

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.

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 15, 2021

REFUNDING ISSUE

S&P GLOBAL RATINGS: "AA"

SERIAL BOND

See **"BOND RATING" herein**

In the opinion of Whiteman Osterman & Hanna LLP, Bond Counsel to the Town, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance by the Town with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum taxes. Bond Counsel is also of the opinion that interest on the Bonds is excludable from adjusted gross income for purposes of personal income taxes imposed by the State of New York and its political subdivisions, including The City of New York. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the receipt or accrual of interest on the Bonds. See "TAX MATTERS" herein.

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

\$7,910,000*

TOWN OF NORTH GREENBUSH

RENSSELAER COUNTY, NEW YORK

GENERAL OBLIGATIONS

CUSIP BASE #: 659511

\$7,910,000* Public Improvement Refunding (Serial) Bonds, 2021

(referred to herein as the "Bonds")

Dated: Date of Delivery

Due: April 1, 2021-2035

					MATURITIES*									
Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2021	\$ 45,000	%	%		2026	\$ 475,000	%	%		2031	\$ 565,000**	%	%	
2022	565,000				2027	490,000				2032	575,000**			
2023	580,000				2028	515,000				2033	585,000**			
2024	605,000				2029	530,000				2034	595,000**			
2025	625,000				2030	550,000**				2035	610,000**			

** 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 North Greenbush, Rensselaer 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 April 1, 2021, October 1, 2021, and semi-annually thereafter on April 1 and October 1 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. 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 Whiteman Osterman & Hanna LLP, Bond Counsel, Albany, New York. Certain legal matters will be passed upon for the Underwriter by its Counsel, Roemer Wallens Gold & Mineaux, 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 17, 2021.

ROOSEVELT & CROSS INCORPORATED

January __, 2021

* Preliminary, subject to change.

TOWN OF NORTH GREENBUSH

RENSSELAER COUNTY, NEW YORK



TOWN OFFICIALS

JOSEPH H. BOTT III

Supervisor

TOWN BOARD

KELLY HOFFMAN
MARY FRANCES SABO
JACK ROGERS
JESSICA MEROLA

ADMINISTRATION

JANICE KERWIN

Town Clerk

THOMAS MCGRATH

Receiver of Taxes

JOHN HARKIN

Assessor

ANTHONY J. GERMANO

Comptroller



FISCAL ADVISORS & MARKETING, INC.

Town Financial Advisor

WHITEMAN
OSTERMAN
& HANNA LLP

WHITEMAN OSTERMAN & HANNA LLP

Bond Counsel

No dealer, broker, salesman or other 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 OVERALLOT 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

	Page		Page
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	TAX MATTERS	28
BOOK-ENTRY-ONLY SYSTEM	3	LEGAL MATTERS	29
Certificated Bonds.....	5	LITIGATION	29
AUTHORIZATION AND PLAN OF REFUNDING	5	UNDERWRITING	29
Authorization and Purpose	5	MUNICIPAL ADVISOR	29
The Refunding Financial Plan	6	CONTINUING DISCLOSURE UNDERTAKING	30
Verification of Mathematical Computations.....	7	BOND RATING	30
Sources and Uses of Bond Proceeds.....	7	MISCELLANEOUS	30
THE TOWN	8	APPENDIX – A	
General Information	8	GENERAL FUND - Balance Sheets	
Developments.....	9	APPENDIX –A1	
Population Trends.....	10	GENERAL FUND – Revenues, Expenditures and	
Selected Wealth and Income Indicators.....	10	Changes in Fund Balance	
Major Employers.....	10	APPENDIX – A2	
Unemployment Rate Statistics.....	11	GENERAL FUND – Revenues, Expenditures and	
Form of Town Government.....	11	Changes in Fund Balance - Budget and Actual	
Financial Organization	11	APPENDIX – B	
Budgetary Procedure	11	BONDED DEBT SERVICE	
Investment Policy.....	12	APPENDIX – C	
State Aid.....	12	CONTINUING DISCLOSURE UNDERTAKING	
Employees.....	12	APPENDIX – D	
Pension Payments.....	13	INDEPENDENT ACCOUNTANT’S REVIEW REPORT &	
Other Post-Employment Benefits	14	FINANCIAL STATEMENT FOR THE FISCAL YEAR ENDING	
Other Information.....	16	DECEMBER 31, 2019	
Financial Statements.....	16	APPENDIX – E	
New York State Comptroller Report of Examination	17	FORM OF BOND COUNSEL’S OPINION	
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		
Largest Taxpayers 2021 Tax Roll.....	18		
Sales Tax	19		
Additional Tax Information.....	19		
TAX LEVY LIMITATION 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		
Estimated Overlapping Indebtedness.....	23		
Debt Ratios.....	24		

PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
TOWN OF NORTH GREENBUSH
RENSSELAER COUNTY, NEW YORK
Relating to

\$7,910,000* Public Improvement Refunding (Serial) Bonds, 2021

This Official Statement, which includes the cover page and appendices, has been prepared by the Town of North Greenbush, Rensselaer County, New York (the "Town," "County," and "State," respectively), in connection with the sale by the Town of its aggregate principal amount of \$7,910,000* 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 "MARKET AND RISK FACTORS - 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 fifteenth calendar 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 April 1, 2021, October 1, 2021 and semi-annually thereafter on April 1 and October 1 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 April 1, 2029 shall not be subject to redemption prior to maturity. The Bonds maturing on or after April 1, 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 April 1, 2030 or on any payment 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 April 1, 2021, October 1, 2021, and semi-annually thereafter on April 1 and October 1. 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 January 14, 2021, (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 \$700,000 outstanding principal amount maturing in years 2022 through 2025 of the Public Improvement (Serial) Bonds, 2013 originally issued by the Town in the aggregate principal amount of \$1,930,000 (the "2013 Refunded Bonds"), and all or a portion of the \$7,885,000 outstanding principal amount maturing in years 2022 through 2035 of the Public Improvement (Refunding) Bonds, Series 2014 originally issued by the Town in the aggregate principal amount of \$10,473,629 (the "2014 Refunded Bonds" and collectively with the 2013 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 Town is in the process of complying with the procedure for the publication of the estoppel notice with respect to the Bonds as provided in title 6 of article 2 of the Local Finance Law. Such compliance will be completed no later than February 17, 2021.

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:

\$1,930,000 Public Improvement (Serial) Bonds, 2013 –May 23, 2013

<u>Purpose</u>	<u>Amount Originally Issued</u>
Highway Improvement Area No. 1	\$ 1,930,000
Total:	\$ 1,930,000

\$10,473,629 Public Improvement (Serial) Bonds, 2014 – April 10, 2014

<u>Purpose</u>	<u>Amount Originally Issued</u>
Water District #14 – Phase 1	\$ 2,505,000
Water District #13	1,665,000
Town-Wide Water – Phase 1	845,000
Water District #14 – Phase 2	1,690,000
Town-Wide Water – Phase 2	1,125,000
Water District #14 – Phase 3	1,825,000
Water District #18	350,000
Town-Wide Water – Phase 3	165,000
Snyder's Lake Sewer District Extension No. 3	232,450
Catherine Avenue Water Extension	71,179
Total:	\$ 10,473,629

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.

\$1,930,000 Public Improvement (Serial) Bonds, 2013 – May 23, 2013 CUSIP BASE: 659511

<u>Due May 15th</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CSP</u>
2022	\$ 170,000	2.000%	05/15/2021	100.00%	FA2
2023	175,000	2.000	05/15/2021	100.00	FB0
2024	175,000	2.000	05/15/2021	100.00	FC8
2025	<u>180,000</u>	2.000	05/15/2021	100.00	FD6
	<u>\$ 700,000</u>				

\$10,473,629 Public Improvement (Serial) Bonds, Series 2014 – April 10, 2014
CUSIP BASE: 659511

<u>Due April 1st</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CSP</u>
2022	\$ 450,000	3.250%	04/01/2021	100.00%	FN4
2023	460,000	3.250	04/01/2021	100.00	FP9
2024	480,000	3.250	04/01/2021	100.00	FQ7
2025	495,000	3.250	04/01/2021	100.00	FR5
2026	510,000	3.250	04/01/2021	100.00	FS3
2027	525,000	3.250	04/01/2021	100.00	FT1
2028	545,000	3.375	04/01/2021	100.00	FU8
2029	560,000	3.500	04/01/2021	100.00	FV6
2030	580,000	4.000	04/01/2021	100.00	FW4
2031	605,000	4.000	04/01/2021	100.00	FX2
2032	630,000	4.000	04/01/2021	100.00	FY0
2033	655,000	4.000	04/01/2021	100.00	FZ7
2034	680,000	4.000	04/01/2021	100.00	GA1
2035	<u>710,000</u>	4.000	04/01/2021	100.00	GB9
	<u>\$ 7,885,000</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 of North Greenbush is located in Rensselaer County about 150 miles north of New York City. The Town is just east of Albany, New York State's Capital and a major crossroads of the Northeast. The New York State Thruway, Route I 90 and the Massachusetts Turnpike all converge in this general region. The Town includes the Hamlets of Wynantskill, Defreestville, and Snyder's Lake. The Town borders the City of Troy to the north, the Town of East Greenbush to the south, the City of Rensselaer to the West, and the Towns of Sand Lake and Poestenskill to the East.

The character of the Town is suburban and residential accompanied by some commercial activity. The majority of homes in the Town are single-family residences. Commercial activity is concentrated on Main Avenue in the Hamlet of Wynantskill and on State Route #4 - North Greenbush Road.

Transportation is provided to and from the Town by the Capital District Transportation Authority and a network of highways, including Interstate #787 and Interstate #90. The Albany International Airport provides major airline service and Amtrak's Albany/Rensselaer station provides major rail service.

Construction of Exit 8 on Interstate #90 was completed to link Interstate #90 with New York State Route #4. Payment for the project, which had an estimated cost of \$35 million, came from Federal, State and County funds. The Town received Consolidated Appropriations Act funding in 2017 and 2018 from New York State ("NYS") Department of Transportation for the construction of intersection vehicular and pedestrian safety improvements on NYS Route 4 from the Troy City Line to NY 43. The total project funding is \$9.65 million for the Route 4 corridor improvements to accommodate existing traffic and anticipated traffic from the three commercial sites at the intersections of Route 4 and 43, the Rensselaer Polytechnic Institute Technology Park, Hudson Valley Community College and other development along the corridor. The project is being designed to ensure safe traffic flow and pedestrian access for the next 15 to 20 years and construction will begin in the spring of 2021.

Utilities (electricity and natural gas) are supplied throughout the Town by the Niagara Mohawk Power Corporation and New York State Electric and Gas. A portion of the Town's water supply comes from private individual wells, while, pursuant to existing contracts, the City of Troy, the City of Rensselaer and the Town of East Greenbush supply municipal water for all fire hydrants and the majority of residential homes within the Town. The Town also received a \$2.172 million NYS Drinking Water Grant from the NYS Environmental Facilities Corporation to extend municipal water transmission along NYS Route 43 to improve water quality and provide safe and affordable municipal water to residential and commercial properties in that area of Town. The total estimated cost of the project is \$3.6 million and construction is anticipated in the spring of 2021.

