

**OFFICIAL STATEMENT**

**NEW ISSUE**

**BOND ANTICIPATION NOTES**

*In the opinion of Trespasz & Marquardt, LLP, Bond Counsel to the Town, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond counsel expresses no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes. (See "TAX MATTERS" herein.)*

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

**\$6,000,000**  
**TOWN OF SALINA**  
**ONONDAGA COUNTY, NEW YORK**

**GENERAL OBLIGATIONS**  
**CUSIP BASE #: 794828**

**\$6,000,000 Bond Anticipation Notes, 2023**  
**(referred to herein as the "Notes")**

**Dated: October 10, 2023**

**Due: June 7, 2024**

The Notes are general obligations of the Town of Salina, Onondaga County, New York, (the "Town"), all the taxable real property within which is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See "TAX CAP LAW" and "THE NOTES – Nature of the Obligations" herein. The Notes are to be issued without the option of prior redemption.

At the option of the successful bidder, the Notes will be issued registered in the name of the purchaser in the denominations of \$5,000 or multiples thereof.

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

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

The Notes are offered when, as and if issued and received by the purchaser(s) and subject to the receipt of the approving legal opinions as to the validity of the Notes of Trespasz & Marquardt, LLP, of Syracuse, New York, Bond Counsel. It is anticipated that the Notes 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(s), on or about October 10, 2023.

**ELECTRONIC BIDS for the Notes may be submitted via Fiscal Advisors Auction Bid Submission System ("Fiscal Advisors Auction") on September 26, 2023 until 11:00 A.M., Prevaling Time, pursuant to the Notice of Sale for the Notes. 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 Notes pursuant to the terms provided in the Notice of Sale for the Notes.**

September 14, 2023

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(S), AS MORE FULLY DESCRIBED IN THE NOTICE OF SALE WITH RESPECT TO THE OBLIGATIONS HEREIN DESCRIBED. FOR A DESCRIPTION OF THE TOWN'S AGREEMENT TO PROVIDE NOTICE OF CERTAIN ENUMERATED EVENTS AS DEFINED IN THE RULE WITH RESPECT TO THE NOTES, SEE "APPENDIX – C" HEREIN.

# TOWN OF SALINA ONONDAGA COUNTY, NEW YORK



## TOWN OFFICIALS

NICHOLAS PARO  
Town Supervisor

## TOWN BOARD

MATTHEW CUSHING  
JASON RECOR

DANIEL CICIARELLI  
DAVID CARNIE

\* \* \* \* \*

LINDA M. PEASE  
Town Comptroller

CORA GOSSON  
Deputy Town Comptroller

RODNEY-DAVID LOWE  
Town Clerk

TIMOTHY A. FRATESCHI, ESQ.  
Town Attorney



FISCAL ADVISORS & MARKETING, INC.  
Municipal Advisor



TRESPASZ & MARQUARDT, LLP  
BOND COUNSEL

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

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### PREPARED WITH THE ASSISTANCE OF



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**OFFICIAL STATEMENT**  
of the  
**TOWN OF SALINA**  
**ONONDAGA COUNTY, NEW YORK**

Relating To  
**\$6,000,000 Bond Anticipation Notes, 2023**

This Official Statement, which includes the cover page and all Appendices, has been prepared by the Town of Salina, Onondaga County, New York (the "Town", "County", and "State", respectively) in connection with the sale by the Town of and \$6,000,000 Bond Anticipation Notes, 2023 (the "Notes").

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

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

**THE NOTES**

**Nature of the Obligations**

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

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

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

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

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

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

The pledge has generally been understood as a promise to levy property taxes without limitation as to rate or amount to the extent necessary to cover debt service due to language in Article VIII Section 10 of the Constitution which provides an exclusion for debt service from Constitutional limitations on the amount of a real property tax levy, ensuring 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.

## **Description of the Notes**

The Notes are general obligations of the Town, and will contain a pledge of its faith and credit for the payment of the principal of and interest on the Notes as required by the Constitution and laws of the State (State Constitution, Art. VIII, Section 2; Local Finance Law, Section 100.00). All the taxable real property within the Town is subject to the levy of ad valorem taxes to pay the Notes and interest thereon, subject to applicable statutory limits imposed by Chapter 97 of the Laws of 2011 of the State of New York. See “TAX CAP LAW” herein.

The Notes are dated October 10, 2023 and will mature, without option of prior redemption, on June 7, 2024.

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

## **No Optional Redemption**

The Notes are not subject to redemption prior to maturity.

## **Purpose of Issue**

The Notes are issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law, and a bond resolution authorizing a capital improvement project consisting of construction of a new community center adopted by the Town on July 24, 2023. The proceeds of the Notes will provide new monies for this purpose.

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

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

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

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

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

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

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

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

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

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the Town. Under such circumstances, in the event that a successor depository is not obtained, bond and/or note 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 and/or note 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 NOTES (1) PAYMENTS OF PRINCIPAL OF OR INTEREST OR REDEMPTION PREMIUM ON THE BONDS OR NOTES, (2) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE BONDS OR NOTES, OR (3) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE NOTES, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

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

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

### **Certificated Notes**

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

The Notes will be issued in registered form registered in the name of the purchaser in denominations of \$5,000 or integral multiples thereof. Principal of and interest on the Notes will be payable at the Town. The Notes will remain not subject to redemption prior to their stated final maturity date.

## THE TOWN

### General Information

The Town of Salina (the “Town”), with an area of 14 square miles, adjoins the City of Syracuse on the north and west. The Town is on the eastern shores of Onondaga Lake. The Town is a highly developed residential and industrial town.

