

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE

BOND ANTICIPATION NOTES

In the opinion of Miller, Mannix, Schachner & Hafner, LLC, Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that interest on the Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes. See "TAX MATTERS" herein.

The Notes will NOT be designated "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.



\$10,500,000

TOWN OF MILTON

SARATOGA COUNTY, NEW YORK

\$10,500,000 Bond Anticipation Notes, 2024

(the "Notes")

Dated: July 25, 2024

Due: July 25, 2025

The Notes are general obligations of the Town of Milton, Saratoga County, New York (the "Town"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See "THE NOTES – Nature of Obligation" and "TAX LEVY LIMITATION LAW" herein. **The Notes will not be subject to prior redemption.**

At the option of the purchaser, the Notes will be issued in (i) registered certificated form in a single note certificate registered in the name of the successful bidder or (ii) registered book-entry-only form registered to Cede & Co., as the partnership nominee for The Depository Trust Company, New York, New York ("DTC").

If the Notes are issued registered in the name of the purchaser, a single note certificate will be issued for those Notes of an issue bearing the same rate of interest in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on such Notes will be payable in Federal Funds by the Town. Paying agent fees, if any, will be the responsibility of the purchaser should the purchaser choose to engage same.

If the Notes are issued in book-entry-only form, such notes will be delivered to DTC, which will act as securities depository for the Notes. Beneficial owners will not receive certificates representing their interest in the Notes. Individual purchases may be made in denominations of \$5,000 or integral multiples thereof. A single note certificate will be issued for those Notes bearing the same rate of interest and CUSIP number in the aggregate principal amount awarded to such purchaser at such interest rate. Principal of and interest on said Notes will be paid in Federal Funds by the Town to Cede & Co., as nominee for DTC, which will in turn remit such principal and interest to its participants for subsequent distribution to the beneficial owners of the Notes as described herein. Transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. (See "BOOK-ENTRY-ONLY SYSTEM" herein).

The Notes are offered when, as and if issued and received by the purchaser and subject to the receipt of the approving legal opinion as to the validity of the Notes of Miller, Mannix, Schachner & Hafner, LLC, Glens Falls, New York, Bond Counsel. It is anticipated that the Notes will be available for delivery through the facilities of DTC in Jersey City, New Jersey, or as may be agreed upon with the purchaser, on or about July 25, 2024.

ELECTRONIC BIDS for the Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on July 11, 2024 by no later than 11:00 A.M., Prevailing Time, pursuant to the Notice of Sale. Bids may also be submitted by facsimile at (315) 930-2354. No other form of electronic bidding services will be accepted. Once the bids are communicated electronically via Fiscal Advisors Auction or via facsimile to the Town, each bid will constitute an irrevocable offer to purchase the Notes pursuant to the terms provided in the Notice of Sale.

July 2, 2024

THE TOWN DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER, AS IS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. THE TOWN WILL COVENANT IN AN UNDERTAKING TO PROVIDE NOTICE OF CERTAIN MATERIAL EVENTS AS DEFINED IN THE RULE. SEE "APPENDIX – C – MATERIAL EVENT NOTICES" HEREIN.



TOWN BOARD

SCOTT OSTRANDER
Town Supervisor

COUNCIL MEMBERS

BARBARA KERR
MEG SODEN

JOHN FROLISH
ERIC DELNICKI

* * * * *

DAVID BRAYMER
Town Comptroller

JIM CRAIG
Town Attorney

MILLER, MANNIX SCHACHNER & HAFNER, LLC
Bond Counsel



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

No person has been authorized by the Town of Milton to give any information or to make any representations not contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates, and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town of Milton.

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OFFICIAL STATEMENT
of the
TOWN OF MILTON
SARATOGA COUNTY, NEW YORK

Relating To
\$10,500,000 Bond Anticipation Notes, 2024

This Official Statement, which includes the cover page and appendices, has been prepared by the Town of Milton, Saratoga County, New York (the “Town”, “County”, and “State”, respectively), in connection with the sale by the Town of \$10,500,000 Bond Anticipation Notes, 2024 (referred to herein as the “Notes”).

The factors affecting the Town's financial condition and the Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Town tax base, revenues, and expenditures, this Official Statement should be read in its entirety, and no one factor should be considered more or less important than any other by reason of its relative position in this Official Statement.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State and acts and proceedings of the Town contained herein do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof, and all references to the Notes and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive forms of the Notes and such proceedings.

THE NOTES

Description of the Notes

The Notes are general obligations of the Town, and will contain a pledge of its faith and credit for the payment of the principal thereof and interest thereon as required by the laws of the State of New York. All the taxable real property within the Town is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limitations. See “TAX LEVY LIMITATION LAW” herein.

Under Article VIII of the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and the State is specifically precluded from restricting the power of the Town to levy taxes on real property for the payment of such indebtedness. See “Nature of Obligation” herein.

The Notes are dated July 25, 2024 and will mature on July 25, 2025. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Notes will be issued in either (i) at the option of the purchaser, as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York, which will act as the securities depository for the Notes. Under this option, payment of the principal of and interest on the Notes to the Beneficial Owner of the Notes will be made by DTC Participants and Indirect Participants in accordance with standing instructions and customary practices. Payment will be the responsibility of the DTC, subject to any statutory and regulatory requirements as may be in effect from time to time. See “BOOK-ENTRY-ONLY SYSTEM” herein; or (ii) registered in the name of the purchaser with principal and interest payable in Federal Funds at the office of the Town Clerk in Milton, New York.

No Optional Redemption

The Notes are to be issued without the option of prior redemption.

Purpose of Issue

The Notes are being issued pursuant to the Constitution and statutes of the State including among others, the Town Law, the Local Finance Law and a bond resolution adopted by the Town Board on October 25, 2023, authorizing the issuance of \$13,500,000 serial bonds to finance the construction of a new highway garage.

The Notes are the first borrowing against the above authorization and the proceeds of the Notes will provide \$10,500,000 new monies for the above referenced project.

Nature of Obligation

Each of the Notes when duly issued and paid for will constitute a contract between the Town and the holder thereof.

Holders of any series of bonds or notes of the Town may bring an action or commence a proceeding in accordance with the civil practice law and rules to enforce the rights of the holders of such series of notes or bonds.

The Notes will be general obligations of the Town and will contain a pledge of the faith and credit of the Town for the payment of the principal thereof and the interest thereon as required by the Constitution and laws of the State. For the payment of such principal and interest, the Town has power and statutory authorization to levy ad valorem taxes on all real property within the Town subject to such taxation by the Town, subject to applicable statutory limitations.

Although the State Legislature is restricted by Article VIII, Section 12 of the State Constitution from imposing limitations on the power to raise taxes to pay “interest on or principal of indebtedness theretofore contracted” prior to the effective date of any such legislation, the New York State Legislature may from time to time impose additional limitations or requirements on the ability to increase a real property tax levy or on the methodology, exclusions or other restrictions of various aspects of real property taxation (as well as on the ability to issue new indebtedness). On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to local governments and school districts in the State (with certain exceptions) and imposes additional procedural requirements on the ability of municipalities and school districts to levy certain year-to-year increases in real property taxes.

Under the Constitution of the State, the Town is required to pledge its faith and credit for the payment of the principal of and interest on the Notes and is required to raise real estate taxes, and without specification, other revenues, if such levy is necessary to repay such indebtedness. While the Tax Levy Limitation Law imposes a statutory limitation on the Town’s power to increase its annual tax levy with the amount of such increase limited by the formulas set forth in the Tax Levy Limitation Law, it also provides the procedural method to surmount that limitation. See “TAX LEVY LIMITATION LAW,” herein.

The Constitutionally-mandated general obligation pledge of municipalities and school districts in New York State has been interpreted by the Court of Appeals, the State’s highest court, in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), as follows:

“A pledge of the City’s faith and credit is both a commitment to pay and a commitment of the City’s revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City’s “faith and credit” is secured by a promise both to pay and to use in good faith the City’s general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, “faith” and “credit” are used and they are not tautological. That is what the words say and this is what the courts have held they mean...So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city’s power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted...While phrased in permissive language, these provisions, when read together with the requirement of the pledge and faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded”.

In addition, the Court of Appeals in the *Flushing National Bank* (1976) case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of political subdivisions in New York State.

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, insuring the availability of the levy of property tax revenues to pay debt service. As the *Flushing National Bank* (1976) Court noted, the term “faith and credit” in its context is “not qualified in any way”. Indeed, in *Flushing National Bank v. Municipal Assistance Corp.*, 40 N.Y.2d 1088 (1977) the Court of Appeals described the pledge as a direct constitutional mandate. In *Quirk v. Municipal Assistance Corp.*, 41 N.Y.2d 644 (1977), the Court of Appeals stated that, while holders of general obligation debt did not have a right to particular revenues such as sales tax, “with respect to traditional real estate tax levies, the bondholders are constitutionally protected against an attempt by the State to deprive the city of those revenues to meet its obligations.” According to the Court in *Quirk*, the State Constitution “requires the city to raise real estate taxes, and without specification other revenues, if such a levy be necessary to repay indebtedness.”

In addition, the Constitution of the State requires that every county, city, town, village, and school district in the State provide annually by appropriation for the payment of all interest and principal on its serial bonds and certain other obligations, and that, if at any time the respective appropriating authorities shall fail to make such appropriation, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. In the event that an appropriating authority were to make an appropriation for debt service and then decline to expend it for that purpose, this provision would not apply. However, the Constitution of the State does also provide that the fiscal officer of any county, city, town, village, or school district may be required to set apart and apply such first revenues at the suit of any holder of any such obligations.

In *Quirk v. Municipal Assistance Corp.*, the Court of Appeals described this as a “first lien” on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in New York State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy to pay debt service on such obligations, but that such pledge may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues.

While the courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes if selected by the purchaser. As such, the Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for the Notes bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of the purchaser of the Notes ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Principal and interest payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Town, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

Source: The Depository Trust Company.

THE TOWN CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE NOTES (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE NOTES OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE TOWN WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC; (2) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE NOTES.

THE INFORMATION CONTAINED HEREIN CONCERNING DTC AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND THE TOWN MAKES NO REPRESENTATION AS TO THE COMPLETENESS OR THE ACCURACY OF SUCH INFORMATION OR AS TO THE ABSENCE OF MATERIAL ADVERSE CHANGES IN SUCH INFORMATION SUBSEQUENT TO THE DATE HEREOF.

Certificated Notes Under Certain Circumstances

If the book-entry form is initially chosen by the purchaser of the Notes, DTC may discontinue providing its services with respect to the Notes at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town may terminate its participation in the system of book-entry-only system transfers through DTC at any time. In the event that such book-entry-only system is utilized by a purchaser of the Notes upon issuance and later discontinued, the following provisions will apply:

The Notes will be issued in fully registered form in a single note certificate. Principal of and interest on the Notes will be payable at a principal corporate trust office of a bank or trust company located and authorized to do business in the State of New York to be named as fiscal agent by the Town. The Notes will remain not subject to the option of redemption prior to their stated final maturity date as stated herein.

THE TOWN

General Information

The Town and its 22,700+ acres is centrally located in Saratoga County. The Town's defining feature is the Kayaderosseras Creek, a New York State designated prime trout stream that runs through the middle of the town.

Town center is home to many outdoor recreation facilities including the 133-acre Woods Hollow Nature Preserve the Suzanne Lyall Park on that has special equipment for those residents with special needs, and the Burgess-Kimball Memorial Park that features tennis, pickleball, and basketball courts, as well as baseball and softball fields. Both playgrounds are fenced the way around and pavilions can be rented for family gatherings.

The Town also has a walking trail along the Kayaderosseras Creek known as the Creekside Park trail that is located off Rock City Road. It meanders alongside the creek for 1.5 miles with parking areas at both ends.

A portion of the Village of Ballston Spa lies within the Town and is a great spot for walking, shopping or just stopping for a bite to eat. Visit the Old Iron Springs on Front Street for a taste of history. Town Center at the corners of Rowland Street and Geyser Road also host shopping and eating as well as the sidewalk link to the Saratoga Springs State Park.

Larger Employers

The top five employers located within the Town and the estimated number of persons employed by each are as follows:

<u>Employer</u>	<u>Type</u>	<u>Approximate # of Employees</u>
United States Department of Energy	Federal Government	150
Saratoga County	Local Government	450
Hannaford	Grocery	150
Town of Milton	Local Government	58
Cottrell Paper Co.	Manufacturing	40

Source: Town officials.

Population Trends

	<u>Town of Milton</u>	<u>Saratoga County</u>	<u>New York State</u>
2010	18,575	219,607	19,378,102
2020	18,808	235,502	20,201,230
2023	19,339	238,711	19,571,216

Source: U.S. Census Bureau.

Selected Wealth and Income Indicators

Per capita income statistics are available for the City, County and State. Listed below are select figures from the 2000 census and 2006-2010 and 2018-2022 American Community Survey data.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2018-2022</u>	<u>2000</u>	<u>2006-2010</u>	<u>2018-2022</u>
Town of:						
Milton	\$ 20,443	\$ 28,532	\$ 45,636	\$ 51,771	\$ 76,751	\$ 117,336
County of:						
Saratoga	23,945	32,186	51,931	58,213	81,251	121,420
State of:						
New York	23,389	30,948	47,173	51,691	67,405	100,846

Note: 2019-2023 American Community Survey estimates are not available as of the date of this Official Statement.

Unemployment Rate Statistics

Unemployment statistics are not available for the Town as such. The smallest area for which such statistics are available (which includes the Town) is Saratoga County. The information set forth below with respect to Saratoga County and the State of New York is included for information purposes only. It should not be implied from the inclusion of such data in this Official Statement that Saratoga County or the State is necessarily representative of the Town, or vice versa.

	<u>Annual Average</u>						
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
County of Saratoga	4.0%	3.5%	3.4%	6.7%	3.8%	2.7%	2.9%
State of New York	4.7%	4.1%	4.0%	10.0%	6.9%	4.3%	4.2%

	<u>2024 Monthly Figures</u>					
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
County of Saratoga	3.5%	3.6%	3.5%	N/A	N/A	N/A
State of New York	4.3%	4.5%	4.2%	N/A	N/A	N/A

Note: Unemployment rates for the months of April, May, and June of 2024 are unavailable as of the date of this Official Statement.

Source: Department of Labor, State of New York. Figures not seasonally adjusted.

Form of Town Government

The Town is governed by the provisions of the General Municipal Law and the Town Law.

The chief executive officer of the Town is the Supervisor. The Supervisor is also a member of the Town Board. In addition to the Supervisor, there are four members of the Town Board. Both the Supervisor and councilpersons are elected at large.

The Town Board appoints all department heads and non-elected officials.

Budgetary Procedure

The Supervisor prepares a preliminary budget each year, pursuant to the laws of the State of New York, and holds a public hearing thereon. Subsequent to the public hearing, revisions, if any, are made and the budget is then adopted by the Town Board as its final budget for the coming fiscal year. The budget is not subject to referendum, but the tax levy for all budgets is subject to the provisions of the Tax Levy Limitation Law. See “TAX LEVY LIMITATION LAW” herein.

The Town's 2023 adopted budget was in compliance with the New York State tax levy limit.

The Town's 2024 adopted budget was in compliance with the New York State tax levy limit.

