

PRELIMINARY OFFICIAL STATEMENT

NEW ISSUE

SERIAL BOND

BOND RATING: S&P Global Ratings "AA" STABLE OUTLOOK

See "BOND RATING" herein

In the opinion of Mazzotta & Vagianelis, P.C., of Albany, New York, Bond Counsel, subject to continuing compliance by the Town of Halfmoon, Saratoga County, New York (the "Town") with its covenants relating to certain requirements contained in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is (A) excluded from gross income of the owners thereof for federal income tax purposes under existing law, and (B) exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York). Moreover, interest on the Bonds is not an "item of tax preference" for purposes of the individual alternative minimum tax. (See the caption "TAX EXEMPTION" herein for a discussion of certain federal taxes applicable to corporate owners of the Bonds.)

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

\$6,208,000\*\*
TOWN OF HALFMOON
SARATOGA COUNTY, NEW YORK
GENERAL OBLIGATIONS
\$6,208,000\*\* Public Improvement (Serial) Bonds, 2022
(referred to herein as the "Bonds")

Dated: August 24, 2022

Due: August 1, 2023-2032

MATURITIES\*\*

Table with columns: Year, Amount, Rate, Yield, CSP, Year, Amount, Rate, Yield, CSP. Rows for years 2023 through 2032.

\* The Bonds maturing in the years 2031-2032 are subject to redemption prior to maturity as described herein under the heading "Optional Redemption."

\*\* Subject to change pursuant to the accompanying Notice of Bond Sale in order to achieve substantially level or declining annual debt service and to comply with the maximum proceeds limits.

The Bonds are general obligations of the Town of Halfmoon, Saratoga County, New York (the "Town"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Bonds and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See "TAX LEVY LIMITATION LAW" and "NATURE OF THE OBLIGATION" herein.

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 The Depository Trust Company, New York, New York ("DTC"), which, if so elected by the purchaser, will act as securities depository for the Bonds. If the Bonds are issued in book-entry form, individual purchases will be in the principal amount of \$5,000 or integral multiples thereof except for one necessary odd denomination maturing in 2023. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on August 1, 2023 and semi-annually thereafter on February 1 and August 1 in each year until maturity. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its participants, for subsequent distribution to the beneficial owners of the Bonds. See "BOOK-ENTRY-ONLY SYSTEM" herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof except for one necessary odd denomination maturing in 2023. 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.

Proposals for the Bonds shall be for not less than \$6,208,000 and accrued interest, if any, on the total principal amount of the Bonds. Proposals shall be accompanied by a good faith deposit in the form of a certified or cashier's check or wire transfer payable to the order of the Town of Halfmoon, Saratoga County, New York, in the amount of \$125,000.

The Bonds are offered when, as and if issued and received by the purchaser and subject to the receipt of the approving legal opinion as to the validity of the Bonds of Mazzotta & Vagianelis, P.C., Albany, New York, Bond Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC located in Jersey City, New Jersey, or as may be agreed upon with the purchaser, on or about August 24, 2022.

ELECTRONIC BIDS for the Bonds must be submitted via Fiscal Advisors Auction website ("Fiscal Advisors Auction") accessible via www.fiscaladvisorsauction.com on August 11, 2022 until 11:00 A.M., Prevailing Time, pursuant to the Notice of Bond Sale. No other form of electronic bidding services will be accepted. No bid will be received after the time for receiving bids specified above. Bids may also be submitted by facsimile at (315) 930-2354. Once the bids are communicated electronically via Fiscal Advisors Auction or facsimile to the Town, each bid will constitute an irrevocable offer to purchase the Bonds pursuant to the terms provided in the Notice of Bond Sale.

August 3, 2022

THE TOWN DEEMS THIS OFFICIAL STATEMENT TO BE FINAL FOR PURPOSES OF SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 ("THE RULE"), EXCEPT FOR CERTAIN INFORMATION THAT HAS BEEN OMITTED HEREFROM IN ACCORDANCE WITH SAID RULE AND THAT WILL BE SUPPLIED WHEN THIS OFFICIAL STATEMENT IS UPDATED FOLLOWING THE SALE OF THE OBLIGATIONS HEREIN DESCRIBED. THIS OFFICIAL STATEMENT WILL BE SO UPDATED UPON REQUEST OF THE SUCCESSFUL BIDDER, AS MORE FULLY DESCRIBED IN THE NOTICE OF BOND SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE TOWN'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS AS DESCRIBED IN THE RULE, SEE "APPENDIX C - CONTINUING DISCLOSURE UNDERTAKING" HEREIN.

# TOWN OF HALFMOON SARATOGA COUNTY, NEW YORK



## TOWN OFFICIALS

### TOWN BOARD

KEVIN TOLLISEN  
Supervisor

PAUL HOTALING  
Deputy Supervisor

JEREMY W. CONNORS  
ERIC CATRICALA  
JOHN WASIELEWSKI

\* \* \* \* \*

### TOWN ADMINISTRATION

BONNIE HATTER  
Comptroller

LYNDA BRYAN  
Town Clerk

LYN MURPHY  
Town Attorney

MAZZOTTA & VAGIANELIS P.C.  
Albany, New York  
Bond Counsel



FISCAL ADVISORS & MARKETING, INC.  
Municipal Advisor

No person has been authorized by the Town 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 Bonds in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. The information, estimates, and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town.

## TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
<b>NATURE OF OBLIGATION .....</b>	<b>1</b>	<b>SPECIAL PROVISIONS AFFECTING</b>	
<b>THE BONDS .....</b>	<b>2</b>	<b>REMEDIES UPON DEFAULT .....</b>	<b>20</b>
Description of the Bonds.....	2	<b>MARKET AND RISK FACTORS.....</b>	<b>23</b>
Optional Redemption .....	3	<b>TAX MATTERS.....</b>	<b>24</b>
Purpose of Issue .....	3	<b>LEGAL MATTERS .....</b>	<b>25</b>
<b>BOOK-ENTRY-ONLY SYSTEM .....</b>	<b>3</b>	<b>LITIGATION .....</b>	<b>25</b>
Certificated Bonds.....	5	<b>CONTINUING DISCLOSURE.....</b>	<b>26</b>
<b>THE TOWN.....</b>	<b>5</b>	Historical Continuing Disclosure Compliance .....	26
General Information .....	5	<b>BOND RATING .....</b>	<b>26</b>
Recent Economic Developments.....	5	<b>MUNICIPAL ADVISOR.....</b>	<b>26</b>
Larger Employers.....	7	<b>CUSIP IDENTIFICATION NUMBERS .....</b>	<b>26</b>
Population Trends .....	7	<b>MISCELLANEOUS.....</b>	<b>26</b>
Selected Wealth and Income Indicators .....	7		
Unemployment Rate Statistics .....	8	<b>APPENDIX – A</b>	
Form of Town Government.....	8	<b>GENERAL FUND - Balance Sheets</b>	
Financial Organization .....	8	<b>APPENDIX – A1</b>	
Budgetary Procedure.....	8	<b>GENERAL FUND – Revenues, Expenditures and</b>	
Investment Policy.....	9	<b>Changes in Fund Balance</b>	
State Aid.....	9	<b>APPENDIX – A2</b>	
Employees.....	9	<b>GENERAL FUND – Revenues, Expenditures and</b>	
Status and Financing of Employee Pension Benefits .....	10	<b>Changes in Fund Balance - Budget and Actual</b>	
Other Post-Employment Benefits.....	12	<b>APPENDIX – A3</b>	
Other Information.....	13	<b>CHANGES IN FUND EQUITY</b>	
Financial Statements .....	13	<b>APPENDIX – B-B1</b>	
New York State Comptroller Report of Examination.....	14	<b>BONDED DEBT SERVICE</b>	
The State Comptroller’s Fiscal Stress Monitoring System....	14	<b>APPENDIX – C</b>	
<b>TAX INFORMATION.....</b>	<b>14</b>	<b>CONTINUING DISCLOSURE UNDERTAKING</b>	
Taxable Valuations.....	14	<b>APPENDIX – D</b>	
Tax Rates Per \$1,000 (Assessed) .....	14	<b>AUDITED FINANCIAL STATEMENTS FOR FISCAL</b>	
Tax Collection Procedure.....	15	<b>YEAR ENDED DECEMBER 31, 2018</b>	
Tax Levy and Tax Collection Record.....	15		
Ten Largest Taxpayers – 2019 Assessment Roll.....	15		
Additional Tax Information.....	15		
<b>TAX LEVY LIMITATION LAW.....</b>	<b>15</b>		
<b>STATUS OF INDEBTEDNESS .....</b>	<b>17</b>		
Constitutional Requirements .....	17		
Statutory Procedure .....	17		
Debt Outstanding End of Fiscal Year .....	18		
Details of Outstanding Indebtedness .....	18		
Debt Statement Summary.....	18		
Bonded Debt Service.....	19		
Cash Flow Borrowings.....	19		
Capital Planning and Budgeting .....	19		
Estimated Overlapping Indebtedness .....	19		
Debt Ratios.....	20		

PREPARED WITH THE ASSISTANCE OF



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OFFICIAL STATEMENT  
of the  
**TOWN OF HALFMOON**  
**SARATOGA COUNTY, NEW YORK**

Relating To  
**\$6,208,000\*\* Public Improvement (Serial) Bonds, 2022**

This Official Statement, which includes the cover page and appendices, has been prepared by the Town of Halfmoon, Saratoga County, New York (the "Town," "County," and "State," respectively), in connection with the sale by the Town of its aggregate principal amount of \$6,208,000\*\* Public Improvement (Serial) Bonds, 2022 (referred to herein as the "Bonds").

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

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

**NATURE OF THE OBLIGATION**

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

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

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

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

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

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

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

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

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

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

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

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

## THE BONDS

### Description of the Bonds

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

The Bonds will be dated August 24, 2022 and will mature in the principal amounts and on the dates as set forth on the cover page. The Bonds are subject to redemption prior to maturity as described herein under the heading "Optional Redemption." The “Record Date” of the Bonds will be the fifteenth calendar 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.

The Bonds will be issued as registered bonds and, when issued, if issued in book-entry only form, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or integral multiples thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. Interest on the Bonds will be payable on August 1, 2023 and semi-annually thereafter on February 1 and August 1 in each year until maturity. Principal and interest will be paid by the Town to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Bonds, as described herein. If the Bonds are issued in registered certificated form, the Bonds will be issued in denominations of \$5,000 or any integral multiple thereof. 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.

## **Optional Redemption**

The Bonds maturing on or before August 1, 2030 shall not be subject to redemption prior to maturity. The Bonds maturing on or after August 1, 2031 shall be subject to redemption prior to maturity as a whole or in part (and by lot if less than all of a maturity is to be redeemed) at the option of the Town on August 1, 2030 or on any date thereafter at par (100.0%), plus accrued interest to the date of redemption.

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

## **Purpose of Issue**

The Bonds are issued pursuant to the Constitution and statutes of the State including among others, the Local Finance Law and a bond resolution dated July, 20, 2022 authorizing the issuance of \$6,208,000 serial bonds for the construction of water infrastructure for the Button Road storage tank within the Halfmoon consolidated water district.

The proceeds of the Bonds will provide \$6,208,000 new monies for the above mentioned project.

## **BOOK-ENTRY-ONLY SYSTEM**

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or, if requested, such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Bonds.

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

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

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

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

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

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

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

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

Source: The Depository Trust Company.

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

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

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

## **Certificated Bonds**

DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the Town and discharging its responsibilities with respect thereto under applicable law, or the Town 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, the following provisions will apply: The Bonds will be issued in fully registered form in denominations of \$5,000 each or any integral multiple thereof for any single maturity except for one necessary odd denomination maturing in 2023. Principal of the Bonds when due will be payable upon presentation at the office of a bank or trust company located and authorized to do business in the State as a fiscal agent bank to be named by the Town upon termination of the book-entry-only system. Interest on the Bonds will be payable on August 1, 2023 and semi-annually thereafter on February 1 and August 1 in each year until maturity. 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 calendar 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 Town Supervisor authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law. The fiscal agent shall not be obligated to make any such transfer or exchange of Bonds between the last business day of the calendar month preceding an interest payment date and such interest payment date.

## **THE TOWN**

### **General Information**

The Town, which encompasses about 34 square miles is located in the southeastern corner of Saratoga County. It is bounded on the north by the Town of Stillwater; on the west by the Town of Clifton Park; on the east by the Town of Schaghticoke (Rensselaer County); and on the south by the Town of Waterford. The Town is primarily residential with commercial, light industrial and retail properties. Residential properties consist of single-family homes and multi-family dwellings.

In addition to employment opportunities within and near the Town, residents commute to Albany, Troy, Saratoga Springs and Ballston Spa (the County seat). Highway facilities include the Adirondack Northway (Interstate 87), New York State Route 9, as well as a network of County and local roads.

Source: Town officials.

### **Recent Economic Developments**

Saratoga County and the surrounding Tech Valley region of eastern New York State has become the premier location for innovative, high tech companies. With over \$27 billion invested and growing, the region has earned the reputation as a global leader in high-technology manufacturing, research and development, a world-class workforce, shovel ready sites and competitive incentives.

#### *GlobalFoundries*

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

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

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



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

GlobalFoundries announced in April 2021 that it will move its headquarters to Saratoga County from its California location. Economic development officials hope this will bring new companies to the region, especially amid a renewed push to manufacture more computer chips in America.

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

Additional information can be obtained from the following sources:

Saratoga County Economic Development Corporation  
<https://saratogaedc.com/>

GlobalFoundries  
<http://www.globalfoundries.com/>

Luther Forest Technology Campus  
<http://www.lutherforest.org/>

Daily Gazette  
<https://dailygazette.com>

Note: References to websites implies no warranty of accuracy of information therein, and the websites are not incorporated herein by reference.

#### *College of Nanoscale Science and Engineering*

Since its inception in 2004, the College of Nanoscale Science and Engineering (CNSE) at the State University of New York (SUNY) Polytechnic Institute located in Albany has gained worldwide recognition as a leader and pioneer in nanotechnology education, innovation, and economic outreach and investment.

CNSE’s Albany NanoTech Complex is a \$20 billion, 1,300,000-square-foot complex that includes an industrial-scale 135,000-square-foot cleanroom space. The cleanroom space is Class 1-capable and houses a fully integrated, 300 mm and 450 mm wafer computer chip pilot prototyping and demonstration line. More than 3,100 scientists, researchers, engineers, students, and faculty work on site at CNSE’s Albany NanoTech Complex, from companies including IBM, Intel, GlobalFoundries, SEMATECH, Samsung, TSMC, Applied Materials, Tokyo Electron, ASML, and Lam Research. CNSE’s latest expansion, which includes NanoFab Xtension, headquarters for the world’s first Global 450mm Consortium, and the Zero Energy Nanotechnology building, a living laboratory for green energy technologies, will add more than 1,000 scientists, researchers, and engineers from CNSE and global corporations.