The Town marks the juncture of two major transportation routes: The New York State Thruway, extending as Interstate 90 from the City of Boston to the City of Chicago; and Interstate 81 running from Canada to Pennsylvania, connecting via interstate highways to Washington and the south. The New York State Thruway is fed by six inter-changes within Onondaga County and of these six; three inter-changes are located within the Town. A portion of Syracuse Hancock International Airport is located in the Town. See “The I-81 Challenge” herein for a discussion regarding potential changes to Interstate 81 in the near future.

The Village of Liverpool is located entirely within the Town. Gas and electrical power are provided by National Grid. Ample fire and police protection are provided by various agencies and volunteer groups.

Higher education opportunities are available from Syracuse University, Le Moyne College and Onondaga Community College, which are all located within close proximity to the Town.

Source: Town officials.

### Population Trends

<u>Year</u>	<u>Town of Salina</u>	<u>Onondaga County</u>	<u>New York State</u>
1980	37,400	463,324	17,558,072
1990	35,145	468,973	17,990,455
2000	32,290	458,336	18,976,457
2010	33,710	467,026	19,378,102
2020	33,223	476,516	20,201,249
2022 (Estimate)	32,697	468,249	19,677,151

Source: U.S. Census Bureau.

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## Major Employers

The larger employers located in the Town include the following:

<u>Name</u>	<u>Type of Product or Service</u>	<u>Number of Employees</u>
Lockheed Martin	Electronics	2,300
Crouse Hinds Co.	Outdoor Signal & Lighting	700
Cxstec	Computer Cable Manufacturer	300
Haylor, Freyer & Coon	Insurance	220

Source: Town officials.

In addition, many of the Town residents are employed in the various industries, service companies or commercial establishments located outside of the Town that constitute the diverse economic base of the Syracuse metropolitan area. Listed below are the major employers in Central New York:

<u>Rank</u>	<u>Name</u>	<u>Employees</u>
1.	Upstate University Health	11,000-11,500
2.	St. Joseph's Hospital Health Center	4,500-5,000
3.	Syracuse University	4,500-5,000
4.	Walmart	4,500-5,000
5.	Lockheed Martin	4,000-4,500
6.	Crouse Health Center	3,000-3,500
7.	National Grid	3,000-3,500
8.	Loretto	2,000-2,500
9.	Target Corp.	1,500-2,000
10.	VA Syracuse Healthcare System	1,500-2,000
11.	AccessCNY	1,000-1,500
12.	Excelsus BlueCross BlueShield	1,000-1,500
13.	SRC, Inc.	1,000-1,500
14.	Hill-Rom formerly Welch Allyn	1,000-1,500

Source: Center State CEO Community Guide (2022), CNY Business Journal Book of Lists 2023.

## Selected Wealth and Income Indicators

Per capita income statistics are available for the Town, County and State. Listed below are select figures from the 2006-2010, 2016-2020, and 2017-2021 American Community Survey 5-Year Estimates.

	<u>Per Capita Income</u>			<u>Median Family Income</u>		
	<u>2006-2010</u>	<u>2016-2020</u>	<u>2017-2021</u>	<u>2006-2010</u>	<u>2016-2020</u>	<u>2017-2021</u>
Towns of:						
Salina	\$ 25,864	\$ 33,986	\$ 34,536	\$ 57,883	\$ 71,145	\$ 74,075
County of:						
Onondaga	27,037	34,600	36,338	65,929	82,368	86,632
State of:						
New York	30,948	40,898	43,208	67,405	87,270	92,731

Note: 2018-2022 American Community Survey estimates are not available as of the date of this Official Statement.

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## Unemployment Rate Statistics

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

	<u>Annual Averages</u>						
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Town of Salina	4.4%	4.5%	3.7%	3.6%	8.3%	4.7%	3.0%
Onondaga County	4.6	4.6	4.0	3.8	8.0	4.9	3.3
New York State	4.9	4.6	4.1	3.8	9.9	6.9	4.3

### 2023 Monthly Figures

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
Town of Salina	3.5%	3.2%	2.9%	2.3%	2.7%	2.9%	2.8%	N/A	N/A
Onondaga County	3.8	3.5	3.1	2.5	2.9	3.1	3.0	N/A	N/A
New York State	4.6	4.5	4.0	3.7	3.8	4.3	4.1	N/A	N/A

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

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

## Form of Town Government

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

The Town Board appoints the Town Comptroller, Town Clerk and Highway Superintendent, Receiver of Taxes, Assessor and the Town Attorney.

## Financial Organization

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

## The I-81 Challenge

Interstate 81 (I-81) is a major commuter route, providing access to jobs, businesses and services in the Town of Salina and the City of Syracuse. It also serves as a national and international north-south trade route from Tennessee to the Canadian border. Portions of I-81, which was built in the 1950s and 1960s, are deteriorating and nearing the end of their useful life. This is especially true of the 1.4-mile elevated section, or "viaduct," located near downtown Syracuse. In 2010 the New York State Department of Transportation (NYSDOT) and the Federal Highway Administration (FHWA) commenced an environmental review process commonly known as "The I-81 Challenge" to address the structural deficiencies and non-standard highway features in the I-81 corridor while creating an improved corridor through the City of Syracuse that meets transportation needs and provides the transportation infrastructure to support long-range planning efforts.