Rensselaer County provides sanitary sewer services to the Town's residents and police protection is provided by the Town of North Greenbush Police Department, the Rensselaer County Sheriff's Department and New York State Police.

As a result of solid fiscal management, consolidation of town services resulting in reduced operating costs, contained budgeting, the town was able to reduce the 2018 General Fund tax levy by 3%, the 2019 General Fund tax levy by 2%, and the 2020 General Fund tax levy by 3% while increasing the required services for residents. The 2021 budget required a 2.1% increase of the General Fund tax levy primarily due to Covid-19 Pandemic impact on operating expenses and revenues. However, the 2021 overall budget, including all funds, was adopted with a 0.3% increase.

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Developments

The following Residential/Commercial Projects have been approved or are currently under construction in North Greenbush:

<u>Project Name</u>	<u>Number of Units</u>	<u>Status</u>
The Pastures/Twin Homes	77	completed
Van Allen Apartments	224	under construction
Partridge Ridge Apartments (Phase II) “Stonegate”	104	completed
Eastwick Village Senior Apartments	144	completed
Birchwood Hills Subdivision/Single Family Homes	61	under construction
CVS Pharmacy	-	completed
Taco Bell	-	completed
CAP Com Federal Credit Union	-	completed
Community Resource Federal Credit Union	-	completed
Tech Valley Plaza Retail Mall	-	under construction
ShopRite Market @ Tech Valley Plaza	-	completed
Chili’s Restaurant @ Tech Valley Plaza	-	completed
North Greenbush Commons Retail Shops/Stewart’s	-	completed
North Greenbush Commons Condominium’s	46	under construction
Junior’s Restaurant	-	completed
Panera Bread and Offices	-	completed
Coles Collision Auto/Truck Repair	-	completed
Estates at Haywood Lane	73	under construction
Jiff-E-Mart	-	completed
“The Meadows” @ Glenwood Road/Town Homes	264	under construction

At the Southern gateway of Town along the Route 4 Corridor a CVS Pharmacy, Berkshire Bank and a Taco Bell restaurant were constructed, and an existing Stewart’s Shop was renovated and added gasoline pumps to site. Two separate credit unions (CAP Com and Community Resource Federal) were constructed and are now operating on properties east and west of Route 4 along the Route 43 corridor. Construction was completed in December 2017 of a ShopRite Market on the Tech Valley site on Route 4 and 43 and construction is nearing completion of the accompanying Retail Mall on that site including a Wendy’s Restaurant and office space as part of Phase 2 of that project. At the northern gateway of Town along Route 4, a planned development district consisting of a Stewart’s, Junior’s Restaurant and other retail and offices in a 31,725 square foot commercial/retail building was completed. Adjacent to that site construction is underway for 48 town homes and 5 single family residential homes are planned for the future. A new 36,000 square foot commercial/retail building housing a Panera Bread, Kidney Dialysis Center and office space was completed. The Defreestville Fire Department completed construction of a new \$6.9 million state-of-the-art fire station on a 4.5-acre site adjacent to the RPI Tech Park on State Route 4. The 20,000 square foot facility includes ample space for firematics, offices and meetings and training sessions. Community Care Physicians completed a 40,000 square-foot state of the art medical facility that is part of the Rensselaer Technology Park on Jordan Road in North Greenbush. A planned development project for 264 Town Houses that borders the northern portion of the RPI Tech Park has been approved and is under construction. The Lia Group, working with a retail food chain and fast-food principles, has received a modified site plan approval for a construction along the Route 4 and Bloomingrove Drive. Construction is expected to begin in the summer of 2021.

The New York Independent System Operator (NYISO) completed construction of a new \$35.5 million primary power control center. The facility was built adjacent to the NYISO’s headquarters building. The 64,000-square-foot control center at the NYISO’s Krey Boulevard site serves as the primary operational nerve center for the non-profit NYISO, which oversees the state’s bulk electricity grid and wholesale electricity markets.

Regeneron Pharmaceuticals purchased the former 217,000 square foot NYNEX Building in the RPI Tech Park and will be locating upwards of 500 employees to that office site.

Construction was completed for an approved subdivision for 73 single-family residential lots located in the residential community along Snyder’s Lake road in the southern portion of Town. The developer has extended public water and sewer to this planned development. A planned development district in the Snyder’s Lake area of Town was also approved with plans to build a maximum of 9 single-family residences and 18 town homes residences overlooking the lake.

Source: Town officials.

Population Trends

<u>Year</u>	<u>Town of North Greenbush</u>	<u>Rensselaer County</u>	<u>New York State</u>
1970	10,513	152,570	18,236,967
1980	10,396	151,966	17,558,165
1990	10,891	154,429	17,990,455
2000	10,805	152,538	18,976,457
2010	12,075	159,429	19,378,102
2016	12,212	160,070	19,745,289
2017 (estimate)	12,147	159,722	19,849,399
2018 (estimate)	12,253	159,422	19,542,209
2019 (estimate)	12,246	158,714	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 the 2000, 2010 and 2014-2018 Census reports.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2014-2018</u>	<u>2000</u>	<u>2006-2010</u>	<u>2014-2018</u>
Town of:						
North Greenbush	\$ 24,025	\$ 32,218	\$ 40,503	\$ 62,845	\$ 78,610	\$ 95,893
County of:						
Rensselaer	21,095	27,457	34,280	52,864	68,390	83,503
State of:						
New York	23,389	30,948	37,470	51,691	67,405	80,419

Note: 2015-2019 American Community Survey estimates are not available as of the date of this Official Statement.

Source: U.S. Census Bureau, 2000 census, 2006-2010 and 2014-2018 American Community Survey data.

Major Employers

The following is a list of the major employers located in or in proximity to the Town:

<u>Name of Employer</u>	<u>Approximate Number of Employees</u>
Pitney Bowes	460
Rensselaer County	450
Bell Atlantic Information Resources	425
Metropolitan Life Insurance	329
NYISO	400
Map Info	300
New York State	253
Idearc Media	170
ShopRite	175
Home Depot	135
Coromed, Inc.	125
U.S.G.S	71
Treo Solutions	70
Unified Technologies, Inc.	65
G.E. Health Care	62

Source: Town officials.

Unemployment Rate Statistics

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

		<u>Annual Average</u>											
		<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>				
Rensselaer County		7.8%	6.6%	5.3%	4.6%	4.3%	4.5%	3.9%	3.8%				
New York State		8.5%	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>
Rensselaer County		4.2%	4.1%	4.1%	12.3%	9.2%	9.9%	11.1%	8.3%	5.1%	5.3%	4.7%	N/A
New York State		4.1%	3.9%	4.2%	15.6%	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 due to the outbreak of the COVID-19 pandemic in March of 2020.

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

Form of Town Government

The Town's Chief Executive Officer is the Supervisor who is elected to a term of 2 years and is eligible to succeed himself. In addition to the Supervisor there are four members of the Town Board who are elected to terms of four years. There is no limitation as to the number of terms which may be served by members of the Town Board. Each term is staggered so that every two years the Supervisor and two members of the Town Board run. Both the Supervisor and the Town Board are elected at large. A Receiver of Taxes is elected every four years and a Town Clerk is elected every two years.

The Town Board appoints an Assessor, who serves a six-year term. The Town Board also appoints a Comptroller to a term of 2 years. The individuals currently holding the offices in the Town government described above are listed inside the cover of this Official Statement.

Financial Organization

The Supervisor is the Chief Fiscal Officer of the Town. The Supervisor, along with the Town Comptroller, are responsible for all appropriation expenses, signing checks and auditing all claims against the Town.

Budgetary Procedure

No later than September 30th, the Chief Fiscal Officer submits a tentative budget to the Town Clerk for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the proposed means of financing for all funds. After public hearings are conducted to obtain taxpayers comments, no later than November 20th, the Town Board adopts the budget. All modifications of the budget must be approved by the Town Board. (However, the Supervisor and/or Comptroller are authorized to transfer certain budgeted amounts within departments.)

The Town Board may make supplemental appropriations during the course of the fiscal year to the extent that actual revenues exceed anticipated revenues. It may only make emergency appropriations to meet a public emergency affecting life, health or property and, to the extent necessary, may finance such emergency appropriation by the issuance of obligations pursuant to the Local Finance Law. If anticipated revenues appear to be insufficient to meet budgeted appropriations, the Supervisor must report to the Town Board without delay stating the problem and his recommendation for remedial action. The Town Board may reduce appropriations, except for appropriations for debt service, expended appropriations and amounts required by law to be appropriated, or borrow temporarily pursuant to the Local Finance Law in an amount not greater than the anticipated deficit.

Investment Policy

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

Consistent with the above statutory limitations, it is the Town's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America, (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America, (4) obligations of the State of New York, (5) Repurchase agreements are permitted to the extent that all repurchase agreements must be entered into subject to a Master Repurchase Agreement with collateral held by a third party bank, (6) obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, or (7) obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporations of the State of New York.

State Aid

The Town receives financial assistance from New York State. 10.48% of the revenues in the Town's General Fund budget for the 2021 fiscal year are received in the form of State aid. The percentage of the revenues in the Town's General Fund budgets for fiscal years 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 2021 received in the form of State aid has been 8.9%, 8.7%, 10.0%, 9.8%, 9.0%, 10.7%, 9.21% and 10.48% respectively. 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 in any year, the Town may be affected by a delay in the receipt of State aid until sufficient State taxes have been received by the State in order 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's Annual Information Statement is updated quarterly by the State and may be obtained from the State Division of the Budget, which makes this information available through its website.

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 the outbreak of COVID-19 the State has declared a state of emergency 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 "MARKET AND RISK FACTORS - COVID-19" herein).

Employees

The Town currently employs approximately 86 full-time and part-time employees and approximately 91 seasonal employees. Approximately 48 of the 86 Town employees are represented by three labor organizations. The number of employees represented by the labor organizations, and the dates of expiration of their agreements are as follows:

<u>Unit</u>	<u>Number Represented</u>	<u>Date of Contract Expiration</u>
Civil Service Employees Association (C.S.E.A)	13	December 31, 2025
UPSEU	11	December 31, 2024
North Greenbush Police Benevolent Association	24	December 31, 2021

Source: Town officials.

Pension Payments

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System ("PFRS"; with ERS, the "Retirement Systems"). The ERS is generally also known as the "Common Retirement Fund". The Retirement Systems are cost-sharing multiple public employer retirement systems. 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 Systems 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 Systems.

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.

The PFRS is non- contributory with respect to members hired prior to January 8, 2010 (Tier 1, 2 & 3); members hired from January 9, 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 both ERS & PFRS, 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 both ERS & PFRS, 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 contributions to the Retirement Systems since 2015 are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>PFRS</u>
2015 (pre-paid)	\$ 283,236	\$ 270,537
2016 (pre-paid)	272,655	322,983
2017 (pre-paid)	245,414	299,645
2018 (pre-paid)	239,919	299,466
2019 (pre-paid)	239,172	337,013
2020 (pre-paid)	230,974	319,611
2021 (pre-paid)	235,876	348,510

Source: Town officials.