Investment Policy

Pursuant to the statutes of the State of New York, the Town is permitted to invest only in the following investments: (1) special time deposits or certificates of deposits in a bank or trust company located and authorized to do business in the State of New York; (2) obligations of the United States of America; (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America; (4) obligations of the State of New York; (5) with the approval of the New York State Comptroller, tax anticipation notes and revenue anticipation notes issued by any New York municipality or district corporation, other than the Town; (6) obligations of a New York public corporation which are made lawful investments by the Town pursuant to another provision of law; (7) certain certificates of participation issued on behalf of political subdivisions of the State of New York; and, (8) in the case of Town moneys held in certain reserve funds established pursuant to law, obligations issued by the Town. These statutes further require that all bank deposits, in excess of the amount insured under the Federal Deposit Insurance Act, be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit, as those terms are defined in the law.

State Aid

The Town receives financial assistance from the State. In its general fund budget for the 2024 fiscal year, approximately 17.00% of the General Fund revenues of the Town are estimated to be received in the form of State aid.

If the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes in order to pay State aid to municipalities and school districts in the State, including the Town, in any year, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State to make State aid payments. Additionally, 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. No assurance can be given that present State aid levels will be maintained in the future. In view of the State's continuing budget problems, future State aid reductions are likely. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Town during its current fiscal year as well as in the future, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "MARKET AND RISK FACTORS" herein.)

Employees

The Town currently employs approximately 58 employees that are not represented by collective bargaining agents.

Source: Town officials.

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Status and Financing of Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS"). The ERS is generally also known as the "Common Retirement Fund". The ERS is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefit to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The ERS offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the ERS.

The ERS is non-contributory with respect to members hired prior to July 27, 1976 (Tier 1 & 2); members hired from July 27, 1976 through December 31, 2009 (Tier 3 & 4) contribute 3% for the first 10 years of service and then become non-contributory; members hired from January 1, 2010 through March 31, 2012 (Tier 5) must contribute 3% for their entire careers; members hired April 1, 2012 (Tier 6) or after will contribute between 3 and 6 percent for their entire careers based on their annual wage.

For ERS, Tier 5 provides for:

- Raising the minimum age at which most civilians can retire without penalty from 55 to 62 and imposing a penalty of up to 38% for any civilian who retires prior to age 62.
- Requiring employees to continue contributing 3% of their salaries toward pension costs so long as they accumulate additional pension credits.
- Increasing the minimum years of service required to draw pension from 5 years to 10 years.
- Capping the amount of overtime that can be considered in the calculation of pension benefits for civilians at \$15,000 per year, and for police & firefighters at 15% of non-overtime wages.

For ERS, Tier 6 provides for:

- Increase in contribution rates of between 3% and 6% base on annual wage
- Increase in the retirement age from 62 years to 63 years
- A readjustment of the pension multiplier
- A change in the period for final average salary calculation from 3 years to 5 years

<u>Year</u>	<u>ERS</u>
2019	\$ 220,559
2020	218,043
2021	206,142
2022	183,184
2023	192,524
2024 (Budgeted)	199,390

Source: Town officials.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The Town offered an early retirement incentive in 2018, in which two employees participated. The Town does not currently offer any early retirement incentives outstanding.

Historical Trends and Contribution Rates. Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the ERS in the 1990s, the locally required annual contribution declined to near zero. However, with the subsequent decline in the equity markets in the early 2000s, the pension system became underfunded. As a result, required contributions for ERS increased substantially from 1.5% in 2003 to 12.9% in 2005. Wide swings in the contribution rates can result in budgetary planning problems for many participating local governments.

A chart of average ERS and PFRS rates (2020 to 2024) is shown below:

<u>State Fiscal Year Ending</u>	<u>ERS</u>
2020	14.6
2021	14.6
2022	16.2
2023	11.6
2024	13.1
2025	15.2

Chapter 49 of the Laws of 2003 amended the Retirement and Social Security Law and Local Finance Law. The amendments empowered the State Comptroller to implement a comprehensive structural reform program that establishes a minimum contribution for any employer equal to 4.5% of pensionable salaries for required contributions due December 15, 2003 and for all years thereafter where the actual rate would otherwise be 4.5% or less. In addition, it instituted a billing system that will advise employers over one year in advance concerning actual pension contribution rates.

Chapter 57 of the Laws of 2010 (Part TT) amended the Retirement and Social Security Law to authorize participating local government employers, if they so elect, to amortize an eligible portion of their annual required contributions to both ERS and PFRS, when employer contribution rates rise above certain levels. The option to amortize the eligible portion began with the annual contribution due February 1, 2011. The amortizable portion of an annual required contribution is based on a “graded” rate by the State Comptroller in accordance with formulas provided in Chapter 57. Amortized contributions are to be paid in equal annual installments over a ten-year period, but may be prepaid at any time. Interest is to be charged on the unpaid amortized portion at a rate to be determined by State Comptroller, which approximates a market rate of return on taxable fixed rate securities of a comparable duration issued by comparable issuers. The interest rate is established annually for that year’s amortized amount and then applies to the entire ten years of the amortization cycle of that amount. When in any fiscal year, the participating employer’s graded payment eliminates all balances owed on prior amortized amounts, any remaining graded payments are to be paid into an employer contribution reserve fund established by the State Comptroller for the employer, to the extent that amortizing employer has no currently unpaid prior amortized amounts, for future such use.

Stable Rate Pension Contribution Option. The 2013-14 Adopted State Budget included a provision that authorized local governments, including the Town, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS. For 2014 and 2015 the rate is 12.0% for ERS; the rates applicable to 2016 and thereafter are subject to adjustment. The pension contribution rates under this program would reduce near-term payments for employers, but require higher than normal contributions in later years.

The Town is not amortizing or smoothing any pension payments, nor does it intend to do so in the foreseeable future.

The investment of monies and assumptions underlying same, of the ERS covering the Town’s employees is not subject to the direction of the Town. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of the ERS (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, increases in retirement benefits, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAALs could be substantial in the future, requiring significantly increased contributions from the Town which could affect other budgetary matters. Concerned investors should contact the ERS administrative staff for further information on the latest actuarial valuations of the ERS.

Other Post-Employment Benefits

Healthcare Costs. It should also be noted that the Town provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. There is now an accounting rule that will require governmental entities, such as the Town, to account for post-retirement healthcare benefits as it accounts for vested pension benefits. GASB Statement No. 45 (“GASB 45”) of the Governmental Accounting Standards Board (“GASB”), described below, requires such accounting.

OPEB. Other Post-Employment Benefits (“OPEB”) refers to “other post-employment benefits,” meaning other than pension benefits, disability benefits and OPEB consist primarily of health care benefits, and may include other benefits such as disability benefits and life insurance. Until now, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements.

GASB 75. In 2015, the GASB released new accounting standards for public other postemployment benefits (OPEB) plans and participating employers. These standards, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (“GASB 75”), have substantially revised the valuation and accounting requirements previously mandated under GASB Statements No. 43 and 45. The implementation of this statement requires municipalities to report Other Post-Employment Benefits (“OPEB”) liabilities, OPEB expenses, deferred outflow of resources and deferred inflow of resources related to OPEB. GASB Statement No. 75 replaced GASB Statement 45, which also required municipalities to calculate and report a net other postemployment benefit obligation. However, under GASB 45 municipalities could amortize the OPEB liability over a period of years, whereas GASB 75 requires municipalities to report the entire OPEB liability on the statement of net position.

The Town contracted with an actuarial firm to calculate its actuarial valuations under GASB 75. The following outlines the changes to the total OPEB liability during the 2022 and 2023 fiscal year, by source.

	<u>2022</u>	<u>2023</u>
Balance at Beginning of Fiscal Year:	\$ <u>9,644,008</u>	\$ <u>3,612,125</u>
<u>Changes for the Year:</u>		
Service cost	\$ 669,646	\$ 162,667
Interest	209,363	158,291
Changes in benefit terms	(2,751,537)	0
Differences between expected and actual experience	(2,378,250)	51,069
Changes in assumptions or other inputs	(1,578,392)	152,031
Benefit payments	<u>(202,713)</u>	<u>(206,451)</u> ⁽¹⁾
Net Changes	<u>\$ (6,031,883)</u>	<u>\$ 317,607</u>
Balance at End of Fiscal Year:	<u>\$ 3,612,125</u>	<u>\$ 3,929,732</u>

⁽¹⁾ Based on \$192,248 actual benefit payments and \$14,203 in actuarial implicit liability benefit payments.

Source: GASB 75 Actuarial Valuation of the Town. The above tables are not audited.

There is no authority in current State law to establish a trust account or reserve fund for this liability. The Town has reserved \$0 towards its OPEB liability. The Town funds this liability on a pay-as-you-go basis.

The Town unfunded actuarial accrued OPEB liability could have a material adverse impact upon the Town finances and could force the Town to reduce services, raise taxes or both.

Under GASB 75, an actuarial valuation will be required every 2 years for all plans, however, the Alternative Measurement Method continues to be available for plans with less than 100 members.

Other Information

The statutory authority for the power to spend money for the object or purpose, or to accomplish the object or purpose, for which the Notes are to be issued is the Town Law and the Local Finance Law.

The Town is in compliance with the procedure for the validation of the Notes provided in Title 6 of Article 2 of the Local Finance Law.

No principal or interest upon any obligation of the Town is past due.

The fiscal year of the Town is the calendar year.

Other than as provided under the section “Estimated Overlapping Indebtedness,” this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Town.

Financial Statements

The Town retains an independent certified public accountant firm for a continuous independent audit of all financial transactions of the Town. The financial affairs of the Town are also subject to annual audits by the State Comptroller. The independent audit for the fiscal year ending December 31, 2023 is attached hereto as “APPENDIX – D”.

The Town complies with the Uniform System of Accounts as prescribed for towns in New York State. The financial statements of the Town have been prepared on a regulatory basis in conformity with the New York State Accounting and Reporting Manual. The basis of presentation is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America as applied to governmental units. Reference should be made to the Town’s unaudited annual financial report update document for a summary of significant accounting policies.

Beginning with the fiscal year ending December 31, 2003, the Town was required to implement the accounting requirements promulgated by GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management’s Discussion and Analysis. The Town is currently in compliance with Statement No. 34.

BST & Co., the independent auditor for the Town, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. BST & Co. also has not performed any procedures relating to this Official Statement.

New York State Comptroller Reports of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Town has complied with the requirements of various State and Federal statutes. These audits can be found on the official website of the Office of the New York State Comptroller.

There are no State Comptroller audits of the Town in the past five years, nor are there any currently in progress or pending release at this time.

Fiscal Stress Monitoring System

The New York State Comptroller has reported that New York State’s school districts and municipalities are facing significant fiscal challenges. As a result, the Office of the State Comptroller has developed a Fiscal Stress Monitoring System (“FSMS”) to provide independent, objectively measured and quantifiable information to school district and municipal officials, taxpayers and policy makers regarding the various levels of fiscal stress under which the State’s school districts and municipalities are operating.

The fiscal stress scores are based on financial information submitted as part of each school district’s ST-3 report filed with the State Education Department annually, and each municipality’s annual report filed with the State Comptroller. Using financial indicators that include year-end fund balance, cash position and patterns of operating deficits, the system creates an overall fiscal stress score which classifies whether a school district or municipality is in “significant fiscal stress”, in “moderate fiscal stress,” as “susceptible to fiscal stress” or “no designation”. Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of “no designation.” This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity’s financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the below three years for the Town are as follows:

<u>Fiscal Year Ending:</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2022	No Designation	0.0
2021	No Designation	0.0
2020	No Designation	0.0

Source: Website of the Office of the New York State Comptroller.

For additional details regarding the FSMS, see the State Comptroller’s official website. Reference to this website implies no warranty of accuracy of information therein, and the website is not incorporated herein by reference.

TAX INFORMATION

Valuations

<u>Year of Town Tax Roll:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Assessed Valuation	\$ 1,090,121,344	\$ 1,124,379,244	\$ 1,145,829,800	\$ 1,056,651,174	\$ 995,914,951
New York State Equalization Rate	85.00%	85.00%	85.00%	76.50%	69.90%
Total Taxable Full Valuation	1,282,495,699	1,322,799,111	1,348,035,059	1,381,243,365	1,424,771,032

Source: Town assessment rolls. 2024 assessed and full valuation is sourced from 2024 tentative assessment roll.

Tax Rate Per \$1,000 (Assessed)

<u>Year of Town Tax Roll:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Town-Wide	\$ 0.661	\$ 0.617	\$ 0.617	\$ 0.602	\$ 0.612

Source: Town officials.

Tax Collection Record

<u>Fiscal Year Ending December 31:</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total Town General Fund Tax Levy	847,114.29	816,135.29	831,705.34	831,703.90	871,414.46
Amount Uncollected ⁽¹⁾	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

⁽¹⁾ The County guarantees collection of taxes. See "Tax Collection Procedure" herein.

Source: Town officials.

Tax Collection Procedure

Taxes are payable during the month of January without penalty. Penalties thereafter are imposed at rates determined by the Town Board. On April 15th, the tax roll is returned to the County and taxes plus penalties are payable to the County. The Town retains the total amount of Town, Highway, Special District and delinquent water and sewer charge levies from the total collections and returns the balance plus the uncollected items to the County, which assumes responsibility and holds annual tax sales. As far as the Town is concerned, there are no uncollected taxes. Payment in full of all Town items is guaranteed by the County.

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Ten Largest Taxpayers - 2023 Assessment Roll for 2024 Tax Roll

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Niagara Mohawk dba National Grid	Electric and Gas Facilities	\$ 31,428,008
Winners Circle Three Owner LP ET	Apartment Complex	17,500,000
Stockade LLC	Mobile Home Park	10,920,000
Winners Circle Four Owner LP ET	Apartment Complex	17,000,000
Well 1031 Holdco 1 LLC	Apartment Complex	13,500,000
Winners Circle Two Owner LP ET	Apartment Complex	11,000,000
Saratoga West Mobile Home Park	Mobile Home Park	3,200,000
Winners Circle One Owner LP ET	Apartment Complex	10,000,000
Winners Circle Five Owner LP ET	Apartment Complex	9,435,000
Saratoga Acres LLC	Mobile Home Park	2,058,100

The ten taxpayers listed above have a total taxable assessed valuation of \$126,041,108, which represents 12.66% of the tax base of the Town. As of the date of this Official Statement, the Town currently does not have any pending or outstanding tax certioraris that are known or believed could have a material impact on the finances of the Town.

Source: Town officials.

Additional Tax Information

Real property in the Town is assessed by the Town.

Veterans' and senior citizens' exemptions are offered to those who qualify.

TAX LEVY LIMITATION LAW

On June 24, 2011, Chapter 97 of the 2011 Laws of New York was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities' tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It was to expire on June 15, 2020 unless extended; 2020 legislation has made it permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent (60%) vote of the total voting strength of such body, a local law (or resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality, prior to adoption of each fiscal year budget, must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the tax levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of the Tax Levy Limitation Law, it is clear that no statute is able (a) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (b) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

Certain additional restrictions on the amount of the tax credit are set forth in Chapter 59 in order for the tax cap to qualify as one which will provide the tax credit benefit to such real property taxpayers. The tax credit amount is increased in the second year if compliance occurs in both taxable years.

For the second taxable year of the program, the tax credit for real property taxpayers is additionally contingent upon adoption by the school district or municipal unit of government of a state approved "government efficiency plan" which demonstrates "three year savings and efficiencies of at least one per cent per year from shared services, cooperation agreements and/or mergers or efficiencies".