In addition, CNSE’s Solar Energy Development Center in the Town Halfmoon provides a prototyping and demonstration line for next-generation CIGS thin-film solar cells and supports CNSE’s leadership of the U.S. Photovoltaic Manufacturing Consortium. CNSE’s Smart System Technology and Commercialization Center of Excellence in Rochester offers state-of-the-art capabilities for MEMS fabrication and packaging. The CNSE Photovoltaic Manufacturing and Technology Development Facility, also in Rochester, is the solar industry’s first full-service collaborative facility dedicated to crystalline silicon.

Additional information can be obtained from the following source:

Colleges of Nanoscale Science and Engineering at SUNY Polytechnic Institute  
<http://www.sunycnse.com>

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

## Larger Employers

The top ten employers in the County and the estimated number of persons employed by each are as follows:

<u>Employer</u>	<u>Location</u>	<u>Approximate # of Employees</u>
GLOBALFOUNDRIES	Malta	3,000
Saratoga Hospital	Saratoga Springs	2,500
Shenendehowa Central School District	Clifton Park, Malta, Halfmoon	1,800
US Navy – Kesselring Site	Milton	1,500
Stewarts	Commercial	1,350
Saratoga County	Ballston Spa	1,300
Skidmore College	Saratoga Springs	1,120
Saratoga Springs City School District	Saratoga Springs, Greenfield, Wilton	1,010
Momentive Performance Materials	Waterford	1,000
Quad Graphics	Saratoga Springs	650

Source: Saratoga County Economic Development Corporation.

## Population Trends

<u>Year</u>	<u>Town of Halfmoon</u>	<u>Saratoga County</u>	<u>New York State</u>
1980	11,860	153,759	17,558,072
1990	13,879	149,285	17,990,455
2000	18,474	200,635	18,976,457
2010	21,535	219,607	19,378,102
2016	23,898	227,053	19,745,289
2020 (estimated)	25,662	235,509	20,201,249
2021 (estimated)	26,092	237,359	19,835,913

Source: U. S. Census.

## Selected Wealth and Income Indicators

Per capita income statistics are available for the Town, County and State. Listed below are select figures from the 2000, 2006-2010 and 2016-2020 Census reports and American Community Surveys.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2000</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2000</u>	<u>2006-2010</u>	<u>2016-2020</u>
Town of:						
Halfmoon	\$ 23,714	38,063	\$ 45,991	\$ 46,234	\$ 85,614	\$ 108,964
County of:						
Saratoga	23,945	35,176	45,624	58,213	87,058	106,258
State of:						
New York	23,389	32,382	40,898	51,691	70,670	87,270

Source: U.S. Census Bureau 2000 census, and 2006-2010 and 2016-2020 American Community Survey 5-Year data.

Note: 2017-2021 American Community Survey data is not available as of the date of this Official Statement.

## Unemployment Rate Statistics

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

	<u>Annual Average</u>							
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Saratoga County	4.7%	4.2%	3.8%	4.0%	3.5%	3.4%	6.7%	3.8%
New York State	6.3%	5.3%	4.8%	4.7%	4.1%	4.0%	10.0%	6.9%

	<u>2022 Monthly Figures</u>					
	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>
Saratoga County	3.0%	3.2%	2.9%	2.3%	N/A	N/A
New York State	5.3%	5.1%	4.7%	4.2%	N/A	N/A

Note: Unemployment rates for May and June of 2022 are unavailable as of the date of this Official Statement.

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

## Form of Town Government

The Town is governed by the provisions of the Town Law.

The chief executive officer of the Town is the Supervisor who is elected for a term of two years and is eligible to succeed himself. He is also a member of the Town Board. In addition to the Supervisor, there are four members of the Town Board who are elected for four-year terms. Each term is staggered so that every two years the Supervisor and two council members run. There is no limitation as to the number of terms which may be served by members of the Town Board. Both the Supervisor and council members are elected at large.

The Town appoints its Assessor who serves a six-year term. The Town appoints the Town Attorney and the Comptroller, whose terms are fixed by Town Law. The Town Clerk and Town Receiver of Taxes are elected to four-year terms.

## Financial Organization

The Town Supervisor is the chief fiscal officer of the Town. The Supervisor, along with the Town Comptroller, has responsibility for the Town's financial affairs including reviewing the financial conditions of the Town and plans for the Town's financial needs. The Supervisor and the Comptroller are responsible for the custody of the Town's funds and disbursement of Town expenses. The Comptroller is responsible for approving claims and expenses. The Assessor has responsibility for assessing real property in the Town for ad valorem taxes. Taxes, including Saratoga County ad valorem taxes assessed in the Town, are collected by the Receiver of Taxes.

## Budgetary Procedure

The Supervisor, with the assistance of the Comptroller, prepares a preliminary budget each year, pursuant to various laws of the State of New York, and holds a public hearing thereon. Subsequent to the public hearing revisions, if any, are made and the budget is then adopted by the Town Board no later than November 20<sup>th</sup> as its final budget for the coming fiscal year. The budget is not subject to referendum.

The Town's 2021 budget included a 4.2% increase in the property tax levy, which is below the Town's tax levy limit of 4.5% due to tax base growth, PILOTS received and \$27,037 carryover from 2020.

The Town's 2022 budget included a 4.5% increase in the property tax levy, which is below the Town's tax levy limit of 4.7% due to tax base growth, PILOTS received and \$12,968 carryover from 2021.

## **Investment Policy**

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

Consistent with the above statutory limitations, it is the Town's current policy to invest in: (1) certificates of deposit or time deposit accounts that are fully secured as required by statute, (2) obligations of the United States of America, (3) obligations guaranteed by agencies of the United States of America where the payment of principal and interest is guaranteed by the United States of America, (4) obligations of the State of New York, (5) obligations issued, or fully insured or guaranteed as to the payment of principal in interest, by the United States of America, or (6) obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporations of the State of New York.

## **State Aid**

The Town receives financial assistance from the State. In its general fund budget for the 2022 fiscal year, approximately 10.75% of the operating revenues of the Town are estimated to be received from the State as State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Town. Accordingly, particularly in light of the difficulties encountered by the State in balancing its budget, which problems may continue, no assurance can be given that present State aid levels will be maintained in the future. State budgetary restrictions which eliminate or substantially reduce State aid could have a material adverse effect upon the Town, requiring either a counterbalancing increase in revenues from other sources to the extent available, or a curtailment of expenditures. (See also "MARKET AND RISK FACTORS" herein).

Reductions in Federal funding levels could have a materially adverse impact on the State budget. Due to the extraordinary challenges from the COVID-19 health crisis creating a projected \$10 billion loss in revenue to the State, the State's 2020-21 Enacted Budget includes a total of approximately \$647 million of Aid and Incentives to Municipalities, which is the same amount of Aid and Incentives to Municipalities included in the State's 2019-20 Enacted Budget. The State's 2020-21 Enacted Budget authorizes the State's Budget Director to make periodic adjustments to State aid, in the event that actual State revenues come in below 99% percent of estimates or if actual disbursements exceed 101% of estimates. The proposed reductions would be shared with the Legislature, which would then have 10 days to prepare and adopt their own plan. If the Legislature does not do so, the Budget Director's proposed reductions would go into effect automatically. Any future reductions in State aid could reduce the actual amount of State aid received by the Town in the 2022 or 2023 fiscal years.

## **Employees**

The Town employs 98 employees (does not include approximately 49 seasonal employees). No employees of the Town are represented by any collective bargaining units.

Source: Town officials.

## Status and Financing of Employee Pension Benefits

Substantially all employees of the Town are members of the New York State and Local Employees' Retirement System ("ERS") (the "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 and seasonal 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.

For ERS, Tier 5 provides for:

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

For ERS, Tier 6 provides for:

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

The Town's contributions to ERS since 2015 are as follows:

<u>Year Paid</u>	<u>Year Due</u>	<u>Amount</u>
2015	2015	\$ 635,995
2016	2016	552,044
2017	2017	509,352
2017 (Prepaid)	2018	544,001
2018 (Prepaid)	2019	550,923
2019 (Prepaid)	2020	554,313
2020 (Prepaid)	2021	580,698
2021 (Budgeted)	2021	651,000
2021 (Prepaid)	2022	646,145
2022 (Budgeted)	2022	659,500

Source: Town officials.

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

*Historical Trends and Contribution Rates:* Historically there has been a State mandate requiring full (100%) funding of the annual actuarially required local governmental contribution out of current budgetary appropriations. With the strong performance of the Retirement System in the 1990s, the locally required annual contribution declined to zero. However, with the subsequent decline in the equity markets, the pension system became underfunded. As a result, required contributions increased substantially to 15% to 20% of payroll for the employees' and the police and fire retirement systems, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

A chart of average ERS rates (2018 to 2022) is shown below:

<u>Year</u>	<u>ERS</u>
2018	15.3%
2019	14.9
2020	14.6
2021	14.6
2022	16.2

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

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

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

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

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

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## 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.

GASB 75. GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the year ending December 31, 2018. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The Town has not contracted with an actuarial firm to prepare its post-retirement benefits valuation since 2009. The Town engaged the services of an actuarial for reporting and adopting the provisions of Statement No. 75 for the year ending December 31, 2018.

Most Recent Valuation. The Town contracted with Milliman, an actuarial firm, to calculate its actuarial valuation under GASB 75 for the fiscal year ending December 31, 2020 and December 31, 2021.

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

	<u>December 31, 2019</u>	<u>December 31, 2020</u>
Balance beginning at:	\$ 10,668,380	\$ 12,434,670
<u>Changes for the year:</u>		
Service cost	401,470	453,082
Interest	278,657	324,471
Differences between expected and actual experience	508,356	(703,020)
Changes in benefit terms	-	-
Changes in assumptions or other inputs	690,046	826,755
Benefit payments	(112,239)	(126,422)
Net Changes	<u>\$ 1,766,290</u>	<u>\$ 774,866</u>
Balance ending at:	<u>December 31, 2020</u>	<u>December 31, 2021</u>
	<u>\$ 12,434,670</u>	<u>\$ 13,209,536</u>

Note: The above table is not audited. For additional information see “APPENDIX - C” attached hereto.

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

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

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

Actuarial Valuations are required every 2 years for OPEB plans with more than 200 members, every 3 years if there are less than 200 members.

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

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

Under the State Comptroller's proposal, there are no restrictions on the amount a government can deposit into the trust. The proposed legislation was not enacted into law in the last two legislative sessions. It is not possible to predict whether the Comptroller's proposed legislation will be reintroduced or enacted if introduced.

### **Other Information**

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

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

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

The fiscal year of the Town is the calendar year.

Except for as provided in "Estimated Overlapping Indebtedness," this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Town.

### **Financial Statements**

The Town retains independent certified public accountant to audit their finances annually. The Audited Financial Report for the period ending December 31, 2021 is attached hereto as "APPENDIX C".

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

Beginning with the fiscal year ending May 31, 2003 the Town is required to issue its financial statements in accordance with GASB Statement No. 34. This statement includes reporting of all assets including infrastructure and depreciation in the Government Wide Statement of Activities, as well as the Management's Discussion and Analysis.

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## New York State Comptroller Report of Examination

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

No State Comptroller's office reports of examination of the Town have been published in the last five years. There are no audits currently in progress or pending release.

Note: Reference to the website implies no warranty of accuracy of information therein, and the website is not incorporated herein by reference.

## 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," is "susceptible to fiscal stress" or "no designation". Entities that do not accumulate the number of points that would place them in a stress category will receive a financial score but will be classified in a category of "no designation." This classification should not be interpreted to imply that the entity is completely free of fiscal stress conditions. Rather, the entity's financial information, when objectively scored according to the FSMS criteria, did not generate sufficient points to place them in one of the three established stress categories.

The reports of the State Comptroller for the past four years for the Town are as follows:

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2020	No Designation	3.3%
2019	No Designation	6.7%
2018	No Designation	6.7%

Note: Reference to website implies no warranty of accuracy of information therein. Information for the Fiscal Year Ending in 2021 for the Town is not available as of the date of this Official Statement.

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

## TAX INFORMATION

### Taxable Valuations

<u>Fiscal Year Ending December 31:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Assessed Valuation	\$ 1,471,834,082	\$ 1,496,969,606	\$ 1,536,096,709	\$ 1,557,441,096	\$ 1,584,203,274
New York State Equalization Rate	58.00%	57.25%	57.25%	56.75%	54.70%
Total Taxable Full Valuation	\$ 2,537,644,969	\$ 2,614,794,072	\$ 2,683,138,356	\$ 2,744,389,596	\$ 2,896,166,863

### Tax Rate Per \$1,000 (Assessed)

<u>Fiscal Year Ending December 31:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
	\$ 3.25	\$ 3.28	\$ 3.34	\$ 3.43	\$ 3.23

**Tax Collection Procedure**

Taxes are due January 1, payable without penalty to and including January 31. Penalties thereafter are 1% if paid in February and 2% if paid in March. On April 1, the tax roll is returned to the Saratoga County Treasurer and taxes plus penalties are payable to the County. The Town retains the total amount of town, highway and special district levies from the total collections and returns the balance plus the uncollected items to the County, which assumes collection responsibility and holds annual tax sales. The Town thus is assured of receiving the full amount of its real estate tax levy each year.

**Tax Levy and Tax Collection Record**

<u>Fiscal Year Ending December 31:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total Tax Levy <sup>(1)</sup>	\$ 8,227,994	\$ 8,581,972	\$ 8,819,864	\$ 9,401,595	\$ 9,350,991
Amount Uncollected <sup>(2)</sup>	-	-	-	-	-
% Uncollected	0.00%	0.00%	0.00%	0.00%	0.00%

(1) See “Tax Collection Procedure” herein.

**Larger Taxpayers – 2022 Assessment Roll**

<u>Name</u>	<u>Type</u>	<u>Taxable Assessed Valuation</u>
Tanski, Bruce C.	Retail Store/Commercial	\$ 52,653,040
Regency Realty Assoc. LLC	Apartments	33,567,493
Niagara Mohawk	Utility	18,397,928
Abele Group	Commercial/Office	15,494,863
CDP Ridge/Stone Quarry LLC	Apartments	10,663,900
Solar Associates	Retail Stores	10,275,300
Hoffman, Jean M.	Apartments/Mobile Home Park	9,997,852
Earl, Scott	Commercial, Vacant Land	9,828,567
Sysco	Storage	9,732,500
Plant Road Associates	Apartments	9,640,000

The ten taxpayers listed above have a total full valuation of \$180,251,443, which represents 11.20% of the tax base of the Town.

