

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 7, 2021

REFUNDING ISSUE

MOODY'S INVESTORS SERVICE: "Aa1"

SERIAL BONDS

See "**BOND RATING**" herein

In the opinion of Bond, Schoeneck & King, PLLC, Syracuse, New York, Bond Counsel, assuming continuing compliance by the Town with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is not includable in the gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Bonds is not an "item of tax preference" for purposes of the individual alternative minimum taxes imposed by the Code. Interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision therein (including The City of New York). See "TAX MATTERS" herein for discussion of certain Federal taxes applicable to corporate owners of the Bonds.

The Bonds will be designated as "qualified tax-exempt obligations" pursuant to Section 265(b)(3) of the Code.

\$4,955,000*
TOWN OF CLIFTON PARK
SARATOGA COUNTY, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE #: 187117

\$4,955,000* Public Improvement Refunding (Serial) Bonds, 2021

(referred to herein as the "Bonds")

Dated: Date of Delivery

Due: February 15, 2021-2035

MATURITIES*

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2021	\$ 65,000	%	%		2026	\$ 505,000	%	%		2031	\$ 55,000**	%	%	
2022	485,000				2027	525,000				2032	55,000**			
2023	515,000				2028	545,000				2033	50,000**			
2024	465,000				2029	555,000				2034	50,000**			
2025	485,000				2030	575,000**				2035	25,000**			

** The Bonds maturing in the years 2030-2035 are subject to redemption prior to maturity as described herein under the heading "THE BONDS – Optional Redemption."

The Bonds are general obligations of the Town of Clifton Park, 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 Bonds and interest thereon, subject to applicable statutory limitations. See "TAX LEVY LIMITATION LAW" herein.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 each or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on February 15, 2021, August 15, 2021, and semi-annually thereafter on February 15 and August 15. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Bonds are offered when, as and if issued and received by the Underwriter and subject to the receipt of the approving legal opinion as to the validity of the Bonds of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. Certain legal matters will be passed upon for the Underwriter by its Counsel, Hodgson Russ LLP, Albany, New York. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey on or about February 2, 2021.



DAVIDSON
 FIXED INCOME CAPITAL MARKETS

January __, 2021

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

TOWN of CLIFTON PARK

SARATOGA COUNTY, NEW YORK



TOWN OFFICIALS

PHILIP BARRETT
Supervisor

ANTHONY MORELLI
Deputy Town Supervisor

TOWN BOARD

LYNDA WALOWITT
AMY STANDAERT
VACANT

TERESA BROBSTON
Town Clerk

MARK HEGGEN, CPA
Town Comptroller

DAHN S. BULL
Superintendent of Highways

THOMAS MCCARTHY, ESQ.
Attorney for the Town



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor

BOND **SCHOENECK**
& KING
Bond Counsel

No person has been authorized by the Town to give any information or to make any representations other than those contained in this Official Statement; and if given or made, such other information or representations must not be relied upon as having been authorized by the Town. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the Town from sources which are believed to be reliable but is not guaranteed as to accuracy or completeness. The information 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 since the date thereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZATION, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
THE BONDS	1	SPECIAL PROVISIONS AFFECTING	
Description of the Bonds	1	REMEDIES UPON DEFAULT	24
Optional Redemption.....	2	MARKET AND RISK FACTORS	27
NATURE OF THE OBLIGATION	2	COVID-19	28
BOOK-ENTRY-ONLY SYSTEM	3	TAX MATTERS	29
Certificated Bonds.....	5	LEGAL MATTERS	30
AUTHORIZATION AND PLAN OF REFUNDING	5	LITIGATION	30
Authorization and Purpose	5	UNDERWRITING	31
The Refunding Financial Plan	6	MUNICIPAL ADVISOR	31
Verification of Mathematical Computations.....	7	CONTINUING DISCLOSURE UNDERTAKING	31
Sources and Uses of Bond Proceeds.....	7	BOND RATING	31
THE TOWN	8	CUSIP IDENTIFICATION NUMBERS	32
General Information	8	MISCELLANEOUS	32
Population Trends.....	9	APPENDIX – A	
Selected Wealth and Income Indicators.....	9	GENERAL FUND - Balance Sheets	
Major Employers.....	9	APPENDIX –A1	
Banking Facilities.....	10	GENERAL FUND – Revenues, Expenditures and	
Unemployment Rate Statistics.....	11	Changes in Fund Balance	
Form of Town Government.....	11	APPENDIX – A2	
Financial Organization	11	GENERAL FUND – Revenues, Expenditures and	
Budgetary Procedure	11	Changes in Fund Balance - Budget and Actual	
Investment Policy.....	11	APPENDIX – B	
State Aid.....	12	BONDED DEBT SERVICE	
Employees	12	APPENDIX – C	
Status and Financing of Employee Pension Benefits.....	12	CONTINUING DISCLOSURE UNDERTAKING	
Other Post-Employment Benefits	14	APPENDIX – D	
Other Information.....	15	AUDITED FINANCIAL STATEMENT FOR THE FISCAL	
Financial Statements.....	16	YEAR ENDING DECEMBER 31, 2019	
New York State Comptroller Report of Examination	16		
The State Comptroller’s Fiscal Stress Monitoring System	17		
TAX INFORMATION	17		
Taxable Valuations.....	17		
Tax Rates Per \$1,000 (Assessed).....	18		
Tax Collection Procedure	18		
Tax Levy and Tax Collection Record.....	18		
Ten of the Largest Taxpayers	19		
Additional Tax Information.....	19		
Tax Cap Law	19		
STATUS OF INDEBTEDNESS	20		
Constitutional Requirements	20		
Statutory Procedure	21		
Debt Outstanding End of Fiscal Year	22		
Details of Outstanding Indebtedness	22		
Debt Statement Summary.....	22		
Bonded Debt Service.....	23		
Cash Flow Borrowings.....	23		
Capital Leases	23		
Estimated Overlapping Indebtedness.....	23		
Debt Ratios.....	23		

PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
TOWN OF CLIFTON PARK
SARATOGA COUNTY, NEW YORK
Relating to

\$4,955,000* Public Improvement Refunding (Serial) Bonds, 2021

This Official Statement, which includes the cover page and appendices, has been prepared by the Town of Clifton Park, Saratoga County, New York (the "Town," "County," and "State," respectively), in connection with the sale by the Town of its aggregate principal amount of \$4,955,000* Public Improvement Refunding (Serial) Bonds, 2021 (referred to herein as the "Bonds").

The factors affecting the Town's financial condition and the Bonds are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the Town's tax base, revenues, and expenditures, this Official Statement should be read in its entirety.

All quotations from and summaries and explanations of provisions of the Constitution and laws of the State of New York, 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 Bonds and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the Town's overall economic situation and outlook (and all of the specific Town-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "COVID-19" herein.

THE BONDS

Description of the Bonds

The Bonds are general obligations of the Town and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Bonds as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the Town is subject to the levy of ad valorem taxes to pay principal of and interest on the Bonds, subject to certain statutory limitations. See "TAX LEVY LIMITATION LAW," herein.

The Bonds will be dated the date of delivery and will mature in the principal amounts as set forth on the cover page of this Official Statement. The Bonds are subject to redemption prior to maturity as described herein under "THE BONDS – Optional Redemption". The "Record Date" of the Bonds will be the last business day of the calendar month preceding each such interest payment date.

The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on February 15, 2021, August 15, 2021 and semi-annually thereafter on February 15 and August 15 in each year until maturity. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein.

* Preliminary, subject to change.

Optional Redemption

The Bonds maturing on or before February 15, 2029 shall not be subject to redemption prior to maturity. The Bonds maturing on or after February 15, 2030 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the Town on February 15, 2029 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

If less than all of the Bonds of any maturity are to be redeemed, the particular Bonds of such maturity to be redeemed shall be selected by the Town by lot in any customary manner of selection as determined by the Town Supervisor. Notice of such call for redemption shall be given by mailing such notice to the registered holders not more than sixty (60) days nor less than thirty (30) days prior to such date. Notice of redemption having been given as aforesaid, the Bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable, together with interest to such redemption date, and interest shall cease to be paid thereon after such redemption date.

NATURE OF OBLIGATION

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

Holders of any series of notes or bonds 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 Bonds 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. See “TAX LEVY LIMITATION LAW,” herein.

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 Bonds 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.

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 Bonds. The Bonds 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 Bond certificate will be issued for each maturity of the Bonds in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world’s largest depository, 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 is the holding company for DTC, National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. 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.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“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 Bonds 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds 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 Bonds 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 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds 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 Bonds 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Town as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds 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 upon DTC's receipt of funds and corresponding detail information from the Town, on payable dates 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 Cede & Co. (or such other nominee as may be requested by an authorized representative of 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 Bonds at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

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 BONDS (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS, 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 BONDS; (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 BONDS.

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 Bonds

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law. In the event that such book-entry-only system is discontinued, the following provisions will apply: The Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof for any single maturity. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent to be named by the Town upon termination of the book-entry-only system. Interest on the Bonds will be payable on February 15, 2021, August 15, 2021, and semi-annually thereafter on February 15 and August 15. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owners of the Bonds, on each interest payment date at the address as shown on the registration books of the fiscal agent as of the fifteenth day of the calendar month preceding each such interest payment date. The Bonds may be transferred or exchanged at no cost to the registered owner at any time prior to maturity at the office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the Certificate of Determination of the Town Supervisor authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the fifteenth day of the calendar month preceding an interest payment date and such interest payment date.

AUTHORIZATION AND PLAN OF REFUNDING

Authorization and Purpose

The Bonds are being issued pursuant to the Constitution and statutes of the State, including particularly section 90.10 of the Local Finance Law, a refunding bond resolution adopted by the Town Board on December 21, 2020, (the “Refunding Bond Resolution”) and other proceedings and determinations related thereto. The Refunding Bond Resolution authorizes the refunding of all or a portion of the \$910,000 outstanding principal amount of the Public Improvement (Serial) Bonds, 2011 originally issued by the Town in the aggregate principal amount of \$1,358,300 (the “2011 Refunded Bonds”), and all or a portion of the \$5,120,000 outstanding principal amount of the Public Improvement (Refunding) Bonds, Series 2013 originally issued by the Town in the aggregate principal amount of \$8,035,000 (the “2013 Refunded Bonds” and collectively with the 2011 Refunded Bonds referred to herein as the “Refunded Bonds”). The Refunding Bond Resolution authorizes issuance of the Bonds to provide the funds necessary to effect the refunding of the Refunded Bonds.

The Refunded Bonds were issued pursuant to the Constitution and statutes of the State, including among others, the Town Law, the Local Finance Law and various bond resolutions for the following purposes and amounts:

\$1,358,300 Public Improvement (Serial) Bonds, 2011 –September 1, 2011

<u>Purpose</u>		<u>Amount Originally Issued</u>
Rexford Water District #2, Ext. #1-FX6	11/20/06	\$ 80,000
Clifton Garden’s Park District-SP2	3/8/10	93,300
Clifton Country Road Sewer #1-G8	1/5/09	456,000
Rexford Water District #2	5/9/05	225,000
Rivercrest Sewer District #1, Ext #1	6/21/10	258,000
Olde Nott Farm Sewer District #1	6/21/10	<u>246,000</u>
	Total:	\$ 1,358,300

\$8,035,000 Public Improvement (Refunding) Bonds, Series 2013 – March 7, 2013

<u>Purpose</u>		<u>Amount Originally Issued</u>
Refunding of 2005 Serial Bonds		\$ 7,460,000
Refunding of 2003 Serial Bonds		<u>575,000</u>
	Total:	\$ 8,035,000

The proceeds of the Bonds are intended to be used to purchase a portfolio of non-callable direct obligations of the United States of America (the “Government Obligations”) and pay certain costs of issuance related to the Bonds. The principal of and investment income on the portfolio of Government Obligations together with other available cash on deposit in the Escrow Deposit Fund (as hereinafter defined) are expected to be sufficient to pay the maturing principal of and interest on the Refunded Bonds.

All proceeds of the Refunded Bonds have been heretofore expended.

The Refunding Financial Plan

The Bonds are being issued to effect the refunding of the Refunded Bonds pursuant to the Town’s refunding financial plan (the “Refunding Financial Plan”). The Refunding Financial Plan provides that the proceeds of the Bonds (after payment of the underwriting fee and other costs of issuance related to the Bonds) are to be applied to the purchase of direct obligations of the United States of America (the “Government Obligations”). The Government Obligations are to be placed in an irrevocable escrow fund (the “Escrow Deposit Fund”) with Wilmington Trust, N.A. (the “Escrow Holder”), pursuant to the terms of an escrow contract (the “Escrow Contract”) by and between the Town and the Escrow Holder. The Refunding Financial Plan further provides that the Government Obligations so deposited will mature in amounts and bear interest sufficient, together with any un-invested cash deposited into the Escrow Deposit Fund from proceeds of the Bonds, to meet principal and interest payments and redemption premiums with respect to the Refunded Bonds on the dates such payments are due or, in the case of Refunded Bonds subject to redemption prior to maturity, upon their earliest redemption dates (the “Payment Dates”). The Refunding Financial Plan calls for the Escrow Holder, pursuant to the Refunding Bond Resolution and the Escrow Contract, to call for redemption all the then outstanding Refunded Bonds on their respective first permitted redemption date. The owners of the Refunded Bonds will have a first lien on all of the respective cash and Government Obligations necessary for the refunding in the Escrow Deposit Fund into which are required to be deposited all investment income on and maturing principal of the Government Obligations, together with the un-invested cash deposit, until the Refunded Bonds have been paid, whereupon the Escrow Contract, given certain conditions precedent, shall terminate.

The Town is expected to realize, as a result of the issuance of the Bonds, and in accordance with the Refunding Financial Plan, cumulative dollar and present value debt service savings.

Under the Refunding Financial Plan, the Refunded Bonds will continue to be general obligations of the Town and will continue to be payable from Town sources legally available therefore. However, inasmuch as the Government Obligations and cash held in the Escrow Deposit Fund will have been verified to be sufficient to meet all required payments of principal, interest and redemption premiums on the Refunded Bonds, it is not anticipated that such Town sources of payment will be used.

The list of Refunded Bond maturities set forth below, may be changed by the Town in its sole discretion due to market or other factors considered relevant by the Town at the time of pricing of the Bonds and no assurance can be given that any particular series of bonds listed or that any particular maturity thereof will be refunded.

**\$1,358,300 Public Improvement (Serial) Bonds, 2011 –September 1, 2011
CUSIP BASE: 187117**

<u>Due September 1st</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CSP</u>
2021	\$ 60,000	3.000%	03/04/2021	100.00%	HB5
2022	60,000	3.000	03/04/2021	100.00	HC3
2023	60,000	3.125	03/04/2021	100.00	HD1
2024	65,000	3.250	03/04/2021	100.00	HE9
2025	65,000	3.375	03/04/2021	100.00	HF6
2026	65,000	3.500	03/04/2021	100.00	HG4
2027	65,000	4.000	03/04/2021	100.00	HH2
2028	65,000	4.000	03/04/2021	100.00	HJ8
2029	65,000	4.000	03/04/2021	100.00	HK5
2030	65,000	4.000	03/04/2021	100.00	HL3
2031	60,000	4.000	03/04/2021	100.00	HM1
2032	60,000	4.000	03/04/2021	100.00	HN9
2033	60,000	4.125	03/04/2021	100.00	HP4
2034	60,000	4.200	03/04/2021	100.00	HQ2
2035	<u>35,000</u>	4.250	03/04/2021	100.00	HR0
	<u>\$ 910,000</u>				

\$8,035,000 Public Improvement (Refunding) Bonds, Series 2013 – March 7, 2013
CUSIP BASE: 187117

<u>Due February 15th</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CSP</u>
2022	\$ 510,000	2.000%	03/04/2021	100.00%	JB3
2023	530,000	2.000	03/04/2021	100.00	JC1
2024	470,000	2.000	03/04/2021	100.00	JD9
2025	480,000	2.125	03/04/2021	100.00	JE7
2026	495,000	3.000	03/04/2021	100.00	JF4
2027	510,000	3.000	03/04/2021	100.00	JG2
2028	525,000	3.000	03/04/2021	100.00	JH0
2029	540,000	3.000	03/04/2021	100.00	JJ6
2030	<u>560,000</u>	3.000	03/04/2021	100.00	JK3
	<u>\$ 4,620,000</u>				

The New York Local Finance Law provides that upon placement in escrow of proceeds of refunding bonds sufficient to provide for the payment of the principal of and interest on the bonds to be refunded by such refunding Bonds, such bonds are no longer counted in computing the Town’s debt for statutory debt limitation purposes.

Verification of Mathematical Computations

Causey Demgen & Moore P.C., a firm of independent public accountants, will deliver to the Town, on or before the settlement date of the Bonds, its attestation report indicating that it has verified, in accordance with standards established by the American Institute of Certified Public Accountants, the information and assertions provided by the Town and its representatives. Included in the scope of its engagement will be a verification of the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on, the Government Obligations listed in the underwriter’s schedules, used to fund the Escrow Deposit Fund to be established by the Escrow Holder to pay, when due, the maturing principal and redemption premium of and interest on the Refunded Bonds.

The verification performed by Causey Demgen & Moore P.C. will be solely based upon data, information and documents provided to Causey Demgen & Moore P.C. by the Town and its representatives. The Causey Demgen & Moore P.C. verification report will state Causey Demgen & Moore P.C. has no obligations to update the report because of events occurring, or data or information coming to their attention, subsequent to the date of the report.

