

NEW/RENEWAL ISSUE**SERIAL BONDS & BOND ANTICIPATION NOTES**

In the opinion of Hodgson Russ LLP, Albany, New York, Bond Counsel, based on existing statutes, regulations, rulings and court decisions, and assuming the accuracy of certain representations and continuing compliance with certain covenants described in "TAX MATTERS" herein, interest on the Bonds and Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). In the further opinion of Bond Counsel, interest on the Bonds and Notes is not treated as a specific preference item for purposes of the federal alternative minimum tax imposed on individuals. We note that, for tax years beginning after December 31, 2022, interest on the Bonds and Notes will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond Counsel is also of the opinion that interest on the Bonds and Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of or the amount, accrual, or receipt of interest on the Bonds and Notes. See "TAX MATTERS" herein.

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

\$4,495,000

CITY OF COHOES ALBANY COUNTY, NEW YORK GENERAL OBLIGATIONS



\$995,000 Public Improvement (Serial) Bonds, 2023 (the "Bonds")

Dated: August 24, 2023

Due: August 15, 2024-2039

MATURITIES

Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP	Year	Amount	Rate	Yield	CSP
2024	\$ 50,000	%	%		2030	\$ 60,000	%	%		2035	\$ 70,000*	%	%	
2025	50,000				2031	60,000				2036	70,000*			
2026	50,000				2032	60,000*				2037	75,000*			
2027	55,000				2033	65,000*				2038	75,000*			
2028	55,000				2034	65,000*				2039	80,000*			
2029	55,000													

* The Bonds maturing in the years 2032-2039 are subject to redemption prior to maturity. See "CERTIFICATED BONDS – Optional Redemption" herein.

\$3,500,000 Bond Anticipation Notes, 2023 (Renewals)

Dated: August 24, 2023

August 23, 2024

(the "Notes")

(collectively referred to herein as the "Bonds" and Notes")

The Bonds and Notes are general obligations of the City of Cohoes, Albany County, New York (the "City"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon, without limitation as to rate or amount subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See "TAX INFORMATION – Tax Levy Limitation Law" herein.

The Bonds will be issued as registered bonds registered in the name of the purchaser, or, at the option of the purchaser, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on February 15, 2024, August 15, 2024, and semi-annually thereafter on February 15 and August 15. Principal and interest will be paid by the City 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. A good faith deposit will not be required. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations equal to the principal amount of the Bonds maturing in each year, and the City will act as paying agent. Paying agent fees, if any, in such case are to be paid by the purchaser. The Bonds may not be converted into coupon bonds or be registered to bearer.

The Notes are not subject to redemption prior to maturity. At the option of the purchaser(s), the Notes will be issued as registered notes or registered in the name of the purchaser. If such Notes are issued as registered in the name of the purchaser, principal of and interest on the Notes will be payable in Federal Funds. In such case, the Notes will be issued as registered in the name of the purchaser in denominations of \$5,000 or multiples thereof, as may be determined by such successful bidder(s).

Alternatively, if the Notes are issued as registered notes, the Notes will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. Noteholders will not receive certificates representing their ownership interest in the notes purchased if the Purchaser(s) elects to register the Notes. Such Notes will be issued in denominations of \$5,000 or integral multiples thereof, as may be determined by such successful bidder(s). If the Notes are issued as registered notes, payment of the principal of and interest on the Notes to the Beneficial Owner(s) of the Notes will be made by DTC Direct Participants (as hereinafter defined) and Indirect Participants (as hereinafter defined) in accordance with standing instructions and customary practices, as is now the case with municipal securities held for the accounts of customers registered in the name of the purchaser or registered in "street name". Payment will be the responsibility of such DTC Direct or Indirect Participants and the City, subject to any statutory and regulatory requirements as may be in effect from time to time. See "BOOK-ENTRY-ONLY SYSTEM" herein.

The Bonds and Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinion as to the validity of the Notes of Hodgson Russ LLP, Bond Counsel, Albany, New York. It is anticipated that the Bonds and Notes will be available for delivery through the facilities of DTC located in Jersey City, New Jersey or as may be agreed upon on or about August 24, 2023.

ELECTRONIC BIDS for the Bonds and Notes must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.FiscalAdvisorsAuction.com on August 9, 2023 until 11:00 A.M., Eastern Time, pursuant to the Notices of Sales. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids also may be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the City, each bid will constitute an irrevocable offer to purchase the Bonds and Notes pursuant to the terms provided in the Notices of Sales.

August 2, 2023

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

CITY OF COHOES

ALBANY COUNTY, NEW YORK



WILLIAM T. KEELER
Mayor

COMMON COUNCIL

WILLIAM MCCARTHY
President

WILLIAM SMITH
DONALD RUSSELL
CHRISTOPHER BRIGGS
ADAM BIGGS
JUSTIN ALESIO

* * * * *

MICHAEL J. DUROCHER
City Comptroller

JAMES BOUCHARD
City Treasurer

LORI YANDO
City Clerk

BRIAN S. KREMER, ESQ.
Corporation Counsel



FISCAL ADVISORS & MARKETING, INC.
Municipal Advisor



Bond Counsel

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

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PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT
of the
CITY OF COHOES
ALBANY COUNTY, NEW YORK

Relating To
\$995,000 Public Improvement (Serial) Bonds, 2023
&
\$3,500,000 Bond Anticipation Notes, 2023 (Renewals)

This Official Statement, which includes the cover page, has been prepared by the City of Cohoes, Albany County, New York (the "City," "County," and "State," respectively) in connection with the sale by the City of \$995,000 Public Improvement (Serial) Bonds, 2023 (the "Bonds") and \$3,500,000 principal amount of Bond Anticipation Notes, 2023 (Renewals) (the "Notes") (collectively referred to herein as the "Bonds and Notes").

The factors affecting the City's financial condition and the Bonds and Notes are described throughout this Official Statement. Inasmuch as many of these factors, including economic and demographic factors, are complex and may influence the City'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 and acts and proceedings of the City 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 Notes and the proceedings of the City relating thereto are qualified in their entirety by reference to the definitive forms of the Bonds and Notes and such proceedings.

DESCRIPTION OF THE BONDS

The Bonds are general obligations of the City 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 City is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, without limitation as to rate or amount. See "TAX LEVY LIMITATION LAW" herein.

The Bonds will be dated August 24, 2023 and will mature in the principal amounts as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption" hereunder. The "Record Date" of the Bonds will be the first day of the calendar month preceding each such interest payment date. Interest will be calculated on a 30-day month and 360-day year basis, payable at maturity.

The Bonds will be issued as registered bonds and may be registered, at the option of the purchaser, in the name of the purchaser or in the name of Cede & Co., as nominee of DTC, which, if so selected by the purchaser, will act as securities depository for the Bonds. If the purchaser elects to have the Bonds issued in the name of Cede & Co., individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. If the Bonds are issued in book-entry form, purchasers will not receive certificates representing their ownership interest in the Bonds. Principal and interest will be paid by the City 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. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, principal and interest will be payable at the office of the City Clerk in Cohoe, New York. The Bonds may not be converted into coupon bonds or be registered to bearer.

Interest on the Bonds will be payable semi-annually on February 15 and August 15 in each year until maturity commencing February 15, 2024.

DESCRIPTION OF THE NOTES

The Notes are general obligations of the City and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes 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 City is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See "TAX INFORMATION - Tax Levy Limitation Law" herein.

The Notes are dated August 24, 2023 and will mature on August 23, 2024.

The Notes are not subject to redemption prior to maturity.

The Notes will be issued in either (i) registered in the name of the purchaser, in denominations of \$5,000 or integral multiples thereof, as may be determined by the successful bidder(s) or (ii) at the option of the purchaser(s), as registered notes, and, if so issued, registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Notes. See "BOOK-ENTRY-ONLY SYSTEM" herein.

BOOK-ENTRY-ONLY SYSTEM

If so elected, the Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds and Notes. The Bonds and Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered note certificate will be issued for each Note bearing the same rate of interest and CUSIP number, and will be deposited with DTC.

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

Purchases of Bonds and Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds and Notes on DTC's records. The ownership interest of each actual purchaser of each Note ("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 and Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds and Notes, except in the event that use of the book-entry system for the Bonds and Notes is discontinued.

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

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

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

Principal and interest payments on the Bonds and Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the City, 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 and Notes at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor depository is not obtained, note certificates are required to be printed and delivered.

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

Source: The Depository Trust Company.

THE CITY 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 AND NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE NOTES; (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS AND NOTES; OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE BONDS AND NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

THE CITY 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 OR REDEMPTION PREMIUM ON THE BONDS AND NOTES; (3) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS; OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE REGISTERED HOLDER OF THE BONDS AND NOTES.

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

CERTIFICATED NOTES

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

The Notes will be issued in bearer form in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at a bank or trust company located and authorized to do business in the State of New York to be named by the City. The Notes will remain not subject to redemption prior to their stated final maturity date.

Purpose of Issue – The Notes

The Notes are issued pursuant to the Constitution and Statutes of the State of New York, including among others, the General City Law and the Local Finance Law, the City Charter and bond ordinance No. 3 for the year 2021 duly adopted by the Common Council of the City on April 27, 2021 and bond ordinance No. 8 for the year 2021, duly adopted by the Common Council of the City on April 27, 2021 for the following purpose.

<u>Purpose</u>	<u>Amount</u>
Columbia Street and Mohawk/Hudson Bike Path Projects	\$ 3,500,000

The proceeds of the Notes will fully redeem and renew the \$3,500,000 bond anticipation notes maturing on August 25, 2023.

No Optional Redemption

The Notes are not subject to redemption prior to maturity.

CERTIFICATED BONDS

If the book-entry form is initially chosen by the purchaser of the Bonds, DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law, or the City may terminate its participation in the system of book-entry-only transfers through DTC at any time. In the event that such book-entry-only system is discontinued or the purchaser elects to have the Bonds issued in certificated form, 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. Principal of the Bonds when due will be payable upon presentation, at the option of the City, at the offices of the City or at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the City upon termination of the book-entry-only system. Interest on the Bonds will be payable semi-annually on February 15, 2024 and semi-annually thereafter on August 15 and February 15. Such interest will be payable by check drawn on the fiscal agent and mailed to the registered owner 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. 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 Bond Determinations Certificate of the President of the Board of Education 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.

Purpose of Issue – The Bonds

The Bonds are issued pursuant to the Constitution and Statutes of the State of New York, including among others, the General City Law and the Local Finance Law, the City Charter and bond ordinance No. 7 for the year 2023 duly adopted by the Common Council of the City on July 25, 2023.

<u>Purpose</u>	<u>Amount</u>
Property Acquisition of the Cohoes Savings bank building	\$ 550,000
Playground Equipment	<u>445,000</u>
Total	\$ 995,000

The Bonds will provide \$995,000 of new monies to permanently finance the projects listed above.

Optional Redemption

The Bonds maturing on or before August 15, 2031 shall not be subject to redemption prior to maturity. The Bonds maturing on or after August 15, 2032 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 City on August 15, 2031 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

THE CITY

General Information

The City of Cohoes is located in Albany County at the mouth of the Mohawk River where it joins the Hudson River in the Capital District Region of northeastern New York State. Cohoes is 180 miles north of New York City, 210 miles south of Montreal and 275 miles east of Buffalo. The City has a total area of 4.23 square miles of which 3.79 square miles is land area. Potentially developable land area is approximately 0.27 square miles.

Major highways include New York State Routes #32, #9R and #470, all of which pass through the City itself. There is direct access to Interstate #787 as well as other major routes. The distances to these routes are: Interstate #90 (New York State Thruway) – 5 miles; Interstate #87 (Adirondack Northway) – 1 mile; Interstate #787 – 1 mile; U.S. Route #9 – 1 mile; and U.S. Route #4 – 1 mile. The Delaware and Hudson Railroad provides freight service. The Capital District Transportation Authority (CDTA) and the Village Transportation Company provide both inter-urban and local bus service to Cohoes' residents.