Pursuant to various laws enacted between 1991 and 2002, the State Legislature authorized local governments to make available certain early retirement incentive programs to its employees. The Town does not have any early retirement incentives outstanding or contemplated at this time.

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 and PFRS rates (2018 to 2022) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2018	15.3	24.4
2019	14.9	23.5
2020	14.6	23.5
2021	14.6	24.4
2022	16.2	28.3

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

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

Stable Rate Pension Contribution Option: The 2013-14 Adopted State Budget included a provision that authorized local governments, including the Town, with the option to “lock-in” long-term, stable rate pension contributions for a period of years determined by the State Comptroller and ERS 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. The Town is required to adopt the provisions of Statement No. 75 for the year ending December 31, 2019.

Summary of Changes from the Last Valuation. The Town contracted with Jefferson Solutions, Inc. actuarial firm, to calculate its first actuarial valuation under GASB 75 for the fiscal year ending December 31, 2018. The Town did not calculate an actuarial valuation for the fiscal year ending December 31, 2019. However, an estimate of the Town's OPEB liability was calculated and displayed below.

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

	Balance beginning at:	<u>December 31, 2017</u>	<u>December 31, 2018</u>
		<u>\$ 1,957,736</u>	<u>\$ 2,545,244</u>
<u>Changes for the year:</u>			
Service cost		79,206	82,342
Interest		-	-
Estimated amortization of NOL		-	143,285
Differences between expected and actual experience		-	-
Changes in benefit terms		-	-
Changes in assumptions or other inputs		563,546	-
Benefit payments		<u>(55,244)</u>	<u>(70,000)</u>
Net Changes		<u>\$ 587,508</u>	<u>\$ 155,627</u>
	Balance ending at:	<u>December 31, 2018</u>	<u>December 31, 2019</u>
		<u>\$ 2,545,244</u>	<u>\$ 2,700,871</u>

Note: For additional information see "APPENDIX - D" attached hereto.

GASB 45. Prior to GASB 75, GASB Statement No. 45 ("GASB 45") required municipalities and school districts to account for OPEB liabilities much like they already accounted for pension liabilities, generally adopting the actuarial methodologies used for pensions, with adjustments for the different characteristics of OPEB and the fact that most municipalities and school districts have not set aside any funds against this liability. Unlike GASB 27, which covered accounting for pensions, GASB 45 did not require municipalities or school districts to report a net OPEB obligation at the start.

Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") was determined for each municipality or school district. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality or school district contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

GASB 45 did not require that the unfunded liability actually be amortized nor that it be advance funded, only that the municipality or school district account for its unfunded accrued liability and compliance in meeting its ARC.

Actuarial Valuations are required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less 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. The proposed legislation was not enacted into law in the last two legislative sessions. It is not possible to predict whether the Comptroller's proposed legislation will be reintroduced or enacted if introduced.

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.

The Town is in the process of complying with the procedure for the publication of the estoppel notice with respect to the Bonds as provided in title 6 of article 2 of the Local Finance Law. Such compliance will be completed no later than February 17, 2021.

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 review of all financial transactions of the Town. The financial affairs of the Town are also subject to periodic reviews by the State Comptroller. The independent accountant's review report for the fiscal year ending December 31, 2020 is not available as of the date of this Official Statement. The last independent accountant's review report and financial statements cover the fiscal year ending December 31, 2019 and is attached hereto as "APPENDIX – D" to this Official Statement. Certain other financial information can also be found in "APPENDIX – A1 – A3" attached hereto.

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).

The Town has chosen to defer implementation of GASB Statement No. 34 (and other subsequent statements), until such time as the benefits from compliance may outweigh the costs to comply. The Town's financial statements are prepared using an Other Comprehensive Basis of Accounting (OCBOA), in that the financial statements are prepared in conformity with the requirements of the Office of the New York State Comptroller, the regulatory agency.

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 \$850,000.

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

Revenues:	\$ 5,111,076
Expenditures:	<u>4,620,760</u>
Excess (Deficit) Revenues Over Expenditures:	<u>\$ 490,316</u>
Total Fund Balance at December 31, 2019:	\$ 2,309,115
Total Estimated Fund Balance at December 31, 2020:	\$ 2,799,431

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

New York State Comptroller Report of Examination

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.

There are no recent State Comptrollers audits of the Town that are currently in progress or pending release.

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 the entity 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	6.7%
2017	No Designation	3.3%
2016	No Designation	9.6%

Note: Reference to website implies no warranty of accuracy of information therein. Information for the fiscal year ending in 2020 is unavailable as of the date of this Official Statement.

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

TAX INFORMATION

Taxable Valuations

For Years Ending <u>December 31:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Assessed Valuation	\$ 387,238,922	\$ 396,131,545	\$ 401,820,290	\$ 405,238,745	\$ 405,061,746
New York State Equalization Rate	25.14%	23.55%	23.55%	21.75	21.75
Total Full Valuation	\$1,540,329,841	\$1,682,087,240	\$1,706,243,270	\$1,863,166,643	\$ 1,862,352,855

Tax Rate Per \$1,000 (Assessed)

<u>Years Ending December 31:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
	\$10.85	\$10.70	\$ 10.60	\$ 10.45	\$ 10.55

Tax Collection Procedure

Tax bills are produced by Rensselaer County Tax Services, are payable on January 1st annually, and are payable during the month of January without penalty. Penalties on overdue taxes are 1% for February and 2% for March. The Town collects taxes for Town, Town Special Districts, County and County Special Districts purposes on one tax bill. The Town and Town Special Districts receive 100% of their tax levies from the County from the first tax money received. The Town collects taxes only until March 31st annually. As of April 1, any uncollected taxes are turned over to the County for collection. Tax Sales are held annually by the County.

Tax Levy and Tax Collection Record

<u>Years Ending December 31,</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Total Tax Levy ⁽¹⁾	\$ 6,824,136	\$ 7,029,458	\$ 7,139,239	\$ 7,389,846	\$ 7,546,515
Uncollected ⁽²⁾	0	0	0	0	N/A
% Collected	100%	100%	100%	100%	N/A

(1) Includes General and Highway Funds, Fire, Lighting, Water and Sewer, Ambulance and Library District taxes.

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

Larger Taxpayers – 2021 Tax Roll

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Metropolitan Life Insurance	Office Space	\$ 20,580,000 ⁽¹⁾
NYISO	Office Space	15,327,650 ⁽¹⁾
Rensselaer Polytechnic Institute	Technical Park	13,906,918
National Grid	Utility	7,239,142
BT Albany, LLC	Retail	4,837,750
Oak Hill Apartments, LLC	Apartment Complex	4,720,000 ⁽¹⁾
North Greenbush Apartment Ptrs	Apartment Complex	4,451,425 ⁽¹⁾
North Greenbush Assoc., LLC	Retail Complex	3,643,125
400 Jordan Road LLC (formerly NYNEX)	Office	2,587,420
Eastwyck Village Assoc., LLC	Senior Living	2,272,400 ⁽¹⁾
NYSEG	Utility	1,229,268
Health Research, Inc.	Health Research Offices	1,054,938 ⁽¹⁾
Hudson Valley Stargreen LLC	Domestic LLC	747,475
Pharmaceuticals Inc, (Regeneron)	Office Space	613,000 ⁽¹⁾
Rosetti Family Trust	Apartment Complex	303,200

(1) PILOT's are in place for these taxpayers.

The larger taxpayers, listed above, have a total assessed valuation of \$83,513,711 which represents approximately 20.62% of the tax base of the Town.

As of the date of this Official Statement, the Town currently does not have any pending or outstanding tax certioraris that are known or reasonably expected to have a material impact on the Town.

Source: Town tax rolls.

Sales Tax

Below is a table of sales tax revenues since the 2015 fiscal year:

<u>Fiscal Year</u>	<u>Sales Tax Revenues</u>
2015	\$ 1,417,794
2016	1,447,609
2017	1,574,293
2018	1,712,405
2019	1,947,231
2020 (Projected)	1,952,466
2021 (Budgeted)	1,807,408

Source: Town officials.

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 total assessed valuation of the Town consists of approximately 93%-residential, commercial/industrial and 7% other.

The total property tax bill (county and town) for a \$100,000 market value residential property located in the Town is approximately \$1,085.

TAX LEVY LIMITATION LAW

Chapter 97 of the Laws of 2011, as amended the "Tax Levy Limitation Law") applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo, the latter four of which are indirectly affected by applicability to their respective city). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments are required 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 town may exceed the tax levy limitation for the coming fiscal year only if the governing body of such town first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law, to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality, prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

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

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation 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 Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

Real Property Tax Rebate. Chapter 59 of the Laws of 2014 (“Chapter 59”) included provisions which provide a refundable personal income tax credit to real property taxpayers in school districts and certain municipal units of government. The credit is a tax relief program that reimburses qualifying New York State homeowners for increases in local property taxes on their primary residences. The eligibility of real property taxpayers for the tax credit in each year depends on such jurisdiction’s compliance with the provisions of the Tax Cap Law. The affected jurisdictions include counties, cities (other than any city with a population of one million or more and its counties), towns, villages, school districts (other than the dependent school districts of New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are indirectly affected by applicability to their respective city) and independent special districts.

Certain additional restrictions on the amount of the personal income tax credit are set forth in Chapter 59 in order for the tax cap imposed by the Tax Cap Law to qualify as one which will provide the tax credit benefit to such real property taxpayers. The refundable personal income tax credit amount is increased in the second year if compliance occurs in both taxable years. Municipalities, school districts and independent special districts must provide certification of compliance with the requirements of the new provisions to certain State officials in order to render their real property taxpayers eligible for the real property tax rebate. The New York State Department of Taxation and Finance will determine each homeowner’s eligibility, calculate the amount of the credit and send the credit to the homeowner.

For the second taxable year of the program being 2015-16 for school districts and 2016 for other municipal units of government, the property tax rebate for real property taxpayers is additionally contingent upon adoption by the school district or municipal unit of a State approved “shared services and government efficiency plan” which demonstrates three year savings and efficiencies of at least one percent of the combined 2014 levy of participating municipalities in each of the years 2017, 2018 and 2019 from shared services, cooperation agreements and/or mergers or efficiencies. The State will also be required to consider past shared services arrangements or government efficiency programs to be deemed applicable in demonstrating the targeted savings. There is no requirement that these efficiencies are to be used to reduce future tax levies. Should the savings targeted not be met by a school district or municipal unit of government there is no authority granted for the State to withhold State aid due to each respective entity.

This tax credit will be made available in municipalities that reduce or hold steady their property tax levy. The tax credit payable will be equal to the allowable tax levy growth factor for that year, including adjustments for inflation, economic growth, pensions, PILOTS, etc. as determined by the New York State Department of Taxation and Finance.

This initiative was a two year temporary initiative for towns, and has not been extended for towns to date.