Sources and Uses of Bond Proceeds

Proceeds of the Bonds are to be applied as follows:

Sources:	Par Amount of the Bonds	
	Original Issue Premium	
		Total
Uses:	Deposit to Escrow Fund	
	Underwriter's Discount	
	Costs of Issuance and Contingency	
		Total

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THE TOWN

General Information

The Town is located in the southern portion of Saratoga County. It is approximately 15 miles north of the City of Albany, the State Capital, and approximately 20 miles south of the City of Saratoga Springs. The Town has a land area of approximately 50.2 square miles. The town is a major retail center, with stores such as Target, Staples, and Kohls. The Clifton Park Center Mall is anchored by Boscov's, Marshalls, and J.C. Penney. The mall has undergone major renovations which include completion of a 10 screen cinema, Planet Fitness, Hilton Garden Inn (90 rooms), Starbucks, Smashburger, and several high-end retail stores. As a result of the huge success of the Hilton Garden Inn, the mall owners with Hilton Hotels and Resorts opened a second hotel product, the Homewood Inn & Suites (100 rooms) on the mall property. The Town offers an attractive setting for companies and the public to do business. Clifton Park is a host to outstanding restaurants, hotels and banquet facilities. In addition, there are a variety of recreation activities from fitness clubs, public pool facilities, and ice-skating rinks. In 2018, the Planning Board and Planning Staff reviewed 118 project agenda items that consisted of a total of 388 Residential Equivalent Dwelling Units Proposed and 247,836 sq. ft. of retail/commercial /industrial space.

The major projects for fiscal year ending December 31, 2020 reviewed by the Planning Board include:

1. New Stewart's Convenience Store Shop with Fuel Islands, 3,696 square foot building, 1740 Route 9, Clifton Park, NY
2. Crescent Woods, 77 single family homes – Subdivision, 1573 Crescent Road, Clifton Park, NY
3. Plank Road Apartments, 34 residential units, 634 Plank Road, Clifton Park, NY
4. Rexford Square Self Storage Facility, 25,600 sq.ft., 8 Daggett Drive, Rexford, NY
5. Nortrax Site Plan, 26,000 sq.ft. industrial equipment sales & repair facility, 279 Ushers Road, Ballston Lake, NY
6. Borrego Solar, Community Solar Array Site Plan 6.5 MW/DC, 94 Appleton Road, Clifton Park, NY
7. Active Solar, Community Solar Array Site Plan 6.7 MW/DC, Vacant Agricultural Land, Hubbs Road, Clifton Park, NY

Interstate Highway #87 (Northway) goes through the Town providing residents direct access to Albany, Troy, Schenectady, New York City and the New York State Thruway to the south and Saratoga Springs, Glens Falls and Montreal to the North. Other major highways serving the Town include U.S. Route# 9, New York State Route #9N and County Route #9. Air transportation is provided by the Albany County International Airport.

GlobalFoundries

Major economic developments nearby the Town include the completion of the GlobalFoundries Fab 8 manufacturing plant, located within the 1,400-acre Luther Forest Technology Campus in the nearby town of Malta, which currently employs approximately 3,000 people and produces state-of-the-art 300mm semiconductor wafers for leading edge companies like IBM, Rockchip, Broadcom, Qualcomm, STMicroelectronics and others. The GlobalFoundries campus consists of approximately 2 million square feet of building space situated on just over 220 acres including two office buildings over 200,000 square feet each, utility and support buildings and a 390,000 square foot factory including a clean room the size of 6 football fields.

GlobalFoundries completed and then expanded its first Fabrication facility ("Fab") in 2015; then completed a large administrative building and a new Technology Development Center (TDC) that added more production space in 2016. The expanded facilities are expected to play a key role in the company's strategy to develop innovative semiconductor solutions allowing customers to compete at the leading edge of technology. The TDC features more than a half million square feet of flexible space to support a range of technology development and manufacturing activities, including cleanroom and laboratory space.

GlobalFoundries was also recently granted zoning and planning approval for a new Fab 8.2 manufacturing plant which could produce 450mm wafers. This 575,000-square-foot factory with 475,000 square feet of cleanroom space could add an estimated 3,700 new jobs. The expansion would triple the company's current employment of 2,160 on site jobs to 6,700 jobs. GlobalFoundries has applied for the zoning changes for Fab 8.2 so it could act quickly if there is an increase in demand for chips and a need for more capacity in the semiconductor industry.

Including the construction of the TDC, the total GlobalFoundries capital investment is now approximately \$8 billion, of which New York State has invested roughly \$1.3 billion. The planned Fab 8.2 plant is expected to cost up to \$14.7 billion. New York State has invested over \$100 million in the development of the Luther Forest Technology Campus and accompanying infrastructure including roads, power, water, sewer and other systems infrastructure. Saratoga County has also invested over \$68 million in a new countywide water system and has invested \$54 million to upgrade sewage treatment capacity.

GlobalFoundries is considered among the largest semi-conductor manufacturing facilities, performs advanced research, development and manufacturing of semi-conductors and is the first major tenant in the Luther Forest Technology Campus. Per a GlobalFoundries "Fab 8 Campus" Fact Sheet, there is approximately 3 million square feet of development with a total capital investment into these facilities of approximately \$10 billion dollars creating approximately 3,000 new direct jobs and 15,000 indirect jobs.

Source: Town officials.

Population Trends

<u>Year</u>	<u>Town of Clifton Park</u>	<u>Saratoga County</u>	<u>New York State</u>
1990	30,117	181,276	17,990,455
2000	32,995	200,635	18,976,457
2010	36,705	219,607	19,378,102
2018 (estimated)	36,566	230,163	19,542,209
2019 (estimated)	36,366	229,863	19,453,561

Source: U.S. Census Bureau.

Selected Wealth and Income Indicators

Per capita income statistics are available for the Town, County and State. Listed below are select figures from U.S. Census reports.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2015-2019</u>	<u>2000</u>	<u>2006-2010</u>	<u>2015-2019</u>
Town of:						
Clifton Park	\$ 31,997	\$ 38,846	\$ 49,082	\$ 81,410	\$103,404	\$ 125,289
County of:						
Saratoga	23,945	32,186	43,065	58,213	81,251	102,897
State of:						
New York	23,389	30,948	39,326	51,691	67,405	84,385

Note: 2016-2020 figures are not available as of the date of this Official Statement.

Source: 2000 U.S. Census Bureau, 2006-2010 and 2015-2019 5-year American Community Survey.

Major Employers

The following table sets forth the name of the major employers located within the Town and the estimated number of persons employed by each:

<u>Name of Employer</u>	<u>Estimated Number of Employees</u>
Shenendehowa Central Schools.....	1,350
Alliant Food Service Inc.....	325
Thomson Delmar Learning.....	280
US Foodservice.....	200
Boscov’s Department Store.....	200
Hannaford Superstore.....	160
Price Chopper/Golub Corp.	158
Prestige Services.....	153
Town of Clifton Park.....	138
YMCA – Southern Saratoga County Branch.....	80
Everett Charles Technologies.....	70
Clifton Park- Halfmoon Public Library.....	57
The Edison Club.....	48
Home Funding Finders.....	40
IHOP Restaurant.....	40
Alterra Clare Bridge of Clifton Park.....	37
KC Canary – Clifton Park, Inc.....	37
Staffield Printing.....	35
Mohawk Chevrolet.....	30

Source: Southern Saratoga Chamber of Commerce.

In addition, many of the Town residents are employed, as listed below, in the various industries, service companies or commercial establishments that are located with in Saratoga County:

<u>Name of Employer</u>	<u>of Employees</u>
Global Foundries	3,500
Stewart’s Ice Cream Co.	1,550
Saratoga County.....	1,100
Momentive Performance Materials.....	1,000
Target Distribution Center	1,000
Saratoga Springs City School District	988
Saratoga Hospital.....	823
Quad/Graphics, Inc.	825
Skidmore College	750
Price Chopper	648
International Paper Company	600
Saratoga Bridges (NYSARC, Inc.).....	580
Sysco Foodservice	500
Lockheed Martin – Knolls Atomic Power	400
SCA Tissue Co.	370
Fort Miller Co.	360
Wesley Health Center	350
Ace Hardware	350
Saratoga ARC/Alpha Industries.....	240
Ball Corporation	230
Fort Miller Co.	225
Espey Manufacturing & Electronics.....	215
D.A. Collins Companies	200
NIBCO of NY, Inc.....	150

Source: Saratoga Economic Development Corporation.

Banking Facilities

The following commercial banks are located in the Town:

- | | |
|----------------------------|------------------------|
| NBT Bank, N.A. | Capital Bank |
| First Niagara Bank, N.A. | KeyBank, N.A. |
| Citizens National Bank | Saratoga National Bank |
| Pioneer Bank | Bank of America |
| M&T Bank | JP Morgan Chase Bank |
| Ballston Spa National Bank | |

Source: Town officials.

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Unemployment Rate Statistics

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

	<u>Annual Average</u>						
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Town of Clifton Park	4.9%	4.0%	3.5%	3.3%	3.7%	3.1%	3.1%
Saratoga County	5.8%	4.7%	4.1%	3.8%	4.0%	3.5%	3.4%
New York State	7.7%	6.3%	5.3%	4.8%	4.7%	4.1%	4.0%

	<u>2020 Monthly Figures</u>											
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Town of Clifton Park	3.0%	3.0%	3.0%	11.6%	8.7%	9.2%	9.4%	6.9%	4.3%	4.4%	3.7%	N/A
Saratoga County	3.8%	3.6%	3.7%	13.2%	9.7%	10.2%	10.5%	7.7%	4.7%	4.9%	4.2%	N/A
New York State	4.1%	3.9%	4.2%	15.1%	14.2%	15.5%	16.0%	12.5%	9.3%	9.0%	8.1%	N/A

Note: Unemployment rates for December of 2020 are unavailable as of the date of this Official Statement. Unemployment rates have increased significantly since the onset of the COVID-19 pandemic in March of 2020.

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

Form of Town Government

The chief executive officer of the Town is the Supervisor who is elected to a term of two years and is eligible for re-election. The Supervisor is also a member of the Town Board. In addition to the Supervisor, there are four members of the Town Board who are elected for four year terms. There is no limitation as to the number of terms which may be served by members of the Town Board. The Supervisor and the Board Members are elected at large.

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

Financial Organization

Pursuant to the Local Finance Law, the Supervisor is the chief fiscal officer and the budget officer of the Town. The Supervisor's duties include administration, direction and control of the following divisions: Accounting, Accounts Payable, Accounts Receivable, Audit and Control, Payroll and Benefits administration.

Budgetary Procedure

The Budget Officer prepares a tentative budget based upon requests submitted from the various department heads. The Budget Officer, Supervisor, and Town Board review the tentative budget to prepare the preliminary budget. The preliminary budget is presented at a public hearing, subsequent changes if any are made, and the Town Board then adopts the budget. The budget is not subject to referendum.

Investment Policy

The Town's investment policies are governed by State statutes. In addition, the Town has its own written investment policy. Monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Demand accounts and certificates of deposit are authorized to be used. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral include obligations of the United States and its agencies and obligations of the State of New York, its municipalities and school districts.

State Aid

The Town receives financial assistance from the State. 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 this year or future years, 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. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Town requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

Currently, due to the outbreak of COVID-19 the State has declared a state of emergency in March of 2020 and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time; however, it is anticipated that the State will experience budgetary restrictions which will require certain gap-closing actions. Such actions may include but are not limited to: reductions in State agency operations and/or delays or reductions in payments to local governments or other recipients of State aid including municipalities and school districts in the State. If this were to occur, reductions in the payment of State aid could adversely affect the financial condition of municipalities and school districts in the State, including the Town. See "COVID-19" herein.

Employees

The Town currently employs approximately 373 full-time and part-time and seasonal employees. Union representations are as follows:

<u>Number Represented</u>	<u>Unit</u>	<u>Date of Contract Expiration</u>
39	CSEA General Unit	December 31, 2021
26	CSEA Highway Unit	December 31, 2021

Source: Town officials.

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 Retirement System 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 Retirement System 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 Retirement System.

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 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

The Town's actual and budgeted costs for the retirement system are as follows:

<u>Year</u>	<u>ERS</u>
2016	\$ 971,808
2017	965,373
2018	994,097
2019	1,002,346
2020	1,014,448
2021 (Budgeted)	1,097,769

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 a retirement incentive in the 2019 fiscal year. The incentive was an additional cash payment to employees in the amount of \$12,000. Three employees accepted the incentive resulting in an annual decrease in salary of approximately \$60,000. The incentive was not connected to the New York State Retirement System and did not require additional cost to the New York State Retirement System.

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 Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS rates (2017 to 2021) is shown below:

<u>Year</u>	<u>ERS</u>
2017	15.5%
2018	15.3
2019	14.9
2020	14.6
2021	14.6

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 Police and Fire Retirement System ("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 and PFRS. 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 Retirement Systems 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 Retirement Systems ("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 Retirement Systems administrative staff for further information on the latest actuarial valuations of the Retirement Systems.

Other Post-Employment Benefits

Healthcare Benefits. School districts and boards of cooperative educational services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits or increasing health care contributions received or paid by retirees below the level of benefits or contributions afforded to or required from active employees since the implementation of Chapter 729 of the Laws of 1994. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of this date. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

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. GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the year ending December 31, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

Summary of Changes from the Last Valuation. The Town contracted with an actuarial firm to calculate its first actuarial valuation under GASB 75 for the fiscal year ending December 31, 2019.

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The following outlines the changes to the Total OPEB Liability during the below fiscal years, by source.

	Balance beginning at:	<u>December 31, 2018</u>
		<u>\$ 36,530,199</u>
<u>Changes for the year:</u>		
Service cost		1,718,310
Interest		993,221
Differences between expected and actual experience		-
Changes in benefit terms		-
Changes in assumptions or other inputs		-
Benefit payments		<u>(562,550)</u>
Net Changes		<u>\$ 2,148,981</u>
	Balance ending at:	<u>December 31, 2019</u>
		<u>\$ 38,679,180</u>

Note: The above table is not audited. See “APPENDIX – D” for additional information.

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

Actuarial valuation will be required every 2 years for OPEB plans with more than 200 members, every 3 years if there are fewer than 200 members.

In April 2015, the State Comptroller announced legislation to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would allow the following:

- Authorize the creation of irrevocable OPEB trusts, not part of the New York State Common Retirement Fund, so that New York state and its local governments can, at their option, help fund their OPEB liabilities;
- Establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the state and participating eligible local governments;
- Designate the president of the Civil Service Commission as the trustee of the state’s OPEB trust and the governing boards as trustee for local governments; and
- Allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established.

Under the State Comptroller’s proposal, there are no restrictions on the amount a government can deposit into the trust. While it was not enacted into law in recent legislative sessions, it is not possible to predict whether the Comptroller’s proposed legislation will be reintroduced and enacted into law in the future.

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 Bonds are to be issued, is the Town Law and 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.

Except for as shown under “STATUS OF INDEBTEDNESS – 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 accounting firm for a continuous independent audit of all financial transactions of the Town. The Audited Financial report for Fiscal Year ended December 31, 2019 is attached hereto as "APPENDIX – D". The financial affairs of the Town are also subject to annual audits by the State Comptroller.

The Town complies with the Uniform System of Accounts as prescribed for towns in New York State by the State Comptroller. This System differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units", and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board (GASB).

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 has decided not to implement the requirements of this standard due to the cost of implementation and the implementation of this standard is not a NYS Comptroller's office requirement.

Unaudited Results for Fiscal Year Ending December 31, 2020

The Town expects to end the fiscal year ending December 31, 2020 with a cumulative unassigned fund balance of \$7,592,761.

Summary unaudited information for the General Fund for the period ending December 31, 2020 is as follows:

Revenues:	\$	17,162,268
Expenditures:		<u>18,443,416</u>
Excess (Deficit) Revenues Over Expenditures:	\$	<u>(1,281,148)</u>
Total Fund Balance at December 31, 2019:	\$	12,670,503
Total Estimated Fund Balance at December 31, 2020:	\$	11,389,354

Capital Expenditures included in total Expenditures for 2020:

Completion of Building & Grounds Building	\$	659,630
Replacement of Roof – Town Hall & Senior Ctr Buildings		481,200
Replacement of Pool Liner – Locust Lane Pool		171,500
Purchase of Street Lights – NYSEG & National Grid		<u>582,144</u>
Total Capital Expenditures included in total expenditures	\$	1,894,474

Note: These projections are based upon certain current assumptions and estimates and the audited results may vary therefrom.

New York State Comptroller Report 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 by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

The NYS Comptroller's office released an audit report of the Town on May 15, 2015. The purpose of the audit was to assess municipalities' compliance with their Parkland Alienation legislation for the period January 1, 2011 through December 31, 2013.

Key Findings

- Five of the 11 municipalities did not comply with all the requirements of their legislation.
- One municipality has not yet used the proceeds from its parkland alienation transaction in July 2012 to make capital improvements or acquire new parkland as required.
- Four of the municipalities did not take steps to determine the fair market value of the parklands alienated or the replacement parcels.

Key Recommendations

- Review and adhere to the requirements of legislation.
- Acquire and dedicate additional facilities or capital improvements when needed in accordance with the legislation.
- Ensure that a fair market value assessment is conducted when appropriate.

A copy of the complete reports and the Town’s responses can be found on the State Comptroller’s official website in the section regarding completed municipal audits.