U.S. Airways, American Airlines, Southwest Airlines, jetBlue, Allegiant Air, and United Airlines provide local, national and international air service and connections at Albany International Airport, located 5 miles from the City. Both Albany International and Schenectady County airports offer general aviation services for private and corporate users, including charter service. Cohoes also has access to water freight transportation.

The Capital District is located at the intersection of the east-west New York State Canal System offering direct water connections to New York City, Montreal and the Great Lakes. The inland seaport, the Port of Albany, has year-round facilities for ocean-going vessels.

Recent Developments

The City has been undergoing a strong economic revitalization. In early 2018, construction of Mosaic Village, a 72-housing unit, 18 of which will be designed for people with developmental disabilities. The project was completed in 2019.

In June 2017, a Pioneer Commercial Bank opened. Additionally, renovation of Cohoes Hotel into 8 loft apartments was completed in November 2018 and the apartments have been rented out. The Cohoes Music Hall Captains Lookout has also been completed.

In November 2014, construction commenced on The Residences at Lexington Hills, a \$70 million luxury 350-unit apartment complex in the City. Phase I of this project has been completed. Phase II of this project began in the summer 2022.

In August 2014, New York State Homes and Community Renewal announced the start of construction at Lion Heart Residences in the City. The \$16.4 million development features 57 affordable one, two- and three-bedroom apartments, as well as 15 fully accessible apartments with support services for residents with developmental disabilities. The structures were completed in 2015.

Construction is completed for a 96-unit residential apartment complex located on Delaware Avenue in the City along the Hudson River shoreline. The project is being led by the Catholic Charities.

Major Employers

Some of the major employers located within and/or surrounding the City are as follows:

<u>Name</u>	<u>Type of Business</u>	<u>Approximate # of Employees</u>
The Eddy	Rehabilitation Center	525
Mohawk Paper Mill	Paper Mill	315
City School District of the City of Cohoes	Public Education	295
KeyBank, N.A.	Banking Facility	130
Van Alstine & Sons, Inc.	Printing	85
Norlite Corporation	Mining/Minerals	77
Shelter Enterprises	Modular Housing	60

Source: City officials

Population Trends

<u>Year</u>	<u>City of Cohoes</u>	<u>Albany County</u>	<u>New York State</u>
1970	18,653	286,742	18,236,882
1980	18,144	285,909	17,558,072
1990	16,825	292,594	17,990,455
2000	15,521	294,585	18,796,457
2010	16,168	304,204	19,378,102
2020	18,147	314,848	20,201,249
2022	17,876	315,811	19,677,151

Source: U.S. Census.

Wealth and Income Indicators

Per capita income statistics are available for the City, County and State. Listed below are select figures from the 2000 U.S. Census Bureau reports and the U.S. Census Bureau 2006-2010 and 2017-2021 American Community Survey data.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>	<u>2000</u>	<u>2006-2010</u>	<u>2017-2021</u>
City of:						
Cohoes	\$ 18,416	\$ 24,815	\$ 30,540	\$ 42,054	\$ 52,500	\$ 61,506
County of:						
Albany	23,345	30,863	40,997	56,724	76,159	101,947
State of:						
New York	23,389	30,948	43,208	51,691	67,405	92,731

Note: 2018-2022 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 2017-2021 American Community Survey data.

Unemployment Rate Statistics

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

	<u>2016</u>	<u>2017</u>	<u>Annual Average</u>		<u>2020</u>	<u>2021</u>	<u>2022</u>
			<u>2018</u>	<u>2019</u>			
Albany County	4.1%	4.2%	3.7%	3.6%	6.9%	4.4%	3.0%
New York State	4.9	4.7	4.1	4.0	9.9	6.9	4.3

	<u>2023 Monthly Figures</u>						
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>
Albany County	3.5%	3.2%	2.9%	2.3%	2.7%	N/A	N/A
New York State	4.6	4.5	4.0	3.7	3.8	N/A	N/A

Note: Unemployment rates for June and July of 2023 are unavailable as of the date of this Official Statement.

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

Combined Sewer Overflows

In 2007, the Albany Water Board, the Cities of Cohoes, Rensselaer, Troy and Watervliet and the Village of Green Island (the Albany Pool Communities, or APC's) joined in a comprehensive inter-municipal venture led by the Capital District Regional Planning Commission (CDRPC) to develop a Phase I Combined Sewer Overflow (CSO) Long Term Control Plan (LTCP, or Plan). To complete the development of this Plan, the CDRPC selected a consulting engineering team consisting of a joint venture between Malcolm Pirnie, CDM and CHA; collectively referred to as the Albany Pool Joint Venture Team (APJVT).

The APC's collectively own and operate 92 CSOs that discharge to the Hudson and Mohawk Rivers and their tributaries. Each of the APCs contributes combined sewage flow to a wastewater treatment plant owned and operated by either the Albany County Sewer District or the Rensselaer County Sewer District. While not directly responsible for addressing the CSO discharges, sewer district facilities can impact the conveyance and treatment of peak wet weather flows. As a result, the sewer districts are connected to the CSO program through their SPDES permits and have actively cooperated with the APC's in the development of the draft LTCP for the abatement of CSO's. The original draft LTCP was submitted to the New York State Department of Environmental Conservation (NYS DEC) on June 11, 2011. There is a memorandum of agreement and an Inter-municipal Agreement with each community and as of June, 2015 the Local Development Corporation has been formed. The communities will be billed for their proportionate share of the amounts identified in the agreement. Any grant money that is received will be applied as a credit to the communities. CDRPC will be maintaining the accounting books associated with the monies received and expensed incurred including grants. The City of Cohoes has a share of 2.7% of the overall project.

Form of City Government

The governing body (Common Council) of the City is composed of an elected mayor and six Aldermen, one representing each of the six wards comprising the City as prescribed by the City Charter. The Mayor is elected for a four-year term and the members of the Common Council are elected for four-year terms, with elections held in November of the even numbered years. The positions of the Comptroller and City Clerk and the Department heads are all appointed. All serve under tenure. All elected officers may succeed themselves. The Corporation Counsel is appointed and serves at the discretion of the Mayor.

Financial Organization

The Comptroller is the chief fiscal officer of the City whose responsibility it is to receive, disburse and account for all financial transactions of the City.

Budgetary Procedures and Recent Budget Votes

The Board of Managers, which consists of the Mayor, City Comptroller, Commissioner of Public Works, Treasurer and the Common Council President, annually prepares a budget of estimated revenues and anticipated expenditures for the City. Such proposed budget must be submitted to the Common Council by the beginning of October. At least one public hearing is held on the proposed budget and changes, if any, are made. The budget as modified is then voted upon by the Common Council by November 15, and all levies imposed by the budget are made on January 1st.

The City's 2018 budget included a 1.73% increase in property tax levy, which was within the City's tax levy limit of 1.84%.

The City's 2019 budget included a 0.04% increase in property tax levy, which was within the City's tax levy limit of 2.00%.

The City's 2020 budget included a 1.68% increase in property tax levy, which was within the City's tax levy limit of 2.00%.

The City's 2021 budget included a 0.0% increase in property tax levy, which is within the New York State tax levy limit of 0.85%.

The City's 2022 budget included a 6.16% increase in property tax levy, which is within the City's tax levy limit of 11.13%.

The City's 2023 budget included a 2.75% increase in property tax levy, which is within the New York State tax levy limit of 2.00%

Investment Policy

Pursuant to the statutes of the State of New York, the City 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 City; (6) obligations of a New York public corporation which are made lawful investments by the City 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 City monies held in certain reserve funds established pursuant to law, obligations issued by the City. 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.

The City has adopted an investment policy which conforms to the statutes as described above.

State Aid

The City receives financial assistance from the State. In its budget for the 2023 fiscal year, approximately 18.3% of the revenues of the City are estimated to be received in the form of State aid. If the State should not adopt its budget in a timely manner, municipalities and school districts in the State, including the City, may be affected by a delay in the payment of State Aid.

The State is not constitutionally obligated to maintain or continue State aid to the City. No assurance can be given that present State aid levels will be maintained in the future. In view of the State's continuing budget problems, future State aid reductions are likely. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the City requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures.

Employees

The City provides services through approximately 130 full-time employees. The bargaining units, number of members and contract expiration dates are represented below:

<u>Bargaining Unit</u>	<u>Number of Members</u>	<u>Contract Expiration Date</u>
Civil Service Employees Association – DPW	38	December 31, 2023
Civil Service Employees Association – Clerical	4	December 31, 2022 ⁽¹⁾
Cohoes Police Benevolent and Protective Association	32	December 31, 2024
International Association of Fire Fighters	<u>33</u>	December 31, 2026
Total	107	

⁽¹⁾ Currently in negotiations.

Source: City officials.

Pension Payments

Substantially all employees of the City 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 City's payments to the Retirement System for the past five completed fiscal years and the budgeted amount for the current fiscal year are as follows:

<u>Fiscal Year</u>	<u>ERS</u>	<u>PFRS</u>
2018	\$476,614	\$1,137,238
2019	427,022	1,133,863
2020	470,032	1,161,330
2021	505,557	1,345,967
2022	406,855	1,363,788
2023 (Budgeted)	487,500	1,450,000

Source: City 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 City does not have any early retirement incentives outstanding.

Historical Trends and Contribution Rates: Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the 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 (2020 to 2024) is shown below:

<u>Year</u>	<u>ERS</u>	<u>PFRS</u>
2020	14.6%	23.5%
2021	14.6	24.4
2022	16.2	28.3
2023	11.6	27.0
2024	13.1	27.8

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 City, 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 City 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 City’s employees is not subject to the direction of the City. 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 City 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 City was required to adopt the provisions of Statement No. 75 for the year ending December 31, 2018.

The City has contracted with an actuarial firm to calculate its OPEB liability in accordance with GASB 75. The following tables show the components of the City's annual OPEB cost, the amount actuarially contributed to the plan, changes in the City's net OPEB obligation and funding status calculated for the fiscal years ending December 31, 2021 and December 31, 2022.

	Balance beginning at:	January 1, 2021	January 1, 2022
		<u>\$ 42,764,546</u>	<u>\$ 44,756,053</u>
<u>Changes for the year:</u>			
Service cost		1,750,536	1,698,775
Interest		899,627	1,458,764
Differences between expected and actual experience		-	4,855,211
Changes in benefit terms		-	-
Changes in assumptions or other inputs		-	(11,398,321)
Benefit payments		<u>(658,656)</u>	<u>(1,395,284)</u>
Net Changes		<u>\$ 1,991,507</u>	<u>\$ (4,780,855)</u>
	Balance ending at:	December 31, 2021	December 31, 2022
		<u>\$ 44,756,053</u>	<u>\$ 39,975,198</u>

Note: The difference in Total OPEB liability ending balance December 31, 2020 and Total OPEB beginning balance January 1, 2021 is due to incomplete actuarial reports resulting from the Coronavirus Pandemic.

The above table is not audited.

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

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

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

Other Information

No principal or interest upon any obligation of this City is past due.

The fiscal year of the City is the calendar year.

This Official Statement does not include the financial data of any political subdivision having power to levy taxes within the City.

The City is in compliance with the procedure for the publication of the estoppel notice with respect to the adoption of the Bond Ordinance authorizing the issuance of the Notes as provided in Title 6 of Article 2 of the Local Finance Law.

Financial Statements

The City retains an independent certified public accountant firm for a continuous independent audit of all financial transactions of the City. The last audited financial report completed is for the period ending December 31, 2022 and is attached hereto as APPENDIX - D. Certain financial information of the City may be found in the Appendices to this Official Statement.