Specifically, NYSDOT, in cooperation with the FHWA, prepared an Environmental Impact Statement (EIS) for the I-81 project in accordance with the requirements of the Council on Environmental Quality's regulations for implementing the procedural provisions of the National Environmental Policy Act (NEPA) and the NYSDOT Procedures for Implementation of the State Environmental Quality Review Act. FHWA, serving as the Federal Lead Agency, and NYSDOT, serving as Joint Lead Agency, developed the EIS. As an initial step in the NEPA review process, a Scoping Report was published in April of 2015 that summarized the status of the project.

As described in Scoping Report, NYSDOT initially advanced three distinct alternatives for the project including a “Viaduct Alternative,” a “Community Grid Alternative” and a “No Build Alternative.” Based on public input received, NYSDOT retained an engineering consultant to perform further analysis to determine if there is a tunnel alternative that addresses the project’s needs, purpose and objectives. In December of 2017 the results of such study were released and showed that while a tunnel option is technically feasible, the cost of a tunnel could cost up to \$4.5 Billion and take 10 years to complete. Materials regarding these various alternatives are available at the NYSDOT website at <https://www.dot.ny.gov/i81opportunities>.

On April 22, 2019, the NYSDOT released a preliminary Draft Design Report/Environmental Impact Statement (“DEIS”) for the Interstate 81 Viaduct Project. Pursuant to the DEIS, NYSDOT determined that a community grid alternative will best meet the objectives of the project.

Following the public release of the preliminary DEIS in April 2019, NYSDOT considered public comments, which were summarized and responded to in a revised DEIS that was released on July 16, 2021 (the “2021 DEIS”). The 2021 DEIS provided build alternatives that were refined to address public concerns. Both the Viaduct and Community Grid Alternatives were modified to include improvements along Bear Street, and the Community Grid Alternative also was refined to include improvements at I-481 Interchange 3 (Routes 5/92) and a new northbound BL 81 exit ramp at Colvin Street. The 2021 DEIS reflected these design modifications.

The public review period relating to the 2021 DEIS was originally 60 days and was scheduled to end on September 14, 2021. In response to public comment, FHWA and NYSDOT extended the public review period to 90 days, and it ended on October 14, 2021. Following public hearings, all substantive comments were reviewed, summarized, and responded to in a final environmental impact statement (the “FEIS”) released by FHWA and NYSDOT on April 15, 2022. The FEIS confirmed the prior conclusion set forth in the 2021 DEIS that a community grid design will best meet the objectives of the proposed project. The Office of the State Comptroller has approved the first contract, in the amount of \$296.4 million and awarded by the State Department of Transportation, for the purpose of the I-81 Viaduct Project. The project has been challenged in *Renew 81 for all v. New York State Department of Transportation*. A decision was issued on February 14, 2023, which required supplemental review in connection with the project; however, ordered that certain elements of the project may proceed.

In January of 2023 Governor Hochul awarded the first construction contract in the amount of \$296 million and in July of 2023 awarded a second contract in the amount of \$384.5 million. These initial contracts will rework the interchanges both north and south of the City of Syracuse, where I-81 meets I-481 where lanes will be added with new higher-speed entrances and exits. The project is expected to break ground in the fall of 2023 and conclude in 2029.

Representatives of the Town of Salina have publicly expressed their opposition to the community grid design. Specifically, representatives of the Town Board, as well as local business owners, have expressed their concern that the proposed grid design may divert traffic away from the Town, causing a negative impact on local hotels, restaurants and other businesses. The Town Supervisor recently stated that the community grid alternative would position towns like Salina to experience significant financial hardship due to diminished property values and potential loss of businesses.

To help mitigate these potential impacts, the Town’s Supervisor recently requested New York State to remove Thruway tolls through Onondaga County. Onondaga County has six Thruway exits throughout the whole county, and three of them fall within the Town of Salina. The Town’s Supervisor believes the Thruway is the most efficient way for residents to get from one part of the town to another, but also believes Salina residents have long avoided it because of the costs.

The I-81 highway reconstruction project, including the finalized community grid design, could have a material adverse impact upon the Town’s finances if local businesses suffer due to the revised flow of traffic caused by the community grid design. The degree of the impact of the I-81 project on the operations and finances of the Town is difficult to predict at this time.

## **Budgetary Procedures**

The Supervisor is the Budget Officer of the Town. The Supervisor prepares a preliminary budget each year and submits the preliminary budget to the Town Board at its first September meeting (but no later than September 30) for possible amendments. In October special budget meetings are scheduled for the Town Board and department heads to review the Tentative Budget as well as their original requests and to make any changes that the majority of the Board feels are necessary. The Town Board then holds a public hearing thereon. Subsequent to the public hearing, revisions (if any) are made, and the budget is then adopted by the Town Board as its final budget for the coming fiscal year. The budget is not subject to referendum.

The Town voted to override its tax cap for 2021, 2022, and 2023.

## Investment Policy

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

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

## State Aid

The Town receives substantial financial assistance from the State. In its budget for the 2023 fiscal year, approximately 12.93% of the revenues of the Town are estimated to be received in the form of State aid.

The State is not constitutionally obligated to maintain or continue State aid to the Town. No assurance can be given that present State aid levels will be maintained in the future. If the State should not adopt its budget in a timely manner, in any year, municipalities and school districts in the State, including the Town, may be affected by a delay in the payment of State aid. 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.

The following table illustrates the percentage of total revenues of the Town for the below fiscal years comprised of State aid.

<u>Fiscal Year</u>	<u>Total State Aid</u>	<u>Total Revenues</u>	<u>Percentage of Total Revenues Consisting of State Aid</u>
2017	\$ 796,907	\$ 4,692,095	16.98%
2018	764,939	5,057,792	15.12
2019	808,321	5,194,010	15.56
2020	773,466	5,093,587	15.19
2021	1,216,914	5,365,059	22.68
2022	1,232,208	6,759,267	18.23
2023 (Budgeted)	793,868	6,139,734	12.93

Source: Audited Financial Statements of the Town for 2017-2022 and the adopted budget of the Town for 2023. This table is not audited.