As of the date of this Official Statement, the Town currently has 5 outstanding tax certiorari cases that are not expected to have a material impact on the Town.

Source: Town tax rolls.

**Additional Tax Information**

Real property in the Town is assessed by the Town.

Veterans' and Senior Citizens' exemptions are offered to those who qualify.

The assessment roll of the Town is comprised of approximately 75.94% Residential and 24.06% Industrial/Commercial.

The total property tax bill of a \$100,000 residential property located in the Town is approximately \$3,908 including County, Town, Village and School District taxes.

**TAX LEVY LIMITATION LAW**

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

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. It was set to expire on June 15, 2020 unless extended; 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 town may exceed the tax levy limitation for the coming fiscal year only if the governing body of such town first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law, to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality, prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

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

While the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

Real Property Tax Rebate. Chapter 59 of the Laws of 2014 ("Chapter 59"), a newly adopted State budget bill includes provisions which provide a refundable personal income tax credit to real property taxpayers in school districts and certain municipal units of government. Real property owners in school districts are eligible for this credit in the 2014 and 2015 taxable years of those property owners. Real property taxpayers in certain other municipal units of government are eligible for this credit in the 2015 and 2016 taxable years of those real property taxpayers. The eligibility of real property taxpayers for the tax credit in each year depends on such jurisdiction's compliance with the provisions of the Tax Levy Limitation Law. School districts budgets must comply in their 2014-2015 and 2015-2016 fiscal years. Other municipal units of government must have their budgets in compliance for their 2015 and 2016 fiscal years. Such budgets must be within the tax cap limits set by the Tax Levy Limitation Law for the real property taxpayers to be eligible for this personal income tax credit. The affected jurisdictions include counties, cities (other than any city with a population of one million or more and its counties), towns, villages, school districts (other than the dependent school districts of New York City, Buffalo, Rochester, Syracuse and Yonkers, the latter four of which are indirectly affected by applicability to their respective city) and independent special districts.

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

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

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

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

## STATUS OF INDEBTEDNESS

### Constitutional Requirements

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

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

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

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

*Debt Limit.* The Town has the power to contract indebtedness for any Town purpose so long as the principal amount thereof, subject to certain limited exceptions, shall not exceed seven per centum of the average full valuation of taxable real estate of the Town and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining full valuation is by taking the assessed valuation of taxable real estate as shown upon the latest completed assessment roll and dividing the same by the equalization rate as determined by the State Office of Real Property Services. The State Legislature is required to prescribe the manner by which such ratio shall be determined. Average full valuation is determined by taking the sum of the full valuation of the last completed assessment roll and the four preceding assessment rolls and dividing such sum by five.

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

### Statutory Procedure

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

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

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

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

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

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

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

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

**Debt Outstanding End of Fiscal Year**

<u>Years Ending December 31:</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Bonds	\$ 28,284,175	\$ 25,735,727	\$ 23,095,549	\$ 23,528,640	\$ 20,680,000
Bond Anticipation Notes	0	0	0	0	0
Other Debt <sup>(1)</sup>	<u>77,475</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals	\$ 28,284,175	\$ 25,735,727	\$ 23,095,549	\$ 23,528,640	\$ 20,680,000

<sup>(1)</sup> Represents installment purchase debt.

**Details of Outstanding Indebtedness**

The following table sets forth the indebtedness of the Town as of August 3, 2022.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2022-2033	\$ 19,155,000
<u>Bond Anticipation Notes</u>	---	<u>0</u>
	Total Debt Outstanding	\$ 19,155,000

<sup>(1)</sup> To be redeemed with the proceeds of the Bonds and available funds of the Town.

**Debt Statement Summary**

Summary of Indebtedness, Debt Limit and Net Debt-Contracting Margin as of August 3, 2022:

Five-Year Average Full Valuation of Taxable Real Property.....	<u>\$ 2,695,226,771</u>
Debt Limit – 7% thereof.....	188,665,874

Inclusions:

Bonds <sup>(1)</sup> .....	\$ 19,155,000
Bond Anticipation Notes.....	<u>0</u>

Total Inclusions..... \$ 19,155,000

Exclusions:

Water Indebtedness <sup>(2)</sup> .....	\$ 9,405,000
Appropriations <sup>(3)</sup> .....	<u>\$ 200,000</u>

Total Exclusions..... \$ 9,605,000

Total Net Indebtedness.....	<u>\$ 9,550,000</u>
Net Debt-Contracting Margin.....	<u>\$ 179,115,874</u>
The percent of debt contracting power exhausted is.....	5.06%

Note: The Bonds will increase the net indebtedness of the Town by \$6,208,000.

- <sup>(1)</sup> Includes bonds that were issued for the Clifton Park-Halfmoon Public Library District and are currently paid by library tax.
- <sup>(2)</sup> Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.
- <sup>(3)</sup> Appropriations are excluded pursuant to Section 136.00 of the Local Finance Law.

## Bonded Debt Service

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

## Cash Flow Borrowings

The Town has not found it necessary to issue revenue anticipation notes or tax anticipation notes in the past five fiscal years and does not anticipate borrowing either in the foreseeable future.

## Capital Planning and Budgeting

The Town continues to plan strategically for long term Capital Projects. The Town borrowed \$3 million in 2020 for the Champlain Canal Water Main Extension and the capital project was completed. In 2021 the Town began four water main extension projects in the aggregate amount of \$4,579,250 with no public borrowing. Regular fund balance in the amount of \$3,405,000 was used for three water main extensions and reserve fund balance in the amount of \$1,174,250 was used for the remaining water main extension.

The Town is currently working with MJ Engineering and Land Surveying, P.C. to provide engineering services associated with a new elevated water storage tank to be erected in the southern zone of the Town’s water distribution center. The proceeds of the Bond will provide new money for the above-mentioned project. This bonding will have no additional impact on residents as other water infrastructure bonds will be paid in full leaving the water district rate stable.

The Town is currently in the planning stages of building a Halfmoon Community Center. The project is slated to be approximately three million dollars with two million to be funded by a State and Municipal Facilities Grant with no public borrowing expected at this time. The Town is waiting for NY State to finance our grant award.

Other than noted above, the Town currently has no other authorizations outstanding and no other capital borrowings are anticipated or contemplated in the near future.

## Estimated Overlapping Indebtedness

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

<u>Municipality</u>	<u>Status of Debt as of</u>	<u>Gross Indebtedness</u> <sup>(1)</sup>	<u>Estimated Exclusions</u>	<u>Net Indebtedness</u>	<u>District Share</u>	<u>Applicable Indebtedness</u>
County of:						
Saratoga	12/31/2020	\$ 68,310,000	\$ - <sup>(2)</sup>	\$ 68,310,000	9.42%	\$ 6,434,802
School District:						
Shenendehowa	6/30/2021	44,085,000	31,256,265 <sup>(3)</sup>	12,828,735	28.96%	3,715,202
Waterford - Halfmoon	6/30/2021	9,700,000	6,557,200 <sup>(3)</sup>	3,142,800	6.07%	190,768
Mechanicville	6/30/2021	29,463,407	23,010,921 <sup>(3)</sup>	6,452,486	34.38%	2,218,365
Fire District:						
Halfmoon Fire District #1	12/31/2020	2,445,000	- <sup>(2)</sup>	2,445,000	100.00%	2,445,000
Halfmoon -Waterford Fire District #1	12/31/2020	9,700,000	7,148,900 <sup>(2)</sup>	2,551,100	27.84%	710,226
West Crescent Fire District	12/31/2020	-	- <sup>(2)</sup>	-	11.99%	-
Clifton Park-Halfmoon Fire District #1	12/31/2020	-	- <sup>(2)</sup>	-	47.35%	-
					Total:	<u>\$ 15,714,363</u>

### Notes:

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

Source: Comptroller’s Special Report on Municipal Affairs for Local Finance Years Ended in 2020 and 2021.

## Debt Ratios

The following table sets forth certain ratios relating to the Town's indebtedness as of August 3, 2022.

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness (see "Debt Statement Summary").....	\$ 9,550,000	\$ 366.01	0.33%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(c)</sup> .....	25,264,363	968.28	0.87

(a) The 2021 estimated population of the Town is 26,092. (See "Population Trends" herein.)

(b) The Town's full value of taxable real estate for the 2022 tax roll is \$2,896,166,863. (See "TAX INFORMATION – Taxable Valuations" herein.)

(c) The Town's estimated applicable share of net underlying indebtedness is \$15,714,363. (See "Estimated Overlapping Indebtedness" herein.)

## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

## MARKET AND RISK FACTORS

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

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

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

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

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

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

Cybersecurity. The Town, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the Town faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. No assurances can be given that such security and operational control measures implemented would be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage Town digital networks and systems and the costs of remedying any such damage could be substantial.

COVID-19: An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the Town's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of State aid. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and was declared a pandemic by the World Health Organization. The outbreak of the disease affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency. The State also declared a state of emergency and the Governor took steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses. The outbreak of COVID-19 and the dramatic steps took by the State to address it negatively impacted the State's economy and financial condition. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the Town's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. Potential impacts to the Town include but are not limited to a reduction in revenues as a result of the impact on taxpayers of employment reductions and business closures, and a reduction in retail and restaurant sales tax revenues. The continued spread of the outbreak could have a material adverse effect on the State and municipalities and school districts located in the State, including the Town.

## TAX MATTERS

Mazzotta & Vagianelis, P.C., of Albany, New York, Bond Counsel, will deliver an opinion that, under existing law, the interest on the Bonds is excluded from gross income of the holders thereof for federal income tax purposes and is not an item of tax preference for the purpose of the individual alternative minimum tax imposed by the Internal Revenue Code (the "Code"). However, such opinion will note that the Town, by failing to comply with certain restrictions contained in the Code, may cause interest on the Bonds to become subject to federal income taxation from the date of issuance of the Bonds. Such opinion will state that interest on the Bonds is exempt from personal income taxes imposed by New York State or any political subdivision thereof (including The City of New York).

In rendering the foregoing opinions, Mazzotta & Vagianelis, P.C. will note that the exclusion of the interest on the Bonds from gross income for federal income tax purposes is subject to, among other things, continuing compliance by the Town with the applicable requirements of Code sections 141, 148, and 149, and the regulations promulgated thereunder (collectively, the "Tax Requirements"). In the opinion of Mazzotta & Vagianelis, P.C., the tax certificate and nonarbitrage certificate that will be executed and delivered by the Town in connection with the issuance of the Bonds (collectively, the "Certificates") establishes requirements and procedures, compliance with which will satisfy the Tax Requirements.

The Tax Requirements referred to above, which must be complied with in order that interest on the Bonds remains excluded from gross income for federal income tax purposes, include, but are not limited to:

1. The requirement that the proceeds of the Bonds be used in a manner so that the Bonds are not obligations which meet the definition of a "private activity bond" within the meaning of Code section 141;
2. The requirements contained in Code section 148 relating to arbitrage bonds; and
3. The requirements that payment of principal or interest on the Bonds not be directly or indirectly guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof) as provided in Code section 149(b).

In the Certificates, the Town will covenant to comply with the Tax Requirements, and to refrain from taking any action which would cause the interest on the Bonds to be includable in gross income for federal income tax purposes. Any violation of the Tax Requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes from the date of issuance of the Bonds. Mazzotta & Vagianelis, P.C., Bond Counsel, expresses no opinion regarding other federal tax consequences arising with respect to the Bonds.

Prospective purchasers of the Bonds should be aware that ownership of, accrual or receipt of interest on, or disposition of, the Bonds 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 advisors as to any possible collateral consequences from their ownership of, or receipt of interest on, or disposition of, the Bonds. Bond Counsel expresses no opinion regarding any such collateral federal income tax consequences.

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 bond or note before maturity within the United States. Backup withholding may apply to a holder of the Bonds under Code section 3406, if such holder fails to provide the information required on Internal Revenue Service ("IRS") Form W-9, Request for Taxpayer Identification Number and Certification, or the IRS has specifically identified the holder as being subject to backup withholding because of prior underreporting. 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 IRS. Neither the information reporting requirement nor the backup withholding requirement affects the excludability of interest on the Bonds from gross income for federal income tax purposes.

Bond Counsel has not undertaken to advise in the future whether any events occurring after the date of issuance of the Bonds may affect the tax status of interest on the Bonds. 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 in their current or similar form, 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 or the tax consequences of ownership of the Bonds. Prospective purchasers are encouraged to consult with their own legal and tax advisors with respect to these matters.

## **LEGAL MATTERS**

The legality of the authorization and issuance of the Bonds will be covered by the legal opinion of Mazzotta & Vagianelis, P.C., Bond Counsel, of Albany, New York. Such legal opinion will state that in the opinion of Bond Counsel (i) the Bonds have been authorized and issued in accordance with the Constitution and statutes of the State of New York and constitute valid and legally binding general obligations of the Town, are payable as to principal and interest from ad valorem taxes levied upon all the taxable real property within the Town, without limitation as to rate or amount (subject to certain statutory limitations imposed by the Tax Levy Limitation Law); provided, however, that the enforceability (but not the validity) of the Bonds may be limited or otherwise affected by (a) any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar statute, rule, regulation or other law affecting the enforcement of creditors' rights and remedies heretofore or hereafter enacted or (b) by the unavailability of equitable remedies or the application thereto of equitable principles, (ii) assuming that the Town complies with certain requirements of the Code, interest on the Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and (iii) assuming that the Town complies with certain requirements of the Code, interest on the Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof, including The City of New York. Bond Counsel will express no opinion regarding other federal income tax consequences arising with respect to the Bonds.