The City complies with the Uniform System of Accounts as prescribed for cities 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 State Comptroller's Fiscal Stress Monitoring System

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

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

The reports of the State Comptroller for the 2017 through 2021 fiscal years for the City are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2021	No Designation	3.3
2020	No Designation	5.0
2019	No Designation	1.7
2018	No Designation	1.7
2017	No Designation	5.0

Note: The fiscal stress report for fiscal year ending December 31, 2022 is not available as of the date of this Official Statement. Reference to website implies no warranty of accuracy of information therein.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

New York State Comptroller Reports of Examination

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the City 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 currently no State Comptroller's audits of the City that are in progress or pending release nor have any audits of the City been released within the past five years. The most recent audit for the City was released on November 14, 2014. The purpose of the audit was to examine the City's purchasing process for the period January 1, 2013 through March 31, 2014. The City provided a complete response to the State Comptroller's office on October 3, 2014. A copy of the complete report and response can be found via the website of the Office of the New York State Comptroller.

Source: Website of the Office of the New York State Comptroller. References to website addresses presented herein are for informational purposes only. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

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TAX INFORMATION

Valuations

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assessed Valuations	\$ 414,103,660	\$ 415,290,594	\$ 418,854,708	\$ 444,488,212	\$ 461,465,658
New York State					
Equalization Rate	50.00%	50.00%	50.00%	44.84%	42.19%
Total Taxable Full Valuation	\$ 828,207,320	\$ 830,581,188	\$ 837,709,416	\$ 991,276,120	\$ 1,093,779,706

Source: City officials.

Tax Rates Per \$1,000 Assessed

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City	\$ 17.89	\$ 18.18	\$ 18.18	\$ 18.18	\$ 18.00
County	7.49	7.08	7.49	7.77	7.56

Source: City officials.

Tax Collection Record

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City Tax Levy	\$ 7,403,834	\$ 7,550,262	\$ 7,618,646	\$ 8,095,286	\$ 8,306,388
County Tax Levy	3,115,318	2,958,059	2,963,776	3,452,743	3,505,774
Additions (Collections) During Yr	<u>12,065</u>	<u>19,267</u>	<u>42,448</u>	<u>229,977</u>	<u>10,880</u>
Net Tax Levy	\$ 10,531,217	\$ 10,527,588	\$ 10,624,870	\$ 11,778,006	\$ 11,823,042
Collections During the Year	10,531,217	10,527,588	10,624,870	11,778,006	N/A
Uncollected End of Year ⁽¹⁾	-	-			
% Collected	100.00%	100.00%	100.00%	100.00%	N/A

⁽¹⁾ The City is assured of 100.0% of its tax levy. See "Tax Collection Procedure" herein.

Source: City officials.

Tax Collection Procedure

City property taxes are payable in full on or before March 31st without penalty or may be paid in two equal installments. One half may be paid on or before March 31st and the second half on or before September 30th. If the City property taxes are not paid according to either of the above options, a penalty of 1-1/2% per month is added to the whole amount from January 1st until such time payment is made. The penalty becomes due and is added on the first day of each month until paid. County property taxes are payable in full on or before March 31st without penalty. If the County property taxes are not paid, a penalty of 1-1/2% per month is added to the whole amount from January 1st until such time payment is made.

The City acts as the collection agent for school district taxes for the City School District of the City of Cohoes (the "School District"), and is responsible for paying the School District its levy in full. The City pays the School District monthly except during collection periods in which the City pays the School District weekly.

The City, in each fiscal year, collects County taxes and delinquent School District taxes, in addition to City taxes and water and sewer rents. Each fiscal year, County taxes collected by the City are paid over to the County only after all current City tax receivables have been collected. On October 15th of each fiscal year, the City Treasurer pays over to the Comptroller of the County of Albany the current County tax levy, receiving credit for unpaid City taxes levied in the current fiscal year. Effectively, the City receives 100% of its tax levy in the form of cash collected or credits against the County tax warrant for the City taxes, water and sewer rents (re-levied from the previous year) and delinquent School District taxes not collected in the current fiscal year. If the amount of County taxes collected by the City is less than the outstanding amount of delinquent City and School District taxes, then the County must reimburse the City directly for all unpaid City and delinquent School district taxes.

Larger Taxpayers 2022 Assessment Roll

<u>Name</u>	<u>Type</u>	<u>Assessed Valuation</u>
Erie Blvd. Hydropower	Utility	\$29,822,500
The Lofts at Harmony	Apartments	14,226,248
Watersview	Apartments	10,360,000
Wolf Ranch Lexington Hills	Apartments	6,832,832
Hudson Square	Apartments	5,592,000
Riverwalk on Hudson	Apartments	4,525,400
Waterside	Apartments	3,648,000
Capital District Apartments	Apartments	3,440,000
Norlite	Mining/Salvage	2,900,000
American Housing	Apartments	<u>2,850,000</u>
Total:		\$84,196,980

The ten largest taxpayers listed above have a total assessed valuation of \$84,196,980 that represents approximately 18.2% of the City's tax base for the 2023 fiscal year.

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

Source: City officials.

Constitutional Tax Margin

Computation of Constitutional Tax Margin for fiscal years ending December 31:

<u>Fiscal Year Ending December 31:</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Five Year Average Full Valuation.....	\$ 916,310,750	\$ 863,788,794	\$ 828,934,990
Tax Limit - (2%).....	18,326,215	17,275,776	16,578,700
Add: Exclusions from Tax Limit.....	<u>1,273,411</u>	<u>1,177,044</u>	<u>1,162,400</u>
Total Taking Power.....	\$ 19,599,626	\$ 18,452,820	\$ 17,741,100
Less: Total Levy.....	<u>8,306,388</u>	<u>8,083,907</u>	<u>7,614,779</u>
Constitutional Tax Margin.....	<u>\$ 11,293,238</u>	<u>\$ 10,368,913</u>	<u>\$ 10,126,321</u>

Source: City officials

Sales and Compensating Use Taxes

Section 1210 of the New York Tax law authorizes counties to levy sales and compensating use taxes of up to 3% in addition to the 4% tax levied by the State. Such sales and compensating use tax collections in New York are administered by the State Tax Commission and the proceeds are paid monthly. Through a special act of the State Legislature, Albany County imposes a 4% sales and compensating use tax.

The New York Tax Law, however, permits cities to impose a 1-1/2% sales and compensating use tax within their own jurisdictions preemptively. In such event, counties may levy a 3% sales and compensating use tax in the areas outside such cities and a 1-1/2% tax in the cities that exercise this preemptive right. However, in those jurisdictions where the 3% County tax applies, 1-1/2% thereof must be distributed to the towns and villages. The City has waived this preemptive right. By agreement made in December, 1969 among the County, the City and the cities of Albany and Watervliet, 2/3 of the sales tax receipts are retained by the County and 1/3 of such receipts are proportionally distributed to the cities, towns and villages in the County based upon their respective populations. This agreement continues in full force and effect until terminated by the parties thereto.

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The sales and compensating use tax revenues pursuant to such agreement as recorded by the City for the last ten fiscal years, the budgeted for the 2023 fiscal year are as follows:

<u>Year</u>	<u>Amount Collected</u>
2013	\$5,117,378
2014	5,237,258
2015	5,429,909
2016	5,477,128
2017	5,510,130
2018	5,852,927
2019	6,053,215
2020	5,633,860
2021	7,073,221
2022	8,204,863
2023 (Budgeted)	6,200,000

Source: City officials.

Additional Tax Information

Real property located in the City is assessed by the City.

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

The estimated total annual property tax bill of a \$100,000 assessed value residential property located in the City is approximately \$6,348 including City, County and School District taxes. The STAR (School Tax Relief) program reduces school taxes by \$576.

The City assessment roll is estimated to be constituted as follows: 83.1% residential; 11.4% commercial and 5.5% industrial.

Tax Levy Limitation Law

Chapter 97 of the 2011 Laws of New York, 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). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities' tax levies.

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

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

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

CITY INDEBTEDNESS

Debt Outstanding End of Fiscal Year

<u>Fiscal Years Ending December 31:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Bonds	\$ 9,856,263	\$ 8,696,976	\$ 8,398,634	\$ 13,953,093	\$ 12,885,000
Bond Anticipation Notes	2,140,000	920,000	0	0	3,500,000
EFC Short-Term Financing	0	0	0	0	1,095,863
Capital Leases	<u>867,606</u>	<u>787,346</u>	<u>703,095</u>	<u>617,024</u>	<u>\$ 529,094</u>
Totals	<u>\$ 12,863,869</u>	<u>\$ 10,404,322</u>	<u>\$ 9,101,729</u>	<u>\$ 14,570,117</u>	<u>\$ 18,009,957</u>

Details of Outstanding Indebtedness

The following table sets forth the indebtedness of the City evidenced by bonds and notes as of August 2, 2023.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2023-2041	\$ 12,150,000
<u>Bond Anticipation Notes</u>		
Columbia Street and Mohawk/Hudson		
Bike Path Projects	August 25, 2023	<u>3,500,000</u> ⁽¹⁾
Total Indebtedness:		<u>\$ 15,650,000</u>

⁽¹⁾ To be fully redeemed and renewed at maturity with the proceeds of the Notes.

Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of August 2, 2023:

Five-Year Average Full Valuation of Taxable Real Property	\$ 916,310,750
Debt Limit - 7% thereof.....	64,141,752
<u>Inclusions:</u>	
Bonds.....	\$ 12,150,000
Bond Anticipation Notes.....	<u>3,500,000</u>
Total Inclusions.....	<u>\$ 15,650,000</u>
<u>Exclusions:</u>	
Appropriations.....	\$ 125,000
Water Debt ⁽¹⁾	<u>3,250,000</u>
Total Exclusions.....	<u>\$ 3,375,000</u>
Total Net Indebtedness Subject to Debt Limit.....	<u>\$ 12,275,000</u>
Net Debt-Contracting Margin.....	<u>\$ 51,866,752</u>
Percent of Debt Contracting Power Exhausted.....	19.14%

⁽¹⁾ Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

Bonded Debt Service

A schedule of Bonded Debt Service may be found as APPENDIX – B to this Official Statement

Cash Flow Borrowings

The City does not anticipate issuing Revenue Anticipation Notes or Tax Anticipation Notes in the foreseeable future.

Estimate of Obligations to be Issued

The City does not currently have any capital projects authorized nor are any contemplated as of the date of this Official Statement.

Estimated Overlapping Indebtedness

In addition to the City, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the City. Estimated bonds and bond anticipation notes are listed of the respective municipalities not adjusted to include subsequent bond issues.

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> ⁽¹⁾	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>City Share</u>	<u>Net Overlapping Indebtedness</u>
County of:						
Albany	12/31/2021	\$ 293,995,000	\$ - ⁽²⁾	\$ 293,995,000	3.08%	\$ 9,055,046
School District:						
Cohoes	6/30/2022	6,670,000	6,176,420 ⁽³⁾	493,580	100.00%	493,580
					Total:	<u>\$ 9,548,626</u>

(1) Bonds and bond anticipation notes as of close of the respective fiscal year of the municipality. Not adjusted to include subsequent bond sales, if any.

(2) Water and sewer debt and appropriations.

(3) Estimated State Building aid.

Source: Comptroller's Special Reports on Municipal Affairs for Local Finance Year Ended in 2021 for counties and 2022 for school districts.

Debt Ratios

The following table sets forth certain ratios relating to the City's Net Indebtedness as of August 2, 2023:

	<u>Amount</u>	<u>Per Capita</u> ^(a)	<u>Percentage of Full Value</u> ^(b)
Net Indebtedness ^(c)	\$ 12,275,000	\$ 686.67	1.12%
Net Indebtedness Plus Net Overlapping Indebtedness ^(d)	21,823,626	1,220.83	2.00

(a) The 2022 estimated population of the City is 17,876. (See "THE CITY – Population" herein.)

(b) The City's full value of taxable real estate for the City's 2023 tax roll is \$1,093,779,706. (See "Taxable Assessed Valuations" herein.)

(c) See "Debt Statement Summary" for the calculation of Net Indebtedness, herein.

(d) The City's applicable share of Net Overlapping Indebtedness is estimated to be \$9,548,626. (See "Estimated Overlapping Indebtedness" herein).

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SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

Section 3-a of the General Municipal Law provides, subject to exceptions not pertinent, that the rate of interest to be paid by the City upon any judgment or accrued claim against it shall not exceed nine per centum per annum. This provision might be construed to have application to the holders of the Bonds and Notes in the event of a default in the payment of the principal or interest on the Bonds and Notes.