Municipalities and school districts must provide certification of compliance with the requirements of the new provisions to certain state officials in order to render their real property taxpayers eligible for the tax credit.

While the provisions of Chapter 59 do not directly further restrict the taxing power of the affected school districts and municipal units of government, they do provide an incentive for such tax levies to remain within the tax cap limits established by the Tax Levy Limitation Law. The implications of this for future tax levies and for operations and services of the Town are uncertain at this time.

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the Town (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the Town and the Notes include the following:

Purpose and Pledge. Subject to certain enumerated exceptions, the Town shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The Town may contract indebtedness only for a Town purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within three fiscal year periods, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose as determined by statute; unless substantially level or declining debt service is utilized, no installment may be more than fifty per centum in excess of the smallest prior installment. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its notes.

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 per centum 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 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 Office of Real Property Services. 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.

Pursuant to Article VIII of the State Constitution and Title 9 of Article 2 of the Local Finance Law, the debt limit of the Town is calculated by taking 7% of the latest five-year average of the full valuation of all taxable real property.

Statutory Procedure

In general, the State Legislature has, by the enactment of the Local Finance Law, authorized the powers and procedure for the Town to borrow and incur indebtedness, subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including specifically the Town Law and the General Municipal Law.

Pursuant to the Local Finance Law, the Town authorizes the issuance of bonds by the adoption of a bond resolution, approved by at least two-thirds of the members of the Town Board, the finance board of the Town. Customarily, the Town Board has delegated to the Supervisor, as chief fiscal officer of the Town, the power to authorize and sell bond anticipation notes in anticipation of authorized bonds.

The Local Finance Law also provides that where a bond resolution is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

- (1) Such obligations are authorized for a purpose for which the Town is not authorized to expend money, or
- (2) There has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations and an action contesting such validity, is commenced within twenty days after the date of such publication or,
- (3) Such obligations are authorized in violation of the provisions of the Constitution.

Except on rare occasions the Town complies with this estoppel procedure. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

Each bond resolution usually authorizes the construction, acquisition or installation of the object or purpose to be financed, sets forth the plan of financing and specifies the maximum maturity of the bonds subject to the legal (Constitution, Local Finance Law) restrictions relating to the period of probable usefulness with respect thereto.

Statutory law in New York permits bond anticipation notes to be renewed each year provided annual principal installments are made in reduction of the total amount of such notes outstanding, commencing no later than two years from the date of the first of such notes and provided, generally, that such renewals do not exceed five years beyond the original date of borrowing. (See "Payment and Maturity" under "Constitutional Requirements" herein, and "Details of Outstanding Indebtedness" herein).

In general, the Local Finance Law contains provisions providing the Town with the power to issue certain other short-term general obligations indebtedness including revenue and tax anticipation notes and budget and capital notes (see "Details of Outstanding Indebtedness" herein).

Debt Outstanding End of Fiscal Year

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Bonds	\$ 0	\$ 0	\$ 0	\$ 780,000	\$ 630,000
Bond Anticipation Notes	<u>0</u>	<u>995,000</u>	<u>995,000</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	\$ 0	\$ 995,000	\$ 995,000	\$ 780,000	\$ 630,000

⁽¹⁾ Does not constitute general obligation debt, but does count toward the debt limit.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Town as of July 2, 2024.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2024-2027	\$ 630,000
<u>Bond Anticipation Notes</u>	-----	<u>0</u>
	Total Debt Outstanding	\$ 630,000

Debt Statement Summary

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of July 2, 2024:

Five-Year Average Full Valuation of Taxable Real Property	<u>\$ 1,351,868,853</u>
Debt Limit – 7% thereof.....	<u>94,630,819</u>
Inclusions:	
Bonds.....	\$ 630,000
Bond Anticipation Notes.....	<u>0</u>
Total Inclusions.....	\$ 630,000
Exclusions:	
Appropriations ⁽¹⁾	<u>155,000</u>
Total Exclusions.....	<u>\$ 155,000</u>
Total Net Indebtedness	<u>\$ 475,000</u>
Net Debt-Contracting Margin.....	<u>\$ 94,155,819</u>
The percent of debt contracting power exhausted is	0.50%

⁽²⁾ Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

Note: The issuance of the Notes will increase total net indebtedness by \$10,500,000.

Bonded Debt Service

A schedule of Bonded Debt Service may be found in “APPENDIX – B” to this Official Statement.

Cash Flow Borrowings

The Town has not issued revenue or tax anticipation notes or budget or deficiency notes in the recent past, and does not reasonably expect to issue such notes in the foreseeable future.

Authorized But Unissued Debt

Other than for the project being borrowed for, there are no additional capital projects to be financed by serial bonds which are authorized and unissued by the Town at the present time.

The Town is in the process of conducting an assessment of the Town’s major facilities to aid in planning and prioritizing capital improvements. The preliminary plan is the development of a Town Center Master Site including Town Hall and Kimball Memorial Park. As of the date of this Official Statement, the project is in the planning stages, but it is anticipated that additional debt will be issued to finance the project. Additional details regarding the planning process and design can be found at <https://reimaginemilton.com/>

Estimated Overlapping Indebtedness

In addition to the Town, the following political subdivisions have the power to issue obligations and to levy taxes or cause taxes to be levied on taxable real property in the Town. Bonded indebtedness, including bond anticipation notes, is estimated as of the close of the respective fiscal years of the below municipalities:

<u>Municipality</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>Town Share</u>	<u>Applicable Indebtedness</u>
County of:					
Saratoga	\$ 89,444,650	\$ 1,755,000 ⁽²⁾	\$ 87,689,650	5.50%	\$ 4,822,931
School District:					
Ballston Spa CSD	53,755,000	40,262,495 ⁽³⁾	13,492,505	39.51%	5,330,889
Galway CSD	23,255,000	18,301,685 ⁽³⁾	4,953,315	3.94%	195,161
Saratoga Springs City SD	51,660,000	36,420,300 ⁽³⁾	15,239,700	3.55%	541,009
				Total:	\$ 10,889,989

Notes:

- (1) Outstanding bonds and bond anticipation notes are as of the dates of the official statement or continuing disclosure statement, and are not adjusted to include subsequent bond or note sales, if any.
- (2) Water and sewer debt and appropriations.
- (3) Estimated State building aid based on current aid ratio.

Source: Saratoga County Official Statement dated September 8, 2023, Ballston Spa CSD Continuing Disclosure Statement dated December 27, 2023, Galway CSD Continuing Disclosure Statement dated December 15, 2023, and Saratoga Springs City SD Continuing Disclosure Statement dated December 15, 2023.

Debt Ratios

The following table sets forth certain ratios relating to the Town’s indebtedness as of July 2, 2024.

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness (see "Debt Statement Summary").....	\$ 475,000	\$ 24.56	0.03%
Net Indebtedness Plus Net Overlapping Indebtedness ^(c)	11,364,989	587.67	0.80%

- (a) The 2023 estimated population of the Town is 19,339. (See “Population Trends” herein.)
- (b) The Town's full value of taxable real estate for the 2024 tax roll is \$1,424,771,032. (See “Valuations” herein.)
- (c) The Town's estimated applicable share of net underlying indebtedness is \$10,889,989. (See “Estimated Overlapping Indebtedness” herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors’ Provision. Each Note when duly issued and paid for will constitute a contract between the Town and the holder thereof. Under current law, provision is made for contract creditors of the Town to enforce payments upon such contracts, if necessary, through court action. Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the Town upon any judgment or accrued claim against it on an amount adjudged due to a creditor shall not exceed nine per centum per annum from the date due to the date of payment. This provision might be construed to have application to the holders of the Notes in the event of a default in the payment of the principal of and interest on the Notes.

Execution/Attachment of Municipal Property. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment, although judicial mandates have been issued to officials to appropriate and pay judgments out of certain funds or the proceeds of a tax levy. In accordance with the general rule with respect to municipalities, judgments against the Town may not be enforced by levy and execution against property owned by the Town.

Authority to File for Municipal Bankruptcy. The Federal Bankruptcy Code allows public bodies, such as the Town, recourse to the protection of a Federal Court for the purpose of adjusting outstanding indebtedness. Section 85.80 of the Local Finance Law contains specific authorization for any municipality in the State or its emergency control board to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

The State has consented that any municipality in the State may file a petition with the United States District Court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness. Subject to such State consent, under the United States Constitution, Congress has jurisdiction over such matters and has enacted amendments to the existing federal bankruptcy statute, being Chapter 9 thereof, generally to the effect and with the purpose of affording municipal corporations, under certain circumstances, with easier access to judicially approved adjustment of debt including judicial control over identifiable and unidentifiable creditors.

No current state law purports to create any priority for holders of the Notes should the Town be under the jurisdiction of any court, pursuant to the laws of the United States, now or hereafter in effect, for the composition or adjustment of municipal indebtedness.

The rights of the owners of Notes to receive interest and principal from the Town could be adversely affected by the restructuring of the Town's debt under Chapter 9 of the Federal Bankruptcy Code. No assurance can be given that any priority of holders of debt obligations issued by the Town (including the Notes) to payment from monies retained in any debt service fund or from other cash resources would be recognized if a petition were filed by or on behalf of the Town under the Federal Bankruptcy Code or pursuant to other subsequently enacted laws relating to creditors' rights; such monies might, under such circumstances, be paid to satisfy the claims of all creditors generally.

Under the Federal Bankruptcy Code, a petition may be filed in the Federal Bankruptcy court by a municipality which is insolvent or unable to meet its debts as they mature. Generally, the filing of such a petition operates as a stay of any proceeding to enforce a claim against the municipality. The Federal Bankruptcy Code also requires that a plan be filed for the adjustment of the municipality's debt, which may modify or alter the rights of creditors and which could be secured. Any plan of adjustment confirmed by the court must be approved by the requisite number of creditors. If confirmed by the bankruptcy court, the plan would be binding upon all creditors affected by it.

State Debt Moratorium Law. There are separate State law provisions regarding debt service moratoriums enacted into law in 1975.

At the Extraordinary Session of the State Legislature held in November 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The City of New York. The effect of such act was to create a three-year moratorium on actions to enforce the payment of such obligations. On November 19, 1976, the Court of Appeals, the State's highest court, declared such act to be invalid on the ground that it violates the provisions of the State Constitution requiring a pledge by such City of its faith and credit for the payment of obligations.

As a result of the Court of Appeals decision in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law described below enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Town.

Right of Municipality or State to Declare a Municipal Financial Emergency and Stay Claims Under State Debt Moratorium Law. The State Legislature is authorized to declare by special act that a state of financial emergency exists in any county, city, town or village. (The provision does not by its terms apply to school districts or fire districts.) In addition, the State Legislature may authorize by special act establishment of an "emergency financial control board" for any county, city, town or village upon determination that such a state of financial emergency exists. Thereafter, unless such special act provides otherwise, a voluntary petition to stay claims may be filed by any such municipality (or by its emergency financial control board in the event said board requests the municipality to petition and the municipality fails to do so within five days thereafter). A petition filed in supreme court in county in which the municipality is located in accordance with the requirements of Title 6-A of the Local Finance Law ("Title 6-A") effectively prohibits the doing of any act for ninety days in the payment of claims, against the municipality including payment of debt service on outstanding indebtedness.

This includes staying the commencement or continuation of any court proceedings seeking payment of debt service due, the assessment, levy or collection of taxes by or for the municipality or the application of any funds, property, receivables or revenues of the municipality to the payment of debt service. The stay can be vacated under certain circumstances with provisions for the payment of amounts due or overdue upon a demand for payment in accordance with the statutory provisions set forth therein. The filing of a petition may be accompanied with a proposed repayment plan which upon court order approving the plan, may extend any stay in the payment of claims against the municipality for such “additional period of time as is required to carry out fully all the terms and provisions of the plan with respect to those creditors who accept the plan or any benefits thereunder.” Court approval is conditioned, after a hearing, upon certain findings as provided in Title 6-A.

A proposed plan can be modified prior to court approval or disapproval. After approval, modification is not permissible without court order after a hearing. If not approved, the proposed plan must be amended within ten days or else the stay is vacated and claims including debt service due or overdue must be paid. It is at the discretion of the court to permit additional filings of amended plans and continuation of any stay during such time. A stay may be vacated or modified by the court upon motion of any creditor if the court finds after a hearing, that the municipality has failed to comply with a material provision of an accepted repayment plan or that due to a “material change in circumstances” the repayment plan is no longer in compliance with statutory requirements.

Once an approved repayment plan has been completed, the court, after a hearing upon motion of any creditor, or a motion of the municipality or its emergency financial control board, will enter an order vacating any stay then in effect and enjoining of creditors who accepted the plan or any benefits thereunder from commencing or continuing any court action, proceeding or other act described in Title 6-A relating to any debt included in the plan.

Title 6-A requires notice to all creditors of each material step in the proceedings. Court determinations adverse to the municipality or its financial emergency control board are appealable as of right to the appellate division in the judicial department in which the court is located and thereafter, if necessary, to the Court of Appeals. Such appeals stay the judgment or appealed from and all other actions, special proceedings or acts within the scope of Section 85.30 of Title 6-A pending the hearing and determination of the appeals.

Whether Title 6-A is valid under the Constitutional provisions regarding the payment of debt service is not known. However, based upon the decision in the *Flushing National Bank* case described above, its validity is subject to doubt.

While the State Legislature has from time to time adopted legislation in response to a municipal fiscal emergency and established public benefit corporations with a broad range of financial control and oversight powers to oversee such municipalities, generally such legislation has provided that the provisions of Title 6-A are not applicable during any period of time that such a public benefit corporation has outstanding indebtedness issued on behalf of such municipality.

Fiscal Stress and State Emergency Financial Control Boards. Pursuant to Article IX Section 2(b)(2) of the State Constitution, any local government in the State may request the intervention of the State in its “property, affairs and government” by a two-thirds vote of the total membership of its legislative body or on request of its chief executive officer concurred in by a majority of such membership. This has resulted in the adoption of special acts for the establishment of public benefit corporations with varying degrees of authority to control the finances (including debt issuance) of the cities of Buffalo, Troy and Yonkers and the County of Nassau. The specific authority, powers and composition of the financial control boards established by these acts varies based upon circumstances and needs. Generally, the State legislature has granted such boards the power to approve or disapprove budget and financial plans and to issue debt on behalf of the municipality, as well as to impose wage and/or hiring freezes and approve collective bargaining agreements in certain cases. Implementation is left to the discretion of the board of the public benefit corporation. Such a State financial control board was first established for New York City in 1975. In addition, on a certificate of necessity of the governor reciting facts which in the judgment of governor constitute an emergency requiring enactment of such laws, with the concurrences of two-thirds of the members elected in each house of the State legislature the State is authorized to intervene in the “property, affairs and governments” of local government units. This occurred in the case of the County of Erie in 2005. The authority of the State to intervene in the financial affairs of local government is further supported by Article VIII, Section 12 of the Constitution which declares it to be the duty of the State legislature to restrict, subject to other provisions of the Constitution, the power of taxation, assessment, borrowing money and contracting indebtedness and loaning the credit of counties, cities, towns and villages so as to prevent abuses in taxation and assessment and in contracting indebtedness by them.