Such legal opinion also will state that (i) in rendering the opinions expressed therein, Bond Counsel has assumed, without inquiry or other investigation, (a) the legal capacity of each natural person, (b) the full power and authority of each person other than the Town to execute and deliver certain documents and to perform certain acts, (c) no modification of any provision of any document, no waiver of any right or remedy and no exercise of any right or remedy other than in a commercially reasonable and conscionable manner and in good faith, (d) the genuineness of each signature, the completeness of each document submitted to Bond Counsel, the authenticity of each document submitted to Bond Counsel as an original, the conformity to the original of each document submitted to Bond Counsel as a copy and the authenticity of the original of each document submitted to Bond Counsel as a copy, (e) the accuracy on the date of this letter of certain reviewed documents, (f) the truthfulness of each statement as to any factual matter contained in such reviewed documents, and (g) the due and timely filing of certain filed documents; (ii) the scope of Bond Counsel's engagement in relation to the issuance of the Bonds has extended solely 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 Town, together with other legally available sources of revenue, if any, will be sufficient to enable the Town to pay the principal of and interest on the Bonds as the same respectively become due and payable, and (iv) no opinion is expressed by Bond Counsel as to whether the Town, in connection with the sale of the Bonds, has made any untrue statement of a material fact, or omitted to state a material fact necessary in order to make any statements made, in the light of the circumstances under which they were made, not misleading.

## **LITIGATION**

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

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

## **CONTINUING DISCLOSURE**

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

### **Historical Compliance**

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

## **BOND RATING**

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P") has assigned its underlying rating of "AA" to the Bonds. The outlook is stable. No application was made to any other rating agency for the purpose of obtaining an additional rating on the Bonds. A rating reflects only the view of the rating agency assigning such rating, and any desired explanation of the significance of such rating should be obtained from S&P, Public Finance Ratings, 55 Water Street, 38th Floor, New York, New York 10041, Phone: (212) 553-0038, Fax: (212) 553-1390.

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

## **MUNICIPAL ADVISOR**

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

## **CUSIP IDENTIFICATION NUMBERS**

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

## **MISCELLANEOUS**

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

Statements in this Official Statement, and the documents included by specific reference, that are not historical facts are forward-looking statements, which are based on the Town management's beliefs as well as assumptions made by, and information currently available to, the Town's management and staff. Because the statements are based on expectations about future events and economic performance and are not statements of fact, actual results may differ materially from those projected. Important factors that could cause future results to differ include legislative and regulatory changes, changes in the economy, and other factors discussed in this and other documents that the Town's files with the repositories. When used in Town documents or oral presentation, the words "anticipate", "estimate", "expect", "objective", "projection", "forecast", "goal", or similar words are intended to identify forward-looking statements.

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

Mazzotta & Vagianelis, P.C., Albany, New York, Bond Counsel to the Town, expressed no opinion as to the accuracy or completeness of information in any documents prepared by or on behalf of the Town for use in connection with the offer and sale of the Bonds, including but not limited to, the financial or statistical information in this Official Statement.

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

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

Concurrently with the delivery of the Bonds, the Town will furnish a certificate to the effect that as of the date of the Official Statement, the Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, subject to a limitation as to information in the Official Statement obtained from sources other than the Town.

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

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

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

The Town will act as Paying Agent for the Bonds. The Town's contact information is as follows: Bonnie Hatter, Town Comptroller, Town of Halfmoon, 2 Halfmoon Town Plaza, New York 12065, Phone: (518) 371-7410, Telefax: (518) 348-0368, Email: [bhatter@townofhalfmoon.org](mailto:bhatter@townofhalfmoon.org).

Additional copies of the Notice of Bond Sale and the Official Statement may be obtained upon request from the offices of Fiscal Advisors & Marketing, Inc., Phone: (315) 752-0051, or at [www.fiscaladvisors.com](http://www.fiscaladvisors.com).

**TOWN OF HALFMOON**

**Dated: August 3, 2022**

**KEVIN TOLLISEN**  
**Town Supervisor & Chief Fiscal Officer**

**GENERAL FUND**

**Balance Sheets**

Fiscal Years Ending December 31:	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b><u>ASSETS</u></b>					
Cash, unrestricted	\$ 2,984,090	\$ 3,224,040	\$ 2,840,123	\$ 5,008,606	\$ 5,299,498
Cash, restricted	2,597,455	3,076,655	4,083,297	4,601,146	7,801,800
Receivables:					
Accounts	185,811	163,286	170,539	168,828	168,708
State and Federal	-	-	-	-	-
Other	-	-	-	-	-
Due from Other Funds	400,000	210,000	507,300	100,000	-
Due From Other Governments	808,221	1,089,304	1,177,684	790,329	1,805,875
Prepaid Expenses	81,328	79,586	80,601	86,846	95,057
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL ASSETS</b>	<b><u>\$ 7,056,905</u></b>	<b><u>\$ 7,842,871</u></b>	<b><u>\$ 8,859,544</u></b>	<b><u>\$ 10,755,755</u></b>	<b><u>\$ 15,170,938</u></b>
 <b><u>LIABILITIES AND FUND EQUITY</u></b>					
Accounts Payable	\$ 238,165	\$ 118,474	\$ 108,046	\$ 165,579	\$ 65,976
Accrued Liabilities	44,386	53,953	67,453	90,509	101,672
Due to ERS	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Deferred Revenue	58,000	-	-	315,168	1,623,078
Other Liabilities	-	-	-	53,499	55,397
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 340,551</u></b>	<b><u>\$ 172,427</u></b>	<b><u>\$ 175,499</u></b>	<b><u>\$ 624,755</u></b>	<b><u>\$ 1,846,123</u></b>
 <b><u>FUND EQUITY</u></b>					
Fund Balance:					
Nonspendable	\$ 81,328	\$ 79,586	\$ 80,601	\$ 186,846	\$ 95,057
Restricted	2,597,455	3,076,655	4,083,297	4,601,146	7,801,800
Assigned	-	-	-	394,119	250,896
Unassigned	4,037,571	4,514,204	4,520,147	4,948,889	5,177,062
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>TOTAL FUND EQUITY</b>	<b><u>\$ 6,716,354</u></b>	<b><u>\$ 7,670,445</u></b>	<b><u>\$ 8,684,045</u></b>	<b><u>\$ 10,131,000</u></b>	<b><u>\$ 13,324,815</u></b>
 <b>TOTAL LIABILITIES and FUND EQUITY</b>	 <b><u>\$ 7,056,905</u></b>	 <b><u>\$ 7,842,872</u></b>	 <b><u>\$ 8,859,544</u></b>	 <b><u>\$ 10,755,755</u></b>	 <b><u>\$ 15,170,938</u></b>

Source: 2016-2021 Audited Financial Reports of the Town. This Appendix is not itself audited.

**GENERAL FUND**

**Revenues, Expenditures and Changes in Fund Balance**

Fiscal Years Ending December 31:	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b><u>REVENUES</u></b>					
Real Property Taxes and Items	\$ 19,596	\$ 18,609	\$ 16,119	\$ 15,092	\$ 14,231
Nonproperty Taxes	5,102,942	5,045,450	5,393,069	5,656,962	5,434,533
Departmental Income	464,165	540,913	560,469	482,424	326,464
Use of Money & Property	8,734	10,571	9,373	14,621	28,779
Licenses and Permits	360,992	319,053	326,324	273,621	286,696
Fines and Forfeitures	309,915	349,744	274,338	273,593	202,136
Sale of Property and Compensation for Loss	24,898	25,237	9,434	36,486	58,633
Miscellaneous	91,399	90,724	45,790	115,834	130,318
Interfund Revenues	5,310	5,858	7,721	7,137	6,005
Revenues from State Sources	957,426	951,257	947,205	773,880	1,009,489
Revenues from Federal Sources	-	-	-	-	-
Total Revenues	<u>7,345,377</u>	<u>7,357,416</u>	<u>7,589,842</u>	<u>7,649,650</u>	<u>7,497,284</u>
<b><u>EXPENDITURES</u></b>					
General Government Support	\$ 1,847,757	\$ 1,845,377	\$ 2,259,608	\$ 2,329,769	\$ 2,126,575
Public Safety	538,612	549,446	288,587	288,866	298,146
Health	104,500	8,500	8,500	8,500	9,250
Transportation	405,654	433,622	505,861	267,245	264,928
Economic Assistance and Opportunity	100,769	112,243	100,558	174,627	291,271
Culture and Recreation	603,606	702,550	806,850	872,977	656,914
Home and Community Services	242,596	264,973	532,081	587,271	536,618
Employee Benefits	973,954	995,072	997,953	1,051,098	1,043,611
Debt Service	1,115,287	1,114,830	1,075,839	1,072,916	1,072,864
Capital Outlay	343,172	1,045,723	-	-	-
Total Expenditures	<u>\$ 6,275,907</u>	<u>\$ 7,072,336</u>	<u>\$ 6,575,837</u>	<u>\$ 6,653,269</u>	<u>\$ 6,300,177</u>
Excess of Revenues Over (Under) Expenditures	<u>1,069,470</u>	<u>285,080</u>	<u>1,014,005</u>	<u>996,381</u>	<u>1,197,107</u>
Other Financing Sources (Uses):					
Operating Transfers In	160,773	492,355	-	17,219	-
Operating Transfers Out	(80,000)	-	(59,914)	-	-
Total Other Financing	<u>\$ 80,773</u>	<u>\$ 492,355</u>	<u>\$ (59,914)</u>	<u>\$ 17,219</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>1,150,243</u>	<u>777,435</u>	<u>954,091</u>	<u>1,013,600</u>	<u>1,197,107</u>
<b><u>FUND BALANCE</u></b>					
Fund Balance - Beginning of Year	4,788,676	5,938,919	6,716,354	7,670,445	8,684,045
Prior Period Adjustments (net)	-	-	-	-	249,848
Fund Balance - End of Year	<u>\$ 5,938,919</u>	<u>\$ 6,716,354</u>	<u>\$ 7,670,445</u>	<u>\$ 8,684,045</u>	<u>\$ 10,131,000</u>

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



GENERAL FUND

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

Fiscal Years Ending December 31:	2021			2022
	Adopted Budget	Final Budget	Actual	Adopted Budget
<b>REVENUES</b>				
Real Property Taxes and Items	\$ 13,000	\$ 13,000	\$ 12,247	\$ 13,000
Nonproperty Taxes	5,198,200	5,198,200	7,270,677	5,525,000
Departmental Income	279,500	279,500	382,572	347,500
Use of Money & Property	7,000	7,000	5,693	1,000
Licenses and Permits	244,500	244,500	400,246	280,500
Fines and Forfeitures	250,000	250,000	245,746	250,000
Sale of Property and Compensation for Loss	2,000	48,500	80,045	25,000
Miscellaneous	68,011	68,011	146,418	86,939
Interfund Revenues	-	-	7,384	-
Revenues from State Sources	751,500	751,500	1,217,951	786,024
Revenues from Federal Sources	-	-	-	-
Total Revenues	<u>\$ 6,813,711</u>	<u>\$ 6,860,211</u>	<u>\$ 9,768,979</u>	<u>\$ 7,314,963</u>
<b>EXPENDITURES</b>				
General Government Support	\$ 2,293,040	\$ 2,209,224	\$ 2,073,238	\$ 2,464,094
Public Safety	317,550	315,700	303,355	334,900
Health	9,500	9,500	9,000	9,500
Transportation	288,200	336,550	304,980	287,200
Economic Assistance and Opportunity	387,567	387,567	379,976	394,705
Culture and Recreation	763,550	838,116	750,370	872,700
Home and Community Services	599,040	599,040	551,223	640,440
Employee Benefits	1,176,600	1,185,850	1,124,577	1,228,200
Debt Service	1,078,664	1,078,664	1,078,663	1,083,224
Capital Outlay	-	-	-	-
Total Expenditures	<u>\$ 6,913,711</u>	<u>\$ 6,960,211</u>	<u>\$ 6,575,382</u>	<u>\$ 7,314,963</u>
Excess of Revenues Over (Under) Expenditures	<u>(100,000)</u>	<u>(100,000)</u>	<u>3,193,597</u>	<u>-</u>
Other Financing Sources (Uses):				
Operating Transfers In	-	-	218	-
Operating Transfers Out	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 218</u>	<u>\$ -</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>(100,000)</u>	<u>(100,000)</u>	<u>3,193,815</u>	<u>-</u>
<b>FUND BALANCE</b>				
Fund Balance - Beginning of Year	100,000	100,000	10,131,000	-
Prior Period Adjustments (net)	-	-	-	-
Fund Balance - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,324,815</u>	<u>\$ -</u>

Source: 2021 Audited Financial Report and budgets (unaudited) of the Town. Note: This Appendix is not itself audited.

**CHANGES IN FUND EQUITY**

Fiscal Years Ending December 31:	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>MISCELLANEOUS SPECIAL RESERVE</u>					
Fund Equity - Beginning of Year	\$ 3,538,222	\$ 2,959,841	\$ 2,968,479	\$ 2,853,871	\$ 3,170,440
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	574,142	373,869	477,702	558,137	555,742
Expenditures & Other Uses	1,152,523	365,231	592,310	241,568	423,809
Fund Equity - End of Year	\$ 2,959,841	\$ 2,968,479	\$ 2,853,871	\$ 3,170,440	\$ 3,302,373
<u>HIGHWAY FUND - TOWN WIDE</u>					
Fund Equity - Beginning of Year	\$ 957,937	\$ 1,399,103	\$ 1,580,180	\$ 1,843,227	\$ 2,906,584
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	3,818,231	4,009,867	4,009,687	4,045,633	4,058,877
Expenditures & Other Uses	3,377,065	3,828,790	3,746,640	2,982,276	3,991,012
Fund Equity - End of Year	\$ 1,399,103	\$ 1,580,180	\$ 1,843,227	\$ 2,906,584	\$ 2,974,449
<u>CAPITAL PROJECTS</u>					
Fund Equity - Beginning of Year	\$ 644,419	\$ 3,187,235	\$ 3,385,917	\$ 1,805,307	\$ 422,664
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	4,518,836	3,394,483	747,874	3,809,005	4,760,075
Expenditures & Other Uses	1,976,020	3,195,801	2,328,484	5,191,648	679,994
Fund Equity - End of Year	\$ 3,187,235	\$ 3,385,917	\$ 1,805,307	\$ 422,664	\$ 4,502,745
<u>WATER FUND</u>					
Fund Equity - Beginning of Year	\$ 9,419,020	\$ 5,057,580	\$ 4,152,977	\$ 4,447,906	\$ 7,605,470
Prior Period Adjustments (net)	-	-	-	-	-
Revenues & Other Sources	5,790,109	5,983,565	5,540,867	8,393,094	6,350,233
Expenditures & Other Uses	10,151,549	6,888,168	5,245,938	5,235,530	10,239,176
Fund Equity - End of Year	\$ 5,057,580	\$ 4,152,977	\$ 4,447,906	\$ 7,605,470	\$ 3,716,527

Source: Annual Financial Reports (unaudited) of the Town. This Appendix is not itself audited.