The Town was notified on April 22, 2019 that the State Comptroller’s Office will be conducting an audit of the Town’s Information Technology System. The field work for the audit began in February 2020 and is completed. However, the Town has not yet received a draft of the report, nor has it been issue as of the date of this Official Statement.

Note: Reference to websites implies no warranty of accuracy of information therein.

The State Comptroller’s 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 past four years for the Town are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2019	No Designation	6.7%
2018	No Designation	3.3%
2017	No Designation	0.0%
2016	No Designation	3.3%

Note: Fiscal stress scores for fiscal year ending December 31, 2020 are not available as of the date of this Official Statement.

Source: Website of the Office of the New York State Comptroller. Reference to website implies no warranty of accuracy of information therein.

TAX INFORMATION

Taxable Valuations

<u>Fiscal Year Ending December 31:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Assessed Valuation	\$ 2,370,828,266	\$ 2,395,162,728	\$ 2,416,917,242	\$ 2,436,055,905	\$ 2,448,701,593
New York State Equalization Rate	58.00%	58.00%	56.00%	53.00%	51.00%
Total Taxable Full Valuation	\$ 4,087,634,941	\$ 4,129,590,910	\$ 4,315,923,646	\$ 4,596,331,896	\$ 4,801,375,673

Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending December 31:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Park District - Average	\$ 0.30	\$ 0.33	\$ 0.34	\$ 0.35	\$ 0.35
Lighting District	0.10	0.10	0.07	0.07	0.69
Fire District - Average	1.46	1.48	1.54	1.59	1.63
Ambulance District	0.26	0.25	0.24	0.25	0.27
Library District	1.13	1.15	1.18	1.23	1.24
Sewer District - Average	1.42	1.41	1.48	1.47	1.45
Water District – Average	3.99	4.18	4.12	3.92	3.84
Fire Hydrant District	0.19	0.19	0.19	0.20	0.20
Leaf & Refuse District	0.86	0.86	0.90	0.90	0.90
Highway District	0.26	0.28	0.30	0.31	0.31

Tax Collection Procedure

The Town has no general Town property taxes. Taxes are levied by the following districts: Park Districts, Lighting Districts, Fire Districts, Ambulance Districts, Library Districts and Highway Districts. These taxes are collected by the Town and remitted to the respective district accounts. Such taxes are due and payable to the Town of January 1, but may be paid without penalty by January 31. The Town adds penalties on unpaid taxes after February 1 at a rate of 1% in February and 2% per month beginning in March from the date such taxes are due and payable.

The Town is responsible for collecting Town and County taxes; however, the Town is authorized to satisfy its entire tax roll from the first taxes collected. The balance and subsequent collections are remitted to the County and the County is responsible for the collection of delinquent taxes.

Tax Levy and Tax Collection Record

<u>Fiscal Year Ending December 31:</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total Tax Levy ⁽¹⁾	\$ 23,808,430	\$ 24,795,932	\$ 25,565,353	\$ 26,285,297	\$ 27,244,085
Amount Uncollected ⁽²⁾	1,199,852	1,437,405	1,395,269	1,463,863	1,413,149
% Uncollected	5.04%	5.80%	5.46%	5.57%	5.19%

⁽¹⁾ Includes County, Park, Lighting, Fire, Ambulance, Library, Highway, Sewer, Water, Fire Hydrant and Leaf & Refuse taxes.

⁽²⁾ The Town receives 100% of its tax levy. See "Tax Collection Procedure."

Note: The total tax levy and amount uncollected for the 2021 fiscal year is not available as of the date of this Official Statement.

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Ten Largest Taxpayers – 2020 Assessment for the 2021 Tax Roll

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
Donald C. Greene	Professional Building	\$ 51,222,010
Northside Partners LLC/Northside Land LLC	Commercial	40,984,580
National Grid (Niagara Mohawk)	Utility	40,027,582
Coburg Village, Inc.	Senior Housing	29,570,800 ⁽¹⁾
Regency Realty Associates, LLC	Apartments	24,462,266
Hollandale Apartments/Barry & Sophie Hollander	Apartments	16,558,590
Country Club Acres	Real Estate	11,679,600
The Crossing LLC	Commercial	11,158,719
USF Propco I LLC	Warehouse	6,793,422
Target Corporation	Commercial	6,563,576

⁽¹⁾ This entity has entered into a PILOT agreement for payment in lieu of Town, County and School Taxes.

The ten largest taxpayers listed above have a total full valuation of \$239,021,145 which represents 9.76% of the tax base of the County.

The Town currently has pending tax certioraris, however, the Town does not expect these cases to have a material effect should they be decided adversely.

Source: Town tax rolls.

Additional Tax Information

Real property subject to Town taxes is assessed by the Town.

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

The assessment roll of the Town is constituted approximately as follows: 81% Residential, 15% Commercial and 4% Utilities and Vacant Land.

The total property tax bill of a \$160,913 assessed value residential property located in the Town is approximately \$4,980 (which includes an estimated STAR exemption of \$687) including County, School District and special purpose Town taxes.

Tax Cap Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor ("Chapter 97" or the "Tax Cap Law"). The Tax Cap Law applies to all local governments, including school districts (with the exception of New York City, and the counties comprising New York City and school districts in New York City, Buffalo, Rochester, Syracuse, and Yonkers, the latter four of which are indirectly affected by applicability to their respective city.)

The Tax Cap 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. Pursuant to the Tax Cap 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 vote of the total voting strength of the board, a local law (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 Cap 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 such fiscal year.

The Tax Cap Law does not contain an exception from the 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 Cap Law (June 24, 2011).

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This 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 that is what the courts have held them to mean."

Article 8 Section 12 of the State Constitution specifically provides as follows:

"It shall be the duty of the legislature, subject to the provision of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted."

On the relationship of the Article 8 Section 2 requirements to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds subject to the general obligation pledge, the Court of Appeals in the *Flushing National Bank* case stated:

"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 of 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* 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 municipalities.

Therefore, while the Tax Cap 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 said Tax Cap Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) 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 Cap 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.

It is likely that the Tax Cap Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although Courts in New York State have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such challenge cannot be predicted.

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 Bonds 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,

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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Bonds ⁽¹⁾	\$ 8,213,000	\$ 7,702,000	\$ 7,176,000	\$ 8,163,501	\$ 7,578,000
Bond Anticipation Notes	2,621,720	3,265,247	2,686,874	650,000	225,000
Capital Leases ⁽²⁾	<u>857,155</u>	<u>615,388</u>	<u>1,485,642</u>	<u>1,146,191</u>	<u>956,994</u>
Total Debt Outstanding	<u>\$ 11,691,875</u>	<u>\$ 11,582,635</u>	<u>\$ 11,348,516</u>	<u>\$ 9,959,692</u>	<u>\$ 8,759,994</u>

(1) Includes general obligation serial bonds to finance the construction of an addition to Clifton Park/Halfmoon Public Library. Repayment of the debt related to the Library is provided for in the annual budget and tax levy of the Library. The amount of debt outstanding for the Library at fiscal year ending 2019 was \$5,092,996.

(2) Installment purchase debt.

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the Town evidenced by serial bonds and bond anticipation notes as of January 7, 2021:

<u>Type of Obligation</u>	<u>Maturity</u>	<u>Amount</u>
Bonds	2021-2039	\$ 7,578,000
<u>Bond Anticipation Notes</u>		
Sanitary Sewer Improvements	November 24, 2021	100,000
Surface Drainage Improvements & Park Improv.	June 25, 2021	<u>125,000</u>
	Total Indebtedness	<u>\$ 7,803,000</u>

Debt Statement Summary and Constitutional Debt-Contracting Limit

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of January 7, 2021:

Five-Year Average Full Valuation of Taxable Real Property.....	\$ 4,386,171,413
Debt Limit – 7% thereof	307,031,998

Inclusions:

Bonds.....	\$ 7,578,000
Bond Anticipation Notes	<u>225,000</u>
Total Inclusions.....	<u>\$ 7,803,000</u>

Exclusions:

Water Indebtedness - Bonds ⁽¹⁾	\$ 851,063
Sewer Indebtedness ⁽²⁾	48,000
Appropriations ⁽³⁾	<u>568,186</u>
Total Exclusions.....	<u>\$ 1,467,249</u>

Total Net Indebtedness Subject to Debt Limit..... \$ 6,335,751

Net Debt-Contracting Margin..... \$ 300,696,247

The percent of debt contracting power exhausted is 2.06%

Note The Total Net Indebtedness listed above includes \$5,530,000 outstanding principal expected to be refunded with the proceeds of the Bonds.

(1) Excluded pursuant to Section 124.10 of the Local Finance Law.

(2) Excluded pursuant to Section 136 of the Local Finance Law.

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

Bonded Debt Service

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

Authorized But Unissued Items

There are no other capital project plans authorized nor are any additional capital projects contemplated at this time.

Cash Flow Borrowings

The Town has not issued revenue anticipation notes or tax anticipation notes in the recent past, and does not reasonably expect to issue such notes, or budget or deficiency notes in the foreseeable future, barring any unforeseen impacts related to the COVID-19 pandemic.

Capital Leases

The Town entered into a Lease Financing Arrangement with Key Bank on December 29, 2020 in the amount of \$158,568 for 5 years, paid at the end of each year at 2.10%. The proceeds will be used to purchase a Loader for the Transfer Station.

The Town entered into a Lease Financing Arrangement with Key Bank on March 7, 2018 in the amount of \$1,066,700 amortized for 5 years, paid at the end of each year at 2.88%. The proceeds will be used to purchase vehicles and equipment within the Town. A total of \$658,099 remains on the balance as of December 31, 2020

The Town entered into Lease Financing Arrangements with JP Morgan Chase & Co. on December 15, 2014 and January 27, 2016 for the purchase of vehicles. As of December 31, 2020, \$140,327 principal remains outstanding on the Lease Financing Arrangements.

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 governmental units adjusted to include subsequent bond issues, if any.

<u>Municipality</u>	<u>Status of Debt as of</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	12/31/2018	\$ 76,180,000	\$ - ⁽²⁾	\$ 76,180,000	16.64%	\$ 12,676,352
School District:						
Shenendehowa	6/30/2019	37,560,000	26,141,760 ⁽³⁾	11,418,240	56.97%	6,504,971
Burnt-Hills-BL	6/30/2019	38,220,000	28,970,760 ⁽³⁾	9,249,240	5.95%	550,330
Niskayuna	6/30/2019	42,551,930	31,403,324 ⁽³⁾	11,148,606	5.59%	623,207
					Total:	<u>\$ 20,354,860</u>

⁽¹⁾ Bonds and bond anticipation notes. Not adjusted to include subsequent bond sales, if any.

⁽²⁾ Water and sewer debt and appropriations. Pursuant to the Local Finance Law, this indebtedness is excluded from the constitutional debt limit.

⁽³⁾ Estimated State building aid.

Source: Most recent available State Comptroller’s Special Report on Municipal Affairs for Local Finance for the respective fiscal year of the municipality.

Debt Ratios

The following table sets forth certain ratios relating to the Town's indebtedness as of January 7, 2021:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 6,335,751	\$ 174.22	0.13%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	26,690,611	733.94	0.56

- (a) The 2019 population of the Town is 36,366. (See “THE TOWN – Population Trends” herein.)
- (b) The Town's full value of taxable real estate for 2020 is \$4,801,375,673. (See “TAX INFORMATION - Taxable Assessed Valuations” herein.)
- (c) See calculation of "Debt Statement Summary" herein.
- (d) Estimated net overlapping indebtedness is \$20,354,860 (See “Estimated Overlapping Indebtedness” herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors’ Provision. The Bonds, 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 Bonds in the event of a default in the payment of the principal of and interest on the Bonds.

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 Bonds 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 Bonds 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 Bonds) 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 Bonds. The following is a discussion of certain events that could affect the risk of investing in the Bonds. 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.

Disease outbreaks or similar public health threats could have an adverse impact on the Town's financial condition and operating results. See "COVID-19" herein for a discussion of the impacts of the COVID-19 pandemic, which is expected to have a significant adverse effect on the Town's finances.

Financial Condition of the Town

The financial and economic condition of the Town as well as the market for the Bonds 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 Bonds. 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 Bonds could be adversely affected.

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 Bonds.

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 Bonds should elect to sell a Bond 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 Bonds. Recent global financial crises have included limited periods of significant disruption. In addition, the price and principal value of the Bonds 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.

Reliance on and Uncertainty of State Aid

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".)

Changes in Law

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

COVID-19

The outbreak of COVID-19, a serious respiratory disease caused by a novel strain of coronavirus, was declared a pandemic by the World Health Organization on March 11, 2020.

Economic Impacts

The outbreak of COVID-19 has drastically affected travel, commerce and financial markets globally. As almost all nations have experienced a rise in infections and implemented containment measures that in the case of some nations (including the United States) have been drastic, economies have suffered in the extreme. The full impact is difficult to predict due to uncertainties regarding the duration and severity of the COVID-19 pandemic.

While initially the hospitality and tourism industries were hardest hit, within a short period of time there was widespread unemployment across all economic sectors in the United States.

Uncertainty regarding the short, medium and long-term effects of the COVID-19 pandemic initially caused extreme volatility across all financial markets, including the primary and secondary markets for municipal bonds. In the United States, Congress and the Federal Reserve have taken significant steps to backstop those markets and to provide much-needed liquidity, and markets have since generally stabilized. Still, given these conditions, it is possible that the process of trading the Bonds in the secondary market could be affected in ways that are difficult to predict.

Federal Response

The federal government passed several pieces of legislation in response to the COVID-19 pandemic including the \$2.3 trillion Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, which attempted to address financial stability and liquidity issues through a variety of stimulus measures.

Stimulus Efforts for State and Local Governments: The CARES Act included a \$150 billion Coronavirus Relief Fund, which provided funds to states, tribal governments and local governments with populations exceeding 500,000 (local governments with smaller populations can receive monies from the amount allocated to their state). The money was intended for programs that were necessary expenditures incurred due to the public health emergency resulting from the pandemic. The money was not intended to be used to directly account for revenue shortfalls due to the COVID-19 pandemic, but it may have indirectly assisted with revenue shortfalls in cases where the expenses that were being covered by this fund would otherwise create a further budget shortfall. Because the money was targeted to larger governmental units, it is unlikely that the Town benefited directly from this program. Additionally, the recently enacted Coronavirus Response and Relief Supplemental Appropriations Act, 2021, did not include any direct funding for state and local governments.

State Response

Executive orders: Governor Cuomo has released a number of executive orders in response to the COVID-19 pandemic, including various mandates requiring “non-essential” employees to work from home. Starting on May 15, 2020, regions of the State that met certain criteria were allowed to begin reopening. Reopening occurred in phases, with different industries allowed to open in each phase. However, in response to rising COVID-19 infection rates, Governor Cuomo announced a new cluster action initiative in October of 2020. Working with public health experts, the State developed a science-based approach to contain these clusters and stop any further spread of the virus, including new rules and restrictions directly targeted to areas with the highest concentration of COVID cases and surrounding communities. The initiative will divide clusters and surrounding areas into three categories with successively higher restrictions within each category: Yellow Zone (precautionary), Orange Zone (warning) and Red Zone (cluster itself). See <https://forward.ny.gov/> for more details on the relevant industry-specific guidelines provided by the Department of Health for each cluster zone. Reference to website implies no warranty of accuracy of information therein.

State Budget: The City of New York was an early epicenter of the COVID-19 pandemic in the United States, and as a result the State has suffered (and expects to continue to suffer) significant revenue shortfalls and unanticipated expenses.

To mitigate a potential budget gap, the State’s adopted budget for the fiscal year ending March 31, 2021 allows the State to reduce expenditures (including aid to local school districts and municipalities) if, during certain defined periods in 2020 (i.e., April 1 - April 30, May 1- June 30, and July 1 - December 31), tax receipts are lower than anticipated or disbursements from the State’s general fund are higher than anticipated. In such a scenario, the State Budget Director will develop a plan to make spending reductions. The State Budget Director’s plan would take effect automatically unless the Legislature passes its own plan within ten days. It is theoretically possible for such reductions to later be restored under certain circumstances.

On April 25, 2020, the State Division of the Budget (the "DOB") announced the release of the State's Fiscal Year 2021 Enacted State Budget Financial Plan (the "Financial Plan"), which projected a \$13.3 billion (14%) shortfall in State revenues from the Executive Budget Forecast that was released in January and estimated a \$61 billion decline through Fiscal Year 2024 as a direct consequence of the COVID-19 pandemic. As a result, in the absence of Federal assistance, initial budget control actions outlined in the Financial Plan will reduce spending by \$10.1 billion from the Executive Budget. This represents a \$7.3 billion reduction in State spending from FY 2020 levels.

On October 30, 2020, the DOB released the FY 2021 Mid-Year State Budget Financial Plan Update, with a revised projection of a \$14.9 billion shortfall, over \$1.6 billion more than was projected in April. The updated Financial Plan also noted that, in the absence of additional federal aid, the DOB began withholding 20 percent of most local aid payments in June, pursuant to the withholding authority granted in the fiscal year 2021 enacted budget. As of the date of this Official Statement, the DOB has not converted such withholds to permanent reductions, but the DOB has stated that such a conversion may be made depending on the size and timing of new federal aid, if any.

Negotiations for additional federal aid to states and local governments have stalled; therefore, the extent of future COVID-19-related direct federal financial relief, if any, to states, localities and school districts cannot be predicted. Reductions in the payment of State aid could adversely affect the financial condition of municipalities in the State, including the Town.