In accordance with the general rule with respect to municipalities, judgments against the City may not be enforced by levy and execution against property owned by the City.

The Federal Bankruptcy Code allows public bodies 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 to file a petition under any provision of Federal bankruptcy law for the composition or adjustment of municipal indebtedness.

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 such obligations.

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any city, county, 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 City.

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."

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

CONTINUING DISCLOSURE

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

HISTORICAL CONTINUING DISCLOSURE COMPLIANCE

The City is in compliance with all prior undertakings pursuant to the Rule for the past five years.

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MARKET AND RISK FACTORS

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

The financial and economic condition of the City as well as the market for the Bonds and Notes could be affected by a variety of factors, some of which are beyond the City'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 and Notes. If a significant default or other financial crisis should occur in the affairs of the State or another jurisdiction or any of its agencies or political subdivisions thereby further impairing the acceptability of obligations issued by borrowers within the State, both the ability of the City to arrange for additional borrowings, and the market for and market value of outstanding debt obligations, including the Bonds and Notes could be adversely affected.

The City 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 City, in any year, the City may be affected by a delay, until sufficient taxes have been received by the State to make State aid payments to the City.

There are a number of general factors which could have a detrimental effect on the ability of the City 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 City. Unforeseen developments could also result in substantial increases in City expenditures, thus placing strain on the City's financial condition. These factors may have an effect on the market price of the Bonds and Notes.

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

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

Cybersecurity

The City, 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 City 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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TAX MATTERS

In the opinion of Hodgson Russ LLP, Albany, New York, Bond Counsel, under existing law, interest on the Bonds and Notes is excludable from the gross income of the owners thereof for federal income tax purposes, assuming compliance with certain covenants and the accuracy of certain representations. Further, (a) the City or another Person, by failing to comply with the requirements contained in the Internal Revenue Code of 1986, as amended (the “Code”), may cause interest on the Bonds and Notes to become subject to federal income taxation from the date of issuance thereof, (b) interest on the Bonds and Notes is not an “item of tax preference” for purposes of the individual alternative minimum tax imposed by the Code, and (c) interest on the Bonds and Notes is included in the tax base for purposes of computing the branch profits tax under Section 884 of the Code. In addition, we note that, for tax years beginning after December 31, 2022, interest on the Bonds and Notes will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code.

Tax Requirements. In rendering the foregoing opinions, Bond Counsel noted that exclusion of the interest on the Bonds and Notes from gross income for federal income tax purposes may be dependent, among other things, on compliance with the applicable requirements of Sections 141, 148 and 149 of the Code and the regulations thereunder (collectively, the “Tax Requirements”). In the opinion of Bond Counsel, the Tax Compliance Certificate establishes requirements and procedures, compliance with which will satisfy the Tax Requirements.

In the Tax Compliance Certificate, the City has covenanted to comply with the Tax Requirements, and refrain from taking any action which would cause the interest on the Bonds and Notes to be includable in gross income for federal income tax purposes. Any violation of the Tax Requirements may cause the interest on the Bonds and Notes to be included in gross income for federal income tax purposes from the date of issuance of the Bonds and Notes. Hodgson Russ LLP expresses no opinion regarding other federal tax consequences arising with respect to the Bonds and Notes.

Bank Qualified. The Bonds and Notes will be designated as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

Other Impacts. Prospective purchasers of the Bonds and Notes should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Bonds and Notes may have collateral federal income tax consequences for certain taxpayers, including financial institutions, property and casualty insurance companies, S Corporations, certain foreign corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry such obligations. Prospective purchasers should consult their tax advisers as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Bonds and Notes. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

Information Reporting and Backup Withholding. In general, information reporting requirements will apply to non-corporate holders with respect to payments of principal, payments of interest and the proceeds of the sale of a Note before maturity within the United States. Backup withholding may apply to holders of the Note under Section 3406 of the Code. Any amounts withheld under the backup withholding rules from a payment to a beneficial owner, and which constitutes over-withholding, would be allowed as a refund or a credit against such beneficial owner’s United States Federal income tax provided the required information is furnished to the Internal Revenue Service (the “Service”).

Future Legislation. Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Bonds and Notes may affect the tax status of interest on the Bonds and Notes. The Code has been continuously subject to legislative modifications, amendments and revisions, and proposals for further changes are regularly submitted by leaders of the legislative and executive branches of the federal government.

No representation is made as to the likelihood of such proposals being enacted or, if enacted, the effective date of any such legislation, and no assurances can be given that such proposals or amendments will not materially and adversely affect the economic value of the Bonds and Notes or the tax consequences of ownership of the Bonds and Notes.

Prospective purchasers of the Bonds and Notes should consult their own tax advisers regarding pending or proposed federal and state tax legislation and court proceedings, and prospective purchasers of the Bonds and Notes at other than their original issuance at the respective prices set indicated on the cover of this Official Statement should also consult their own tax advisers regarding other tax considerations, such as the consequences of market discount, as to which Bond Counsel expresses no opinion.

New York State Taxes. In the opinion of Bond Counsel, interest on the Bonds and Notes is exempt, under existing statutes, from New York State and New York City personal income taxes.

Miscellaneous. All quotations from and summaries and explanations of provisions of laws do not purport to be complete and reference is made to such laws for full and complete statements of their provisions.

Bond Counsel's engagement with respect to the Bonds and Notes ends with the issuance of the Bonds and Notes. Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Notes may affect the tax status of interest on the Bonds and Notes. Unless separately engaged, Bond Counsel is not obligated to defend the City or the owners of the Bonds and Notes regarding the tax status of the interest thereon in the event of an audit examination by the IRS.

ALL PROSPECTIVE PURCHASERS OF THE BONDS AND NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS IN ORDER TO UNDERSTAND THE IMPLICATIONS OF THE CODE AS TO THE TAX CONSEQUENCES OF PURCHASING OR HOLDING THE BONDS AND NOTES.

LEGAL MATTERS

The legality of the authorization and issuance of the Bonds and Notes will be covered by the unqualified legal opinion of Hodgson Russ LLP, Bond Counsel, Albany, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Bonds and Notes 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 City, all the taxable property within which is subject to the levy of ad valorem taxes to pay the Bonds and Notes and interest thereon (Subject to certain statutory limitations imposed by Chapter 97 of the 2011 Laws of New York), without limitation as to rate or amount, provided, that the enforceability (but not the validity) of the Bonds and Notes may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights, (a) may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or federal) affecting the enforcement of creditors' rights, and (b) may be subject to the exercise of judicial discretion in appropriate cases, (ii) the City has the power to comply with its covenant included in its arbitrage certificate with respect to the Bonds and Notes relating to compliance with the Code as it relates to the Bonds and Notes; provided, however, that the enforceability (but not the validity) of such covenants may be limited by any applicable existing or future bankruptcy, insolvency or other law (State or Federal) affecting the enforcement of creditors' rights; and (iii) assuming that the City complies with such covenants interest on the Bonds and Notes is not includable in the gross income of the owners thereof for Federal income tax purposes under existing statutes and court decisions. Moreover, interest on the Bonds and Notes is not an "item of tax preference" for purposes of the individual alternative minimum tax. Moreover, interest on the Bonds and Notes may be subject to a branch profits tax of up to 30% when owned by certain foreign corporations. Furthermore, interest on the Bonds and Notes may be subject to a tax at ordinary income rates when owned by "S Corporations" in certain cases. In addition, we note that, for tax years beginning after December 31, 2022, interest on the Bonds and Notes will be included in the adjusted financial statement income of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Interest on the Bonds and Notes is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including The City of New York. Bond Counsel will express no opinion regarding other federal income tax consequences arising with respect to the Bonds and Notes.

Such legal opinion also will state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed the accuracy and truthfulness of all public records, documents and proceedings examined by Bond Counsel which have been executed or certified by public officials acting within the scope of their official capacities, and has not verified the accuracy or truthfulness thereof, and Bond Counsel also has assumed the accuracy of the signatures appearing upon such public records, documents and proceedings and such certifications; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Bonds and Notes has extended solely to the examination of the facts and law incident to rendering the opinions expressed therein; (iii) the opinions expressed therein 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 City together with other legally available sources of revenue, if any, will be sufficient to enable the City to pay the principal of and interest on the Bonds and Notes as the same respectively become due and payable; (iv) reference should be made to the Official Statement for factual information which, in the judgment of the City, would materially affect the ability of the City to pay such principal and interest; and (v) while Bond Counsel has participated in the preparation of the Official Statement, Bond Counsel has not verified the accuracy, completeness or fairness of the factual information contained therein and, accordingly, no opinion is expressed by Bond Counsel as to whether the City, in connection with the sale of the Bonds and Notes, 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 the light of the circumstances under which they were made, not misleading.

LITIGATION

The City is not subject to any lawsuits in the ordinary conduct of its affairs at this time.

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 City threatened against or affecting the City to restrain or enjoin the issuance, sale or delivery of the Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Notes or any proceedings or authority of the City taken with respect to the authorization, issuance or sale of the Notes or contesting the corporate existence or boundaries of the City.

RATING

The Notes are not rated. The purchaser(s) of the Notes may choose to have a rating completed after the sale at the expense of the purchaser(s), including any fees to be incurred by the City, as such rating action will result in a material event notification to be posted to EMMA which is required by the City.

The Bonds are not rated. S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC has assigned their municipal bond rating "AA-" with a stable outlook to the City's outstanding bonds. A rating reflects only the view of the rating agency assigning such rating any desired explanation of the significance of such rating should be obtained from S&P Global Ratings, 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 and Notes.

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 and Notes. All expenses in relation to the printing of CUSIP numbers on the Bonds and Notes will be paid for by the City provided, however; the City assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers.

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 City 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 and Notes. The advice on the plan of financing and the structuring of the Bonds and Notes was based on materials provided by the City and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the City or the information set forth in this Official Statement or any other information available to the City 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 paid by the City to Fiscal Advisors are partially contingent on a successful closing of the Bonds and Notes .

MISCELLANEOUS

So far as 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 that may have been made verbally or in writing is to be construed as a contract with the holders of the Bonds and Notes.

Statements in the Official Statement, and the documents included by specific reference, that are not historical facts are “forward-looking statements”, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the Private Securities Litigation Reform Act of 1995, which involve a number of risks and uncertainties, and which are based on the City management’s beliefs as well as assumptions made by, and information currently available to, the City’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 City’s files with the repositories. When used in City documents or oral presentation, the words “anticipate”, “believe”, “intend”, “plan”, “foresee”, “likely”, “estimate”, “expect”, “objective”, “projection”, “forecast”, “goal”, “will”, or “should”, or similar words or phrases are intended to identify forward-looking statements.

Hodgson Russ LLP, Bond Counsel of Albany, New York Bond Counsel to the City, expresses no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the City for use in connection with the offer and sales of the Bonds and Notes, including, but not limited to, this Official Statement.

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 City nor the Municipal Advisor assumes any liability or responsibility for errors or omissions on such website. Further, the Municipal Advisor and the City 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 City also assume no liability or responsibility for any errors or omissions or for any updates to dated website information.

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

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

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

The City will act as Paying Agent for the Bonds and Notes.