**APPENDIX - B**  
**Town of Halfmoon**

**BONDED DEBT SERVICE**

Fiscal Year Ending December 31st	Principal	Interest	Total
2022	\$ 2,325,000	\$ 698,250.00	\$ 3,023,250.00
2023	2,155,000	622,900.00	2,777,900.00
2024	2,235,000	551,337.50	2,786,337.50
2025	2,315,000	473,175.00	2,788,175.00
2026	2,395,000	385,462.50	2,780,462.50
2027	2,485,000	290,006.25	2,775,006.25
2028	2,575,000	198,800.00	2,773,800.00
2029	1,550,000	131,187.50	1,681,187.50
2030	1,605,000	74,968.75	1,679,968.75
2031	1,020,000	31,300.00	1,051,300.00
2032	10,000	600.00	10,600.00
2033	10,000	200.00	10,200.00
<b>TOTALS</b>	<b>\$ 20,680,000</b>	<b>\$ 3,458,187.50</b>	<b>\$ 24,138,187.50</b>

**APPENDIX - B1**  
**Town of Halfmoon**

**CURRENT BONDS OUTSTANDING**

Fiscal Year Ending Dec 31st	2012			2013			2014		
	Refunding of 2002 bonds			Refunding of 2006 bonds			Refunding of 2005 Library & 2006 Bonds & 1984 & 1996 USDA-RDA bonds		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 235,000	\$ 2,350	\$ 237,350	\$ 800,000	\$ 231,000	\$ 1,031,000	\$ 200,000	\$ 61,000	\$ 261,000
2023	-	-	-	815,000	215,000	1,030,000	200,000	56,250	256,250
2024	-	-	-	830,000	198,700	1,028,700	210,000	50,863	260,863
2025	-	-	-	850,000	180,025	1,030,025	215,000	44,750	259,750
2026	-	-	-	875,000	159,838	1,034,838	220,000	38,225	258,225
2027	-	-	-	895,000	137,963	1,032,963	225,000	31,269	256,269
2028	-	-	-	920,000	113,350	1,033,350	235,000	23,500	258,500
2029	-	-	-	950,000	88,050	1,038,050	240,000	14,888	254,888
2030	-	-	-	975,000	59,550	1,034,550	245,000	5,794	250,794
2031	-	-	-	1,010,000	30,300	1,040,300	10,000	1,000	11,000
2032	-	-	-	-	-	-	10,000	600	10,600
2033	-	-	-	-	-	-	10,000	200	10,200
<b>TOTALS</b>	<b>\$ 235,000</b>	<b>\$ 2,350</b>	<b>\$ 237,350</b>	<b>\$ 8,920,000</b>	<b>\$ 1,413,775</b>	<b>\$10,333,775</b>	<b>\$ 2,020,000</b>	<b>\$ 328,338</b>	<b>\$ 2,348,338</b>

Fiscal Year Ending Dec 31st	2015			2020		
	Refunding of 2004 & 2008 Serial Bonds			Water Line		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 835,000	\$ 269,025	\$ 1,104,025	\$ 255,000	\$ 134,875	\$ 389,875
2023	875,000	229,775	1,104,775	265,000	121,875	386,875
2024	910,000	193,650	1,103,650	285,000	108,125	393,125
2025	950,000	154,900	1,104,900	300,000	93,500	393,500
2026	990,000	109,150	1,099,150	310,000	78,250	388,250
2027	1,040,000	58,400	1,098,400	325,000	62,375	387,375
2028	1,080,000	16,200	1,096,200	340,000	45,750	385,750
2029	-	-	-	360,000	28,250	388,250
2030	-	-	-	385,000	9,625	394,625
2031	-	-	-	-	-	-
2032	-	-	-	-	-	-
2033	-	-	-	-	-	-
<b>TOTALS</b>	<b>\$ 6,680,000</b>	<b>\$ 1,031,100</b>	<b>\$ 7,711,100</b>	<b>\$ 2,825,000</b>	<b>\$ 682,625</b>	<b>\$ 3,507,625</b>

## CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE BONDS

In accordance with the requirements of Rule 15c2-12 as the same may be amended or officially interpreted from time to time (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission"), the Town has agreed to provide, or cause to be provided,

- (i) to the Electronic Municipal Market Access ("EMMA") system of the Municipal Securities Rulemaking Board ("MSRB") or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule, during each fiscal year in which the Bonds are outstanding, (i) certain annual financial information and operating data for the preceding fiscal year in a form generally consistent with the information contained or cross-referenced in the final Official Statement dated \_\_\_\_\_, 2022 of the Town relating to the Bonds under the headings "THE TOWN", "TAX INFORMATION", "STATUS OF INDEBTEDNESS", "LITIGATION" and all Appendices (other than "APPENDIX – C & D" and other than any related to bond insurance) by the end of the sixth month following the end of each succeeding fiscal year, commencing with the fiscal year ending December 31, 2021, and (ii) a copy of the audited financial statements, if any, (prepared in accordance with accounting principles generally accepted in the United States of America in effect at the time of the audit) for the preceding fiscal year, commencing with the fiscal year ending December 31, 2021; such audit, if any, will be so provided on or prior to the later of either the end of the sixth month of each such succeeding fiscal year or, if an audited financial statement is not available at that time or, within sixty days following receipt by the Town of its audited financial statement for the preceding fiscal year, but, in any event, not later than the last business day of each such succeeding fiscal year;
- (ii) within 10 business days after the occurrence of such event, notice of the occurrence of any of the following events with respect to the Bonds, to EMMA or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule:
  - (a) principal and interest payment delinquencies
  - (b) non-payment related defaults; if material
  - (c) unscheduled draws on debt service reserves reflecting financial difficulties
  - (d) unscheduled draws on credit enhancements reflecting financial difficulties
  - (e) substitution of credit or liquidity providers, or their failure to perform
  - (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
  - (g) modifications to rights of Bondholders; if material
  - (h) bond calls, if material, and tender offers
  - (i) defeasances
  - (j) release, substitution, or sale of property securing repayment of the Bonds; if material
  - (k) rating changes
  - (l) bankruptcy, insolvency, receivership or similar event of the Town;
  - (m) the consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
  - (n) appointment of a successor or additional trustee or the change of name of a trustee, if material.
  - (o) incurrence of a "financial obligation" (as defined in the Rule) of the Town, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Town, any of which affect Bond holders, if material; and

- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Town, any of which reflect financial difficulties.

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

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

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

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

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

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

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

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

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

# TOWN OF HALFMOON

## FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2021

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

**Such Financial Report and opinions were prepared as of date thereof and have not been reviewed and/or updated in connection with the preparation and dissemination of this Official Statement.**



**Town of Halfmoon, New York**

Financial Report

December 31, 2021



# Town of Halfmoon, New York

## Financial Report

December 31, 2021

### CONTENTS

	Page	
<b>Independent Auditor's Report</b> .....	1-3	
<b>Basic Financial Statements</b>		
Statement of Net Position .....	4	
Statement of Activities .....	5	
Balance Sheet - Governmental Funds .....	6	
Reconciliation of Balance Sheet - Governmental Funds to the Statement of Net Position.....	7	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds .....	8	
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds to the Statement of Activities .....	9	
Statement of Fiduciary Net Position - Custodial Fund.....	10	
Statement of Changes in Fiduciary Net Position - Custodial Fund .....	11	
Notes to Basic Financial Statements.....	12-33	
<b>Required Supplementary Information</b>		
<b>Budgetary Information</b>		
Budgetary Comparison Schedule - General Fund .....	34	
Budgetary Comparison Schedule - Water Fund.....	35	
Budgetary Comparison Schedule - Highway Fund .....	36	
Schedule of Proportionate Share of Net Pension Liability .....	37	
Schedule of Employer Contributions .....	38	
Schedule of Other Postemployment Benefits Liability.....	39	
<b>Other Supplementary Information</b>		
Balance Sheet - Other Governmental Fund .....	40	
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Other Governmental Funds .....	41	
<b>Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards</b> .....		42-43



## Independent Auditor's Report

Supervisor and Town Board  
Town of Halfmoon, New York  
Halfmoon, New York

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Halfmoon, New York (Town), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 Town's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

***Auditor's Responsibilities for the Audit of the Financial Statements - Continued***

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the information listed under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.



***Supplementary Information***

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2022, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and on compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

BST+Co.CPAs, LLP

Albany, New York  
May 12, 2022



# Town of Halfmoon, New York

## Statement of Net Position

	<b>December 31, 2021</b>
	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash, unrestricted	\$ 16,459,342
Cash, restricted	10,370,544
Receivables	
Account and other	1,317,039
Due from other governments	1,805,875
Prepaid expenses	161,536
Capital assets	
Land and construction in progress	2,408,143
Buildings, improvements, machinery and equipment, infrastructure, net of depreciation	71,518,066
<b>Total assets</b>	<b>104,040,545</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>3,056,437</b>
<b>LIABILITIES</b>	
Accounts payable	433,240
Accrued liabilities	175,434
Other liabilities	55,397
Unearned revenues	1,263,329
Interest payable	97,497
Long-term liabilities	
Due within one year	2,446,263
Due in more than one year:	
Landfill post-closure costs	28,500
Bonds payable, net of unamortized premium	18,754,284
Net pension liability	12,781
Compensated absences	143,503
Other postemployment benefits liability	13,209,540
<b>Total liabilities</b>	<b>36,619,768</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>3,805,274</b>
<b>NET POSITION</b>	
Net investment in capital assets	55,106,209
Restricted	10,370,544
Unrestricted	1,195,187
	<b>\$ 66,671,940</b>



## Town of Halfmoon, New York

### Balance Sheet - Governmental Funds

December 31, 2021

	Major Funds						Total
	General	Water District	Highway	Miscellaneous Revenue	Capital Projects	Other Governmental	
<b>ASSETS</b>							
Cash, unrestricted	\$ 5,299,498	\$ 961,705	\$ 2,236,430	\$ 3,330,327	\$ 4,623,966	\$ 7,416	\$ 16,459,342
Cash, restricted	7,801,800	1,733,897	756,068	-	78,779	-	10,370,544
Account and other receivables	168,708	1,137,461	8,509	2,361	-	-	1,317,039
Due from other funds	-	200,000	-	-	-	-	200,000
Due from other governments	1,805,875	-	-	-	-	-	1,805,875
Prepaid expenditures	95,057	31,790	34,689	-	-	-	161,536
	<b>\$ 15,170,938</b>	<b>\$ 4,064,853</b>	<b>\$ 3,035,696</b>	<b>\$ 3,332,688</b>	<b>\$ 4,702,745</b>	<b>\$ 7,416</b>	<b>\$ 30,314,336</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 65,976	\$ 316,293	\$ 19,518	\$ 30,315	\$ -	\$ 1,138	\$ 433,240
Accrued liabilities	101,672	32,033	41,729	-	-	-	175,434
Other liabilities	55,397	-	-	-	-	-	55,397
Unearned revenues	1,263,329	-	-	-	-	-	1,263,329
Due to other funds	-	-	-	-	200,000	-	200,000
	1,486,374	348,326	61,247	30,315	200,000	1,138	2,127,400
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable resources	359,749	-	-	-	-	-	359,749
<b>FUND BALANCE</b>							
Nonspendable	95,057	31,790	34,689	-	-	-	161,536
Restricted	7,801,800	1,733,897	756,068	-	4,502,745	-	14,794,510
Assigned	250,896	1,950,840	2,183,692	3,302,373	-	6,278	7,694,079
Unassigned	5,177,062	-	-	-	-	-	5,177,062
Total fund balance	13,324,815	3,716,527	2,974,449	3,302,373	4,502,745	6,278	27,827,187
	<b>\$ 15,170,938</b>	<b>\$ 4,064,853</b>	<b>\$ 3,035,696</b>	<b>\$ 3,332,688</b>	<b>\$ 4,702,745</b>	<b>\$ 7,416</b>	<b>\$ 30,314,336</b>

See accompanying Notes to Basic Financial Statements.

# Town of Halfmoon, New York

## Reconciliation of Balance Sheet - Governmental Funds to the Statement of Net Position

	<b>December 31, 2021</b>
<b>Total Fund Balances - Governmental Funds</b>	<b>\$ 27,827,187</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	73,926,209
Deferred inflows of resources related to the Town's revenues that will be collected after year-end but are not available soon enough to pay for the current period's expenditures are deferred in the funds.	359,749
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Interest payable	(97,497)
Landfill post-closure costs	(35,500)
Bonds payable, net of unamortized premium	(21,177,602)
Net pension liability, net of deferrals	(761,618)
Compensated absences	(159,448)
Other postemployment benefits liability	(13,209,540)
<b>Total Net Position - Governmental Activities</b>	<b>\$ 66,671,940</b>



## Town of Halfmoon, New York

### Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

	Year Ended December 31, 2021						
	Major Funds					Other Governmental	Total
	General	Water District	Highway	Miscellaneous Revenue	Capital Projects		
<b>REVENUES</b>							
Real property taxes and tax items	\$ 12,247	\$ 2,179,292	\$ 1,782,838	\$ -	\$ -	\$ 925,900	\$ 4,900,277
Nonproperty taxes	7,270,677	-	1,820,000	-	-	-	9,090,677
Departmental income	382,572	3,549,002	-	499,897	-	-	4,431,471
Use of money and property	5,693	25,927	488	479	235	3	32,825
Licenses and permits	400,246	-	-	-	-	-	400,246
Fines and forfeitures	245,746	-	-	-	-	-	245,746
Sale of property and compensation for loss	80,045	234,156	103,198	-	-	-	417,399
Miscellaneous local sources	146,418	-	5,548	29,200	10,339	-	191,505
Interfund revenues	7,384	-	11,814	-	-	-	19,198
Intergovernmental charges	-	-	-	-	-	239,875	239,875
State aid	1,217,951	-	334,991	-	110,000	-	1,662,942
Total revenues	<u>9,768,979</u>	<u>5,988,377</u>	<u>4,058,877</u>	<u>529,576</u>	<u>120,574</u>	<u>1,165,778</u>	<u>21,632,161</u>
<b>EXPENDITURES</b>							
General government support	2,073,238	108,472	-	185,408	-	-	2,367,118
Public safety	303,355	-	-	-	-	-	303,355
Health	9,000	-	-	-	-	921,000	930,000
Transportation	304,980	-	3,351,603	-	-	6,077	3,662,660
Economic opportunity and development	379,976	-	-	-	-	-	379,976
Culture and recreation	750,370	-	-	178,150	37,215	-	965,735
Home and community services	551,223	3,150,818	-	-	254,540	-	3,956,581
Employee benefits	1,124,577	295,821	359,547	-	-	-	1,779,945
Debt service							
Principal	787,050	1,679,890	201,700	-	-	180,000	2,848,640
Interest	291,613	424,925	78,162	-	-	59,875	854,575
Total expenditures	<u>6,575,382</u>	<u>5,659,926</u>	<u>3,991,012</u>	<u>363,558</u>	<u>291,755</u>	<u>1,166,952</u>	<u>18,048,585</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u><b>3,193,597</b></u>	<u><b>328,451</b></u>	<u><b>67,865</b></u>	<u><b>166,018</b></u>	<u><b>(171,181)</b></u>	<u><b>(1,174)</b></u>	<u><b>3,583,576</b></u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Operating transfers in	218	361,855	-	26,165	4,639,500	-	5,027,738
Operating transfers out	-	(4,579,250)	-	(60,250)	(388,238)	-	(5,027,738)
Total other financing sources (uses)	<u>218</u>	<u>(4,217,395)</u>	<u>-</u>	<u>(34,085)</u>	<u>4,251,262</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u><b>3,193,815</b></u>	<u><b>(3,888,944)</b></u>	<u><b>67,865</b></u>	<u><b>131,933</b></u>	<u><b>4,080,081</b></u>	<u><b>(1,174)</b></u>	<u><b>3,583,576</b></u>
<b>FUND BALANCE, beginning of year</b>	<u>10,131,000</u>	<u>7,605,471</u>	<u>2,906,584</u>	<u>3,170,440</u>	<u>422,664</u>	<u>7,452</u>	<u>24,243,611</u>
<b>FUND BALANCE, end of year</b>	<u><b>\$ 13,324,815</b></u>	<u><b>\$ 3,716,527</b></u>	<u><b>\$ 2,974,449</b></u>	<u><b>\$ 3,302,373</b></u>	<u><b>\$ 4,502,745</b></u>	<u><b>\$ 6,278</b></u>	<u><b>\$ 27,827,187</b></u>

See accompanying Notes to Basic Financial Statements.