Legislation Allowing Financial Flexibility for Municipalities and School Districts

On August 24, 2020, Governor Cuomo signed legislation allowing municipalities and school districts additional financial flexibility in response to the COVID-19 pandemic. Whereas municipalities and school districts in the State typically may only pursue short-term financing for five years, under certain circumstances the new legislation allows an additional two years prior to converting to long-term bonds.

The new legislation also allows municipalities and school districts additional flexibility related to the use of reserve funds or inter-fund transfers for costs associated with COVID-19. The typical mandatory or permissive referendum requirements for the expenditure of funds from a capital reserve fund have been waived for capital costs attributable to the COVID-19 pandemic. Moneys from a capital reserve fund can also be temporarily advanced for operating costs or other costs attributable to the COVID-19 pandemic, so long as such moneys are repaid within five fiscal years, with interest. Additionally, while inter-fund transfers must typically be repaid by the end of the fiscal year in which the transfer is made, inter-fund advances for costs attributable to the COVID-19 pandemic do not need to be repaid until the close of the following fiscal year.

TAX MATTERS

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes. These requirements include provisions, which prescribe yield and other limits relative to the investment and expenditures of the proceeds of the Bonds and other amounts and require that certain earnings be rebated to the federal government. The Town will agree to comply with certain provisions and procedures, pursuant to which such requirements can be satisfied. Non-compliance with such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to the date of issuance thereof, irrespective of the date on which non-compliance is ascertained.

The Code imposes a 30% branch profits tax on the earnings and profits of a United States branch of certain foreign corporations attributable to its income effectively connected (or treated as effectively connected) with a United States trade or business. Included in the earnings and profits of the United States branch of a foreign corporation is income that would be effectively connected with the United States trade or business if such income were taxable, such as the interest on the Bonds. Existing United States income tax treaties may modify, reduce, or eliminate the branch profits tax, except in cases of treaty shopping.

The Code further provides that interest on the Bonds is included in the calculation of modified adjusted gross income in determining whether a portion of Social Security or railroad retirement benefits is to be included in taxable income of individuals. In addition, certain S Corporations may have a tax imposed on passive income, including tax-exempt interest, such as interest on the Bonds.

Prospective purchasers should consult their tax advisors with respect to the calculations of the alternative minimum tax or foreign branch profits tax liability, and the tax on passive income of S Corporations or the inclusion of Social Security or other retirement payments in taxable income.

In the opinion of Bond Counsel, assuming compliance with certain requirements of the Code, under existing laws, interest on the Bonds is not included in gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals.

The opinion of Bond Counsel described herein with respect to the federal income tax treatment of interest paid on the Bonds is based upon the current provisions of the Code. There can be no assurance that the Code will not be amended in the future so as to reduce or eliminate such favorable federal income tax treatment on the Bonds. Any such future legislation would have an adverse effect on the market value of the Bonds.

In addition, in the opinion of Bond Counsel, under existing laws, interest on the Bonds is exempt from personal income taxes imposed by the State or any political subdivision thereof, including The City of New York.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds will be covered by the unqualified legal opinion of Bond, Schoeneck & King, PLLC, Bond Counsel, Syracuse, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Bonds have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Town, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount, subject to the statutory limitation imposed by the Tax Cap Law, (ii) interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including the City of New York; and (iii) interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. The opinions of Bond Counsel set forth in (iii) above are subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Town has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Bonds. It is to be understood that the rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be also subject to exercise of judicial discretion in appropriate cases. See "TAX INFORMATION- Tax Cap Law" herein.

Bond Counsel has not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement (except to the extent, if any, stated in the Official Statement) or any other offering material relating to the Bonds, and Bond Counsel expresses no opinion relating thereto (excepting only matters set forth as Bond Counsel's opinion in the Official Statement).

Certain legal matters will be passed on for the Underwriter by its counsel, Hodgson Russ LLP, Albany, New York. Certain matters will be passed on for the Town by its Attorney.

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 Bonds or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds or any proceedings or authority of the Town taken with respect to the authorization, issuance or sale of the Bonds or contesting the corporate existence or boundaries of the Town.

UNDERWRITING

The Bonds are being purchased by D.A. Davidson & Co., (the "Underwriter") for reoffering to the public. The purchase contract for the Bonds provides that the Underwriter will purchase all of the Bonds, if any are purchased, at a purchase price equal to \$ _____ (being the par amount of the Bonds plus a net original issue premium of \$ _____, less an underwriter's discount for the transaction of \$ _____). The Underwriter is initially offering the Bonds to the public at the public offering yields indicated on the cover page but the Underwriter may offer and sell the Bonds to certain dealers, institutional investors and others (including sales for deposit into investment trusts, certain of which may be sponsored or managed by the Underwriter) at yields higher than the public offering yields stated on the cover page and the public offering yields may be changed from time to time by the Underwriter.

MUNICIPAL ADVISOR

Fiscal Advisors & Marketing, Inc. (the "Municipal Advisor") is a Municipal Advisor registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. 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 Bonds. The advice on the plan of financing and the structuring of the Bonds 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 Fiscal Advisors are partially contingent on the successful closing of the Bonds.

CONTINUING DISCLOSURE UNDERTAKING

In order to assist the underwriter 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"), the Town will enter into a Continuing Disclosure Undertaking, the description of which can be found in "APPENDIX – C".

Historical Compliance

Except as noted below, the Town is in compliance in all material respects within the last five years with all previous undertakings made pursuant to the Rule 15c2-12.

The Town failed to include certain annual financial information in the Town's Annual Financial Information and Operating Data ("AFIOD") documents for the fiscal years ending December 31, 2015 to December 31, 2019. The Town timely filed its AFIOD for the above referenced years; however, the operating data included under the heading "TAX INFORMATION" erroneously did not include the information portrayed in the section "TAX INFORMATION – 2013 Levy Limit Calculation" of the Town's Official Statement dated February 14, 2013 pertaining to the Town's \$8,035,000 Public Improvement (Refunding) Bonds, Series 2013 dated March 7, 2013. A supplement to the AFIOD for the fiscal years ending December 31, 2015 to December 31, 2019 providing the omitted sections and a Failure to Provide Annual Information as Required material event notice were posted to the Electronic Municipal Market Access ("EMMA") on January 6, 2021.

The Town filed its 2018 Audited Financial Statements in a timely manner and in compliance with its continuing disclosure undertakings. However, the 2018 Audited Financial Statements were not linked to the specific Committee on Uniform Security Identification Procedures ("CUSIP") identification numbers for the Town's \$1,358,300 Public Improvement (Serial) Bonds, 2011 and \$8,035,000 Public Improvement (Refunding) Bonds, Series 2013. On January 4, 2021 the Town linked the 2018 Audited Financial Statements filing to the specific CUSIP identification numbers for the above mentioned bonds. The above mentioned material event notice posted to EMMA on January 6, 2021 discloses the linking of the 2018 Audited Financial Statements to the additional CUSIP identification numbers.

BOND RATING

Moody's Investors Service, Inc. ("Moody's") has assigned its underlying rating of "Aa1" to the Bonds. The rating reflects only the view of Moody's, and any desired explanation of the significance of such rating should be obtained from Moody's Investors Service, Inc., World Trade Center, 250 Greenwich St., New York, New York 10007. Phone: (212) 553-0038, Fax: (212) 553-1390.

Generally, rating agencies base their ratings on the information and materials furnished to it and on investigations, studies and assumptions by the respective rating agency. There is no assurance that a particular rating will apply for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing the rating, circumstances so warrant. Any downward revision or withdrawal of the rating of the Bonds may have an adverse effect on the market price of the Bonds.

CUSIP IDENTIFICATION NUMBERS

It is anticipated that CUSIP (an acronym that refers to Committee on Uniform Security Identification Procedures) identification numbers will be printed on the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds 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.

MISCELLANEOUS

So far as any statements made in this Official Statement involve matters of opinion or estimates in good faith, no assurance can be given that the facts will materialize as so opined or estimated. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds.

Statements in this official statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Town management's beliefs as well as assumptions made by, and information currently available to, the Town's 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", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words 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 Bonds.

Bond, Schoeneck & King, PLLC, Syracuse, New York, Bond Counsel to the Town and Hodgson Russ LLP, Albany, New York, counsel to the Underwriter, express no opinions 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 Bonds, including but not limited to, the financial or statistical information in this Official Statement.

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 Bonds, the Town 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 a limitation as to information in the Official Statement obtained from sources other than the Town.

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

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.

The Municipal Advisor 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. The Municipal Advisor 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 the Municipal Advisor assumes any liability or responsibility for errors or omissions on such website. Further, the Municipal Advisor 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. The Municipal Advisor 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: Mark Heggen, Town Comptroller, Town of Clifton Park, 1 Town Hall Plaza, Clifton Park, New York 12065 Phone (518) 371-6651, Fax (518) 371-1136, Email: mheggen@cliftonpark.org.

TOWN OF CLIFTON PARK

Dated: January __, 2021

PHILIP BARRETT
TOWN SUPERVISOR &
CHIEF FISCAL OFFICER

GENERAL FUND

Balance Sheets

Fiscal Year Ending December 31:	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>ASSETS</u>					
Cash and Short-term Investments	\$ 8,195,003	\$ 8,339,424	\$ 8,987,033	\$ 9,731,193	\$ 9,322,140
Receivables:					
Accounts	872,485	950,424	970,886	938,190	844,567
State and Federal	178,296	162,858	180,106	170,795	162,858
Due from Other Funds	1,415,434	2,515,292	2,877,111	1,421,215	1,117,086
Due from Other Governments	1,837,097	1,903,981	1,913,481	1,856,191	2,116,639
Prepaid Expenses	267,477	221,342	215,825	241,992	257,057
Restricted Assets	555,149	556,598	335,520	718,184	727,185
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 13,320,941</u>	<u>\$ 14,649,919</u>	<u>\$ 15,479,962</u>	<u>\$ 15,077,760</u>	<u>\$ 14,547,532</u>
 <u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 438,250	\$ 424,228	\$ 359,641	\$ 291,703	\$ 369,474
Accrued Liabilities	157,593	122,135	373,200	350,370	363,562
Retained Percentages	-	-	-	-	-
Other Liabilities	-	-	55,498	50,620	48,141
Due to Other Funds	2,358	21,190	4,333	5,136	353,014
Due to Other Governments	3,513	3,513	3,513	3,515	3,513
Deferred Revenues	347,536	380,967	395,886	792,497	739,325
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>949,250</u>	<u>952,033</u>	<u>1,192,071</u>	<u>1,493,841</u>	<u>1,877,029</u>
 <u>FUND EQUITY</u>					
Nonspendable	\$ 267,477	\$ 221,342	\$ 215,825	\$ 241,992	\$ 1,112,057
Restricted:	55,149	556,598	556,748	718,184	719,685
Committed	64,354	91,884	97,582	127,197	117,340
Assigned	2,299,021	2,419,449	2,555,635	3,098,345	3,455,839
Unassigned	9,185,690	10,408,613	10,862,101	9,398,201	7,265,582
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND EQUITY	<u>11,871,691</u>	<u>13,697,886</u>	<u>14,287,891</u>	<u>13,583,919</u>	<u>12,670,504</u>
 TOTAL LIABILITIES and FUND EQUITY	 <u>\$ 12,820,941</u>	 <u>\$ 14,649,919</u>	 <u>\$ 15,479,962</u>	 <u>\$ 15,077,760</u>	 <u>\$ 14,547,532</u>

Source: 2015-2019 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 31:	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
REVENUES					
Real Property Tax Items	\$ 166,969	\$ 145,648	\$ 152,034	\$ 198,139	\$ 193,892
Non-Property Tax Items	11,510,402	11,724,935	11,834,218	12,290,559	12,589,246
Departmental Income	1,570,962	2,244,489	1,745,667	1,626,653	1,982,152
Use of Money & Property	639,192	640,041	656,659	141,433	212,157
Licenses and Permits	300,455	362,668	424,913	415,672	385,766
Fines and Forfeitures	612,023	515,415	592,949	626,849	580,306
Sale of Property and Compensation for Loss	17,693	30,732	32,405	57,519	48,018
Miscellaneous	21,154	289,598	29,965	26,246	22,346
Interfund Revenues	268,024	252,794	247,928	231,390	247,031
Revenues from State Sources	1,515,067	1,771,448	1,589,497	1,546,342	1,572,372
Revenues from Federal Sources	-	27,981	-	-	-
Total Revenues	<u>\$ 16,621,941</u>	<u>\$ 18,005,749</u>	<u>\$ 17,306,235</u>	<u>\$ 17,160,802</u>	<u>\$ 17,833,286</u>
EXPENDITURES					
General Government Support	\$ 2,622,508	\$ 2,426,545	\$ 2,372,484	\$ 2,471,942	\$ 3,818,197
Public Safety	2,001,877	1,981,367	1,778,173	2,153,238	2,110,639
Health	6,945	6,860	7,848	12,752	8,603
Transportation	325,254	353,612	254,994	276,936	280,376
Economic Assistance and Opportunity	347,801	309,532	360,568	275,157	391,431
Culture and Recreation	4,198,443	3,282,670	2,878,178	3,175,694	3,286,666
Home and Community Services	1,117,987	1,072,849	1,135,477	1,074,003	1,184,272
Employee Benefits	2,703,649	2,649,484	2,584,408	2,626,376	2,822,311
Debt Service	1,220	847	73,064	176,277	176,935
Total Expenditures	<u>\$ 13,325,684</u>	<u>\$ 12,083,766</u>	<u>\$ 11,445,194</u>	<u>\$ 12,242,375</u>	<u>\$ 14,079,430</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 3,296,257</u>	<u>\$ 5,921,983</u>	<u>\$ 5,861,041</u>	<u>\$ 4,918,427</u>	<u>\$ 3,753,856</u>
Other Financing Sources (Uses):					
Operating Transfers In	-	-	-	9,039	
Operating Transfers Out	<u>(4,065,794)</u>	<u>(4,037,428)</u>	<u>(4,534,846)</u>	<u>(4,337,461)</u>	<u>(4,457,829)</u>
Total Other Financing	<u>(4,065,794)</u>	<u>(4,037,428)</u>	<u>(4,534,846)</u>	<u>(4,328,422)</u>	<u>(4,457,829)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(769,537)</u>	<u>1,884,555</u>	<u>1,326,195</u>	<u>590,005</u>	<u>(703,973)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	11,069,065	10,299,528	12,371,691	13,697,886	14,287,892
Prior Period Adjustments (net)	-	187,608	-	-	-
Fund Balance - End of Year	<u>\$ 10,299,528</u>	<u>\$ 12,371,691</u>	<u>\$ 13,697,886</u>	<u>\$ 14,287,891</u>	<u>\$ 13,583,919</u>

Source: 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 31:

	2019			2020	2021
	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Adopted Budget</u>
REVENUES					
Real Property Tax Items	\$ 184,255	\$ 186,755	\$ 186,642	\$ 186,298	\$ 202,219
Non-Property Tax Items	12,096,735	13,083,225	13,083,226	12,964,132	13,508,942
Departmental Income	1,878,481	1,974,900	1,986,397	1,817,851	1,636,913
Use of Money & Property	682,525	222,014	230,392	606,350	81,700
Licenses and Permits	325,000	318,728	318,728	350,000	350,000
Fines and Forfeitures	600,500	556,274	556,275	570,500	510,400
Sale of Property and Compensation for Loss	-	90,931	90,933	-	-
Miscellaneous	18,000	41,354	42,647	45,000	81,000
Interfund Revenues	30,000	227,876	230,049	168,000	45,000
Revenues from State Sources	1,643,088	1,941,545	1,941,546	1,549,691	1,663,987
Revenues from Federal Sources	-	-	-	-	-
Total Revenues	<u>\$ 17,458,584</u>	<u>\$ 18,643,602</u>	<u>\$ 18,666,835</u>	<u>\$ 18,257,822</u>	<u>\$ 18,080,161</u>
EXPENDITURES					
General Government Support	\$ 2,780,053	\$ 3,227,896	\$ 2,948,258	\$ 2,888,445	\$ 2,902,555
Public Safety	2,231,132	2,242,545	2,157,949	2,322,577	2,426,046
Health	24,500	24,500	7,226	24,500	19,200
Transportation	329,129	1,510,585	310,810	345,260	268,988
Economic Assistance and Opportunity	394,079	445,681	436,841	434,244	414,380
Culture and Recreation	3,383,508	3,578,663	3,469,887	3,421,106	3,456,194
Home and Community Services	1,140,247	1,326,333	1,242,256	1,228,707	1,237,407
Employee Benefits	2,806,868	2,907,678	2,894,439	3,005,159	2,933,036
Debt Service	137,500	240,749	240,750	134,761	103,425
Total Expenditures	<u>\$ 13,227,016</u>	<u>\$ 15,504,630</u>	<u>\$ 13,708,416</u>	<u>\$ 13,804,759</u>	<u>\$ 13,761,231</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 4,231,568</u>	<u>\$ 3,138,972</u>	<u>\$ 4,958,419</u>	<u>\$ 4,453,063</u>	<u>\$ 4,318,930</u>
Other Financing Sources (Uses):					
Other Budgetary Purposes	(75,000)	(5,029)	-	-	-
Operating Transfers Out	<u>(4,295,673)</u>	<u>(5,871,835)</u>	<u>(5,871,835)</u>	<u>(4,453,063)</u>	<u>(4,410,333)</u>
Total Other Financing	<u>(4,370,673)</u>	<u>(5,876,864)</u>	<u>(5,871,835)</u>	<u>(4,453,063)</u>	<u>(4,410,333)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(139,105)</u>	<u>(2,737,892)</u>	<u>(913,416)</u>	<u>-</u>	<u>(91,403)</u>
FUND BALANCE					
Fund Balance - Beginning of Year	139,105	2,737,893	13,583,919	-	91,403
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,670,503</u>	<u>\$ -</u>	<u>\$ -</u>

Source: 2019 Audited Financial Report and adopted budgets of the Town. This Appendix is not itself audited.