The City’s contact information is as follows: Mr. Michael J. Durocher, City Comptroller, City Hall, 97 Mohawk Street, Cohoes, New York 12047, phone: (518) 233-2123, fax: (518) 233-2155, email address: mdurocher@ci.cohoes.ny.us

CITY OF COHOES

Dated: August 2, 2023

Michael J. Durocher
City Comptroller

GENERAL FUND

Balance Sheets

Fiscal Years Ending December 31:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>ASSETS</u>					
Cash and Short-term Investments	\$ 3,656,032	\$ 3,454,306	\$ 2,803,626	\$ 5,609,027	\$ 9,141,999
Other Receivables	115,260	121,256	386,528	194,319	135,331
Due from Other Funds	158,731	350,000	-	40,355	-
Due From Other Governments	1,940,016	1,825,979	2,479,608	2,595,762	2,985,877
Taxes Receivable	-	-	-	-	-
Prepaid Expenditures	439,230	643,539	684,327	740,137	744,641
Restricted Assets	-	-	-	-	-
TOTAL ASSETS	\$ 6,309,269	\$ 6,395,080	\$ 6,354,089	\$ 9,179,600	\$ 13,007,848
<u>LIABILITIES AND FUND EQUITY</u>					
Accounts Payable	\$ 152,199	\$ 141,580	\$ 113,719	\$ 120,528	\$ 176,087
Accrued Liabilities	292,377	512,635	561,354	590,585	642,394
Notes and Loans payable	-	-	-	-	-
Compensated Absences	58,673	46,208	73,747	93,034	120,752
Due to Other Funds	129,000	-	-	150,000	2,532,641
Due to Other Governments	-	-	-	-	-
Unearned Revenue	12,348	23,910	831,037	918,402	1,470,198
Other Liabilities	-	-	-	-	-
TOTAL LIABILITIES	644,597	724,333	1,579,857	1,872,549	4,942,072
<u>FUND EQUITY</u>					
Nonspendable	\$ 439,230	\$ 643,539	\$ 684,327	\$ 740,137	\$ 744,641
Restricted	1,750	-	-	-	-
Assigned	676,112	1,102,334	1,192,139	3,177,742	3,746,629
Unassigned	4,547,580	3,924,874	2,897,766	3,389,172	3,574,506
TOTAL FUND EQUITY	5,664,672	5,670,747	4,774,232	7,307,051	8,065,776
TOTAL LIABILITIES and FUND EQUITY	\$ 6,309,269	\$ 6,395,080	\$ 6,354,089	\$ 9,179,600	\$ 13,007,848

Source: Audited financial reports of the City. This appendix itself is not audited.

GENERAL FUND

Revenues, Expenditures and Changes in Fund Balance

Fiscal Years Ending December 31:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>REVENUES</u>					
Real Property Taxes	\$ 7,413,847	\$ 7,420,054	\$ 7,550,262	\$ 7,549,283	\$ 8,304,824
Real Property Tax Items	766,577	868,857	923,900	962,978	303,217
Non-Property Tax Items	6,379,052	6,571,454	6,151,593	7,614,401	8,927,654
Departmental Income	421,333	352,123	284,036	280,371	325,351
Use of Money & Property	24,838	39,689	30,395	13,438	43,102
Licenses and Permits	361,294	320,317	277,053	338,369	320,818
Fines and Forfeitures	79,972	94,321	61,734	70,608	82,887
Sale of Property and					
Compensation for Loss	288,785	343,221	249,003	163,869	214,490
Miscellaneous	338,489	342,784	144,338	285,433	499,879
Interfund Revenues	-	-	-	-	-
Revenues from State Sources	3,488,906	3,167,103	3,098,118	4,943,847	4,940,541
Revenues from Federal Sources	42,982	285,000	-	-	387,278
Total Revenues	<u>\$ 19,606,075</u>	<u>\$ 19,804,923</u>	<u>\$ 18,770,432</u>	<u>\$ 22,222,597</u>	<u>\$ 24,350,041</u>
<u>EXPENDITURES</u>					
General Government Support	\$ 2,651,748	\$ 2,560,540	\$ 3,120,472	\$ 2,667,175	\$ 2,807,838
Public Safety & Health	6,963,606	7,161,418	7,078,099	6,849,774	7,142,587
Transportation	1,353,053	1,467,172	1,517,799	1,784,181	2,685,864
Economic Assistance and					
Opportunity	96,224	87,768	-	-	-
Culture and Recreation	454,400	218,454	156,648	210,357	224,855
Home and Community Services	1,725,718	1,751,931	1,847,920	1,779,767	1,709,237
Employee Benefits	5,447,473	5,491,262	5,322,066	5,614,885	5,716,071
Debt Service	529,633	584,575	586,660	575,639	793,307
Total Expenditures	<u>\$ 19,221,855</u>	<u>\$ 19,323,120</u>	<u>\$ 19,629,664</u>	<u>\$ 19,481,778</u>	<u>\$ 21,079,759</u>
Excess of Revenues Over (Under)					
Expenditures	<u>\$ 384,220</u>	<u>\$ 481,803</u>	<u>\$ (859,232)</u>	<u>\$ 2,740,819</u>	<u>\$ 3,270,282</u>
Other Financing Sources (Uses):					
Operating Transfers In	132,000	132,000	132,000	132,000	132,000
Operating Transfers Out	<u>(199,396)</u>	<u>(607,728)</u>	<u>(169,283)</u>	<u>(340,000)</u>	<u>(2,643,557)</u>
Total Other Financing	<u>(67,396)</u>	<u>(475,728)</u>	<u>(37,283)</u>	<u>(208,000)</u>	<u>(2,511,557)</u>
Excess of Revenues and Other					
Sources Over (Under) Expenditures					
and Other Uses	<u>316,824</u>	<u>6,075</u>	<u>(896,515)</u>	<u>2,532,819</u>	<u>758,725</u>
<u>FUND BALANCE</u>					
Fund Balance - Beginning of Year	5,347,848	5,664,672	5,670,747	4,774,232	7,307,051
Prior Period Adjustments (net)	-	-	-	-	-
Fund Balance - End of Year	<u>\$ 5,664,672</u>	<u>\$ 5,670,747</u>	<u>\$ 4,774,232</u>	<u>\$ 7,307,051</u>	<u>\$ 8,065,776</u>

Source: Audited financial reports of the City. This appendix itself is not audited.

GENERAL FUND

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

Fiscal Years Ending December 31:

	2022			2023
	Original Budget	Revised Budget	Actual	Adopted Budget
REVENUES				
Real Property Taxes	\$ 8,083,907	\$ 8,083,907	\$ 8,304,824	\$ 8,306,388
Real Property Tax Items	426,155	426,155	303,217	311,000
Non-Property Tax Items	6,300,000	6,510,050	8,927,654	6,850,000
Departmental Income	331,500	361,500	325,351	410,400
Use of Money & Property	25,125	25,125	43,102	43,640
Licenses and Permits	274,000	274,000	320,818	289,000
Fines and Forfeitures	100,000	100,000	82,887	100,000
Sale of Property and Compensation for Loss	195,000	195,000	214,490	195,000
Miscellaneous	668,500	943,500	499,879	689,310
Interfund Revenues	-	-	-	-
Revenues from State Sources	3,793,993	4,692,443	4,940,541	3,851,611
Revenues from Federal Sources	-	363,588	387,278	-
Total Revenues	<u>\$ 20,198,180</u>	<u>\$ 21,975,268</u>	<u>\$ 24,350,041</u>	<u>\$ 21,046,349</u>
EXPENDITURES				
General Government Support	\$ 2,650,527	\$ 2,950,517	\$ 2,807,838	\$ 2,928,363
Public Safety & Health	7,285,166	7,598,588	7,142,587	7,387,368
Transportation	1,395,908	3,030,207	2,685,864	1,493,017
Economic Assistance and Opportunity	-	-	-	-
Culture and Recreation	230,950	243,750	224,855	245,600
Home and Community Services	1,745,050	2,094,729	1,709,237	1,704,621
Employee Benefits	6,025,845	5,787,545	5,716,071	6,425,405
Debt Service	796,734	796,734	793,307	789,540
Total Expenditures	<u>\$ 20,130,180</u>	<u>\$ 22,502,070</u>	<u>\$ 21,079,759</u>	<u>\$ 20,973,914</u>
Excess of Revenues Over (Under) Expenditures	<u>\$ 68,000</u>	<u>\$ (526,802)</u>	<u>\$ 3,270,282</u>	<u>\$ 72,435</u>
Other Financing Sources (Uses):				
Operating Transfers In	132,000	132,000	132,000	132,000
Operating Transfers Out	(200,000)	(200,000)	(2,643,557)	(204,435)
Total Other Financing	<u>(68,000)</u>	<u>(68,000)</u>	<u>(2,511,557)</u>	<u>(72,435)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>-</u>	<u>(594,802)</u>	<u>758,725</u>	<u>-</u>
FUND BALANCE				
Fund Balance - Beginning of Year	-	594,802	7,307,051	-
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,065,776</u>	<u>\$ -</u>

Source: 2022 Audited financial report and 2023 budget of the City. This appendix itself is not audited.

CHANGES IN FUND EQUITY

Fiscal Years Ending December 31:	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>WATER FUND</u>					
Fund Equity - Beginning of Year	\$ 518,298	\$ 603,763	\$ 753,212	\$ 1,007,798	\$ 1,419,563
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	1,994,383	2,095,363	2,296,998	2,382,831	2,409,055
Expenditures & Other Uses	1,908,918	1,945,914	2,042,412	1,971,066	2,017,217
Fund Equity - End of Year	\$ 603,763	\$ 753,212	\$ 1,007,798	\$ 1,419,563	\$ 1,811,401
<u>SEWER FUND</u>					
Fund Equity - Beginning of Year	\$ 158,421	\$ 76,297	\$ 136,026	\$ (6,640)	\$ 27,349
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	2,083,405	2,118,337	2,096,405	2,186,189	3,191,464
Expenditures & Other Uses	2,165,529	2,058,608	2,239,071	2,152,200	2,577,426
Fund Equity - End of Year	\$ 76,297	\$ 136,026	\$ (6,640)	\$ 27,349	\$ 641,387

Source: Audited financial reports of the City. This appendix itself is not audited.

APPENDIX - B
City of Cohoes

BONDED DEBT SERVICE

Fiscal Year Ending December 31st	Principal	Interest	Total
2023	\$ 1,020,000	\$ 326,428.63	\$ 1,346,428.63
2024	1,040,000	298,745.13	1,338,745.13
2025	1,065,000	269,659.38	1,334,659.38
2026	830,000	243,399.18	1,073,399.18
2027	860,000	220,558.78	1,080,558.78
2028	875,000	196,807.16	1,071,807.16
2029	820,000	172,554.66	992,554.66
2030	695,000	150,600.78	845,600.78
2031	715,000	132,255.38	847,255.38
2032	730,000	113,325.78	843,325.78
2033	740,000	93,743.79	833,743.79
2034	685,000	75,450.00	760,450.00
2035	560,000	58,037.50	618,037.50
2036	355,000	45,000.00	400,000.00
2037	365,000	37,900.00	402,900.00
2038	370,000	30,600.00	400,600.00
2039	380,000	23,200.00	403,200.00
2040	385,000	15,600.00	400,600.00
2041	395,000	7,900.00	402,900.00
TOTALS	\$ 12,885,000	\$ 2,511,766.15	\$ 15,396,766.15

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

In accordance with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the City has agreed to provide or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, during the period in which the Bonds are outstanding, to the EMMA system of the MSRB or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, notice of the occurrence of any of the following events with respect to the Bonds:

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

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 City does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds.

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

The City reserves the right to terminate its obligation to provide the aforescribed notices of events, as set forth above, if and when the City no longer remains an obligated person with respect to the Bonds within the meaning of the Rule. The City 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 City's obligations under its listed event notices undertaking and any failure by the City 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 City 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 City; provided that the City agrees that any such modification will be done in a manner consistent with the Rule.

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

CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE NOTES

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

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

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

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

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

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

The City 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 City; provided that the City agrees that any such modification will be done in a manner consistent with the Rule.

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

CITY OF COHOES
ALBANY COUNTY, NEW YORK

AUDITED FINANCIAL STATEMENTS

December 31, 2022

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.

