533	829
Culture and recreation	75,407,863	7,512,475	233,592	3,000
Home and community services	88,149,870	1,664,236	891,512	339,889
Interest on debt	20,634,593			
Total Primary Government	\$ 317,727,690	\$ 21,819,693	\$ 3,188,637	\$ 2,597,728
NONMAJOR COMPONENT UNITS				
Home and community services	\$ 68,561,024	\$ 32,906,819	\$ 2,634	\$ 10,399,785

General Revenues and Special Item

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

Special Item

Settlement for terminated land sale

Total General Revenues and Special Item

Change in Net Position

Net Position at Beginning of Year, as reported
Prior period adjustment

Net Position at Beginning of Year, as restated (See Note 6)

Net Position at End of Year

Net (Expenses) Revenue and
Change in Net Position

Primary Government	Nonmajor Component Units
\$ (34,702,835)	
(23,772,667)	
(56,987,171)	
(1,111,337)	
(67,658,796)	
(85,254,233)	
(20,634,593)	
(290,121,632)	
	\$ (25,251,786)
234,006,232	35,323,747
9,950,890	1,678,940
5,310,815	
1,450,290	2,825,259
15,343,744	
15,482,645	
7,981,042	4,196,704
(30,450,000)	
259,075,658	44,024,650
(31,045,974)	18,772,864
(524,947,430)	142,513,562
(1,937,228)	100,940
(526,884,658)	142,614,502
\$ (557,930,632)	\$ 161,387,366

TOWN OF OYSTER BAY
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020

	MAJOR FUNDS		
	General	Highway	Garbage Collection Districts
ASSETS			
Cash and investments	\$ 60,269,240	\$ 10,099,193	\$ 4,114,679
Restricted cash and investments			
Accounts receivable, net of allowances for doubtful accounts of \$1,122,351	2,492,718	246,864	
State and federal aid receivables	4,390,440	7,356	
Due from other governments, net of allowances for doubtful accounts of \$53,132	4,715,853	468,488	
Due from component units			
Inventory of material and supplies	2,236,252	796,876	
Total Assets	<u>\$ 74,104,503</u>	<u>\$ 11,618,777</u>	<u>\$ 4,114,679</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 8,737,890	\$ 1,063,354	\$ 2,714,086
Accrued liabilities	2,657,897	545,291	1,138,412
Bond anticipation notes payable			
Due to other governments	231,317		
Due to component units	39,727,411		
Grant advances			
Deposits payable	1,040,908	101,000	
Unearned revenue	70,000		
Total Liabilities	<u>52,465,423</u>	<u>1,709,645</u>	<u>3,852,498</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue from rental of real property	493,000		
Unearned revenue - service concession arrangement	98,555		
Total Deferred Inflows of Resources	<u>591,555</u>		
FUND BALANCES			
Nonspendable	2,236,252	796,876	
Restricted	4,549,966	1,228,667	19,046
Assigned	605,531	7,883,589	243,135
Unassigned	13,655,776		
Total Fund Balances	<u>21,047,525</u>	<u>9,909,132</u>	<u>262,181</u>
Total Liabilities and Fund Balances	<u>\$ 74,104,503</u>	<u>\$ 11,618,777</u>	<u>\$ 4,114,679</u>

See notes to the financial statements.

Solid Waste Disposal District	Debt Service	Capital Projects	Other Governmental Funds	Totals
\$ 1,870,849		\$ 42,548,835	\$ 15,840,101	\$134,742,897
	\$ 100,628		7,877,805	7,978,433
939,226			266,090	3,944,898
168,737		3,792,480	972,389	9,331,402
1,510		28,666	409	5,214,926
		3,020,769		3,020,769
			214,047	3,247,175
<u>\$ 2,980,322</u>	<u>\$ 100,628</u>	<u>\$ 49,390,750</u>	<u>\$ 25,170,841</u>	<u>\$167,480,500</u>

\$ 2,296,240		\$ 4,904,176	\$ 4,804,279	\$ 24,520,025
102,684			3,176,637	7,620,921
		39,620,000		39,620,000
		20,298		251,615
				39,727,411
			155,876	155,876
			1,317,855	2,459,763
				70,000
<u>2,398,924</u>		<u>44,544,474</u>	<u>9,454,647</u>	<u>114,425,611</u>

				493,000
				98,555
				591,555

			214,047	3,247,175
102,095	\$ 100,628	48,318,504	8,807,557	63,126,463
479,303			6,694,590	15,906,148
		(43,472,228)		(29,816,452)
<u>581,398</u>	<u>100,628</u>	<u>4,846,276</u>	<u>15,716,194</u>	<u>52,463,334</u>
<u>\$ 2,980,322</u>	<u>\$ 100,628</u>	<u>\$ 49,390,750</u>	<u>\$ 25,170,841</u>	<u>\$167,480,500</u>

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TOWN OF OYSTER BAY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
December 31, 2020

Total Fund Balances - Governmental Funds	\$ 52,463,334
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	121,160,205
Capital assets - depreciable	1,496,747,088
Accumulated depreciation	(1,000,051,462)
Receivables in the Statement of Net Position that do not provide current financial resources are not reported as receivables in the funds.	10,402,250
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	(491,792,770)
Long-term bond anticipation notes	(80,695,000)
Due to Employees Retirement System	(14,364,901)
Compensated absences	(27,274,898)
Claims and judgments payable	(24,286,912)
Other litigation payable	(196,000)
Estimated liability for landfill closure and postclosure care costs	(2,100,000)
Retirement incentive payable	(1,774,000)
Capital lease payable	(55,855)
Other postemployment benefits payable	(558,778,764)
Length of service award program liability - proportionate share	(15,640,357)
Net pension liability - proportionate share	(74,081,920)
Deferred outflows of resources included in the Statement of Net Position:	
Deferred charges	3,211,133
Other postemployment benefits	106,845,277
Length of service award program	3,099,891
Pensions	54,967,099
Additional accounts payable included in the Statement of Net Position	(3,516,010)
Deferred inflows of resources included in the Statement of Net Position:	
Deferred inflow on refunding, net of amortization	(1,396,029)
Service concession arrangements	(10,402,250)
Other postemployment benefits	(89,577,708)
Length of service award program	(453,956)
Pensions	(2,951,241)
Other assets not available to pay for current-period expenditures, and therefore, are deferred inflows in the funds.	493,000
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.	(7,929,876)
Net Position of Governmental Activities	<u>\$ (557,930,632)</u>

See notes to the financial statements.

TOWN OF OYSTER BAY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year ended December 31, 2020

	MAJOR FUNDS		
	General	Highway	Garbage Collection Districts
REVENUES			
Real property taxes	\$ 62,139,034	\$ 54,255,604	\$ 58,704,279
Other real property tax items	3,569,169	2,362,229	928,608
Non-property tax items	5,310,815		
Departmental income	7,131,247	741,379	
Intergovernmental charges	5,568,794	16,011	1,000,000
Use of money and property	1,532,805	44,310	12,890
Licenses and permits	259,040		
Fines and forfeitures	172,105		
Sale of property and compensation for loss	188,443		
Miscellaneous local sources	3,249,878	36,750	200
Interfund revenues	34,048,092		
State aid	15,763,749		
Federal aid	10,287		
Total Revenues	138,943,458	57,456,283	60,645,977
EXPENDITURES			
Current:			
General government support	42,352,842		
Public safety	5,705,319		
Transportation	832,055	19,687,350	
Economic assistance and opportunity	67,919		
Culture and recreation	18,343,482		
Home and community services	1,933,505		40,621,646
Employee benefits	28,293,280	6,432,397	15,459,470
Capital Outlay			
Debt Service:			
Principal	22,342		
Interest	703,096	764,056	159,442
Bond issuance costs			
Total Expenditures	98,253,840	26,883,803	56,240,558
Excess (Deficiency) of Revenues Over Expenditures	40,689,618	30,572,480	4,405,419
OTHER FINANCING SOURCES (USES)			
Transfers in	7,056,624	5,651,648	39,960
Transfers out	(34,447,586)	(32,451,979)	(7,668,413)
Premiums on obligations			
Refunding bond issued			
Payment to refunded bond escrow agent			
Total Other Financing Sources (Uses)	(27,390,962)	(26,800,331)	(7,628,453)
SPECIAL ITEMS			
Settlement for terminated land sale	(30,450,000)		
Proceeds from sale of bonds for settlement	30,000,000		
Total Special Item	(450,000)	-0-	-0-
Net Change in Fund Balances	12,848,656	3,772,149	(3,223,034)
Fund Balances (Deficit) at Beginning of Year	8,198,869	6,136,983	3,485,215
Prior Period Adjustment (See Note 6)			
Fund Balances at Beginning of Year, as Restated (See Note 6)	8,198,869	6,136,983	3,485,215
Fund Balances at End of Year	\$ 21,047,525	\$ 9,909,132	\$ 262,181

See notes to the financial statements.

Solid Waste Disposal District	Debt Service	Capital Projects	Other Governmental Funds	Totals
\$ 16,258,725			\$ 42,648,590	\$ 234,006,232
422,480			2,668,404	9,950,890
				5,310,815
11,321,426			11,340,762	30,534,814
7,011,169			1,999,999	15,595,973
	\$ 332,134		546,488	2,468,627
				259,040
				172,105
79,286				267,729
	2,063,945	\$ 3,094	145,690	5,499,557
				34,048,092
78,500		2,254,010		18,096,259
5,000		60,000	3,048,599	3,123,886
35,176,586	2,396,079	2,317,104	62,398,532	359,334,019
	85,990			42,438,832
			15,388,786	21,094,105
			4,910,735	25,430,140
			1,952,180	2,020,099
			16,351,397	34,694,879
21,370,131			3,925,181	67,850,463
2,085,643			12,197,727	64,468,517
		34,615,392		34,615,392
	67,371,534			67,393,876
46,734	18,809,840		810,802	21,293,970
	552,284			552,284
23,502,508	86,819,648	34,615,392	55,536,808	381,852,557
11,674,078	(84,423,569)	(32,298,288)	6,861,724	(22,518,538)
59,269	85,151,917	5,189,905	591,570	103,740,893
(4,243,115)	(2,396,078)	(10,836,615)	(11,697,107)	(103,740,893)
	6,773,730			6,773,730
	51,327,000			51,327,000
	(56,433,000)			(56,433,000)
(4,183,846)	84,423,569	(5,646,710)	(11,105,537)	1,667,730
				(30,450,000)
				30,000,000
-0-	-0-	-0-	-0-	(450,000)
7,490,232		(37,944,998)	(4,243,813)	(21,300,808)
(6,908,834)	100,628	42,791,274	16,393,906	70,198,041
			3,566,101	3,566,101
(6,908,834)	100,628	42,791,274	19,960,007	73,764,142
\$ 581,398	\$ 100,628	\$ 4,846,276	\$ 15,716,194	\$ 52,463,334

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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, 2020

Net Change in Fund Balance \$ (21,300,808)

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/donation	34,540,318
Depreciation expense	(49,847,209)
Loss on dispositions	(9,470)

Net change in deferred outflows of resources not reported in the funds:

Deferred charges on refundings	(750,169)
Other postemployment benefits	28,172,063
Length of service award program related amounts	1,258,772
Pension related amounts	34,925,649

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	(286,500)
Due to Employees Retirement System	2,493,446
Compensated absences	(4,187,012)
Claims and judgments payable	1,836,063
Estimated liability for landfill closure and postclosure care costs	300,000
Retirement incentive payable	(1,774,000)
Capital lease payable	22,342
Other postemployment benefits payable	(71,225,901)
Length of service award program liability - proportionate share	(2,584,703)
Net pension liability - proportionate share	(54,307,004)
Accrued interest cost	659,377

Net change in deferred inflows of resources not reported in the funds:

Deferred inflows on refundings, net of accumulated amortization	(1,396,029)
Other postemployment benefits	26,327,529
Length of service award program related amounts	57,703
Pension related amounts	5,721,138

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (2,169,103)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position:

Issuance of debt	(81,327,000)
Repayment of bond principal	123,804,534

Change in Net Position of Governmental Activities \$ (31,045,974)

See notes to the financial statements.

TOWN OF OYSTER BAY
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2020

	Co-Sponsor LOSAP Custodial Fund	Town Clerk Custodial Fund	Town Receiver of Taxes Custodial Fund	Total Custodial Funds
ASSETS				
Cash	\$ 3,221,159	\$ 4,719	\$ 88,691,791	\$ 91,917,669
Total Assets	<u>\$ 3,221,159</u>	<u>\$ 4,719</u>	<u>\$ 88,691,791</u>	<u>\$ 91,917,669</u>
LIABILITIES				
Due to the Comptroller of the State of New York		\$ 30		\$ 30
Due to the Department of Environmental Conservation of the State of New York		438		438
Due to the Department of Health of the State of New York		3,938		3,938
Due to the Department of Agriculture and Markets of the State of New York		313		313
Taxes Collected for other Governments			\$ 88,691,791	88,691,791
Total Liabilities	<u>\$ -0-</u>	<u>\$ 4,719</u>	<u>\$ 88,691,791</u>	<u>\$ 88,696,510</u>
Net Position				
Restricted for Length of Service Award Program	\$ 3,221,159			\$ 3,221,159
Total Net Position	<u>\$ 3,221,159</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 3,221,159</u>

Note: This statement is provided being in 2020 to comply with the adoption of GASB Statement No. 84.

See notes to the financial statements.

TOWN OF OYSTER BAY
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year ended December 31, 2020

	Co-Sponsor LOSAP Custodial Fund	Town Clerk Custodial Fund	Town Receiver of Taxes Custodial Fund	Total Custodial Funds
ADDITIONS				
Contributions/Taxes/Fees	\$ 186,985	\$ 53,747	\$ 1,314,037,123	\$ 1,314,277,855
Interest	92,853		9,602	102,455
Total additions	279,838	53,747	1,314,046,725	1,314,380,310
DEDUCTIONS				
Recipient payments	116,213	53,747	1,314,046,725	1,314,216,685
Net increase (decrease) in fiduciary net position	163,625			163,625
Net position - beginning	3,057,534			3,057,534
Net position - ending	\$ 3,221,159	\$ -0-	\$ -0-	\$ 3,221,159

Note: This statement is provided being in 2020 to comply with the adoption of GASB Statement No. 84.

See notes to the financial statements.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Oyster Bay ("Town"), which was established in 1653, is governed by Town Law and other general laws of the State of New York and various local laws. The Town Board is the legislative body responsible for overall operations. The Town Board consists of the Supervisor who is elected for a term of two years and six council members who are elected for terms of four years. The Town Board appoints the Town Attorney, Comptroller, Commissioner of Department of Public Works (DPW) and Inspector General 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 nine Commissioners: Community and Youth Services, General Services, Human Resources, Intergovernmental Affairs, Parks, Planning and Development, Environmental Resources, Public Safety, and Highways. 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, economic assistance and opportunity, 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 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.

The Town of Oyster Bay Housing Authority ("Authority") is an autonomous body, created under Section 480 of New York State Public Housing Law, responsible for maintaining housing for seniors and families of low income. The Authority is overseen by a seven-member commission. Five members are appointed to five-year terms by the Town Board. Two tenant commissioners are elected to two-year terms by all the residents within the housing units and then confirmed by the Town Board. The Authority is considered a related organization because the majority of the commissioners are appointed by the Town. The Town cooperates with the Housing Authority in making social programs available to seniors at each complex they control. The Housing Authority is not considered a part of the Town's reporting entity.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 and opportunity, 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 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, deferred outflows of resources, liabilities, deferred inflows of resources, 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. Governmental funds are further classified as major and nonmajor funds.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund Financial Statements (continued)

Governmental Funds (continued)

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.

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. The Town reports the Solid Waste Disposal District as a major fund rather than a nonmajor fund to enhance consistency and because management believes it is important to the financial statement users.

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 Grants 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund Financial Statements (continued)

Governmental Funds (continued)

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

Park Districts:

Bethpage	Hicksville	Oyster Bay
Glenwood - Glen Head	Jericho	Plainview - Old Bethpage
Hempstead - Oyster Bay	Locust Valley	South Farmingdale
Community Hall and Swimming Pool	Massapequa	Syosset
	Nassau Shores	

Fire Protection Districts:

Bayville	Greenvale	Plainview
East Norwich	Northeast Farmingdale	
Glenwood - Glen Head	Oyster Bay	

Lighting District

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.

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

Co-Sponsor LOSAP Custodial Fund - accounts for the portion of the length of service award program ("LOSAP") that are jointly sponsored by other municipalities for the volunteers of the Oyster Bay and Glenwood - Glen Head Fire Protection Districts. The Town's portions of the jointly sponsored program assets are recorded in the Fire Protection Districts fund. The liabilities related to the Town's portion of the program are recorded in the government-wide statements.

Town Clerk Custodial Fund - accounts for amounts due to other governments for license and permit fees.

Town Receiver of Taxes Custodial 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:

Massapequa Water District	Oyster Bay Water District	Syosset Sanitation District
Plainview Water District	Jericho Water District	Oyster Bay Sewer District
Hicksville Water District	South Farmingdale Water District	Glenwood - Glenhead
Locust Valley Water District	Bethpage Water District	Garbage District

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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 collected within 60 days after the year end. The Town generally considers all other revenues available if they are collected 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 in the General Fund or as restricted or assigned fund balance in funds other than the General Fund.

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 funds 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 explain the adjustments necessary to reconcile ending net position and the change in net position.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Equity

1. Restricted Cash and Investments – Length of Service Award Program (LOSAP) Program Assets

The Town jointly sponsors two LOSAP and is the sole sponsor of one LOSAP to provide retirement-like benefits for those volunteering time and services pertaining to firefighting services, in accordance with the Program Plan Documents. The assets are held in trust accounts in the name of the award programs. See Note 3.A for more information on the program's investments and Note 3.F for more information on the programs.

2. 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Equity (continued)

3. Prepaid Items

Prepaid items in the government-wide statements represent nonmajor component unit insurance and retirement benefits that will benefit a future period.

4. 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.

5. 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 acquisition 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 are 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.

6. Deferred Outflows 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 deferred amounts related to pensions, other postemployment benefits (OPEB) and length of service award programs (LOSAP), which relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension, OPEB and LOSAP related changes.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Equity (continued)

7. Deferred Inflows of Resources

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 unavailable revenue related to rental of real property is deferred in the governmental funds and will be recognized as an inflow of resources in the period that the amounts become available. The governmental funds also contain a deferred amount for an upfront payment on a service concession arrangement that was not earned in the current year. In the government-wide financial statements, the Town reports deferred amounts related to pensions, OPEB and LOSAP. The Town reports a deferred inflow of resources for the amount of net proceeds on a refunding of debt that is exceeded by the old debt and unamortized premium. The Town also reports a deferred inflow of resources for the present value of the future installment payments to be received under the service concession arrangement after the advance fee has been liquidated.

8. 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.

9. Long-Term Obligations

The liabilities for long-term obligations consisting of general obligation bonds payable, bond anticipation notes long-term, due to Employees' Retirement System, compensated absences, claims and judgments payable, other litigation payable, estimated liability for landfill closure and postclosure care costs, retirement incentive payable, capital lease payable, other postemployment benefits payable, proportionate shares of length of service award and 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.

10. Interfund Transactions

Interfund transactions, exclusive of interfund services provided and used, have been eliminated from the government-wide financial statements. In the fund's 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 approximately 60% 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 and transfers to operating funds for premiums, interest earnings and the balance of completed capital projects.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Equity (continued)

11. 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 1st, and are due in two installments, 50% on January 1st and 50% on July 1st, payable without penalty to February 10th and August 10th, respectively. Penalties are imposed thereafter at the rate of 1% per month from January 1st and July 1st until August 31st, 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 1st, 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 1st and 50% on April 1st payable without penalty to November 10th and May 10th, respectively. The County is also responsible for uncollected school taxes.

12. Benefits

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

Full-time 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. Town's employees may become eligible for these benefits if they reach normal retirement age with at least five or ten 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 ("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 the other postemployment benefits payable is recorded as a non-current liability in the government-wide statements.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Equity (continued)

13. Length of Service Award Program ("LOSAP") Liabilities

The Town jointly sponsors LOSAPs, defined benefit service award programs, for its volunteer firefighters of two different fire protection districts and is the sole sponsor of one program. The two programs have multiple sponsors all of whom are legally responsible for annual contributions to the program, as such this is considered a special funding situation. All three programs are administered through a trust. Payments under the program are made from the general assets of the sponsors.

The trusts do not meet the criteria of GASB Statement No. 73, paragraph 4 because the assets are not protected from the Town's creditors. Accordingly, the Town reports its proportionate share of the total LOSAP service award liabilities which have been measured at the actuarial present value of projected benefit payments without offset from the trust assets.

The portions of the LOSAP programs that the Town manages for the co-sponsors of the joint plans are reported in the Co-Sponsor LOSAP Custodial Fund.

14. Compensated Absences

The liability for vested or accumulated vacation, sick leave or compensatory time (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 or expected payouts. 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 funds statement of the respective fund that will pay it.

15. 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 and retainage payable in the government-wide financial statements are capital related debt and are used in the calculation of net investment in capital assets.
- b) Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

In the fund 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.

- 1) 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Equity (continued)

15. Net Position and Fund Equity Classifications (continued)

- 2) 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.
- 3) 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.
- 4) 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.
- 5) Unassigned 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.

16. 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.

17. Use of Estimates

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

18. 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, 2020, the statement that had an impact on the Town's financial statement was:

Statement No. 84, "*Fiduciary Activities*", the objective of which is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how these activities should be reported. Town has replaced the Agency funds with the new Custodial funds and will be including the combining Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position in the basic financial statements.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Equity (continued)

19. Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through June 25, 2021, 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

Management had chosen to recognize as revenue in 2013, the deposit collected on a sale of land which had not and will not close. 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 as of December 31, 2019, the Statement of Net Position and the General Fund would have had a liability in the amount of \$30,025,000. In the Statement of Net Position, total net position (deficit) would have been reflected as a deficit of \$554,972,430 (as opposed to a deficit of \$524,947,430) and in the balance sheet, the fund balance of the General Fund would have been reflected as a deficit of \$21,826,131 (as opposed to a fund balance of \$8,198,869).

In 2020, the Town has entered into a stipulation of settlement for \$30,450,000 related to this matter. See Note 4.C. This payment is recorded as a special item in the governmental activities. This payment and the related borrowing, of \$30,000,000 in bonds, to finance the settlement are recorded as special items in the General Fund. Had the deposit on the land been recorded as a deposit (liability) as of December 31, 2019, this payment would have been a reduction of a liability and no amount would have been recorded as a special item – use of funds in the governmental activities or General Fund. As of December 31, 2020, the net position and fund balance of the General Fund are fairly stated in accordance with accounting principles generally accepted in the United States of America.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

- a) On or before September 20th, each department, officer or district submits to the Budget Officer and to the Comptroller a detailed estimate of the budget known as "departmental estimates" for the amount of revenue to be received and expenditures to be made for the ensuing year.
- b) On or before September 30th, the Budget Officer files with the Town Clerk and the Comptroller and presents to the Town Board a tentative budget for the ensuing year.
- c) On or before October 5th, the Town Board reviews the tentative budget and files with the Town Clerk a preliminary budget.
- 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 the 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 appropriations require Town Board approval. Appropriations for all governmental funds except the Capital Projects Fund lapse at year end.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

- 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, respectively.
- 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 2020 budget included no increase in real property tax revenue from the prior year for the Town's overall governmental activities.

B. Fund Balance

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.