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	PRIOR TO REFUNDING			REFUNDED BONDS	REFUNDING BONDS DEBT SERVICE			TOTAL NEW
	Principal	Interest	Total	DEBT SERVICE	Principal	Interest	Total	DEBT SERVICE
2021	\$ 627,000	\$ 202,905.25	\$ 829,905.25	\$ 213,038.76	\$ -	\$ -	\$ -	\$ -
2022	637,000	190,037.75	827,037.75	716,138.76	-	-	-	-
2023	663,000	176,845.25	839,845.25	723,938.76	-	-	-	-
2024	608,000	163,250.25	771,250.25	657,063.76	-	-	-	-
2025	619,000	148,967.75	767,967.75	655,151.26	-	-	-	-
2026	639,000	131,747.00	770,747.00	655,432.50	-	-	-	-
2027	645,000	111,820.00	756,820.00	653,082.50	-	-	-	-
2028	665,000	91,520.00	756,520.00	649,957.50	-	-	-	-
2029	680,000	70,695.00	750,695.00	646,382.50	-	-	-	-
2030	705,000	49,270.00	754,270.00	647,282.50	-	-	-	-
2031	140,000	35,870.00	175,870.00	71,282.50	-	-	-	-
2032	140,000	31,070.00	171,070.00	68,882.50	-	-	-	-
2033	145,000	26,195.00	171,195.00	66,482.50	-	-	-	-
2034	145,000	21,116.88	166,116.88	64,007.50	-	-	-	-
2035	125,000	15,862.50	140,862.50	36,487.50	-	-	-	-
2036	95,000	11,425.00	106,425.00	-	-	-	-	-
2037	95,000	8,337.50	103,337.50	-	-	-	-	-
2038	100,000	5,168.75	105,168.75	-	-	-	-	-
2039	105,000	1,771.88	106,771.88	-	-	-	-	-
TOTALS	\$ 7,578,000	\$ 1,493,875.75	\$ 9,071,875.75	\$ 6,524,611.30	\$ -	\$ -	\$ -	\$ -

CURRENT BONDS OUTSTANDING

Fiscal Year Ending Dec 31st	1996 Sewer			2011 Town Improvements			2013 Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 7,000	\$ 2,529.00	\$ 9,529.00	\$ 60,000	\$ 33,738.75	\$ 93,738.75	\$ 500,000	\$ 121,200.00	\$ 621,200.00
2022	7,000	2,161.50	9,161.50	60,000	31,938.75	91,938.75	510,000	112,300.00	622,300.00
2023	8,000	1,794.00	9,794.00	60,000	30,138.75	90,138.75	530,000	103,150.00	633,150.00
2024	8,000	1,374.00	9,374.00	65,000	28,263.75	93,263.75	470,000	93,800.00	563,800.00
2025	9,000	954.00	9,954.00	65,000	26,151.25	91,151.25	480,000	84,000.00	564,000.00
2026	9,000	477.00	9,477.00	65,000	23,957.50	88,957.50	495,000	71,475.00	566,475.00
2027	-	-	-	65,000	21,682.50	86,682.50	510,000	56,400.00	566,400.00
2028	-	-	-	65,000	19,082.50	84,082.50	525,000	40,875.00	565,875.00
2029	-	-	-	65,000	16,482.50	81,482.50	540,000	24,900.00	564,900.00
2030	-	-	-	65,000	13,882.50	78,882.50	560,000	8,400.00	568,400.00
2031	-	-	-	60,000	11,282.50	71,282.50	-	-	-
2032	-	-	-	60,000	8,882.50	68,882.50	-	-	-
2033	-	-	-	60,000	6,482.50	66,482.50	-	-	-
2034	-	-	-	60,000	4,007.50	64,007.50	-	-	-
2035	-	-	-	35,000	1,487.50	36,487.50	-	-	-
TOTALS	\$ 48,000	\$ 9,289.50	\$ 57,289.50	\$ 910,000	\$ 277,461.25	\$ 1,187,461.25	\$ 5,120,000	\$ 716,500.00	\$ 5,836,500.00

Fiscal Year Ending Dec 31st	2019 Town Improvements		
	Principal	Interest	Total
2021	\$ 60,000	\$ 45,437.50	\$ 105,437.50
2022	60,000	43,637.50	103,637.50
2023	65,000	41,762.50	106,762.50
2024	65,000	39,812.50	104,812.50
2025	65,000	37,862.50	102,862.50
2026	70,000	35,837.50	105,837.50
2027	70,000	33,737.50	103,737.50
2028	75,000	31,562.50	106,562.50
2029	75,000	29,312.50	104,312.50
2030	80,000	26,987.50	106,987.50
2031	80,000	24,587.50	104,587.50
2032	80,000	22,187.50	102,187.50
2033	85,000	19,712.50	104,712.50
2034	85,000	17,109.38	102,109.38
2035	90,000	14,375.00	104,375.00
2036	95,000	11,425.00	106,425.00
2037	95,000	8,337.50	103,337.50
2038	100,000	5,168.75	105,168.75
2039	105,000	1,771.88	106,771.88
TOTALS	\$ 1,500,000	\$ 490,625.00	\$ 1,990,625.00

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

In accordance with the requirements 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"), the Town has agreed to provide, or cause to be provided,

- (i) 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, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the Final Official Statement dated January 14, 2021 of the Town relating to the Bonds under the headings "THE TOWN", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than "APPENDIX – C" and other than any related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2021, and (ii) a copy of the audited financial statement, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2021; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time, within sixty days following receipt by the Town of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year; and provided further, in the event that the audited financial statement for any fiscal year is not available by the end of the sixth month following the end of any such succeeding fiscal year, unaudited financial statements in the form provided to the State, if available, will be provided no later than said date; provided however, that provision of unaudited financial statements in any year shall be further conditioned upon a determination by the Town of whether such provision is compliant with the requirements of federal securities laws including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17(a)(2) of the Securities Act of 1933;

- (ii) within 10 business days after the occurrence of such event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:
 - (a) principal and interest payment delinquencies
 - (b) non-payment related defaults; if material
 - (c) unscheduled draws on debt service reserves reflecting financial difficulties
 - (d) 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 of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (g) modifications to rights of Bondholders; if material
 - (h) bond calls, if material, and tender offers
 - (i) defeasances
 - (j) release, substitution, or sale of property securing repayment of the Bonds; if material
 - (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; and
- (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 Bondholders, 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 Bonds.

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 Bonds.

For the purposes of the event identified in (l) of this section, 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 governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, 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 obligated person.

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 Bonds; 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.

- (iii) in a timely manner, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of its failure to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, on or before the date specified.

The Town reserves the right to terminate its obligations to provide the aforescribed annual financial information and operating data and such audited financial statement, if any, and notices of material events, as set forth above, if and when the Town no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The Town acknowledges that its undertaking pursuant to the Rule described under this heading is intended to be for the benefit of the holders of the Bonds (including holders of beneficial interests in the Bonds). The right of holders of the Bonds to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Town's obligations under its continuing disclosure undertaking and any failure by the Town to comply with the provisions of the undertaking will neither be a default with respect to the Bonds nor entitle any holder of the Bonds 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.

A Continuing Disclosure Undertaking Certificate to this effect shall be provided to the underwriter at closing.

TOWN OF CLIFTON PARK
SARATOGA COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

Fiscal Year Ending December 31, 2019

Such Audited Financial Report and opinions 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 CLIFTON PARK, NEW YORK

TABLE OF CONTENTS

DECEMBER 31, 2019

	<u>Page</u>
Independent Auditor's Report	1-2
Financial Statements	
Balance Sheets - All Fund Types and Account Groups	3
Statements of Revenue, Expenditures and Changes in Fund Balances - All Fund Types	4
Notes to Financial Statements	5-33
Required Supplementary Information	
Schedule of Revenue and Expenditures - Budget and Actual - General Fund	34
Schedule of Revenue and Expenditures - Budget and Actual - Highway Fund	35
Schedule of Revenue and Expenditures - Budget and Actual - Water Fund	36
Schedule of Revenue and Expenditures - Budget and Actual - Sewer Fund	37
Schedule of Revenue and Expenditures - Budget and Actual - Refuse and Garbage Fund	38
Schedule of Revenue and Expenditures - Budget and Actual - Park Fund	39
Schedule of Revenue and Expenditures - Budget and Actual - Lighting Fund	40
Schedule of Revenue and Expenditures - Budget and Actual - Library Fund	41
Schedule of Revenue and Expenditures - Budget and Actual - Ambulance Fund	42
Schedule of Revenue and Expenditures - Budget and Actual - Special Fund	43
Schedule of Revenue and Expenditures - Budget and Actual - Fire Protection Fund	44
Schedule of Contributions and Proportionate Share of Net Pension Liabilities - Employees Retirement System	45
Schedule of Changes in the Town's Total Other Postemployment Benefit Liability and Related Ratios	46

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INDEPENDENT AUDITOR'S REPORT

To the Supervisor and Members of
the Town Board of the Town
of Clifton Park, New York

We have audited the accompanying financial statements of all fund types and account groups of the Town of Clifton Park, New York (the "Town") as of and for the year ended December 31, 2019, as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Emphasis of Matter

As discussed in Note 1, the financial statements present only all fund types and account groups and do not purport to, and do not present fairly the financial position of the Town as of December 31, 2019, or the changes in its government-wide financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund types and account groups of the Town of Clifton Park, New York as of December 31, 2019, and the results of its fund types for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Retrospective Application of Change in Accounting Principles

As indicated in Note 6 to the financial statements, the Town implemented GASB No. 75, resulting in the change in which postemployment benefits other than pensions are valued, accounting for and reported. The change also resulted in an adjustment to the previously reported noncurrent governmental liabilities at December 31, 2018.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary information on pages 34-46, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
October 23, 2020

TOWN OF CLIFTON PARK, NEW YORK

BALANCE SHEETS

ALL FUND TYPES AND ACCOUNT GROUPS

DECEMBER 31, 2019

Assets	Governmental Fund Types										Fiduciary	Account Groups	
	General	Highway	Water	Sewer	Refuse and Garbage	Park	Lighting	Ambulance	Special Grant	Capital Projects	Agency	Non-Current Governmental Assets	Non-Current Governmental Liabilities
Cash	\$ 9,322,140	\$ 1,071,384	\$ 103,763	\$ 814,706	\$ 120,215	\$ 862,786	\$ 283,814	\$ 181,936	\$ 9,906	\$ 887,155	\$ 1,033,425	\$ -	\$ -
Other receivables	844,567	182,094	-	19,600	-	-	1,125	20,689	-	-	-	-	-
State and federal receivables	162,858	127,118	-	-	-	-	-	-	-	875,551	-	-	-
Due from other funds	1,117,086	31,880	-	8,289	-	13,632	-	-	-	343,356	47	-	-
Due from other governments	2,116,639	7,421	-	-	-	-	-	-	-	-	-	-	-
Prepaid expenditures	257,057	68,886	-	6,273	-	-	-	-	-	-	-	-	-
Cash restricted	727,185	941,944	9,854	17,680	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	29,278	-	-
Fixed assets	-	-	-	-	-	-	-	-	-	-	-	43,525,030	-
Provisions to be made in future budgets	-	-	-	-	-	-	-	-	-	-	-	-	51,588,193
Total assets	\$ 14,547,532	\$ 2,430,727	\$ 113,617	\$ 866,548	\$ 120,215	\$ 876,418	\$ 284,939	\$ 202,625	\$ 9,906	\$ 2,106,062	\$ 1,062,750	\$ 43,525,030	\$ 51,588,193
Liabilities, Deferred Inflows of Resources and Fund Equity (Deficit)													
Liabilities:													
Accounts payable	\$ 369,474	\$ 307,279	\$ -	\$ 29,680	\$ -	\$ 336	\$ 981	\$ -	\$ -	\$ 437,055	\$ -	\$ -	\$ -
Accrued liabilities	363,562	51,757	-	6,747	50,917	442	12,902	-	-	34,192	-	-	-
Other liabilities	48,141	-	-	-	-	-	-	-	2,624	-	1,061,689	-	-
Due to other funds	353,014	20,651	155,679	3,674	-	26,769	-	-	-	953,442	1,061	-	-
Due to other governments	3,513	-	-	-	-	-	-	-	-	24,923	-	-	-
Unearned revenues	739,325	198,765	-	-	-	-	-	-	-	789,340	-	-	-
Due to retirement systems	-	-	-	-	-	-	-	-	-	-	-	-	1,565,212
Other post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	-	38,679,180
Landfill closure	-	-	-	-	-	-	-	-	-	-	-	-	100,000
Installment purchase debt	-	-	-	-	-	-	-	-	-	-	-	-	1,146,191
Judgments and claims payable	-	-	-	-	-	-	-	-	-	-	-	-	262,000
Compensated absences	-	-	-	-	-	-	-	-	-	-	-	-	1,672,109
Bans and bonds payable	-	-	-	-	-	-	-	-	-	650,000	-	-	8,163,501
Total liabilities	1,877,029	578,452	155,679	40,101	50,917	27,547	13,883	-	2,624	2,888,952	1,062,750	-	51,588,193
Deferred Inflows of Resources	-	-	-	11,291	-	-	-	-	-	-	-	-	-
Fund Equity (Deficit):													
Investment in fixed assets	-	-	-	-	-	-	-	-	-	-	-	43,525,030	-
Nonspendable	257,057	68,886	-	6,273	-	-	-	-	-	-	-	-	-
Restricted	727,185	941,944	-	17,680	-	-	-	-	-	-	-	-	-
Committed	117,340	-	-	-	-	-	-	-	-	-	-	-	-
Assigned	3,455,839	841,445	-	791,203	69,298	848,871	271,056	202,625	7,282	-	-	-	-
Unassigned (deficit)	8,113,082	-	(42,062)	-	-	-	-	-	-	(782,890)	-	-	-
Total fund balances (deficit)	12,670,503	1,852,275	(42,062)	815,156	69,298	848,871	271,056	202,625	7,282	(782,890)	-	43,525,030	-
Total liabilities, deferred inflows of resources and fund equity (deficit)	\$ 14,547,532	\$ 2,430,727	\$ 113,617	\$ 866,548	\$ 120,215	\$ 876,418	\$ 284,939	\$ 202,625	\$ 9,906	\$ 2,106,062	\$ 1,062,750	\$ 43,525,030	\$ 51,588,193

TOWN OF CLIFTON PARK, NEW YORK
STATEMENTS OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Governmental Fund Types											
	General	Highway	Water	Sewer	Refuse and Garbage	Park	Lighting	Library	Ambulance	Special Grant	Fire Protection	Capital Projects
Revenue												
Real property taxes	\$ -	\$ 721,834	\$ 93,267	\$ 893,153	\$ 98,805	\$ 380,558	\$ 180,002	\$ -	\$ 607,126	\$ -	\$ 436,661	\$ -
Real property tax items	186,642	43,714	1,600	3,677	342	1,967	-	-	-	-	-	-
Non-property tax items	13,083,226	-	-	-	-	-	-	-	-	-	-	-
Departmental income	1,986,397	-	-	130,541	-	172,109	-	-	47,301	-	-	-
Intergovernmental charges	-	-	-	120,647	-	-	-	534,883	-	-	-	-
Use of money and property	230,392	255,300	390	8,004	213	877	528	-	1,508	25	-	-
Licenses and permits	318,728	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	556,275	-	-	-	-	-	-	-	-	-	-	-
Sale of property and compensation for loss	90,933	29,397	-	-	-	-	-	-	-	-	-	-
Miscellaneous local sources	42,647	5,067	1,020	6,370	-	567	25,652	-	-	-	-	-
Interfund revenues	230,049	20,459	-	131	-	-	-	-	-	-	-	-
State aid	1,941,546	787,765	-	-	-	-	-	-	-	-	-	355
Federal aid	-	-	-	-	-	-	-	-	-	366,562	-	153,329
Total revenue	<u>18,666,835</u>	<u>1,863,536</u>	<u>96,277</u>	<u>1,162,523</u>	<u>99,360</u>	<u>556,078</u>	<u>206,182</u>	<u>534,883</u>	<u>655,935</u>	<u>366,587</u>	<u>436,661</u>	<u>153,684</u>
Expenditures												
General governmental support	2,948,258	-	-	-	-	-	-	-	-	-	-	-
Public safety	2,157,949	-	-	-	-	-	-	-	-	-	436,661	31,335
Public health	7,226	-	-	-	-	-	-	-	802,764	-	-	-
Transportation	310,810	4,715,102	-	-	-	-	233,129	-	-	-	-	510,270
Economic assistance and opportunity	436,841	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	3,469,887	-	-	-	-	447,166	-	-	-	-	-	1,033,082
Home and community services	1,242,256	-	4,963	929,043	60,851	-	-	-	-	359,677	-	-
Employee benefits	2,894,439	1,206,341	-	98,423	-	13,625	-	-	-	-	-	-
Debt service (principal and interest)	240,750	555,729	95,298	236,794	-	42,295	-	534,883	-	-	-	-
Total expenditures	<u>13,708,416</u>	<u>6,477,172</u>	<u>100,261</u>	<u>1,264,260</u>	<u>60,851</u>	<u>503,086</u>	<u>233,129</u>	<u>534,883</u>	<u>802,764</u>	<u>359,677</u>	<u>436,661</u>	<u>1,574,687</u>
Other Changes												
Proceeds from serial bonds	-	-	-	-	-	-	-	-	-	-	-	1,533,501
BANs redeemed	-	-	-	-	-	-	-	-	-	-	-	553,372
Operating transfers in	-	5,153,255	-	-	-	-	-	-	-	-	-	845,402
Operating transfers out	(5,871,835)	-	-	(37,119)	-	(89,703)	-	-	-	-	-	-
Total other changes	<u>(5,871,835)</u>	<u>5,153,255</u>	<u>-</u>	<u>(37,119)</u>	<u>-</u>	<u>(89,703)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,932,275</u>
Excess (deficiency) of revenue over expenditures	(913,416)	539,619	(3,984)	(138,856)	38,509	(36,711)	(26,947)	-	(146,829)	6,910	-	1,511,272
Fund balance (deficit), beginning of year	<u>13,583,919</u>	<u>1,312,656</u>	<u>(38,078)</u>	<u>954,012</u>	<u>30,789</u>	<u>885,582</u>	<u>298,003</u>	<u>-</u>	<u>349,454</u>	<u>372</u>	<u>-</u>	<u>(2,294,162)</u>
Fund balance (deficit), end of year	<u>\$ 12,670,503</u>	<u>\$ 1,852,275</u>	<u>\$ (42,062)</u>	<u>\$ 815,156</u>	<u>\$ 69,298</u>	<u>\$ 848,871</u>	<u>\$ 271,056</u>	<u>\$ -</u>	<u>\$ 202,625</u>	<u>\$ 7,282</u>	<u>\$ -</u>	<u>\$ (782,890)</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Clifton Park, New York has prepared its all fund types and account groups financial statements in accordance with accounting principles generally accepted in the United States of America as applied to government units (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing GAAP for state and local governments through its pronouncements (Standards and Interpretation).