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## Employees

The Town employs approximately 60 full-time and 49 part-time employees. There are two collective bargaining organizations representing Town employees as follows:

<u>Number</u>	<u>Union</u>	<u>Contract Expiration Date</u>
31	Service Employees Benefit Fund	December 31, 2025
25	New York State Teamsters Union	December 31, 2024

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 offer a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service. The Retirement System Law generally provides that all participating employers in each retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement Systems.

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

For both ERS, Tier 5 provides for:

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

For both ERS, Tier 6 provides for:

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

The Town's payments to ERS since the 2018 fiscal year and budgeted payment for the 2023 fiscal year are as follows:

<u>Year</u>	<u>ERS</u>
2018	\$ 437,197
2019	436,435
2020	413,153
2021	450,017
2022	379,818
2023 (Budgeted)	414,391

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.

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 retirement system, respectively. Wide swings in the contribution rate resulted in budgetary planning problems for many participating local governments.

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

<u>Year</u>	<u>ERS</u>
2020	14.6%
2021	14.6
2022	16.2
2023	11.6
2024	13.1

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 System 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 System ("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 System administrative staff for further information on the latest actuarial valuations of the Retirement System.

## Other Post-Employment Benefits

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

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

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

The Town contracted with Armory Associates, LLC, an actuarial firm, to calculate its actuarial valuation under GASB 75 for the below fiscal years. The following outlines the changes to the Total OPEB Liability during the below fiscal years, by source.

	2021	2022
Balance beginning at December 31:	<u>\$ 9,330,999</u>	<u>\$ 9,423,231</u>
<u>Changes for the year:</u>		
Service cost	363,678	516,472
Interest	260,537	207,388
Differences between expected and actual experience	(810,471)	-
Changes in assumptions or other inputs	650,556	80,707
Changes of benefit terms		
Benefit payments	<u>(372,068)</u>	<u>(314,398)</u>
Net Changes	<u>\$ 92,232</u>	<u>\$ 490,169</u>
Balance ending at December 31:	<u>\$ 9,423,231</u>	<u>\$ 9,913,400</u>

Source: Post-employment benefit plan actuarial valuation reports of the Town for the reporting date of December 31, 2023.

Under GASB 75, an actuarial valuation will be required every two years for all plans; however, the alternative measurement method will continue to be available for plans with less than 100 members.

## Other Information

The Town has complied with the procedure for the validation of the Bonds and Notes, as provided in Title 6 of Article 2 of the Local Finance Law.

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

The fiscal year of the Town is January 1 through December 31.

Except for as shown under “STATUS OF INDEBTEDNESS – Estimated Overlapping Indebtedness”, this Official Statement does not include the financial data of any political subdivision having power to levy taxes within the Town.

## **Financial Statements**

The Town retains an independent certified public accountant firm for a continuous independent audit of all financial transactions of the Town. The financial affairs of the Town are also subject to annual audits by the State Comptroller. See “New York State Comptroller Report of Examination” herein. The Audited Financial Statements for the fiscal year ended December 31, 2022 are attached hereto as “APPENDIX – E”. Certain financial information of the Town is included in the appendices to this Official Statement.

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

Beginning with the fiscal year ending December 31, 2003, the Town 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. The Town hired an outside consultant to assist in implementation of GASB 34, inclusive of a physical review and documentation of all assets owned by the Town. The Town is currently in full compliance with GASB 34.

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

## **New York State Comptroller Reports of Examination**

The State Comptroller's office, i.e., the Department of Audit and Control, periodically performs a compliance review to ascertain whether the Town has complied with the requirements of various State and Federal statutes. These audits can be found by visiting the Audits of Local Governments section of the Office of the State Comptroller website.

There are no recent State Comptroller’s audits of the Town, nor are there any that are currently in progress or pending release.

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

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## The State Comptroller's Fiscal Stress Monitoring System

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

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

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

<u>Fiscal Year Ending In</u>	<u>Stress Designation</u>	<u>Fiscal Score</u>
2021	No Designation	0.0
2020	No Designation	0.0
2019	No Designation	1.7

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

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

## TAX INFORMATION

### Taxable Valuations

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Assessed Valuation	\$ 1,660,358,528	\$ 1,693,558,378	\$ 1,873,486,947	\$ 1,956,807,267	\$ 2,144,296,719
New York State Equalization Rate	100.00%	100.00%	100.00%	100.00%	100.00%
Total Taxable Full Valuation	\$ 1,660,358,528	\$ 1,693,558,378	\$ 1,873,486,947	\$ 1,956,807,267	\$ 2,144,296,719

Note: General fund only.

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

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General	\$ 1.97	\$ 2.00	\$ 1.72	\$ 1.70	\$ 1.62
Part Town	0.76	0.57	0.59	0.68	0.42
Highway	3.31	3.07	2.85	2.34	2.38

### Tax Collection Procedure

Town and County taxes are due and payable to the Receiver of Taxes January 1<sup>st</sup>, and can be paid without penalty through January 31<sup>st</sup>. For the month of February, a fee of 1% is added; March 1.5%. Unpaid taxes are returned to the County Commissioner of Finance on April 1<sup>st</sup>. The Town retains the total amount of Town, Highway and Special District Levies from the total collection and returns the balance plus the uncollected items to the County, which assumes responsibility and holds annual tax sales.