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 District Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total
Fund Balances:								
Nonspendable:								
Inventory	\$ 2,236,252	\$ 796,876					\$ 214,047	\$ 3,247,175
Total Nonspendable	2,236,252	796,876	\$ -0-	\$ -0-	\$ -0-	\$ -0-	214,047	3,247,175
Restricted for:								
Debt service	4,546,185	1,228,667	19,046	16,858	100,628		144,033	6,055,417
Capital projects						46,811,367		46,811,367
LOSAP							7,877,805	7,877,805
Grantor restrictions	3,781						785,719	789,500
Long-term receivables				85,237		1,507,137		1,592,374
Total Restricted	4,549,966	1,228,667	19,046	102,095	100,628	48,318,504	8,807,557	63,126,463
Assigned to:								
Purchases on order:								
General	141,866							141,866
Highway		145,592						145,592
Solid waste disposal				106,745				106,745
Town outside village							500	500
Lighting district							4,310	4,310
General fund:								
Insurance	463,665							463,665
Special revenue funds:								
Highway		7,737,997						7,737,997
Garbage collection districts			243,135					243,135
Solid waste disposal				372,558				372,558
Town outside village							2,388,813	2,388,813
Drainage district							254,349	254,349
Park districts							1,337,536	1,337,536
Fire protection districts							1,419,785	1,419,785
Lighting district							372,660	372,660
Public parking district							891,905	891,905
Water districts							24,732	24,732
Total Assigned	605,531	7,883,589	243,135	479,303	-0-	-0-	6,694,590	15,906,148
Unassigned, reported in								
General	13,655,776							13,655,776
Capital projects						(43,472,228)		(43,472,228)
Total Unassigned	13,655,776	-0-	-0-	-0-	-0-	(43,472,228)	-0-	(29,816,452)
Total Fund Balances	\$ 21,047,525	\$ 9,909,132	\$ 262,181	\$ 581,398	\$ 100,628	\$ 4,846,276	\$ 15,716,194	\$ 52,463,334

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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:

		Fiduciary Funds		
	Governmental Funds	Co-Sponsor Custodial Fund	Town Clerk Custodial Fund	Receiver of Taxes Custodial Funds
Cash:				
Demand Deposits	\$ 129,147,510		\$ 4,719	\$ 88,691,191
Money Market	5,687,250			
Cash on				
Petty Cash	8,765			600
Total Cash	<u>134,843,525</u>	<u>\$ -0-</u>	<u>4,719</u>	<u>88,691,791</u>
Investment				
Length of Service Award	7,877,805	3,221,159		
	<u>\$ 142,721,330</u>	<u>\$ 3,221,159</u>	<u>\$ 4,719</u>	<u>\$ 88,691,791</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.

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Investments (continued)

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, 2020, the Town's bank deposit balances were \$226,013,776. Of these balances, \$94,016,289 was covered by the Federal Deposit Insurance Corporation, \$42,338,192 was covered by irrevocable stand-by letters of credit issued by the Federal Home Loan Bank, which were held by the pledging financial institutions in the Town's name, \$89,587,306 was covered by collateral held by the Town's agents, third-party financial institutions, in the Town's name, \$71,989 was collateralized with securities held by the pledging financial institution, or its trust, in the name of the Town.

As of December 31, 2020, 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, 2020, the Town's nonmajor component units' bank deposit balances were \$90,873,235. Of these balances, \$21,701,632 was covered by Federal Deposit Insurance Corporation, \$39,181,520 was covered by irrevocable stand-by letters of credit issued by the Federal Home Loan Bank, \$29,990,083 was covered by collateral held by the nonmajor component units' agents, third-party financial institutions, in the Town's name .

In addition, the Town's nonmajor component units had investments in CLASS, consisting of U.S. Treasury obligations and repurchase agreements relating to Treasury obligations totaling \$30,856.

Restricted Length of Service Award Program Investments

The Town contributes monies to two length of service award programs ("LOSAP"), as a non-employer contributing entity through joint sponsorship intermunicipal agreements, they are also a sole sponsor of one LOSAP. The funds are set-a-side for LOSAP retirement-like benefits for those volunteering time and services pertaining to firefighting services, in accordance with the Program Plan Documents. The funds are managed by an administrator, designated by the joint sponsoring boards. The administrator maintains the investments in a group benefit trust that are invested by Mass Mutual in their general investment account. The underlying investments are in group annuity contracts and are reported at contract value.

The Town's proportionate share and full share of the sole sponsored program of the LOSAP investments are reported in the Fire Protection District Fund and are included in the schedule of cash and investments on the previous page under the governmental funds. The Co-Sponsor Custodial Fund contains the proportionate share of the other sponsoring municipalities. See Note 3.F for more information on the programs.

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

B. Interfund Receivables, Payables and Transfers

There were no Interfund receivable and payable balances for the Town at December 31, 2020.

Interfund transfer balances for the Town at December 31, 2020 represent primarily the payment of the general obligation bond and bond anticipation note principal and interest and capital project funding and are stated as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 7,056,624	\$ 34,447,586
Highway Fund	5,651,648	32,451,979
Garbage Collection Districts	39,960	7,668,413
Solid Waste Disposal District	59,269	4,243,115
Debt Service Fund	85,151,917	2,396,078
Capital Projects Fund	5,189,905	10,836,615
Total Major Funds	<u>103,149,323</u>	<u>92,043,786</u>
Nonmajor Funds:		
Town Outside Village Fund	246,322	509,793
Drainage District	1,275	384,091
Park Districts	98,460	4,811,936
Lighting District	33,635	522,929
Public Parking District	211,878	5,468,358
Total Nonmajor Funds	<u>591,570</u>	<u>11,697,107</u>
Total	<u>\$ 103,740,893</u>	<u>\$ 103,740,893</u>

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets

	Balance 1/1/20	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 12/31/20
Primary Government				
Capital assets not being depreciated:				
Land	\$ 116,512,327			\$ 116,512,327
Development rights	1,306,296			1,306,296
Construction in progress	2,618,712	\$ 1,951,587	\$ 1,228,717	3,341,582
Total Capital Assets Not Being Depreciated	120,437,335	1,951,587	1,228,717	121,160,205
Depreciable capital assets:				
Land rights	9,296,520			9,296,520
Buildings	169,321,538	2,295,940		171,617,478
Improvements other than buildings	518,782,396	3,654,315		522,436,711
Machinery and equipment	97,605,244	8,218,384	2,936,926	102,886,702
Software	26,145,838	1,093,305		27,239,143
Infrastructure:				
Roads, curbs and sidewalks	441,142,543	18,546,952		459,689,495
Drainage system	180,377,666	8,552		180,386,218
Lighting system	23,194,821			23,194,821
Total Depreciable Capital Assets	1,465,866,566	33,817,448	2,936,926	1,496,747,088
Less accumulated depreciation:				
Land rights	6,563,794	531,604		7,095,398
Buildings	56,474,001	3,945,834		60,419,835
Improvements other than buildings	348,445,589	17,041,478		365,487,067
Machinery and equipment	79,512,032	5,129,502	2,927,456	81,714,078
Software	17,988,353	2,376,056		20,364,409
Infrastructure:				
Roads, curbs and sidewalks	252,517,184	19,894,095		272,411,279
Drainage system	173,240,301	554,469		173,794,770
Lighting system	18,390,455	374,171		18,764,626
Total Accumulated Depreciation	\$ 953,131,709	\$ 49,847,209	\$ 2,927,456	1,000,051,462
Total Net Depreciable Capital Assets				496,695,626
Total Net Capital Assets				\$ 617,855,831
Depreciation expense was charged to governmental functions as follows:				
General government support				\$ 5,100,422
Public safety				291,775
Transportation				23,998,255
Economic assistance and opportunity				4,323
Culture and recreation				16,325,016
Home and community services				4,127,418
Total Governmental Activities Depreciation Expense				\$ 49,847,209

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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

C. Capital Assets (continued)

	(As Restated)			
	Balance 1/1/20	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 12/31/20
Discretely Presented Component Units				
Capital assets not being depreciated:				
Land	\$ 5,834,112	\$ 323,920		\$ 6,158,032
Construction in progress	41,359,679	42,911,835	\$ 5,452,327	78,819,187
Total Capital Assets Not Being Depreciated	47,193,791	43,235,755	5,452,327	84,977,219
Depreciable capital assets:				
Buildings	74,343,917	334,872		74,678,789
Improvements other than buildings	138,000,670	3,159,260		141,159,930
Machinery and equipment	61,766,480	12,377,057	251,634	73,891,903
Software	225,093	7,011		232,104
Infrastructure:				
Water mains	95,315,893	4,513,246		99,829,139
Sewer system	1,524,942			1,524,942
Total Depreciable Capital Assets	371,176,995	20,391,446	251,634	391,316,807
Less accumulated depreciation:				
Buildings	25,671,329	1,960,746		27,632,075
Improvements other than buildings	49,785,139	4,530,051		54,315,190
Machinery and equipment	36,380,069	3,229,408	250,409	39,359,068
Software	75,316	31,052		106,368
Infrastructure:				
Water mains	47,370,015	1,905,918		49,275,933
Sewer system	976,555	21,542		998,097
Total Accumulated Depreciation	\$ 160,258,423	\$ 11,678,717	\$ 250,409	171,686,731
Total Net Depreciable Capital Assets				219,630,076
Total Net Capital Assets				\$ 304,607,295
Depreciation expense was charged to discretely presented component units as follows:				
Home and community services				\$ 11,678,717

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. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. Generally 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 that were paid in 2020 are considered short-term and are included in the Capital Projects Fund of the Town or of component unit, as applicable. The remainder of the notes were renewed again in 2020 with a new maturity of March 12, 2021. Those notes are considered long-term and are reported in the government-wide Statement of Net Position. The August 2020 BANs mature on August 27, 2021, and are treated as short-term because they have not been renewed or converted to bonds as of the release of these financial statements. See Note 7 for more details.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Short-term Debt (continued)

Bond Anticipation Notes Short-Term

				Balance 1/1/20	Issued	Redeemed	Balance 12/31/20
Series							
Rate							
Maturity							
Primary Government:							
Bond Anticipation Notes March 2019				\$ 2,340,000		\$ 2,340,000	\$ -0-
Bond Anticipation Notes August 2020 Series C					\$ 39,620,000		39,620,000
Total Primary Government				2,340,000	39,620,000	2,340,000	39,620,000
Component Units:							
Bond Anticipation Notes March 2019				100,000		100,000	-0-
Total Bond Anticipation Notes Short-Term				\$ 2,440,000	\$ 39,620,000	\$ 2,440,000	\$ 39,620,000

Bond Anticipation Notes Long-Term

				Balance 1/1/20	Issued	Redeemed	Balance 12/31/20
Series							
Rate							
Maturity							
Primary Government:							
Bond Anticipation Notes March 2019				\$ 80,695,000		\$ 80,695,000	\$ -0-
Bond Anticipation Notes March 2020 Series A					\$ 80,695,000		80,695,000
Total Primary Government				80,695,000	80,695,000	80,695,000	80,695,000
Component Units:							
Bond Anticipation Notes March 2019				17,900,000		17,900,000	-0-
Water District Notes March 2020 Series B					40,000,000		40,000,000
Water District Notes March 2020 Series B					24,000,000		24,000,000
Water District Notes March 2020 Series B					16,189,534		16,189,534
Total Component Units				17,900,000	80,189,534	17,900,000	80,189,534
Total Bond Anticipation Notes Long-Term				\$ 98,595,000	\$ 160,884,534	\$ 98,595,000	\$ 160,884,534

Revenue Anticipation Notes (RANs) – These notes would be issued as a temporary means of financing a cash flow shortfall in the General Fund. There were no RANs issued or outstanding in 2020.

Tax Anticipation Notes (TANs) – These notes would be issued as a temporary means of financing a cash flow shortfall in various funds. There were no TANs issued or outstanding in 2020.

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Long-term Debt

Summary of changes in long-term debt transactions for the year ended December 31, 2020 is as follows:

	(As Restated)				Non-current	
	Balance			Balance	liabilities due	Non-current
	1/1/20	Increases	Reductions	12/31/20	within one year	liabilities
Primary Government:						
General obligation bonds payable	\$ 520,493,980	\$ 81,327,000	\$ 123,804,534	\$ 478,016,446	\$ 57,067,614	\$ 420,948,832
Plus premiums on issuance	11,607,221	6,773,730	4,604,627	13,776,324	2,495,302	11,281,022
Total General Obligation Bonds	532,101,201	88,100,730	128,409,161	491,792,770	59,562,916	432,229,854
Bond anticipation notes long-term	80,695,000			80,695,000	8,140,000	72,555,000
Due to Employees' Retirement System	16,858,347		2,493,446	14,364,901	2,577,421	11,787,480
Compensated absences	23,087,886	4,995,309	808,297	27,274,898	1,363,745	25,911,153
Claims and judgments payable	26,122,975	6,866,006	8,702,069	24,286,912	6,275,177	18,011,735
Other litigation payable	196,000			196,000	196,000	
Estimated liability for landfill closure and post-closure care costs	2,400,000		300,000	2,100,000	300,000	1,800,000
Retirement incentive payable		1,774,000		1,774,000	1,660,666	113,334
Capital lease payable	78,197		22,342	55,855	22,342	33,513
Other postemployment benefits payable	487,552,863	84,878,276	13,652,375	558,778,764		558,778,764
LOSAP liability - proportionate share	13,055,654	2,755,799	171,096	15,640,357		15,640,357
Net pension liability - proportionate share	19,774,916	66,474,698	12,167,694	74,081,920		74,081,920
Total Non-Current Liabilities	\$ 1,201,923,039	\$ 255,844,818	\$ 166,726,480	\$ 1,291,041,377	\$ 80,098,267	\$ 1,210,943,110
Component Units:						
General obligation bonds payable	\$ 80,796,020	\$ 1,643,000	\$ 8,025,466	\$ 74,413,554	\$ 6,262,386	\$ 68,151,168
Plus premiums on issuance	130,980	34,952	30,567	135,365	30,565	104,800
Total General Obligation Bonds	80,927,000	1,677,952	8,056,033	74,548,919	6,292,951	68,255,968
Bond anticipation notes long-term	17,900,000	80,189,534	17,900,000	80,189,534	661,667	79,527,867
Compensated absences	4,534,456	682,065	803,858	4,412,663	674,892	3,737,771
Other postemployment benefits payable	75,123,852	13,912,702	2,097,851	86,938,703		86,938,703
Net pension liability - proportionate share	3,020,545	8,553,879	402,497	11,171,927		11,171,927
Other debt, inclusive of premiums	22,193,847	7,171,105	1,160,662	28,204,290	1,470,662	26,733,628
Total Non-Current Liabilities	\$ 203,699,700	\$ 112,187,237	\$ 30,420,901	\$ 285,466,036	\$ 9,100,172	\$ 276,365,864

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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 2.0% to 6.0% and have maturity dates in 2021 through 2043. The original amount borrowed for debt currently outstanding was \$793,426,748.

A summary of these bonds by purpose is as follows:

	Balance 1/1/20	Issued	Redeemed	Balance 12/31/20
Primary Government:				
General Fund	\$ 215,478,311	\$ 52,105,252	\$ 50,197,371	\$ 217,386,192
Highway Fund	190,681,576	18,409,389	43,204,549	165,886,416
Garbage Collection Districts	23,970,839	495,584	7,094,085	17,372,338
Solid Waste Disposal District	19,216,870	1,523,664	5,182,868	15,557,666
Town Outside Village Fund	2,854,594	9,664	384,986	2,479,272
Drainage District	982,974	67,289	421,957	628,306
Park Districts	28,915,013	1,273,473	5,022,338	25,166,148
Lighting District	2,435,171	164,376	566,756	2,032,791
Public Parking District	35,958,632	7,278,309	11,729,624	31,507,317
Total Primary Government	520,493,980	81,327,000	123,804,534	478,016,446
Component Units:				
Massapequa Water District	3,084,841	247,000	598,710	2,733,131
Plainview Water District	12,778,190		1,145,582	11,632,608
Locust Valley Water District	10,374,000	267,000	986,000	9,655,000
Oyster Bay Water District	3,870,472		457,013	3,413,459
Jericho Water District	12,468,000		819,000	11,649,000
So. Farmingdale Water District	15,643,986	672,000	1,883,140	14,432,846
Bethpage Water District	21,244,000	457,000	1,896,000	19,805,000
Oyster Bay Sewer District	1,332,531		240,021	1,092,510
Total Component Units	80,796,020	1,643,000	8,025,466	74,413,554
Total General Obligation Bonds	\$ 601,290,000	\$ 82,970,000	\$ 131,830,000	\$ 552,430,000

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

	Principal	Interest	Total Principal and Interest
For years ending December 31, 2021	\$ 57,067,614	\$ 16,344,712	\$ 73,412,326
2022	50,980,009	14,503,328	65,483,337
2023	49,902,722	12,576,338	62,479,060
2024	51,820,420	10,732,515	62,552,935
2025	48,437,540	8,855,051	57,292,591
2026 - 2030	166,731,141	22,054,526	188,785,667
2031 - 2035	52,017,000	2,979,020	54,996,020
2036 - 2040	640,000	88,399	728,399
2041 - 2043	420,000	15,219	435,219
Totals	\$ 478,016,446	\$ 88,149,108	\$ 566,165,554

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Long-term Debt (continued)

General Obligation Bonds (continued)

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

	Principal	Interest	Total Principal and Interest
For years ending December 31, 2021	\$ 6,262,386	\$ 2,526,471	\$ 8,788,857
2022	6,464,991	2,315,208	8,780,199
2023	6,507,278	2,094,625	8,601,903
2024	6,729,580	1,872,406	8,601,986
2025	6,552,460	1,643,900	8,196,360
2026 - 2030	30,323,859	4,878,686	35,202,545
2031 - 2033	11,573,000	603,748	12,176,748
Totals	<u>\$ 74,413,554</u>	<u>\$ 15,935,044</u>	<u>\$ 90,348,598</u>

Current Refunding of Bonds

On August 5, 2020, the Town issued \$52,970,000 in Public Improvement Refunding Bonds for the Town and its component unit with interest rates ranging from 2% to 4% and annual maturities through February 2027. Of the \$52,970,000 issued, \$51,327,000 was for the refunding of general Town debt and \$1,643,000 was for the refunding of component unit debt.

The net proceeds of \$59,390,481 (the par amount of the bonds plus a premium of \$6,990,434 less underwriter's fees, insurance and other issuance costs of \$569,953) were used to current refund \$58,240,000 of outstanding 2013 Series B Public Improvement Serial Bonds, with interest rates of 2% - 4%. Of the net proceeds, \$56,433,000 was related to general Town purposes and \$1,807,000 was related to component unit.

The net proceeds were used to pay \$58,240,000 of outstanding principal and \$1,150,481 of accrued interest.

The current refunding was done in order to reduce debt payments in the short-term. The refunding decreased total debt service payments by \$5,829,076, of which \$5,647,833 related to the Town and \$181,243 related to component unit. The overall transaction resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of \$6,780,594, of which \$6,570,395 related to the Town and \$210,199 related to component unit.

Capital Lease Obligations

In 2018, the Town entered into a capital lease agreement to finance the acquisition of two digital presses and related equipment. The amount financed was \$111,711 and is to be repaid by the General Fund over 60 months, with monthly payments of \$1,862. The lease has an interest rate of 0%.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

D. Indebtedness (continued)

Capital Lease Obligations (continued)

The equipment and related accumulated depreciation under capital lease is as follows:

Equipment	\$ 111,711
Less: accumulated depreciation	<u>33,512</u>
Net Value	<u>\$ 78,199</u>

Future principal payments to maturity are as follows:

		<u>Principal</u>
For years ending December 31,	2021	\$ 22,342
	2022	22,342
	2023	<u>11,171</u>
	Totals	<u>\$ 55,855</u>

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 due to Employees' Retirement System, compensated absences, other litigation payable, retirement incentive payable, other postemployment benefits payable, length of service award program liability - proportionate share, and net pension liability-proportionate share 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 \$28,204,290, inclusive of premiums of \$829,290 have been included under the caption "Other debt, inclusive of premiums" 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 pension plan. The net position of the System is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all 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.

The external advisory committees appointed by the Comptroller meet periodically throughout the year and provide independent, expert assistance in guiding the Fund. These committees include: the Advisory Council for the Retirement System; the Investment Advisory Committee; the Real Estate Advisory Committee; the Actuarial Advisory Committee and the Audit Advisory Committee.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Plan Description (continued)

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. Generally, members of the System are employees of the State and its municipalities, other than New York City. The Town also participates in the Public Employees' Group Life Insurance Plan ("GLIP"), which provides death benefits in the form of life insurance. In the Fund statements, GLIP amounts are apportioned to and included in ERS. The System is included in the State's financial report as a pension trust fund. That report may be found at www.osc.state.ny.us/retire/about_us/financial_statements_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 RSSL. 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.

Vesting

Members who joined the System prior to January 1, 2010 need five years of service to be 100 percent vested. Members who joined on or after January 1, 2010 require ten years of service credit to be 100 percent vested.

Benefits Provided

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

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 Tier 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 of employment. For Tier 1 members who joined on or after June 17, 1971, each year's compensation used in the final average salary calculation is limited to no more than 20% greater than the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20% greater than the average of the previous two years.

Tiers 3, 4 and 5

Eligibility: Tier 3 and Tier 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Benefits Provided (continued)

Tier 3, 4 and 5 (continued)

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 Tier 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 Tier 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 of employment. For Tiers 3, 4 and 5 members, each year's compensation used in the final average salary calculation is limited to no more than 10% greater than 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.

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

Disability Retirement Benefits

Disability retirement benefits are available to members unable to perform their job duties because of permanent physical or mental incapacity. There are three general types of disability benefits: ordinary, performance of duty, and accidental disability benefits. Eligibility, benefit amounts, and other rules such as any offsets of other benefits depend on a member's tier, years of service, and plan.

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 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: (i) all retirees who have attained age 62 and have been retired for five years; (ii) all retirees who have attained age 55 and have been retired for ten years; (iii) all disability retirees, regardless of age, who have been retired for five years; (iv) recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and (v) 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%.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Contributions

Generally, Tiers 3, 4 and 5 members must contribute 3% of their salary to the System. As a result of Article 19 of the RSSL, eligible Tiers 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3% to 6% depending on salary. Generally, Tiers 5 and 6 members are required to contribute for all years of service. Under the authority of the RSSL, 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.

The actual contribution was \$11,999,717.

Retirement Amortizations and Incentives

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. Chapter 57 further provides that when contribution rates fall below legally specified levels and all outstanding amortizations have been paid, the Town will be required to pay additional moneys into a specific reserve fund which will be used to offset their contributions in the future. These reserve funds will be invested separately from pension assets. 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 in 2013 and will include interest at 3.75%. During 2020, the Town paid \$403,811 toward this program and has a remaining liability at December 31, 2020 of \$853,618.

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 2020, the Town paid \$718,179 toward this program and has a remaining liability at December 31, 2020 of \$2,286,413.

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 was \$6,157,543 and will be billed and paid over twelve years beginning in 2015 and will include interest at 3.76%. During 2020, the Town paid \$499,680 toward this program and has a remaining liability at December 31, 2020 of \$3,418,300.

Pursuant to Chapter 57 of the Laws of 2013, the Town's total deferred amount related to the 2014 fiscal year was \$4,525,561 and will be billed and paid over twelve years beginning in 2016 and will include interest at 3.50%. During 2020, the Town paid \$355,650 toward this program and has a remaining liability at December 31, 2020 of \$2,863,581.

Pursuant to Chapter 57 of the Laws of 2013, the Town's total deferred amount related to the 2015 fiscal year was \$4,773,406 and will be billed and paid over twelve years beginning in 2017 and will include interest at 3.31%. During 2020, the Town paid \$364,377 toward this program and has a remaining liability at December 31, 2020 of \$3,384,461.

Pursuant to Chapter 57 of the Laws of 2013, the Town's total deferred amount related to the 2016 fiscal year was \$2,002,208 and will be billed and paid over twelve years beginning in 2018 and will include interest at 2.63%. During 2020, the Town paid \$151,749 toward this program and has a remaining liability at December 31, 2020 of \$1,558,528.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Retirement Amortizations and Incentives (continued)

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

	Principal	Interest	Total Principal and Interest
For years ending December 31, 2021	\$ 2,577,421	\$ 482,371	\$ 3,059,792
2022	2,664,258	395,534	3,059,792
2023	2,303,086	305,741	2,608,827
2024	1,570,716	229,795	1,800,511
2025	1,624,943	175,569	1,800,512
2026-2029	3,624,477	211,470	3,835,947
Totals	<u>\$ 14,364,901</u>	<u>\$ 1,800,480</u>	<u>\$ 16,165,381</u>

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

At December 31, 2020, the Town reported a liability of \$74,081,920 for its proportionate share of the net pension liability of the System. The net pension liability was measured as of March 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2019. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected long-term contributions of all participating members.

Below is the Town's proportionate share of the net pension liability of the System and the related employer allocation percentage as of the March 31, 2020 measurement date.

Net Pension Liability	Allocation of the System's Total Net Liability	Change in the Allocation of the System's Total Net Pension Liability Since Prior Measurement Date
\$ 74,081,920	0.2797594%	0.0006618

There was no significant change in the Town's proportion from March 31, 2019 to March 31, 2020.

For the year ended December 31, 2020, the Town recognized pension expense of \$25,659,933 in the Statement of Activities. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,360,020	
Changes in assumptions	1,491,659	\$ 1,288,022
Net difference between projected and actual investment earnings on pension plan investments	37,977,993	
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	2,179,634	1,663,219
Contributions made subsequent to the measurement date	8,957,793	
Total	<u>\$ 54,967,099</u>	<u>\$ 2,951,241</u>

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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 related to pensions resulting from the Town's contribution subsequent to the measurement date in the amount of \$8,957,793 will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For years ending December 31, 2021	\$	7,374,245
2022		10,695,256
2023		13,695,065
2024		11,293,499
	\$	<u>43,058,065</u>

Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as of April 1, 2019, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

Investment rate of return (net of investment expenses)	6.80%
Inflation rate	2.50%
Salary scale	4.20%
Cost of living adjustments	1.30%

Annuitant mortality rates are based on the April 1, 2010 – March 31, 2015 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018.