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

STATUS OF INDEBTEDNESS

Constitutional Requirements

The New York State Constitution limits the power of the Town (and other municipalities and certain school districts of the State) to issue obligations and to otherwise contract indebtedness. Such constitutional limitations in summary form, and as generally applicable to the Town and the 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. The Town is in the process of complying with the procedure for the publication of the estoppel notice with respect to the Bonds as provided in title 6 of article 2 of the Local Finance Law. The estoppel notice relating to the Bonds is anticipated to be published on or about January 19, 2021. Such compliance will be completed no later than February 17, 2021.

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	\$ 14,938,000	\$ 13,734,000	\$ 12,490,000	\$ 11,295,000	\$ 10,105,000
Bond Anticipation Notes	568,000	524,846	502,098	479,469	455,314
Other Debt	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Debt Outstanding	\$ 15,506,000	\$ 14,258,846	\$ 12,992,098	\$ 11,774,469	\$ 10,560,314

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 15, 2021:

<u>Type of Obligation</u>	<u>Maturity</u>	<u>Amount</u>
Bonds	2021-2035	\$ 10,105,000
<u>Bond Anticipation Notes</u>		
Water District No. 3	December 23, 2021	<u>455,314</u> ⁽¹⁾
	Total Indebtedness	<u>\$ 10,560,314</u>

⁽¹⁾ Expected to be permanently financed with serial bonds and available funds of the Town in March of 2021.

Debt Statement Summary and Constitutional Debt-Contracting Limit

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of January 15, 2021:

Five-Year Average Full Valuation of Taxable Real Property.....	\$ 1,730,835,970
Debt Limit – 7% thereof	121,158,518

Inclusions:

Bonds.....	\$ 10,105,000	
Bond Anticipation Notes	<u>455,314</u>	
Total Inclusions.....		<u>\$ 10,560,314</u>

Exclusions:

Water Indebtedness ⁽¹⁾	\$ 680,000	
Sewer Indebtedness ⁽²⁾	60,000	
Appropriations ⁽³⁾	<u>690,000</u>	
Total Exclusions.....		<u>\$ 1,430,000</u>

Total Net Indebtedness Subject to Debt Limit.....\$ 9,130,314

Net Debt-Contracting Margin.....\$ 112,028,204

The percent of debt contracting power exhausted is 7.54%

Note The Total Net Indebtedness listed above includes \$8,585,000 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

The Town was awarded \$7.83 million in funding from the U.S. Federal Highways in connection with the New York State (“NYS”) Department of Transportation for necessary vehicular and pedestrian safety improvements along the NYS Route 4 Corridor. This \$9.65 million project will include the construction of intersection improvements and sidewalks. The Town will match 20% of the \$7.4 million of federal monies received. The Town will pay for its \$1.93 million match using reserved fund balance and will not need any borrowing for the project. Construction is anticipated to begin in the spring of 2021 and is expected to conclude in 2022.

The Town also received a \$2.172 million New York State Drinking Water Grant from the New York State Environmental Facilities Corporation to extend municipal water transmission along NYS Route 43 to improve water quality and provide safe and affordable municipal water to residential and commercial properties in that area of Town. The total estimated cost of the project is \$3.6 million which will be financed by serial bonds after the project is completed. The Town plans to apply \$428,000 of reserved fund balance for this project and anticipates issuing serial bonds to finance the \$1,000,000 balance of the project. The Town anticipates issuing serial bonds and permanently financing the project in March of 2021.

The Town completed the Water District #3 Extension #12 project in 2015 at a total cost of \$568,000. The Town issued \$568,000 bond anticipation notes to finance the project in 2015. Currently \$455,314 bond anticipation notes are outstanding. The Town anticipates issuing serial bonds in March of 2021, a portion of which will redeem the bond anticipation notes and permanently finance the above mentioned project.

As of the date of this Official Statement, the Town does not have any additional authorized but unissued projects.

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. At the end of the 2019 fiscal year the Town had a fund balance of \$7,025,659 and has reserved \$1,715,774 in a “tax stabilization fund balance account” providing the Town Board with the option of using that account for tax relief in the future.

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:						
Rensselaer	12/31/2018	\$ 184,857,834	\$ 56,063,624 ⁽²⁾	\$ 128,794,210	9.28%	\$ 11,952,103
School District:						
Averill Park	6/30/2019	20,107,467	15,663,717 ⁽³⁾	4,443,750	9.44%	419,490
Wynantskill	6/30/2019	3,030,000	2,290,680 ⁽³⁾	739,320	99.90%	738,581
East Greenbush	6/30/2019	25,254,500	18,208,495 ⁽³⁾	7,046,006	15.88%	1,118,906
Fire District:						
North Greenbush #1	12/31/2018	6,070,000	-	6,070,000	100.00%	6,070,000
					Total:	<u>\$ 20,299,079</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 15, 2021:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 9,130,314	\$ 745.58	0.49%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	29,429,393	2,403.18	1.58

(a) The current estimated population of the Town is 12,246. (See "THE TOWN – Population Trends" herein.)

(b) The Town's full value of taxable real estate for the 2021 fiscal year is \$1,862,352,855 (See TAX INFORMATION - "Taxable Valuations" herein.)

(c) The Town's estimated applicable share of net underlying indebtedness is \$20,299,079. (See "Estimated Overlapping Indebtedness" herein.)

SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

General Municipal Law Contract Creditors' Provision. Each Bond 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 “NATURE OF OBLIGATION” and “SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT - 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.

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.

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

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

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.

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COVID -19: An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Town's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The current outbreak has caused the Federal government to declare a national state of emergency. The State has also declared a state of emergency 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. Similarly, the degree of the impact to the Town's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the Town. The Town is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations. (See "State Aid" herein).

TAX MATTERS

In the opinion of Whiteman Osterman & Hanna LLP, Bond Counsel to the Town ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance by the Town with certain covenants, interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended. In the further opinion of Bond Counsel, interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum taxes. Bond Counsel is also of the opinion that interest on the Bonds is excludable from adjusted gross income for purposes of personal income taxes imposed by the State of New York and its political subdivisions, including The City of New York. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the receipt or accrual of interest on the Bonds. The opinion of Bond Counsel will be in substantially the form set forth in "APPENDIX-E" attached hereto.

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

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The Town has covenanted to comply with certain restrictions designed to ensure that interest on the Bonds will not be included in federal gross income. Failure to comply with these covenants will result in interest on the Bonds being included in gross income for federal income tax purposes as well as adjusted gross income for purposes of personal income taxes imposed by the State of New York or the City of New York, from the date of original issuance of the Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of, or the tax status of interest on, the Bonds. Further, no assurance can be given that pending or future legislation or amendments to the Code, if enacted into law, or any proposed legislation or amendments to the Code, will not adversely affect the value of, or the tax status of interest on, the Bonds.

Certain requirements and procedures contained or referred to in the Arbitrage Certificate, and other relevant documents may be changed and certain actions (including, without limitation, economic defeasance of the Bonds) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. Bond Counsel expresses no opinion as to any Bonds or the interest thereon if any such change occurs or action is taken or omitted.

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of tax-exempt obligations may have collateral federal income tax consequences for certain taxpayers, including but not limited to, financial institutions, certain subchapter S corporations, United States branches of foreign corporations, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, taxpayers eligible for the earned income credit and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exemption obligations. The foregoing is not intended as an exhaustive list of potential tax consequences. Prospective purchasers should consult their tax advisors as to any possible collateral consequences in respect to the Bonds. Bond Counsel will not express any opinion regarding any such collateral consequences.

Future legislative proposals, if enacted into law, or clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. Proposals have been made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. The introduction or enactment of any such legislative proposals, clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Whiteman Osterman & Hanna LLP ("Bond Counsel"). Bond Counsel's opinion will be in substantially the form attached hereto as "APPENDIX-E."

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, Roemer Wallens Gold & Mineaux, 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. Further, 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 that would not otherwise be coverable by our General Liability Insurance Policy.

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 Roosevelt & Cross, Incorporated, (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 fee 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 purchasers in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), 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.

On September 29, 2016, S&P Global Ratings (“S&P”) upgraded its rating on the Town’s general obligation debt to “AA” from “A+”. The Town did not provide notice of the rating change as required in the Town’s prior undertaking agreements. On January 12, 2021, the Town filed a material event notification to provide notice of the S&P rating change and the Town’s failure to provide the event filing information as required.

BOND RATING

S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”) has assigned its rating of “AA” with a stable outlook to the Bonds. A rating reflects only the view of the rating agency assigning such rating and any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, 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.

Whiteman Osterman & Hanna LLP, Albany, New York, Bond Counsel to the Town and Roemer Wallens Gold & Mineaux LLP, Albany, New York, counsel to the Underwriter, express no opinions as to the accuracy or completeness of any documents 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: Anthony Germano, Town Comptroller, Town of North Greenbush, 2 Douglas Street, Wynantskill, New York 12198 Phone (518) 283-3525, Fax (518) 283-5010, Email: agermano@northgreenbush.org.

TOWN OF NORTH GREENBUSH

Dated: January __, 2021

JOSEPH H. BOTT III
TOWN SUPERVISOR &
CHIEF FISCAL OFFICER

APPENDIX - A
Town of North Greenbush

GENERAL FUND

Balance Sheets

Fiscal Years Ending	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>ASSETS</u>					
Cash and Short-term Investments	\$ 1,152,750	\$ 1,589,755	\$ 2,277,751	\$ 1,552,184	\$ 2,187,175
Receivables:					
Taxes - net	-	-	-	-	-
Accounts	-	-	-	-	-
State and Federal	-	-	-	-	-
Due from Other Funds	80,339	-	-	-	-
Due From Other Governments	488,509	490,000	525,445	600,000	680,000
Prepaid Expenses	115,236	106,060	105,143	114,401	137,647
Other Assets	129,987	132,101	132,514	141,534	111,401
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 1,966,821</u>	<u>\$ 2,317,916</u>	<u>\$ 3,040,853</u>	<u>\$ 2,408,119</u>	<u>\$ 3,116,223</u>
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 6,491	\$ 50,776	\$ 13,263	\$ 6,448	\$ 23,502
Accrued Liabilities	55,701	80,274	85,658	81,285	207,390
Notes and Loans payable	-	-	-	11,271	11,271
Long Term Debt Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	131,066	6,987	17,312	-	-
Deferred Revenue	6,250	-	-	-	-
Other Liabilities	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>\$ 199,508</u>	<u>\$ 138,037</u>	<u>\$ 116,233</u>	<u>\$ 99,004</u>	<u>\$ 242,163</u>
<u>FUND EQUITY</u>					
Nonspendable	\$ 115,236	\$ 106,060	\$ 105,143	\$ 114,401	\$ 137,647
Restricted	229,759	1,307,745	1,318,041	1,360,671	1,866,023
Assigned	705,395	-	43,527	-	-
Unassigned	716,923	766,074	1,457,909	834,043	870,390
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND EQUITY	<u>\$ 1,767,313</u>	<u>\$ 2,179,879</u>	<u>\$ 2,924,620</u>	<u>\$ 2,309,115</u>	<u>\$ 2,874,060</u>
TOTAL LIABILITIES and FUND EQUITY	<u>\$ 1,966,821</u>	<u>\$ 2,317,916</u>	<u>\$ 3,040,853</u>	<u>\$ 2,408,119</u>	<u>\$ 3,116,223</u>