CITY OF COHOES, NEW YORK

FINANCIAL STATEMENTS

DECEMBER 31, 2022

CITY OF COHOES, NEW YORK

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DECEMBER 31, 2022

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CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF:
NEW YORK STATE SOCIETY OF
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Common Council
City of Cohoes, New York

Opinions

We have audited the accompanying financial statements of the general fund, water fund, sewer fund, library fund and capital projects fund of the City of Cohoes, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City of Cohoes, New York's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund, water fund, sewer fund, library fund and capital projects fund of the City of Cohoes, New York as of December 31, 2022, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Cohoes, New York and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audits evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one

resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users made on the basis of these financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Other Supplemental Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Cohoes, New York's basic financial statements. The accompanying other supplemental information on pages 26-28 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
March 20, 2023

CITY OF COHOES, NEW YORK

BALANCE SHEETS

GOVERNMENTAL FUND TYPES

DECEMBER 31, 2022

	Governmental Fund Types					Memorandum Only
	<u>General</u>	<u>Water</u>	<u>Sewer</u>	<u>Library</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Assets						
Cash	\$ 9,141,999	\$ 1,171,484	\$ 596,816	\$ 64,147	\$ 5,368,414	\$ 16,342,860
Due from other governments	2,985,877	-	-	-	670,660	3,656,537
Due from other funds	-	19,228	17,655	-	2,495,758	2,532,641
Prepaid expenditures	744,641	12,236	15,034	4,038	-	775,949
Other receivables	<u>135,331</u>	<u>630,471</u>	<u>893,320</u>	<u>-</u>	<u>100,000</u>	<u>1,759,122</u>
Total assets	<u>\$ 13,007,848</u>	<u>\$ 1,833,419</u>	<u>\$ 1,522,825</u>	<u>\$ 68,185</u>	<u>\$ 8,634,832</u>	<u>\$ 25,067,109</u>
Liabilities and Fund Balance						
Liabilities:						
Accounts payable	\$ 176,087	\$ 10,243	\$ 1,244	\$ 1,432	\$ 1,146,217	\$ 1,335,223
Accrued liabilities	642,394	11,775	3,817	1,541	-	659,527
Due to other governments	-	-	876,377	-	-	876,377
Due to other funds	2,532,641	-	-	-	-	2,532,641
Compensated absences	120,752	-	-	-	-	120,752
Unearned revenues	1,470,198	-	-	113	-	1,470,311
BANs Payable	-	-	-	-	3,500,000	3,500,000
Total liabilities	<u>4,942,072</u>	<u>22,018</u>	<u>881,438</u>	<u>3,086</u>	<u>4,646,217</u>	<u>10,494,831</u>
Fund Balance:						
Nonspendable	744,641	12,236	15,034	4,038	-	775,949
Assigned	3,746,629	1,799,165	626,353	61,061	3,988,615	10,221,823
Unassigned	<u>3,574,506</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,574,506</u>
Total fund balance	<u>8,065,776</u>	<u>1,811,401</u>	<u>641,387</u>	<u>65,099</u>	<u>3,988,615</u>	<u>14,572,278</u>
Total liabilities and fund balance	<u>\$ 13,007,848</u>	<u>\$ 1,833,419</u>	<u>\$ 1,522,825</u>	<u>\$ 68,185</u>	<u>\$ 8,634,832</u>	<u>\$ 25,067,109</u>

CITY OF COHOES, NEW YORK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2022

	Governmental Fund Types					Memorandum Only Total Governmental Funds
	<u>General</u>	<u>Water</u>	<u>Sewer</u>	<u>Library</u>	<u>Capital Projects</u>	
Revenue:						
Real property taxes	\$ 8,304,824	\$ -	\$ -	\$ -	\$ -	\$ 8,304,824
Real property tax items	303,217	-	-	-	-	303,217
Non property tax items	8,927,654	-	-	-	-	8,927,654
Departmental income	325,351	1,904,888	2,033,636	392	-	4,264,267
Intergovernmental charges	-	457,799	61,965	-	-	519,764
Use of money and property	43,102	46,368	-	-	-	89,470
Licenses and permits	320,818	-	-	-	-	320,818
Fines and forfeitures	82,887	-	-	-	-	82,887
Sale of property and compensation for loss	214,490	-	-	104	-	214,594
Miscellaneous local sources	499,879	-	-	-	131,232	631,111
State aid	4,940,541	-	-	8,161	2,614,383	7,563,085
Federal aid	387,278	-	-	-	300,000	687,278
Total revenue	<u>24,350,041</u>	<u>2,409,055</u>	<u>2,095,601</u>	<u>8,657</u>	<u>3,045,615</u>	<u>31,908,969</u>
Expenditures:						
General governmental support	2,807,838	28,218	28,789	-	-	2,864,845
Public safety and health	7,142,587	-	-	-	-	7,142,587
Transportation	2,685,864	-	-	-	-	2,685,864
Culture and recreation	224,855	-	-	150,866	-	375,721
Home and community services	1,709,237	1,170,191	1,986,555	-	-	4,865,983
Employee benefits	5,716,071	296,669	189,429	42,906	-	6,245,075
Debt service (principal and interest)	793,307	462,139	300,653	-	-	1,556,099
Capital outlay	-	-	-	-	7,123,173	7,123,173
Total expenditures	<u>21,079,759</u>	<u>1,957,217</u>	<u>2,505,426</u>	<u>193,772</u>	<u>7,123,173</u>	<u>32,859,347</u>
Other financing sources (uses):						
Bond issuance proceeds	-	-	1,095,863	-	-	1,095,863
Operating transfers in	132,000	-	-	190,799	2,452,758	2,775,557
Operating transfer out	<u>(2,643,557)</u>	<u>(60,000)</u>	<u>(72,000)</u>	<u>-</u>	<u>-</u>	<u>(2,775,557)</u>
Total other financing sources (uses)	<u>(2,511,557)</u>	<u>(60,000)</u>	<u>1,023,863</u>	<u>190,799</u>	<u>2,452,758</u>	<u>1,095,863</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	758,725	391,838	614,038	5,684	(1,624,800)	145,485
Fund balance, beginning of year	<u>7,307,051</u>	<u>1,419,563</u>	<u>27,349</u>	<u>59,415</u>	<u>5,613,415</u>	<u>14,426,793</u>
Fund balance, end of year	<u>\$ 8,065,776</u>	<u>\$ 1,811,401</u>	<u>\$ 641,387</u>	<u>\$ 65,099</u>	<u>\$ 3,988,615</u>	<u>\$ 14,572,278</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cohoes, New York (the “City”) has prepared its general, water, sewer, library and capital projects funds’ 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 City does not comply with GASB Statement No. 34, which requires the City 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 general, water, sewer, library and capital projects funds, and do not purport to, and do not present fairly, the government-wide financial position or changes in financial position of the City.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying governmental funds financial statements follows.

A. Financial Reporting Entity

The City was incorporated in 1869 and operates under an elected Common Council which includes the Mayor and six other persons, and provides service to approximately 17,000 residents in areas including general government services, public works, public safety and community enrichment programs.

GASB Statement No. 61 defines the financial reporting entity for the City to include all funds, account groups, agencies, boards, commissions and authorities where the elected officials (the Mayor and/or the council, respectively) are financially accountable and for which a financial benefit or burden relationship exists. The following terms are used to describe the components of a reporting entity:

- Primary Government

A legally separate state, general purpose local or special purpose government with a separately elected governing body. It must be fiscally independent of other primary governments.

- Component Unit

A legally separate organization for which the elected officials are financially accountable. Also the primary government is able to impose its will on the component unit or there is a potential for the component unit to provide a financial benefit or incur a financial burden on the primary government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

Excluded from the Financial Reporting Entity

The Cohoes Industrial Development Agency (the “Agency”) was created for the purpose of encouraging economic growth in the City of Cohoes. The City appoints the Agency’s governing board. A separate audit report is available for the Agency’s December 31, 2022 financial statements.

The Cohoes Housing Authority (the “Authority”) was organized pursuant to the Housing Statutes of the State of New York and was created to provide low-income housing. The Governing Board of the Authority is appointed by the City. The City provides no subsidy to the Authority, nor is it responsible for the debt or operating deficits of the Authority. The Authority’s debt is essentially supported by operating revenues of the Authority and is not guaranteed by the City. The City does not approve the Authority’s budget, contracts or hiring of staff. The City has no oversight responsibility for the funds of the Authority. A separate audit report is available for the Authority’s December 31, 2022 financial statements.

The Cohoes Local Development Corporation (“LDC”) was organized to coordinate and execute programs in the City of Cohoes to improve the quality of life of its residents by reducing unemployment, providing additional employment and bettering and maintaining job opportunities within the City. LDC is governed by an independently appointed board of directors. The City provides no subsidy to LDC but may contract for services with LDC. The City is not responsible for the debt or operating deficits of LDC and has no oversight responsibility for the funds of the LDC. A separate audit report is available for the LDC’s December 31, 2022 financial statements.

B. Basis of Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenue and expenditures or expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions and limitations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

The various funds are grouped in the financial statements in the following fund types and account group:

Governmental Fund Types

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

General Fund - The general fund is the primary operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The special revenue funds include the following:

- Water Fund - established by law to account for revenues and expenditures for the purpose of providing water to the City.
- Sewer Fund - established by law to account for revenues and expenditures for the purpose of providing sewage services to the City.
- Library Fund - used to account for the operation of the City's library.

Capital Projects Fund - The capital projects fund accounts for and reports financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

Account Groups

Account groups are used to establish accounting control 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.

The Non-Current Governmental Assets Account Group - used to account for land, buildings, improvements other than buildings, and equipment utilized for general government purposes and deferred outflows of resources for pension. The City does not report the non-current governmental assets account group as historical records of fixed assets have not been maintained.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

The Non-Current Governmental Liabilities Account Group - used to record all long-term obligations of the City, such as bonds, compensated absences, other long-term debt and deferred inflows of resources for pension. The City has not reported the non-current governmental liabilities account group. Unaudited information on the City's components of long-term obligations is discussed in Note 6.

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 paid.
- Sick leave, which vests or accumulates, is charged as an expenditure when paid.

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 City; 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 the State and available for distribution to the City. Other revenues are recorded when received in cash because they are generally not measurable until actually received.

D. Budgetary Data

Budgets are adopted annually on a basis consistent with generally accepted accounting principles. The City employs the following budgetary procedures:

- No later than October 1, the Board of Managers submit a tentative budget to the Common Council for the fiscal year commencing that January 1. The tentative budget includes proposed expenditures and the proposed means of financing all City General Fund and Special Revenue Fund operations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgetary Data (Continued)

- After public hearings are conducted to obtain taxpayer comments, the Common Council adopts the City Budget.
- All revisions that alter appropriations of any department by fund must be approved by the Board of Managers.

E. Deferred Outflows and Inflows of Resources

In addition to assets, a separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until that time in the government wide financial statements. In addition to liabilities, a separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time in the government wide financial statements. The City has deferred outflows of resources and deferred inflows of resources relating to pension and other postemployment benefits.

F. Property Taxes

City, County and School taxes are collected by the City until October 15, at which time all unpaid taxes are returned to the County, which is responsible for all uncollected taxes. The following calendar pertains to City real property taxes.

Valuation date	January 1
Taxable status date	March 1
Exemption filing deadline	March 1
Final roll filed	July 1
Date taxes due	March 1
Date penalty period begins	April 1

G. 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 appropriations, is employed in the governmental funds. Open encumbrances at year end are reported as reservations of fund balances since the commitments do not constitute expenditures nor liabilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Compensated Absences

City 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 and sick leave at various rates subject to certain maximum limitations. The liability for accumulated vacation and related benefits has been recorded in the respective governmental fund type in accordance with GASB 16. Payment of accumulated sick leave and related benefits is reflected in the non-current governmental liabilities account group since it is anticipated that none of the liability will be liquidated with expendable financial resources. However, management believes that sufficient resources will be made available for payment of accumulated sick leave and related benefits when such payments become due.

I. Other Post Employment Benefits

In addition to the retirement benefits described in Note 7, the City provides postemployment health insurance coverage to its retired employees and their survivors in accordance with the provisions of the employment contracts negotiated between the City and its employee groups. Substantially all of these employees may become eligible for these benefits if they reach normal retirement age while working for the City. The City recognized the cost of providing benefits for the year ended December 31, 2022 by recording its costs for the benefits for approximately 109 currently enrolled retirees and family members as an expenditure in 2022, which totaled approximately \$1,198,000.