# Town of Halfmoon, New York

## Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds to the Statement of Activities

		Year Ended December 31, 2021
<b>Net Change in Fund Balances - Total Governmental Funds</b>		<b>3,583,576</b>
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Capital outlays are reported as expenditures and the sale of capital assets are recorded as revenues in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are as follows:</p>		
Depreciation expense	(6,144,714)	
Disposal of capital assets	(44,181)	
Purchase of capital assets	6,908,110	719,215
<p>Bond proceeds, including premiums, provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position.</p>		
Repayment of principal	2,848,640	
Amortization of bond premiums	159,914	3,008,554
<p>Revenues that do not meet the availability criterion are reported as deferred inflows of resources in the governmental funds</p>		
		11,873
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Interest payable	109,257	
Landfill post-closure costs	8,100	
Net pension liability	337,888	
Compensated absences	(159,448)	
Other postemployment benefits liability	(774,870)	(479,073)
<b>Change in net position of governmental activities</b>		<b>\$ 6,844,145</b>

# Town of Halfmoon, New York

## Statement of Fiduciary Net Position

	<u>December 31, 2021</u> <u>Custodial Fund</u>
<b>ASSETS</b>	
Cash	<u>\$ 162,980</u>
<b>NET POSITION</b>	
Restricted for security deposits	<u>\$ 162,980</u>

# Town of Halfmoon, New York

## Statement of Changes in Fiduciary Net Position

	<b>Year Ended December 31, 2021</b>
	<b>Custodial Fund</b>
<b>ADDITIONS</b>	
Deposits collected	\$ 30,000
Taxes collected	4,103,099
Total additions	<u>4,133,099</u>
<b>DEDUCTIONS</b>	
Deposits returned	14,381
Taxes remitted	4,103,099
	<u>4,117,480</u>
Net increase in fiduciary net position	<b>15,619</b>
<b>Net position - <i>beginning of year</i></b>	<u>147,361</u>
<b>Net position - <i>end of year</i></b>	<u><b>\$ 162,980</b></u>

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### **Note 1 - Organization and Summary of Significant Accounting Policies**

#### *a. Organization*

The Town of Halfmoon, New York (Town) is governed by Town Law and other general laws of the State of New York. The governing body of the Town is the Town Board, which consists of the Supervisor and four Board members. The Supervisor is responsible for overall operations and serves as Chief Executive Officer and Chief Fiscal Officer.

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

All governmental activities and functions performed for the Town are the direct responsibility of the Town Board.

#### *b. Financial Reporting Entity*

The financial reporting entity consists of the primary government, which is the Town.

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

#### *c. Basis of Presentation*

The accompanying basic financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for governments. Such principles are prescribed by the Governmental Accounting Standards Board (GASB), which is the standard-setting body for establishing accounting and financial reporting principles in the United States of America.

The basic financial statements have been prepared primarily from accounts maintained by the Town Comptroller.

#### *d. Government-Wide and Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. The effect of interfund activity within the governmental activities has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Town does not have any business-type activities.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *d. Government-Wide and Fund Financial Statements - Continued*

The statement of net position presents the financial position of the Town at the end of its fiscal year. The statement of activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs have been allocated and are reported as direct program expenses of individual functions and programs. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Taxes and other items not included as program revenues are reported as general revenues, as required.

Separate statements are provided for governmental funds and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. Other governmental funds are a summarization of all the non-major governmental funds.

#### *e. Measurement Focus, Basis of Accounting and Financial Statement Presentation*

The government-wide and fiduciary fund financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year in which they are earned. Grants, entitlements, and donations are recognized as revenues as soon as all eligibility requirements have been met.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction that can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers property taxes available if they are collected within 60 days after year end. All other revenues are considered available if collected within 120 days after year end, except grant revenues, for which a one-year availability period is used when all award criteria are met. Receivables not expected to be collected within the availability periods are recorded as deferred inflows of resources.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, post-employment benefit liabilities, the net pension liability and the landfill post-closure costs are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *f. Fund Accounting*

A fund is a separate accounting entity with a self-balancing set of accounts.

The following are the Town's major governmental funds:

- General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- Highway Fund is a special revenue fund used to account for revenues and expenditures for highway purposes in accordance with Section 141 of the Highway Law.
- Water District Fund is a special revenue fund used to account for the revenues and expenditures associated with providing water treatment and transportation.
- Miscellaneous Revenue Fund is a special revenue fund used to account for the receipt of developer fees to finance improvements within specific areas of the Town.
- Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. Financing is generally provided from proceeds of bonds, notes, and/or federal and state grants.

The Town's non-major funds include:

- Debt Service Fund is used to account for the resources accumulated and payments made for the principal and interest on long-term general obligation debt of governmental funds and the Clifton Park - Halfmoon Public Library. Unexpended balances of proceeds and earnings on proceeds for capital projects are transferred from Capital Projects.
- Lighting and Ambulance Funds are special revenue funds used to account for taxes and other revenues which are raised or received to provide special services to areas that encompass less than the whole Town (special districts).

Fiduciary Funds are used to account for assets held by the Town in a trustee or custodial capacity. The Town's fiduciary fund consists of a custodial fund that is used to account for assets held on behalf of outside parties, including other governments.

#### *g. Estimates*

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

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *h. Cash*

The Town's investment policies are governed by State statutes. In addition, the Town has its own written investment policy. Town monies must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. The Town is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. agencies and obligations of New York State or its localities.

Collateral is required for all Town monies not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and local governments.

#### *i. Property Taxes, Account and Other Receivables*

The Town's Receiver of Taxes is responsible for collection of Town, Saratoga County, and special district property taxes. The Town and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. Saratoga County assumes enforcement responsibility for all taxes levied in the Town, and unpaid water charges.

Account and other receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts, if any, by identifying troubled accounts and by using historical experience applied to an aging of accounts. No allowance was deemed necessary at December 31, 2021.

#### *j. Interfund Transactions*

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

#### *k. Capital Assets*

Capital assets include land, buildings, improvements, machinery and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if actual historical costs records are not available. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives is not capitalized.



# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *k. Capital Assets - Continued*

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

<u>Class</u>	<u>Life in Years</u>
Buildings	40
Improvements	20
Infrastructure	15-40
Machinery and equipment	5-10

Management periodically reviews long-lived assets for impairment to determine whether any events or circumstances indicate the carrying value of the assets may not be recoverable. No impairment was identified in 2021.

#### *l. Deferred Outflows/Inflows of Resources and Unearned Revenues*

In addition to assets, the Town will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until then. The Town reports deferred outflows of resources related to various pension transactions in the statement of net position.

A deferred inflow of resources is an acquisition of resources by the Town that is applicable to a future reporting period. When potential revenues do not meet the availability criterion for recognition in the current period, these amounts are recorded as deferred inflows of resources in the governmental funds. In subsequent periods, when the availability criterion is met, deferred inflows of resources are recognized as revenues. The Town reports deferred inflows of resources related to various pension transactions in the statement of net position.

Additionally, the Town recognized deferred inflows of resources of \$359,749 pertaining to unavailable revenues in the general fund at December 31, 2021.

Unearned revenues arise when resources are received by the government before it has a legal claim to them. The Town recognized unearned revenues in the general fund and governmental activities of \$1,263,329 at December 31, 2021 pertaining to grant monies received prior to the incurrence of qualifying expenditures.

#### *m. Vacation and Sick Leave*

Town employees are granted vacation and sick leave and may earn compensatory absences only with prior approval of a department head. Vacation may be carried over to subsequent years but cannot exceed 80 hours. Accumulated sick leave is forfeited in the event of termination, resignation, retirement, or death.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *n. Pensions*

The Town is a participating employer in the New York State and Local Retirement System (System). Employees in permanent positions are required to enroll in the System, and employees in part-time or seasonal positions have the option of enrolling in the System. The System is a cost sharing, multiple employers, public employee defined benefit retirement system. The impact on the Town's financial position and results of operations due to its participation in the System is more fully disclosed in Note 5 to these financial statements.

#### *o. Postemployment Benefits*

The Town provides healthcare insurance coverage benefits for eligible retired employees and their spouses in accordance with the provisions of the Town's employee handbook. Additional information related to this postemployment benefit, including the plan description, reporting requirements, funding policy, and assumptions is described in Note 6 to these financial statements.

#### *p. Landfill Closure and Post-Closure Care Costs*

The Town landfill was permanently closed as mandated by New York State Department of Environmental Conservation on December 31, 1992. The Town landfill closure capital project is in the final phase process. The Town has estimated post-closure care costs for certain required maintenance and monitoring functions, as well as the cost of services to assure closure standards are upheld. The reserve monies, together with annual anticipated interest, are expected to fund the projected annual expenditures over the remainder of the 30-year post-closure period.

#### *q. Long-Term Debt Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities fund statement of net position.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. The current year's debt principal and interest payments are recognized as expenditures.

Governmental funds recognize bond premiums, as well as bond issuance costs, during the current period. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Bond premiums are presented as a component of bonds payable. The premiums are amortized over the life of the bonds on a method that approximates the effective interest method. Premium amortization is reported as a reduction of interest expense in the statement of activities.

#### *r. Net Position and Fund Balance*

The following terms are used in reporting net position:

- Net Investment in Capital Assets consists of capital assets, including restricted capital assets, reduced by outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 1 - Organization and Summary of Significant Accounting Policies - Continued

#### *r. Net Position and Fund Balance - Continued*

- Restricted net position is reported when constraints placed on the use of resources are either:
  - a) Externally imposed by creditors (such as debt covenants), grantors contributors, or laws and regulations of other governments; or
  - b) Imposed by law through constitutional provisions or enabling legislation.
- Unrestricted is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that is not included in the determination of the net investment in capital assets or restricted components of net position described above.

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

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

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

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### **Note 1 - Organization and Summary of Significant Accounting Policies - Continued**

#### *s. Sales Tax*

In accordance with its contract, with indefinite extension, as detailed in Saratoga County Resolution Number 49 of 1996, the Town receives sales tax revenue from the County. The County distributes monthly to the Town a share of 50% of the revenue received by the County. This share is based upon the percentage of the Town's Full Value Assessment to the County's Full Value Assessment (less the Full Value of the City of Saratoga Springs). In addition, the County gives the Town a share of \$3 million collected by the County. This share is equal to the Town's population as a percentage of the total County population. During the year ended December 31, 2021, the Town received \$8,681,116 in sales tax revenue.

#### *t. Subsequent Events*

The Town has evaluated subsequent events for potential recognition or disclosure through May 12, 2022, the date the financial statements were available to be issued.

### **Note 2 - Stewardship, Compliance, and Accountability**

Town administration prepares a proposed budget for approval by the Town Board for the General, Highway, and Water Funds, the only funds with legally adopted budgets. No later than September 30, the Supervisor submits a tentative budget to the Town Clerk for the fiscal year commencing the following January 1. The tentative budget includes proposed expenditures and the proposed means of financing for all operating funds of the Town. The budgets are adopted annually no later than November 20, on the modified accrual basis. Appropriations are adopted at the program line-item level. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year and any appropriated reserve funds. Appropriations established by adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations lapse at the fiscal year end. Supplementary appropriations may occur subject to legal restrictions if the Board approves them because of a need that exists which was not determined at the time the budget was adopted.

Expenditures may not legally exceed budgeted appropriations at the activity level. During the year, several supplementary appropriations were necessary.