Source: 2015-2019 Financial Reports of the Town.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
REVENUES					
Real Property Taxes	\$ 1,312,944	\$ 1,352,980	\$ 1,364,451	\$ 1,341,337	\$ 1,358,148
Real Property Tax Items	435,676	436,383	443,675	459,162	444,175
Non-Property Tax Items	1,649,516	1,690,985	1,817,749	2,001,854	2,313,488
Departmental Income	262,697	236,180	208,428	185,113	200,001
Use of Money & Property	23,080	27,448	27,226	41,568	48,973
Licenses and Permits	138,766	120,616	276,633	180,806	80,048
Fines and Forfeitures	196,414	181,958	175,771	136,433	126,049
Sale of Property and Compensation for Loss	40,823	5,951	79,497	(1,906)	24,072
Miscellaneous	181,599	141,971	162,864	229,569	98,574
Interfund Revenues	-	-	98,757	74,757	74,757
Revenues from State Sources	406,411	465,824	506,653	657,706	573,551
Revenues from Federal Sources	-	-	2,617	13,299	18,815
Total Revenues	<u>\$ 4,647,926</u>	<u>\$ 4,660,296</u>	<u>\$ 5,164,321</u>	<u>\$ 5,319,698</u>	<u>\$ 5,360,651</u>
EXPENDITURES					
General Government Support	\$ 960,856	\$ 985,787	\$ 1,012,273	\$ 995,043	\$ 1,100,509
Public Safety	1,744,432	1,799,964	1,910,223	1,918,102	2,089,651
Health	8,195	8,227	8,357	8,033	8,689
Transportation	87,869	90,933	93,898	90,674	94,270
Economic Assistance and Opportunity	10,000	10,000	10,000	10,000	10,000
Culture and Recreation	204,067	239,274	248,501	242,273	249,443
Home and Community Services	50,042	48,105	49,118	49,794	49,731
Employee Benefits	1,033,821	907,065	984,251	1,032,725	1,086,665
Debt Service	117,916	106,470	102,959	106,968	106,748
Total Expenditures	<u>\$ 4,217,198</u>	<u>\$ 4,195,825</u>	<u>\$ 4,419,580</u>	<u>\$ 4,453,612</u>	<u>\$ 4,795,706</u>
Excess of Revenues Over (Under) Expenditures	<u>430,728</u>	<u>464,471</u>	<u>744,741</u>	<u>866,086</u>	<u>564,945</u>
Other Financing Sources (Uses):					
Operating Transfers In	98,095	98,095	-	-	-
Operating Transfers Out	-	(150,000)	-	(1,481,591)	-
Total Other Financing	<u>\$ 98,095</u>	<u>\$ (51,905)</u>	<u>\$ -</u>	<u>\$ (1,481,591)</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>528,823</u>	<u>412,566</u>	<u>744,741</u>	<u>(615,505)</u>	<u>564,945</u>
FUND BALANCE					
Fund Balance - Beginning of Year	1,238,490	1,767,313	2,179,879	2,924,620	2,309,115
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 1,767,313</u>	<u>\$ 2,179,879</u>	<u>\$ 2,924,620</u>	<u>\$ 2,309,115</u>	<u>\$ 2,874,060</u>

Source: 2015-2019 Financial Reports of the Town.

GENERAL FUND

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

Fiscal Years Ending	2019		2020	2021
	Adopted Budget	Actual	Adopted Budget	Adopted Budget
<u>REVENUES</u>				
Real Property Taxes	\$ 1,358,111	\$ 1,358,148	\$ 1,344,303	\$ 1,480,750
Real Property Tax Items	454,120	444,175	459,291	462,042
Non-Property Tax Items	1,914,510	2,313,488	2,073,182	2,074,390
Departmental Income	160,630	200,001	157,305	138,580
Use of Money & Property	39,000	48,973	41,300	46,300
Licenses and Permits	97,500	80,048	122,500	132,500
Fines and Forfeitures	191,500	126,049	169,500	169,500
Sale of Property and Compensation for Loss	185,273	24,072	219,036	76,273
Miscellaneous	-	98,574	-	-
Interfund Revenue	-	74,757	-	-
Revenues from State Sources	437,490	573,551	465,516	536,447
Revenues from Federal Sources	-	18,815	-	-
Total Revenues	<u>\$ 4,838,134</u>	<u>\$ 5,360,651</u>	<u>\$ 5,051,933</u>	<u>\$ 5,116,782</u>
<u>EXPENDITURES</u>				
General Government Support	\$ 1,119,293	\$ 1,100,509	\$ 1,205,830	\$ 1,245,873
Public Safety	2,072,236	2,089,651	2,204,531	2,204,770
Health	8,798	8,689	8,972	9,150
Transportation	94,290	94,270	95,645	97,028
Economic Assistance and Opportunity	10,000	10,000	10,000	10,000
Culture and Recreation	247,878	249,443	250,063	276,605
Home and Community Services	50,979	49,731	51,931	63,616
Employee Benefits	1,145,912	1,086,665	1,154,108	1,194,534
Debt Service	156,748	106,748	138,853	107,740
Total Expenditures	<u>\$ 4,906,134</u>	<u>\$ 4,795,706</u>	<u>\$ 5,119,933</u>	<u>\$ 5,209,316</u>
Excess of Revenues Over (Under) Expenditures	<u>(68,000)</u>	<u>564,945</u>	<u>(68,000)</u>	<u>(92,534)</u>
Other Financing Sources (Uses):				
Operating Transfers In	68,000	-	68,000	68,000
Operating Transfers Out	-	-	-	-
Total Other Financing	<u>\$ 68,000</u>	<u>\$ -</u>	<u>\$ 68,000</u>	<u>\$ 68,000</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>-</u>	<u>564,945</u>	<u>-</u>	<u>(24,534)</u>
<u>FUND BALANCE</u>				
Fund Balance - Beginning of Year	-	2,309,115	-	24,534
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ 2,874,060</u>	<u>\$ -</u>	<u>\$ -</u>

Source: 2019 Financial Report and the Budgets of the Town.

APPENDIX - B
Town of North Greenbush

BONDED DEBT SERVICE

Fiscal Year Ending December 31st				REFUNDED BONDS	REFUNDING BONDS DEBT SERVICE			TOTAL NEW	
	Principal	Interest	Total	DEBT SERVICE	Principal	Interest	Total	DEBT SERVICE	
2021	\$ 1,095,000	\$ 347,292.13	\$ 1,442,292.13	\$ 301,293.76	\$ -	\$ -	\$ -	\$ -	
2022	1,025,000	306,362.68	1,331,362.68	912,281.25	-	-	-	-	
2023	655,000	274,718.75	929,718.75	909,043.75	-	-	-	-	
2024	655,000	255,268.75	910,268.75	910,268.75	-	-	-	-	
2025	675,000	235,875.00	910,875.00	910,875.00	-	-	-	-	
2026	510,000	217,743.75	727,743.75	727,743.75	-	-	-	-	
2027	525,000	200,925.00	725,925.00	725,925.00	-	-	-	-	
2028	545,000	183,196.88	728,196.88	728,196.88	-	-	-	-	
2029	560,000	164,200.00	724,200.00	724,200.00	-	-	-	-	
2030	580,000	142,800.00	722,800.00	722,800.00	-	-	-	-	
2031	605,000	119,100.00	724,100.00	724,100.00	-	-	-	-	
2032	630,000	94,400.00	724,400.00	724,400.00	-	-	-	-	
2033	655,000	68,700.00	723,700.00	723,700.00	-	-	-	-	
2034	680,000	42,000.00	722,000.00	722,000.00	-	-	-	-	
2035	710,000	14,200.00	724,200.00	724,200.00	-	-	-	-	
TOTALS	\$ 10,105,000	\$2,666,782.94	\$ 12,771,782.94	\$ 11,191,028.20	\$ -	\$ -	\$ -	\$ -	

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 26, 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 "APPENDIX-E" 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 purchaser at closing.

TOWN OF NORTH GREENBUSH
RENSSELAER COUNTY, NEW YORK

**INDEPENDENT ACCOUNTANT'S REVIEW REPORT &
FINANCIAL STATEMENTS**

Fiscal Year Ending December 31, 2019

Such 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 NORTH GREENBUSH, NEW YORK

TABLE OF CONTENTS

DECEMBER 31, 2019

	<u>Page</u>
Independent Accountant's Review Report	1-2
Financial Statements	
Balance Sheets - All Fund Types and Account Groups	3
Statements of Revenues, Expenditures and Changes in Fund Balances - Governmental Fund Types	4
Notes to Financial Statements	5-22

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AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF:
NEW YORK STATE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Supervisor and Members of
the Town Board of the
Town of North Greenbush, New York

We have reviewed the accompanying financial statements of the governmental activities, custodial fund and non-current governmental liabilities account group of the Town of North Greenbush, New York (the "Town"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the governmental funds, custodial fund and non-current governmental liabilities account group 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 financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Cusack & Company, CPA's LLC". The signature is written in a cursive, flowing style.

CUSACK & COMPANY, CPA'S LLC

Latham, New York
March 10, 2020

TOWN OF NORTH GREENBUSH, NEW YORK

BALANCE SHEETS

DECEMBER 31, 2019

	Governmental Fund Types						Fiduciary	Memorandum Only	
							Fund Type	Account Group	Total
Assets	General	Highway	Water	Sewer	Lighting	Capital Projects	Custodial	Non-Current Liabilities	Primary Government December 31, 2019
Cash	\$ 321,152	\$ 315,592	\$ 1,038,165	\$ 642,171	\$ 26,642	\$ 2,371,760	\$ 6,040	\$ -	\$ 4,721,522
Cash - restricted	1,866,023	117,904	-	-	-	-	-	-	1,983,927
Due from other governments	680,000	45,507	-	-	-	-	-	-	725,507
Prepaid expenditures	137,647	-	-	-	-	-	-	-	137,647
Other receivables	111,401	-	163,247	-	-	-	-	-	274,648
Provisions to be made in future budgets	-	-	-	-	-	-	-	16,037,293	16,037,293
Total assets	<u>\$ 3,116,223</u>	<u>\$ 479,003</u>	<u>\$ 1,201,412</u>	<u>\$ 642,171</u>	<u>\$ 26,642</u>	<u>\$ 2,371,760</u>	<u>\$ 6,040</u>	<u>\$ 16,037,293</u>	<u>\$ 23,880,544</u>
Liabilities and Fund Equity									
Liabilities									
Accounts payable	\$ 23,502	\$ 25,009	\$ 8,335	\$ 1,972	\$ 3,427	\$ -	\$ -	\$ -	\$ 62,245
Accrued liabilities	207,390	36,909	9,082	5,186	-	-	6,040	-	264,607
Due to other governments	11,271	-	-	-	-	-	-	416,419	427,690
Due to retirement system	-	-	-	-	-	-	-	34,287	34,287
Compensated absences	-	-	-	-	-	-	-	649,338	649,338
OPEB payable	-	-	-	-	-	-	-	2,700,871	2,700,871
Pension liability - net	-	-	-	-	-	-	-	941,378	941,378
BAN payable	-	-	-	-	-	479,469	-	-	479,469
Bonds payable	-	-	-	-	-	-	-	11,295,000	11,295,000
Total liabilities	<u>242,163</u>	<u>61,918</u>	<u>17,417</u>	<u>7,158</u>	<u>3,427</u>	<u>479,469</u>	<u>6,040</u>	<u>16,037,293</u>	<u>16,854,885</u>
Fund Equity									
Fund balances									
Nonspendable	137,647	-	-	-	-	-	-	-	137,647
Restricted	1,866,023	117,904	-	-	-	-	-	-	1,983,927
Assigned	-	299,181	1,183,995	635,013	23,215	1,892,291	-	-	4,033,695
Unassigned	870,390	-	-	-	-	-	-	-	870,390
Total fund equity	<u>2,874,060</u>	<u>417,085</u>	<u>1,183,995</u>	<u>635,013</u>	<u>23,215</u>	<u>1,892,291</u>	<u>-</u>	<u>-</u>	<u>7,025,659</u>
Total liabilities and fund equity	<u>\$ 3,116,223</u>	<u>\$ 479,003</u>	<u>\$ 1,201,412</u>	<u>\$ 642,171</u>	<u>\$ 26,642</u>	<u>\$ 2,371,760</u>	<u>\$ 6,040</u>	<u>\$ 16,037,293</u>	<u>\$ 23,880,544</u>