The Town does not comply with GASB Statement No. 34, which requires the Town to present government-wide financial statements on a full accrual government-wide basis as well as the fund basis. The financial statements present only all fund types and accounts groups, and do not purport to, and do not present fairly the government-wide net position or changes in net position of the Town.

The following is a summary of significant accounting policies:

A. Financial Reporting Entity

The Town of Clifton Park, New York, the primary government, was incorporated in 1828, and is governed by the Charter of the Town of Clifton Park, the Town law and other general laws of the State of New York and various local laws and ordinances. The Town Board is the legislative body responsible for the overall operation of the Town and consists of the Supervisor and four council members. The Supervisor serves as chief executive officer and chief fiscal officer of the Town.

The Town provides the following basic services: public safety, police protection, parks and recreation, sewer, water, lighting and highway maintenance.

The financial reporting entity includes all funds, account groups, functions and organizations over which the Town Officials exercise oversight responsibility. Oversight responsibility is determined on the basis of financial interdependency, selection of governing authority, designation of management, and ability to significantly influence operations and accountability for fiscal matters.

The reporting entity of the Town is based upon criteria set forth by GASB Statement No. 61, *The Financial Reporting Entity*. As required by the NYS Office of the State Comptroller (OSC) guidelines, the AUD of the reporting entity includes the Town (the primary government) and its blended component units. The Town has determined it has no blended component units based on the criteria set forth in GASB Statement 61. The following potential component units were excluded from the reporting entity:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

Clifton Park Water Authority - This potential component unit has a separate appointed board and provides service to residents, generally within the geographic boundaries of the government. Although the Town Board appoints the board of the potential component unit, it is excluded from the reporting entity because the Town does not have the ability to exercise influence or control over their daily operations, approve their budget, is not required to provide funding, and is not responsible for their debt.

Fire Districts - There are several fire districts which provide services to residents of the Town. Real property taxes for these districts are levied with the Town property tax levy. These districts are separate legal entities with separate governing boards and are not fiscally dependent on the Town. Therefore, they are excluded from the reporting entity.

In conformity with accounting principles generally accepted in the United States of America, the financial statements of the following component unit has been excluded from the reporting entity as a discretely presented unit because it is not a blended component unit and issues separate financial statements.

Industrial Development Agency

The Town of Clifton Park Industrial Development Agency (the Agency) is a Public Benefit Corporation created by state legislation to promote the economic welfare, recreation opportunities and prosperity of the Town inhabitants. Members of the Agency are appointed by the Town Board which exercises no oversight responsibility. The Agency members have complete responsibility for management of the Agency and accountability for fiscal matters. The municipality is not liable for Agency bonds or notes.

Complete financial statements of the component unit can be obtained directly from their administrative office.

The Town of Clifton Park
Industrial Development Agency
One Town Hall Plaza
Clifton Park, New York 12065

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

The accounts of the Town are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types and account groups are used:

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use and balances of the Town's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus of the governmental funds is upon determination of financial position and changes in financial position. The following are the Town's governmental fund types:

- a. General Fund - To account for all unrestricted resources except for those required to be accounted for in another fund. It operates within the financial limits of an annual budget adopted by the Town Board.
- b. Special Revenue Funds - To account for the proceeds of special revenue resources other than major capital projects or to finance specified activities as required by law or administrative regulations. Funds operate within the financial limits of an annual budget adopted by the Town Board and consist of the following:
 - 1) Lighting Fund - The Lighting District Fund is used to record the taxes levied in the lighting district and the expenditures made to the utility company providing the lighting for the district.
 - 2) Water Fund - The Town has a total of nine water districts; seven districts which have been created for the sole purpose of paying for the debt to establish these districts. The Clifton Park Water Authority and the Town of Ballston provide the water service.
 - 3) Park Funds - There are thirteen park districts throughout the Town. Each district levies taxes on property owners within the District. Expenditures are used for maintenance and equipment for the District.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Governmental Fund Types (Continued)

b. Special Revenue Funds (Continued)

- 4) Sewer Funds - The Town has ten operating sewer districts. Their revenues are obtained from property taxes.
 - 5) Refuse and Garbage District Fund - The Town established the Clifton Knolls Refuse and Garbage District. Taxes are levied on property owners within the District. Expenditures are made for the collection of brush and leaves within the District.
 - 6) Highway Fund - Used to account for the revenues and expenditures for repairs and improvements to town highways; purchase, repair, maintenance and storage of highway machinery; tools and equipment, pursuant to Section 133 of the Highway Law; controlling weeds and brush along highway and snow removal for highways.
 - 7) Special Grant Fund - Section 8 Housing - Used to account for funds received from the federal government to operate a public housing program for eligible low-income families and the elderly through an authorized public housing agency.
 - 8) Library Fund - Used to account for the funds received and then transferred to the Clifton Park/Halfmoon Public Library for the proportionate share of the Town of Clifton Park.
 - 9) Ambulance Fund - This fund is used to account for the amount raised in real estate taxes.
 - 10) Fire Protection Fund - This fund is used to account for the amount raised in real estate taxes and then transferred to the Clifton Park Water Authority.
- c. Capital Projects Fund - used to account for financial resources to be used for the acquisition or construction of major capital facilities.
- d. Fiduciary Funds
- Agency Funds - Agency funds are used to account for money (and/or property) received and held in the capacity of trustee, custodian or agent.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Governmental Fund Types (Continued)

e. Accounts Groups

Account groups are used to establish accounting control and accountability for general long-term debt and general fixed assets. They are concerned with measurement of financial position and not results of operations.

- a. The Non-Current Governmental Assets Account Group - used to account for land, buildings, improvements other than buildings, and equipment utilized for general government purposes.
- b. The Non-Current Governmental Liabilities Account Group - used to account for all long-term debt. Also included are the estimated compensated absences liability of the Town and other long-term obligations.

C. Basis of Accounting/Measurement Focus

Basis of accounting refers to when revenues and expenditures/expenses and the related assets and liabilities are recognized in various funds and account groups. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus. Measurement focus is the determination of what should be measured, i.e. expenditures or expenses.

1. Governmental Funds - The modified accrual basis of accounting is followed by the governmental funds. Under this basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Material revenue sources considered susceptible to accrual include real property taxes, State and Federal aid, sales tax and certain use charges in the special revenue funds. For those types of revenue sources, such as grants, where expenditures are the prime factors for determining eligibility, revenues are recognized when the expenditure is made.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting/Measurement Focus (Continued)

Expenditures are recorded when the fund liability is incurred except that:

- a. Expenditures for prepaid expenses or inventory-type items are recognized at the time of the disbursement.
- b. Principal and interest on indebtedness are recognized as an expenditure when due.
- c. Compensated absences, such as vacation and sick leave which vest or accumulate, are charged as an expenditure when paid.
- d. Pension costs are recognized as an expenditure when due.

D. Property Taxes and Collections

Town real property taxes are levied together with Saratoga County property taxes annually no later than January 1 and become a lien on April 1. Taxes for County purposes are levied together with taxes for Town and special district purposes as a single bill.

The Town is responsible for collecting Town and County taxes; however, the Town is authorized to satisfy its entire tax roll from the first taxes collected. The balance and subsequent collections are remitted to the County and the County is responsible for the collection of delinquent taxes.

E. Budgetary Data

1. Budget Policies

- a. The budget policies of the primary government are as follows:
 - 1) No later than September 30, the Budget Officer submits a tentative budget to the Town Clerk for the fiscal year commencing the following January 1. No later than October 5, the Town Clerk submits a tentative budget to the Town Board. The tentative budget includes proposed expenditures and the proposed means of financing for all funds of the Town.
 - 2) After public hearings are conducted to obtain taxpayer comments, no later than November 20, the Legislature adopts the budget.
 - 3) All revisions that alter appropriations of any department or fund must be approved by the Town Board, except for interdepartmental adjustments less than \$5,000 which may be approved by the Comptroller.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgetary Data (Continued)

2. Encumbrances

Encumbrances are reservations of the fund balance for outstanding purchase commitments. Expenditures for such commitments are recorded in the period in which the liability is incurred.

3. Budget Basis of Accounting

Budgets are adopted annually on a basis consistent with the OSC accounting guidelines. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

F. Cash and Investments

The Town's investment policies are governed by State statutes. In addition, the Town has its own written investment policy. Monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Demand accounts and certificates of deposit are authorized to be used. Permissible investments include obligations of the U.S. Treasury and U.S. agencies, and obligations of New York State or its localities.

Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral include obligations of the United States and its agencies and obligations of the State of New York, its municipalities and school districts.

G. Capital Assets

Capital assets with an original cost of \$1,000 or more and an estimated useful life of two years or more are reported at historical costs, or estimated historical cost if actual is unavailable.

Fixed assets purchased for general governmental purposes are recorded as expenditures in the governmental funds.

H. Deferred Compensation Plan

Employees of the Town may elect to participate in the Town's Deferred Compensation Plan created in accordance with the Internal Revenue Code Section 457. The Plan, available to all employees, permits them to defer a portion of their salary until future years, usually after retirement. See additional information in Note 10.

Under the terms of the amended Plan agreement, these monies are no longer subject to the claims of the Town's general creditors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences

Under the terms of contractual agreements and Town policy, substantially all employees are entitled to accrued vacation and sick leave up to specified maximum amounts. Upon termination or retirement specified amounts are paid to eligible employees.

Payment of vacation and sick leave recorded in the Non-Current Governmental Liabilities Account Group is dependent upon many factors; therefore, timing of future payments is not readily determinable. However, management believes that sufficient resources will be made available for the payment of vacation and sick leave.

Estimated vacation and sick leave accumulated by governmental fund type employees and additional salary related payments have been recorded in the Non-current Governmental Liabilities Account Group.

J. Retirement Plans

The Town provides retirement benefits for its employees through contributions to the New York State and Local Employees' Retirement System. The system provides various plans and options, some of which require employee contributions.

K. Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates. The significant estimates included in the financial statements include the estimate of claims incurred but not reported for the self-insured workers' compensation and medical plans. It is reasonably possible that the estimates noted above will change in the near term due to one or more future events which would be material to the financial statements.

The Town has not provided for a complete estimate of sales tax revenue because the available information does not report the final adjustments, if any, that may be imposed by the State as a result of their tax enforcement procedures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Self-Insurance

1. Workers' Compensation

The Town participates in the County's self-insurance pool (the Plan) to cover under the Workers' Compensation Law. Other cities, towns, villages, fire districts, youth commissions and public benefit corporations within the County of Saratoga can participate. Each participant is billed by the Plan for their share of the estimated costs for the ensuing year. Any deficiencies in the amounts billed are added to next year's bill.

As described in Note 6 the Town has retained a portion of the liability for the claims it has incurred.

2. Dental Benefit Plan

The Town is self-insured for dental benefits on a cost-reimbursement basis. Under the program, the Town is responsible for claim payments.

All known claims filed and an estimate of all incurred but unreported claims existing at December 31, 2019 have been recorded as accounts payable in the general fund.

The Town establishes dental claims liabilities based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claims costs depend on estimates of outstanding claims, the process used in computing claim liabilities does not necessarily result in an exact amount. Adjustments to claim liabilities are charged or credited to the liability in the periods in which they are made.

M. Future Accounting Pronouncements

GASB has issued the following Statements which will become effective in future years. Management is currently evaluating the effect of the implementation of these standards as deemed applicable.

GASB Statement No. 84

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Future Accounting Pronouncements (Continued)

GASB Statement No. 84 (Continued)

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this Statement are effective (extended by GASB as of May 8, 2020) for reporting periods beginning after December 15, 2019. The Town has not implemented, but is considering, the effects of this Statement for the year ended December 31, 2020.

GASB Statement No. 87

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement will become effective for fiscal years beginning after June 15, 2021.

2. CASH AND INVESTMENTS

At year end, the book amount of the Town's deposits were \$16,387,893 and the bank balance was \$16,496,269. The insured and collateral status of the year end bank balance was as follows:

Status of Bank Balances

Covered by federal deposit insurance	\$ 7,743,859
Collateralization with securities held by third party custodians for the benefit of the Town, pursuant to third party custody agreements	<u>8,644,034</u>
Total	<u><u>\$ 16,387,893</u></u>

Cash restricted in the General Fund, Highway and Sewer Funds equals the amount of restricted fund balance which is detailed in Note 9.

Capital Reserves

Capital reserves are established pursuant to General Municipal Law, Section 6-C.

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	<u>Balance</u>		<u>Deletions</u>	<u>Balance</u>
	<u>January 1, 2019</u>	<u>Additions</u>		<u>December 31, 2019</u>
Land	\$ 7,340,561	\$ -	\$ -	\$ 7,340,561
Improvements Other than Buildings	13,368,455	599,824	(51,097)	13,917,182
Buildings	8,304,928	-	-	8,304,928
Conservation Easement	1,535,496	-	-	1,535,496
Infrastructure	76,400	-	-	76,400
Machinery and Equipment	10,781,618	923,536	(157,263)	11,547,891
Construction in Progress	<u>38,975</u>	<u>763,597</u>	<u>-</u>	<u>802,572</u>
Total	<u><u>\$ 41,446,433</u></u>	<u><u>\$ 2,286,957</u></u>	<u><u>\$ (208,360)</u></u>	<u><u>\$ 43,525,030</u></u>

4. PREPAID EXPENSES

The Town elected to prepay its required contributions to the New York State and Local Employees' Retirement System and other expenses. Prepaid expenses by fund consists of the following:

	<u>Pension</u>	<u>Other</u>	<u>Total Prepaid Expenses</u>
General	\$ 175,875	\$ 81,182	\$ 257,057
Highway	68,480	406	68,886
Sewer	<u>6,235</u>	<u>38</u>	<u>6,273</u>
Total	<u>\$ 250,590</u>	<u>\$ 81,626</u>	<u>\$ 332,216</u>

5. SHORT-TERM DEBT

Liabilities for bond anticipation notes (BANs) are generally accounted for in the capital projects fund. The notes or renewal thereof may not extend more than two years beyond the original date of issue unless a portion is redeemed within two years and within each 12 month period thereafter.

State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

The following is a summary of changes in BANs for the year ended December 31, 2019:

BANs Outstanding , January 1, 2019	\$ 2,686,873
BANs Issued	650,000
BANs Redeemed	<u>(2,686,873)</u>
BANs Outstanding, December 31, 2019	<u>\$ 650,000</u>

The following BANs are owed by the Town as of December 31, 2019:

	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
Series 2019	\$ 450,000	2.07%	June 26, 2020
Series 2019	<u>200,000</u>	1.50%	November 5, 2020
	<u>\$ 650,000</u>		

6. NON-CURRENT GOVERNMENTAL LIABILITIES

The following is a summary of changes in non-current governmental liabilities debt outstanding at December 31, 2019:

	Payable			Other Net	Payable
	<u>1/1/19</u>	<u>Issued</u>	<u>Redeemed</u>	<u>(Increase)</u>	<u>12/31/19</u>
Serial Bonds (a)	\$ 7,176,000	\$ 1,533,501	\$ (546,000)	\$ -	\$ 8,163,501
Judgments and Claims (b)	188,000	-	-	33,000	221,000
Worker's Compensation (c)	35,000	-	-	-	35,000
Post Closure Landfill					
Monitoring (d)	100,000	-	-	-	100,000
Compensated Absences (e)	1,484,777	-	-	187,332	1,672,109
Installment Purchase (f)	1,485,642	-	(339,451)	-	1,146,191
Dental Claims (g)	6,000	-	-	-	6,000
Other Post Employment					
Benefits (h)	36,530,199	-	-	2,148,981	38,679,180
Net Pension Liability					
(Footnote 10)	<u>691,606</u>	<u>-</u>	<u>-</u>	<u>873,606</u>	<u>1,565,212</u>
Total	<u>\$ 47,697,224</u>	<u>\$ 1,533,501</u>	<u>\$ (885,451)</u>	<u>\$ 3,242,919</u>	<u>\$ 51,588,193</u>

(a) Serial Bonds

Serial Bonds - The Town borrows money in order to acquire land or equipment or construct buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized to be collected in future years from taxpayers and others for liquidation of the long-term liabilities.