In 2013, the State established a new state advisory board to assist counties, cities, towns and villages in financial distress. The Financial Restructuring Board for Local Governments (the “FRB”), is authorized to conduct a comprehensive review of the finances and operations of any such municipality deemed by the FRB to be fiscally eligible for its services upon request by resolution of the municipal legislative body and concurrence of its chief executive. The FRB is authorized to make recommendations for, but cannot compel improvement of fiscal stability, management and delivery of municipal services, including shared services opportunities and is authorized to offer grants and/or loans of up to \$5,000,000 through a Local Government Performance and Efficiency Program to undertake certain recommendations. If a municipality agrees to undertake the FRB recommendations, it will be automatically bound to fulfill the terms in order to receive the aid.

The FRB is also authorized to serve as an alternative arbitration panel for binding arbitration.

Although from time to time, there have been proposals for the creation of a statewide financial control board with broad authority over local governments in the State, the FRB does not have emergency financial control board powers to intervene such as the public benefit corporations established by special acts as described above.

Several municipalities in the State are presently working with the FRB. The Town has not requested FRB assistance nor does it reasonably expect to do so in the foreseeable future. School districts and fire districts are not eligible for FRB assistance.

Constitutional Non-Appropriation Provision. There is in the Constitution of the State, Article VIII, Section 2, the following provision relating to the annual appropriation of monies for the payment of due principal of and interest on indebtedness of every county, city, town, village and school district in the State: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. See "General Municipal Law Contract Creditors' Provision" herein.

The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

Default Litigation. In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have upheld and sustained the rights of bondholders, such courts might hold that future events including financial crises as they may occur in the State and in political subdivisions of the State require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service. See "THE BONDS - Nature of Obligation" and "State Debt Moratorium Law" herein.

No Past Due Debt. No principal of or interest on Town indebtedness is past due. The Town has never defaulted in the payment of the principal of and interest on any indebtedness.

MARKET AND RISK FACTORS

There are various forms of risk associated with investing in the Notes. The following is a discussion of certain events that could affect the risk of investing in the Notes. In addition to the events cited herein, there are other potential risk factors that an investor must consider. In order to make an informed investment decision, an investor should be thoroughly familiar with the entire Official Statement, including its appendices, as well as all areas of potential investment risk.

The financial and economic condition of the Town as well as the market for the Notes could be affected by a variety of factors, some of which are beyond the Town's control. There can be no assurance that adverse events in the State and in other jurisdictions, including, for example, the seeking by a municipality or large taxable property owner of remedies pursuant to the Federal Bankruptcy Code or otherwise, will not occur which might affect the market price of and the market for the Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the Town to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Notes could be adversely affected.

The Town is dependent in part on financial assistance from the State. However, if the State should experience difficulty in borrowing funds in anticipation of the receipt of State taxes and revenues in order to pay State aid to municipalities and school districts in the State, including the Town, in any year, the Town may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the Town. In some years, the Town has received delayed payments of State aid which resulted from the State's delay in adopting its budget and appropriating State aid to municipalities and school districts, and consequent delay in State borrowing to finance such appropriations. (See also "State Aid".)

There are a number of general factors which could have a detrimental effect on the ability of the Town to continue to generate revenues, particularly property taxes. For instance, the termination of a major commercial enterprise or an unexpected increase in tax certiorari proceedings could result in a significant reduction in the assessed valuation of taxable real property in the Town. Unforeseen developments could also result in substantial increases in Town expenditures, thus placing strain on the Town's financial condition. These factors may have an effect on the market price of the Notes.

If a holder elects to sell his investment prior to its scheduled maturity date, market access or price risk may be incurred. If and when a holder of any of the Notes should elect to sell a Note prior to its maturity, there can be no assurance that a market shall have been established, maintained and be in existence for the purchase and sale of any of the Notes. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Notes is dependent on the prevailing level of interest rates; if interest rates rise, the price of a bond or note will decline, causing the bondholder or noteholder to incur a potential capital loss if such bond or note is sold prior to its maturity.

Amendments to U.S. Internal Revenue Code could reduce or eliminate the favorable tax treatment granted to municipal debt, including the Notes and other debt issued by the Town. Any such future legislation would have an adverse effect on the market value of the Notes (See "TAX MATTERS" herein).

Cybersecurity. The Town, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Town will be completely successful to guard against and prevent cyber threats and attacks. The result of any such attacks could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant.

CONTINUING DISCLOSURE

In order to assist the purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12" or the "Rule"), the Town will enter into an Undertaking to Provide Notice of Material Events Certificate, a description of which is attached hereto as "APPENDIX – C".

Historical Compliance

The Town has not entered into an agreement to provide material events or annual financial information pursuant to the Rule 15c2-12.

TAX MATTERS

In the opinion of Miller, Mannix, Schachner & Hafner, LLC, Glens Falls, New York ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings, and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code") and is exempt from personal income taxes imposed by the State of New York and any political subdivision thereof (including The City of New York). Bond Counsel is of the further opinion that interest on the Notes is not a specific preference item for purposes of the federal individual alternative minimum tax. Interest on the Notes included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Notes. The Town has covenanted to comply with certain restrictions designed to ensure that interest on the Notes will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Notes being included in gross income for federal income tax purposes possibly from the date of original issuance of the Notes. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) or any other matters coming to the attention of Bond Counsel after the date of issuance of the Notes may adversely affect the value of, or the tax status of interest on, the Notes. Accordingly, the opinion of Bond Counsel is not intended to and may not be relied upon in connection with any such actions, events or matters.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Notes) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents.

Although Bond Counsel is of the opinion that interest on the Notes is excluded from gross income for federal income tax purposes and is exempt from income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), the ownership or disposition of, or the amount, accrual or receipt of interest on, the Notes may otherwise affect an Owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Owner or the Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. For example, legislative proposals have been made in recent years that would limit the exclusion from gross income of interest on obligations like the Notes to some extent for taxpayers who are individuals and whose income is subject to higher marginal income tax rates. Other proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The reform legislation is presently under consideration in Congress. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Notes. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Miller, Mannix, Schachner & Hafner, LLC, Glens Falls, New York, Bond Counsel. Bond Counsel expects to deliver such opinion at the time of issuance of the Notes.

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.

There is no action, suit, proceedings or investigation, at law or in equity, before or by any court, public board or body pending or, to the best knowledge of the Town, threatened against or affecting the Town to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the Town taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the Town.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor"), serves as independent financial advisor to the Town on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Town to the Municipal Advisor are contingent on the successful closing of the Notes.

CUSIP IDENTIFICATION NUMBER

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Notes. All expenses in relation to the printing of CUSIP numbers on the Notes will be paid for by the Town; provided, however, the Town assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

RATINGS

The Notes are not rated. The purchaser of the Notes may choose to have a rating completed after the sale pending the approval of the Town and at the expense of the purchaser, including any fees to be incurred by the Town, as such rating action may result in a material event notification to be posted to EMMA and/or the provision of a supplement to the final Official Statement.

The Town does not currently have an underlying rating on its outstanding general obligation indebtedness.

MISCELLANEOUS

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the Town management’s beliefs as well as assumptions made by, and information currently available to, the Town management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Town’s files with the repositories. When used in Town documents or oral presentation, the words “anticipate”, “believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases are intended to identify forward-looking statements.\

To the extent any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the statements will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the holder of the Notes.

References herein to the Constitution of the State and various State and federal laws are only brief outlines of certain provisions thereof and do not purport to summarize or describe all of such provisions.

Concurrently with the delivery of the Notes will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to limitation as to information in the Official Statement obtained from sources other than the Town as to which no representation can be made.

The Official Statement is submitted only in connection with the sale of the Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

Miller, Mannix, Schachner & Hafner, LLC, Glens Falls, New York, Bond Counsel to the Town, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the Town for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

The Town hereby disclaims any obligation to update developments of the various risk factors or to announce publicly any revision to any of the forward-looking statements contained herein or to make corrections to reflect future events or developments except to the extent required by Rule 15c2-12 promulgated by the Securities and Exchange Commission.

Fiscal Advisors & Marketing, Inc. may place a copy of this Official Statement on its website at www.fiscaladvisors.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Fiscal Advisors & Marketing, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the Town nor Fiscal Advisors & Marketing, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Fiscal Advisors & Marketing, Inc. and the Town disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Fiscal Advisors & Marketing, Inc. and the Town also assumes no liability or responsibility for any errors or omissions or for any updates to dated website information.

The Town contact information is as follows: David Braymer, Town Comptroller, 503 Geysers Road, Ballston Spa, New York 12020, telephone (518) 885-9220, fax (518) 885-0895, email comptroller@townofmiltonny.org. The Town Supervisor is the Chief Fiscal Officer.

**TOWN OF MILTON
SARATOGA COUNTY, NEW YORK**

Dated: July 2, 2024

**SCOTT OSTRANDER
TOWN SUPERVISOR**

GENERAL FUND

Balance Sheets

Fiscal Years Ending December 31st:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
ASSETS					
Cash & Investments	\$ 2,263,733	\$ 4,043,597	\$ 4,459,580	\$ 7,053,949	\$ 3,977,255
Receivables, Net	181,398	247,201	196,333	205,423	182,352
Prepaid Expenditures	82,019	89,090	81,813	91,021	97,549
Due from State and Federal	-	-	-	-	-
Due from Other Funds	710,728	85,929	10,862	67,289	25,961
Due From Other Governments	272,296	288,258	94,017	125,779	221,828
TOTAL ASSETS	\$ 3,510,174	\$ 4,754,075	\$ 4,842,605	\$ 7,543,461	\$ 4,504,945
LIABILITIES AND FUND EQUITY					
Accounts Payable	\$ 10,934	\$ 119,352	\$ 219,566	\$ 76,796	\$ 80,384
Accrued Liabilities	18,110	63,092	49,010	31,335	97,835
Due to Other Funds	1,215,893	751,229	130,898	89,698	96,667
Due to Other Governments	168,940	183,171	-	18,995	16,962
Unearned Revenues	450	-	768,265	1,553,528	-
Other Liabilities	-	-	-	-	1,175,134
Deposits Payable	-	548,132	360,580	495,395	-
TOTAL LIABILITIES	\$ 1,414,327	\$ 1,664,976	\$ 1,528,319	\$ 2,265,747	\$ 1,466,982
FUND EQUITY					
Nonspendable	\$ 82,019	\$ 89,090	\$ 81,813	\$ 91,021	\$ 97,549
Restricted:	758,529	760,251	760,608	3,149,359	815,066
Assigned	-	292,674	461,633	188,901	388,373
Unassigned	1,255,299	1,947,084	2,010,232	1,848,433	1,736,975
TOTAL FUND EQUITY	2,095,847	3,089,099	3,314,286	5,277,714	3,037,963
TOTAL LIABILITIES and FUND EQUITY	\$ 3,510,174	\$ 4,754,075	\$ 4,842,605	\$ 7,543,461	\$ 4,504,945

Source: 2019-2023 Audited financial reports of the Town. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31st:	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
REVENUES					
Real Property Taxes	\$ 847,983	\$ 849,759	\$ 816,856	\$ 832,800	\$ 832,880
Other Tax Items	-	-	-	-	-
Non-Property Taxes	802,915	941,841	924,493	1,280,684	1,603,787
Departmental Income	23,894	4,375	79,071	72,586	101,796
Intergovernmental Charges	-	-	-	-	-
Sale of Property and Compensation for Loss	-	-	-	-	-
Use of Money and Property	33,200	10,132	4,731	215,629	102,977
Licenses and Permits	24,123	22,306	23,960	25,475	24,029
Fines and Forfeitures	40,797	38,760	17,678	33,296	40,129
Interfund Revenue	-	-	-	-	-
Miscellaneous	76,370	187,178	27,733	21,300	11,297
Revenues from Federal Aid	-	-	10,605	-	456,580
Revenues from State Aid	514,512	635,942	956,444	1,269,647	495,051
Total Revenues	<u>\$ 2,363,794</u>	<u>\$ 2,690,293</u>	<u>\$ 2,861,571</u>	<u>\$ 3,751,417</u>	<u>\$ 3,668,526</u>
Other Sources:					
Right to Use Asset	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>565,478</u>	<u>180,976</u>
Total Revenues and Other Sources	<u>\$ 2,963,794</u>	<u># \$ 2,690,293</u>	<u>\$ 2,861,571</u>	<u>\$ 4,316,895</u>	<u>\$ 3,849,502</u>
EXPENDITURES					
General Government Support	\$ 955,553	\$ 990,381	\$ 992,568	\$ 1,148,125	\$ 1,388,640
Public Safety	52,496	66,223	28,746	63,416	85,145
Health	3,000	3,000	3,000	208,992	3,000
Transportation	186,247	205,805	219,082	3,000	206,487
Culture and Recreation	148,819	222,678	169,690	177,070	203,414
Home and Community Services	146	70,845	-	1,305	2,933
Economic Assistance and Opportunity	1,000	1,000	8,732	37,115	39,824
Employee Benefits	390,766	517,746	437,309	396,771	383,712
Capital Outlays	32,375	12,993	12,257	93,199	104,620
Debt Service	-	-	-	224,474	211,550
Total Expenditures	<u>\$ 1,770,402</u>	<u>\$ 2,090,671</u>	<u>\$ 1,871,384</u>	<u>\$ 2,353,467</u>	<u>\$ 2,629,325</u>
Other Uses:					
Interfund Transfers	<u>-</u>	<u>100,400</u>	<u>765,000</u>	<u>-</u>	<u>3,459,928</u>
Total Expenditures and Other Uses	<u>\$ 1,770,402</u>	<u># \$ 2,191,071</u>	<u>\$ 2,636,384</u>	<u>\$ 2,353,467</u>	<u>\$ 6,089,252</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>1,193,392</u>	<u>- 499,222</u>	<u>225,187</u>	<u>1,963,428</u>	<u>(2,239,751)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	902,455	2,095,847	3,089,099	3,314,286	5,277,714
Prior Period Adjustments (net)	<u>-</u>	<u>494,030</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 2,095,847</u>	<u># \$ 3,089,099</u>	<u>\$ 3,314,286</u>	<u>\$ 5,277,714</u>	<u>\$ 3,037,963</u>

Source: 2019-2023 Audited financial reports of the Town. This Appendix is not itself audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Fiscal Years Ending December 31st:

	2023			2024
	Original Budget	Revised Budget	Actual	Adopted Budget
REVENUES				
Real Property Taxes	\$ 831,704	\$ 831,704	\$ 832,880	\$ 871,413
Other Tax Items	34,000	-	-	42,000
Non-Property Taxes	1,438,130	1,472,130	1,603,787	1,131,673
Departmental Income	7,500	72,500	101,796	5,000
Intergovernmental Charges	65,000	-	-	65,000
Sale of Property and Compensation for Loss	500	-	-	200
Use of Money and Property	5,000	10,500	102,977	16,126
Licenses and Permits	24,500	24,500	24,029	20,500
Fines and Forfeitures	35,000	35,000	40,129	30,000
Interfund Revenue	-	-	-	-
Miscellaneous	5,000	5,000	11,297	60,000
Revenues from Federal Aid	-	525,000	456,580	-
Revenues from State Aid	659,250	759,250	495,051	459,207
Total Revenues	\$ 3,105,584	\$ 3,735,584	\$ 3,668,526	\$ 2,701,119
Other Sources:				
Appropriated Fund Balance	\$ 167,742	\$ 171,192	\$ -	\$ 388,373
Right to Use Asset	3,449	-	180,976	210,000
Total Revenues and Other Sources	\$ 3,276,775	\$ 3,906,776	\$ 3,849,502	\$ 3,299,492
EXPENDITURES				
General Government Support	\$ 1,842,291	\$ 1,858,852	\$ 1,388,640	\$ 1,972,619
Public Safety	96,382	96,382	85,145	88,041
Health	3,000	3,000	3,000	3,000
Transportation	231,566	226,066	206,487	258,454
Culture and Recreation	259,220	216,270	203,414	288,151
Home and Community Services	39,000	2,500	2,933	36,500
Economic Assistance and Opportunity	5,200	45,200	39,824	5,600
Employee Benefits	477,576	477,576	383,712	470,781
Capital Outlay	-	161,690	104,620	-
Debt Service	172,540	181,740	211,550	176,346
Total Expenditures	\$ 3,126,775	\$ 3,269,276	\$ 2,629,325	\$ 3,299,492
Other Uses:				
Interfund Transfers	150,000	3,789,921	3,459,928	-
Total Expenditures and Other Uses	\$ 3,276,775	\$ 7,059,197	\$ 6,089,253	\$ 3,299,492
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses				
	-	(3,152,421)	(2,239,751)	-
FUND BALANCE				
Fund Balance - Beginning of Year	-	3,152,421	5,277,714	-
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	\$ -	\$ -	\$ 3,037,963	\$ -