J. Total Governmental Funds Column

Total governmental funds column 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.

K. Subsequent Events

Management has evaluated subsequent events or transactions as to potential material impact on operations or financial position occurring through March 20, 2023, the date the financial statements were available to be issued. No such events or transactions were noted.

2. CASH AND INVESTMENTS

The City's investment policy was adopted by the Common Council and is governed by State statutes. The City's monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The comptroller is authorized to use demand accounts, certificates of deposit, obligations of the United States of America, New York State and local municipalities and school districts, certificates of participation and repurchase agreements with certain restrictions.

2. CASH AND INVESTMENTS (CONTINUED)

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 and obligations of any state and its municipalities and school districts.

During 2022, cash and investments were either insured by Federal Depository Insurance or collateralized by assets of the City's agent in the City's name.

3. RECEIVABLES

Due from other governments consist of the following at December 31, 2022:

General Fund

Sales Tax from Albany County	\$ 2,220,796
Mortgage Tax from Albany County	381,395
C.H.I.P.'s from NYS DOT	341,195
Recycling Grant from NYS DEC	11,125
Youth Bureau from NYS OCFS	17,200
Other	14,166
	<u>\$ 2,985,877</u>

Capital Projects

State of New York Grants	<u>\$ 670,660</u>
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Other receivables consist of the following at December 31, 2022:

General Fund

National Grid Street Opening Permits	\$ 19,475
Charter Communications Franchise Fee	70,904
Other	44,952
	<u>\$ 135,331</u>

Water Fund

Water Rents	<u>\$ 630,471</u>
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Sewer Fund

Sewer Rents	\$ 599,968
Mohawk Paper Mill	274,178
Other	19,174
	<u>\$ 893,320</u>

Capital Project Fund

National Grid	<u>\$ 100,000</u>
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4. INTERFUND TRANSACTIONS

During the course of operations, the City has numerous transactions between funds, including expenditures and transfers of revenue to provide services and construct assets. As of and for the year ended December 31, 2022, interfund balances and revenues and expenses arising from these transactions were as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
General Fund	\$ -	\$ 2,532,641	\$ 132,000	\$ 2,643,557
Water Fund	19,228	-	-	60,000
Sewer Fund	17,655	-	-	72,000
Library Fund	-	-	190,799	-
Capital Projects Fund	2,495,758	-	2,452,758	-
	<u>\$ 2,532,641</u>	<u>\$ 2,532,641</u>	<u>\$ 2,775,557</u>	<u>\$ 2,775,557</u>

During 2022, \$60,000 and \$72,000 were transferred from the Water and Sewer Funds, respectively, to the General Fund for administrative expenses. \$190,799 was transferred from the General Fund to the Library Fund to fund operations. \$2,452,758 was transferred from the General Fund to the Capital Projects Fund to fund various Capital Projects that are ongoing.

5. BOND ANTICIPATION NOTE PAYABLE

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, 2022:

BANs Outstanding, January 1, 2022	\$ -
BANs Redeemed	-
BANs Issued	3,500,000
BANs Outstanding December 31, 2022	<u>\$ 3,500,000</u>

At December 31, 2022 one BAN was outstanding for \$3,500,000 with interest at 3.0% and maturing August 25, 2023.

CITY OF COHOES, NEW YORK
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2022

6. NON-CURRENT GOVERNMENTAL LIABILITIES ACCOUNT GROUP (UNAUDITED)

The changes in the City's non-current governmental liabilities account group during the year are summarized as follows:

	Balance January 1, 2022	Additions	Deletions	Balance December 31, 2022
Serial Bonds	\$ 13,953,093	\$ -	\$ 1,068,093	\$ 12,885,000
Lease Payable	617,024	-	87,930	529,094
EFC Note	-	1,095,863	-	1,095,863
Due to Albany County - Sewer Debt	278,944	-	38,145	240,799
Combined Sewer Overflow Project	1,966,635	-	1,566,531	400,104
Compensated Absences	1,660,385	-	11,179	1,649,206
Disability Payable	808,482	-	50,590	757,892
Workers Compensation Claims	916,426	-	73,274	843,152
Net Pension Liability (Note 8)	2,141,148	-	1,386,253	754,895
Other Postemployment Benefits	44,756,053	-	4,780,855	39,975,198
	<u>\$ 67,098,190</u>	<u>\$ 1,095,863</u>	<u>\$ 9,062,850</u>	<u>\$ 59,131,203</u>

The following is a summary and description of the serial bonds outstanding at December 31, 2022:

Issue Date	Original Issue	Maturity	Interest Rates	Outstanding at December 31, 2022
06/19/08	\$ 1,150,000	10/01/28	4.27%	\$ 400,000
11/01/13	\$ 1,423,060	05/01/33	2.68% to 4.61%	820,000
11/07/13	\$ 3,765,000	03/15/25	2.5% to 3.5%	730,000
08/21/14	\$ 2,000,000	08/15/34	3.0% to 3.5%	1,355,000
08/20/15	\$ 1,725,000	09/15/29	2.0% to 3.0%	940,000
07/26/18	\$ 1,900,000	08/15/35	3.0% to 3.25%	1,530,000
08/13/20	\$ 900,000	08/01/35	1.75% to 2.125%	800,000
07/15/21	\$ 6,583,093	07/15/41	2.0%	6,310,000
				<u>\$ 12,885,000</u>

6. NON-CURRENT GOVERNMENTAL LIABILITIES ACCOUNT GROUP (UNAUDITED) (CONTINUED)

The following is a summary of maturity of debt service requirements for general obligation bonds:

	General Obligation Bonds		Lease Payable (Fire Truck)		Albany County Conduit Sewer Debt	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 1,020,000	\$ 304,741	\$ 89,832	\$ 11,432	\$ 29,069	\$ 4,772
2024	1,040,000	278,502	91,772	9,492	29,867	4,213
2025	1,065,000	250,960	347,490	7,509	30,384	3,628
2026	830,000	226,317	-	-	31,215	3,069
2027	860,000	205,196	-	-	17,497	2,614
2028-2032	3,835,000	718,212	-	-	64,814	7,394
2033-2036	2,705,000	304,928	-	-	37,953	1,092
2037-2041	1,530,000	77,300	-	-	-	-
	<u>\$ 12,885,000</u>	<u>\$ 2,366,156</u>	<u>\$ 529,094</u>	<u>\$ 28,433</u>	<u>\$ 240,799</u>	<u>\$ 26,782</u>

Due to Other Governments

Due to other governments consists of the following:

Sewer Fund

Due to Albany County Sewer District	\$ 313,229	Sewage Treatment Charges
Due to CSO Participating Governments	563,148	CSO Project
	<u>\$ 876,377</u>	

Long-Term Debt Account Group

Due to Albany County Sewer District	<u>\$ 240,799</u>	City's Share of Long-Term Debt
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Combined Sewer Overflow Project

The City entered into a Memorandum of Understanding with the Cities of Albany, Rensselaer, Troy, Watervliet and the Village of Green Island in May 2013 to address an Order of Consent with the New York State Department of Environmental Conservation to resolve alleged violations of the Federal Clean Water Act regarding combined sewer overflow. The original plan was anticipated to cost \$135 million over fifteen years. It was anticipated that grant revenues would reduce costs to the participants. The City of Cohoes is responsible for 2.74% of construction and operating costs.

Based on revised estimates for remaining phases of the project it is estimated that the City's remaining portion of the project is \$400,104.

An EFC note (non-interest bearing) was issued in 2022 for \$54,995,000 of which \$1,095,863 was the City's portion. The note will be converted to a long-term bond at the completion of the project.

**6. NON-CURRENT GOVERNMENTAL LIABILITIES ACCOUNT GROUP (UNAUDITED)
(CONTINUED)**

Workers Compensation Claims Payable

The City of Cohoes incurs costs related to a self-funded workers compensation insurance plan. The third party administrator for the plan provides the City with a monthly report of claims paid as well as their estimate of loss reserves for open claims. The third party administrator does not provide an estimate of “incurred but not reported” claims. The City has recorded the estimated loss reserves as estimated by the third party administrator of \$843,152 in the non-current governmental liabilities account group.

During the year ended December 31, 2022, the City incurred expenditures and payments of claims and claims adjustment expenses attributable to insured events paid by the Plan on behalf of the City totaling \$479,785.

Disability Payable

General Municipal Law, Section 207A provides for firemen to receive continued salary payments to age seventy in the event of disability. The payments are funded partially by the City and partially by the retirement system. As of December 31, 2022, the present value of the payments the City was obligated to make to three firemen totaled \$757,892 which has been reflected in the non-current governmental liabilities account group. The related expense for the year ended December 31, 2022 approximated \$109,000.

Other Postemployment Benefits

Plan Description

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

Benefits Provided

The City provides postemployment healthcare benefits for certain eligible retirees, through fully insured plans.

6. NON-CURRENT GOVERNMENTAL LIABILITIES ACCOUNT GROUP (UNAUDITED) (CONTINUED)

Accrued Other Postemployment Benefits (Continued)

Employees Covered by Benefit Terms

As of January 1, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits payments	108
Active employees	<u>111</u>
Total Participants covered by OPEB Plan	<u><u>219</u></u>

Total OPEB Liability

The City's total OPEB liability of \$39,975,188 was measured as of December 31, 2022, and was determined by an actuarial valuation as of January 1, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.72%
Healthcare Cost Trend Rates:	
Current Year Trend	7.78%
Ultimate Trend	4.54%
Year Ultimate Trend is Reached	2023
Salary Increases	3.50%

Salary Increases

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligations Index*, based on the 20 year AA municipal bond rate as of December 31, 2022.

Mortality rates: SOA RP-2014 total Dataset mortality with scale MS-2020.

6. NON-CURRENT GOVERNMENTAL LIABILITIES ACCOUNT GROUP (UNAUDITED)
(CONTINUED)

Changes in the Total OPEB Liability

OPEB Liability, Beginning of Year	\$ 44,756,053
Changes for the Year:	
Service Cost	1,698,775
Interest	1,458,764
Changes in Assumptions	(11,398,321)
Difference Between Actual and Expected Experience	4,855,211
Benefits Payments	<u>(1,395,284)</u>
OPEB Liability, End of Year	<u>\$ 39,975,198</u>

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

The December 31, 2022 valuation was prepared using a discount rate of 3.72%. The following presents the total OPEB liability using a discount rate 1% higher and 1% lower as well as the current discount rate.

	<u>Discount Rate</u>		
	<u>1% Decrease</u>	<u>Baseline 3.72%</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 45,035,720</u>	<u>\$ 39,975,198</u>	<u>\$ 35,699,493</u>

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

The December 31, 2022 valuation was prepared using an initial trend rate of 7.78%. The following presents the total OPEB liability using a healthcare cost trend rate 1% higher and 1% lower as well as the current healthcare cost trend rate.

	<u>Healthcare Cost Trend Rates</u>		
	<u>1% Decrease</u>	<u>Baseline 7.78%</u>	<u>1% Increase</u>
Total OPEB Liability	<u>\$ 34,465,726</u>	<u>\$ 39,975,18</u>	<u>\$ 46,844,472</u>

At December 31, 2022, the City's deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Total Deferred Outflows of Resources</u>	<u>Total Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,150,978	\$ (399,937)
Changes in assumptions	<u>4,389,892</u>	<u>(9,709,595)</u>
	<u>\$ 8,540,870</u>	<u>\$ (10,109,532)</u>

**6. NON-CURRENT GOVERNMENTAL LIABILITIES ACCOUNT GROUP (UNAUDITED)
(CONTINUED)**

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

December 31, 2023	\$ 131,655
December 31, 2024	135,547
December 31, 2025	135,547
December 31, 2026	<u>(1,971,411)</u>
	<u>\$ (1,568,662)</u>

7. UNEARNED REVENUES

Unearned revenues in the general fund consist of the following at December 31, 2022:

American Rescue Plan	\$ 1,347,894
NYS Library Grant	90,879
Other	<u>31,425</u>
	<u>\$ 1,470,198</u>

8. PENSION PLANS

General Information

The City 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.