The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

The long-term rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected return, net of investment expenses 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, 2020 are summarized below:

Asset Class:	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	36.00%	4.05%
International equity	14.00%	6.15%
Private equity	10.00%	6.75%
Real estate	10.00%	4.95%
Absolute return strategies*	2.00%	3.25%
Opportunistic portfolio	3.00%	4.65%
Real assets	3.00%	5.95%
Bonds and mortgages	17.00%	0.75%
Cash	1.00%	0.00%
Inflation indexed bonds	4.00%	0.50%
	<u>100.00%</u>	

The real rate of return is net of the long-term inflation assumption of 2.5%.

* Excludes equity-oriented long-only global funds of \$2.61 billions. For investment management purposes, these funds are included in domestic equity and international equity.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

E. Retirement System (continued)

Actuarial Assumptions (continued)

The discount rate used to calculate the total pension liability was 6.80% 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 6.80%, 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 (5.80%) or 1-percentage point higher (7.80%) than the current assumption:

	One Percent Decrease (5.8%)	Current Assumption (6.8%)	One Percent Increase (7.8%)
Town's proportionate share of the collective net pension liability	\$ 135,961,240	\$ 74,081,920	\$ 17,090,805

Pension Plan Fiduciary Net Position

The components of the current year net pension liability of the employers in the System as of March 31, 2020, were as follows:

	<u>(Dollars in thousands)</u>
Employers' total pension liability	\$ 194,596,261
Plan net position	<u>168,115,682</u>
Employers' net pension liability	<u>\$ 26,480,579</u>
Ratio of plan net position to the Employers' total pension liability	86.39%

Detailed information about the pension plan's fiduciary net position is available in the System's separately issued financial statements.

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

F. Fire Protection Length of Service Award Program ("LOSAP")

The Town jointly sponsors defined benefit length of service award programs ("LOSAP") for the active volunteer firefighters of the Oyster Bay ("Oyster Bay") and Glenwood-Glen Head ("Glenwood") Fire Protection Districts and they are the sole sponsor of the Plainview ("Plainview") Fire Protection District. The programs took effect on July 1, 1991 and April 1, 1990 for Oyster Bay and Glenwood, respectively. The programs were established pursuant to Article 11-A of the New York State General Municipal Law. The programs provide municipally-funded pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Town is approximately a 55% sponsor of the Oyster Bay program and a 46% sponsor of the Glenwood program for the year ended December 31, 2020. The Town paid contributions and fees of \$184,962, \$174,102 and \$175,000 during 2020 to the Oyster Bay, Glenwood and Plainview programs, respectively. Additional Fire Protection Districts had LOSAP programs for which the Town did not participate in material intermunicipal agreements to directly fund those LOSAP plans, which were administered by others. These plans are not included in this report.

As of January 1, 2020, the Town assumed sole sponsorship of the LOSAP program for the Plainview Volunteer Fire Department, Inc., which serves the residents of the Plainview Fire Protection District. The program took effect as of January 1, 1990. The Town paid its 2020 contribution to the Plainview LOSAP program of \$171,700, plus paid an additional \$3,300 in administrative fees and report costs.

Program Description

Participation, vesting and service credit

Oyster Bay's active volunteer firefighters who have reached the age of 17 are eligible to participate in the program. Glenwood has no minimum age for eligibility. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is age 62 for Oyster Bay and age 55 for Glenwood, both programs require completion of one 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. Plainview's minimum age to participate in its LOSAP program is 17, and the program's entitlement age is 55.

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 five years of firefighting service rendered prior to the establishment of the program.

Benefits Provided

Benefits in the amount of \$20 per month per year of service are paid on behalf of each participant who is credited with a year of firefighting service. The programs guarantee a retirement annuity of 120 monthly payments payable inclusively to the participant and his/her designated beneficiary. The maximum number of years of firefighting service for which a participant may receive a contribution is forty years for Oyster Bay and thirty-seven years for Glenwood and Plainview. 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 which are self-insured and paid from the program trust funds.

The Equal Employment Opportunity Commission (EEOC) settled an age discrimination lawsuit with the Glenwood LOSAP sponsors. Individuals who were granted post-entitled benefits and are not already participants in another class are listed below as post-entitled participants. They will receive the same benefits as retired participants.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

F. Fire Protection Length of Service Award Program ("LOSAP") (continued)

Prior to the 1/1/2018 Actuarial Valuation, no post-entitlement benefits were provided under the Glenwood plan. As a result of the Consent Decree, post-entitlement benefits are now provided under the Glenwood plan. The plan sponsors elected to pay the monthly post-entitlement benefits that had been earned prior to 1/1/2018 as they came due ("pay-as-you-go"), rather than to set aside a liability for these benefits in the normal funding of the plan. The full actuarial present value of post-entitlement benefits that are earned after 1/1/2018 will be added to the plan and funded in the normal manner, as is done with all of the post-entitlement benefits in the Oyster Bay plan, but those pre-1/1/2018 post-entitlement benefits in the Glenwood plan will continue to simply be paid by the plan sponsors as they come due.

There was no age discrimination lawsuit with respect to the Plainview LOSAP program. The fire company took a pro-active approach by instituting a 'LOSAP 2' program through which post-entitlement members receive a single lump-sum payment from the fire company after a year of post-entitlement service is earned.

Participants Covered by the Benefit Terms

	<u>Oyster Bay</u>	<u>Glenwood</u>	<u>Plainview</u>
Retired participants receiving benefits	42	51	16
Inactive participants entitled to, but not yet receiving benefits	72	26	59
Active participants	<u>85</u>	<u>56</u>	<u>70</u>
Total	<u>199</u>	<u>133</u>	<u>145</u>

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

F. Fire Protection Length of Service Award Program ("LOSAP") (continued)

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 boards have retained and designated Glatfelter VFIS Specialty Benefits to assist in the administration of the Oyster Bay, Glenwood and Plainview programs. The designated program administrator's functions include calculating the amount to be contributed to the plan at the end of each year based upon the criteria set forth in the Program's Plan Document. Disbursements for the payment of benefits or administrative expenditures 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 expenditures of the operation and administration of the program. Any payments under the program shall be made from the general assets of the Sponsors which general assets are subject to the claims of creditors of the Sponsor. As such, the trust assets do not meet the criteria as defined by GASB and, therefore, may not be offset against the LOSAP liability.

Authority to invest program assets is vested in the sponsoring board. Subject to restrictions in the Program Plan Document, program assets are invested in accordance with a statutory "prudent person" rule. The sponsoring board is required to retain an actuary to review and certify the administrator's calculations of the amount of the sponsoring board's contributions to the program. The actuary retained by the sponsoring board for this purpose is JF Actuarial Service Inc. Portions of the following information are derived from reports prepared by the actuary dated May 23, 2020 for Oyster Bay, January 24, 2021 for Glenwood, and March 31, 2021 for Plainview, respectively. The actuary provided additional calculations for the length of service award program liability.

Program Financial Condition

The following represents the Town's proportionate share of program assets as of December 31, 2020 and the changes for the year then ended.

	<u>Oyster Bay</u>	<u>Glenwood</u>	<u>Plainview</u>
Group annuity contracts (100%)	\$ 2,192,497	\$ 1,650,403	\$ 4,034,905
Prior Service Costs			
There are no prior service costs being amortized			
Receipts and Disbursements			
Program Net Assets, January 1, 2020	\$ 2,012,814	\$ 1,492,531	\$ 3,566,101
Changes during the year:			
Plan contributions	184,962	174,102	175,000
Changes in fair market value of investments	54,155	41,436	353,344
Plan benefit withdrawals	(59,434)	(57,666)	(59,540)
Program Net Assets, December 31, 2020	<u>\$ 2,192,497</u>	<u>\$ 1,650,403</u>	<u>\$ 4,034,905</u>
Contributions			
Amount of Town's required contribution	\$ 176,667	\$ 171,483	\$ 195,687
Amount of Town's actual contribution	\$ 184,962	\$ 174,102	\$ 175,000
Administration Fees			
Actuary	\$ 943	\$ 1,601	\$ 3,000

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

F. Fire Protection Length of Service Award Program ("LOSAP") (continued)

Program Liabilities, Program Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Program

At December 31, 2020, the Town reported a liability of \$15,640,357 for its proportionate share of the length of service award program liability. The length of service award program liability was measured as of June 30, 2020 for Oyster Bay and December 31, 2020 for Glenwood and Plainview, and the total program liability by an actuarial valuation as of July 1, 2019 and January 1, 2019 for Oyster Bay and Glenwood, respectively. The Town's proportion of the length of service award program liability was based on a projection of the Town's share of contributions to the program.

	Oyster Bay	Glenwood	Plainview
Program Liability - Beginning of year	\$ 4,257,427	\$ 3,294,898	\$ 5,503,329
Service cost	98,038	106,748	250,116
Interest	103,170	65,336	109,502
Differences between expected and actual experience	(61,755)	(46,973)	
Changes in assumptions	686,271	490,780	993,611
Benefit payments	(58,491)	(56,065)	(56,540)
Expenses	(34,306)	(1,739)	(3,000)
Program Liability - End of year	<u>\$ 4,990,354</u>	<u>\$ 3,852,985</u>	<u>\$ 6,797,018</u>

For the year ended December 31, 2020, the Town recognized LOSAP program expense of \$1,444,868 in the Statement of Activities. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to the program from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Oyster Bay	Glenwood	Plainview	Oyster Bay	Glenwood	Plainview
Difference between expected and actual experience		\$ 80,288		\$ 84,767	\$ 175,986	
Changes in assumptions	\$ 937,468	1,102,284	\$ 794,889	193,203		
Contributions made subsequent to the measurement date	184,962					
Total	<u>\$ 1,122,430</u>	<u>\$ 1,182,572</u>	<u>\$ 794,889</u>	<u>\$ 277,970</u>	<u>\$ 175,986</u>	<u>\$ -0-</u>

Deferred outflows of resources related to the program resulting from the Town's contribution subsequent to the measurement date in the amount of \$184,962 will be recognized as a reduction of the program liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the program will be recognized in program expense as follows:

	Oyster Bay	Glenwood	Plainview	Total
For years ending December 31, 2021	\$ 138,726	\$ 399,835	\$ 198,722	\$ 737,283
2022	138,726	399,836	198,722	737,284
2023	138,726	206,915	198,722	544,363
2024	203,126		198,723	401,849
2025	20,098			20,098
Thereafter	20,096			20,096
	<u>\$ 659,498</u>	<u>\$ 1,006,586</u>	<u>\$ 794,889</u>	<u>\$ 2,460,973</u>

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

F. Fire Protection Length of Service Award Program ("LOSAP") (continued)

Funding Methodology and Actuarial Assumptions

The actuarial valuation methodology used by the actuary to determine the sponsor's contribution is the entry age normal method. The assumed rate of return on investment was determined by using the Fidelity Municipal General Obligation AA 20-year Bond Index as of the measurement dates of the individual programs. Update procedures were used to roll forward the liability from the actuarial valuation date to the measurement date.

The assumptions used by the actuary to determine the sponsor's contribution and the actuarial present value of benefits are:

	Oyster Bay	Glenwood	Plainview
Actuarial Valuation Date	July 1, 2019	January 1, 2020	January 1, 2020
Measurement Date	June 30, 2020	December 31, 2020	December 31, 2020
Investment rate of return	2.45%*	2.00%*	2.00%*
Salary increases	Not Applicable	Not Applicable	Not Applicable
Inflation rate	0.00%	0.00%	0.00%
Mortality	No pre-retirement mortality; post retirement RP2000 projected to 2030	No pre-retirement mortality; post retirement RP2000 projected to 2030	No pre-retirement mortality; post retirement RP2000 projected to 2030
Turnover	T5	T5	T5
Retirement	First Eligible	First Eligible	First Eligible

* Percentages are net of pension plan investment expense, including inflation.

Sensitivity of the Proportionate Share of the Program Liability to the Discount Rate Assumption

The following presents the Town's proportionate share of the length of service award program liability calculated using the discount rate of 2.45% for Oyster Bay and 2.00% for Glenwood and Plainview, as well as what the Town's proportionate share of the program liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current assumption:

	One Percent Decrease	Current Assumption	One Percent Increase
Oyster Bay			
Discount rates	1.45%	2.45%	3.45%
Net pension liability	\$ 5,343,965	\$ 4,990,354	\$ 4,628,805
Glenwood			
Discount rates	1.00%	2.00%	3.00%
Net pension liability	\$ 4,123,544	\$ 3,852,985	\$ 3,576,312
Plainview			
Discount rates	1.00%	2.00%	3.00%
Net pension liability	\$ 7,273,058	\$ 6,797,018	\$ 6,310,227

G. Deferred Compensation Plan

The Town participates in the New York State 457(b) deferred compensation plan. All full-time employees are eligible to participate. The Town makes no contributions into this plan. The amount deferred by eligible employees for the year ended December 31, 2020 totaled \$4,787,000.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

H. 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. The Town established and administers a single-employer defined benefit OPEB plan for its employees. Amendments to the plan are authorized by the union contract. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

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 and is a member of the retirement system under tiers 1 through 4. Tier 5 and Tier 6 retirement system members must have been employed with the Town for at least ten consecutive years and be at least 55 years of age in order to be entitled to medical insurance coverage at retirement. Tier 5 and Tier 6 employees are also required to contribute 15% of their applicable medical insurance premium. 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, 2002 and January 1, 2006, respectively, and meet the requirements to receive medical insurance coverage. This contract will be renegotiated at various times in the future. The retiree is also eligible for full Medicare reimbursement per year, based on enrollment date. Healthcare benefits for non-union employees are similar to those of union employees. Upon death of a retiree who retired between January 1, 2002 and December 31, 2005, the Town will continue health insurance for a period of one year. 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 six 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 six months after the death of the retiree for the non-remarried spouse and dependents of the employee. The Town, as administrator of the plan, does not issue a separate report.

Employees Covered by Benefit Terms

The number of participants as of January 1, 2020, the effective date of the most recent actuarial valuation is as follows.

Active employees	908
Inactive employees or beneficiaries currently receiving benefit payments	<u>1,325</u>
Total	<u>2,233</u>

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

Contributions

The Town pays the cost of medical, dental and optical coverage as those premiums come due each year along with Medicare Part B premiums, on a pay-as-you-go-basis. During the year ended December 31, 2020, the Town paid \$13,652,375 for insurance premiums, inclusive of Medicare Part B premiums.

Total OPEB Liability

The Town's total OPEB liability of \$558,778,764 was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2020, with updated procedures used to rollforward the OPEB liability to the measurement date.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

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

Actuarial Assumptions and Other Inputs

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 total OPEB liability in the January 1, 2020 valuation was determined using the following actuarial assumptions and other inputs:

Discount Rate	2.12%
Healthcare Cost Trend Rates	6.5% for pre-65 for 2020, decreasing 0.50% per year to an ultimate rate of 5.0% in 2023 and 5% for post-65
Participant Salary Increases	3.5% annually
Payroll Growth Rate	2.5% annually

The discount rate was based on the December 31, 2020 Bond Buyer's 20 Bond Index.

Mortality rates were based on the RPH-2014 Total Dataset mortality table projected fully generationally using projection scale MP-2019.

The demographic assumptions used for this valuation are based on the New York State Employees' Retirement System ("ERS"). The actuarial assumptions used in the January 1, 2020 valuation were based on standard tables modified for certain plan features such as eligibility for full and early retirement where applicable.

Changes in Total OPEB Liability

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

Balance at December 31, 2019	\$ 487,552,863
Changes for the year:	
Service cost	15,944,809
Interest	13,610,063
Changes in assumptions and other inputs	55,323,404
Benefit payments	(13,652,375)
Balance at December 31, 2020	<u>\$ 558,778,764</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 2.74% in 2019 to 2.12% in 2020.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

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

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12%) or 1-percentage-point higher (3.12%) than the current rate:

One Percent Decrease (1.12%)	Discount Rate (2.12%)	One Percent Increase (3.12%)
\$ 668,086,896	\$ 558,778,764	\$ 473,405,012

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

One Percent Decrease (5.50% decreasing to 4.00%)	Healthcare Cost Trend Rates (6.50% decreasing to 5.00%)	One Percent Increase (7.50% decreasing to 6.00%)
\$ 460,049,449	\$ 558,778,764	\$ 689,929,048

For the year ended December 31, 2020, the Town recognized OPEB expense of \$30,378,684. At December 31, 2020, the Town reported deferred outflows or inflows of resources related to OPEB from the following sources:

	Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience		\$ 63,685,387
Changes in assumptions	\$ 106,845,277	25,892,321
Total	\$ 106,845,277	\$ 89,577,708

The amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For years ending December 31, 2021	\$ 823,812
2022	823,812
2023	1,996,642
2024	10,004,019
2025	3,619,284
	<u>\$ 17,267,569</u>

The Town's component units had an ending total OPEB liability of \$86,938,703 as of December 31, 2020.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

3. DETAILED NOTES ON ALL FUNDS (continued)

I. Compensated Absences and Retirement Incentive Payable

Town employees are granted vacation, sick and compensatory 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, sick and compensatory leave subject to certain limitations. Estimated vacation, sick leave and compensatory absences accumulated by employees have been recorded in the Statement of Net Position. Payment of vacation time, sick and compensatory 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, 2020, the value of the accumulated vacation time and sick leave was \$27,274,898 for the primary government. The liability for compensated absences for the nonmajor component units amounted to \$4,412,663.

In the current and prior years, the Town offered employees meeting specific criteria an incentive to retire from active employment. As part of the incentive, employees had the option to receive the retirement incentive payment over a three-year period. The Town recorded, in the Statement of Net Position, \$1,774,000 for individuals who have earned the incentive as of December 31, 2020 and retired in 2021. Seven of those individuals elected to have the three-year payout totaling \$170,000.

J. Tax Abatement Programs

The Town granted real property tax abatements to promote affordable senior citizen housing within the Town of Oyster Bay. Pursuant to Section 125 of the Private Housing Finance Law of the State of New York, a Town qualified project will be included into its privately financed affordable senior citizen housing tax abatement program. This program provides real property tax abatements of 100% of real property taxes for 25 years on qualified new capital improvements. During the term of the agreements, the benefiting entity must operate and maintain the property consistent with the terms of the agreement. As a general condition of providing tax relief assistance, the benefiting company enters into a payment in lieu of taxes ("PILOT") agreement to offset the taxes abated. In 2020, the agreements the Town ratified in the current and previous years, resulted in an abatement of \$2,659,694 of the Town's real property taxes and the PILOTs received totaled \$405,398.

The Town is also subject to real property tax abatements granted by the Nassau County Industrial Development Agency ("NCIDA"), an entity created as a New York State public benefit corporation. The NCIDA was established by Code Section 922, which became Chapter 674 of the Laws of 1975. The NCIDA offers several abatement programs on certain qualified projects to promote, retain, attract and encourage sound commerce and an industry base to prevent unemployment. At December 31, 2016, only the real property tax abatement program offered by NCIDA impacts the Town's revenues. Generally, a qualified project is an applicant submitted project which meets certain economic development criteria (such as job creation/retention) and which either (1) has been or will be financed by the issuance of NCIDA issued bonds, notes or other evidences of indebtedness with respect thereto, or (2) is a straight lease transaction which the NCIDA has determined to undertake pursuant to a lease policy. The NCIDA, as a condition of providing assistance, may require that the benefiting company remit a PILOT payment to offset the amount of taxes abated. The NCIDA is authorized to enter into PILOT agreements per Real Property Tax Law, Section 412-a and General Municipal Law, Section 874. In 2020, the agreements the NCIDA ratified in the current and previous years, resulted in an abatement of \$5,226,661 of the Town's real property taxes and the receipt of \$3,264,901 in PILOT payments.

The Town is also subject to real property tax abatements granted by Nassau County ("County"). The County approved specific abatements to provide for electric generation facilities within the Town. The two agreements provide PILOT payments through 2026 and 2028, which are subject to change based on the CPI and assessment adjustments. During the year ended December 31, 2020, the agreements resulted in an abatement of \$1,516,794 of the Town's real property tax and the receipt of \$458,804 in PILOT payments.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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.

The Town is self-insured for property protection on the first \$50,000, including earthquake and flood, except for wind and hail which are self-insured for 1% of the total insurable value per location of loss arising out of a named storm with a minimum of \$100,000 per loss and \$100,000 for all other wind and hail. The flood deductible is \$50,000, except maximum available National Flood Insurance Program coverage plus \$250,000 for special flood hazard zones B and zones X (shaded) and \$500,000 for moderate flood zones, including zones A and V. 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 \$10,000,000 for any one loss and annual aggregate and \$10,000,000 for any one loss and annual aggregate, respectively. Flood coverage for FEMA special flood hazard zones is provided in the aggregate of \$5,000,000.

The Town is self-insured for workers' compensation insurance and disability insurance. Estimated benefits to be paid are appropriated in the various operating funds of the Town. The actuarially determined workers' compensation liability is reported without a discount when it is probable that a loss has occurred and that the amount of that loss can be reasonably estimated. The result of the process is not an exact amount as it depends on many complex factors such as inflation. The estimate of the claims liability includes amounts for incremental claim adjustments which 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 \$24,286,912, 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.

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	
	2020	2019	2020	2019
Unpaid claims and claim adjustment expenditures at the beginning of year	\$ 21,155,890	\$ 17,875,353	\$ 4,967,085	\$ 3,758,399
Incurred claims and claim adjustment expenditures:				
Provision for insured events of the current year and increases in the provision for insured events of prior years	5,798,716	8,487,186	1,067,290	1,901,778
Total incurred claims and claim adjustment expenditures	5,798,716	8,487,186	1,067,290	1,901,778
Payments:				
Claim expenditures attributable to insured events of the current and prior years	5,638,001	5,206,649	3,064,068	693,092
Total payments	5,638,001	5,206,649	3,064,068	693,092
Total unpaid claims and claim adjustment expenditures at the end of the year	\$ 21,316,605	\$ 21,155,890	\$ 2,970,307	\$ 4,967,085

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

B. Property Condemnation and Environmental Issues

Liberty Industrial Site, Farmingdale, New York

The Town acquired title to approximately 14 acres in Farmingdale (Liberty Industrial Site) through a condemnation proceeding. The United States Environmental Protection Agency (EPA) has conducted remediation of environmentally hazardous substances at the property. The Town plans to eventually convert the property into a public park. In May 2007, under the EPA's jurisdiction, a group made up of prior owners of the property commenced soil remediation at the site, which was completed in 2009. The Town has paid the EPA for the remediation and paid the former property owners \$3.3 million as the initial payment on the condemnation. However, additional payments may be required to the former property owners and/or the 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, to determine if additional payments to the former property owners would be required. On June 30, 2016, the New York State Supreme Court, Nassau County determined the value of the property to be approximately \$31,300,000, inclusive of interest and other costs. The Town has been ordered to make an additional payment to the former property owners to reflect this value. The Town disagreed with the Court's decision and filed a Notice of Appeal on August 1, 2016.

On December 13, 2017, the Appellate Division, Second Department vacated the trial court's approximate \$31,300,000 determination and remitted the matter back to the trial court in order to determine, based upon the evidence offered by the Town, the fair market value of the property with a highest and best use of light industrial development, considering such adjustments as the evidence will support, and whether the property sustained any consequential damages when its proposed highest and best use was industrial. By Order dated April 18, 2018, the trial court requested that the parties submit "Findings of Fact and Conclusions of Law" in accordance with the Appellate Division decision. By Order dated December 17, 2018, the trial court adopted the Findings of the claimant and awarded \$9,732,498, to which \$11,640,000 must be added to account for 6% interest from September 2003. Although the later decision reduced the original award, the Town believed that the lower court exceeded its discretion in making such an award, including allowing claimant to submit findings and conclusions, in the Town's opinion, outside of the direction of the appellate court. The Town appealed the December 17, 2018 decision.

By decision dated October 7, 2020, the Appellate Division held that the Supreme Court "failed to adhere to the terms of this Court's remittal by relying on the claimants' evidence of comparable sales of property for retail use". The Supreme Court should have determined the fair market value of parcel 1 based upon evidence offered by the Town as to the highest and best use of light industrial development, a task that the Appellate Division stated could be performed without again remanding the matter to Supreme Court. Accordingly, the Appellate Division valued Parcel 1 at in the amount of \$4,295,634 plus interest to be calculated by the Supreme Court, thereby vacating the Supreme Court determination of a principal sum of \$9,732,498.00. Taking into the account the advance payment and the interest from the date of taking, the Town will owe the plaintiff approximately \$2.1 million for Parcel 1.