## Tax Levy and Tax Collection Record

<u>Fiscal Year Ending December 31:</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Total Tax Levy <sup>(1)</sup>	\$ 14,809,418	\$ 14,533,820	\$ 14,260,167	\$ 13,729,164	\$ 15,914,749
Amount Uncollected <sup>(2)</sup>	N/A	N/A	N/A	N/A	N/A
% Uncollected	N/A	N/A	N/A	N/A	N/A

<sup>(1)</sup> Includes Fire, Lighting, Water and Sewer District taxes.

<sup>(2)</sup> The Town receives 100% of its tax levy. See "Tax Collection Procedure" herein.

## Larger Taxpayers – 2022-2023 Assessment Roll

<u>Name</u>	<u>Type</u>	<u>Estimated Assessed Valuation</u>
National Grid	Utility	\$ 71,412,816
East Coast Grenadier Village	Apartments	28,220,000
Orchard Estates LLC	Apartments	15,705,700
Clayton Manor LLC	Apartments	15,120,000
Averi Salina Meadows LLC	Apartments	14,950,000
First Republic Corp of America	Hotel	13,724,000
MHI Greenpoint LP	Apartments	11,000,000
Harbor Pearl DHM LLC	Apartments	10,060,000
Residence at Covered Bridge	Apartments	9,900,000
Upstate Portfolio LLC <sup>(1)</sup>	Apartments	7,750,000

<sup>(1)</sup> Upstate Portfolio LLC is currently seeking to reduce its assessment by \$5,300,000.

The ten taxpayers listed above have a total estimated assessed valuation of \$197,842,516, which represents approximately 9.23% of the tax base of the Town for the 2023 fiscal year.

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

Source: Town Tax Rolls.

## Additional Tax Information

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

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

The total assessed valuation of the Town consists of approximately 54%-residential, 39%-commercial and 7%-industrial properties.

The total property tax bill of a \$100,000 market value residential property located in the Town is approximately \$3,700 including County, School District and special purpose Town taxes.

## Fund Balance

The Town has an informal fund balance policy of at least 15%. Fund balance for fiscal year ending 2022 represented about 50% of expenditures for the general fund, of which 20% consisted of American Rescue Plan Act funds.

## TAX LEVY LIMITATION LAW

Chapter 97 of the Laws of 2011 (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 to expire on June 15, 2020; 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 would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are exceptions to the tax levy limitation provided in the Tax 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 Law (June 24, 2011).

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.

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

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, private corporation or private undertaking or give or loan its credit to or in aid of any foreign or public corporation. The Town may contract indebtedness only for a Town purpose and shall pledge its faith and credit for the payment of the principal of any 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; no installment may be more than fifty per centum in excess of the smallest prior installment, unless substantially level or declining debt service is utilized. The Town is required to provide an annual appropriation for the payment of interest due during the year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds and such required annual installments on its 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 property 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 Town 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.

With the exception of the “Street Lighting” project and the “Town Hall Improvement” project, the Town previously published and completed this estoppel procedure for all of the projects identified as “Purpose of Issue” on pages 3 and 4 herein. However, the Town published estoppel notices in April of 2020 that met the requirements of the Estoppel Procedure for both the “Street Lighting” project and the “Town Hall Improvement” project. As a result of the COVID – 19 health crisis, Governor Cuomo has issued Executive Orders that have the effect of tolling legal time limitations from March 20, 2020 to June 6, 2020. As a result, the estoppel period for the Town’s “Street Lighting” project and “Town Hall Improvement” project has not yet commenced. If the Executive Orders are not extended, the estoppel period will begin on June 7, 2020 and end twenty days thereafter. As of the date hereof, there is no way to determine whether such Executive Orders will be extended. Such estoppel periods will not have expired as of the proposed date of issuance of the Notes and Bonds (June 11, 2020). Compliance with the Estoppel Procedure is generally recommended by bond counsel but is not legally required. The Town’s administration is not

aware of any opposition to the Street Lighting project or the Town Hall Improvement project, and the Town's bond counsel will deliver its unqualified opinion with respect to the Notes. The information contained under this paragraph does not constitute operating data and annual financial information for purposes of the Town's Undertaking.

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

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

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

**Debt Outstanding End of Fiscal Year**

<u>Years Ending December 31:</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Bonds	\$ 10,790,614	\$ 9,555,147	\$ 13,997,231	\$ 12,816,463	\$ 11,190,846
Bond Anticipation Notes	6,760,000	6,480,000	11,662,000	14,244,000	13,791,000
Other Debt <sup>(1)</sup>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Totals	<u>\$ 17,550,614</u>	<u>\$ 16,035,147</u>	<u>\$ 23,398,376</u>	<u>\$ 27,060,463</u>	<u>\$ 24,981,846</u>

<sup>(1)</sup> Represents Installment Purchase Contract debt.

**Details of Outstanding Indebtedness**

The following table sets forth the indebtedness of the Town as of September 14, 2023.