TOWN OF NORTH GREENBUSH, NEW YORK
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Governmental Fund Types							Memorandum Only
	General	Highway	Water	Sewer	Lighting	Ambulance	Capital Projects	Total Primary Government December 31, 2019
Revenue								
Real property taxes	\$ 1,358,148	\$ 1,762,043	\$ 1,720,071	\$ 346,603	\$ 38,369	\$ 290,000	\$ -	\$ 5,515,234
Real property tax items	444,175	-	-	-	-	-	-	444,175
Non property tax items	2,313,488	-	-	-	-	-	-	2,313,488
Departmental income	200,001	-	1,559,835	47,845	-	-	-	1,807,681
Use of money and property	48,973	747	-	929	-	-	-	50,649
Licenses and permits	80,048	10,425	-	-	-	-	-	90,473
Fines and forfeitures	126,049	-	-	-	-	-	-	126,049
Sale of property and compensation for loss	24,072	-	-	-	-	-	-	24,072
Miscellaneous local sources	98,574	34,662	-	-	-	-	75,000	208,236
Interfund revenues	74,757	-	-	-	-	-	-	74,757
State aid	573,551	117,724	-	-	-	-	-	691,275
Federal aid	18,815	-	-	-	-	-	331,202	350,017
Total revenue	<u>5,360,651</u>	<u>1,925,601</u>	<u>3,279,906</u>	<u>395,377</u>	<u>38,369</u>	<u>290,000</u>	<u>406,202</u>	<u>11,696,106</u>
Expenditures								
General governmental support	1,100,509	-	43,626	31,131	-	-	-	1,175,267
Public safety	2,089,651	-	-	-	-	290,000	-	2,379,651
Public health	8,689	-	-	-	-	-	-	8,689
Transportation	94,270	1,304,105	-	-	41,292	-	529,321	1,968,988
Economic assistance and opportunity	10,000	-	-	-	-	-	-	10,000
Culture and recreation	249,443	-	-	-	-	-	-	249,443
Home and community services	49,731	-	1,156,164	168,478	-	-	4,349	1,378,722
Employee benefits	1,086,665	380,114	64,152	37,406	-	-	-	1,568,337
Debt service (principal and interest)	106,748	204,490	1,227,709	100,927	-	-	-	1,639,874
Total expenditures	<u>4,795,706</u>	<u>1,888,709</u>	<u>2,491,651</u>	<u>337,942</u>	<u>41,292</u>	<u>290,000</u>	<u>533,670</u>	<u>10,378,970</u>
Excess (deficiency) of revenue over expenditures	<u>564,945</u>	<u>36,892</u>	<u>788,255</u>	<u>57,435</u>	<u>(2,923)</u>	<u>-</u>	<u>(127,468)</u>	<u>1,317,136</u>
Other financing sources								
BANS redeemed	-	-	-	-	-	-	22,629	22,629
Excess (deficiency) of revenue and other sources over expenditures	<u>564,945</u>	<u>36,892</u>	<u>788,255</u>	<u>57,435</u>	<u>(2,923)</u>	<u>-</u>	<u>(104,839)</u>	<u>1,339,765</u>
Fund balance, beginning of year	<u>2,309,115</u>	<u>380,193</u>	<u>395,740</u>	<u>577,578</u>	<u>26,138</u>	<u>-</u>	<u>1,997,130</u>	<u>5,685,894</u>
Fund balance, end of year	<u>\$ 2,874,060</u>	<u>\$ 417,085</u>	<u>\$ 1,183,995</u>	<u>\$ 635,013</u>	<u>\$ 23,215</u>	<u>\$ -</u>	<u>\$ 1,892,291</u>	<u>\$ 7,025,659</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of North Greenbush, New York (the “Town”), which was established in 1855 in Rensselaer County, is governed by its Town Charter, other general laws of the State of New York and various local laws. The Town Board, which is the governing body of the Town, consists of the Supervisor and four voting Council members, all elected. The Town Supervisor serves as the chief executive officer and chief fiscal officer. The Town provides basic services including public safety, health services, maintenance of Town roads, recreation, home and community service, economic assistance and other general services.

The Town has prepared its governmental funds, custodial fund and non-current governmental liabilities account group 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 the government-wide financial statements on a full accrual government-wide basis as well as the fund basis. The financial statements present only the governmental funds, custodial fund, and non-current governmental liabilities accounting group and do not purport to, and do not present fairly the financial position or changes in financial position of the Town.

The following is a summary of significant policies:

- (a) Financial Reporting Entity: The financial reporting entity consists of (a) the primary government which is the Town of North Greenbush, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth in GASB Statement 61.

The decision to include a potential component unit in the Town reporting entity is based on several criteria set forth in GASB 61 including legal standing, fiscal dependency and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities considered in determining the Town's reporting entity.

Excluded from the financial reporting entity:

North Greenbush Industrial Development Agency - This potential component unit has a separate appointed board. It is excluded from the reporting entity because the government does not have the ability to exercise influence or control their daily operations, approve budgets or provide funding.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (b) *Basis of Presentation - Fund Accounting:* 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 balances, revenues and expenditures. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the Town.

GOVERNMENTAL FUND TYPES

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

- General Fund - is the primary operating fund of the Town. It is used to account for all general financial resources except those to be accounted for in other Town funds.
- Highway Fund - established pursuant to Highway Law to account for revenues and expenditures related to highway repairs and improvements, bridges, machinery, snow removal and miscellaneous highway related items.
- Water District Fund - to account for water district revenues and expenditures.
- Sewer District Fund - to account for sewer district revenues and expenditures.
- Lighting District Fund - to account for lighting district revenues and expenditures.
- Ambulance Fund - to account for rescue squad revenues and expenditures.
- Capital Projects Fund - The capital projects fund is used to account for financial resources used for the acquisition or construction of major capital expenditures.

FIDUCIARY FUND TYPES

Fiduciary funds account for assets held by the Town as an agent for individuals, private organizations or other governmental units.

ACCOUNT GROUPS

Account groups are used to establish accounting controls and accountability for general fixed assets and general long-term debt. The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of Presentation - Fund Accounting (Continued):

NON-CURRENT GOVERNMENTAL ASSETS GROUP

This account group is established to account for all non-current assets, including all fixed assets of the Town. The Town has not maintained an inventory of fixed assets.

NON-CURRENT GOVERNMENTAL LIABILITIES GROUP

This account group is used to record all long-term obligations of the Town, such as compensated absences, bonds, OPEB liability and the net pension liability.

- (c) Basis of Accounting: The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when they are 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. Expenditures are recorded when the liability is incurred, if measurable, except that interest on long-term debt is not recognized as an expenditure until due.

In applying the susceptible-to-accrual concept to state and federal aid, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Town; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are generally reflected as revenues at the time of receipt.

The primary non-property tax item is sales tax which is recorded as revenue in the general fund when it is received by Rensselaer County and available for distribution to the Town. Other revenues are recorded when received in cash because they are generally not measurable until actually received.

(d) Budgetary Data:

General Budget Process - Prior to October 1 of each year, the Budget Officer submits to the Town Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers' comments. Prior to November 20, the budget is adopted by the Town Board. The Town Board must approve all modifications to the budget.

Budget Basis of Accounting - Budgets are adopted annually on a basis consistent with generally accepted accounting principles. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (e) Encumbrances: Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year end are reported as reservations of fund balances since the commitments do not constitute expenditure or liabilities.
- (f) Fixed Assets: Acquisition of equipment and capital facilities are appropriately recorded as expenditures in the various governmental funds of the Town. These acquisitions should also be recorded in the balance sheet in a general fixed assets account group, as required by accounting principles, to account for all land, buildings, improvements and equipment utilized by the Town. The Town does not maintain a general fixed assets account group and the amount that should be recorded in this account group is not known.
- (g) Compensated Absences: Town employees are granted vacation and sick leave in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation leave at various rates subject to certain maximum limitations. The liability for accumulated vacation and for accumulated sick time has been recorded in the general long-term debt account group.
- (h) Property Taxes: Real property tax levies are fully accrued at the beginning of the fiscal year. The current year's property taxes are levied no later than January 1 based upon the full assessed value of real property within the Town. The taxes are collected by the Town Tax Collector during the period January 1 through March 31. On March 31, settlement proceedings take place whereby the County of Rensselaer, New York becomes the tax collecting agent for the Town. All real property tax enforcement action becomes the duty of the County of Rensselaer, New York.
- (i) Postemployment Benefits: In addition to providing pension benefits, the Town also provides certain health care benefits for retired employees. Substantially all the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town.

Effective for the year ended December 31, 2019, Governmental Accounting Standards Board Statement No. 75 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" ("GASB 75") requires the Town to recognize the cost of other postemployment benefits ("OPEB") in the financial statements in the periods in which the exchange occurs rather than in the periods when the benefits are paid. GASB 75 requires the services of an actuary to calculate current OPEB costs. The expense recognized under this policy would be significantly larger than prior practice which recognized expense on a pay-as-you-go basis.

OPEB costs on a pay-as-you-go basis were approximately \$70,000 in 2019 for 15 retirees.

TOWN OF NORTH GREENBUSH, NEW YORK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- (j) Total Columns: Total columns in the financial statements are captioned *Memorandum Only* to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in accordance with accounting principles generally accepted in the United States of America, nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CASH AND INVESTMENTS

The Town's written investment policy was adopted by the Town Board and is governed by State statutes. Town monies must be deposited in FDIC insured commercial banks or trust companies designated by the Town Board. New York State statutes and guidelines authorize the Town to invest in obligations of the U.S. Government and its agencies, certificates of deposit, repurchase agreements and obligations of the State of New York.