The plaintiff has indicated that it may seek an appeal to the Court of Appeals, the highest court in New York State.

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 the Appellate Division decision as to Parcel 1 is instructive with regard to determining the value of the second parcel. It appears that the exposure to the Town may amount to approximately \$10 million.

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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

B. Property Condemnation and Environmental Issues (continued)

Bethpage Community Park

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 filed in Federal court 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 million. 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"). There is no accusation that the Town engaged in improper handling or disposal of hazardous chemicals which caused the plaintiffs' alleged injuries.

The site history for the Park is relevant. As indicated above, this parcel was owned by Grumman prior to 1962 and was used for the disposal of industrial wastes, starting at some time after Grumman commenced manufacturing in Bethpage in the 1940s. The Park was opened to the public in 1965.

In 2002, the Park was closed in response to testing performed by Grumman. This testing showed elevated levels of certain contaminants, especially PCBs, which were disposed by Grumman on the site. Although subsequent evaluation allowed the Town to reopen the Park, except for the baseball field area in the southwest corner of the Park which contains particularly high PCB levels, residual contamination remained below the ground surface.

In 2005, the Town entered into a voluntary agreement (the "DEC Agreement") with the New York State Department of Environmental Conservation ("NYSDEC") to allow the Town to proceed with remediation in the northern portion of the Park, for the purpose of allowing the redevelopment of this area with a new ice skating center. This action was necessitated when it became clear that Grumman would not proceed in the foreseeable future with the cleanup it was obligated to perform, and the Town was not willing to let the capital improvement project be delayed indefinitely. The Town's remediation work, completed in 2007, involved the excavation and removal of approximately 173,000 tons of soil. In the interest of ensuring the maximum protection of public health and safety, the cleanup performed by the Town, as approved by NYSDEC, exceeded the minimum which NYSDEC might otherwise have been willing to approve. The new ice skating center was completed in 2008.

The plaintiffs have commenced the action against the Town on the basis that the Town is the owner of a certain tract of land that was donated to the Town by Grumman in or about 1962. It is alleged by the plaintiffs that a smaller portion of that land was used by Grumman as "settling ponds" to discharge and dispose the manufacturing chemicals. The plaintiffs do not allege that the Town was, in any way, engaged in the discharge or disposal of such chemicals. 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.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

B. Property Condemnation and Environmental Issues (continued)

Bethpage Community Park (continued)

On February 14, 2017, the plaintiffs initiated a proceeding in the New York State Supreme Court, Nassau County, seeking leave of the Court to file late notices of claim against the Town, which filings are a statutory condition precedent to the commencement of tort litigation against the Town. After fully briefing the issues, the Supreme Court denied, without prejudice, the petitioners' application because the Court was unable to determine, based upon the allegations contained in the petition, whether the petitioners' claims were timely.

Since 2017, the Town has received several additional notices of claim from claimants who appear to be making an effort to join the purported class action. Statutory examinations of each claimant are ongoing.

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. The court, however, granted Grumman summary judgment, dismissing the Town's claims. Grumman's counterclaim against the Town is pending; Grumman alleges the Town contributed to the contamination of the site and seeks a contribution by the Town toward the cost of remediation. Outside counsel to the Town 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. The aggregate cost of the remediation for which contribution is being sought is unknown but has been estimated to be as high as \$80 million. Since the federal court does not permit an interlocutory appeal in this instance, the Town must wait on its appeal of the summary judgment decision until the matter is final, when the trial on the counterclaims are adjudicated.

At the request of the parties (the Town and Grumman), the court has allowed for a lengthy adjournment of the trial so that settlement may be explored. The Town and Grumman, with input from NYSDEC, have discussed the potential of a discontinuance of all claims, a less costly clean-up and either no contribution by the Town or a reduced fixed payment by the Town in furtherance of the remediation.

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

C. Litigation

The Town is subject to a number of lawsuits in the ordinary conduct of its affairs. The Town does not believe, however, that such suits, individually or in the aggregate, are likely to have a material adverse effect on the financial condition of the Town beyond those already recorded.

Securities and Exchange Commission Civil Complaint

On November 21, 2017, the SEC filed a civil complaint against the Town and former Town Supervisor, John Venditto, alleging violations of various provisions of the Securities Act of 1933, the Securities Exchange Act of 1934, and the rules promulgated thereunder. In the complaint, the SEC alleged that the Town's disclosures, made in connection with various note and bond sales dating between June 2010 through December 2015, omitted information regarding certain agreements with a former Town concessionaire to operate concessions at certain Town facilities and that such omission was material to investors. In addition, the complaint alleged that between December 2015 and December 2016, the Town misstated and misrepresented the circumstances surrounding the purported amendments by stating that the purported amendments were entered into without the involvement or knowledge of senior Town officials (i.e., the former Town Attorney and former Supervisor). In the complaint, the SEC requested various forms of relief, including, without limitation, an unspecified monetary penalty, injunctive relief, the appointment of an independent consultant to recommend improvements to the Town's financial reporting procedures and controls and municipal security disclosure procedures, and a prohibition on the sale of securities by the Town unless the Town implements the recommendations of the independent consultant.

The SEC case was stayed before the Town could file an Answer because of the criminal cases against former Supervisor Venditto and Nassau County Executive Edward Mangano and his wife, Linda Mangano, in the United States District Court, Eastern District of New York. A superseding indictment against Mr. Venditto, filed on November 21, 2017, had included criminal charges based upon the same alleged disclosure violations as set forth in the SEC complaint against the Town. During an 11-week trial which commenced on March 14, 2018, former Town Attorney and Deputy Supervisor Leonard Genova testified, among other things, that from 2010 to 2015 the Town's disclosures omitted information regarding so-called "indirect loan guarantees" and that, starting in 2015, the Town's disclosures that the purported amendments were entered into without the involvement of necessary Town officials were false and misleading because, among other reasons, he and former Supervisor Venditto had accepted bribes in exchange for facilitating the purported amendments. Following trial, Mr. Venditto was acquitted on all charges, but the jury was unable to reach a verdict as to the Manganos. The retrial of Mr. and Mrs. Mangano was concluded on March 8, 2019 with a finding of guilty against each of them on certain counts.

On February 26, 2019, the Town Board approved an agreement with the SEC staff to settle the SEC's case against the Town. Pursuant to that agreement, the SEC agreed to dismiss its claims against the Town under Section 17(a)(1) of the Securities Act of 1933 (the "Securities Act") and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Under the agreement, without admitting or denying any of the SEC's allegations, the Town consented to the court entering a final judgment in the case permanently enjoining the Town from violating Sections 17(a)(2) and (3) of the Securities Act and ordering certain undertakings by the Town, including that the Town retain an independent consultant appointed by the Court for a period of three years to review the Town's policies, procedures, and internal controls regarding its disclosures for securities offerings, and to recommend improvements to those policies, procedures, and internal controls with a view to assuring compliance with the Town's disclosure obligations under federal securities laws. The agreement does not impose any monetary penalty on the Town. On October 24, 2019, the Court approved the proposed settlement and entered a consent judgment reflecting the terms of the settlement agreement reached between the SEC and the Town. On January 27, 2020, the Court appointed Marc-Phillip Ferzan of Ankura as the Independent Consultant pursuant to its final judgment. Pursuant to the settlement, Ankura prepared and filed its First Report on May 26, 2020.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

C. Litigation (continued)

Securities and Exchange Commission Civil Complaint (continued)

On March 1, 2018, in a separate civil complaint, the SEC charged Mr. Genova, with securities fraud based on allegations similar to those presented in the SEC's complaint against the Town. Mr. Genova has agreed to settle the case.

Finally, in light of Mr. Venditto's death on March 17, 2020, the SEC dismissed its civil claims against Mr. Venditto.

Housing Discrimination Litigation

In April, 2014, the federal government commenced a civil action against the Town and then Town Supervisor John Venditto, alleging 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. The federal 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 with a discriminatory intent.

More specifically, according to the complaint, the federal government alleges that the Town's Housing Programs have a discriminatory effect because (1) the Housing Programs gave 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. In the Town's response to the 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 federal government seeks.

The federal government 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, orders for the Town to take steps to prevent discriminatory conduct, insignificant civil penalties, and unspecified damages related to the financial position of the Town. The Town has vigorously defended against this action.

A stay was placed on the action pending the resolution of an unrelated court proceeding. That stay which was in effect for most of 2019 was lifted, and in 2020 the United States District Court Magistrate Judge has had conferences with the parties in an attempt to settle the matter.

In a related matter, on December 17, 2015, the State, through its Division of Human Rights brought a similar lawsuit under the New York State Human Rights Law in Nassau County Supreme Court. The complaint makes almost identical statistically based allegations of discrimination as those set forth in the federal government's action. The Town has made a motion to dismiss which was denied by the Court. The Town's appeal of the decision is pending.

In the event the federal action can be settled, the United States District Court Magistrate Judge indicated that the State matter would be combined and resolved in any settlement.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

C. Litigation (continued)

Tax Assessment Litigation

This action was served upon the Town on April 27, 2018, and seeks, among other forms of relief, that the named defendants, which includes the County of Nassau and the Town, make an unspecified refund to the plaintiff, New York American Water Company, Inc., for plaintiff's alleged overpayment in taxes resulting from the County's allegedly erroneous method by which certain property was assessed for taxation purposes. Because the County is responsible for the assessment of properties within the County, the Town believes at this early juncture that the complaint does not state a cause of action against the Town. Several of the defendants have moved to dismiss plaintiff's complaint. On February 15, 2019, the assigned justice rendered a decision granting, in part, the County of Nassau's motion to dismiss and granting, in full, the North Shore Central School District's motion to dismiss. Based upon the reasoning contained in the justice's decision, the Town made a similar motion to dismiss. On May 21, 2019, Justice Jeffrey Brown granted the Town's motion to dismiss in full.

Separately, New York American Water served a similar actions in 2019, 2020 and 2021 to challenge Nassau County's assessments. However, because the Court granted the motions to dismiss in the 2018 action, the parties have agreed to hold the 2019, 2020 and 2021 actions in abeyance pending resolution of any appeals of the 2018 motions to dismiss.

Sanitation Assessment Matters

For several years, there has been litigation involving the assessment of property owned by utilities and telephone carriers by various sanitation districts. In short, the courts found such assessments to be improper, as the infrastructure (i.e., phone lines, gas lines, water pipes, utility poles) of said entities did not generate garbage, and should have therefore been exempt from the related assessments. The Courts have held that the Town was obligated to first compensate the utilities for the amounts paid by them, but that the County of Nassau, pursuant to the "County Guaranty" provision of the Nassau County Administrative Code, must then compensate the Town.

There are two actions pending in Nassau County Supreme Court, *MCImetro v. Town of Oyster Bay, et al.* and *New York American Water v. Town of Oyster Bay, et al.*, wherein the plaintiffs seek, respectively, reimbursement for taxes paid in certain Sanitation and Solid Waste Districts over a period of several years. The exposure on the MCImetro case is approximately \$150,000, and the New York American Water matter is approximately \$25,000.

Once the Town pays the judgment and/or settlement, it can seek payment from the County of Nassau for the same amounts.

The Town has recorded \$196,000 at December 31, 2019 in the government-wide statements as other litigation payable for this liability.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

C. Litigation (continued)

DPW Property Litigation

On August 27, 2013, the Town and Oyster Bay Realty, LLC entered into a Purchase and Sale Agreement (the "Agreement") for the sale of the real property located at 150 Miller Place, Syosset, New York, also known as the Town's DPW Facility. The purchase price was \$32.5 million, with \$30 million paid to the Town on September 4, 2013 (Installment Date) and the remaining \$2.5 million is to be paid on the Closing Date, which is the date title to the property would transfer.

The parties agreed to defer the transfer of title. The period of time between the Installment Date (September 4, 2013) and the eventual Closing Date was referred to as the "Closing Deferral Period". The Closing Date was permitted to be adjourned or delayed (and thereby extending the Closing Deferral Period by the Town, at the Town's option, so that the Town may continue to hold title and remain in use of the premises, free of charge/rent, excluding utilities and operational charges, for a period of up to and including the date that is five (5) years from the Installment Date, to wit: September 4, 2018, also known as the "Closing Extension Date".

The Closing Extension Date (September 4, 2018) was also able to be further extended by the Town for up to an additional three (3) years provided that (i) the Town notified the Purchaser in writing not less than 120 days prior to the end of the Closing Extension Date of the Town's intent to extend; and (ii) beginning on the first day of the sixth year, the Town was to pay a "Deferral Fee" of \$8.00 per square foot triple net per annum of the buildings that remain occupied by the Town in accordance with the square footage calculations set forth in the Agreement.

The Town sent the requisite notice of intent to extend on March 27, 2018. Based upon the square footage of the current occupancy, the Town invoked the Deferral Fee option calculated at \$900,000 per year starting September 5, 2018, payable on a monthly basis.

The Agreement also addressed an existing cell tower on the property from which the Town derived revenue. The Agreement stated that during the Closing Deferral Period, the rents and other fees payable to the Town under the Cell Tower Lease was to be payable to the Purchaser.

The Town booked and accrued \$75,000 per month from September 2018 for the Deferral Fee as rent payable. The Cell Tower Lease rents and fees were segregated and set aside in a separate account. The Town, however, never paid to the Purchaser any of these monies.

While the prior (pre-2017) Town administration entered into this transaction in 2013, the present Town administration believed that the transaction was no longer cost effective since it would have costed more to relocate Town buildings and personnel. In 2017, the Town advised the Purchaser that it sought to remain on the property. This, in turn, resulted in the parties engaging in negotiations to reconfigure the development proposed on the property to allow the Town to remain in whole or in part on the property. In light of the negotiations, the Town deferred making any payments for Deferral Fees and Cell Tower Lease revenues.

On March 1, 2019, the Town received a notice of claim from the Purchaser seeking the payment of the Cell Tower Lease rents. On March 25, 2019, the Town received a notice of claim seeking termination of the Agreement based on the Town's nonpayment of both the Deferral Fees and Cell Tower Lease rents. On May 10, 2019, the Purchaser commenced a lawsuit against the Town for breach of contract seeking (i) \$30,000,000 for the amount paid by the Purchaser to the Town for the purchase of the property; (ii) \$680,904.00 for the Deferral Fees; and (iii) \$592,482.75 for the Cell Tower Lease rents, plus statutory interest of nine percent per annum calculated from the date of breach.

On January 28, 2020, the Town Board voted to approve a settlement of the lawsuit in the amount of \$30,450,000 payable to the Purchaser, which effectively canceled the sale of the Town's DPW Facility. On January 31, 2020, the Town paid the Purchaser the full settlement amount, and a stipulation of discontinuance was filed with the Court.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

D. Intermunicipal Agreements

The Town is party to a number of Inter-municipal Agreements as follows:

The Joint Special Improvement District of the Towns of Oyster Bay ("TOB") and Hempstead ("TOH") for the purpose of management and operation by the Department of Parks and Recreation of the TOH. The District was created in 1961 to operate the Joint Community Hall and Swimming Pool. The most recent agreement authorized by Town Board resolution number 758-2020 will expire on December 31, 2021. The agreement may be renewed for a period of 5 years or less by adoption of each Town and the Board of Commissioners of the Joint District. All payments by TOB to the district are current.

The Town pays Water Districts/Utilities for rental of fire hydrants in various fire protection areas. The costs of these contracts are recorded in each Fire Protection District Fund. These agreements are typically on a calendar year term and totaled approximately \$280,000 for 2020.

The Town pays Villages/Fire Companies for fire protection for residents of fire protection areas and for certain Town facilities. The costs of these contracts of approximately \$7.4 million are recorded in the Fire Protection Districts Fund. These agreements are typically on a calendar year term and include associated costs for various length of service award programs. See Note 3.F for further details.

The Town is participating in the New York Rising grant program and is administering the program which includes work for the Village of Massapequa Park and the Massapequa Fire Department. The grant is reported in the Special Grant Fund.

The Town provides access to Town fuel pumps for various local municipalities and the revenue from the sales for the year 2020 was approximately \$183,000 and recorded in the General Fund.

The Town expends their purchase power and lends their work force to local municipalities to cover such additional needs such as salt and sand for roads, street lighting maintenance, harbormaster patrols, registrar of vital statistics and dog warden. The fees for these goods and services are reported in the respective funds where the costs were incurred.

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. As of December 31, 2020, the annual monitoring and post-closure care costs are expected to be approximately \$300,000 per year and Town has recorded a liability of \$2,100,000, 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.

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

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 \$9,058,235 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.

H. Lease Commitments and Leased Assets

The Town 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 \$39,669 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, 2020 totaled \$158,930.

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

For year ending December 31, 2020	\$	<u>158,930</u>
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Due to certain circumstances, the Town vacated the premises discussed above in 2017. The landlord, however, brought litigation to collect rent due under the lease agreement which ends April 30, 2020. The Landlord obtained a judgment against the Town for approximately \$220,000 in rental arrears and related costs which represented the period of January 1, 2017 through May 2, 2017. Further litigation was settled in January 2019, with the Town paying \$953,517 and the Town retaking possession of the warehouse facility for the balance of the lease term ending April 30, 2020.

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

4. COMMITMENTS AND CONTINGENCIES (continued)

I. Service Concession Arrangement

The Town entered into an agreement with Lessing's, Inc. ("Lessing's") to use and operate the Mansion at Oyster Bay (catering facility), Clubhouse Grille (restaurant), and the halfway and breakfast house stands at the Honorable Joseph Colby Town of Oyster Bay Golf Course. The agreement conveys to Lessing's the right, through license to provide future repairs, improvements and modifications to the facilities, related storage buildings and grounds and to operate and maintain those facilities for a period of twenty years unless extended. The Town has the right to approve the type of services Lessing's may provide and the fees that may be charged to the public. Lessing's was required to make an up-front concession fee of \$2,000,000. The Town will recognize revenue from monthly license fees that start at \$42,500 per month and increase annually by 3%. The guaranteed base rent for twenty years is \$13,703,892, of which \$550,528 was recognized in 2020 and \$98,555 of the advance payment is reported as a deferred inflow of resources in the general fund. The present value of the installments to be paid after the upfront payment has been liquidated is \$10,402,250 and have been reported in the Statement of Net Position as a receivable-service concession arrangement and an increase in the deferred inflow of resources-service concession arrangement. The Town is also entitled to a 15% share of operator gross receipts over \$6,000,000 annually, which will be recognized as earned. The Town has made no guarantees or commitments to Lessing's, who assumes all risk in the operation of the facilities.

Lessing's has agreed to provide various capital improvements to the facility. The improvements that increase the capacity or efficiency of the facility will be capitalized by the Town at acquisition value once construction is completed. Title to the facilities and all fixed improvements rests with the Town. Lessing's will return the premises back to the Town in its original condition at the end of the lease, so the Town will not recognize depreciation on the existing assets throughout the term of the agreement.

Should the Town terminate the agreement with Lessing's prior to the end of the original term, Lessing's is entitled to actual certified costs of construction after the contract effective date (June 1, 2017) less 5% for each year or part of a year since completion. Lessing's would also receive the balance of the advanced concession fee and any lost profits on events booked prior to receipt of notice of termination.

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, 2020:

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 Inflows of Resources	Net Investment in Capital Assets	Restricted	Unrestricted (Deficit)
Massapequa Water	\$ 5,290,431	\$ 104,355	\$ 20,099,640	\$ 3,433,391	\$ 957,396	\$ 403,917	\$ 19,087,106	\$ 2,310,513	\$ 13,892,592	\$ 2,281,712	\$ (10,005,419)
Plainview Water	12,492,232	11,622,405	44,778,060	2,710,809	2,821,678		41,777,242	1,763,155	26,221,959	4,051,878	(5,032,406)
Hicksville Water	34,922,023	136,513	46,077,064	3,567,287	3,284,051		43,117,869	1,125,736	32,414,855	11,758,837	(6,978,461)
Locust Valley Water	2,614,452	2,637,332	16,536,356	1,051,188	1,350,901	1,763,994	15,600,135	513,562	4,756,343	864,000	(2,009,607)
Oyster Bay Water	1,724,199	239,009	10,856,367	1,034,695	741,399		7,624,278	429,622	7,659,179	1,364,315	(3,964,523)
Jericho Water	15,840,641	11,137,430	49,226,688	4,547,368	6,106,824	852,858	49,141,121	1,765,469	24,600,030	5,234,387	(6,948,562)
South Farmingdale Water	12,727,597	5,952,045	33,339,037	3,028,532	3,950,592		34,768,718	1,674,157	11,821,911	4,167,890	(1,336,057)
Bethpage Water	21,713,942	7,791,247	72,230,096	2,409,556	5,400,389		51,237,914	1,055,874	34,992,213	6,678,609	4,779,842
Syosset Sanitation	520,103										520,103
Oyster Bay Sewer	897,647	107,051	11,463,987	3,436,275	473,571		14,011,481	1,733,953	10,266,693		(10,580,738)
Glenwood-Glenhead Garbage	74,755	24			158,988						(84,209)
	<u>\$ 108,818,022</u>	<u>\$ 39,727,411</u>	<u>\$ 304,607,295</u>	<u>\$ 25,219,101</u>	<u>\$ 25,225,789</u>	<u>\$ 3,020,769</u>	<u>\$ 276,365,864</u>	<u>\$ 12,372,041</u>	<u>\$ 166,625,775</u>	<u>\$ 36,401,628</u>	<u>\$ (41,640,037)</u>

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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

Condensed Statement of Activities:

			Program		Net (Expense)	General Revenue		Net Position		
			Operating	Capital		Property		(As restated)		
	Expenses	Charges for Services	Grants and Contributions	Grants and Contributions	Revenue	Tax	Other	Change	1/1/20	12/31/20
Massapequa Water	\$ 6,490,135	\$ 4,023,462			\$ (2,466,673)	\$ 2,113,982	\$ 571,876	\$ 219,185	\$ 5,949,700	\$ 6,168,885
Plainview Water	8,147,562	4,572,685	\$ 2,634	\$ 2,926,878	(645,365)	5,199,180	2,182,793	6,736,608	18,504,823	25,241,431
Hicksville Water	10,222,364	3,370,112		2,216,938	(4,635,314)	6,874,325	1,027,037	3,266,048	33,929,183	37,195,231
Locust Valley Water	3,431,741	2,126,040		716,331	(589,370)	1,159,722	405,184	975,536	2,635,200	3,610,736
Oyster Bay Water	2,819,419	1,100,208		323,920	(1,395,291)	923,022	499,949	27,680	5,031,291	5,058,971
Jericho Water	12,163,407	9,825,503		341,118	(1,996,786)	2,865,643	919,972	1,788,829	21,097,026	22,885,855
South Farmingdale Water	8,914,350	4,136,765			(4,777,585)	3,651,730	781,738	(344,117)	14,997,861	14,653,744
Bethpage Water	9,371,043	3,255,397		3,874,600	(2,241,046)	7,336,099	1,897,055	6,992,108	39,458,556	46,450,664
Syosset Sanitation	556,720				(556,720)	585,101		28,381	491,722	520,103
Oyster Bay Sewer	5,053,299	496,647			(4,556,652)	3,359,937	234,831	(861,884)	647,839	(314,045)
Glenwood-Glenhead Garbage	1,390,984				(1,390,984)	1,255,006	180,468	44,490	(128,699)	(84,209)
	\$ 68,561,024	\$ 32,906,819	\$ 2,634	\$ 10,399,785	\$ (25,251,786)	\$ 35,323,747	\$ 8,700,903	\$ 18,772,864	\$ 142,614,502	\$ 161,387,366

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

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TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

6. PRIOR PERIOD ADJUSTMENTS

As of January 1, 2020, the Town's nonmajor component units' net position of \$142,513,562 was restated to \$142,614,502, a change of \$100,940. The details are as follows:

	Jericho Water District	Locust Valley Water District
Net Position, as reported	\$ 21,368,638	\$ 2,262,648
Capital assets	281,125	
Revenue recognition	(552,737)	
Understatement of the accounts payable		(42,086)
Overstatement of premium on obligations		414,638
Changes	(271,612)	372,552
Net Position, as restated	<u>\$ 21,097,026</u>	<u>\$ 2,635,200</u>

The Town became the sole sponsor of the Plainview LOSAP effective January 1, 2020. The fund balance of the Fire Protection Districts Fund is increased by \$3,566,101, the value of the investments for the Plainview LOSAP, from \$4,852,492 to \$8,418,593. On the Statement of Net Position, the investments and the length of service award program liability (100%) of \$5,503,329 are recognized with a net decrease of \$1,937,228 to restate the opening net position from a deficit of \$524,947,430 to a deficit of \$526,884,658. See Note 3.F.