Source: 2023 Audited financial report and budgets of the Town. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Principal	Interest	Total
2024	\$155,000	\$11,984.00	\$166,984.00
2025	155,000	10,124.00	165,124.00
2026	160,000	7,520.00	167,520.00
2027	160,000	4,000.00	164,000.00
TOTAL	\$630,000	\$33,628.00	\$663,628.00

MATERIAL EVENT NOTICES

In accordance with the provisions of Rule 15c2-12, as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") pursuant to the Securities Exchange Act of 1934, the Town has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Notes are outstanding, to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Notes:

- (a) principal and interest payment delinquencies
- (b) non-payment related defaults, if material
- (c) unscheduled draws on debt service reserves reflecting financial difficulties
- (d) in the case of credit enhancement, if any, provided in connection with the issuance of the Notes, unscheduled draws on credit enhancements reflecting financial difficulties
- (e) substitution of credit or liquidity providers, or their failure to perform
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes
- (g) modifications to rights of Note holders, if material
- (h) note calls, if material and tender offers
- (i) defeasances
- (j) release, substitution, or sale of property securing repayment of the Notes
- (k) rating changes
- (l) bankruptcy, insolvency, receivership or similar event of the Town
- (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material
- (o) incurrence of a "financial obligation" (as defined in the Rule) of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect Note holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

Event (c) is included pursuant to a letter from the SEC staff to the National Association of Bond Lawyers dated September 19, 1995. However, event (c) is not applicable, since no "debt service reserves" will be established for the Notes.

With respect to event (d) the Town does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Notes.

With respect to event (l) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town.

With respect to events (o) and (p), the term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

The Town may from time to time choose to provide notice of the occurrence of certain other events, in addition to those listed above, if the Town determines that any such other event is material with respect to the Notes; but the Town does not undertake to commit to provide any such notice of the occurrence of any material event except those events listed above.

The Town reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the Town no longer remains an obligated person with respect to the Note within the meaning of the Rule. The Issuer acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Town’s obligations under its material event notices undertaking and any failure by the Town to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Note to recover monetary damages.

The Town reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Town; provided that the Town agrees that any such modification will be done in a manner consistent with the Rule.

An "Undertaking to Provide Notice of Material Events" to this effect shall be provided to the purchaser at closing.

**TOWN OF MILTON
SARATOGA COUNTY, NEW YORK**

AUDITED FINANCIAL REPORT

DECEMBER 31, 2023

Such Financial Statements, including opinion, were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.



Town of Milton, New York

Financial Report
December 31, 2023

Town of Milton, New York

Financial Report
December 31, 2023

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Independent Auditor's Report

Town Board
Town of Milton, New York
Ballston Spa, New York

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Milton, New York (Town), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Adverse Opinion on Governmental Activities

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statements referred to above do not present fairly the financial position of the governmental activities of the Town as of December 31, 2023, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Each Major Fund and the Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Town as of December 31, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on Governmental Activities

As discussed in Note 1b to the financial statements, the Town has not maintained accounting records to support the completeness and accuracy of infrastructure capital asset balances and has not calculated depreciation on infrastructure capital asset balances. Accounting principles generally accepted in the United States of America require the capitalization and depreciation of infrastructure capital assets. The amount by which this departure would affect the assets, net position and expenses of the governmental activities has not been determined.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the required supplementary information listed in the accompanying table of contents on pages 4 through 9 and 37 through 42, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the accompanying table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June __, 2024 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

BST & Co. CPAs, LLP

Latham, New York
June 27, 2024



Town of Milton, New York

Management's Discussion and Analysis December 31, 2023

Description

As management of the Town of Milton, New York (Town), we offer the readers of the Town's financial statements this narrative overview and analysis as of and for the year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with our basic financial statements, which can be found on pages 10 through 16, and our required supplementary information and supplementary information, which can be found on pages 37 through 44 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources on December 31, 2023 by \$7,998,308, representing net position. Of this amount, \$6,734,917 represents the Town's investment in capital assets, net of related debt, and \$3,364,014 is restricted for future capital improvements, debt service and open space reserves. The Town's unrestricted net position deficiency of \$2,100,623 relates principally to postemployment benefit obligations and the net pension liability.
- At December 31, 2023, the Town's governmental funds reported a combined ending fund balance of \$9,456,631. Of this total amount, \$7,566,144 was restricted or assigned for specific purposes, \$153,512 was nonspendable, and \$1,736,975 was unassigned.
- At December 31, 2023, the unassigned fund balance of the General Fund was \$1,736,975 or 29% of actual 2023 expenditures and other financing uses.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are composed of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

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 private sector business.

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

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund Financial Statements

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

Town of Milton, New York

Management's Discussion and Analysis December 31, 2023

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

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

The Town maintains 10 individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Highway Part Town Fund, General Town Outside Village Fund and Capital Projects Fund, all of which are considered to be major funds. Data from the other governmental funds (the Miscellaneous Special Revenue Fund, Highway Town Wide Fund, Debt Service Fund, Lighting District Fund, Ambulance District Fund, Fire Protection District Fund and Water District Fund) are combined into a single, aggregated presentation as non-major governmental funds.

The governmental fund financial statements can be found on pages 12 through 15 of this report.

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

The fiduciary fund financial statement can be found on page 16 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 through 36 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$7,998,308 at December 31, 2023.

By far, the largest portion of the Town's net position, \$6,734,917, reflects the Town's investment in capital assets. This portion of net position includes the cost of land, buildings, machinery and equipment, lease assets and subscription-based IT arrangement assets, less accumulated depreciation and amortization. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Town of Milton, New York

Management's Discussion and Analysis December 31, 2023

An additional portion of the Town's net position, \$3,364,014, represents resources that are subject to restrictions on how they may be used. The following is a condensed statement of the Town's net position:

	December 31, 2023
	<u>Governmental Activities</u>
Current assets	\$ 12,334,219
Capital assets	7,528,313
Total assets	<u>19,862,532</u>
Deferred outflows of resources	<u>2,220,755</u>
Current liabilities	1,973,712
Long-term liabilities	6,001,994
Total liabilities	<u>7,975,706</u>
Deferred inflows of resources	<u>6,109,273</u>
Net position	
Net investment in capital assets	6,734,917
Restricted	3,364,014
Unrestricted (deficit)	<u>(2,100,623)</u>
Total net position	<u><u>\$ 7,998,308</u></u>

Town of Milton, New York

Management's Discussion and Analysis December 31, 2023

The following is a condensed statement of activities of the Town:

	Year Ended December 31, 2023
	<u>Governmental Activities</u>
Revenues	
Program revenues	
Charges for services	\$ 463,097
Operating grants and contributions	3,300
Capital grants and contributions	751,773
General revenues	
Real property tax and related tax items	2,079,151
Non-property taxes	4,782,866
State aid	491,751
Other miscellaneous revenues	446,771
Total revenues	<u>9,018,709</u>
Expenses	
General government activities	1,526,311
Public safety	748,398
Health	699,983
Transportation	2,895,737
Economic assistance and opportunity	68,070
Home and community services	374,781
Culture and recreation	428,176
Interest	21,180
Total expenses	<u>6,762,636</u>
Change in net position	2,256,073
Net position, beginning of year	<u>5,742,235</u>
Net position, end of year	<u>\$ 7,998,308</u>

Financial Analysis of the Town's Funds

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

Governmental Funds

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

Town of Milton, New York

Management's Discussion and Analysis December 31, 2023

As of the end of the current year, the Town's governmental funds reported combined ending fund balances of \$9,456,631, a decrease of \$874,841 or 8% from the prior year. Portions of these fund balances are reserved to indicate that they are not available for new spending because they have already been restricted to (1) pay future capital improvements of \$2,406,493, (2) open space reserves of \$314,849 or (3) pay future debt service of \$27,904.

The following summarizes the operations of the Town's major governmental funds:

General Fund: The General Fund is the main operating fund of the Town. At the end of the current year, the unreserved unappropriated fund balance of the General Fund was \$1,736,975, while total fund balance of the General Fund aggregated \$3,037,963. As a measure of the General Fund's liquidity, it is useful to compare both unreserved unappropriated fund balance and total fund balance to total fund expenditures. Unreserved unappropriated fund balance represents 29% of total General Fund expenditures and other financing uses for 2023, while total fund balance represents 50% of the same amount.

The fund balance of the General Fund decreased \$2,239,751 from the prior year primarily as a result of transfers totaling \$3,459,928 to the Capital Projects Fund in order to finance ongoing projects throughout the Town.

Highway Part Town Fund: The Highway Part Town Fund is a major governmental fund. It is utilized to account for highway purposes not located within the Village of Ballston Spa. The main revenue source for the Highway Part Town Fund is sales tax distributions from the County of Saratoga. During 2023, fund balance of the Highway Part Town Fund increased \$781,812 to an ending fund balance of \$4,013,205.

General Town Outside Village Fund: The General Town Outside Village Fund is a major governmental fund. The General Town Outside Village Fund is used to account for resources provided to the area of the Town outside of the Village of Ballston Spa. During 2023, the fund balance of the General Town Outside Village Fund decreased \$500,003 to an ending fund balance of \$665,249.

Capital Projects Fund: The Capital Projects Fund is a major governmental fund. The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. During 2023, the fund balance of the Capital Projects Fund increased \$820,890 to an ending balance of \$850,911.

Governmental Fund Budgetary Highlights

Budgetary comparison statements for the Town's General Fund, Highway Part Town Fund, and General Town Outside Village Fund are included on pages 40 through 42 of this report.

Capital Asset and Long-Term Liabilities

Capital Assets

The Town's investment in capital assets at December 31, 2023 amounts to \$6,734,917 (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, machinery and equipment, lease assets and subscription-based IT arrangement assets.

Additional information on the Town's capital assets can be found in Note 5 on page 26 of this report.

Town of Milton, New York

Management's Discussion and Analysis
December 31, 2023

Long-Term Liabilities

At December 31, 2023, the Town has long-term liabilities related to compensated absences, leases, subscription-based IT arrangement liabilities, bonds payable, net pension liability and other postemployment benefits of \$239,120, \$26,965, \$136,431, \$630,000, \$1,259,905 and \$3,929,732, respectively.

Additional information on the Town's long-term liabilities can be found in Note 7 on page 27 of this report. Information related to the Town's other postemployment benefits can be found in Note 9 beginning on page 28 of this report. Information related to the Town's participation in the New York State and Local Retirement System can be found in Note 10 beginning on page 31 of this report.

Request for Information

This financial report is designed to provide a general overview of the Town's financial activity for all of those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Milton Comptroller
503 Geyser Road
Ballston Spa, New York 12020

Town of Milton, New York

Government-Wide Financial Statements Statement of Net Position

	December 31, 2023
	Governmental Activities
ASSETS	
Cash and cash equivalents, unrestricted	\$ 1,552,371
Cash and cash equivalents, restricted	317,452
Investments	4,488,294
Investments, restricted	4,773,766
Due from other governments	862,720
Other receivables	233,258
Prepaid expenditures	106,358
Capital assets	
Not being depreciated	3,818,777
Being depreciated, net	3,709,536
Total assets	19,862,532
DEFERRED OUTFLOWS OF RESOURCES	
Pension resources	954,951
OPEB resources	1,265,804
	2,220,755
LIABILITIES	
Accounts payable	1,028,801
Accrued liabilities	155,720
Deposits payable	552,070
Due to other governments	16,962
Long-term liabilities	
Due within one year	220,159
Due in more than one year	6,001,994
Total liabilities	7,975,706
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues	1,175,134
Pension resources	137,453
OPEB resources	4,796,686
	6,109,273
NET POSITION	
Net investment in capital assets	6,734,917
Restricted for	
Capital reserve	1,555,882
Capital projects	1,465,379
Debt service	27,904
Open space	314,849
Unrestricted (deficit)	(2,100,623)
TOTAL NET POSITION	\$ 7,998,308

See accompanying Notes to Financial Statements.

Town of Milton, New York

Fund Financial Statements Balance Sheet - Governmental Funds

December 31, 2023

	Major Funds					Total
	General			Capital Projects	Other Governmental Funds	
	General	Highway Part Town	Town Outside Village			
ASSETS						
Cash and cash equivalents, unrestricted	\$ 667,930	\$ 831,544	\$ 43,171	\$ 9,689	\$ 37	\$ 1,552,371
Cash and cash equivalents, restricted	-	2,180	313,770	-	1,502	317,452
Investments	1,319,125	1,817,925	658,117	-	693,127	4,488,294
Investments, restricted	1,990,200	909,687	238,300	1,465,379	170,200	4,773,766
Due from other governments	221,828	624,751	-	-	16,141	862,720
Other receivables	182,352	47,606	2,300	-	1,000	233,258
Due from other funds	25,961	89,371	-	-	22,260	137,592
Prepaid expenditures	97,549	45,642	10,321	-	-	153,512
TOTAL ASSETS	\$ 4,504,945	\$ 4,368,706	\$ 1,265,979	\$ 1,475,068	\$ 904,267	\$ 12,518,965
LIABILITIES						
Accounts payable	\$ 80,384	\$ 312,983	\$ 21,927	\$ 613,507	\$ -	\$ 1,028,801
Accrued liabilities	97,835	42,518	11,422	-	-	151,775
Deposits payable	-	-	552,070	-	-	552,070
Due to other governments	16,962	-	-	-	-	16,962
Due to other funds	96,667	-	15,311	10,650	14,964	137,592
Total liabilities	291,848	355,501	600,730	624,157	14,964	1,887,200
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues	1,175,134	-	-	-	-	1,175,134
FUND BALANCES						
Nonspendable	97,549	45,642	10,321	-	-	153,512
Restricted	815,066	911,867	-	850,911	171,702	2,749,546
Assigned	388,373	3,055,696	654,928	-	717,601	4,816,598
Unassigned	1,736,975	-	-	-	-	1,736,975
Total fund balances	3,037,963	4,013,205	665,249	850,911	889,303	9,456,631
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 4,504,945	\$ 4,368,706	\$ 1,265,979	\$ 1,475,068	\$ 904,267	\$ 12,518,965

See accompanying Notes to Financial Statements.