<u>Type of Indebtedness</u>	<u>Maturity</u>	<u>Amount</u>
<u>Bonds</u>	2023-2045	\$ 9,860,846
<u>Bond Anticipation Notes</u>		
Various Capital Improvements	June 7, 2024	<u>11,603,000</u>
	Total Indebtedness	<u>\$ 21,463,846</u>

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## Debt Statement Summary

Statement of Indebtedness, Debt Limit and Net Debt-Contracting Margin shown as of September 14, 2023:

Five-Year Average Full Valuation of Taxable Real Property ..... \$ 1,865,701,568  
Debt Limit – 7% thereof..... 130,599,110

### Inclusions:

Bonds .....\$ 9,860,846  
Bond Anticipation Notes..... 11,603,000  
Total Inclusions..... \$ 21,463,846

### Exclusions:

Appropriations .....\$ 245,744  
Sewer Debt <sup>(1)</sup> ..... 0  
Water Debt <sup>(2)</sup> ..... 655,000  
Total Exclusions ..... \$ 900,744

Total Net Indebtedness Subject to Debt Limit .....\$ 20,563,102  
Net Debt-Contracting Margin..... 110,036,008  
Percent of Debt Contracting Power Exhausted..... 15.75%

- (1) Sewer Debt is excluded pursuant to Section 124.10 of the Local Finance Law. Should the Town apply for a Sewer Exclusion, the Town will be able to exclude an additional \$1,070,000 of outstanding sewer debt bringing the total net indebtedness of the Town down to \$19,493,102, raising the net debt contracting margin to \$111,106,008 and percent of debt contracting power exhausted to 14.93%.
- (2) Water Debt is excluded pursuant to Article VIII, Section 5B of the New York State Constitution.

## Bonded Debt Service

A schedule of bonded debt service, including the principal of the Bonds, may be found in “APPENDIX – B” to this Official Statement.

## Authorized but Unissued Debt

Other than for the capital improvement for which the Notes are to be issued, the Town has no authorized and unissued indebtedness at this time.

## Capital Project Plans

The Town has implemented a Pavement and Drainage Inventory of Highways to provide a framework upon which to build a maintenance plan that will serve the present and future needs of the Town residents and ensure a cost-effective solution to the pavement and drainage problems. The plan is flexible and is intended to be adjusted based on changing conditions.

The Town has nearly completed a street lighting project, for which a \$3,615,000 portion of \$14,244,000 bond anticipation notes were issued on June 10, 2021. The Town issued \$3,455,000 bond anticipation notes as part of the \$11,603,000 bond anticipation note issue that matures June 7, 2024.

The Town has a \$6,000,000 Community Center underway. The Notes will represent the first borrowing for this purpose.

The Town is constantly reviewing its need to upgrade infrastructure, including water and sewer projects. From time to time the Town has issued financing through the Environmental Facilities Corporation, a New York State Public Authority (EFC).

## **Cash Flow Borrowing**

The Town historically does not issue tax anticipation notes or revenue anticipation notes, and does not anticipate doing so in the foreseeable future.

## **Salina Landfill Consent Order**

In 1994, Onondaga Lake was added to the Environmental Protection Agency's (EPA's) Superfund National Priorities List (NPL). The Town of Salina Landfill site, a 55-acre tract of land (the "Landfill") located in the Town was identified by the EPA as a contributing factor to the contamination of Onondaga Lake and, therefore, was identified as a "Sub-Site" of the Onondaga Lake NPL site. In 1996, the New York State Department of Environmental Conservation (NYSDEC) also designated the Town of Salina Landfill as a Class 2 Inactive Hazardous Waste Site. Approximately 29 acres of the Landfill is owned by the Town of Salina.

On October 29, 1997, the Town entered into an "Order on Consent" with the NYSDEC to perform a Remedial Investigation/Feasibility Study and undertake remedial action for the Landfill. In January 2003, NYSDEC and EPA released a Proposed Plan describing the remedial alternatives considered for the Landfill.

The Town is obligated under the Order on Consent to remediate the environmental contamination associated with the Landfill. Specifically, the Town is responsible for 25% of the total costs. The Town adopted an amended and restated bond resolution on September 12, 2011 increasing the cost of the project from \$14,050,000 to \$16,396,635.89. On August 12, 2013, the Town adopted a second amended and restated bond resolution that increased the cost of the project to \$19,802,003. NYSDEC will be paying for the remaining 75% and payments will be made over a 10-year period. Design was completed by the end of 2008, bidding commenced early 2009, construction started summer of 2009 and was completed in 2015. The Town originally issued a bond anticipation note in July, 2009 for \$1,550,000 for the first phase of financing, which bond anticipation note was renewed in part in September, 2011 by the issuance of \$1,500,000 in EFC clean water facility notes maturing on September 29, 2014. The Town also issued bond anticipation notes for \$6,000,000 in January 2011. These bond anticipation notes were renewed in full in January, 2012 and covered construction cash flow through January 2013. In January, 2013 the Town issued an additional \$2,195,000 in new money bond anticipation notes to cover costs through January 2014. In January 2014 the Town issued \$7,790,000 renewal notes. In January 2015, the January 2014 issue was financed through EFC for \$4,790,000. The Town issued debt in the amount of \$3,759,982 to permanently finance the project.

## **Lower Ley Creek Subsite - Order on Consent with USEPA**

The US Environmental Protection Agency (EPA) identified the Town of Salina as a potentially responsible party (PRP), along with six other parties, for contamination that exists in the Lower Ley Creek Subsite (the "Subsite") to the Onondaga Lake Superfund Site. The basis for this finding was the assertion that contaminants from the former Salina landfill have allegedly migrated and/or leached into the Lower Ley Creek. On July 18, 2016, the Town, along with the County of Onondaga, the City of Syracuse, Carrier Corporation, National Grid, Syracuse China and Cooper Crouse-Hinds, LLC (collectively referred to as the "PRP Group") entered into an Administrative Order on Consent (AOC) with EPA to undertake a remedial design for the subsequent implementation of a cleanup of the Subsite. The Town did not admit any liability by agreeing to the AOC.