7. SUBSEQUENT EVENTS

Debt Issuance

On February 3, 2021, the Town of Oyster Bay refinanced \$87,115,000 of existing bonds into a new issuance with a principal value of \$78,775,000, saving nearly \$10 million over the next eight years. The new bonds will be paid down between 2022 and 2028 and bear interest rates of 2.0% and 4.0%.

On March 12, 2021, the Town of Oyster Bay issued water district notes in the amount of \$108,952,867. The bond anticipation notes will mature on March 11, 2022 and bear an interest rate of 2.0%. The proceeds of the bond anticipation notes along with \$661,667 in available funds were used to redeem \$80,189,534 of bond anticipation notes that matured on March 12, 2021 and provided \$29,425,000 of new monies for capital projects related to water districts.

On March 12, 2021, the Town of Oyster Bay issued bonds in the amount of \$72,350,000. The bonds will be paid down from 2022-2035 and bear an interest rate of 2.0%. The proceeds of the bonds along with \$8,140,000 in available funds were used to redeem \$80,695,000 of bond anticipation notes that matured on March 12, 2021.

COVID Related Grants

On January 20, 2021, the Town of Oyster Bay received a grant in the amount of \$8,850,712 from the U.S. Treasury Department as part of its \$25 billion Emergency Rental Assistance Program.

On June 1, 2021, the Town of Oyster Bay received a second portion of the grant in the amount of \$2,801,262. The Town expects another tranch of approximately \$4 million to come later this year.

In May 2021, the Town advertised a Request for Proposal seeking assistance in administering this Rental Assistance Program. It is expected that the Town will begin to expend funds for this purpose in the second half of 2021.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

8. NEW PRONOUNCEMENTS

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

Statement No. 87, "*Leases*", the objective of which is to improve accounting and financial reporting for leases by governments. This Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for financial statements for the year ending December 31, 2022.

Statement No. 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*", the objective of which is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest costs incurred before the end of a construction period. The requirements of this Statement are effective for financial statements for the year ending December 31, 2021.

Statement No. 91, "*Conduit Debt Obligations*", the objective of which is to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issues, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for financial statements for the year ending December 31, 2022.

Statement No. 92, "*Omnibus 2020*", as amended by Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", was issued to enhance comparability in accounting and financial reporting and consistency of authoritative language on various topics. The requirements of this Statement are effective for reporting periods as follows: paragraphs 4,5,6,7,8,9,10, and 12 are effective for the year ending December 31, 2022.

Statement No. 93, "*Replacement of Interbank Offered Rates*", as amended by Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*", amends certain provisions of GASB Statement No. 53, "*Accounting and Financial Reporting for Derivative Instruments*" as amended) and No. 87, "*Leases*". It has been issued to address the various accounting and reporting implications that will result from the replacement of LIBOR, as LIBOR will cease to exist in 2021. The requirements of this Statement are effective for the year ending December 31, 2022.

Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*", this Statement has been issued to improve financial reporting related to public-private and public-public partnership arrangements, in which one a government (transferor) contracts with an operator (governmental or nongovernmental entity) to provide public services by conveying the right to operate or use a nonfinancial assets. The requirements of this Statement are effective for the year ending December 31, 2023.

Statement No. 96, "*Subscription-Based Information Technology Arrangements*", this Statement has been issued to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, "*Leases*", as amended. The requirements of this Statement are effective for the year ending December 31, 2023.

TOWN OF OYSTER BAY
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

8. NEW PRONOUNCEMENTS (continued)

Statement No. 97, *"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans"*—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32, the primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans, and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement No. 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67 or paragraph 3 of Statement No. 74, respectively, are effective immediately. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for financial statements for the year ending December 31, 2022.

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

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**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.

TOWN OF OYSTER BAY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 61,829,484	\$ 61,829,484	\$ 62,139,034	\$ 309,550
Total Real Property Taxes	61,829,484	61,829,484	62,139,034	309,550
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	1,500,000	1,500,000	1,862,465	362,465
Interest and penalty on taxes	1,600,000	1,600,000	1,706,704	106,704
Total Other Real Property Tax Items	3,100,000	3,100,000	3,569,169	469,169
NON-PROPERTY TAX ITEMS				
Franchises - cable TV	5,500,000	5,500,000	5,310,815	(189,185)
Total Non-Property Tax Items	5,500,000	5,500,000	5,310,815	(189,185)
DEPARTMENTAL INCOME				
Town clerk fees	500,000	500,000	427,854	(72,146)
Attorney fees	10,000	10,000	29,025	19,025
Other general departmental income	5,000	5,000	11,550	6,550
Public pound charge dog fees	15,000	15,000	6,812	(8,188)
Recreation fees	500,000	500,000	694,044	194,044
Community service fees	700,000	700,000	577,355	(122,645)
Recreational concessions	1,150,000	1,150,000	1,022,851	(127,149)
Beach, pool, golf fees	3,000,000	3,000,000	3,449,183	449,183
Boat basin fees	190,000	190,000	207,201	17,201
Dock storage leases	600,000	600,000	705,372	105,372
Total Departmental Income	6,670,000	6,670,000	7,131,247	461,247
INTERGOVERNMENTAL CHARGES				
Dog pound facilities, other governments	200	200	689	489
Services other governments	5,000	5,000	224,360	219,360
Nassau County local government assistance	15,500,000	15,500,000	5,343,745	(10,156,255)
Total Intergovernmental Charges	15,505,200	15,505,200	5,568,794	(9,936,406)
USE OF MONEY AND PROPERTY				
Interest and earnings	100,000	100,000	527,826	427,826
Rental of real property	600,000	583,222	989,245	406,023
Rental of equipment	35,000	35,000	15,734	(19,266)
Total Use of Money and Property	735,000	718,222	1,532,805	814,583

(continued)

TOWN OF OYSTER BAY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
LICENSES AND PERMITS				
Games of chance	\$ 150	\$ 150	\$ 30	\$ (120)
Bingo licenses	300	300		(300)
Dog license fund apportionment	12,000	12,000	9,460	(2,540)
Road opening permits	250,000	250,000	249,550	(450)
Total Licenses and Permits	262,450	262,450	259,040	(3,410)
FINES AND FORFEITURES				
Court fines	400,000	400,000	172,105	(227,895)
Fines and penalties - dog cases	500	500		(500)
Total Fines and Forfeitures	400,500	400,500	172,105	(228,395)
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of scrap and excess material	3,000	3,000	600	(2,400)
Sale of surplus equipment	100,000	100,000	106,474	6,474
Insurance recoveries	260,118	3,170,277	81,369	(3,088,908)
Total Sale of Property and Compensation for Loss	363,118	3,273,277	188,443	(3,084,834)
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures	301,000	383,880	572,210	188,330
Gifts and donations			17,875	17,875
AIM related payment		1,682,422	1,682,422	
Miscellaneous revenue	760,000	930,628	977,371	46,743
Miscellaneous Local Sources	1,061,000	2,996,930	3,249,878	252,948
INTERFUND REVENUES	35,094,810	35,111,588	34,048,092	(1,063,496)
STATE AID				
Mental health	100,000	100,000	146,742	46,742
Per capita	1,682,422			
Mortgage tax	2,194,925	2,194,925	15,482,645	13,287,720
Youth program	65,000	65,000	65,000	
Other			69,362	69,362
Total State Aid	4,042,347	2,359,925	15,763,749	13,403,824
FEDERAL AID				
Other			10,287	10,287
Total Federal Aid	-0-	-0-	10,287	10,287
Total Revenue	134,563,909	137,727,576	138,943,458	1,215,882

(continued)

TOWN OF OYSTER BAY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
GENERAL GOVERNMENT SUPPORT					
Town board	\$ 1,914,908	\$ 1,914,908	\$ 1,881,624		\$ 33,284
Executive	1,376,932	1,425,067	1,359,318		65,749
Comptroller	6,141,632	6,139,692	5,510,439	\$ 7,244	622,009
Receiver of taxes	1,367,602	1,373,592	1,322,966		50,626
Inspector General	432,000	392,000	313,023		78,977
Town clerk	1,164,168	1,414,675	1,331,871		82,804
Town attorney	4,747,969	4,849,251	4,486,761	47,416	315,074
Human resources	944,720	944,720	830,333	4,286	110,101
Public works	2,320,280	2,433,106	2,362,706	375	70,025
General services	7,603,835	7,576,016	6,875,524	25,158	675,334
Central vehicle maintenance	9,852,782	10,020,867	8,806,886	38,282	1,175,699
Other general government support	4,298,706	4,296,206	3,843,342		452,864
Unallocated insurance and payment for losses	982,500	3,831,801	3,428,049	14,138	389,614
Total General Government Support	43,148,034	46,611,901	42,352,842	136,899	4,122,160
PUBLIC SAFETY					
Public safety	3,735,566	4,502,643	4,464,670		37,973
Animal shelter	1,344,048	1,355,928	1,240,649	1,690	113,589
Total Public Safety	5,079,614	5,858,571	5,705,319	1,690	151,562
TRANSPORTATION					
Superintendent of highways	835,262	836,599	832,055		4,544
Total Transportation	835,262	836,599	832,055	-0-	4,544
ECONOMIC ASSISTANCE AND OPPORTUNITY					
Publicity	35,000	105,000	67,919		37,081
Total Economic Assistance And Opportunity	35,000	105,000	67,919	-0-	37,081
CULTURE AND RECREATION					
Community and youth services	5,236,549	5,240,644	4,538,644	448	701,552
Parks, recreation, beaches	13,507,741	13,888,451	13,804,838	2,828	80,785
Total Culture and Recreation	18,744,290	19,129,095	18,343,482	3,276	782,337
HOME AND COMMUNITY SERVICES					
Intergovernmental affairs	723,282	818,540	778,679		39,861
Housing authority	20,000	20,000	12,250		7,750
Environmental control	1,191,463	1,285,263	1,142,576		142,687
Total Home and Community Services	1,934,745	2,123,803	1,933,505	-0-	190,298

(continued)

TOWN OF OYSTER BAY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EMPLOYEE BENEFITS					
State Employees' Retirement System	\$ 7,968,352	\$ 8,279,610	\$ 7,255,131		\$ 1,024,479
Social security	3,373,799	3,469,243	3,469,243		
Workers' compensation	940,000	715,617	609,297		106,320
Disability benefits	6,000	6,000			6,000
Unemployment benefits	51,000	329,066	328,066		1,000
Hospital, medical and dental	17,660,000	18,233,802	16,631,543		1,602,259
Total Employee Benefits	29,999,151	31,033,338	28,293,280		2,740,058
Total Current	99,776,096	105,698,307	97,528,402	\$ 141,865	8,028,040
DEBT SERVICE					
Debt principal:					
Capital lease		25,000	22,342		2,658
Debt interest:					
Bond anticipation notes		703,096	703,096		
Total Debt Service	-0-	728,096	725,438	-0-	2,658
Total Expenditures	99,776,096	106,426,403	98,253,840	141,865	8,030,698
Excess (Deficiency) of Revenues Over (Under) Expenditures	34,787,813	31,301,173	40,689,618	(141,865)	9,246,580
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Debt service fund		3,104,892	7,056,624		3,951,732
Transfers out:					
Debt service fund	(35,281,943)	(33,397,460)	(33,397,460)		
Capital projects fund		(883,750)	(883,750)		
Other funds		(166,376)	(166,376)		
Total Other Financing Sources (Uses)	(35,281,943)	(31,342,694)	(27,390,962)	-0-	3,951,732
SPECIAL ITEMS					
Settlement for terminated land sale		(30,450,000)	(30,450,000)		
Proceeds from sale of bonds for settlement		30,000,000	30,000,000		
Total Special Items	-0-	(450,000)	(450,000)	-0-	-0-
Net Change in Fund Balance	<u>\$ (494,130)</u>	<u>\$ (491,521)</u>	12,848,656	<u>\$ (141,865)</u>	<u>\$ 13,198,312</u>
Fund Balance (Deficit) at Beginning of Year			8,198,869		
Fund Balance at End of Year			<u>\$ 21,047,525</u>		

TOWN OF OYSTER BAY
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 54,255,208	\$54,255,208	\$ 54,255,604	\$ 396
Total Real Property Taxes	54,255,208	54,255,208	54,255,604	396
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	2,200,575	2,200,575	2,362,229	161,654
Total Other Real Property Tax Items	2,200,575	2,200,575	2,362,229	161,654
DEPARTMENTAL INCOME				
Road restoration fee	100,000	100,000	19,626	(80,374)
Public safety cleanup	300,000	300,000	370,158	70,158
Public safety sidewalk repair	100,000	100,000	131,722	31,722
Public safety vacant and abandoned buildings			118,993	118,993
Charges demolition of unsafe buildings	100,000	100,000	100,880	880
Total Departmental Income	600,000	600,000	741,379	141,379
INTERGOVERNMENTAL CHARGES				
Services other governments			16,011	16,011
Total Intergovernmental Charges	-0-	-0-	16,011	16,011
USE OF MONEY AND PROPERTY				
Interest and earnings			44,308	44,308
Rental of real property			2	2
Total Use of Money and Property	-0-	-0-	44,310	44,310
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures			36,550	36,550
Miscellaneous revenue			200	200
Total Miscellaneous Local Sources	-0-	-0-	36,750	36,750
Total Revenues	57,055,783	57,055,783	57,456,283	400,500

(continued)

TOWN OF OYSTER BAY
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
TRANSPORTATION					
Maintenance of streets	\$ 13,796,014	\$ 16,349,550	\$15,343,987		\$ 1,005,563
Machinery	3,076,277	2,946,161	2,946,161		
Snow removal	2,516,590	1,828,706	1,397,202	\$ 145,592	285,912
Total Transportation	19,388,881	21,124,417	19,687,350	145,592	1,291,475
EMPLOYEE BENEFITS					
State Employee Retirement System	1,410,488	1,525,594	1,525,594		
Social security	599,458	599,458	592,123		7,335
Workers' compensation	600,000	474,743	474,743		
Disability benefits	1,000	1,000			1,000
Unemployment benefits	1,000	1,000			1,000
Hospital, medical and dental	4,470,000	3,839,937	3,839,937		
Total Employee Benefits	7,081,946	6,441,732	6,432,397		9,335
Total Current	26,470,827	27,566,149	26,119,747	145,592	1,300,810
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		764,056	764,056		
Total Debt Service	-0-	764,056	764,056	-0-	-0-
Total Expenditures	26,470,827	28,330,205	26,883,803	145,592	1,300,810
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,584,956	28,725,578	30,572,480	(145,592)	1,701,310
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Debt service fund		3,687,500	5,651,648		1,964,148
Transfers out:					
Debt service fund	(30,620,096)	(29,288,530)	(29,288,530)		
Capital projects fund		(3,163,449)	(3,163,449)		
Total Other Financing Sources (Uses)	(30,620,096)	(28,764,479)	(26,800,331)	-0-	1,964,148
Net Change in Fund Balance	\$ (35,140)	\$ (38,901)	3,772,149	\$ (145,592)	\$ 3,665,458
Fund Balance at Beginning of Year			6,136,983		
Fund Balance at End of Year			\$ 9,909,132		

TOWN OF OYSTER BAY
GARBAGE COLLECTION DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 58,704,279	\$ 58,704,279	\$ 58,704,279	
Total Real Property Taxes	58,704,279	58,704,279	58,704,279	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	800,373	5,200,161	928,608	\$ (4,271,553)
Total Other Real Property Tax Items	800,373	5,200,161	928,608	(4,271,553)
INTERGOVERNMENTAL CHARGES				
Nassau County local government assistance			1,000,000	1,000,000
Total Intergovernmental Charges	-0-	-0-	1,000,000	1,000,000
USE OF MONEY AND PROPERTY				
Interest and earnings			12,890	12,890
Total Use of Money and Property	-0-	-0-	12,890	12,890
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous revenue			200	200
Total Miscellaneous Local Sources	-0-	-0-	200	200
Total Revenues	59,504,652	63,904,440	60,645,977	(3,258,463)

(continued)

TOWN OF OYSTER BAY
GARBAGE COLLECTION DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Sanitation	\$ 37,474,918	\$ 40,717,508	\$ 40,621,646	\$ 95,862
Total Home and Community Services	37,474,918	40,717,508	40,621,646	95,862
EMPLOYEE BENEFITS				
State Employee Retirement System	3,160,288	3,012,914	3,012,914	
Social security	1,343,122	1,439,791	1,439,791	
Workers' compensation	3,550,000	3,827,532	3,688,766	138,766
Unemployment benefits	1,000	1,000		1,000
Disability benefits	1,000	1,000		1,000
Hospital, medical and dental	9,140,000	7,317,999	7,317,999	
Total Employee Benefits	17,195,410	15,600,236	15,459,470	140,766
Total Current	54,670,328	56,317,744	56,081,116	236,628
DEBT SERVICE:				
Debt interest:				
Bond anticipation notes		159,442	159,442	
Total Debt Service	-0-	159,442	159,442	-0-
Total Expenditures	54,670,328	56,477,186	56,240,558	236,628
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,834,324	7,427,254	4,405,419	(3,021,835)
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Debt service fund		19,047	39,960	20,913
Transfers out:				
Debt service fund	(4,834,324)	(7,351,526)	(7,351,526)	
Capital projects fund		(316,887)	(316,887)	
Total Other Financing Sources (Uses)	(4,834,324)	(7,649,366)	(7,628,453)	20,913
Net Change in Fund Balance	\$ -0-	\$ (222,112)	(3,223,034)	\$ (3,000,922)
Fund Balance at Beginning of Year			3,485,215	
Fund Balance at End of Year			\$ 262,181	

TOWN OF OYSTER BAY
SOLID WASTE DISPOSAL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 16,258,725	\$ 16,258,725	\$ 16,258,725	
Total Real Property Taxes	16,258,725	16,258,725	16,258,725	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	549,852	549,852	422,480	\$ (127,372)
Total Other Real Property Tax Items	549,852	549,852	422,480	(127,372)
DEPARTMENTAL INCOME				
Refuse and garbage charges	9,500,000	11,990,000	11,321,426	(668,574)
Total Departmental Income	9,500,000	11,990,000	11,321,426	(668,574)
INTERGOVERNMENTAL CHARGES				
Nassau County local government assistance			7,000,000	7,000,000
Refuse and garbage charges - other governments			11,169	11,169
Total Intergovernmental Charges	-0-	-0-	7,011,169	7,011,169
USE OF MONEY AND PROPERTY				
Rental of real property		129,636		(129,636)
Total Use of Money and Property	-0-	129,636	-0-	(129,636)
SALE OF PROPERTY AND COMPENSATION FOR LOSS				
Sale of recyclable material			79,286	79,286
Total Sale of Property and Compensation for Loss	-0-	-0-	79,286	79,286
STATE AID				
Other	100,000	100,000	78,500	(21,500)
Total State Aid	100,000	100,000	78,500	(21,500)
FEDERAL AID				
Other			5,000	5,000
Total Federal Aid	-0-	-0-	5,000	5,000
Total Revenues	26,408,577	29,028,213	35,176,586	6,148,373

(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, 2020

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
HOME AND COMMUNITY SERVICES					
Sanitation	\$ 18,362,325	\$21,415,445	\$20,518,949	\$ 105,610	\$ 790,886
Recycling	1,837,855	903,772	851,182	1,135	51,455
Total Home and Community Services	20,200,180	22,319,217	21,370,131	106,745	842,341
EMPLOYEE BENEFITS					
State Employee Retirement System	329,619	350,008	342,993		7,015
Social security	140,088	145,883	145,883		
Workers' compensation	200,000	172,208	170,378		1,830
Unemployment benefits	2,000	2,000			2,000
Disability benefits	2,000	2,000			2,000
Hospital, medical and dental	1,240,000	1,615,106	1,426,389		188,717
Total Employee Benefits	1,913,707	2,287,205	2,085,643	-0-	201,562
Total Current	22,113,887	24,606,422	23,455,774	106,745	1,043,903
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		46,734	46,734		
Total Debt Service	-0-	46,734	46,734	-0-	-0-
Total Expenditures	22,113,887	24,653,156	23,502,508	106,745	1,043,903
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,294,690	4,375,057	11,674,078	(106,745)	7,192,276
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Debt service fund			59,269		59,269
Transfers out:					
Debt service fund	(4,294,690)	(4,294,690)	(4,162,748)		131,942
Capital projects fund		(80,367)	(80,367)		
Total Other Financing Sources (Uses)	(4,294,690)	(4,375,057)	(4,183,846)	-0-	191,211
Net Change in Fund Balance	\$ -0-	\$ -0-	7,490,232	\$ (106,745)	\$ 7,383,487
Fund Balance (Deficit) at Beginning of Year			(6,908,834)		
Fund Balance at End of Year			\$ 581,398		

TOWN OF OYSTER BAY
SCHEDULE OF CHANGES IN THE TOWN'S TOTAL OTHER POSTEMPLOYMENT
BENEFITS LIABILITY AND RELATED RATIOS
December 31, 2020

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 15,944,809	\$ 11,087,938	\$ 16,006,520
Interest	13,610,063	16,083,299	17,797,258
Difference between actual and expected experience		(98,297,011)	
Changes of assumptions and other inputs	55,323,404	95,483,731	(52,957,473)
Benefit payments	(13,652,375)	(12,020,247)	(13,856,455)
Net Change in Total OPEB Liability	71,225,901	12,337,710	(33,010,150)
Total OPEB Liability - Beginning	487,552,863	475,215,153	508,225,303
Total OPEB Liability - Ending	\$ 558,778,764	\$ 487,552,863	\$ 475,215,153
 Covered-employee payroll	 \$ 77,855,164	 \$ 73,219,397	 \$ 75,752,158
 Total OPEB liability as a percentage of covered-employee payroll	 717.72%	 665.88%	 627.33%

Notes to Schedule:

This schedule is intended to show information for 10 years. Since 2018 is the first year for this presentation, no other data, prior to 2018 is available. However, additional years will be included as they become available.

No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4, to pay other postemployment benefits (OPEB).

The Town currently contributed enough money to the plan to satisfy current obligations on a pay-as-you-go basis.

Plan Changes

None

Assumption Changes

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Discount rate:	2020	2.12%
	2019	2.74%
	2018	4.10%
	2017	3.44%

Trend rate:	2020	6.5% down to 5.0% in 2023
	2019	7.0% down to 5.0% in 2023

TOWN OF OYSTER BAY
SCHEDULE OF PENSION CONTRIBUTIONS
December 31, 2020

<u>Years Ending December 31,</u>	<u>Contractually Required Contributions</u>	<u>Contributions Recognized by the Plan in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (excess)</u>	<u>Covered Payroll</u>	<u>Actual Contributions as a Percentage of Covered Payroll</u>
2020	\$ 11,991,996	\$ 11,999,717	\$ (7,721)	\$ 79,989,989	15.00%
2019	12,079,858	12,084,434	(4,576)	81,140,236	14.89%
2018	12,270,798	12,282,602	(11,804)	77,611,752	15.83%
2017	13,671,247	13,177,601	493,646	78,717,049	16.74%
2016	14,097,142	11,502,635	2,594,507	86,642,362	13.28%
2015	15,112,830	10,327,189	4,785,641	87,297,307	11.83%
2014	16,227,162	9,980,533	6,246,629	81,871,351	12.19%
2013	17,448,825	10,683,465	6,765,360	79,520,605	13.43%
2012	15,808,562	10,354,332	5,454,230	90,863,367	11.40%
2011	12,471,195	8,978,629	3,492,566	89,891,250	9.99%

Note: Contribution amounts presented for each year were determined as of December 31st with the contractually required contributions 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
LAST TEN FISCAL YEARS (1) (2)

	2020 (4) (5)	2019	2018	2017	2016 (3)	2015
Town's proportion of the net pension liability	0.2797594%	0.2790976%	0.3204051%	0.3345750%	0.3241518%	0.3185572%
Town's proportionate share of the net collective pension liability	\$ 74,081,920	\$ 19,774,916	\$ 10,340,898	\$ 31,437,416	\$ 52,027,268	\$ 10,761,642
Town's covered-employee payroll	\$ 78,367,255	\$ 80,599,210	\$ 76,989,796	\$ 87,196,731	\$ 87,987,807	\$ 82,956,655
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	94.53%	24.53%	13.43%	36.05%	59.13%	12.97%
Plan fiduciary net position as a percentage of the total pension liability coming from Plan	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

(2) The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(3) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.

(4) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.