Town of Milton, New York

Fund Financial Statements Reconciliation of the Total Fund Balances in the Governmental Funds to the Statement of Net Position

	December 31, 2023
Total fund balances - governmental funds	\$ 9,456,631
This amount differs from the amount of net position shown in the statement of net position due to the following:	
Capital assets are included as assets in the government-wide statements, net of accumulated depreciation.	7,528,313
Prepaid net pension liability contributions are recognized as an outflow of resources in the statement of net position.	(47,154)
Long-term liabilities for the net pension liability are included as a liability of the governmental activities.	(1,259,905)
Long-term liabilities for accrued interest payable are included as a liability of the governmental activities.	(3,945)
Deferred outflows of resources related to the net pension liability are recognized on the statement of net position.	954,951
Long-term liabilities for bonded debt are included as a liability on the statement of net position.	(630,000)
Deferred inflows of resources related to the net pension liability are recognized on the statement of net position.	(137,453)
Long-term liabilities for other postemployment benefits are included as a liability of the governmental activities.	(3,929,732)
Deferred outflows of resources related to other postemployment benefits resources are recognized on the statement of net position.	1,265,804
Deferred inflows of resources related to other postemployment benefits resources are recognized on the statement of net position.	(4,796,686)
Long-term governmental liabilities for lease liabilities are included as liabilities of the governmental activities.	(26,965)
Long-term governmental liabilities for subscription-based IT arrangement liabilities are included as liabilities of the governmental activities.	(136,431)
Long-term governmental liabilities for compensated absences are included as liabilities of the governmental activities.	(239,120)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$ 7,998,308

See accompanying Notes to Financial Statements.

Town of Milton, New York

Fund Financial Statements Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

	Year Ended December 31, 2023					Total
	Major Funds				Other Governmental Funds	
	General	Highway Part Town	General Town Outside Village	Capital Projects		
REVENUES						
Real property taxes	\$ 832,880	\$ -	\$ -	\$ -	\$ 1,246,271	\$ 2,079,151
Non-property taxes	1,603,787	3,074,079	-	-	105,000	4,782,866
Departmental income	101,796	-	122,692	-	208,000	432,488
Use of money and property	102,977	186,155	31,043	42,713	32,457	395,345
Licenses and permits	24,029	-	-	-	-	24,029
Fines and forfeitures	40,129	-	-	-	-	40,129
Miscellaneous	11,297	-	-	-	-	11,297
State aid	495,051	301,773	-	-	-	796,824
Federal aid	456,580	-	-	-	-	456,580
Total revenues	<u>3,668,526</u>	<u>3,562,007</u>	<u>153,735</u>	<u>42,713</u>	<u>1,591,728</u>	<u>9,018,709</u>
EXPENDITURES						
General government support	1,388,640	-	916	-	-	1,389,556
Public safety	85,145	-	-	-	538,221	623,366
Health	3,000	-	1,087	-	695,183	699,270
Transportation	206,487	1,355,987	22,773	-	31,113	1,616,360
Economic assistance and opportunity	39,824	-	28,246	-	-	68,070
Home and community services	2,933	-	351,311	-	-	354,244
Culture and recreation	203,414	-	99,000	-	65,000	367,414
Employee benefits	383,712	379,506	97,702	-	-	860,920
Capital outlays	104,620	1,044,702	40,777	2,681,751	-	3,871,850
Debt service						
Principal	190,398	-	11,899	-	-	202,297
Interest	21,152	-	27	-	-	21,179
Total expenditures	<u>2,629,325</u>	<u>2,780,195</u>	<u>653,738</u>	<u>2,681,751</u>	<u>1,329,517</u>	<u>10,074,526</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from right-to-use asset	180,976	-	-	-	-	180,976
Transfers in	-	-	-	3,459,928	-	3,459,928
Transfers out	(3,459,928)	-	-	-	-	(3,459,928)
Total other financing sources (uses)	<u>(3,278,952)</u>	<u>-</u>	<u>-</u>	<u>3,459,928</u>	<u>-</u>	<u>180,976</u>
Net change in fund balances	<u>(2,239,751)</u>	<u>781,812</u>	<u>(500,003)</u>	<u>820,890</u>	<u>262,211</u>	<u>(874,841)</u>
FUND BALANCES, beginning of year	<u>5,277,714</u>	<u>3,231,393</u>	<u>1,165,252</u>	<u>30,021</u>	<u>627,092</u>	<u>10,331,472</u>
FUND BALANCES, end of year	<u>\$ 3,037,963</u>	<u>\$ 4,013,205</u>	<u>\$ 665,249</u>	<u>\$ 850,911</u>	<u>\$ 889,303</u>	<u>\$ 9,456,631</u>

See accompanying Notes to Financial Statements.

Town of Milton, New York

Fund Financial Statements Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Change in Net Position in the Statement of Activities

		Year Ended December 31, 2023
Net change in fund balances shown for total governmental funds	\$	(874,841)
<p>This amount differs from the change in net position shown in the statement of activities because of the following:</p>		
<p>Capital outlays for the acquisition of capital assets are recorded in governmental funds as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This amount represents the difference between expenditures for the acquisition and disposal of capital assets and depreciation expense for the period.</p>		
Capital acquisitions	\$	3,230,004
Disposals, net		(2,853)
Depreciation expense		(369,585)
		2,857,566
<p>The net pension liability and the related deferred outflows of resources and deferred inflows of resources do not require the use of current financial resources and, therefore, are not reported in the governmental funds.</p>		
Change in net pension liability		(1,772,725)
Change in pension deferred outflows of resources		(160,880)
Change in pension deferred inflows of resources		1,678,712
		(254,893)
Prepaid expenditures consisting of net pension contributions are reported as an outflow of resources in the governmental activities.		(4,034)
Compensated absences do not require the use of current financial resources and, therefore, are not reported in the governmental funds.		(15,597)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		150,000
Claims payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.		300,000
<p>Right-to-use assets from leases and subscription-based IT arrangements provide current financial resources to governmental funds, but the related liability increases long-term liabilities in the statement of net position. Repayment of liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Proceeds from subscription-based IT arrangement liabilities		(179,725)
Repayment of subscription-based IT arrangement liabilities		43,294
Proceeds from lease liability		(1,251)
Repayment of lease liability		9,002
		(128,680)
Accrued interest on bonds payable are not reported in the governmental funds.		5,747
<p>Other postemployment benefits and related deferred outflows of resources and deferred inflows of resources do not require the use of current financial resources and, therefore, are not reported in the governmental funds.</p>		
Change in other postemployment benefits		(317,607)
Change in other postemployment benefits deferred outflows of resources		(879,671)
Change in other postemployment benefits deferred inflows of resources		1,418,083
		220,805
GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION FROM THE STATEMENT OF ACTIVITIES	\$	2,256,073

See accompanying Notes to Financial Statements.

Town of Milton, New York

Fund Financial Statements
Statement of Changes in Fiduciary Net Position - Custodial Fund

	Year Ended December 31, 2023
	Custodial Fund
ADDITIONS	
Insurance premiums	\$ 23,981
DEDUCTIONS	
Insurance premiums	(23,981)
Change in fiduciary net position	-
FIDUCIARY NET POSITION, <i>beginning of year</i>	-
FIDUCIARY NET POSITION, <i>end of year</i>	\$ -

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies

a. Financial Reporting Entity

The Town of Milton, New York (Town), which was established in 1792, is governed by Town Law, other general laws of the State of New York, and various local laws and ordinances. The Town Board, which is the legislative body responsible for the overall operation of the Town, consists of four members and the Town Supervisor.

The Town provides its residents with general government support, street maintenance, fire protection, street lighting, recreational facilities and various other services.

In evaluating how to define the Town for financial reporting purposes, management has considered various separate legal entities as potential component units. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependence. A second criterion used in evaluating potential component units is the scope of public service. A third criterion used in evaluating potential component units is the existence of special financing relationships, regardless of whether the Town is able to exercise oversight responsibilities. Based upon the application of these criteria, no component units have been included within the financial statements.

b. Government-Wide and Fund Financial Statements

Except for the departures described below, the accompanying financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units as prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard-setting body for establishing governmental accounting and financial reporting principles.

The governmental reporting model has the following sections: Management's Discussion and Analysis, government-wide financial statements, and fund financial statements.

The government-wide financial statements, which include the statement of net position and the statement of activities, report information on all non-fiduciary activities of the Town as the primary government. The effect of interfund transactions within the same activities has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support made to customers. The Town does not currently utilize any proprietary funds.

The Town has not maintained accounting records to support the completeness and accuracy of infrastructure capital asset balances and has not calculated depreciation on infrastructure capital asset balances. U.S. GAAP requires the capitalization and depreciation of infrastructure capital assets. The amounts by which this departure would affect the assets, net position, and expenses of the governmental activities have not been determined.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

b. Government-Wide and Fund Financial Statements (Continued)

The statement of net position presents the financial condition of the Town's activities at year-end. The statement of activities and change in net position demonstrate the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The statement of activities and change in net position identify the net expense or revenue from each activity and identify the amount of general revenues needed to help finance the specific activities.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though fiduciary funds are excluded from the government-wide financial statements. The General Fund and other major individual governmental funds are reported as separate columns in the fund financial statements. All non-major governmental funds are aggregated in one column identified as other governmental funds.

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

The government-wide financial statements and fiduciary fund financial statement are reported using the economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recorded in these statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. This measurement focus and basis of accounting are similar to private sector reporting.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances of these funds presents increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financial uses) in net current position.

Under the modified accrual basis of accounting, governmental fund revenues are recognized when susceptible to accrual, which is when they become both measurable and available. "Measurable" means the amount of the transaction that can be reasonably determined, and "available" means the related cash resources are collectible within the current period or soon enough thereafter to be used to pay current liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected generally within 90 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, sales taxes, and certain intergovernmental revenues are considered to be susceptible to accrual and so have been recognized in the fund financial statements as revenues of the current year. All other revenue items are considered to be measurable and available generally when the Town receives cash for these revenues, such as fines, permits, and other miscellaneous collections.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Town reports deferred outflows of resources and deferred inflows of resources on its government-wide financial statements for items related to the net pension liability and other postemployment benefits (OPEB).

Expenditures are generally recorded when a liability is incurred, as under accrual accounting, except that:

- Payments for the acquisition of inventory-type items are recorded as expenditures when the related amounts are due and payable. This method is generally referred to as the “purchase” method, as opposed to the “consumption” method used in the government-wide financial statements.
- Compensated absences that vest or accumulate with eligible employees are recorded as expenditures in the payroll period that the credits are used by employees.
- Costs of acquiring capital assets are recorded as expenditures when the related acquisition amounts are due and payable.

d. Fund Accounting

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 following are the Town’s major governmental funds:

- General Fund: The General Fund is the Town’s primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund. This fund operates within the financial limits of an annual budget adopted by the Town Board and includes expenditures for general governmental support and other general Town activities.
- Highway Part Town Fund: The Highway Part Town Fund is used to account for highway purposes not located within the Village of Ballston Spa.
- General Town Outside Village Fund: The General Town Outside Village Fund is used to account for resources provided to the area of the Town outside of the Village of Ballston Spa.
- Capital Projects Fund: The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities. Financing is generally provided from proceeds of bonds, notes, and/or state and federal grants.

The following are the Town’s non-major governmental funds:

- Miscellaneous Special Revenue Fund: The Miscellaneous Special Revenue Fund is used to account for the operation of the Town Park.
- Highway Town Wide Fund: The Highway Town Wide Fund is used to account for revenues and expenditures for highway purposes located within the Village of Ballston Spa.
- Debt Service Fund: The Debt Service Fund is used to account for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.
- Lighting District Fund: The Lighting District Fund is used to account for taxes and other revenues that are raised to provide lighting services to special districts within the Town.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

d. Fund Accounting (Continued)

- Ambulance District Fund: The Ambulance District Fund is used to account for health services provided to special districts within the Town.
- Fire Protection District Fund: The Fire Protection District Fund is used to account for fire protection services provided to areas that encompass less than the whole Town.
- Water District Fund: The Water District Fund is used to account for taxes received and expenditures for water services provided to special districts within the Town.

Fiduciary funds: Fiduciary funds are used to report resources that are held by the Town in a trustee or agency capacity for others and cannot be used to support the Town's own programs. The Town maintains a Custodial Fund to account for assets held on behalf of outside parties.

e. Real Property Taxes

Real property taxes are levied annually no later than January 1 and become a lien on January 1. Taxes are collected during the period January 1 to March 31. Taxes for County purposes are levied together with taxes for Town and special district purposes as a single bill. The Town and special districts receive the full amount of other levies annually out of the first amounts collected on the combined bills.

Unpaid taxes are turned over to the County for enforcement. Any such taxes remaining unpaid at year-end are relieved as County taxes in the subsequent year.

f. Budgetary Accounting

The Town employs the following budgetary procedures:

1. No later than September 30, the budget officer submits a tentative budget to the Town Board for the year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
2. After public hearings are conducted to obtain taxpayer comments, and no later than November 20, the Town Board adopts the budget.
3. All budget modifications must be approved by the Town Board.

g. Encumbrances

The Town uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation. Open encumbrances at year-end are reported as reservations of fund balances since the commitments do not constitute expenditures or liabilities.

h. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

i. Cash, Cash Equivalents and Investments

The Town's cash and cash equivalents are defined as restricted and unrestricted short-term, highly liquid investments that are readily convertible to known amounts of cash at maturity (with maturity being no greater than 90 days when purchased).

The Town's investment policies are governed by New York State statutes and various resolutions of the Town Board. Town monies must be maintained in demand accounts or certificates of deposit in a Federal Deposit Insurance Corporation (FDIC) insured commercial bank or trust company authorized to do business in New York State. Other permissible investments include obligations of the U.S. Treasury, U.S. agencies, and New York State or its localities.

New York State statutes require that collateral be maintained for cash and cash equivalents at 100% of all deposits not covered by the FDIC. As of December 31, 2023, the Town had adequate coverage for all available bank balances.

As of December 31, 2023, the Town had \$9,262,060 invested with the New York Cooperative Liquid Assets Securities System (NYCLASS), which is a short-term highly liquid investment fund. NYCLASS is subject to the Municipal Cooperation Agreement Amended and Restated as of March 14, 2014 (the Agreement) and is structured in accordance with New York State General Municipal Law (GML), Article 3-A and Article 5-G, Sections 119-n and -o, Chapter 623 of the Laws of 1998. All NYCLASS investment and custodial policies are in accordance with GML, Sections 10 and 11 (as amended by Chapter 708 of the Laws of 1992). NYCLASS is rated "AAA" by S&P Global Ratings. Participants are allowed to conduct transactions (deposits, withdrawals, or transfers) on a normal business day. There are no limits on the dollar amount or number of daily transactions, except that the total daily withdrawals may not exceed the total balance on the deposit.

The Town's investment in NYCLASS is reported at fair value, which is defined as the price that would be received to sell an asset in an orderly transaction between market participants on the measurement date.

j. Due From Other Governments and Other Receivables

Due from other governments and other receivables are carried at the original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts, if any, by identifying troubled accounts and using historical experience applied to an aging of accounts. No allowance was deemed necessary at December 31, 2023.

k. Interfund Transactions

During the course of operations, the Town processes several transactions that affect more than one fund and other transactions between the various funds. Interfund services provided and used are accounted for as revenues in the provider funds and expenditures in the user funds. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Advances or loans from one fund to another are recorded as receivables in the remitting fund and payables in the receiving fund. Other interfund transactions generally represent transfers of resources from one fund to be utilized in another fund and are reported as transfers. Interfund transactions that are unpaid between funds are recorded in the financial statements as due from other funds (receivables) and due to other funds (payables).