Collateral is required for demand deposits and certificates of deposit at 100 percent of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies, obligations issued, fully insured, or guaranteed by New York State and obligations issued by any municipality or school district of New York State. Restrictions may apply to some of the above categories.

During 2019, cash and investments were either insured by federal depository insurance or collateralized by assets of the Town's custodial bank in the Town's name.

3. POOLED BANK ACCOUNTS

Separate bank accounts are not maintained for each of the Town's funds. Instead, cash is pooled and deposited in pooled bank accounts with accounting records maintained to show the portion of the balance attributable to each fund. At December 31, 2019 the Town's funds had the following book balances in the pooled bank account:

Unrestricted	
General	\$ 321,152
Highway	315,592
Water	1,038,165
Sewer	642,171
Lighting	26,642
Capital Projects	2,371,760
Custodial	6,040
	<u>4,721,522</u>
Restricted	
General Fund - Tax Stabilization	1,597,870
General Fund - Greenspace	240,832
General Fund - Police Funds	27,321
Highway Fund - Tax Stabilization	117,904
	<u>1,983,927</u>
	<u>\$ 6,705,449</u>

TOWN OF NORTH GREENBUSH, NEW YORK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

4. OTHER RECEIVABLES

Other receivables consist of the following:

General Fund

Charter Communications Franchise Fee	\$ 65,512
Town Justices December 2019 Fines	14,244
Host Benefit Agreement S.A. Dunn	18,926
Other	12,719
	<u>\$ 111,401</u>

Water Fund

Water Relevy	\$ 122,563
Water Rents Receivable	40,684
	<u>\$ 163,247</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	\$ 502,098
BANs Redeemed	<u>(22,629)</u>
BANs Outstanding, December 31, 2019	<u>\$ 479,469</u>

BANs at December 31, 2019 consist of a Water District No. 3 BAN, bearing interest at 1.65% and maturing December 24, 2020.

TOWN OF NORTH GREENBUSH, NEW YORK**NOTES TO FINANCIAL STATEMENTS (CONTINUED)****DECEMBER 31, 2019****6. LONG-TERM DEBT**

The following is a summary of changes in long-term liabilities for the year ended December 31, 2019:

	<u>Balance</u> <u>January 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2019</u>
Bonds Payable (Note 7)	\$ 12,490,000	\$ -	\$ 1,195,000	\$ 11,295,000
Compensated Absences	649,204	134	-	649,338
Retirement System (Note 8)	68,574	-	34,287	34,287
Due to City of Rensselaer (Note 9)	201,011	-	7,179	193,832
Workers Compensation (Note 10)	233,697	-	11,110	222,587
Other Postemployment Benefits (Note 11)	2,545,244	155,627	-	2,700,871
Pension Liability - Net (Note 12)	508,282	433,096	-	941,378
	<u>\$ 16,696,012</u>	<u>\$ 588,857</u>	<u>\$ 1,247,576</u>	<u>\$ 16,037,293</u>

7. BONDS PAYABLE

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

<u>Issue</u> <u>Date</u>	<u>Original</u> <u>Issue</u>	<u>Maturity</u>	<u>Interest</u> <u>Rates</u>	<u>Outstanding at</u> <u>December 31, 2019</u>
10/15/2002	\$ 4,481,232	10/15/2022	1.533-5.123%	\$ 855,000
9/1/2003	\$ 1,902,000	9/1/2022	4.4-5.0%	305,000
7/26/2001	\$ 2,788,984	11/15/2021	4.334-5.154%	285,000
6/1/2009	\$ 370,000	6/1/2023	6.75%	80,000
5/23/2103	\$ 1,930,000	5/15/2025	1-2%	1,030,000
4/10/2014	\$ 10,473,629	4/1/2035	3.125-4.0%	8,740,000
				<u>\$ 11,295,000</u>

TOWN OF NORTH GREENBUSH, NEW YORK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

7. BONDS PAYABLE (CONTINUED)

Future maturities of bonds payable and the related interest expense are as follows:

	<u>Principal</u>	<u>Interest</u>
2020	\$ 1,190,000	\$ 367,456
2021	1,095,000	333,462
2022	1,025,000	302,313
2023	655,000	274,719
2024	655,000	255,269
2025-2029	2,815,000	1,002,041
2030-2034	3,150,000	467,000
2035	710,000	14,200
	<u>\$ 11,295,000</u>	<u>\$ 3,016,460</u>

8. DUE TO RETIREMENT SYSTEM

Due to Retirement System consists of a past service costs adjustment and will be totally repaid in 2020.

9. DUE TO CITY OF RENSSELAER

In accordance with an inter-municipal cooperation agreement, the Town will reimburse the City of Rensselaer for water line expenditures within the Town \$7,179 annually for thirty years, maturing in 2046.

10. WORKERS' COMPENSATION

The Town participates in a self-insurance plan for workers' compensation under Local Law No. 1 and 2, 1956, pursuant to Article 5 of the Workers' Compensation Law. The plan is open to any eligible municipality or public entity for participation. The County of Rensselaer, New York is responsible for administration of the plan and its reserves. The Town's contribution to the plan was \$187,438 for the year ended December 31, 2019.

The third party administrator provides an estimate of claims payable. At December 31, 2019, \$222,587 has been reflected in the non-current governmental liabilities account group for workers' compensation payable.

11. OTHER POSTEMPLOYMENT BENEFITS**Plan Description**

GASB Statement 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefit. The postemployment benefit liability is recognized in the Non-Current Liabilities Account Group.

Benefits Provided

The Town provides postemployment healthcare benefits for certain eligible retirees.

The Town provides medical benefits to its eligible retirees. The benefits are provided through the New Hampshire Inter-Local Trust.

Employees Covered by Benefit Terms

As of January 1, 2017 (the census collection date), the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	8
Active Employees	<u>27</u>
Total Participants Covered by OPEB Plan	<u><u>35</u></u>

Total OPEB Liability

The Town's last actuarial valuation report was prepared as of January 1, 2017 for the years December 31, 2017 and December 31, 2018. The Town's total OPEB liability at December 31, 2019 was estimated as follows:

OPEB Liability at December 31, 2018	\$ 2,545,244
Estimated 2019 Service Cost	82,342
Estimated amortization of NOL	143,285
Actual Contributions	<u>(70,000)</u>
OPEB liability at December 31, 2019	<u><u>\$ 2,700,871</u></u>

TOWN OF NORTH GREENBUSH, NEW YORK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions and Other Inputs

The total OPEB liability of \$2,545,244 at December 31, 2018 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.78%
Healthcare Cost Trend Rates:	
Current Year Trend	4.61%/2.95%
Second Year Trend	9.50%
Decrement	0.50%
Ultimate Trend	5.00%
Year Ultimate Trend is Reached	2027
Salary Increases	2.00%

Salary Increases

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20 year AA municipal bond rate as of January 1, 2017.

Mortality rates were based on the RP-2000 Combined Healthy Participant Table Projected 10 Years using Projection Scale AA.

Changes in the Total December 31, 2018 OPEB Liability

OPEB Liability, Beginning of Year	\$ 1,957,736
Changes for the Year:	
Service Cost	79,206
Assumption Changes and Differences Between Actual and Expected Experience	563,546
Benefit Payments	<u>(55,244)</u>
OPEB Liability, End of Year	<u><u>\$ 2,545,244</u></u>

TOWN OF NORTH GREENBUSH, NEW YORK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

11. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

The January 1, 2018 valuation was prepared using a discount rate of 3.78%. If the discount rate were 1% higher than what was used in this valuation, the Total OPEB Liability would decrease to \$1,707,388 or by 12.79%. If the discount rate were 1% lower than was used in this valuation, the Total OPEB Liability would increase to \$2,265,028 or by 15.70%.

	Discount Rate		
	<u>1% Decrease</u>	<u>Baseline 3.78%</u>	<u>1% Increase</u>
Total OPEB Liability	\$ <u>2,265,028</u>	\$ <u>1,957,736</u>	\$ <u>1,707,388</u>

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

The January 1, 2017 valuation was prepared using an individual trend rate of 2.95%. If the trend were 1% higher than what was used in this valuation, the Total OPEB Liability would increase to \$2,312,387 or by 18.12%. If the trend rate were 1% lower than was used in this valuation, the Total OPEB Liability would decrease to \$1,677,746 or by 14.30%.

	Healthcare Cost Trend Rates		
	<u>1% Decrease</u>	<u>Baseline 2.95%</u>	<u>1% Increase</u>
Total OPEB Liability	\$ <u>1,677,746</u>	\$ <u>1,957,736</u>	\$ <u>2,312,387</u>

12. PENSION PLANS

General Information

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and New York State and Local Police and Fire Retirement System ("PFRS"). The Systems are cost sharing multiple-employer, public employee retirement systems. The Systems 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 Systems provide retirement benefits as well as death and disability benefits. The net position of the Systems are 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 Systems. The Comptroller of the State of New York (the "Comptroller") serves as sole trustee and administrative head of the Systems. 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 Systems issue 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.

12. PENSION PLANS (CONTINUED)

The Systems are noncontributory except for ERS 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>ERS</u>	<u>PFRS</u>
2019	\$ 230,974	\$ 319,611
2018	\$ 239,172	\$ 337,013
2017	\$ 239,919	\$ 299,466

Chapter 260 of the laws of 2004 of the State of New York allows local employers to bond or amortize a portion (limitations established by fiscal year) of their retirement bill up to 10 years for fiscal years ended March 31, 2005 through 2008. Chapter 57 of the laws of 2010 of the State of New York allows local employers to amortize a portion (limitations established by fiscal year) of their retirement bill for 10 years for fiscal years ended March 31, 2011 and forward.

These laws require participating employers to make payments on a current basis, while bonding or amortizing existing unpaid amounts. The Town has not bonded or amortized any portion of their retirement obligations.

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

At December 31, 2019, the Town reported a liability of \$414,113 for ERS and \$527,265 for PFRS 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.

At December 31, 2019, the Town's proportion was .006% ERS and .031% PFRS.

12. PENSION PLANS (CONTINUED)

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

	<u>Total Deferred Outflows of Resources</u>	<u>Total Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 209,634	\$ (84,093)
Changes in assumptions	295,660	-
Net difference between projected and actual earnings on pension plan investments	-	(211,882)
Changes in proportion	92,750	(44,823)
Contributions subsequent to the measurement date	412,938	-
	<u>\$ 1,010,982</u>	<u>\$ (340,798)</u>

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

December 31, 2020	\$ 613,813
December 31, 2021	(88,111)
December 31, 2022	1,358
December 31, 2023	124,002
December 31, 2024	19,122
	<u>\$ 670,184</u>

ERS and PFRS 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. The actuarial valuation used the following actuarial assumptions.

	<u>ERS</u>	<u>PERS</u>
Interest rate	7.0%	7.0%
Salary increase	4.2%	5.0%
Inflation rate	2.5%	2.5%
Cost of living adjustments	1.3%	1.3%

13. PENSION PLANS (CONTINUED)

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.