In conjunction with the AOC, the Town and the PRP Group entered into the Lower Ley Creek Operable Unit of the Onondaga Lake Superfund Site Organizational and Joint Participation and Defense Agreement (the "PRP Agreement") wherein the PRP Group organized, funded, and negotiated with EPA the scope of the remedial design for the future cleanup of the Subsite. The total estimated cost of the remedial design was determined to be \$1,735,300, and was equally divided amongst all of the PRPs. The Town's total allocated share was \$247,900, and was paid in two (2) equal payments of \$123,950.

The preliminary design investigation work plan was submitted and approved by EPA. The PRP Group's technical advisor, Arcadis, recently completed the design investigation work at the Subsite. Based on the preliminary results that were collected by ARCADIS, EPA required the completion of additional investigation work. This additional work resulted in an increase of approximately \$78,000 in costs, which again divided equally amongst the PRP Group, resulted in an additional allocated cost to the Town of approximately \$11,000. Moreover, liability notice letters and tolling agreements were sent to twelve (12) additional parties that may also have liability for the remediation of the Subsite. Negotiations regarding the involvement of these additional parties are on-going.

The Subsite’s pre-design investigation data summary report was finalized by Arcadis and approved by EPA. In addition, a remedial design workplan has been submitted to EPA for its final review and approval, Upon EPA’s approval of the workplan, an estimate cost of the remedial action/cleanup will be completed and negotiations commenced between the PRPs and EPA as to how those costs will be allocated amongst the responsible parties. In addition, as part of the GM bankruptcy in 2009, \$21 million was set aside in trust with EPA to be used toward the cost of implementing the remedial cleanup at the Subsite. Until such time that the total estimated cost of the cleanup is completed and the GM trust funds are applied, it is unknown what share, if any, of the total cleanup costs could be allocated to the Town.

### Estimated Overlapping Indebtedness

In addition to the Town, the following political subdivisions have the power to issue bonds and to levy taxes or cause taxes to be levied on taxable real property in the Town. The estimated net outstanding indebtedness of such political subdivisions, as of the respective fiscal years of the municipalities listed below, is as follows:

<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>Town Share</u>	<u>Overlapping Net Indebtedness</u>
County of:						
Onondaga	12/31/2021	\$ 690,754,309	\$ 303,373,159 <sup>(2)</sup>	\$ 387,381,150	6.34%	\$ 24,559,965
Village of:						
Liverpool	5/31/2022	1,718,710	1,568,710 <sup>(2)</sup>	150,000	100.00%	150,000
School District:						
North Syracuse	6/30/2022	53,480,000	46,206,720 <sup>(3)</sup>	7,273,280	10.28%	747,693
Liverpool	6/30/2022	94,628,293	81,380,332 <sup>(3)</sup>	13,247,961	38.72%	5,129,611
Lyncourt	6/30/2022	2,395,000	2,275,250 <sup>(3)</sup>	119,750	100.00%	119,750
					Total:	<u>\$ 30,707,019</u>

<sup>(1)</sup> 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.

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

<sup>(3)</sup> Estimated State Building aid.

Source: Comptroller’s Special Report on Municipal Affairs for Local Finance Years Ended in 2021 and 2022.

### Debt Ratios

The following table sets forth certain ratios relating to the Town's net indebtedness as of September 14, 2023.

	<u>Amount</u>	<u>Per Capita</u> <sup>(a)</sup>	<u>Percentage of Full Value</u> <sup>(b)</sup>
Net Indebtedness <sup>(c)</sup> .....	\$ 20,563,102	\$ 628.90	0.96%
Net Indebtedness Plus Net Overlapping Indebtedness <sup>(d)</sup> .....	50,620,531	1,548.17	2.36

<sup>(a)</sup> The 2022 estimated population of the Town is 32,697. (See “THE TOWN – Population Trends” herein.)

<sup>(b)</sup> The Town's full value of taxable real estate for the 2023 fiscal year is \$2,144,296,719. (See “TAX INFORMATION – Taxable Assessed Valuations” herein.)

<sup>(c)</sup> See "Debt Statement Summary” herein for calculation of Net Direct Indebtedness.

<sup>(d)</sup> Estimated net overlapping indebtedness is \$30,707,019. (See "Estimated Overlapping Indebtedness" herein.)



## SPECIAL PROVISIONS AFFECTING REMEDIES UPON DEFAULT

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

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

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

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

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

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

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

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

At the Extraordinary Session of the State Legislature held in November 1975, legislation was enacted which purported to suspend the right to commence or continue an action in any court to collect or enforce certain short-term obligations of The Town 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 Town 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 enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the Town.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## MARKET AND RISK FACTORS

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

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

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

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

Pursuant to a final environmental impact statement (the "FEIS") released by FHWA and NYSDOT on April 15, 2022, the NYSDOT intends to reconstruct Interstate 81 beginning in the fall of 2023 in accordance with a "community grid design" that has been criticized by Town officials. Specifically, representatives of the Town Board, as well as local business owners, have expressed their concern that the proposed grid design may divert traffic away from the Town, causing a negative impact on local hotels, restaurants and other businesses. The I-81 highway reconstruction project, including the finalized community grid design, could have a material adverse impact upon the Town's finances if local businesses suffer due to the revised flow of traffic caused by the community grid design. The degree of the impact of the I-81 project on the operations and finances of the Town is difficult to predict at this time.

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

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

## TAX MATTERS

In the opinion of Trespasz & Marquardt, LLP, ("Bond Counsel"), under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. Bond counsel expresses no opinion regarding other tax

consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes. A complete copy of the proposed form of opinion of Bond Counsel is set forth in “APPENDIX – D”.