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

l. Prepaid Expenditures

Certain current-period expenditures applicable to future accounting periods are recorded as prepaid items.

m. Capital Assets and Depreciation

Capital assets, which include land, buildings, machinery, and equipment, are stated at historical cost or estimated cost. The Town defines capital assets as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated fair value at the date of donation.

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 years
Machinery and equipment	5-20 years
Lease assets	2-5 years
Subscription-based IT arrangement (SBITA) assets	2-5 years

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over its fair value. There was no impairment of long-lived assets as of December 31, 2023.

n. Deferred Outflows of Resources and Deferred Inflows of Resources

A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future period. The Town's deferred outflows of resources represent deferred costs related to the change in the net pension liability and OPEB.

Deferred inflows of resources may arise when potential revenue does not meet both of the "measurable" and "available" criteria for recognition in the current period as defined in Note 1c. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the deferred inflow is removed from the balance sheet and revenue is recognized. The Town's deferred inflows of resources represent deferred costs related to the change in the net pension liability and OPEB, and unavailable revenues.

o. Compensated Absences

Certain Town employees earn vacation and sick leave in various amounts in accordance with the Town Code. Upon retirement or termination, employees who have met certain requirements are paid for the unused vacation and sick leave time, subject to certain limitations that are prescribed in the Town Code. Estimated amounts payable for vacation and sick leave compensated absences accumulated by the Town are recorded within the government-wide financial statements.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

p. Other Postemployment Benefits

In addition to providing pension benefits, the Town provides postemployment health insurance coverage to its employees and their survivors. Substantially all of the Town's employees become eligible for these benefits if they reach the normal retirement age while working for the Town. The Town recognizes the cost of OPEB benefits within the fund financial statements in the periods the exchange occurs, rather than in the periods the benefits are paid. The Town's OPEB benefit plan is more fully disclosed in Note 9.

q. Pensions

The Town is a participating employer in the New York State and Local Retirement System (System). Employees in permanent positions are required to enroll in the System, and employees in part-time or seasonal positions have the option of enrolling in the System. The System is a cost-sharing, multiple-employer, public employee defined benefit retirement system. The impact on the Town's financial position and results of operations due to its participation in the System is more fully disclosed in Note 10.

r. Fund Balances

Fund balances for governmental funds are reported in classifications that compose a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The five fund balance classifications are as follows:

- **Nonspendable:** Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted:** Amounts that have restraints that are either (a) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- **Committed:** Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action, such as legislation, resolution, or ordinance by the government's highest level of decision-making authority.
- **Assigned:** Amounts that are constrained only by the government's intent to be used for a specified purpose but are not restricted or committed in any manner.
- **Unassigned:** The residual amount in the General Fund after all of the other classifications have been established. In a special revenue fund, if expenditures and other financing uses exceed the amounts restricted, committed, or assigned for those purposes, then a negative unassigned fund balance will occur.

The Town's fund balance policy is set by the Town Board, the highest level of decision-making authority. The Town considers "formal action" for a committed fund balance to be the passing of a resolution by the Town Board. The Town considers funds to be expended in the order of restricted, committed, assigned, and unassigned.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

s. Net Position

Net position balances in the government-wide financial statements are reported in the following three categories:

- Net investment in capital assets: Consists of capital assets, including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted: Consists of amounts that have restraints that are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted: Consists of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the net investment in capital assets or restricted components of net position.

t. Fair Value of Financial Instruments

The framework for measuring fair value includes a three-level valuation hierarchy of fair value measurements. This valuation hierarchy is based on observable inputs and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions and other inputs subject to management judgment. These inputs are incorporated in the following fair value hierarchy:

Level 1: Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2: Inputs are other prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority.

The Town's investment in NYCLASS is reported at fair value using quoted prices for identical items that are not actively traded. The Town considers its NYCLASS investments to be Level 2 within the hierarchy of fair value measurements.

The method described above may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Town believes that its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 1. Organization and Summary of Significant Accounting Policies (Continued)

u. Adoption of New Accounting Standard

For the year ended December 31, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for SBITAs for government end users. This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including the implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

v. Subsequent Events

The Town has evaluated subsequent events for potential recognition or disclosure through June 27, 2024, the date the financial statements were available to be issued.

Note 2. Restricted Assets

Restricted assets consist of cash and cash equivalents and investments for the following:

	Restricted Balance	Restriction
General Fund	\$ 314,849	Open space
General Fund	500,217	Capital reserve
General Fund	1,175,134	ARPA funding
General Town Outside Village Fund	552,070	Deposits payable
Highway Part Town Fund	911,867	Capital reserve
Capital Projects Fund	1,465,379	Capital projects
Other governmental funds	27,904	Debt service
Other governmental funds	143,798	Capital reserve
Total restricted assets	\$ 5,091,218	

Note 3. Due From Other Governments

Due from other governments consists of sales tax receivables of \$855,620 and other miscellaneous receivables of \$7,100 at December 31, 2023.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 4. Other Receivables

Other receivables consist of the following at December 31, 2023:

Franchise fees	\$	175,772
PILOT payments		47,606
Miscellaneous		9,880
		9,880
	\$	233,258

Note 5. Capital Assets, Net

A summary of changes in capital assets, net is as follows:

	Balance January 1, 2023	Additions	Dispositions and Retirements	Balance December 31, 2023
Capital assets not being depreciated				
Land	\$ 1,072,024	\$ 65,000	\$ -	\$ 1,137,024
Construction in progress	-	2,681,753	-	2,681,753
	1,072,024	2,746,753	-	3,818,777
Capital assets being depreciated				
Buildings	4,792,230	-	-	4,792,230
Lease assets	40,575	-	-	40,575
SBITA assets	-	179,725	-	179,725
Machinery and equipment	5,418,514	303,526	(730,721)	4,991,319
	10,251,319	483,251	(730,721)	10,003,849
Less accumulated depreciation for				
Buildings	(2,579,770)	(78,694)	-	(2,658,464)
Lease assets	(5,428)	-	-	(5,428)
SBITA assets	-	(48,503)	-	(48,503)
Machinery and equipment	(4,067,398)	(242,388)	727,868	(3,581,918)
	(6,652,596)	(369,585)	727,868	(6,294,313)
Capital assets being depreciated, net	3,598,723	113,666	(2,853)	3,709,536
	\$ 4,670,747	\$ 2,860,419	\$ (2,853)	\$ 7,528,313

Depreciation expense was charged to programs as follows:

General governmental support	\$	140,127
Public safety		1,167
Transportation		215,779
Culture and recreation		12,512
		12,512
	\$	369,585

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 6. Interfund Activities

Interfund receivables and payables of the Town at December 31, 2023 consisted of the following:

	Interfund Receivables	Interfund Payables
General Fund	\$ 25,961	\$ 96,667
Highway Part Town Fund	89,371	-
General Town Outside Village Fund	-	15,311
Capital Projects Fund	-	10,650
Other governmental funds	22,260	14,964
	\$ 137,592	\$ 137,592

A summary of interfund transfers for the year ended December 31, 2023 is as follows:

	Interfund Transfers In	Interfund Transfers Out
General Fund	\$ -	\$ 3,459,928
Capital Projects Fund	3,459,928	-
	\$ 3,459,928	\$ 3,459,928

Note 7. Long-Term Liabilities

A summary of changes in long-term liabilities is as follows:

	Balance January 1, 2023	Additions	Retirements	Balance December 31, 2023	Due Within One Year
Compensated absences	\$ 223,523	\$ 37,949	\$ (22,352)	\$ 239,120	\$ 23,912
Net pension liability	-	1,259,905	-	1,259,905	-
Claims payable	300,000	-	(300,000)	-	-
Bonds payable	780,000	-	(150,000)	630,000	155,000
Lease liability	34,716	1,251	(9,002)	26,965	9,368
SBITA liabilities	-	179,725	(43,294)	136,431	31,879
OPEB	3,612,125	524,058	(206,451)	3,929,732	-
	\$ 4,950,364	\$ 2,002,888	\$ (731,099)	\$ 6,222,153	\$ 220,159

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 8. Bonds Payable

In 2022, the Town issued \$780,000 in Series 2022 Public Improvement Serial Bonds to finance a major construction project within the Town. The Public Improvement Serial Bonds require annual repayment through March 2027 at fixed interest rates ranging from 1.00% to 2.50%.

Annual debt service requirements to maturity for the Public Improvement Serial Bonds are as follows:

	Principal	Interest	Total
For the year ending December 31,			
2024	\$ 155,000	\$ 11,054	\$ 166,054
2025	155,000	8,822	163,822
2026	160,000	5,760	165,760
2027	160,000	2,000	162,000
	\$ 630,000	\$ 27,636	\$ 657,636

Note 9. Other Postemployment Benefits

In addition to providing retirement benefits, the Town provides medical, dental, vision and Medicare Part B benefits to its eligible retirees. These benefits are provided through fully insured plans. To be eligible for such coverage, the retiring employee must be age 55 or older, eligible to receive a pension from the System and have at least 10 years of service with the Town.

The Town pays 100% of the retiree's and their dependent's medical, dental and vision benefits depending on the employee group. The Town also reimburses the retiree for a portion of the Medicare Part B premium. The Town is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the year ended December 31, 2023, the Town paid \$206,451 on behalf of the benefit plan members.

The benefit plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the benefit plan.

A summary of active employees and retired employees covered under the benefit plan at the actuarial valuation date of January 1, 2022 is as follows:

Active	37
Retired	25
Total	62

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 9. Other Postemployment Benefits (Continued)

a. *OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

At December 31, 2023, the Town reported a liability of \$3,929,732 for its OPEB liability. The OPEB liability was measured as of December 31, 2023 by an actuarial valuation as of January 1, 2022. For the year ended December 31, 2023, the Town recognized OPEB expense of \$524,058 in governmental activities. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 43,773	\$ 3,744,424
Changes in assumptions	1,222,031	1,052,262
Total	\$ 1,265,804	\$ 4,796,686

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

For the year ending December 31,	
2024	\$ (335,311)
2025	(1,311,586)
2026	(1,311,583)
2027	(630,427)
2028	29,015
Thereafter	29,010
	\$ (3,530,882)

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 9. Other Postemployment Benefits (Continued)

b. Actuarial Assumptions

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions:

Discount Rate	4.00%
Payroll Growth Rate	Vary by pension retirement system membership (New York State and Local Retirement System)
Mortality	Pub-2010 General Employees Headcount-Weighted mortality table projected fully generationally using MP-2021 mortality improvement scale
Participation Rate	It is assumed that 100% of future retirees eligible for coverage will elect coverage under the plan.
Marital Rate	It is assumed that 50% and 100% of males and females, respectively, will elect spousal coverage at retirement.
Healthcare Cost Trend	Medical/Rx: 6.25% (2024), 6.00% (2025), 5.75% (2026), 5.60% (2027), 5.29% (2028), 4.73% (2029-2040), 4.66% (2041-2050), 4.60% (2051-2060), 4.39% (2061-2070), 4.14% (Thereafter) Dental/Vision: 3.00%

The discount rate was based on the 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of December 31, 2023.

c. Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate and Discount Rate

The following presents the OPEB liability of the benefit plan as of December 31, 2023 using the current healthcare cost trend rate, as well as what the OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
OPEB liability	\$ 3,350,090	\$ 3,929,732	\$ 4,669,520

The following presents the OPEB liability of the benefit plan as of December 31, 2023 using the current discount rate of 4.0%, as well as what the OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (3.0%)	Current Rate (4.0%)	1% Increase (5.0%)
OPEB liability	\$ 4,491,623	\$ 3,929,732	\$ 3,471,120

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 9. Other Postemployment Benefits (Continued)

d. Changes in the OPEB Liability

OPEB liability as of December 31, 2022	<u>\$ 3,612,125</u>
Changes for the year	
Service cost	162,667
Interest	158,291
Difference between expected and actual experience	51,069
Changes in assumptions or other inputs	152,031
Benefit payments	<u>(206,451)</u>
Net changes	<u>317,607</u>
OPEB liability as of December 31, 2023	<u>\$ 3,929,732</u>

Note 10. Retirement System

Plan Description and Benefits Provided

The Town participates in the System, which is a cost-sharing, multiple-employer, public employee retirement system. The System provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law governs obligations of employers and employees to contribute and provide benefits to employees. The System issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the System at www.osc.state.ny.us/retire.

The System provides retirement, disability, and death benefits for eligible members, including an automatic cost-of-living adjustment. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

Contributions

The System is noncontributory except for employees who joined after July 26, 1976 and contribute 3% of their salary for the first 10 years of membership, employees who joined between January 1, 2010 and April 1, 2012 and contribute 3% of their salary for the entire length of service, and employees who joined after April 1, 2012 and contribute between 3% and 6% of their earned wages for the entire length of their career.

The Comptroller annually certifies the rates, expressed as proportions of payroll of members, which are used in computing the contributions required to be made by employers. The Town's contributions for the current year and two preceding years were as follows:

For the year ended December 31,	
2023	\$ 188,616
2022	172,478
2021	215,665

Contributions made to the System were equal to 100% of the contributions required for each year.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 10. Retirement System (Continued)

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

At December 31, 2023, the Town reported a liability of \$1,259,905 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2023, and the total pension liability was determined by an actuarial valuation as of April 1, 2022. The Town's proportion of the net pension liability was based on the ratio of its actuarially determined employer contribution to the System's total actuarially determined employer contribution for the fiscal year ended on the measurement date. As of the March 31, 2023 measurement date, the Town's proportionate share was 0.0058753%.

For the year ended December 31, 2023, the Town recognized pension expense of \$431,365. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to the net pension liability as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 134,190	\$ 35,383
Changes in assumptions	611,891	6,763
Net differences between projected and actual investment earnings on pension plan investments	-	7,402
Changes in proportion and differences between employer contributions and proportionate share of contributions	67,408	87,905
Town contributions subsequent to the measurement date	141,462	-
Total	\$ 954,951	\$ 137,453

Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2024. 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 the year ending December 31,	
2024	\$ 157,948
2025	(68,408)
2026	253,872
2027	332,624
Total	\$ 676,036

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 10. Retirement System (Continued)

b. Actuarial Assumptions

The total pension liability at March 31, 2023 was determined by using an actuarial valuation as of April 1, 2022, with updated procedures used to roll forward the total pension liability to March 31, 2023. The actuarial valuation used the following actuarial assumptions:

Actuarial Cost Method	Entry age normal
Inflation Rate	2.9%
Salary Scale	4.4%, indexed by service
Investment Rate of Return, Including Inflation	5.9% compounded annually, net of expenses
Cost-of-Living Adjustment	1.5% annually
Decrement	Based on FY2016-2020 experience
Mortality Improvement	Society of Actuaries' Scale MP-2020

c. Investment Asset Allocation

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 returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each target asset allocation percentage and 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, 2023 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	32.00%	4.30%
International equity	15.00%	6.85%
Private equity	10.00%	7.50%
Real estate	9.00%	4.60%
Opportunistic/absolute return strategy	3.00%	5.38%
Credit	4.00%	5.43%
Real assets	3.00%	5.84%
Fixed income	23.00%	1.50%
Cash	1.00%	0.00%
	100.00%	

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 10. Retirement System (Continued)

d. Discount Rate

The discount rate projection of cash flows assumes that contributions from members will be made at the current member contribution rates and contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the System's 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.

e. 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 5.9%, as well as the impact of using a discount rate that is one percentage point higher or one percentage point lower than the current rate:

	1% Decrease (4.9%)	Current Rate (5.9%)	1% Increase (6.9%)
Town's proportionate share of the net pension liability (asset)	\$ 3,044,650	\$ 1,259,905	\$ (231,457)

f. Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the System as of March 31, 2023 were as follows (amounts in thousands):

Employers' total pension liability	\$ 232,627,259
Plan net position	(211,183,223)
Employers' net pension liability	\$ 21,444,036
Ratio of plan net position to the employers' total pension liability	90.78%

Note 11. Leases

The Town has various lease agreements for certain equipment. A summary of future principal and interest payments is as follows:

	Principal	Interest	Total
For the year ending December 31,			
2024	\$ 9,368	\$ 1,013	\$ 10,381
2025	6,943	704	7,647
2026	6,827	387	7,214
2027	3,827	68	3,895
	\$ 26,965	\$ 2,172	\$ 29,137

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 12. Subscription-Based IT Arrangements

The Town has various SBITAs used for information technology in the normal course of business. A summary of future principal and interest payments is as follows:

	Principal	Interest	Total
For the year ending December 31,			
2024	\$ 31,879	\$ 3,737	\$ 35,616
2025	33,140	2,958	36,098
2026	31,835	2,016	33,851
2027	27,654	1,111	28,765
2028	11,923	333	12,256
	<u>\$ 136,431</u>	<u>\$ 10,155</u>	<u>\$ 146,586</u>

Note 13. Tax Abatements

Certain property values in the Town have been reduced as the result of payment in lieu of tax (PILOT) agreements. The PILOT agreements are made to support housing projects within the Town.