8. PENSION PLANS (CONTINUED)

Plan Description and Benefits Provided (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>	<u>Total</u>
2022	\$ 382,236	\$ 1,354,131	\$ 1,736,367
2021	\$ 514,695	\$ 1,392,759	\$ 1,907,454
2020	\$ 470,032	\$ 1,170,920	\$ 1,640,952

Chapter 260 of the laws of 2014 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, 2012 and forward.

These laws require participating employers to make payments on a current basis, while bonding or amortizing existing unpaid amounts.

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

At December 31, 2022, the City reported an asset of \$973,818 for ERS and a liability of \$754,895 for PFRS for its proportionate share of the net pension liability. The net pension asset/liability was measured as of March 31, 2022, and the total pension asset/liability used to calculate the net asset/pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset/liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2022, the City's proportion was .1191% percent ERS and .1389% PFRS.

8. PENSION PLANS (CONTINUED)

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

At December 31, 2022, the City's deferred outflows and inflows of resources related to pensions from the following sources:

	Total Deferred Outflows of Resources	Total Deferred Inflows of Revenues
Differences between expected and actual experience	\$ 480,718	\$ (95,656)
Changes in assumptions	6,143,403	(27,423)
Net difference between projected and actual earnings on pension plan investments	-	(9,531,936)
Changes in proportion and differences between employer contributions and proportionate share of contributions	362,645	(345,592)
Contributions subsequent to the measurement date	1,302,275	-
	<u>\$ 8,289,041</u>	<u>\$ (10,000,607)</u>

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

December 31, 2023	\$ 751,421
December 31, 2024	(871,188)
December 31, 2025	(2,321,911)
December 31, 2026	684,345
December 31, 2027	45,767
	<u>\$ (1,711,566)</u>

ERS and PFRS Actuarial Assumption

The total pension asset/liability at March 31, 2022 was determined by using an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability to March 31, 2022. The actuarial valuation used the following actuarial assumptions.

	<u>ERS</u>	<u>PERS</u>
Interest rate	5.9%	5.9%
Salary increase	4.4%	6.2%
Inflation rate	2.7%	2.7%
Cost of living adjustment	1.4%	1.4%

8. PENSION PLANS (CONTINUED)

ERS and PFRS Actuarial Assumption (Continued)

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2020.

The actuarial assumptions used in the April 1, 2020 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

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, 2022 for ERS and PFRS were as follows:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	3.30%
International equity	5.85%
Private equity	6.50%
Real estate	5.00%
Opportunistic portfolio	4.10%
Real assets	5.58%
Credit	3.78%
Cash	(1.00%)

Discount Rate

The discount rate used to calculate the total pension asset/liability was 5.9% 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.

8. PENSION PLANS (CONTINUED)

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

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the City'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)	\$ (2,506,597)	\$ 973,818	\$ 3,885,017
<u>PFRS</u>			
Employers' proportionate share of the net pension asset (liability)	\$ (8,397,042)	\$ (754,895)	\$ 5,570,774

Pension Plan Fiduciary Net Position

The components of the net pension asset/liability of the plans as of March 31, 2022 was as follows (in thousands):

	<u>ERS</u>	<u>PFRS</u>
Plan total pension liability	\$ (223,874,888)	\$ (42,237,292)
Fiduciary net position	<u>232,049,473</u>	<u>41,669,250</u>
Plan net pension liability	<u>8,174,585</u>	<u>(568,042)</u>
Ratio of fiduciary net position to the plan total pension liability	<u>103.65%</u>	<u>98.66%</u>

9. FUND BALANCE

The City has implemented GASB 54 "Fund Balance Reporting and Governmental Fund Type Definitions."

GASB 54 defines five categories of fund balances as follows:

- **Nonspendable** 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 City's nonspendable fund balance consists of \$744,641 General Fund, \$12,236 Water Fund and \$15,034 in the Sewer Fund and \$4,038 in the Library Fund for prepaid expenses at December 31, 2022.

9. FUND BALANCE (CONTINUED)

- **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. The City had no restricted fund balances at December 31, 2022.
- **Committed** fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. The City had no committed fund balances at December 31, 2022.
- **Assigned** fund balance includes amounts that are constrained by the City's intent 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 City or designated by the City for ensuing year's budget. Assigned fund balance includes the following:

	<u>General Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Assigned for Encumbrances	\$ 646,629	\$ 151,640	\$ 27,054
Assigned for Tax Stabilization	3,100,000	-	-
Assigned for Special Revenue/Funds	-	1,647,525	599,299
	<u>\$ 3,746,629</u>	<u>\$ 1,799,165</u>	<u>\$ 626,353</u>

- **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 City Council 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 City has a fund balance policy which targets general fund unassigned fund balance to approximately 17% of annual expenditures in accordance with guidance from the Government Finance Officers Association. Balances in excess of 17% are normally assigned to stabilize property tax.

10. TAX ABATEMENT

The City 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, 2022, the City recognized 221,740 in PILOTS revenue under PILOT agreements expiring through 2047. Abated property taxes amounted to approximately \$290,000 under this program.

11. COMMITMENTS AND CONTINGENCIES

Litigation

Several claims against the City are presently pending for various reasons including condemnation and personal injuries. Although the final outcome of these matters cannot be predicted, management of the City, based on the advice of the City’s Counsel, does not believe that the final settlement of these matters will have a material adverse effect on the financial condition of the City.

Grant Programs

The City participates in a number of grant programs. These programs are subject to financial and compliance audits by the grantor or its representatives. There is a Community Development Block Grant in which the employment goals were not achieved and which management is working with the U.S. Department of Housing and Urban Development to determine if repayment will be required. The City believes, based upon its review of current activity and prior experience, the amount of disallowances resulting from these audits, if any, will not be material to the City’s financial position or results of operations.

Environmental Concerns

The City is engaged in many activities (e.g., water and sewer service, refuse collection, gasoline storage), in the normal course of operations, that are potentially hazardous to the environment. As of December 31, 2022, the City is not aware of any significant environmental problems that should be disclosed in the financial statements.

Refuse Agreement

The City has entered into an agreement with the Colonie Landfill for refuse dumping at established rates through December 31, 2022. A contract is currently being negotiated. Total refuse dumping expenditures for the year ended December 31, 2022 were \$354,276.

11. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Municipal Wastewater Agreement

The City has entered into an agreement with the Albany County Sewer District to treat the City's wastewater at the County's treatment plant. Total wastewater treatment expenditures for the year ended December 31, 2022 were \$1,042,171 (\$975,937 sewage treatment and \$66,234 debt service).

Debt Defeasance

In 2013, certain outstanding bonds were defeased by placing proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the defeased bonds are not included in the financial statements. The balance of those defeased bonds, maturing on various dates with a final maturity on March 15, 2025, was \$745,000 at December 31, 2022.

Union Contracts

Police, fire department and general city 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, 2023
Civil Service Employees Association - Clerical	December 31, 2022
Cohoes Police Benevolent and Protective Association	December 31, 2022
International Association of Fire Fighters	December 31, 2022

CITY OF COHOES, NEW YORK
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
DECEMBER 31, 2022

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance</u>
Revenues:					
Real property taxes	\$ 8,083,907	\$ 8,083,907	\$ 8,304,824	\$ -	\$ 220,917
Real property tax items	426,155	426,155	303,217	-	(122,938)
Non property tax items	6,300,000	6,510,050	8,927,654	-	2,417,604
Department income	331,500	361,500	325,351	-	(36,149)
Use of money and property	25,125	25,125	43,102	-	17,977
Licenses and permits	274,000	274,000	320,818	-	46,818
Fines and forfeitures	100,000	100,000	82,887	-	(17,113)
Sales of property and compensation of loss	195,000	195,000	214,490	-	19,490
Miscellaneous local sources	668,500	943,500	499,879	-	(443,621)
State aid	3,793,993	4,692,443	4,940,541	-	248,098
Federal aid	-	363,588	387,278	-	23,690
Total revenue	<u>20,198,180</u>	<u>21,975,268</u>	<u>24,350,041</u>	<u>-</u>	<u>2,374,773</u>
Expenditures:					
General governmental support	2,650,527	2,950,517	2,807,838	42,617	100,062
Public safety and health	7,285,166	7,598,588	7,142,587	96,236	359,765
Transportation	1,395,908	3,030,207	2,685,864	256,436	87,907
Culture and recreation	230,950	243,750	224,855	-	18,895
Home and community services	1,745,050	2,094,729	1,709,237	251,340	134,152
Employee benefits	6,025,845	5,787,545	5,716,071	-	71,474
Debt service (principal and interest)	796,734	796,734	793,307	-	3,427
Total expenditures	<u>20,130,180</u>	<u>22,502,070</u>	<u>21,079,759</u>	<u>646,629</u>	<u>775,682</u>
Other financing sources (uses):					
Operating transfers in	132,000	132,000	132,000	-	-
Operating transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>(2,643,557)</u>	<u>-</u>	<u>(2,443,557)</u>
Total other financing sources (uses)	<u>(68,000)</u>	<u>(68,000)</u>	<u>(2,511,557)</u>	<u>-</u>	<u>(2,443,557)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ (594,802)</u>	<u>\$ 758,725</u>	<u>\$ (646,629)</u>	<u>\$ 706,898</u>

CITY OF COHOES, NEW YORK
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - WATER FUND
DECEMBER 31, 2022

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance</u>
Revenues:					
Department income	\$ 2,035,270	\$ 2,186,570	\$ 2,362,687	\$ -	\$ 176,117
Use of money and property	30,000	46,300	46,368	-	68
Total revenue	<u>2,065,270</u>	<u>2,232,870</u>	<u>2,409,055</u>	<u>-</u>	<u>176,185</u>
Expenditures:					
General governmental support	26,000	28,221	28,218	-	3
Home and community services	1,137,760	1,379,711	1,170,191	151,640	57,880
Employee benefits	359,000	307,900	296,669	-	11,231
Debt service (principal and interest)	<u>482,510</u>	<u>465,510</u>	<u>462,139</u>	<u>-</u>	<u>3,371</u>
Total expenditures	<u>2,005,270</u>	<u>2,181,342</u>	<u>1,957,217</u>	<u>151,640</u>	<u>72,485</u>
Operating transfers out	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ (8,472)</u>	<u>\$ 391,838</u>	<u>\$ (151,640)</u>	<u>\$ 248,670</u>

CITY OF COHOES, NEW YORK
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - SEWER FUND
DECEMBER 31, 2022

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance</u>
Revenues:					
Department income	\$ 2,239,295	\$ 2,313,295	\$ 2,095,601	\$ -	\$ (217,694)
Total revenue	<u>2,239,295</u>	<u>2,313,295</u>	<u>2,095,601</u>	<u>-</u>	<u>(217,694)</u>
Expenditures:					
General governmental support	27,500	28,805	28,789	-	16
Home and community services	1,603,310	1,708,991	1,986,555	27,054	(304,618) *
Employee benefits	220,975	209,865	189,429	-	20,436
Debt service (principal and interest)	<u>315,510</u>	<u>302,589</u>	<u>300,653</u>	<u>-</u>	<u>1,936</u>
Total expenditures	<u>2,167,295</u>	<u>2,250,250</u>	<u>2,505,426</u>	<u>27,054</u>	<u>(282,230)</u>
Other financing sources (uses):					
Bond issuance proceeds	-	-	1,095,863	-	1,095,863
Operating transfers out	<u>(72,000)</u>	<u>(72,000)</u>	<u>(72,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(72,000)</u>	<u>(72,000)</u>	<u>1,023,863</u>	<u>-</u>	<u>1,095,863</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>\$ -</u>	<u>\$ (8,955)</u>	<u>\$ 614,038</u>	<u>\$ (27,054)</u>	<u>\$ 595,939</u>

* Expenses for the combined sewer overflow project exceeding budget were paid with bond issuance proceeds, both of which were not budgeted for.