The following is a summary of serial bonds outstanding at December 31, 2019:

<u>Serial Bonds</u>	<u>Maturity</u>	<u>Issue and</u>	<u>Interest</u>
	<u>Due Date</u>	<u>Rate</u>	<u>Amount</u>
Sherwood Forest Sewer District Refunded 2003 Sewer and Water Projects and 2005 Library, Sewer and Water Projects	2026	4.0-5.3%	\$ 55,000
Sewer, Water and Parks Projects	2030	2.0-3.0%	5,610,000
Public Improvement (2019)	2035	2.0-4.25%	965,000
Total	2039	3.3-375%	<u>1,533,501</u>
			<u>\$ 8,163,501</u>

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(a) Serial Bonds (Continued)

The Town of Clifton Park issued Library General Obligation Serial Bonds to finance construction of an addition to the Clifton Park-Halfmoon Public Library. This activity is accounted for in the Library Fund and the receivable and related debt is included in the Non-Current Governmental Assets and Liabilities Account Groups. Repayment of the debt and related interest is provided for in the annual budget of the Clifton Park-Halfmoon Public Library.

The following is a schedule of principal and interest payments for future debt service requirements and the total principal and interest payment due from the Clifton Park Library as of December 31, 2019:

	<u>Principal</u>	<u>Interest</u>	<u>Due from Clifton Park- Halfmoon Library</u>	
			<u>Principal</u>	<u>Interest</u>
2020	\$ 585,501	\$ 242,208	\$ 408,199	\$ 123,314
2021	627,000	206,006	417,692	115,055
2022	637,000	191,939	427,185	106,606
2023	663,000	177,496	441,425	97,920
2024	608,000	163,251	446,171	89,044
2025-2029	3,248,000	554,753	2,420,716	263,574
2030-2034	1,275,000	163,526	531,608	7,974
2035-2034	<u>520,000</u>	<u>42,553</u>	-	-
Total	<u>\$ 8,163,501</u>	<u>\$ 1,741,732</u>	<u>\$ 5,092,996</u>	<u>\$ 803,487</u>

(b) Judgment and Claims

Several tax certiorari actions are pending against the Town for reductions in the assessed value of various properties. The petitions are for taxes collected from 2016-2019. Management believes that the likelihood of a reduction is probable. Provision for losses for taxes collected from 2016-2019 for those cases is recorded in the Non-Current Governmental Liabilities Account Group.

(c) Workers' Compensation

The Town participates in the County's self-insurance pool for workers compensation. Under terms of the Plan the Town retains liability for the portion of a claim that is estimated to exceed the shared liability limit. The Town has determined the estimated value for this potential loss and recorded the liability in the Non-Current Governmental Liabilities Account Group.

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(d) Post Closure Landfill Monitoring

The Town of Clifton Park entered into an Order of Consent with the Department of Environmental Conservation (DEC) on April 30, 1991 for the purpose of ensuring the proper maintenance and future closure of the Town’s landfill. This order includes specific requirements and deadlines for the Town to follow and meet or they could be subject to penalties. The Town ceased accepting refuse after October 1, 1991 in accordance with the consent order. The status of compliance with the consent order is subject to review by the Department of Environmental Conservation. The current estimated liability for post closure care costs of the landfill is \$100,000.

However, the actual cost of post closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations. The liability is recorded in the Non-Current Governmental Liabilities Account Group and is funded in the general fund through current appropriations.

(e) Compensated Absences

Compensated absences represents the estimated value of the earned and unused leave credits, based on current salary rates and contractual agreements. Pursuant to contractual agreements, Town employees are entitled to accrue sick, vacation and personal time (highway employees only). The maximum accrual of these absences depend upon the contractual agreement each employee falls under. Employees in the union are eligible for vacation payouts of 50 days, all other employees are entitled to 40 days of vacation. Employees who retire are entitled to 50 days of sick leave to be paid.

(f) Installment Purchase

The following is a summary of capital leases outstanding at December 31, 2019:

<u>Capital Lease</u>	<u>Lease Date</u>	<u>Term of Lease</u>	<u>Balance as of December 31, 2019</u>
Highway Equipment	12/15/2014	7 years	\$ 72,238
Parks and Highway Equipment	01/27/2016	7 years	208,653
Parks and Highway Equipment	03/07/2018	5 years	865,300
Total			<u>\$ 1,146,191</u>

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(f) Installment Purchase (Continued)

The following is a schedule of future minimum lease payments:

2020	\$	377,745
2021		304,166
2022		304,166
2023		<u>232,121</u>
		1,218,198
Amount Representing Interest		<u>(72,007)</u>
		<u><u>\$ 1,146,191</u></u>

(g) Dental Claims

Dental claims represents incurred but not reported claims.

(h) Other Postemployment Benefits

A. General Information about the OPEB Plan

GASB Statement 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, requires governments to accounts for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis.

Retroactive Application of Change in Accounting Principles and Prior Period Adjustment Relating to Change in Accounting Principles - During the year ended December 31, 2019, the Town implemented GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The implementation of this statement resulted in a change in the manner in which postemployment benefits other than pensions are valued, accounted and reported, including the reporting of deferred outflows and inflows of resources reflected to the Town's postemployment benefits other than pensions. The Town's non-current governmental liabilities at December 31, 2018 have been restated and increased by \$36,530,199 to reflect the cumulative increase in the OPEB liability from this change in implementing and accounting under GASB 75.

Benefits Provided - The Town provides medical, dental, vision and Medicare Part B benefits for retirees and their dependants. Employees are required to reach age 55 and have 20 years of service or age 60 with 10 years of service to qualify for OPEB. The Town pays a portion of the retiree's and covered spouse's premium for medical benefits based on the date of hire. All benefits are payable to the retiree and spouse for their life time.

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(h) Other Postemployment Benefits (Continued)

A. General Information about the OPEB Plan (Continued)

Employees Covered by Benefit Terms - At January 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	64
Active employees	100
Total	 164

B. Total OPEB Liability

The Town's total OPEB liability of \$38,679,180 was measured as of December 31, 2019, and was determined by an actuarial valuation as of January 1, 2019.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.74%
Healthcare Cost Trend Rates:	
2019 Trend (Pre 65/Post 65)	(5.28%)/(2.94%)
Decrement	0.50%
Ultimate Trend	5.00%
Year Ultimate Trend is Reached	2029
Salary Increases	3.00%

Retirees' Share of Benefit-Related Costs

The discount rate was based on the Bond Buyer General Obligation 20 Year Municipal Bond Index.

As of January 1, 2019: The Society of Actuaries (SOA) RP-2014 Total Dataset Mortality Tables were utilized for employees and healthy annuitants, adjusted backward to 2006 with Scale MP-2019. This assumption was based on a review of published mortality tables and demographics of the plan.

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(h) Other Postemployment Benefits (Continued)

B. Total OPEB Liability (Continued)

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2019 - December 31, 2019.

C. Changes in the Total OPEB Liability

Balance at December 31, 2018, as adjusted	\$ <u>36,530,199</u>
<u>Change for the Year -</u>	
Service cost	1,718,310
Interest	993,221
Benefit payments	<u>(562,550)</u>
Net Changes	<u>2,148,981</u>
 Balance at December 31, 2019	 \$ <u><u>38,679,180</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate (2.74%)</u>	<u>1% Increase</u>
Total OPEB Liability	\$ <u>46,684,409</u>	\$ <u>38,679,180</u>	\$ <u>32,389,518</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare care trend rate:

	<u>1% Decrease</u>	<u>Current Discount Rate (5.28%)/(2.94%)</u>	<u>1% Increase</u>
Total OPEB Liability	\$ <u>31,460,890</u>	\$ <u>38,679,180</u>	\$ <u>48,142,151</u>

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(h) Other Postemployment Benefits (Continued)

D. OPEB Expense

The Town recognized an OPEB expense as follows:

	<u>2019</u>
Service Costs	\$ 1,718,310
Interest	<u>993,221</u>
Net OPEB Expense	<u><u>\$ 2,711,531</u></u>

7. UNEARNED REVENUES AND DEFERRED INFLOWS OF RESOURCES

Unearned revenue arises when resources are received before the Town has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, or when the Town has legal claim to the resources, the liability is removed and revenue is recognized.

Deferred inflows of resources arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. In subsequent periods, when both recognition criteria are met, the deferred inflows of resources are reduced and revenue is recognized.

Unearned revenues and deferred inflows of resources at December 31, 2019 consist of the following:

	<u>Unearned Revenues</u>	<u>Deferred Inflows of Resources</u>
<u>General Fund</u>		
Arena Deferred Income	\$ 66,650	\$ -
Land Lease (Shen Village NCR)	148,000	-
Land Lease (Arena Realty Group)	456,667	-
State Grants	32,500	-
Miscellaneous	<u>35,508</u>	-
Total General Fund	<u><u>\$ 739,325</u></u>	<u><u>\$ -</u></u>
 <u>Highway Fund</u>		
Federal and State Aid	<u><u>\$ 198,765</u></u>	<u><u>\$ -</u></u>
 <u>Sewer Fund</u>		
Sewer Rents	<u><u>\$ -</u></u>	<u><u>\$ 11,291</u></u>
 <u>Capital Projects Funds</u>		
Federal and State Aid	<u><u>\$ 789,340</u></u>	<u><u>\$ -</u></u>

8. INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS

Interfund receivables, payables and transfers at December 31, 2019 and for the year then ended were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General	\$ 1,117,086	\$ 353,014	\$ -	\$(5,871,835)
Highway	31,880	20,651	5,153,255	-
Water	-	155,679	-	-
Sewer	8,289	3,674	-	(37,119)
Park	13,632	26,769	-	(89,703)
Capital Projects	343,356	953,442	845,402	-
Agency	47	1,061	-	-
Total	<u>\$ 1,514,290</u>	<u>\$ 1,514,290</u>	<u>\$ 5,998,657</u>	<u>\$(5,998,657)</u>

9. FUND BALANCE

The Town has implemented GASB 54 “Fund Balance Reporting and Governmental Fund Type Definitions.”

GASB 54 defines five categories of fund balance as follows:

1. **Nonspendable** fund balance includes amounts that cannot be spent because they are either not in spendable form or contractually required to be maintained intact.
2. **Restricted** fund balance includes amounts restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
3. **Committed** fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town Board.
4. **Assigned** fund balance includes amounts that are constrained by the Town Board to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances include funds that are legally mandated to be accounted for separately as well as amounts that have been contractually obligated by the Town or designated by the Town for the ensuing year’s budget.
5. **Unassigned** fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the fund.

TOWN OF CLIFTON PARK, NEW YORK
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2019

9. FUND BALANCE (CONTINUED)

Fund balances for major funds are detailed as follows:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Park Fund</u>	<u>Lighting Fund</u>
Nonspendable						
Prepaid Expenses	\$ 257,057	\$ 68,886	\$ -	\$ 6,273	\$ -	\$ -
	<u>257,057</u>	<u>68,886</u>	<u>-</u>	<u>6,273</u>	<u>-</u>	<u>-</u>
Restricted						
Water	45,025	-	-	-	-	-
Debt Service	-	-	-	17,680	-	-
Parkland	271,369	-	-	-	-	-
Historic Preservation	34,290	-	-	-	-	-
Open Space Incentive	376,501	-	-	-	-	-
Traffic	-	941,944	-	-	-	-
	<u>727,185</u>	<u>941,944</u>	<u>-</u>	<u>17,680</u>	<u>-</u>	<u>-</u>
Committed						
Capital	<u>117,340</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned						
Stabilization	2,000,000	-	-	-	-	-
Capital	223,021	-	-	-	-	-
Appropriated	-	49,043	-	8,249	41,360	14,000
Encumbrances	1,232,818	1,786	-	21,956	47,735	-
Highway	-	790,616	-	-	-	-
Sewer	-	-	-	760,998	-	-
Park	-	-	-	-	759,776	-
Lighting	-	-	-	-	-	257,056
	<u>3,455,839</u>	<u>841,445</u>	<u>-</u>	<u>791,203</u>	<u>848,871</u>	<u>271,056</u>
Unassigned (Deficit)						
	<u>8,113,082</u>	<u>-</u>	<u>(42,062)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 12,670,503</u>	<u>\$ 1,852,275</u>	<u>\$ (42,062)</u>	<u>\$ 815,156</u>	<u>\$ 848,871</u>	<u>\$ 271,056</u>

9. FUND BALANCE (CONTINUED)

The Town Board determines whether restricted, committed, assigned or unassigned amounts are considered to have been spent first when resources are available from multiple constraint levels. The default policy is that resources are first spent from the highest constraint level.

10. PENSION PLANS

General Information

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and New York State. The System is a cost sharing multiple-employer, public employee retirement system. The System 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.

Plan Description and Benefits Provided. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund, which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York (the "Comptroller") serves as sole trustee and administrative head of the System. System benefits are established under provisions of the New York State Retirement and Social Security Laws ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined the System after July 27, 1976 who contribute 3% of their salary, for the first ten years of membership and employees who joined on or after January 1, 2010 who generally must contribute 3% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31.

Contributions for the current year and two preceding years were equal to 100% of the contributions required as follows:

	<u>Amount</u>	<u>Rate *</u>
2019	\$ 1,002,346	15.8%
2018	\$ 1,004,383	15.8%
2017	\$ 963,227	16.0%

* Reflects rate of most populated tier.

10. PENSION PLANS (CONTINUED)

General Information (Continued)

Covered Payroll

The Town of Clifton Park's covered payroll (as defined in GASB 85) for 2019 is as follows:

ERS	\$ <u>6,756,488</u>
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At December 31, 2019, the Town reported a liability in the schedule of non-current governmental liabilities account group of \$1,565,212 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

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

At December 31, 2019, the Town's proportion was .022091%.

At December 31, 2019, the Town reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Total Deferred Outflows of Resources</u>	<u>Total Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 308,223	\$ 105,070
Changes of assumptions	393,430	-
Net difference between projected and actual earnings on pension plan investments	-	401,720
Changes in proportion and difference between employer contributions and proportionate share of contributions	291,493	33,475
Contributions subsequent to the measurement date	<u>751,760</u>	<u>-</u>
	<u>\$ 1,744,906</u>	<u>\$ 540,265</u>

10. PENSION PLANS (CONTINUED)

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

The net amount of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

December 31, 2020	\$ 1,173,617
December 31, 2021	(241,528)
December 31, 2022	26,556
December 31, 2023	<u>245,996</u>
	<u>\$ 1,204,641</u>

ERS Actuarial Assumptions. The total pension liability at March 31, 2019 was determined by using an actuarial valuation as of April 1, 2018, with update procedures used to roll forward the total pension liability to March 31, 2019.

Significant actuarial assumptions used in the April 1, 2018 valuation were a follows:

Interest rate	7.0%
Salary increase	4.2%
Inflation rate	2.5%
Cost of living adjustments	1.3%

Annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2014.

The actuarial assumptions used in the April 1, 2018 valuation are based on the results of an actuarial experience study for the period August 1, 2010 - March 31, 2015.

The long term expected 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 the target asset allocation percentage and by adding expected inflation.

10. PENSION PLANS (CONTINUED)

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2019 for ERS were as follows:

<u>Asset Class</u>	<u>Long-Term Expected Rate of Return</u>	<u>Target Allocation</u>
Domestic equity	4.55%	36%
International equity	6.35%	14%
Private equity	7.5%	10%
Real estate	5.55%	10%
Absolute return strategies	3.75%	2%
Opportunistic portfolio	5.68%	3%
Real assets	5.29%	3%
Bonds and mortgages	1.31%	17%
Cash	(0.25%)	1%
Inflation-indexed bonds	1.25%	4%
		<u>100%</u>

Discount Rate

The discount rate used to calculate the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the 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.

10. PENSION PLANS (CONTINUED)

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

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the Town's proportionate share of the net pension asset/liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

<u>ERS</u>	<u>1% Decrease</u>	<u>Current Assumption</u>	<u>1% Increase</u>
Employers' proportionate share of the net pension liability (asset)	\$ <u>6,843,357</u>	\$ <u>1,565,212</u>	\$ <u>(2,868,804)</u>

Pension Plan Fiduciary Net Position

The components of the net pension liability of the fiduciary as of March 31, 2019 was as follows (in thousands):

	<u>ERS</u>
Employers' total pension liability	\$ 189,803,429
Fiduciary net position	<u>182,718,124</u>
Employers' net pension liability	<u>\$ 7,085,305</u>
Ratio of fiduciary net position to the employers' total pension liability	<u>96.27%</u>

Deferred Compensation

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Town employees, permit them to defer a portion of their current salary (up to \$19,000 for participants under age 50 and \$25,000 for those 50 years of age and older) until future years. During the past year, the employees contributed approximately \$287,000. The deferred compensation amounts are not available to the employees until termination, retirement, death, or unforeseeable emergency.