### **Note 3 - Cash and Restricted Cash**

It is the Town's policy for deposits to be secured by collateral valued at fair value or par, whichever is lower, less the amount of FDIC insurance. The Town's pooled and non-pooled deposits are categorized to give an indication of the level of risk assumed by the Town at fiscal year-end. The Town's deposits were fully insured or collateralized with securities held by the Town or by its agent in the Town's name as of December 31, 2021.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 3 - Cash and Restricted Cash - Continued

Cash in the following funds is restricted for future capital projects:

General - capital equipment reserves	\$ 7,696,030
General - open space reserves	105,770
Water - capital equipment reserves	1,236,207
Water - unspent bond issuance	497,690
Highway - capital equipment reserves	756,068
Capital projects - landfill post-closure reserves	78,779
	<b>\$ 10,370,544</b>

### Note 4 - Capital Assets

A summary of changes in capital assets is as follows:

	Balance at December 31, 2020	Additions	Disposals/ Adjustments/ In Service	Balance at December 31, 2021
Land	\$ 2,174,231	\$ -	\$ -	\$ 2,174,231
Construction in progress	3,038,690	286,326	3,091,104	233,912
Total non-depreciable assets	5,212,921	286,326	3,091,104	2,408,143
Buildings	28,809,411	93,446	250,098	28,652,759
Improvements	19,927,190	1,439,002	-	21,366,192
Machinery and equipment	7,619,404	794,466	301,010	8,112,860
Infrastructure	134,511,385	7,385,974	-	141,897,359
Total depreciable assets	190,867,390	9,712,888	551,108	200,029,170
Accumulated depreciation	122,873,317	6,144,714	506,927	128,511,104
Total depreciable assets, net	67,994,073	3,568,174	44,181	71,518,066
Total capital assets	\$ 73,206,994	\$ 3,854,500	\$ 3,135,285	\$ 73,926,209

Construction-in-progress related to various long-term construction and improvement projects within the Town is summarized as follows:

	Balance at December 31, 2020	Additions	Adjustments/ In Service	Balance at December 31, 2021
Champlain Canal Water Main Extension	\$ 2,618,355	\$ 37,788	\$ (2,656,143)	\$ -
Farm to Market Turn Lane	417,335	-	(417,335)	-
Vosburgh Road Trail	3,000	14,626	(17,626)	-
Button Road Water Tank	-	90,338	-	90,338
Lower Newtown Main Extension	-	53,318	-	53,318
Hayner Main Extension	-	29,560	-	29,560
McBride Main Extension	-	38,105	-	38,105
Erie Canal Towpath Link	-	22,591	-	22,591
	\$ 3,038,690	\$ 286,326	\$ (3,091,104)	\$ 233,912

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 4 - Capital Assets - Continued

Depreciation expense was charged to the Town's functions and programs as follows:

General government support	\$	309,215
Transportation		3,550,630
Culture and recreation		716,459
Home and community services		1,568,410
		<u>1,568,410</u>
	\$	<u>6,144,714</u>

### Note 5 - Retirement System

#### a. Plan Description and Benefits Provided

The Town participates in the New York State and Local Employees' Retirement System (System), which is a cost-sharing, multiple-employers, public employee retirement system. The System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the System.

The Comptroller adopts and may amend rules and regulations for the administration and transaction of the business of the System for the custody and control of its funds. The System issues publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, New York 12244.

#### b. Funding Policy

The System is noncontributory except for: (1) employees who joined the System after July 26, 1976, who contribute 3% of their salary for the first ten years of membership; and (2) employees who join after January 1, 2010, who will contribute 3% - 6% of their salary for their entire career. Under the authority of the NYSRSSL, the Comptroller annually certifies the rates expressed as proportions of payroll of members, which is used in computing the contributions. The Town's required contribution for the plan years ended March 31, 2021, and the two preceding years was as follows:

2021	\$	580,698
2020		554,313
2019		550,923

These contributions were equal to 100% of the actuarially required contributions for each respective year.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 5 - Retirement System - Continued

*c. Pension Assets, Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions*

At December 31, 2021, the Town reported a liability of \$12,781 for its proportionate share of the net pension liability of the System in the statement of net position. The net pension liability was measured as of March 31, 2021, and the total pension liability was determined by an actuarial valuation as of April 1, 2020. The Town's proportion of the net pension liability was based on the ratio of its actuarially determined employer contribution to the System's total actuarially determined employer contribution for the fiscal year ended on the measurement date. At the March 31, 2021 measurement date, the Town's proportionate share was 0.0128357%.

For the year ended December 31, 2021, the Town's pension expense on the accrual basis of accounting was \$291,896. At December 31, 2021, the Town reported pension related deferred outflows of resources and deferred inflows of resources as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 156,091	\$ -
Changes of assumptions	2,350,017	44,322
Net differences between projected and actual investment earnings on pension plan investments	-	3,671,461
Changes in proportion and differences between employer contributions and proportionate share of contributions	65,720	89,491
Contributions subsequent to the measurement date	484,609	-
Total	\$ 3,056,437	\$ 3,805,274

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts recognized as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized as a component of pension expense follows:

Year ending December 31,	
2022	\$ (220,603)
2023	(85,405)
2024	(209,415)
2025	(718,023)
Total	\$ (1,233,446)

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 5 - Retirement System - Continued

#### d. Actuarial Assumptions

The actuarial assumptions used in the April 1, 2020 valuation, with updated procedures used to roll forward the total pension liability to March 31, 2021, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. These assumptions are:

Actuarial cost method	Entry age normal
Inflation rate	2.7 percent
Salary scale	4.4 percent, indexed by service
Investment rate of return, including inflation	5.9 percent compounded annually, net of expenses
Cost of living adjustment	1.4% annually
Decrement	Developed from the Plan's 2015 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Scale MP-2020

The long-term expected rate of return on the System's pension plan investments was determined in accordance with Actuarial Standard of Practice No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major class as well as historical investment data and plan performance.

#### e. Investment Asset Allocation

The long-term rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by each target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	32.00%	4.05%
International equity	15.00%	6.30%
Private equity	10.00%	6.75%
Real estate	9.00%	4.95%
Opportunistic/ARS portfolio	3.00%	4.50%
Credit	4.00%	3.63%
Real assets	3.00%	5.95%
Fixed income	23.00%	0.00%
Cash	1.00%	0.50%
	<u>100.00%</u>	



# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 5 - Retirement System - Continued

*f. Discount Rate*

The discount rate projection of cash flows assumes that contributions from members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*g. Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption*

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 5.9% and the impact of using a discount rate that is 1% higher or lower than the current rate:

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Town's proportionate share of the net pension liability (asset)	\$ 3,547,516	\$ 12,781	\$ (3,247,072)

*h. Pension Plan Fiduciary Net Position*

The components of the current-year net pension liability of the System as of March 31, 2021 were as follows (amounts in thousands):

Employer's total pension liability	\$ 220,680,157
Plan net position	220,580,583
Employer's net pension liability	\$ 99,574
Ratio of plan net position to the employers' total pension liability	99.95%

### Note 6 - Other Postemployment Benefits

*OPEB Benefits*

The Town provides health care benefits for eligible retired employees. The benefit plan is administered and accounted for as a single employer defined benefit plan. A summary of active employees and retired employees covered under this benefit plan as of December 31, 2021 is as follows:

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 6 - Other Postemployment Benefits - Continued

#### *OPEB Benefits - Continued*

	<u>Subscribers</u>
Active, eligible	73
Retired	24
Surviving beneficiary	<u>1</u>
	<u>98</u>

The contribution requirements of benefit plan members and the Town are established pursuant to the Town's employee handbook. Coverage includes healthcare insurance and prescription drug coverage for eligible retirees and their spouses based on the lifetime of the retiree. Town employees become eligible for these benefits if they are retirement eligible and have twelve years of full-time employment with the Town. Any employee hired on or after June 1, 2014 but before April 1, 2015 must have 20 years of full-time service. All employees hired on or after April 1, 2015 must have reached 25 years of full-time service. Retiree contribution amounts are determined based on the dates of hire and are a percentage of the individual plan premium. An additional contribution is required for spousal coverage. Surviving spouses can continue coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA). Healthcare benefits are provided through an insurance company. The Town recognizes the cost of providing benefits by recording its share of insurance premiums as an expenditure in the year paid. The Town is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the year ended December 31, 2021, the Town paid \$126,422 on behalf of plan members. The benefit plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the benefit plan.

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

The Town estimates its postemployment benefits obligation using the alternative measurement method (AMM), which is a permissible methodology for plans with less than 100 participants (active and inactive). The AMM calculation process is similar to an actuarial valuation, but with simplifications of several assumptions. The Town utilizes a professionally recognized software system to assist in its calculation of its OPEB obligation.

As of December 31, 2021, the Town reported a liability of \$13,209,540 for its OPEB liability. For the year ended December 31, 2021, the Town recognized OPEB expense of \$1,604,312. As of December 31, 2021, the Town did not report any deferred outflows of resources and deferred inflows of resources related to OPEB.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 6 - Other Postemployment Benefits - Continued

#### *Actuarial Assumptions*

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

<u>Assumptions</u>	<u>Factor</u>
Discount Rate	2.12%
Measurement Date	December 31, 2021
Salary Scale	1.68%
Mortality	Pub-2010 Public Retirement Plans Mortality Tables, with mortality improvements projected for 10 years
Actuarial Cost Method	Entry age normal, as a level percentage of salary
Coverage Election	100% of all eligible employees

<u>Year</u>	<u>Healthcare Cost Trend Rates</u>		
	<u>Medical</u>	<u>Pharmacy</u>	<u>Dental</u>
December 31, 2022	4.90%	5.90%	3.50%
December 31, 2023	4.80%	4.80%	3.50%
December 31, 2024	4.70%	4.70%	3.00%
December 31, 2025	4.70%	4.70%	3.00%
December 31, 2026	4.60%	4.60%	3.00%
December 31, 2027	4.50%	4.50%	3.00%
December 31, 2028	4.40%	4.40%	3.00%
December 31, 2029	4.30%	4.30%	3.00%
December 31, 2030	4.30%	4.30%	3.00%
December 31, 2031 and thereafter	4.30%	4.30%	3.00%

The discount rate used to measure the liability was 2.12%, based on the 20-year tax exempt municipal bond yield.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 6 - Other Postemployment Benefits - Continued

#### *Schedule of Changes in Net OPEB Liability*

The following table presents the changes in the net OPEB liability as of December 31, 2021:

Balance at January 1, 2021	\$ 12,434,670
<i>Changes for the year</i>	
Service cost	453,082
Interest	324,475
Economic and demographic gains	(703,020)
Changes in assumptions and other inputs	826,755
Benefit payments	(126,422)
Net changes	774,870
Balance at December 31, 2021	\$ 13,209,540

#### *Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Trend Rate and Discount Rate*

The following presents the OPEB Liability of the plan as of December 31, 2021 using current health care cost trend rates as well as what the OPEB liability would be if it were calculated using a health care cost trend rates that are 1% lower and 1% higher than the current rate:

	1% Decrease	Current Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 11,031,780	\$ 13,209,540	\$ 15,978,900

The following presents the OPEB liability of the plan as of December 31, 2021, calculated using the discount rate of 2.12%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12%) or 1-percentage-point higher (3.12%) than the current rate:

	1% Decrease 1.12%	Current Discount Rate 2.12%	1% Increase 3.12%
Total OPEB Liability	\$ 15,588,770	\$ 13,209,540	\$ 11,318,550

### Note 7 - Indebtedness

#### *a. Serial Bonds*

The Town borrows money in order to acquire land, equipment, construct buildings, and make other improvements. Long-term financing allows the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the assets. These long-term liabilities, which are backed by the full faith and credit of the Town, are recorded as liabilities in the statement of net position.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 7 - Indebtedness - Continued

#### b. Other Long-Term Liabilities

Landfill post-closure costs represent the estimated costs to be incurred for certain required maintenance and monitoring functions and services to assure closure standards are upheld related to the Town's landfill closure.

#### c. Transaction Summary

The following table summarizes changes in long-term liabilities:

	Beginning Balance	Additions	Payments / Reductions	Ending Balance	Due Within One year
Landfill post-closure costs	\$ 43,600	\$ -	\$ 8,100	\$ 35,500	\$ 7,000
Bonds payable	23,528,640	-	2,848,640	20,680,000	2,325,000
Unamortized bond premium	657,516	-	159,914	497,602	98,318
Net pension liability	3,649,263	-	3,636,482	12,781	-
Compensated absences	-	159,448	-	159,448	15,945
Other postemployment benefits liability	12,434,670	1,604,312	829,442	13,209,540	-
	<u>\$ 40,313,689</u>	<u>\$ 1,763,760</u>	<u>\$ 7,482,578</u>	<u>\$ 34,594,871</u>	<u>\$ 2,446,263</u>

#### d. Serial Bond Maturity Information

A summary of the Town's indebtedness under bonds payable is as follows:

	Original Date Issued	Original Amount	Interest Rate	Date Final Maturity	December 31, 2021 Outstanding
<u>General</u>					
Town Hall and park improvements	6/2013	\$ 2,513,914	2.768%	9/2031	\$ 2,312,956
Public improvements refunding	4/2015	7,343,400	2.00-5.00%	6/2028	4,995,200
<u>Highway</u>					
Public improvements refunding	4/2015	2,476,600	2.00-5.00%	6/2028	1,684,800
<u>Water</u>					
Water district refunding	8/2012	2,210,000	2.00%	4/2022	235,000
Water district refunding	6/2013	7,181,087	2.768%	9/2031	6,607,044
Water district refunding	7/2014	3,563,625	2.00-4.00%	5/2033	160,000
Public improvements serial bonds	6/2020	3,000,000	5.00%	6/2030	2,825,000
<u>Debt Service</u>					
Library district	7/2014	2,865,500	2.00-4.00%	5/2030	1,860,000
					<u>\$ 20,680,000</u>

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 7 - Indebtedness - Continued

*d. Serial Bond Maturity Information - Continued*

Aggregate minimum maturities of debt service are as follows:

	Principal	Interest	Total
For the year ending December 31,			
2022	\$ 2,325,000	\$ 698,250	\$ 3,023,250
2023	2,155,000	622,900	2,777,900
2024	2,235,000	551,338	2,786,338
2025	2,315,000	473,175	2,788,175
2026	2,395,000	385,463	2,780,463
2027 through 2031	9,235,000	726,263	9,961,263
2032 through 2033	20,000	800	20,800
	\$ 20,680,000	\$ 3,458,189	\$ 24,138,189

### Note 8 - Interfund Activities

Interfund receivables and payables of the Town consisted of the following:

	December 31, 2021	
	Interfund Receivables	Interfund Payables
Water	\$ 200,000	\$ -
Capital projects	-	200,000
	\$ 200,000	\$ 200,000

A summary of the interfund transfers is as follows:

	Year Ended December 31, 2021	
	Interfund Transfers In	Interfund Transfers Out
General	\$ 218	\$ -
Water	361,855	(4,579,250)
Miscellaneous special revenue	26,165	(60,250)
Capital projects	4,639,500	(388,238)
	\$ 5,027,738	\$ (5,027,738)

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 9 - Commitments and Contingencies

#### *a. Contracts with Saratoga County*

The Town, in conjunction with the Towns of Clifton Park and Wilton, contracts annually with Saratoga County for specialized law enforcement services.

#### *b. Agreement with the Clifton Park and Halfmoon Emergency Corps. Inc.*

The Town annually enters into an agreement with the Clifton Park and Halfmoon Emergency Corps., Inc. for ambulance service for the citizens of the Town.

#### *c. Letters of Credit and Bonds*

The Town holds approximately \$5,579,000 of letters of credit and bonds, the majority of which expire between September 2022 and November 2026, from various contractors and developers with ongoing projects within the Town. If they are unable to complete the infrastructure or landscaping on the projects, the Town may use the letters of credit and bonds to fund completion of the project. The Town also holds \$162,980 in cash deposits for the same purpose that is reported within the fiduciary fund.