The Town has no material tax abatements as of and for the year ended December 31, 2023.

Note 14. Subsequent Events

During 2023, the Town Board authorized the issuance of debt not to exceed \$13,500,000 to pay for the construction of a new highway garage. Bond Anticipation Notes totaling \$10,500,000 are anticipated to close in July 2024.

Note 15. Contingencies, Risks, and Uncertainties

a. *Lawsuits*

From time to time, the Town is involved in certain suits and claims arising in the normal course of business. The Town was previously involved in a certain matter with estimated potential damages totaling \$300,000 at December 31, 2022. It was the opinion of the Town that an unfavorable outcome with respect to the matter was probable. Accordingly, the Town reported a \$300,000 claims payable liability within the Town's governmental activities in the government-wide financial statements at December 31, 2022. This matter was subsequently settled with no damages required to be paid by the Town. Accordingly, the Town has reported no claims payable liability within the Town's governmental activities in the government-wide financial statements at December 31, 2023.

b. *Grant Programs*

The Town participates in a number of grant programs. These programs are subject to financial and compliance audits by the grantor or its representatives. The Town believes, based upon its review of current activity and prior experience, that the amount of disallowances resulting from these audits, if any, will not be significant to the Town's financial position or results of operations.

Town of Milton, New York

Notes to Financial Statements
December 31, 2023

Note 15. Contingencies, Risks, and Uncertainties (Continued)

c. Environmental Concerns

The Town is engaged in many activities in the normal course of operations that are potentially hazardous to the environment. As of December 31, 2023, the Town is not aware of any significant environmental problems that should be disclosed in the financial statements.

Note 16. Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 101, Compensated Absences: This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non-cash means. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter.

GASB Statement No. 102, Certain Risk Disclosures: The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. If a government determines that criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The requirements of this statement are effective for fiscal years beginning after June 15, 2024 and all reporting periods thereafter.

GASB Statement No. 103, Financial Reporting Model Improvements: The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision-making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for fiscal years beginning after June 15, 2025 and all reporting periods thereafter.

Management has not estimated the extent of potential impact of these statements on the Town's financial statements but does plan to implement these standards in the required year.

Town of Milton, New York

Required Supplementary Information
Schedule of Other Postemployment Benefits Liability

	December 31,					
	2023	2022	2021	2020	2019	2018
TOTAL OPEB LIABILITY, beginning of year	\$ 3,612,125	\$ 9,644,008	\$ 12,804,558	\$ 7,667,192	\$ 7,186,364	\$ 7,440,794
Changes for the year						
Service cost	162,667	669,646	883,710	437,750	433,998	488,961
Interest	158,291	208,851	287,609	327,350	289,663	251,951
Change in benefit terms	-	(2,751,537)	-	(265,046)	-	-
Difference between expected and actual experience	51,069	(2,327,579)	(4,200,844)	(292,515)	-	-
Changes in assumptions or other inputs	152,031	(1,578,392)	113,881	5,173,882	-	(762,073)
Benefit payments	(206,451)	(252,872)	(244,906)	(244,055)	(242,833)	(233,269)
Net changes	317,607	(6,031,883)	(3,160,550)	5,137,366	480,828	(254,430)
TOTAL OPEB LIABILITY, end of year	\$ 3,929,732	\$ 3,612,125	\$ 9,644,008	\$ 12,804,558	\$ 7,667,192	\$ 7,186,364
Covered payroll	\$ 1,856,602	\$ 1,744,003	\$ 1,250,021	\$ 1,694,589	\$ 1,798,126	\$ 1,762,869
OPEB liability as a percentage of covered payroll	211.66%	207.12%	771.51%	755.61%	426.40%	407.65%

Data not available prior to the 2018 implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

See Independent Auditor's Report.

Town of Milton, New York

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability/Asset

	December 31,							
	2023	2022	2021	2020	2019	2018	2017	2016
Town's proportion of the net pension liability (asset)	0.0058753%	0.0062733%	0.0051980%	0.0051798%	0.0057799%	0.0059724%	0.0062113%	0.5950200%
Town's proportionate share of the net pension liability (asset)	\$ 1,259,905	\$ (512,820)	\$ 5,176	\$ 1,371,643	\$ 409,525	\$ 192,758	\$ 583,631	\$ 955,016
Town's covered-employee payroll	\$ 1,665,932	\$ 1,646,327	\$ 1,557,016	\$ 1,629,198	\$ 1,607,828	\$ 1,660,859	\$ 1,663,238	\$ 1,472,117
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	75.63%	-31.15%	0.33%	84.19%	25.47%	11.61%	35.09%	64.87%
Plan fiduciary net position as a percentage of the total pension liability	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Town of Milton, New York

Required Supplementary Information
Schedule of Pension Contributions

	December 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 188,616	\$ 172,478	\$ 215,665	\$ 217,575	\$ 212,260	\$ 232,464	\$ 239,166	\$ 276,664	\$ 212,041	\$ 327,130
Contributions in relation to the contractually required contribution	\$ 188,616	\$ 172,478	\$ 215,665	\$ 217,575	\$ 212,260	\$ 232,464	\$ 239,166	\$ 276,664	\$ 212,041	\$ 327,130
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered-employee payroll	\$ 1,665,932	\$ 1,646,327	\$ 1,557,016	\$ 1,629,198	\$ 1,607,828	\$ 1,660,859	\$ 1,663,238	\$ 1,472,117	\$ 1,319,321	\$ 1,579,600
Contribution as a percentage of covered-employee payroll	11%	10%	14%	13%	13%	14%	14%	19%	16%	21%

See Independent Auditor's Report.

Town of Milton, New York

Required Supplementary Information Budgetary Comparison Statement - General Fund

	Year Ended December 31, 2023			Variance With Revised - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Adopted	Revised		
REVENUES				
Real property taxes	\$ 831,704	\$ 831,704	\$ 832,880	\$ 1,176
Non-property taxes	1,472,130	1,472,130	1,603,787	131,657
Departmental income	72,500	72,500	101,796	29,296
Use of money and property	5,500	10,500	102,977	92,477
Licenses and permits	24,500	24,500	24,029	(471)
Fines and forfeitures	35,000	35,000	40,129	5,129
Miscellaneous	5,000	5,000	11,297	6,297
State aid	659,250	759,250	495,051	(264,199)
Federal aid	-	525,000	456,580	(68,420)
Total revenues	3,105,584	3,735,584	3,668,526	(67,058)
EXPENDITURES				
General government support	1,748,122	1,858,852	1,388,640	470,212
Public safety	96,382	96,382	85,145	11,237
Health	3,000	3,000	3,000	-
Transportation	225,066	226,066	206,487	19,579
Economic assistance and opportunity	42,200	45,200	39,824	5,376
Home and community services	2,000	2,500	2,933	(433)
Culture and recreation	201,720	216,270	203,414	12,856
Employee benefits	477,576	477,576	383,712	93,864
Capital outlays	158,170	161,690	104,620	57,070
Debt service				
Principal	150,000	158,200	190,398	(32,198)
Interest	22,540	23,540	21,152	2,388
Total expenditures	3,126,776	3,269,276	2,629,325	639,951
OTHER FINANCING SOURCES (USES)				
Proceeds from right-to-use asset	-	-	180,976	(180,976)
Appropriation of fund balance	167,743	167,743	-	167,743
Transfers in	3,449	3,449	-	3,449
Transfers out	(150,000)	(3,789,921)	(3,459,928)	329,993
Total other financing sources (uses)	21,192	(3,618,729)	(3,278,952)	320,209
Net change in fund balance	-	(3,152,421)	(2,239,751)	\$ 912,670
FUND BALANCE, beginning of year	5,277,714	5,277,714	5,277,714	
FUND BALANCE, end of year	\$ 5,277,714	\$ 2,125,293	\$ 3,037,963	

See Independent Auditor's Report.

Town of Milton, New York

Required Supplementary Information Budgetary Comparison Statement - Highway Part Town Fund

	Year Ended December 31, 2023			Variance With Revised - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Adopted	Revised		
REVENUES				
Non-property taxes	\$ 2,779,856	\$ 2,779,856	\$ 3,074,079	\$ 294,223
Use of money and property	42,547	42,547	186,155	143,608
State aid	277,595	277,595	301,773	24,178
Total revenues	3,099,998	3,099,998	3,562,007	462,009
EXPENDITURES				
Transportation	1,756,644	1,756,644	1,355,987	400,657
Employee benefits	388,284	388,284	379,506	8,778
Capital outlays	1,055,000	1,055,000	1,044,702	10,298
Total expenditures	3,199,928	3,199,928	2,780,195	419,733
OTHER FINANCING SOURCES (USES)				
Appropriation of fund balance	199,930	199,930	-	199,930
Interfund transfers out	(100,000)	(100,000)	-	(100,000)
Total other financing sources (uses)	99,930	99,930	-	(99,930)
Net change in fund balance	-	-	781,812	\$ 781,812
FUND BALANCE, beginning of year	3,231,393	3,231,393	3,231,393	
FUND BALANCE, end of year	\$ 3,231,393	\$ 3,231,393	\$ 4,013,205	

Town of Milton, New York

Required Supplementary Information Budgetary Comparison Statement - General Town Outside Village Fund

	Year Ended December 31, 2023			Variance With Revised - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Adopted	Revised		
REVENUES				
Departmental income	\$ 90,250	\$ 90,250	\$ 122,692	\$ 32,442
Use of money and property	-	-	31,043	31,043
Total revenues	90,250	90,250	153,735	63,485
EXPENDITURES				
General government support	783	783	916	(133)
Health	2,550	2,550	1,087	1,463
Transportation	26,500	26,500	22,773	3,727
Economic assistance and opportunity	28,350	28,350	28,246	104
Home and community services	402,060	388,410	351,311	37,099
Culture and recreation	106,000	106,000	99,000	7,000
Employee benefits	139,668	173,238	97,702	75,536
Capital outlays	99,500	79,580	40,777	38,803
Debt service				
Principal	-	-	11,899	(11,899)
Interest	-	-	27	(27)
Total expenditures	805,411	805,411	653,738	151,673
OTHER FINANCING SOURCES				
Appropriation of fund balance	715,161	715,161	-	715,161
Net change in fund balance	-	-	(500,003)	\$ (500,003)
FUND BALANCE, beginning of year	1,165,252	1,165,252	1,165,252	
FUND BALANCE, end of year	\$ 1,165,252	\$ 1,165,252	\$ 665,249	

Town of Milton, New York

Supplementary Information
Combining Balance Sheet - Non-Major Governmental Funds

December 31, 2023

	Miscellaneous Special Revenue	Highway Town Wide	Debt Service	Lighting District	Ambulance District	Fire Protection District	Water District	Total
ASSETS								
Cash and cash equivalents, unrestricted	\$ -	\$ 37	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37
Cash and cash equivalents, restricted	-	-	1,502	-	-	-	-	1,502
Investments	620,455	60,362	-	12,310	-	-	-	693,127
Investments, restricted	-	-	26,402	-	-	-	143,798	170,200
Due from other governments	16,141	-	-	-	-	-	-	16,141
Other receivables	1,000	-	-	-	-	-	-	1,000
Due from other funds	11,607	-	-	-	35	-	10,618	22,260
TOTAL ASSETS	\$ 649,203	\$ 60,399	\$ 27,904	\$ 12,310	\$ 35	\$ -	\$ 154,416	\$ 904,267
LIABILITIES								
Due to other funds	\$ -	\$ 14,964	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,964
FUND BALANCES								
Restricted	-	-	27,904	-	-	-	143,798	171,702
Assigned	649,203	45,435	-	12,310	35	-	10,618	717,601
Total fund balances	649,203	45,435	27,904	12,310	35	-	154,416	889,303
TOTAL LIABILITIES AND FUND BALANCES	\$ 649,203	\$ 60,399	\$ 27,904	\$ 12,310	\$ 35	\$ -	\$ 154,416	\$ 904,267

See Independent Auditor's Report.

Town of Milton, New York

Supplementary Information Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds

	Year Ended December 31, 2023							
	Miscellaneous Special Revenue	Highway Town Wide	Debt Service	Lighting District	Ambulance District	Fire Protection District	Water District	Total
REVENUES								
Real property taxes	\$ -	\$ -	\$ -	\$ 2,214	\$ 695,218	\$ 538,221	\$ 10,618	\$ 1,246,271
Non-property taxes	105,000	-	-	-	-	-	-	105,000
Departmental income	208,000	-	-	-	-	-	-	208,000
Use of money and property	21,575	3,006	681	948	-	-	6,247	32,457
Total revenues	<u>334,575</u>	<u>3,006</u>	<u>681</u>	<u>3,162</u>	<u>695,218</u>	<u>538,221</u>	<u>16,865</u>	<u>1,591,728</u>
EXPENDITURES								
Public safety	-	-	-	-	-	538,221	-	538,221
Health	-	-	-	-	695,183	-	-	695,183
Transportation	-	29,363	-	1,750	-	-	-	31,113
Culture and recreation	65,000	-	-	-	-	-	-	65,000
Total expenditures	<u>65,000</u>	<u>29,363</u>	<u>-</u>	<u>1,750</u>	<u>695,183</u>	<u>538,221</u>	<u>-</u>	<u>1,329,517</u>
Net change in fund balances	269,575	(26,357)	681	1,412	35	-	16,865	262,211
FUND BALANCES, beginning of year	<u>379,628</u>	<u>71,792</u>	<u>27,223</u>	<u>10,898</u>	<u>-</u>	<u>-</u>	<u>137,551</u>	<u>627,092</u>
FUND BALANCES, end of year	\$ 649,203	\$ 45,435	\$ 27,904	\$ 12,310	\$ 35	\$ -	\$ 154,416	\$ 889,303

See Independent Auditor's Report.