The Town has significant administrative involvement for the assets of the deferred compensation plan and is involved in the investment function of the plan. The Town has entered into a separate agreement with the trustees of the plan who invest the funds in accordance with the trust agreement. The Town appoints a committee of employees that represent the Town in all matters concerning the administration of the plan. The committee has full power and authority to adopt rules and regulations for the administration of the plan. The committee also contracts with providers to manage the investment of plan assets and is responsible for selecting the plan investment options. Additionally, the comptroller committee reviews and approves withdrawals, terminations and benefit payments.

10. PENSION PLANS (CONTINUED)

Deferred Compensation (Continued)

The Town accounts for and reports its deferred compensation plan under the provisions of GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans."

The plan issues separate financial reports that include financial statements and required supplementary information. Those reports may be obtained by writing to the Town of Clifton Park, New York.

11. TAX ABATEMENT

The Town enters into Payment in Lieu of Taxes ("PILOTS") agreements with some local businesses. PILOTS are often included as part of an Industrial Development Agency ("IDA") agreement with a commercial or industrial development for the purpose of attracting or retaining business within their jurisdictions. PILOT agreements normally provide for payments of amounts lesser than would have been collected for real estate taxes for a number of years.

For the year ended December 31, 2019, the Town recognized \$30,925 in PILOT revenue under PILOT agreements expiring through December 31, 2034. Abated property taxes amounted to \$150,051 under this program.

12. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

Capital projects had deficits totaling \$782,890 at December 31, 2019; this deficit is caused by allowing contracts for projects funded with Bond Anticipation Notes prior to recognizing the available revenues for the projects. The revenues will be recognized when serial bonds are issued and when eligible costs have been incurred and they are available.

The Water Fund currently has a deficit of \$42,062. This deficit has occurred from the General Fund loaning money to the Water Fund in order to pay for excess capacity in the construction of a water line. This excess capacity will be repaid to the General Fund when new users are approved and added to the water line. The Water Fund also has \$9,854 of cash restricted for debt service which has not been reported as restricted fund balance due to the deficit.

13. SUBSEQUENT EVENTS

Management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through October 23, 2020, the date the financial statements were available to be issued and have identified the following:

13. SUBSEQUENT EVENTS (CONTINUED)

The United States is presently in the midst of a national health emergency related to a virus commonly known as Novel Coronavirus (COVID-19). The overall consequences of COVID-19 on a national, regional, and local level are unknown, but it has the potential to result in a significant economic impact. The impact of this situation on the Town and its future financial position and results of operations is not presently determinable.

14. COMMITMENT AND CONTINGENCIES

The Town has leased their ice arena to a management company. As part of the agreement the Town has granted a mortgage on the arena for the purpose of expanding the facility. The Town is not obligated to repay the debt incurred by the lease, except to the extent of the collateral given.

The Town is exposed to various risks of loss related to torts; theft of; damage to; and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Town has purchased commercial insurance, for all risks above, with minimal deductible amounts except for certain health benefits insurance and workers' compensation insurance. Settled claims have not exceeded the commercial coverage by any material amounts during the year ended December 31, 2019. There was no reduction in insurance coverage during 2019. An estimate of liability is recorded at December 31, 2019 for outstanding claims or for any potential claims incurred but not reported as of that date in the Non-Current Governmental Liabilities Account Group for all other risks.

The Town participated in a self-insurance plan for workers' compensation under County of Saratoga Local Law No. 1 and 2, pursuant to Article 5 of the Workers' Compensation Law. The plan, which currently has 50 participants, is open to any eligible municipality or public entity for participation. The County of Saratoga, New York is responsible for administration of the plan and its reserves. The plan purchases commercial insurance for employer's third party suit; the limit is \$1,000,000 with retention of \$10,000. Settled claims have not resulted in a claim against this excess liability coverage since the inception of the plan. All participants make annual payments to the plan based upon historic estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. For the year ended December 31, 2019 the Town's workers' compensation premium was \$154,641. The Town's annual workers' compensation premium is included in the County tax levy for the given fiscal year, therefore no expenditure is reflected in the Town's financial statements for workers' compensation. The County issues a publicly available financial report which may be obtained by writing to the County of Saratoga, 40 McMaster Street, Ballston Spa, New York 12020.

The Town has received several federal and state grants for special purposes that are subject to review and audit by the grantor agencies. Such audits could lead to request for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, Town management believes such disallowances, if any, would not be material.

14. COMMITMENT AND CONTINGENCIES (CONTINUED)

General and highway Town employees are each represented by collective bargaining agents. The agents that represent them and the dates of expiration of their agreements are as follows:

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
AFSCME - Local 1037A	December 31, 2018 *
Civil Service Employees Association - Local 1000	December 31, 2018 *

* Currently under negotiation.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Tax Items	\$ 184,255	\$ 186,755	\$ 186,642	\$ (113)
Non-Property Tax Items	12,086,735	13,083,225	13,083,226	1
Departmental Income	1,928,881	1,974,900	1,986,397	11,497
Use of Money and Property	642,125	222,014	230,392	8,378
License and Permits	325,000	318,728	318,728	-
Fines and Forfeitures	600,500	556,274	556,275	1
Sale of Property and Compensation for Loss	-	90,931	90,933	2
Miscellaneous Local Sources	18,000	41,354	42,647	1,293
Interfund Revenues	30,000	227,876	230,049	2,173
State Aid	<u>1,643,088</u>	<u>1,941,545</u>	<u>1,941,546</u>	<u>1</u>
Total Revenue	<u>17,458,584</u>	<u>18,643,602</u>	<u>18,666,835</u>	<u>23,233</u>
Expenditures				
General Governmental Support	2,780,053	3,227,896	2,948,258	279,638
Public Safety	2,231,132	2,242,545	2,157,949	84,596
Public Health	24,500	24,500	7,226	17,274
Transportation	329,129	1,510,585	310,810	1,199,775
Economic Assistance and Opportunity	394,079	445,681	436,841	8,840
Culture and Recreation	3,383,508	3,578,663	3,469,887	108,776
Home and Community Services	1,140,247	1,326,333	1,242,256	84,077
Employee Benefits	2,806,868	2,907,678	2,894,439	13,239
Debt Service (Principal and Interest)	<u>137,500</u>	<u>240,749</u>	<u>240,750</u>	<u>(1)</u>
Total Expenditures	<u>13,227,016</u>	<u>15,504,630</u>	<u>13,708,416</u>	<u>1,796,214</u>
Other Changes				
Contingency	(75,000)	(5,029)	-	5,029
Appropriations	139,105	2,737,893	-	(2,737,893)
Operating Transfer out	<u>(4,295,673)</u>	<u>(5,871,836)</u>	<u>(5,871,835)</u>	<u>1</u>
Total Other Changes	<u>(4,231,568)</u>	<u>(3,138,972)</u>	<u>(5,871,835)</u>	<u>(2,732,863)</u>
Deficiency of Revenue Over Expenditures and Other Changes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (913,416)</u>	<u>\$ (913,416)</u>

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 721,834	\$ 721,834	\$ 721,834	\$ -
Real Property Tax Items	42,570	42,570	43,714	1,144
Use of Money and Property	263,407	254,459	255,300	841
Sale of Property and Compensation for Loss	-	29,397	29,397	-
Miscellaneous Local Sources	-	3,335	5,067	1,732
Interfund Revenues	-	15,729	20,459	4,730
State Aid	405,000	462,772	787,765	324,993
Total Revenue	<u>1,432,811</u>	<u>1,530,096</u>	<u>1,863,536</u>	<u>333,440</u>
Expenditures				
Transportation	4,161,076	4,734,086	4,715,102	18,984
Employee Benefits	1,278,871	1,208,909	1,206,341	2,568
Debt Service (Principal and Interest)	290,000	555,730	555,729	1
Total Expenditures	<u>5,729,947</u>	<u>6,498,725</u>	<u>6,477,172</u>	<u>21,553</u>
Other Changes				
Appropriations	26,463	197,956	-	(197,956)
Operating Transfer in	4,270,673	4,770,673	5,153,255	382,582
Total Other Changes	<u>4,297,136</u>	<u>4,968,629</u>	<u>5,153,255</u>	<u>184,626</u>
Excess of Revenue and Other Changes Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 539,619</u>	<u>\$ 539,619</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND, EXPENDITURES - BUDGET AND ACTUAL - WATER FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 93,267	\$ 93,267	\$ 93,267	\$ -
Real Property Tax Items	-	-	1,600	1,600
Use of Money and Property	-	-	390	390
Miscellaneous Local Sources	-	-	1,020	1,020
Total Revenue	<u>93,267</u>	<u>93,267</u>	<u>96,277</u>	<u>3,010</u>
Expenditures				
General Governmental Support	315	315	-	315
Home and Community Services	7,282	6,498	4,963	1,535
Debt Service (Principal and Interest)	94,078	95,298	95,298	-
Total Expenditures	<u>101,675</u>	<u>102,111</u>	<u>100,261</u>	<u>1,850</u>
Other Changes				
Appropriations	<u>8,408</u>	<u>8,844</u>	-	<u>(8,844)</u>
Total Other Changes	<u>8,408</u>	<u>8,844</u>	-	<u>(8,844)</u>
Deficiency of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,984)</u>	<u>\$ (3,984)</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 893,153	\$ 893,153	\$ 893,153	\$ -
Real Property Tax Items	3,677	3,677	3,677	-
Departmental Income	130,479	130,479	130,541	62
Intergovernmental Charges	116,550	116,550	120,647	4,097
Use of Money and Property	-	-	8,004	8,004
Sale of Property and Compensation for Loss	-	-	6,370	6,370
Miscellaneous Local Sources	-	-	131	131
Total Revenue	<u>1,143,859</u>	<u>1,143,859</u>	<u>1,162,523</u>	<u>18,664</u>
Expenditures				
Home and Community Services	834,949	1,092,654	929,043	163,611
Employee Benefits	101,182	105,018	98,423	6,595
Debt Service (Principal and Interest)	<u>226,091</u>	<u>236,795</u>	<u>236,794</u>	<u>1</u>
Total Expenditures	<u>1,162,222</u>	<u>1,434,467</u>	<u>1,264,260</u>	<u>170,207</u>
Other Changes				
Appropriations	18,363	327,728	-	(327,728)
Operating Transfers out	<u>-</u>	<u>(37,120)</u>	<u>(37,119)</u>	<u>1</u>
Total Other Changes	<u>18,363</u>	<u>290,608</u>	<u>(37,119)</u>	<u>(327,727)</u>
Deficiency of Revenue Over Expenditures and Other Changes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (138,856)</u>	<u>\$ (138,856)</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - REFUSE AND GARBAGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable</u>
Revenue				
Real Property Taxes	\$ 98,805	\$ 98,805	\$ 98,805	\$ -
Real Property Tax Items	235	235	342	107
Use of Money and Property	-	-	213	213
Total Revenue	<u>99,040</u>	<u>99,040</u>	<u>99,360</u>	<u>320</u>
Expenditures				
Home and Community Services	<u>99,040</u>	<u>99,040</u>	<u>60,851</u>	<u>38,189</u>
Total Expenditures	<u>99,040</u>	<u>99,040</u>	<u>60,851</u>	<u>38,189</u>
Excess of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,509</u>	<u>\$ 38,509</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - PARK FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 380,557	\$ 380,557	\$ 380,558	\$ 1
Real Property Tax Items	1,967	1,967	1,967	-
Departmental Income	152,229	159,529	172,109	12,580
Use of Money and Property	413	413	877	464
Miscellaneous Local Sources	-	-	567	567
Total Revenue	<u>535,166</u>	<u>542,466</u>	<u>556,078</u>	<u>13,612</u>
Expenditures				
Culture and Recreation	534,424	552,418	447,166	105,252
Employee Benefits	31,955	24,280	13,625	10,655
Debt Service (Principal and Interest)	43,506	43,506	42,295	1,211
Total Expenditures	<u>609,885</u>	<u>620,204</u>	<u>503,086</u>	<u>117,118</u>
Other Changes				
Appropriations	74,719	167,440	-	(167,440)
Operating Transfers out	-	(89,702)	(89,703)	(1)
Total Other Changes	<u>74,719</u>	<u>77,738</u>	<u>(89,703)</u>	<u>(167,441)</u>
Deficiency of Revenue Over Expenditures and Other Changes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (36,711)</u>	<u>\$ (36,711)</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES BUDGET - ACTUAL - LIGHTING FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 180,000	\$ 180,000	\$ 180,002	\$ 2
Use of Money and Property	-	-	528	528
Miscellaneous Local Sources	-	25,652	\$ 25,652	\$ -
Total Revenue	<u>\$ 180,000</u>	<u>\$ 205,652</u>	<u>206,182</u>	<u>530</u>
Expenditures				
Transportation	<u>190,000</u>	<u>235,652</u>	<u>233,129</u>	<u>2,523</u>
Total Expenditures	<u>190,000</u>	<u>235,652</u>	<u>233,129</u>	<u>2,523</u>
Other Changes				
Appropriations	<u>10,000</u>	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>
Total Other Changes	<u>10,000</u>	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>
Deficiency of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,947)</u>	<u>\$ (26,947)</u>

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - LIBRARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue				
Intergovernmental Charges	\$ 534,883	\$ 534,883	\$ 534,883	\$ -
Total Revenue	<u>534,883</u>	<u>534,883</u>	<u>534,883</u>	<u>-</u>
Expenditures				
Debt Service (Principal and Interest)	<u>534,883</u>	<u>534,883</u>	<u>534,883</u>	<u>-</u>
Total Expenditures	<u>534,883</u>	<u>534,883</u>	<u>534,883</u>	<u>-</u>
Excess of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES BUDGET AND ACTUAL - AMBULANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 607,126	\$ 607,126	\$ 607,126	\$ -
Departmental Income	100,000	47,300	47,301	1
Use of Money and Property	-	1,340	1,508	168
Total Revenue	<u>707,126</u>	<u>655,766</u>	<u>655,935</u>	<u>169</u>
Expenditures				
Public Health	<u>802,764</u>	<u>802,764</u>	<u>802,764</u>	<u>-</u>
Total Expenditures	<u>802,764</u>	<u>802,764</u>	<u>802,764</u>	<u>-</u>
Other Changes				
Appropriations	<u>95,638</u>	<u>146,998</u>	<u>-</u>	<u>(146,998)</u>
Total Other Changes	<u>95,638</u>	<u>146,998</u>	<u>-</u>	<u>(146,998)</u>
Deficiency of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (146,829)</u>	<u>\$ (146,829)</u>

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - SPECIAL GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue				
Use of Money and Property	\$ -	\$ -	\$ 25	\$ 25
Federal Aid	<u>303,477</u>	<u>366,562</u>	<u>366,562</u>	<u>-</u>
Total Revenue	<u>303,477</u>	<u>366,562</u>	<u>366,587</u>	<u>25</u>
Expenditures				
Home and Community Services	<u>303,477</u>	<u>366,562</u>	<u>359,677</u>	<u>6,885</u>
Total Expenditures	<u>303,477</u>	<u>366,562</u>	<u>359,677</u>	<u>6,885</u>
Excess of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,910</u>	<u>\$ 6,910</u>

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES BUDGET AND ACTUAL - FIRE PROTECTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue				
Real Property Taxes	\$ 447,747	\$ 447,747	\$ 447,747	\$ -
Total Revenue	<u>447,747</u>	<u>447,747</u>	<u>447,747</u>	<u>-</u>
Expenditures				
Public Safety	<u>447,747</u>	<u>447,747</u>	<u>447,747</u>	<u>-</u>
Total Expenditures	<u>447,747</u>	<u>447,747</u>	<u>447,747</u>	<u>-</u>
Excess of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULES OF CONTRIBUTIONS AND PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 EMPLOYEES RETIREMENT SYSTEM
 FOR THE YEAR ENDED DECEMBER 31, 2019

Schedule of Contributions	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,002,346	\$ 1,004,384	\$ 963,227	\$ 971,808	\$ 1,161,829
Contribution in relation to contractually required contribution	\$ 1,002,346	\$ 1,004,383	\$ 963,227	\$ 971,808	\$ 1,161,829
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 6,756,488	\$ 6,677,113	\$ 6,300,828	\$ 6,242,607	\$ 6,158,885
Contributions as % of covered payroll	14.8%	15.0%	15.3%	15.6%	18.9%
Schedule of Proportionate Share of the Net Pension Liability	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
% proportionate share of net pension and liability	0.022091%	0.021429%	0.021693%	0.023213%	0.232116%
\$ proportionate share of net pension liability	\$ 1,565,212	\$ 691,606	\$ 2,038,308	\$ 3,725,813	\$ 784,278
Covered payroll	\$ 6,756,488	\$ 6,677,113	\$ 6,300,828	\$ 6,242,607	\$ 6,158,885
% proportionate share of net pension liability as % of covered payroll	23.2%	10.4%	32.3%	59.7%	12.7%
Plan fiduciary net position as a % of total pension liability	96.27%	98.24%	94.70%	90.68%	97.95%

Note: 10 years of historical information was not be available upon implementation in 2015. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OTHER POSTEMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS
DECEMBER 31, 2019

	<u>2019</u>
Other Postemployment Benefit Liability, Beginning of Year	\$ 36,530,199
Service Costs	1,718,310
Interest	993,221
Benefit Payments	<u>(562,550)</u>
Other Postemployment Benefit Liability, End of Year	<u>\$ 38,679,180</u>
Covered Payroll	<u>\$ 5,874,186</u>
Total Other Postemployment Benefit Liability as Percentage of Payroll	<u>658.46%</u>

Note: 10 years of historical information was not be available upon implementation in 2019. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.