(5) Increase in proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

TOWN OF OYSTER BAY

SCHEDULE OF PROPORTIONATE SHARE OF THE LENGTH OF SERVICE AWARD PROGRAM LIABILITY SCHEDULE OF CHANGES IN THE LENGTH OF SERVICE AWARD PROGRAM LIABILITY AND RELATED RATIOS December 31, 2020

Measurement date	Oyster Bay Fire Protection District			
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total program liability - end of year	\$ 9,064,225	\$ 7,732,971	\$ 6,841,343	\$ 6,242,053
Town's percentage share of the LOSAP liability	55.05551%	55.05551%	55.05551%	55.05551%
Town's proportionate share of the LOSAP liability	\$ 4,990,354	\$ 4,257,427	\$ 3,766,536	\$ 3,436,594
Expected average remaining years of service of all participants	5	6	9	7

Measurement date	Glenwood Fire Protection District			
	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Total program liability - end of year	\$ 8,376,051	\$ 7,162,820	\$ 5,249,395	\$ 4,324,315
Town's percentage share of the LOSAP liability	46.0%	46.0%	46.0%	46.0%
Town's proportionate share of the LOSAP liability	\$ 3,852,985	\$ 3,294,898	\$ 2,414,722	\$ 1,989,186
Expected average remaining years of service of all participants	4	4	6	7

Measurement date	Plainview Fire Protection District	
	December 31, 2020	
Town's percentage share of the LOSAP liability	100.00%	

Total LOSAP Liability	
Total LOSAP Liability - Beginning	\$ 5,503,329
Service cost	250,116
Interest	109,502
Changes of assumptions and other inputs	993,611
Benefit payments	(59,540)
Net Change in LOSAP Liability	1,293,689
Total LOSAP Liability - Ending	\$ 6,797,018

Expected average remaining years of service of all participants	5
--	---

Notes:
There is no covered payroll due to the fact that these are volunteer fire departments.
Benefits are determined based off service credits earned.

Trust Assets

There are no assets accounted in a trust that meets the criteria in paragraph 4 of GASB Statement No. 73 to pay related benefits.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.
The following are the discount rates used in each period:

		Oyster Bay Fire	Glenwood Fire	Plainview Fire
Discount rate:	2020	2.45%	2.00%	2.00%
	2019	3.13%	2.75%	
	2018	3.62%	3.71%	
	2017	3.56%	3.31%	
Other Changes:	2019	None	Loading increased from 25% to 27% to fund death benefit.	

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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, 2020

	Special Revenue Funds			
	Town Outside Village	Special Grants	Drainage District	Park Districts
ASSETS				
Cash and investments	\$ 7,016,123	\$ 339,907	\$ 353,296	\$ 4,713,529
Restricted cash and investments				
Accounts receivable, net of allowances for doubtful accounts of \$13,134	227,658			36,038
State and federal aid receivables		971,424		965
Due from other governments, net of allowances for doubtful accounts of \$600	7		23	252
Inventory of material and supplies				
Total Assets	<u>\$ 7,243,788</u>	<u>\$ 1,311,331</u>	<u>\$ 353,319</u>	<u>\$ 4,750,784</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 755,358	\$ 341,249	\$ 69,087	\$ 3,006,054
Accrued liabilities	2,697,043	28,487	29,883	348,971
Grant advances		155,876		
Deposits payable	1,317,855			
Total Liabilities	<u>4,770,256</u>	<u>525,612</u>	<u>98,970</u>	<u>3,355,025</u>
FUND BALANCES				
Nonspendable				
Restricted	84,219	785,719		58,223
Assigned	2,389,313		254,349	1,337,536
Total Fund Balances	<u>2,473,532</u>	<u>785,719</u>	<u>254,349</u>	<u>1,395,759</u>
Total Liabilities and Fund Balances	<u>\$ 7,243,788</u>	<u>\$ 1,311,331</u>	<u>\$ 353,319</u>	<u>\$ 4,750,784</u>

Fire Protection Districts	Lighting District	Public Parking District	Water District	Total Nonmajor Funds
\$ 1,665,832 7,877,805	\$ 683,020	\$ 1,043,662	\$ 24,732	\$15,840,101 7,877,805
	633	1,761		266,090 972,389
	34	93		409
	214,047			214,047
<u>\$ 9,543,637</u>	<u>\$ 897,734</u>	<u>\$ 1,045,516</u>	<u>\$ 24,732</u>	<u>\$25,170,841</u>
\$ 246,047	\$ 274,820 31,897	\$ 111,664 40,356		\$ 4,804,279 3,176,637 155,876 1,317,855
246,047	306,717	152,020		9,454,647
	214,047			214,047
7,877,805		1,591		8,807,557
1,419,785	376,970	891,905	\$ 24,732	6,694,590
9,297,590	591,017	893,496	24,732	15,716,194
<u>\$ 9,543,637</u>	<u>\$ 897,734</u>	<u>\$ 1,045,516</u>	<u>\$ 24,732</u>	<u>\$25,170,841</u>

TOWN OF OYSTER BAY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year ended December 31, 2020

	Special Revenue Funds			
	Town Outside Village	Special Grants	Drainage District	Park Districts
REVENUES				
Real property taxes	\$ 92,659		\$ 566,675	\$ 24,807,095
Other real property tax items	27,706		109,024	1,452,937
Departmental income	9,354,590			636,121
Intergovernmental charges				
Use of money and property	19,836		1,269	66,303
Miscellaneous local sources	104	\$ 145,432		54
Federal aid		3,048,599		
Total Revenues	9,494,895	3,194,031	676,968	26,962,510
EXPENDITURES				
Current:				
Public safety	7,361,432			
Transportation				
Economic assistance and opportunity		1,952,180		
Culture and recreation				16,351,397
Home and community services	1,542,705	933,418	1,440,001	
Employee benefits	3,988,422	216,319	613,862	5,827,278
Debt Service:				
Interest	5,842		2,180	121,826
Total Expenditures	12,898,401	3,101,917	2,056,043	22,300,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,403,506)	92,114	(1,379,075)	4,662,009
OTHER FINANCING SOURCES (USES)				
Transfers in	246,322		1,275	98,460
Transfers out	(509,793)		(384,091)	(4,811,936)
Total Other Financing Sources (Uses)	(263,471)	-0-	(382,816)	(4,713,476)
Net Change in Fund Balances	(3,666,977)	92,114	(1,761,891)	(51,467)
Fund Balances (Deficits) at Beginning of Year	6,140,509	693,605	2,016,240	1,447,226
Prior Period Adjustment				
Fund Balances (Deficits) at Beginning of Year, as restated	6,140,509	693,605	2,016,240	1,447,226
Fund Balances at End of Year	\$ 2,473,532	\$ 785,719	\$ 254,349	\$ 1,395,759

Fire Protection Districts	Lighting District	Public Parking District	Water Districts	Total Nonmajor Funds
\$ 7,980,191	\$ 1,625,428	\$ 7,576,542		\$42,648,590
467,080	142,346	469,311		2,668,404
		1,340,994	\$ 9,057	11,340,762
	500,000	1,499,999		1,999,999
459,080				546,488
		100		145,690
				3,048,599
8,906,351	2,267,774	10,886,946	9,057	62,398,532
8,027,354				15,388,786
	2,481,110	2,429,625		4,910,735
				1,952,180
				16,351,397
			9,057	3,925,181
	659,673	892,173		12,197,727
	56,749	624,205		810,802
8,027,354	3,197,532	3,946,003	9,057	55,536,808
878,997	(929,758)	6,940,943		6,861,724
	33,635	211,878		591,570
	(522,929)	(5,468,358)		(11,697,107)
-0-	(489,294)	(5,256,480)	-0-	(11,105,537)
878,997	(1,419,052)	1,684,463	-0-	(4,243,813)
4,852,492	2,010,069	(790,967)	24,732	16,393,906
3,566,101				3,566,101
8,418,593	2,010,069	(790,967)	24,732	19,960,007
\$ 9,297,590	\$ 591,017	\$ 893,496	\$ 24,732	\$ 15,716,194

TOWN OF OYSTER BAY
TOWN OUTSIDE VILLAGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 92,659	\$ 92,659	\$ 92,659	
Total Real Property Taxes	92,659	92,659	92,659	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	150,137	150,137	27,706	\$ (122,431)
Total Other Real Property Tax Items	150,137	150,137	27,706	(122,431)
DEPARTMENTAL INCOME				
Building fees	12,800,000	12,800,000	9,045,900	(3,754,100)
Zoning board fees	350,000	350,000	295,940	(54,060)
Planning fees	30,000	30,000	12,750	(17,250)
Total Departmental Income	13,180,000	13,180,000	9,354,590	(3,825,410)
USE OF MONEY AND PROPERTY				
Interest and earnings			19,836	19,836
Total Use of Money and Property	-0-	-0-	19,836	19,836
MISCELLANEOUS LOCAL SOURCES				
Photo processing fee			104	104
Total Miscellaneous Local Sources	-0-	-0-	104	104
Total Revenues	13,422,796	13,422,796	9,494,895	(3,927,901)

(continued)

TOWN OF OYSTER BAY
TOWN OUTSIDE VILLAGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
PUBLIC SAFETY					
Building	\$ 6,901,597	\$ 6,961,373	\$ 6,895,128	\$ 500	\$ 65,745
Animal warden services	466,304	466,304	466,304		
Total Public Safety	7,367,901	7,427,677	7,361,432	500	65,745
CULTURE AND RECREATION					
Memorial day assistance	5,000	5,000			5,000
Total Culture and Recreation	5,000	5,000	-0-	-0-	5,000
HOME AND COMMUNITY SERVICES					
Board of appeals	461,552	526,821	416,011		110,810
Planning and development - staff	1,091,276	1,254,181	1,126,694		127,487
Total Home and Community Services	1,552,828	1,781,002	1,542,705	-0-	238,297
EMPLOYEE BENEFITS					
State Employee Retirement System	1,159,092	1,163,329	1,158,283		5,046
Social security	492,614	511,465	510,098		1,367
Workers' compensation	50,000	75,790	57,895		17,895
Disability benefits	1,600	1,600			1,600
Unemployment benefits	3,000	3,000			3,000
Hospital, medical and dental	2,275,000	2,309,613	2,262,146		47,467
Total Employee Benefits	3,981,306	4,064,797	3,988,422	-0-	76,375
Total Current	12,907,035	13,278,476	12,892,559	500	385,417
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		5,842	5,842		
Total Debt Service	-0-	5,842	5,842	-0-	-0-
Total Expenditures	12,907,035	13,284,318	12,898,401	500	385,417
Excess (Deficiency) of Revenues Over (Under) Expenditures	515,761	138,478	(3,403,506)	(500)	(3,542,484)
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Debt service fund		243,509	246,322		2,813
Transfers out:					
Debt service fund	(515,761)	(471,918)	(471,918)		
Capital projects fund		(37,875)	(37,875)		
Total Other Financing Sources (Uses)	(515,761)	(266,284)	(263,471)	-0-	2,813
Net Change in Fund Balance	\$ -0-	\$ (127,806)	(3,666,977)	\$ (500)	\$(3,539,671)
Fund Balance at Beginning of Year			6,140,509		
Fund Balance at End of Year			\$ 2,473,532		

TOWN OF OYSTER BAY
DRAINAGE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 566,659	\$ 566,659	\$ 566,675	\$ 16
Total Real Property Taxes	566,659	566,659	566,675	16
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	2,000,816	2,000,816	109,024	(1,891,792)
Total Other Real Property Tax Items	2,000,816	2,000,816	109,024	(1,891,792)
USE OF MONEY AND PROPERTY				
Interest and earnings			1,269	1,269
Total Use of Money and Property	-0-	-0-	1,269	1,269
Total Revenues	2,567,475	2,567,475	676,968	(1,890,507)

(continued)

TOWN OF OYSTER BAY
DRAINAGE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Drainage	\$ 1,382,754	\$ 1,630,561	\$ 1,440,001	\$ 190,560
Total Home and Community Services	1,382,754	1,630,561	1,440,001	190,560
EMPLOYEE BENEFITS				
State Employee Retirement System	106,226	111,193	111,193	
Social security	45,146	51,444	51,444	
Disability benefits	200	200		200
Workers' compensation	5,000	3,860	3,860	
Hospital, medical and dental	640,000	448,329	447,365	964
Unemployment insurance	1,000	1,000		1,000
Total Employee Benefits	797,572	616,026	613,862	2,164
Total Current	2,180,326	2,246,587	2,053,863	192,724
DEBT SERVICE:				
Debt interest:				
Bond anticipation notes		2,180	2,180	
Total Debt Service	-0-	2,180	2,180	-0-
Total Expenditures	2,180,326	2,248,767	2,056,043	192,724
Excess (Deficiency) of Revenues Over (Under) Expenditures	387,149	318,708	(1,379,075)	(1,697,783)
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Debt service fund			1,275	1,275
Transfers out:				
Debt service fund	(387,149)	(387,149)	(384,091)	3,058
Total Other Financing Sources (Uses)	(387,149)	(387,149)	(382,816)	4,333
Net Change in Fund Balance	\$ -0-	\$ (68,441)	(1,761,891)	\$ (1,693,450)
Fund Balance at Beginning of Year			2,016,240	
Fund Balance at End of Year			\$ 254,349	

TOWN OF OYSTER BAY
PARK DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 24,807,095	\$24,807,095	\$24,807,095	
Total Real Property Taxes	24,807,095	24,807,095	24,807,095	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	1,707,950	1,972,091	1,452,937	\$ (519,154)
Total Other Real Property Tax Items	1,707,950	1,972,091	1,452,937	(519,154)
DEPARTMENTAL INCOME				
Recreational concessions	90,500	90,500	31,500	(59,000)
Special recreational facility charge	610,000	610,000	604,621	(5,379)
Total Departmental Income	700,500	700,500	636,121	(64,379)
USE OF MONEY AND PROPERTY				
Interest and earnings	8	8	52,947	52,939
Rental of real property	25,000	25,000	13,106	(11,894)
Rental of equipment	1,172	1,172	250	(922)
Total Use of Money and Property	26,180	26,180	66,303	40,123
MISCELLANEOUS LOCAL SOURCES				
Refund of prior year expenditures			42	42
Miscellaneous revenue			12	12
Total Miscellaneous Local Sources	-0-	-0-	54	54
Total Revenues	27,241,725	27,505,866	26,962,510	(543,356)

(continued)

TOWN OF OYSTER BAY
PARK DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
CURRENT:				
CULTURE AND RECREATION				
Parks, pools and rinks	\$ 16,374,325	\$17,209,203	\$16,351,397	\$ 857,806
Total Culture and Recreation	16,374,325	17,209,203	16,351,397	857,806
EMPLOYEE BENEFITS				
State Employee Retirement System	1,342,622	1,381,739	1,369,144	12,595
Social security	655,147	663,667	648,980	14,687
Workers' compensation	200,000	663,868	663,868	
Disability insurance	1,000	1,000		1,000
Unemployment insurance	1,000	1,000		1,000
Hospital, medical and dental	3,720,000	3,145,286	3,145,286	
Total Employee Benefits	5,919,769	5,856,560	5,827,278	29,282
Total Current	22,294,094	23,065,763	22,178,675	887,088
DEBT SERVICE:				
Debt interest:				
Bond anticipation notes		121,826	121,826	
Total Debt Service	-0-	121,826	121,826	-0-
Total Expenditures	22,294,094	23,187,589	22,300,501	887,088
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,947,631	4,318,277	4,662,009	343,732
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Debt service fund		27,015	98,460	71,445
Transfers out:				
Debt service fund	(4,950,406)	(4,656,625)	(4,656,625)	
Capital projects fund		(155,311)	(155,311)	
Total Other Financing Sources (Uses)	(4,950,406)	(4,784,921)	(4,713,476)	71,445
Net Change in Fund Balance	<u>\$ (2,775)</u>	<u>\$ (466,644)</u>	<u>(51,467)</u>	<u>\$ 415,177</u>
Fund Balance at Beginning of Year			1,447,226	
Fund Balance at End of Year			<u>\$ 1,395,759</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, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 7,980,191	\$ 7,980,191	\$ 7,980,191	
Total Real Property Taxes	7,980,191	7,980,191	7,980,191	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	592,159	598,609	467,080	\$ (131,529)
Total Other Real Property Tax Items	592,159	598,609	467,080	(131,529)
USE OF MONEY AND PROPERTY				
Interest and earnings			459,080	459,080
Total Use of Money and Property	-0-	-0-	459,080	459,080
Total Revenues	8,572,350	8,578,800	8,906,351	327,551
EXPENDITURES				
CURRENT:				
PUBLIC SAFETY				
Fire protection	8,572,350	8,578,800	8,027,354	551,446
Total Public Safety	8,572,350	8,578,800	8,027,354	551,446
Total Current	8,572,350	8,578,800	8,027,354	551,446
Total Expenditures	8,572,350	8,578,800	8,027,354	551,446
Net Change in Fund Balance	\$ -0-	\$ -0-	878,997	\$ 878,997
Fund Balance at Beginning of Year			4,852,492	
Prior Period Adjustment			3,566,101	
Fund Balance at Beginning of Year, as Restated			8,418,593	
Fund Balance at End of Year			\$ 9,297,590	

TOWN OF OYSTER BAY
LIGHTING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 1,625,428	\$ 1,625,428	\$ 1,625,428	
Total Real Property Taxes	1,625,428	1,625,428	1,625,428	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	2,250,226	2,250,226	142,346	\$ (2,107,880)
Total Other Real Property Tax Items	2,250,226	2,250,226	142,346	(2,107,880)
INTERGOVERNMENTAL CHARGES				
Nassau County local government assistance			500,000	500,000
Total Intergovernmental Charges	-0-	-0-	500,000	500,000
Total Revenues	3,875,654	3,875,654	2,267,774	(1,607,880)

(continued)

TOWN OF OYSTER BAY
LIGHTING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Encum- brances	Variance Positive (Negative)
EXPENDITURES					
CURRENT:					
TRANSPORTATION					
Lighting	\$ 2,459,637	\$ 2,630,237	\$ 2,481,110	\$ 4,310	\$ 144,817
Total Transportation	2,459,637	2,630,237	2,481,110	4,310	144,817
EMPLOYEE BENEFITS					
State Employee Retirement System	131,936	136,007	125,033		10,974
Social security	56,073	60,144	60,144		
Disability benefits	200	200			200
Workers' compensation	15,000	12,130	12,130		
Hospital, medical and dental	630,000	465,326	462,366		2,960
Unemployment benefits	1,000	1,000			1,000
Total Employee Benefits	834,209	674,807	659,673	-0-	15,134
Total Current	3,293,846	3,305,044	3,140,783	4,310	159,951
DEBT SERVICE:					
Debt interest:					
Bond anticipation notes		56,749	56,749		
Total Debt Service	-0-	56,749	56,749	-0-	-0-
Total Expenditures	3,293,846	3,361,793	3,197,532	4,310	159,951
Excess (Deficiency) of Revenues Over (Under) Expenditures	581,808	513,861	(929,758)	(4,310)	(1,447,929)
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Debt service fund		10,000	33,635		23,635
Transfers out:					
Debt service fund	(581,808)	(476,595)	(475,663)		932
Capital projects fund		(47,266)	(47,266)		
Total Other Financing Sources (Uses)	(581,808)	(513,861)	(489,294)	-0-	24,567
Net Change in Fund Balance	\$ -0-	\$ -0-	(1,419,052)	\$ (4,310)	\$ (1,423,362)
Fund Balance at Beginning of Year			2,010,069		
Fund Balance at End of Year			\$ 591,017		

TOWN OF OYSTER BAY
PUBLIC PARKING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
REAL PROPERTY TAXES				
Ad valorem taxes	\$ 7,576,542	\$ 7,576,542	\$ 7,576,542	
Total Real Property Taxes	7,576,542	7,576,542	7,576,542	
OTHER REAL PROPERTY TAX ITEMS				
Payment in lieu of taxes	500,098	500,098	469,311	\$ (30,787)
Total Other Real Property Tax Items	500,098	500,098	469,311	(30,787)
DEPARTMENTAL INCOME				
Parking permits	2,000,000	2,000,000	1,337,893	(662,107)
Parking meter fees	20,000	20,000	3,101	(16,899)
Total Departmental Income	2,020,000	2,020,000	1,340,994	(679,006)
INTERGOVERNMENTAL CHARGES				
Nassau County local governmental assistance			1,499,999	1,499,999
Total Intergovernmental Charges	-0-	-0-	1,499,999	1,499,999
MISCELLANEOUS LOCAL SOURCES				
Miscellaneous revenue			100	100
Total Miscellaneous Local Sources	-0-	-0-	100	100
Total Revenues	10,096,640	10,096,640	10,886,946	790,306

(continued)

TOWN OF OYSTER BAY
PUBLIC PARKING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES				
CURRENT:				
TRANSPORTATION				
Parking	\$ 2,869,289	\$ 2,734,626	\$ 2,429,625	\$ 305,001
Total Transportation	2,869,289	2,734,626	2,429,625	305,001
EMPLOYEE BENEFITS				
State Employee Retirement System	156,409	156,409	155,113	1,296
Social security	66,474	70,384	70,384	
Workers compensation	140,000	110,828	110,828	
Disability benefits	1,000	1,000		1,000
Unemployment benefits	1,000	1,000		1,000
Hospital, medical and dental	675,000	848,289	555,848	292,441
Total Employee Benefits	1,039,883	1,187,910	892,173	295,737
Total Current	3,909,172	3,922,536	3,321,798	600,738
DEBT SERVICE:				
Debt interest:				
Bond anticipation notes		624,205	624,205	
Total Debt Service	-0-	624,205	624,205	-0-
Total Expenditures	3,909,172	4,546,741	3,946,003	600,738
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,187,468	5,549,899	6,940,943	1,391,044
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Debt service fund			211,878	211,878
Transfers out:				
Debt service fund	(6,187,618)	(5,044,899)	(4,963,358)	81,541
Capital projects fund		(505,000)	(505,000)	
Total Other Financing Sources (Uses)	(6,187,618)	(5,549,899)	(5,256,480)	293,419
Net Change in Fund Balance	\$ (150)	\$ -0-	1,684,463	\$ 1,684,463
Fund Balance (Deficit) at Beginning of Year			(790,967)	
Fund Balance (Deficit) at End of Year			\$ 893,496	

TOWN OF OYSTER BAY
WATER DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
DEPARTMENTAL INCOME				
Water rental arrears		\$ 9,057	\$ 9,057	
Total Departmental Income	\$ -0-	9,057	9,057	\$ -0-
Total Revenues	-0-	9,057	9,057	-0-
EXPENDITURES				
CURRENT:				
HOME AND COMMUNITY SERVICES				
Water		9,057	9,057	
Total Home and Community Services	-0-	9,057	9,057	-0-
Total Expenditures	-0-	9,057	9,057	-0-
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ -0-</u>	-0-	<u>\$ -0-</u>
Fund Balance at Beginning of Year			<u>24,732</u>	
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, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
USE OF MONEY AND PROPERTY				
Interest and earnings			\$ 332,134	\$ 332,134
Total Use of Money and Property			332,134	332,134
MISCELLANEOUS LOCAL SOURCES				
Premiums on bond anticipation notes	\$ 3,000,000	\$ 3,000,000	2,063,945	(936,055)
Total Miscellaneous Local Sources	3,000,000	3,000,000	2,063,945	(936,055)
Total Revenues	3,000,000	3,000,000	2,396,079	(603,921)
EXPENDITURES				
CURRENT:				
GENERAL GOVERNMENT SUPPORT				
Fiscal agent fees	100,000	100,000	85,990	14,010
Total General Government Support	100,000	100,000	85,990	14,010
Total Current	100,000	100,000	85,990	14,010
DEBT SERVICE:				
Debt principal:				
Serial bonds	69,711,534	67,757,304	67,371,534	385,770
Debt interest:				
Serial bonds	20,842,261	19,318,304	18,809,840	508,464
Bond issuance costs		630,696	552,284	78,412
Total Debt Service	90,553,795	87,706,304	86,733,658	972,646
Total Expenditures	90,653,795	87,806,304	86,819,648	986,656
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(87,653,795)</u>	<u>(84,806,304)</u>	<u>(84,423,569)</u>	<u>382,735</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Other funds	87,653,795	85,257,717	85,151,917	(105,800)
Premium on refunding bond		7,050,665	6,773,730	(276,935)
Refunding bond issued		51,327,000	51,327,000	
Payment to refunded bond escrow agent		(56,433,000)	(56,433,000)	
Transfers out:				
Other funds		(2,396,078)	(2,396,078)	
Total Other Financing Sources (Uses)	87,653,795	84,806,304	84,423,569	(382,735)
Net Change in Fund Balance	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>-0-</u>	<u>\$ -0-</u>
Fund Balance at Beginning of Year			100,628	
Fund Balance at End of Year			<u>\$ 100,628</u>	

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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, 2020