#### *d. Pending Litigation*

The Town is involved in certain suits and claims arising from a variety of sources. It is the opinion of counsel and management that most of the liabilities that may arise from such actions would be covered by the Town's insurance carrier or would not result in losses that would materially affect the financial position of the Town or the results of its operations.

#### *e. Environmental Risks*

Certain facilities of the Town are subject to federal, state, and local regulations relating to the discharge of materials into the environment. Compliance with these provisions has not had, nor does the Town expect such compliance to have, any material effect upon the capital expenditures or financial condition of the Town. The Town believes that its current practices and procedures for control and disposition of regulated wastes comply with applicable federal, state, and local requirements.

#### *f. Environmental Remediation*

In May 2022, the Town was notified of potential remediation required at a separate landfill that was previously closed and completed the post-closure monitoring period. On May 4, 2022, the Town Board authorized a resolution to engage an independent engineering firm to study and advise the Town on the required potential remediation. The costs of remediation of the landfill, if any, are unable to be estimated as of the date these financial statements were available to be issued. Accordingly, no liability or related expense has been reported within the Town's governmental activities statement of net position and statement of activities, respectively.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 10 - Accounting Standards Issued But Not Yet Implemented

The Town has not implemented the following accounting pronouncements that are required for financial statements presented in accordance with U.S. GAAP:

**GASB Statement No. 87, *Leases*.** This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and the recognition of inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement, as delayed by GASB 95, are effective for reporting periods beginning after June 15, 2021.

**GASB Statement No. 91, *Conduit Debt Obligations*.** The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this statement, as delayed by GASB 95, are effective for reporting periods beginning after December 15, 2021.

**GASB Statement No. 92, *Omnibus 2020*.** This statement addresses a variety of topics including leases, intra-entity transfers, fiduciary activities, public entity risk pools/reinsurance recoveries, fair value measurements, and derivative instrument terminology. Guidance related to leases, reinsurance recoveries, and derivative terminology was effective upon issuance of the standard in January 2020. The remaining components of this standard, as delayed by GASB 95, are effective for periods beginning after June 15, 2021.

**GASB Statement No. 93, *Replacement of Interbank Offered Rate*.** This statement is to address governments that have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallbacks provisions to the reference rate. The objective of this statement is to address accounting and financial reporting implications that result from the replacement of IBOR, such as providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, and clarifying the definition of reference rate. The removal of the London IBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. The requirements to lease modifications, as delayed by GASB 95, are effective for reporting periods beginning after June 15, 2021. All other requirements of this statement were effective for reporting periods beginning after June 15, 2020.



# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### Note 10 - Accounting Standards Issued But Not Yet Implemented - Continued

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernment entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which GASB defines in this statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA) including (1) the definition of a SBITA; (2) establishment of a right-to-use subscription asset and a corresponding subscription liability; (3) providing capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Under this statement, a government generally should recognize a right-to-use subscription asset and a corresponding subscription liability. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or another employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. This Statement also requires that the financial burden criterion in para-graph 7 of Statement No. 84, *Fiduciary Activities*, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans*, or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, respectively. This Statement (1) requires that a Section 457 plan be classified as either a pension plan or another employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

# Town of Halfmoon, New York

## Notes to Basic Financial Statements December 31, 2021

### **Note 10 - Accounting Standards Issued But Not Yet Implemented - Continued**

GASB Statement No. 99, *Omnibus 2022*. This statement addresses a variety of topics. The requirements of this statement related to the extension of the use of LIBOR, accounting for Supplement Nutrition Assistance Program distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of the provisions of GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended, and terminology updates related to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, were effective upon issuance of the statement in April 2022. The requirements of this statement related to leases, PPPs and SBITAs are effective for reporting periods beginning after June 15, 2022. The requirements of this statement related to financial guarantees and the classification of reporting of derivative instruments within the scope of GASB 53 are effective for reporting periods beginning after June 15, 2023.

Management has not estimated the extent of potential impact of these statements on the Town's financial statements.

# Town of Halfmoon, New York

## Required Supplementary Information - Budgetary Information Budgetary Comparison Schedule - General Fund

	Year Ended December 31, 2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes and tax items	\$ 13,000	\$ 13,000	\$ 12,247	\$ (753)
Nonproperty taxes	5,198,200	5,198,200	7,270,677	2,072,477
Departmental income	279,500	279,500	382,572	103,072
Use of money and property	7,000	7,000	5,693	(1,307)
Licenses and permits	244,500	244,500	400,246	155,746
Fines and forfeitures	250,000	250,000	245,746	(4,254)
Sale of property and compensation for loss	2,000	48,500	80,045	31,545
Miscellaneous local sources	68,011	68,011	146,418	78,407
Interfund revenues	-	-	7,384	7,384
State aid	751,500	751,500	1,217,951	466,451
Total revenues	<u>6,813,711</u>	<u>6,860,211</u>	<u>9,768,979</u>	<u>2,908,768</u>
<b>EXPENDITURES</b>				
General government support	2,293,040	2,209,224	2,073,238	135,986
Public safety	317,550	315,700	303,355	12,345
Health	9,500	9,500	9,000	500
Transportation	288,200	336,550	304,980	31,570
Economic opportunity and development	387,567	387,567	379,976	7,591
Culture and recreation	763,550	838,116	750,370	87,746
Home and community services	599,040	599,040	551,223	47,817
Employee benefits	1,176,600	1,185,850	1,124,577	61,273
Debt service				
Principal	787,050	787,050	787,050	-
Interest	291,614	291,614	291,613	1
Total expenditures	<u>6,913,711</u>	<u>6,960,211</u>	<u>6,575,382</u>	<u>384,829</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(100,000)</b>	<b>(100,000)</b>	<b>3,193,597</b>	<b>3,293,597</b>
<b>OTHER FINANCING SOURCES</b>				
Operating transfers in	-	-	218	218
<b>Excess (deficiency) of revenues and other financing sources over expenditures</b>	<b><u>\$ (100,000)</u></b>	<b><u>\$ (100,000)</u></b>	<b><u>3,193,815</u></b>	<b><u>\$ 3,293,815</u></b>
<b>FUND BALANCE, beginning of year</b>			<u>10,131,000</u>	
<b>FUND BALANCE, end of year</b>			<u><u>\$ 13,324,815</u></u>	

# Town of Halfmoon, New York

## Required Supplementary Information - Budgetary Information Budgetary Comparison Schedule - Water Fund

	Year Ended December 31, 2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 2,179,291	\$ 2,179,291	\$ 2,179,292	\$ 1
Departmental Income	3,734,500	3,734,500	3,549,002	(185,498)
Use of money and property	30,050	30,050	25,927	(4,123)
Sale of property and compensation for loss	-	-	234,156	234,156
<b>Total revenues</b>	<b>5,943,841</b>	<b>5,943,841</b>	<b>5,988,377</b>	<b>44,536</b>
<b>EXPENDITURES</b>				
General government support	112,700	113,370	108,472	4,898
Home and community services	3,344,500	3,659,113	3,150,818	508,295
Employee benefits	307,350	310,340	295,821	14,519
Debt service				
Principal	1,679,890	1,679,890	1,679,890	-
Interest	424,925	424,925	424,925	-
<b>Total expenditures</b>	<b>5,869,365</b>	<b>6,187,638</b>	<b>5,659,926</b>	<b>527,712</b>
<b>Excess of revenues over expenditures</b>	<b>74,476</b>	<b>(243,797)</b>	<b>328,451</b>	<b>572,248</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	-	361,855	361,855
Operating transfers out	-	(4,579,250)	(4,579,250)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(4,579,250)</b>	<b>(4,217,395)</b>	<b>361,855</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<b>\$ 74,476</b>	<b>\$ (4,823,047)</b>	<b>(3,888,944)</b>	<b>934,103</b>
<b>FUND BALANCE, beginning of year</b>			<b>7,605,471</b>	
<b>FUND BALANCE, end of year</b>			<b>\$ 3,716,527</b>	

# Town of Halfmoon, New York

## Required Supplementary Information - Budgetary Information Budgetary Comparison Schedule - Highway Fund

	Year Ended December 31, 2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
<b>REVENUES</b>				
Real property taxes	\$ 1,782,437	\$ 1,782,437	\$ 1,782,838	\$ 401
Nonproperty taxes	1,820,000	1,820,000	1,820,000	-
Use of money and property	2,454	2,454	488	(1,966)
Sale of property and compensation for loss	75,000	75,000	103,198	28,198
Miscellaneous local sources	-	-	5,548	5,548
Interfund revenues	7,500	7,500	11,814	4,314
State aid	153,600	302,283	334,991	32,708
Total revenues	3,840,991	3,989,674	4,058,877	69,203
<b>EXPENDITURES</b>				
Transportation	3,162,029	4,059,712	3,351,603	708,109
Employee benefits	399,100	400,100	359,547	40,553
Debt service				
Principal	201,700	201,700	201,700	-
Interest	78,162	78,162	78,162	-
Total expenditures	3,840,991	4,739,674	3,991,012	748,662
<b>Excess of revenues over expenditures</b>	-	<b>(750,000)</b>	<b>67,865</b>	<b>(679,459)</b>
<b>FUND BALANCE, beginning of year</b>			2,906,584	
<b>FUND BALANCE, end of year</b>			<b>\$ 2,974,449</b>	

## Town of Halfmoon, New York

### Required Supplementary Information Schedule of Proportionate Share of Net Pension Liability

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Town's proportion of the net pension liability	0.0128358%	0.0137809%	0.0138595%	0.0138807%	0.0134219%	0.0133567%
Town's proportionate share of the net pension liability	\$ 12,781	\$ 3,649,263	\$ 981,989	\$ 447,991	\$ 1,261,153	\$ 2,143,790
Town's covered-employee payroll	\$ 3,965,596	\$ 4,011,199	\$ 3,828,416	\$ 3,758,335	\$ 3,320,355	\$ 3,158,160
Town's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.32%	90.98%	25.65%	11.92%	37.98%	67.88%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%

*Schedule is intended to display ten years of information. Additional years will be displayed as they become available.*

*See Independent Auditor's Report.*

## Town of Halfmoon, New York

### Required Supplementary Information Schedule of Employer Contributions

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 580,698	\$ 554,313	\$ 550,923	\$ 544,001	\$ 509,352	\$ 547,077
Contributions in relation to the contractually required contribution	580,698	554,313	550,923	544,001	509,352	547,077
Contribution deficiency (excess)	-	-	-	-	-	-
Authority's covered-employee payroll	3,965,596	4,011,199	3,828,416	3,758,335	3,320,355	3,158,160
Contribution as a percentage of covered-employee payroll	14.64%	13.82%	14.39%	14.47%	15.34%	17.32%

*Schedule is intended to display ten years of information. Additional years will be displayed as they become available.*

*See Independent Auditor's Report.*

# Town of Halfmoon, New York

## Required Supplementary Information Schedule of Other Postemployment Benefits Liability

	<b>December 31, 2021</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>December 31, 2018</b>
<b>Total OPEB liability, beginning of year</b>	<b>\$ 12,434,670</b>	<b>\$ 10,668,380</b>	<b>\$ 8,151,762</b>	<b>\$ 7,107,833</b>
<i>Changes for the year</i>				
Service cost	453,082	401,470	305,589	266,346
Interest	324,475	278,657	355,559	282,904
Economic and demographic losses	(703,020)	508,356	(426,632)	609,798
Changes in assumptions and other inputs	826,755	690,046	2,386,605	(24,118)
Benefit payments	(126,422)	(112,239)	(104,503)	(91,001)
Net changes	774,870	1,766,290	2,516,618	1,043,929
<b>Total OPEB liability, end of year</b>	<b>13,209,540</b>	<b>12,434,670</b>	<b>10,668,380</b>	<b>8,151,762</b>
<b>Plan fiduciary net position</b>				
Contributions, employer	126,422	112,239	104,503	91,001
Benefit payments	(126,422)	(112,239)	(104,503)	(91,001)
Net changes in plan fiduciary net position	-	-	-	-
Plan fiduciary net position, beginning of year	-	-	-	-
Plan fiduciary net position, end of year	-	-	-	-
<b>Net OPEB liability</b>	<b>\$ 13,209,540</b>	<b>\$ 12,434,670</b>	<b>\$ 10,668,380</b>	<b>\$ 8,151,762</b>
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered employee payroll	3,258,702	3,166,569	3,149,628	2,886,212
Net OPEB liability as a percentage of covered employee payroll	24.67%	25.47%	29.52%	35.41%

*Schedule is intended to display ten years of information. Additional years will be displayed as they become available.*



# Town of Halfmoon, New York

## Other Supplemental Information - Balance Sheet - Other Governmental Fund

		<u>December 31, 2021</u>
		<u>Lighting Districts</u>
<b>ASSETS</b>		
Cash, unrestricted		<u>\$ 7,416</u>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable		\$ 1,138
<b>FUND BALANCE</b>		
Assigned		<u>6,278</u>
		<u>\$ 7,416</u>

# Town of Halfmoon, New York

## Other Supplemental Information - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Other Governmental Funds

	Year Ended December 31, 2021			
	Lighting Districts	Ambulance District	Debt Service	Total
<b>REVENUES</b>				
Real property taxes and tax items	\$ 4,900	\$ 921,000	\$ -	\$ 925,900
Use of money and property	3	-	-	3
Intergovernmental charges	-	-	239,875	239,875
Total revenues	4,903	921,000	239,875	1,165,778
<b>EXPENDITURES</b>				
Health	-	921,000	-	921,000
Transportation	6,077	-	-	6,077
Debt service				
Principal	-	-	180,000	180,000
Interest	-	-	59,875	59,875
Total expenditures	6,077	921,000	239,875	1,166,952
Deficiency of revenues over expenditures	(1,174)	-	-	(1,174)
<b>FUND BALANCE, beginning of year</b>	7,452	-	-	7,452
<b>FUND BALANCE, end of year</b>	<b>\$ 6,278</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,278</b>



**Report on Internal Control Over Financial Reporting  
and on Compliance and Other Matters Based on an  
Audit of Financial Statements Performed in Accordance  
With Government Auditing Standards**

Supervisor and Town Board  
Town of Halfmoon, New York  
Halfmoon, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Halfmoon, New York (Town), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated May 12, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be a material weakness. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BST+Co.CPAs, LLP

Albany, New York  
May 12, 2022