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 and PFRS were as follows:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	4.55%
International equity	6.35%
Private equity	7.50%
Real estate	5.55%
Absolute return strategies	3.75%
Opportunistic portfolio	5.68%
Real assets	5.29%
Bonds and mortgages	1.31%
Cash	(.25%)
Inflation-indexed bonds	1.25%

Discount Rate

The discount rate used to calculate the total pension liability was 7.0% for ERS and PFRS. 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.

13. 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>1%</u> <u>Decrease</u>	<u>Current</u> <u>Assumption</u>	<u>1%</u> <u>Increase</u>
<u>ERS</u>			
Employers' proportionate share of the net pension asset (liability)	\$ <u>(1,810,567)</u>	\$ <u>(414,113)</u>	\$ <u>759,008</u>
<u>PFRS</u>			
Employers' proportionate share of the net pension asset (liability)	\$ <u>(1,905,456)</u>	\$ <u>(527,265)</u>	\$ <u>623,685</u>

Pension Plan Fiduciary Net Position

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

	<u>ERS</u>	<u>PFRS</u>
Total pension liability	\$ (189,803,429)	\$ (34,128,100)
Plan fiduciary net position	<u>182,718,124</u>	<u>32,451,037</u>
Employers' net pension liability	<u>(7,085,305)</u>	<u>(1,677,063)</u>
Ratio of fiduciary net position to the employers' total pension liability	<u>96.27%</u>	<u>95.09%</u>

14. DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources arises 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 is reduced and revenue is recognized. The Town's only deferred inflows relates to pension accounting.

15. FUND BALANCES

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

GASB 54 defines five categories of fund balances as follows:

1. **Non-spendable** fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The Town’s non-spendable fund balance consists of prepaid expenditures at December 31, 2019.
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. Restricted fund balance includes the following:

	<u>General Fund</u>	<u>Highway Fund</u>
Tax Stabilization	\$ 1,597,870	\$ 117,904
Greenspace Fund	240,832	-
Police Funds	27,321	-
	<u>\$ 1,866,023</u>	<u>\$ 117,904</u>

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. The Town has no committed fund balances at December 31, 2019.
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 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.

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.

The Town has a fund balance policy which targets unassigned fund balance to be at least 12% and no more than 17% of expenditures. The goal is that unassigned fund balance should approximate two months expenditures. Balances in excess of 17% are restricted to stabilize property tax.

16. TAX ABATEMENTS

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 \$411,957 in PILOT revenue under PILOT agreements expiring through 2033. Abated property taxes amounted to \$105,663 under this program.

17. INTERFUND REVENUES AND ADMINISTRATIVE CHARGES

The Town records the estimated cost of administrative charges to the highway, water and sewer funds. Interfund revenues and charges arising from these transactions for the year ended December 31, 2019 were as follows:

	<u>Interfund Revenue</u>	<u>Administrative Charge</u>
General	\$ 74,757	\$ -
Water	-	43,626
Sewer	-	31,131
	<u>\$ 74,757</u>	<u>\$ 74,757</u>

18. COMMITMENTS AND CONTINGENCIES

Litigation: The Town is a defendant in lawsuits arising in the normal course of business. In the opinion of the Town, after considering all relevant facts, the ultimate losses not covered by insurance resulting from such litigation would be immaterial in relation to the financial statements taken as a whole.

Environmental Concerns: The Town is engaged in many activities (i.e., highway maintenance, salt and gasoline storage), in the normal course of operations that are potentially hazardous to the environment. Policies, procedures and safeguards have been implemented by the Town to assist in the protection of the environment. As of December 31, 2019, the Town is not aware of any significant environmental problems that should be disclosed in the financial statements.

Host Benefit Agreement: The Town signed a host benefit agreement with a local company in 2012. The thirty year agreement requires quarterly payments of forty cents per ton of construction and debris disposed on site. For the year ended December 31, 2019, the Town recognized \$127,451 and \$34,662 as miscellaneous revenue in the general fund and highway fund, respectively.

TOWN OF NORTH GREENBUSH, NEW YORK

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

DECEMBER 31, 2019

18. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Water Purchase Contracts: The Town has contracts to purchase water from the City of Troy, the City of Rensselaer and the Town of East Greenbush. The contract with Troy expires in 2036 while the contract with Rensselaer and East Greenbush expired in 2004. Water purchases for the year ended December 31, 2019 were as follows:

City of Troy	\$ 652,334
City of Rensselaer	207,340
Town of East Greenbush	207,340
	<u>\$ 1,067,014</u>

Lease Obligations: The Town leases property and has an operating lease expiring November 30, 2023 for its Police Station. Future minimum lease payments are:

2020	\$ 145,042
2021	150,540
2022	150,941
2023	143,320
	<u>\$ 589,843</u>

Union Contracts: Police and highway Town employees are each represented by a collective bargaining agent. Those agents which represent them and the dates of expiration of their agreements are as follows:

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
Civil Service Employees Association - DPW	December 31, 2025
North Greenbush Town Employees	December 31, 2024
Town Police	December 31, 2021

Capital Projects: The Town has \$7.9 million in state and federal funding for a \$9.8 million project to improve Route 4 safety, and a \$3.1 million grant from NYS Environmental Facilities Corporation for a Town-wide drinking water improvement project along Route 43.

19. SUBSEQUENT EVENTS

Management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through March 10, 2020, the date the financial statements were available to be issued. No such events or transactions were identified.

February 17, 2021

Town of North Greenbush, New York
 2 Douglas Street
 Wynantskill, New York 12198

**Re: \$7,910,000.00¹ Town of North Greenbush, Rensselaer County, New York
 Public Improvement Refunding (Serial) Bonds, 2021**

Ladies and Gentlemen:

We have been requested to render our opinion as to the validity of the \$7,910,000.00 Public Improvement Refunding (Serial) Bonds, 2021 (the “Bonds”) issued by the Town of North Greenbush, Rensselaer County, New York (the “Town”) dated the date hereof, initially issued in registered form in denominations such that one bond shall be issued for each maturity of bonds in such amounts set forth in Exhibit “A” attached hereto and made a part hereof. The Bonds bear interest at the annual rates of interest set forth in Exhibit “A”, attached hereto, payable on April 1st and October 1st of each year until maturity commencing on April 1, 2030. The Bonds maturing on or after April 1, 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 option of the Town on April 1, 2030 or on any payment date thereafter at par (100.0%), plus accrued interest to the date of redemption.

The Bonds are authorized to be issued pursuant to the Constitution and laws of the State, including, without limitation, the Town Law and the Local Finance Law.

The Bonds are being issued to refund certain outstanding bonds of the Town pursuant to a refunding bond resolution adopted by the Town Board of the Town on January 14, 2021.

The Bonds have been designated by the Town as a “qualified tax-exempt obligation” within the meaning and for the purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended and the regulations issued thereunder (the “Code”).

We have examined:

- (1) the Constitution and applicable statutes of the State of New York;
- (2) the Code; and
- (3) an arbitrage and use of proceeds certificate (the “Arbitrage Certificate”) executed on behalf of the Town and dated the date hereof which includes, among other things, covenants, relating to compliance with the Code, with the owners of the Bonds that the Town will, among other things, (i) take all actions on its part necessary to cause interest on the Bonds not to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, restricting, to the extent necessary, the yield on investments made with the proceeds of the Bonds and investment earnings thereon, making required payments to the Federal Government, if any, and maintaining books and records in a specified manner, where appropriate, and (ii) refrain from taking any action which would cause interest on the Bonds to be includable in the gross income of the owners thereof for federal income tax purposes, including, without limitation, refraining from spending the proceeds of the Bonds and investment earnings thereon on certain specified purposes.

We also have examined a certified copy of proceedings of the finance board of the Town (within the meaning of the Law) and other proofs authorizing and relating to the issuance of the Bonds, including the form of the Bonds. In rendering the opinions expressed herein we have assumed the accuracy and truthfulness of all public records, documents and proceedings, including factual information, expectations and statements contained therein, examined by us which have been executed or certified by public officials acting within the scope of their official capacities, and have not verified the accuracy or truthfulness thereof. We also have assumed the genuineness of the signatures appearing upon such public records, documents and proceedings and the certifications thereof.

¹ Preliminary; subject to change.

Based upon the foregoing, and subject to the limitations and assumptions contained herein, in our opinion:

(a) 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 real 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; provided, however, that the power of the Town to levy unlimited real estate taxes on all the real property within the Town may be subject to the statutory limitations imposed by Chapter 97 of the Laws of 2011 of the State of New York, as amended, depending upon the interpretation of such statute by a court of competent jurisdiction in the event of legal challenge. Additionally, the enforceability (but not the validity) of the Bonds: (i) may be limited by any applicable bankruptcy, insolvency or other law, including, without limitation, executive orders, now existing or hereafter enacted by said State or the Federal Government affecting the enforcement of creditors' rights, and (ii) may be subject to the exercise of judicial discretion in appropriate cases.

(b) The Town has the power to comply with its covenants with respect to compliance with the Code as such covenants relate to the Bonds; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable bankruptcy, insolvency or other law, including, without limitation, executive orders, now existing or hereafter enacted by said State or the Federal Government affecting the enforcement of creditors' rights.

(c) The interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes under Section 103 of the Code. Further, the interest on the Bonds is not a specific preference item for purposes of the federal alternative minimum taxes imposed by the Code. The opinions set forth in the preceding sentences of this paragraph are based on the assumption that the Town will 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 all such requirements. 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. We express no opinion regarding other federal tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds.

(d) 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).

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

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. Accordingly, the opinions expressed herein are not intended to, and may not, be relied upon in connection with any such actions, efforts or matters.

Our engagement with respect to the Bonds has concluded with issuance of the Bonds, and we disclaim any obligation to update, revise or supplement the opinions expressed herein to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds and the Arbitrage Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws, including, without limitation, executive orders, relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against municipalities in the State of New York. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, choice of venue, or waiver provisions contained in the foregoing documents.

The scope of our engagement in relation to the issuance of the Bonds has extended solely to the examination of the facts and law incident to rendering the opinions expressed herein. Such opinions are not intended and should not be construed to express or imply any conclusion that the amount of real property subject to taxation within the boundaries of the Town, together with other legally available sources of revenue, if any, will be sufficient to enable the Town to pay the principal of or interest on the Bonds as the same respectively becomes due and payable. Reference should be made to the Official Statement prepared by the Town in relation to the Bonds for factual information which, in the judgment of the Town, could materially affect the ability of the Town to pay such principal and interest. While we have participated in the preparation of such Official Statement to the extent of reviewing and providing comments related to the Preliminary Official Statement, we have not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, we express no opinion as to whether the Town, in connection with the sale of the Bonds, has made any untrue statement of a material fact or omitted to state a material fact necessary in order to make any statements made, in light of the circumstances under which they were made, not misleading.

Very truly yours,

WHITEMAN OSTERMAN & HANNA LLP

EXHIBIT “A”

**\$7,910,000 Town of North Greenbush
Rensselaer County, New York
Public Improvement Refunding (Serial) Bonds, 2021**

Principal Payment Schedule

<u>Year (April 1)</u>	<u>Principal Amount to be Paid</u>	<u>Annual Interest Rate</u>
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		