	Massapequa Water District	Plainview Water District	Hicksville Water District	Locust Valley Water District
ASSETS				
Current Assets:				
Cash and investments	\$ 2,664,992	\$ 8,865,335	\$ 33,868,805	\$ 1,334,304
Accounts receivable	2,357,188	943,564	786,661	772,199
State and federal aid receivables		2,173,844		216,000
Due from other governments	158,433	117,598	182,990	41,067
Due from primary government	104,355	11,622,405	136,513	2,637,332
Other assets				
Inventory of materials and supplies	52,193	196,228	17,370	114,583
Prepaid items	57,625	195,663	66,197	136,299
Total Current Assets	5,394,786	24,114,637	35,058,536	5,251,784
Non-Current Assets:				
Non-depreciable capital assets	1,071,292	14,986,084	6,853,939	1,953,014
Depreciable capital assets, net of depreciation	19,028,348	29,791,976	39,223,125	14,583,342
Total Non-Current Assets	20,099,640	44,778,060	46,077,064	16,536,356
Total Assets	25,494,426	68,892,697	81,135,600	21,788,140
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refundings				
Other postemployment benefits	2,391,157	1,846,983	2,478,096	604,577
Pensions	1,042,234	863,826	1,089,191	446,611
Total Deferred Outflows of Resources	3,433,391	2,710,809	3,567,287	1,051,188
LIABILITIES				
Current Liabilities:				
Accounts payable	334,357	995,081	1,156,059	427,131
Accrued liabilities	55,275	50,123	330,153	
Accrued interest payable	68,405	414,189	219,238	163,435
Due to primary government	403,917			1,763,994
Deposits Payable		108,672		
Unearned income	30,958	46,232		
Other liabilities				29,034
Non-current liabilities due within one year:				
General obligation bonds payable, inclusive of premiums	275,401	1,142,226		716,369
Bond anticipation notes payable	60,000			
Compensated absences	133,000	65,155	87,939	14,932
Other debt			1,470,662	
Total Current Liabilities	1,361,313	2,821,678	3,264,051	3,114,895
Non-Current Liabilities:				
General obligation bonds payable, inclusive of premiums	2,457,730	10,490,380		8,969,214
Bond anticipation notes payable long-term	3,010,000	19,000,000		2,589,534
Compensated absences	237,653	197,277	254,328	283,714
Other postemployment benefits payable	11,913,148	10,921,855	15,006,564	3,264,897
Net pension liability - proportionate share	1,468,575	1,167,730	1,123,349	492,776
Other debt, inclusive of premiums			26,733,628	
Total Non-Current Liabilities	19,087,106	41,777,242	43,117,869	15,600,135
Total Liabilities	20,448,419	44,598,920	46,381,920	18,715,030
DEFERRED INFLOWS OF RESOURCES				
Contractual service fees				
Other postemployment benefits	2,240,394	1,669,580	1,071,413	494,862
Pensions	70,119	93,575	54,323	18,700
Total Deferred Inflows of Resources	2,310,513	1,763,155	1,125,736	513,562
NET POSITION				
Net investment in capital assets	13,892,592	26,221,959	32,414,855	4,756,343
Restricted	2,281,712	4,051,878	11,758,837	864,000
Unrestricted (deficit)	(10,005,419)	(5,032,406)	(6,978,461)	(2,009,607)
Total Net Position	\$ 6,168,885	\$ 25,241,431	\$ 37,195,231	\$ 3,610,736

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
\$ 1,367,766	\$ 12,968,134	\$ 11,279,435	\$ 16,218,601	\$ 520,051	\$ 788,755	\$ 73,055	\$ 89,949,233
296,102	2,340,032	1,295,707	767,310				9,558,763
			4,237,391				6,627,235
			157,926	52			658,066
239,009	11,137,430	5,952,045	7,791,247		107,051	24	39,727,411
						1,700	1,700
34,197	225,519	12,022	236,773				888,885
26,134	306,956	140,433	95,941		108,892		1,134,140
1,963,208	26,978,071	18,679,642	29,505,189	520,103	1,004,698	74,779	148,545,433
409,475	20,656,738	5,079,904	33,927,083		39,690		84,977,219
10,446,892	28,569,950	28,259,133	38,303,013		11,424,297		219,630,076
10,856,367	49,226,688	33,339,037	72,230,096		11,463,987		304,607,295
12,819,575	76,204,759	52,018,679	101,735,285	520,103	12,468,685	74,779	453,152,728
					46,329		46,329
618,177	2,873,345	1,923,992	1,495,865		2,241,416		16,473,608
416,518	1,674,023	1,104,540	913,691		1,148,530		8,699,164
1,034,695	4,547,368	3,028,532	2,409,556		3,436,275		25,219,101
46,598	3,364,636	2,440,622	2,810,329		81,265	158,988	11,815,066
	349,980	23,451	708,061		46,767		1,563,810
44,734	348,363	238,604			20,485		1,517,453
	852,858						3,020,769
35,646	659,584	5,787	213,332		16,349		1,039,370
	83,694						160,884
							29,034
430,921	845,000	1,167,402	1,437,000		278,632		6,292,951
	330,000	40,000	231,667				661,667
183,500	125,567	34,726			30,073		674,892
							1,470,662
741,399	6,959,682	3,950,592	5,400,389		473,571	158,988	28,246,558
2,982,538	10,804,000	13,265,444	18,368,000		918,662		68,255,968
	20,505,000	10,955,000	23,468,333				79,527,867
190,107	1,009,275	659,798	334,231		571,388		3,737,771
3,945,294	14,665,151	8,367,010	7,835,273		11,019,511		86,938,703
506,339	2,157,695	1,521,466	1,232,077		1,501,920		11,171,927
							26,733,628
7,624,278	49,141,121	34,768,718	51,237,914		14,011,481		276,365,864
8,365,677	56,100,803	38,719,310	56,638,303		14,485,052	158,988	304,612,422
							3,812
3,812							11,912,717
410,566	1,712,925	1,595,514	1,023,617		1,693,846		455,512
15,244	52,544	78,643	32,257		40,107		
429,622	1,765,469	1,674,157	1,055,874		1,733,953		12,372,041
7,659,179	24,600,030	11,821,911	34,992,213		10,266,693		166,625,775
1,364,315	5,234,387	4,167,890	6,678,609				36,401,628
(3,964,523)	(6,948,562)	(1,336,057)	4,779,842	520,103	(10,580,738)	(84,209)	(41,640,037)
\$ 5,058,971	\$ 22,885,855	\$ 14,653,744	\$ 46,450,664	\$ 520,103	\$ (314,045)	\$ (84,209)	\$ 161,387,366

TOWN OF OYSTER BAY
DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
Year ended December 31, 2020

	Massapequa Water District	Plainview Water District	Hicksville Water District	Locust Valley Water District
EXPENSES				
Current:				
Home and community services	\$ 6,490,135	\$ 8,147,562	\$ 10,222,364	\$ 3,431,741
Total Expenses	6,490,135	8,147,562	10,222,364	3,431,741
PROGRAM REVENUES				
Charges for services	4,023,462	4,572,685	3,370,112	2,126,040
Operating grants and contributions		2,634		
Capital grants and contributions		2,926,878	2,216,938	716,331
Total Program Revenues	4,023,462	7,502,197	5,587,050	2,842,371
Net Expenses	(2,466,673)	(645,365)	(4,635,314)	(589,370)
GENERAL REVENUES				
Real property taxes	2,113,982	5,199,180	6,874,325	1,159,722
Other real property tax items	123,713	205,874	399,546	14,356
Use of money and property - interest and earnings	278,853	143,511	575,092	23,684
Sales of property and compensation for loss	58,693	37,389	29,563	
Miscellaneous local sources	110,617	1,796,019	22,836	367,144
Total General Revenues	2,685,858	7,381,973	7,901,362	1,564,906
Changes in Net Position	219,185	6,736,608	3,266,048	975,536
Net Position at Beginning of Year, as reported	5,949,700	18,504,823	33,929,183	2,262,648
Prior period adjustment				372,552
Net Position at Beginning of Year, as restated	5,949,700	18,504,823	33,929,183	2,635,200
Net Position at End of Year	\$ 6,168,885	\$ 25,241,431	\$ 37,195,231	\$ 3,610,736

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
\$ 2,819,419	\$ 12,163,407	\$ 8,914,350	\$ 9,371,043	\$ 556,720	\$ 5,053,299	\$ 1,390,984	\$ 68,561,024
2,819,419	12,163,407	8,914,350	9,371,043	556,720	5,053,299	1,390,984	68,561,024
1,100,208	9,825,503	4,136,765	3,255,397		496,647		32,906,819
							2,634
323,920	341,118		3,874,600				10,399,785
1,424,128	10,166,621	4,136,765	7,129,997	-0-	496,647	-0-	43,309,238
(1,395,291)	(1,996,786)	(4,777,585)	(2,241,046)	(556,720)	(4,556,652)	(1,390,984)	(25,251,786)
923,022	2,865,643	3,651,730	7,336,099	585,101	3,359,937	1,255,006	35,323,747
31,383	109,837	69,783	522,897		201,551		1,678,940
443,359	86,111	499,322	770,893		4,434		2,825,259
2,722	470,644	33,026	423,592				1,055,629
22,485	253,380	179,607	179,673		28,846	180,468	3,141,075
1,422,971	3,785,615	4,433,468	9,233,154	585,101	3,594,768	1,435,474	44,024,650
27,680	1,788,829	(344,117)	6,992,108	28,381	(961,884)	44,490	18,772,864
5,031,291	21,368,638	14,997,861	39,458,556	491,722	647,839	(128,699)	142,513,562
	(271,612)						100,940
5,031,291	21,097,026	14,997,861	39,458,556	491,722	647,839	(128,699)	142,614,502
\$ 5,058,971	\$ 22,885,855	\$ 14,653,744	\$ 46,450,664	\$ 520,103	\$ (314,045)	\$ (84,209)	\$ 161,387,366

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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.

Page

Financial Trends

These schedules contain information to help the reader understand how the Town's financial performance and well-being have changed over time.

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Revenue Capacity

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

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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.

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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.

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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.

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

Year Ended December 31,	2020	2019	2018	2017 ¹	2016
Primary government					
Governmental activities					
Net position:					
Net investment					
in capital assets	\$ 97,055,188	\$ 94,413,718	\$ 85,406,978	\$ 76,098,412	\$ 56,626,377
Restricted	14,722,722	9,225,629	4,523,843	6,651,316	5,814,874
Unrestricted (deficit)	(669,708,542)	(628,586,777)	(638,188,046)	(660,125,606)	(389,373,300)
Total Primary Government					
Net Position	<u>\$ (557,930,632)</u>	<u>\$ (524,947,430)</u>	<u>\$ (548,257,225)</u>	<u>\$ (577,375,878)</u>	<u>\$ (326,932,049)</u>

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

Note ¹ The net position at December 31, 2017 was restated to reflect the implementation of GASB No. 75.

2015	2014	2013	2012	2011
\$ 41,720,284	\$ 39,210,064	\$ 32,343,595	\$ 26,762,896	\$ 24,260,496
2,849,979	1,808,763	1,201,964	1,276,840	2,026,619
<u>(351,779,423)</u>	<u>(313,071,481)</u>	<u>(263,390,501)</u>	<u>(231,457,703)</u>	<u>(176,918,159)</u>
<u>\$ (307,209,160)</u>	<u>\$ (272,052,654)</u>	<u>\$ (229,844,942)</u>	<u>\$ (203,417,967)</u>	<u>\$ (150,631,044)</u>

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

Year Ended December 31,	2020	2019 ¹	2018	2017	2016
Expenses					
Governmental activities:					
General government support	\$ 35,982,790	\$ 35,175,120	\$ 31,296,069	\$ 32,624,198	\$ 35,572,625
Public safety	33,205,685	29,005,596	27,303,498	27,134,763	28,898,107
Transportation	61,171,190	57,514,994	57,624,042	56,143,668	60,479,881
Economic assistance and opportunity	3,175,699	3,228,546	3,157,405	3,123,788	3,391,651
Culture and recreation	75,407,863	69,175,777	69,941,598	70,089,044	71,781,695
Home and community service	88,149,870	77,446,692	77,656,093	79,258,294	84,826,153
Interest on debt	20,634,593	22,040,827	21,718,222	26,173,679	25,706,555
Total governmental activities expenses	<u>317,727,690</u>	<u>293,587,552</u>	<u>288,696,927</u>	<u>294,547,434</u>	<u>310,656,667</u>
Total primary government expenses	<u>\$ 317,727,690</u>	<u>\$ 293,587,552</u>	<u>\$ 288,696,927</u>	<u>\$ 294,547,434</u>	<u>\$ 310,656,667</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government support	\$ 1,279,955	\$ 1,818,188	\$ 1,155,770	\$ 1,073,664	\$ 1,865,841
Public safety	9,433,018	11,637,503	10,212,514	9,742,053	7,799,239
Transportation	1,930,009	1,441,484	2,976,973	1,413,871	1,921,218
Culture and recreation	7,512,475	7,893,320	7,398,745	6,328,599	5,844,405
Home and community service	1,664,236	1,858,906	1,724,436	1,030,236	768,665
Operating grants and contributions	3,188,637	3,803,917	3,914,142	3,555,183	3,988,225
Capital grants and contributions	2,597,728	4,222,594	6,862,565	437,352	2,815,071
Total governmental activities program revenues	<u>27,606,058</u>	<u>32,675,912</u>	<u>34,245,145</u>	<u>23,580,958</u>	<u>25,002,664</u>
Total primary government program revenues	<u>\$ 27,606,058</u>	<u>\$ 32,675,912</u>	<u>\$ 34,245,145</u>	<u>\$ 23,580,958</u>	<u>\$ 25,002,664</u>
Net (Expense)/Revenue					
Governmental activities	<u>\$ (290,121,632)</u>	<u>\$ (260,911,640)</u>	<u>\$ (254,451,782)</u>	<u>\$ (270,966,476)</u>	<u>\$ (285,654,003)</u>
Total primary government net expense	<u>\$ (290,121,632)</u>	<u>\$ (260,911,640)</u>	<u>\$ (254,451,782)</u>	<u>\$ (270,966,476)</u>	<u>\$ (285,654,003)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Real property taxes	\$ 234,006,232	\$ 234,677,867	\$ 234,030,013	\$ 235,562,854	\$ 210,988,363
Other real property tax items	9,950,890	10,305,298	10,490,964	10,208,772	10,129,678
Non-property tax items	5,310,815	5,561,876	5,642,122	5,705,925	5,680,869
Interest earnings	1,450,290	2,540,127	1,340,630	590,388	236,536
Local government assistance - unrestricted	15,343,744	16,049,873	15,497,649	14,959,916	14,556,122
State aid - unrestricted	15,482,645	12,654,751	13,089,231	14,126,639	13,679,895
Other	7,981,042	4,906,643	357,037	6,820,884	10,659,651
Special item	<u>(30,450,000)</u>	<u>(2,475,000)</u>	<u>3,122,789</u>		
Total primary government government general revenues and other	<u>259,075,658</u>	<u>284,221,435</u>	<u>283,570,435</u>	<u>287,975,378</u>	<u>265,931,114</u>
Total primary government	<u>\$ 259,075,658</u>	<u>\$ 284,221,435</u>	<u>\$ 283,570,435</u>	<u>\$ 287,975,378</u>	<u>\$ 265,931,114</u>
Change in Net Position					
Governmental activities	<u>\$ (31,045,974)</u>	<u>\$ 23,309,795</u>	<u>\$ 29,118,653</u>	<u>\$ 17,008,902</u>	<u>\$ (19,722,889)</u>
Total primary government	<u>\$ (31,045,974)</u>	<u>\$ 23,309,795</u>	<u>\$ 29,118,653</u>	<u>\$ 17,008,902</u>	<u>\$ (19,722,889)</u>

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

Note: ¹ In 2019, State aid-unrestricted for per capita aid was converted to other general revenue as AIM Related payment, per the requirements of the Office of the State Comptroller.

	2015	2014	2013	2012	2011
\$	37,483,953	\$ 38,162,097	\$ 36,575,649	\$ 32,796,871	\$ 23,979,446
	29,462,383	28,286,861	29,134,180	27,821,478	26,314,669
	59,896,037	62,982,460	68,083,600	71,035,386	56,829,279
	4,041,854	4,192,597	4,035,988	4,039,287	3,952,952
	70,411,344	66,674,609	71,386,725	70,617,267	67,279,441
	89,199,268	86,904,193	93,926,958	85,793,941	85,314,148
	25,301,881	24,225,844	22,180,971	21,318,102	18,275,637
	<u>315,796,720</u>	<u>311,428,661</u>	<u>325,324,071</u>	<u>313,422,332</u>	<u>281,945,572</u>
\$	<u>315,796,720</u>	<u>\$ 311,428,661</u>	<u>\$ 325,324,071</u>	<u>\$ 313,422,332</u>	<u>\$ 281,945,572</u>

\$	1,286,612	\$ 1,136,556	\$ 1,229,235	\$ 1,003,364	\$ 984,923
	6,697,956	6,024,901	6,354,468	4,564,537	4,067,938
	1,899,617	2,922,521	2,029,540	2,285,793	1,768,986
	6,175,419	6,230,650	6,307,093	6,586,215	6,002,337
	984,528	830,167	794,692	899,181	581,858
	4,535,703	10,777,160	15,217,357	18,126,195	8,156,683
	<u>2,465,139</u>	<u>4,522,687</u>	<u>10,328,219</u>	<u>5,666,110</u>	<u>10,661,138</u>
	<u>24,044,974</u>	<u>32,444,642</u>	<u>42,260,604</u>	<u>39,131,395</u>	<u>32,223,863</u>
\$	<u>24,044,974</u>	<u>\$ 32,444,642</u>	<u>\$ 42,260,604</u>	<u>\$ 39,131,395</u>	<u>\$ 32,223,863</u>

\$	<u>(291,751,746)</u>	<u>\$ (278,984,019)</u>	<u>\$ (283,063,467)</u>	<u>\$ (274,290,937)</u>	<u>\$ (249,721,709)</u>
\$	<u>(291,751,746)</u>	<u>\$ (278,984,019)</u>	<u>\$ (283,063,467)</u>	<u>\$ (274,290,937)</u>	<u>\$ (249,721,709)</u>

\$	215,667,149	\$ 198,080,058	\$ 182,180,760	\$ 175,579,664	\$ 175,265,000
	4,993,937	3,678,417	3,390,556	3,197,633	3,128,447
	5,308,648	5,112,339	4,863,692	4,696,524	4,617,396
	218,014	181,680	246,628	147,906	283,646
	14,258,755	13,942,484	14,680,867	13,733,876	13,144,675
	12,311,610	10,327,711	11,883,093	11,184,538	10,201,720
	3,837,127	8,005,579	10,062,430	12,963,873	9,685,251
			<u>30,025,000</u>		
	<u>256,595,240</u>	<u>239,328,268</u>	<u>257,333,026</u>	<u>221,504,014</u>	<u>216,326,135</u>
\$	<u>256,595,240</u>	<u>\$ 239,328,268</u>	<u>\$ 257,333,026</u>	<u>\$ 221,504,014</u>	<u>\$ 216,326,135</u>

\$	<u>(35,156,506)</u>	<u>\$ (39,655,751)</u>	<u>\$ (25,730,441)</u>	<u>\$ (52,786,923)</u>	<u>\$ (33,395,574)</u>
\$	<u>(35,156,506)</u>	<u>\$ (39,655,751)</u>	<u>\$ (25,730,441)</u>	<u>\$ (52,786,923)</u>	<u>\$ (33,395,574)</u>

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

Year Ended December 31,	2020	2019	2018	2017	2016
General Fund					
Nonspendable	\$ 2,236,252	\$ 2,226,843	\$ 2,314,736	\$ 2,077,679	\$ 5,629,349
Restricted	4,549,966	616,890	31,287	32,237	
Assigned	605,531	3,109,711			
Unassigned	<u>13,655,776</u>	<u>2,245,425</u>	<u>(12,746,493)</u>	<u>(24,144,002)</u>	<u>(45,583,563)</u>
Total General Fund	<u>\$ 21,047,525</u>	<u>\$ 8,198,869</u>	<u>\$ (10,400,470)</u>	<u>\$ (22,034,086)</u>	<u>\$ (39,954,214)</u>
 All other governmental funds					
Nonspendable	\$ 1,010,923	\$ 1,051,924	\$ 1,286,447	\$ 1,428,965	\$ 1,300,742
Restricted	58,576,497	55,728,056	47,817,416	31,425,489	29,698,404
Assigned	15,300,617	17,859,322	20,443,449	18,064,833	23,998,100
Unassigned	<u>(43,472,228)</u>	<u>(12,640,130)</u>	<u>(40,103,826)</u>	<u>(120,838,068)</u>	<u>(125,878,180)</u>
Total all other governmental funds	<u>\$ 31,415,809</u>	<u>\$ 61,999,172</u>	<u>\$ 29,443,486</u>	<u>\$ (69,918,781)</u>	<u>\$ (70,880,934)</u>

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.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011¹</u>
\$ 9,209,971	\$ 11,909,423	\$ 4,678,333	\$ 3,387,516	\$ 4,292,202
<u>(37,054,024)</u>	<u>(29,416,588)</u>	<u>(3,168,285)</u>	<u>(10,299,540)</u>	<u>(5,422,383)</u>
<u>\$ (27,844,053)</u>	<u>\$ (17,507,165)</u>	<u>\$ 1,510,048</u>	<u>\$ (6,912,024)</u>	<u>\$ (1,130,181)</u>
\$ 1,259,729	\$ 1,530,435	\$ 1,734,984	\$ 1,721,425	\$ 1,635,674
2,849,979	1,808,763	1,201,964	1,276,840	2,026,619
7,023,559	3,729,857	5,633,333	6,680,117	14,100,368
<u>(109,470,762)</u>	<u>(80,437,628)</u>	<u>(310,460,120)</u>	<u>(366,641,459)</u>	<u>(298,511,328)</u>
<u>\$ (98,337,495)</u>	<u>\$ (73,368,573)</u>	<u>\$ (301,889,839)</u>	<u>\$ (356,963,077)</u>	<u>\$ (280,748,667)</u>

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

Year Ended December 31,	2020	2019	2018	2017	2016
Revenues					
Real property taxes	\$ 234,006,232	\$ 234,677,867	\$ 234,030,013	\$ 235,562,854	\$ 210,988,363
Other real property tax items	9,950,890	10,305,298	10,490,964	10,208,772	10,129,678
Non-property tax items	5,310,815	5,561,876	5,642,122	5,705,925	5,680,869
Departmental income	30,534,814	31,250,459	29,941,417	27,166,574	24,191,587
Intergovernmental charges	15,595,973	16,394,523	15,596,762	15,008,883	14,579,184
Use of money and property	2,468,627	4,185,523	2,223,826	1,282,267	1,063,225
License and permits	259,040	295,485	345,030	292,778	317,165
Fines and forfeitures	172,105	381,233	490,845	443,751	583,553
Sale of property and compensation for loss	267,729	416,192	1,150,188	517,549	736,829
Miscellaneous and local sources	5,499,557	3,949,487	1,426,573	2,476,099	10,059,186
Interfund revenues	34,048,092	32,292,150	32,771,175	29,955,070	30,090,695
State aid	18,096,259	16,249,357	18,556,703	15,112,964	16,077,219
Federal aid	3,123,866	4,296,924	5,279,729	2,948,531	4,418,132
Total revenues	359,334,019	360,256,374	357,945,347	346,682,017	328,915,685
Expenditures					
Current:					
General government support	42,438,832	40,894,135	40,645,294	38,604,808	40,670,837
Public safety	21,094,105	20,475,008	19,507,889	18,589,267	20,707,244
Transportation	25,430,140	24,262,820	24,256,444	22,919,060	24,515,940
Economic assistance and opportunity	2,020,099	2,361,537	2,297,134	2,166,355	2,531,011
Culture and recreation	34,694,879	34,478,583	33,713,671	32,521,859	34,741,523
Home and community service	67,850,463	65,106,316	65,958,643	61,645,325	73,109,702
Employee benefits	64,468,517	64,922,282	64,128,727	61,121,561	59,065,008
Capital outlay	34,615,392	47,643,665	43,046,354	9,954,834	15,949,008
Debt Service:					
Principal	67,393,876	64,952,270	143,400,563	55,551,737	53,633,058
Interest	21,293,970	22,228,538	23,784,053	27,179,457	23,345,634
Bond issuance costs	552,284	44,787	658,933		
Advanced refunding escrow					
Total expenditures	381,852,557	387,369,941	461,397,705	330,254,263	348,268,965
Excess (deficiency) of revenues over (under) expenditures	(22,518,538)	(27,113,567)	(103,452,358)	16,427,754	(19,353,280)
Other financing sources (uses)					
Transfers in	103,740,893	96,754,479	92,834,650	86,640,884	84,814,895
Transfers out	(103,740,893)	(96,754,479)	(92,834,650)	(86,640,884)	(84,814,895)
Issuance of debt		80,695,000	125,749,057		34,350,000
Premiums on obligations	6,773,730	92,702	4,266,186		
Refunding bond issued	51,327,000	919,090	78,696,287		
Payment to refunded bond escrow agent or debt service - principal -current refunding	(56,433,000)	(963,200)			
Capital lease			111,711		349,680
Total other financing sources (uses)	1,667,730	80,743,592	208,823,241	-0-	34,699,680
Special item	(450,000)	(2,475,000)	5,625,000		
Net change in fund balances	\$ (21,300,808)	\$ 51,155,025	\$ 110,995,883	\$ 16,427,754	\$ 15,346,400
Debt service as a percentage of noncapital expenditures	25.69%	25.63%	40.21%	26.11%	23.14%

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

2015	2014	2013	2012	2011
\$ 215,667,149	\$ 198,080,058	\$ 182,180,760	\$ 175,579,664	\$ 175,265,001
4,993,937	3,678,417	3,390,556	3,197,633	3,128,447
5,308,648	5,112,339	4,863,692	4,696,524	4,617,396
22,938,738	22,978,529	23,120,124	22,079,123	20,406,328
14,402,785	13,973,877	14,718,216	13,942,518	13,176,813
852,443	777,031	824,353	603,056	735,241
233,344	296,652	205,178	174,475	149,865
640,896	1,027,489	666,753	746,224	454,077
933,986	468,532	905,960	1,606,331	333,447
3,092,399	7,774,106	9,770,228	1,803,732	5,105,926
29,596,471	29,949,479	28,423,597	29,876,012	29,160,183
14,775,547	17,497,657	14,987,030	13,608,089	13,732,037
4,179,376	7,744,354	22,354,741	21,139,005	12,200,790
317,615,719	309,358,520	306,411,188	289,052,386	278,465,551
38,037,078	39,420,479	37,984,142	39,712,264	34,125,789
21,009,794	20,595,032	19,778,269	20,167,997	19,295,277
24,686,666	26,210,566	31,523,700	36,926,372	25,912,405
2,916,303	3,366,498	2,812,692	3,184,421	3,200,016
33,427,561	32,963,253	32,362,259	35,638,463	35,039,970
65,812,654	69,396,713	66,628,449	68,441,125	67,054,880
55,838,958	54,412,698	53,452,014	51,210,979	46,923,714
35,133,901	57,144,686	84,324,592	78,651,835	114,031,571
50,506,321	38,231,954	30,680,747	31,355,462	25,975,875
25,552,293	23,805,275	21,958,366	20,754,691	16,402,710
	355,604			233,966
	3,622,850			2,731,641
352,921,529	369,525,608	381,505,230	386,043,609	390,927,814
(35,305,810)	(60,167,088)	(75,094,042)	(96,991,223)	(112,462,263)
77,120,806	75,101,560	55,504,247	52,917,281	42,553,991
(77,120,806)	(75,101,560)	(55,504,247)	(52,917,281)	(42,553,991)
	264,175,000	107,056,379	7,500,000	61,575,000
	8,649,587	1,507,973	7,494,970	8,915,009
	66,224,563			32,514,467
	(70,152,185)			(32,542,707)
-0-	268,896,965	108,564,352	14,994,970	70,461,769
		30,025,000		
\$ (35,305,810)	\$ 208,729,877	\$ 63,495,310	\$ (81,996,253)	\$ (42,000,494)
24.23%	20.84%	17.57%	16.94%	16.37%

TOWN OF OYSTER BAY
CHANGE IN FUND BALANCES AND YEAR END FUND BALANCE OF GOVERNMENTAL FUNDS BY FUND
LAST TEN YEARS
(modified accrual basis of accounting)

Change in Fund Balance/(Deficits)

	2020	2019	2018	2017	2016
Operating Funds:					
General	\$ 12,848,656	\$ 18,599,339	\$ 11,633,616	\$ 17,920,128	\$ (12,110,161)
Highway	3,772,149	3,462,034	6,844,006	(908,389)	(410,492)
Garbage Collection Districts	(3,223,034)	182,932	(1,067,443)	(7,009,604)	18,282,464
Solid Waste Disposal District	7,490,232	(467,723)	(424,893)	3,573,108	5,636,361
Debt Service	-0-	-0-	(2,490,918)	462,675	364,203
Town Outside Village	(3,666,977)	390,869	1,461,251	739,552	2,392,582
Special Grants	92,114	84,990	24,596	(107,171)	145,019
Drainage District	(1,761,891)	(816,059)	227,945	98,529	426,603
Park Districts	(51,467)	(1,611,835)	77,915	(119,797)	1,432,707
Fire Protection Districts	4,445,098	328,922	453,262	673,708	2,591,002
Lighting District	(1,419,052)	(700,320)	(389,063)	133,509	1,076,614
Public Parking District	1,684,463	(256,303)	1,350,858	(665,284)	540,460
Water District	-0-	-0-	-0-	-0-	-0-
Subtotal Operating	20,210,291	19,196,846	17,701,132	14,790,964	20,367,362
Capital Projects	(37,944,998)	31,958,179	93,294,751	1,636,790	(2,566,435)
Total Governmental Funds	\$ (17,734,707)	\$ 51,155,025	\$ 110,995,883	\$ 16,427,754	\$ 17,800,927

Fund Balances/(Deficits)

	2020	2019	2018	2017	2016
Operating Funds:					
General	\$ 21,047,525	\$ 8,198,869	\$ (10,400,470)	\$ (22,034,086)	\$ (39,954,214)
Highway	9,909,132	6,136,983	2,674,949	(4,169,057)	(3,260,668)
Garbage Collection Districts	262,181	3,485,215	3,302,283	4,369,726	11,379,330
Solid Waste Disposal District	581,398	(6,908,834)	(6,441,111)	(6,016,218)	(9,589,326)
Debt Service	100,628	100,628	100,628	2,591,546	2,128,871
Town Outside Village	2,473,532	6,140,509	5,749,640	4,288,389	3,548,837
Special Grants	785,719	693,605	608,615	584,019	691,190
Drainage District	254,349	2,016,240	2,832,299	2,604,354	2,505,825
Park Districts	1,395,759	1,447,226	3,059,061	2,981,146	3,100,943
Fire Protection Districts	9,297,590	4,852,492	4,523,570	4,070,308	3,396,600
Lighting District	591,017	2,010,069	2,710,389	3,099,452	2,965,943
Public Parking District	893,496	(790,967)	(534,664)	(1,885,522)	(1,220,238)
Water District	24,732	24,732	24,732	24,732	24,732
Subtotal	47,617,058	27,406,767	8,209,921	(9,491,211)	(24,282,175)
Capital Projects	4,846,276	42,791,274	10,833,095	(82,461,656)	(84,098,446)
Total Governmental Funds	\$ 52,463,334	\$ 70,198,041	\$ 19,043,016	\$ (91,952,867)	\$ (108,380,621)

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

Note: The Town's governmental funds' surpluses and (deficits) are presented for the last ten years. The (deficits) are reflections of the cumulative activity of the funds where the outflows of resources exceeded the inflows of resources. The lowest point in the operating funds' fund balance over the last ten years was in 2015, where the total operating funds' fund (deficit) was (\$44,649,537). As of December 31, 2020, the Town's operations generated enough surpluses to bring the Town from a deficit to a positive total operating funds' fund balance of \$47,617,058.

See the Management's Discussion and Analysis on page 29 for a graph of the total operating funds' fund balance over the last ten years.

2015	2014	2013	2012	2011
\$ (10,336,888)	\$ (19,017,213)	\$ 8,422,072	\$ (5,781,843)	\$ (3,213,457)
1,947,859	(8,720,044)	(185,089)	(971,886)	977,663
892,277	(138,929)	2,673,708	(17,315,384)	931,609
(1,687,415)	(401,430)	(1,287,208)	(3,988,503)	(7,825,049)
1,151,734	473,454	(83,070)	(642,171)	(2,666,077)
759,790	1,931,493	2,956,210	2,863,874	(1,799,013)
(109,372)	133,345	8,194	(107,608)	62,358
761,989	588,017	260,701	591,431	(547,572)
992,529	(103,950)	(479,718)	(604,763)	385,661
198,626	125,661	(66,192)	73,139	211,563
422,170	35,683	(562,944)	685,659	394,976
288,934	(1,371,010)	(716,377)	(418,778)	(32,920)
-0-	84	17	30	27
(4,717,767)	(26,464,839)	10,940,304	(25,616,803)	(13,120,231)
(30,588,043)	235,968,892	52,555,006	(56,379,450)	(32,310,433)
<u>\$ (35,305,810)</u>	<u>\$ 209,504,053</u>	<u>\$ 63,495,310</u>	<u>\$ (81,996,253)</u>	<u>\$ (45,430,664)</u>

2015	2014	2013	2012	2011
\$ (27,844,053)	\$ (17,507,165)	\$ 1,510,048	\$ (6,912,024)	\$ (1,130,181)
(2,850,176)	(4,798,035)	3,922,009	4,107,098	5,078,984
(6,903,134)	(7,795,411)	(7,656,482)	(10,330,190)	6,985,194
(15,225,687)	(13,538,272)	(13,136,842)	(11,849,634)	(7,861,131)
1,764,668	612,934	139,480	222,550	864,721
1,156,255	396,465	(1,535,028)	(4,491,238)	(7,355,112)
546,171	655,543	522,198	514,004	621,612
2,079,222	1,317,233	729,216	468,515	(122,916)
1,668,236	675,707	779,657	1,259,375	1,864,138
805,598	606,972	481,311	547,503	474,364
1,889,329	1,467,159	1,431,476	1,994,420	1,308,761
(1,760,698)	(2,049,632)	(678,622)	37,755	456,533
24,732	24,732	24,648	24,631	24,601
(44,649,537)	(39,931,770)	(13,466,931)	(24,407,235)	1,209,568
(81,532,011)	(50,943,968)	(286,912,860)	(339,467,866)	(283,088,416)
<u>\$ (126,181,548)</u>	<u>\$ (90,875,738)</u>	<u>\$ (300,379,791)</u>	<u>\$ (363,875,101)</u>	<u>\$ (281,878,848)</u>

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

Year Ended December 31,	<u>Class One</u> Residential Property	<u>Class Two</u> Condo and Co-Op Property	<u>Class Three</u> Utility and Special Franchise	<u>Class Four</u> Commercial Property	Total Net Assessed Value
2020	\$ 87,178,439	\$ 3,094,791	\$ 3,945,904	\$ 36,423,103	\$ 130,642,237
2019	90,585,419	3,124,357	3,687,848	37,402,927	134,800,551
2018	94,095,129	3,104,209	3,562,100	35,199,552	135,960,990
2017	97,247,808	3,191,037	3,697,345	36,691,677	140,827,867
2016	100,696,094	3,265,115	4,009,445	41,924,815	149,895,469
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

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
4.01	0.17%	\$76,848,374,706	0.17%
4.70	0.21%	64,190,738,571	0.21%
4.83	0.22%	61,800,450,000	0.22%
5.08	0.24%	58,678,277,917	0.24%
4.67	0.26%	57,652,103,462	0.26%
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%

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

Town Direct Rates					
Year Ended December 31,	Full Valuation	State Equalization Rate	Total Net Assessed Value	Tax Levy for Town ¹	Total Town Direct Tax Rate ^{1,2}
2020	\$ 76,848,374,706	0.17%	\$ 130,642,237	\$ 308,149,549	4.01
2019	64,190,738,571	0.21%	134,800,551	301,847,703	4.70
2018	61,800,450,000	0.22%	135,960,990	298,600,390	4.83
2017	58,678,277,917	0.24%	140,827,867	298,248,457	5.08
2016	57,652,103,462	0.26%	149,895,469	269,088,858	4.67
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

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.

Overlapping Rates

County Tax Levy for Town	Total County Direct Rate ²	School Levy	Total School Direct Rate ²	Total Direct & Overlapping Rates
\$ 281,562,634	3.66	1,133,513,164	14.75	22.42
273,533,122	4.26	1,092,819,559	17.02	25.98
288,565,537	4.67	1,066,840,424	17.26	26.76
287,751,116	4.90	1,048,569,504	17.87	27.85
261,689,441	4.54	1,038,819,411	18.02	27.23
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

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

2020

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation
1	Keyspan Gas East	Public Utility - Public Franchise	\$ 2,395,880	1.83%
2	Verizon NY	Public Utility - Public Franchise	970,192	0.74%
3	Sunrise Mall LLC	Shopping Mall	761,002	0.58%
4	Long Island Power Authority	Public Utility - Public Franchise	759,779	0.58%
5	Broadway Mall (KRE Broadway Owner LLC)	Shopping Mall	539,273	0.41%
6	Jericho Plaza LLC	Office Buildings	526,800	0.40%
7	JQ Associates	Office Buildings	407,546	0.31%
8	Northrop Grumman Systems Co.	Aviation	393,755	0.30%
9	92 FHB LLC	Apartments	339,277	0.26%
10	Norwich Gate Company LLC	Apartments	338,455	0.26%
Total			<u>\$ 7,431,959</u>	<u>(a) 5.67%</u>

(a) Represents 5.67% of the total taxable assessed valuation of the Town for 2020.

2011

Rank	Taxpayer	Nature of Business	Assessed Valuation	Percent of Total Assessed Valuation
1	Long Island Power Authority	Public Utility	\$ 4,664,989	2.39%
2	CLK-HP Various Properties	Office Buildings	2,755,136	1.41%
3	Keyspan Gas East	Public Utility	1,852,127	0.95%
4	Verizon	Public Utility	1,834,225	0.94%
5	Broadway Mall (CGA Broadway Partners LLC)	Shopping Mall	1,431,941	0.73%
6	Sunrise Mall Associates & Hudson Resources	Shopping Mall	1,431,376	0.73%
7	Jericho Quads	Office Buildings	1,105,433	0.57%
8	One-Two Jericho Plaza Owner LLC	Office Buildings	1,102,496	0.57%
9	FED LI LLC & GSM LI LLC & ICA LI LLC	Office Buildings	720,799	0.37%
10	Northrop Grumman Corp. & Related Companies	Aerospace Industry	697,553	0.36%
Total			<u>\$17,596,075</u>	<u>(b) 9.02%</u>

(b) Represents 9.02% of the total taxable assessed valuation of the Town for 2011.

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 ¹	Amount Collected ²	Percent Collected
2020	\$ 308,149,549	\$ 308,149,549	100.00%
2019	301,847,703	301,847,703	100.00%
2018	298,600,390	298,600,390	100.00%
2017	298,248,457	298,248,457	100.00%
2016	269,088,858	269,088,858	100.00%
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%

Source: Receiver of Taxes - General Tax Levy.

¹ 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.

² During year of levy.

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

Year Ended	Governmental Activities		Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹	
	General Obligation Bonds					
2020	\$	491,792,770	\$	491,792,770	0.39%	1,651
2019		532,101,201		532,101,201	0.44%	1,783
2018		598,868,122		598,868,122	0.52%	2,005
2017		535,073,473		535,073,473	0.50%	1,798
2016		562,468,941		562,468,941	0.53%	1,895
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

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

Notes: As of December 31, 2020, the Town - Primary Government had \$120,315,000 outstanding in bond 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 of Property ¹	Per Capita ²
2020	\$ 491,792,770	\$ 100,628	\$ 491,692,142	0.64%	1,651
2019	532,101,201	100,628	532,000,573	0.83%	1,783
2018	598,868,122	100,628	598,767,494	0.97%	2,005
2017	535,073,473	2,591,546	532,481,927	0.91%	1,790
2016	562,468,941	2,128,871	560,340,070	0.97%	1,887
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

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, 2020

<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	<u>\$ 491,792,770</u>	100.00%	<u>\$ 491,792,770</u>
Total Direct Debt	<u>491,792,770</u>		<u>491,792,770</u>
Overlapping:			
Nassau County	4,053,722,262	25.95%	1,051,940,927
School Districts	25,741,058	100.00%	25,741,058
Fire Districts	2,035,000	100.00%	2,035,000
Water Districts	73,351,625	100.00%	73,351,625
Sewer District	1,197,294	100.00%	1,197,294
Incorporated Villages	<u>47,502,390</u>	100.00%	<u>47,502,390</u>
Total Overlapping Debt	<u>4,203,549,629</u>		<u>1,201,768,294</u>
Total Direct and Overlapping Debt	<u>\$ 4,695,342,399</u>		<u>\$ 1,693,561,064</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, 2020

Year Ended December 31,	Assessed Valuation	State Equalization Rate	Full Valuation
2020	\$ 130,642,237	0.17%	\$ 76,848,374,706
2019	134,800,551	0.21%	64,190,738,571
2018	135,960,990	0.22%	61,800,450,000
2017	140,827,867	0.24%	58,678,277,917
2016	149,895,469	0.26%	57,652,103,462
Total Five Year Full Valuation			<u>\$ 319,169,944,656</u>
Five Year Average Full Valuation of Taxable Real Property			<u>63,833,988,931</u>
Debt Limit - 7% of Five Year Average Full Valuation			<u>4,468,379,225</u>
Inclusions:			
Outstanding Bonds			552,430,000
Bond Anticipation Notes (including Long-term BANs)			<u>200,504,534</u>
Total Inclusions			<u>752,934,534</u>
Exclusions:			
Water Bonds			73,321,044
Water Bond Anticipation Notes			<u>80,189,534</u>
Total Exclusions			<u>153,510,578</u>
Total Net Indebtedness Subject to the Debt Limit			<u>599,423,956</u>
Net Debt Contracting Margin			<u>3,868,955,269</u>
Percent of Debt Limit Exhausted			13.41%

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
2020	\$ 4,468,379,225	\$ 752,934,534	\$ 153,510,578	\$ 599,423,956	\$ 3,868,955,269	86.59%
2019	4,213,098,679	702,325,000	97,463,489	604,861,511	3,608,237,168	85.64%
2018	4,076,731,723	710,880,369	93,704,861	617,175,508	3,459,556,215	84.86%
2017	3,969,483,296	756,410,000	90,267,694	666,142,306	3,303,340,990	83.22%
2016	3,969,019,193	808,670,000	74,708,959	733,961,041	3,235,058,152	81.51%
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%

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

Year Ended December 31,	Population ¹	Personal Income ² (in millions)	Per Capita Income ^{2,7}	Median Age ^{3,7,9}	Unemploy- ment Rate ^{2,4,6}	Year-Round Households Estimate ^{4,7}	Average Household Size Estimate ^{4,7}	Population Density Per Square Mile ^{4,7,8}	Public School Enrollment ⁵
2020	297,822	\$ 126,522	\$59,309	44.3	7.80%	\$ 101,216	2.89	2,599	51,902
2019	298,391	122,032	56,591	44.3	3.10%	100,289	2.92	2,604	51,772
2018	298,655	116,084	54,532	44.2	3.30%	99,679	2.95	2,606	52,045
2017	297,537	107,959	51,093	43.8	3.90%	99,217	2.96	2,596	52,030
2016	296,876	105,861	49,697	43.7	3.70%	98,509	2.97	2,591	52,413
2015	298,766	100,019	50,950	44.1	3.90%	98,872	2.97	2,862	52,791
2014	294,307	98,096	50,770	44.4	4.40%	99,159	2.95	2,853	53,384
2013	296,108	95,475	44,704	42.9	5.50%	98,210	2.96	2,836	54,120
2012	293,990	91,120	47,757	44.9	6.60%	100,094	2.89	2,816	54,563
2011	292,033	87,992	45,529	42.6	6.50%	93,579	2.93	2,826	55,098

Sources:

- ¹ Bureau of the Census / American Community Survey
- ² Bureau of Economic Analysis. Figures are for Nassau County when not available for the Town
- 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 State Department of Labor
- ⁷ U.S. Census Bureau
- ⁸ Town of Oyster Bay Official Statement
- ⁹ Towncharts.com

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

2020

Rank	Name	Type of Business	Number of Employees
1	Gate Gourmet Inc.	Airport Services	A
2	North Shore Univ. Hosp. Med.	Hospitals	B
3	North Shore Hospital Pharmacy	Pharmacies	B
4	Pro Health ENT	Otorhinolaryngology Ear Nose Physician	B
5	NYU Winthrop-University Hospital	Hospitals	B
6	Adelphi University	Schools-Universities & Colleges	C
7	Baldwin Union Free School District	School Districts	C
8	Best Yet Market Inc.	Grocers -Retail	C
9	Commercial Building Mntnc.	Cleaners	C
10	Darby Dental Supply	Dental Equipment & Supplies- Wholesale	C

2011

Rank	Name	Type of Business	Number of Employees
1	Cablevision Systems	Entertainment/Telecommunications	A
2	Gov't. Employees Insurance Co.	Insurance Agents/Brokers	A
3	Keyspan/National Grid	Public Utility	A
4	King Kullen Grocery	Supermarket Chain	A
5	Long Island University	College University	A
6	Northrop Grumman Systems Corp.	Electronic & Aircraft Software Systems	A
7	North Shore University Hospital	General Medical & Surgical Hospital	A
8	N.C. Assoc. for Help of Retarded Children	Job Training & Vocational Rehab Services	A
9	St Francis Hospital	General Medical & Surgical Hospital	A
10	Tj Precision Consulting, Inc.	Business Consulting Services	B

Source: Town of Oyster Bay Official Statements.

Note: Percentage of total Town employment is not available.

Code	Approximate Number of Employees
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	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General government support	253	246	237	228	224	248	258	256	253	274
Public safety	123	116	112	114	109	123	126	118	116	125
Transportation	126	125	119	113	120	142	151	152	160	176
Economic assistance and opportunity	9	9	8	10	11	13	14	11	11	11
Culture and recreation	258	256	247	254	268	289	293	280	287	303
Home and community services	264	257	270	279	301	333	343	350	344	361
Total	<u>1,033</u>	<u>1,009</u>	<u>993</u>	<u>998</u>	<u>1,033</u>	<u>1,148</u>	<u>1,185</u>	<u>1,167</u>	<u>1,171</u>	<u>1,250</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,	2020	2019	2018	2017	2016
Function					
General Government Support					
Public Safety					
Building					
Residential building permits issued	4,559	4,745	5,265	5,057	5,140
Commercial building permits issued	688	1,093	997	1,013	1,161
Public Safety					
Animals received	262	569	695	708	803
Animals adopted	92	289	384	364	382
Animals redeemed	85	118	118	105	149
Town Clerk					
Permits issued ¹	17,182	5,403	26,970	6,975	31,891
Fire					
Number of fire protection districts	7	7	7	7	7
Number of calls answered	8,823	9,072	8,913	8,473	8,565
Transportation					
Parking Meters					
Number of parking meters	180	247	219	275	275
Collections per month	1	2	2	2	2
Highways and Streets					
Street resurfacing (miles)	33	46	3	3	2
Number of trees planted	5		31		
Number of trees removed	1,902	671	1,347	697	720
Economic Assistance and Opportunity					
Culture and Recreation					
Beach permits issued	42,014	46,850	44,010	47,553	45,439
Registration for adult programs	457	1,401	611	979	880
Registration for summer programs	1,189	1,953	1,817	1,721	1,631
Home and Community Services					
Sanitation					
Refuse collected (tons/day)	626	577	544	560	580
Recyclables collected (tons/day) ²	87	203	220	176	196

Source: Various departments of the Town of Oyster Bay.

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

² Single stream collections began October 23, 2017 and ended as of January 1, 2019.

2015	2014	2013	2012	2011
4,745	4,739	4,838	3,935	4,018
715	866	1,062	795	921
788	805	783	826	804
363	258	354	233	327
127	130	127	172	127
9,275	27,446	6,050	29,592	8,272
7	7	7	7	7
8,321	7,503	8,926	7,822	18,240
275	275	275	275	305
2	2	2	2	2
3	7	11	14	18
781	794	1,566	1,080	419
616	801	2,808	2,695	3,396
48,247	47,512	45,262	48,316	50,974
714	766	709	238	400
1,627	1,685	1,975	2,150	2,300
567	588	1,259	1,293	633
180	208	195	178	190

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

Year Ended December 31,	2020	2019	2018	2017	2016
Function					
General Government Support					
Municipal buildings	3	3	3	3	3
Central vehicle maintenance					
Vehicles maintained	590	700	700	700	700
Transportation					
Highways and streets					
Streets (miles) ⁽¹⁾	733	733	733	781	781
Streetlights	21,106	21,096	21,051	20,989	20,990
Parking fields	54	56	45	56	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	67	94	91	81	64

Source: Various departments of the Town of Oyster Bay.

(1) As per consultation evaluation in 2018.

2015	2014	2013	2012	2011
3	3	3	3	3
700	700	700	700	700
781	781	781	781	781
20,927	20,927	23,000	25,000	25,000
54	54	54	54	54
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	11	11	11	11
64	64	64	50	50