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

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

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

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

## **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Notes is subject to the approving legal opinion of Trespasz & Marquardt, LLP, Bond Counsel. Bond Counsel’s opinion will be in substantially the form attached hereto as “APPENDIX – D”.

## **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 and Notes or the levy and collection of taxes or assessments to pay same, or in any way contesting or affecting the validity of the Bonds and Notes or any proceedings or authority of the Town taken with respect to the authorization, issuance or sale of the Bonds and Notes 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 an Undertaking to provide notices of certain enumerated events as described in Rule 15c2-12 with respect to the Notes, the form, substantially of which, is attached hereto as “APPENDIX – C”.

## **Historical Compliance**

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

The Town failed to provide its Audited Financial Statements for the fiscal year ended December 31, 2021 (“2021 Audit”), as well as its failure to provide an event notice of its failure to file within the timeline stated in the Town’s existing undertaking agreements. The 2021 Audit was filed to EMMA on April 26, 2023. The material event notice regarding both the failure to provide the 2021 Audit and event filing information were filed May 4, 2023.

## **RATINGS**

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

Moody's Investors Service (“Moody's”) has assigned its underlying rating of “Aa3” to the Town’s outstanding 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 Moody’s Investors Services, 7 World Trade Center, 250 Greenwich St., New York, New York 10007. Phone: (212) 553-0038, Fax: (212) 553-1390.

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

## **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 Notes. The advice on the plan of financing and the structuring of the Notes was based on materials provided by the Town and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the Town or the information set forth in this Official Statement or any other information available to the Town with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement. The fees to be paid by the Town to the Municipal Advisor are partially contingent on the successful closing of the Notes.

## **CUSIP IDENTIFICATION NUMBERS**

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

## **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 Notes.

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.

Trespasz & Marquardt, LLP, Syracuse, New York, Bond Counsel to the Town, expresses no opinions as to the accuracy or completeness of information in any documents prepared by or on behalf of the Town for use in connection with the offer and sale of the Notes, including but not limited to, the financial or statistical information in this Official Statement.

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

Concurrently with the delivery of the Notes, 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 Notes by the Town and may not be reproduced or used in whole or in part for any other purpose.

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 contact information is as follows: Linda Pease, Town Comptroller, Town Hall – 201 School Road, Liverpool, New York 13088, Phone: (315) 451-4210, Fax: (315) 413-0615, Email: [lpease@salina.ny.us](mailto:lpease@salina.ny.us).

Additional copies of the Notice of 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 SALINA**

**Dated: September 14, 2023**

**NICHOLAS PARO**  
**Town Supervisor**

## CONTINUING DISCLOSURE UNDERTAKING WITH RESPECT TO THE NOTES

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

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

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

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



For the purposes of the event identified in paragraph (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 Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town.

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

The Town reserves the right to terminate its obligation to provide the aforescribed notices of material events, as set forth above, if and when the Town no longer remains an obligated person with respect to the Notes 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 Notes (including holders of beneficial interests in the Notes). The right of holders of the Notes to enforce the provisions of the undertaking will be limited to a right to obtain specific enforcement of the Town's obligations under its material event notices undertaking and any failure by the Town to comply with the provisions of the undertaking will neither be a default with respect to the Notes nor entitle any holder of the Notes to recover monetary damages.

The Town has agreed to provide, or cause to be provided, during the period in which the Notes are outstanding in a timely manner, to EMMA or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule, notice of its failure to provide the material event notices described above, if any, on or before the date specified.

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

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

## FORM OF BOND COUNSEL'S OPINION

October 10, 2023

Town of Salina  
Town Hall - 201 School Road  
Liverpool, New York 13088

Re: Town of Salina, Onondaga County, New York  
\$6,000,000 Bond Anticipation Notes, 2023

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of \$6,000,000 Bond Anticipation Notes, 2023 (the "Notes"), of the Town of Salina, Onondaga County, New York, State of New York (the "Town"). The Notes are being issued pursuant to the Constitution and laws of the State of New York, including the Town Law, Local Finance Law and Resolution of the Town adopted on July 24, 2023 and a certificate of Determination dated the date hereof of the Town Supervisor relative to the form and terms of the Notes.

In our opinion, the Notes are valid and legally binding general obligations of the Town for which the Town has validly pledged its faith and credit and, unless paid from other sources, all taxable real property within the Town is subject to levy of ad valorem real estate taxes to pay the Notes and interest thereon without limitation of rate or amount. The enforceability of rights or remedies with respect to the Notes may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights or remedies heretofore or hereinafter enacted.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the Notes in order that interest on the Notes be and remain excluded from gross income under Section 103 of the Code. The Town Supervisor of the Town, in executing the Arbitrage and Use of Proceeds Certificate, has certified to the effect that the Town will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that interest on the Notes is excluded from gross income under Section 103 of the Code. We have examined such Arbitrage and Use of Proceeds Certificate of the Town delivered concurrently with the delivery of the Notes, and, in our opinion, such certificate contains provisions and procedures under which such requirements can be met.

In our opinion, interest on the Notes is excluded from gross income for federal income tax purposes under Section 103 of the Code and is excluded from adjusted gross income for purposes of New York State and New York City personal income taxes. Interest on the Notes is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Notes is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Notes.

Certain agreements, requirements and procedures contained or referred to in the Arbitrage and Use of Proceeds Certificate and other relevant documents may be changed and certain actions may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after the date hereof. We have not undertaken to determine or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after the date hereof. Our engagement with respect to the Notes has concluded with their issuance, and we disclaim any obligation to update this opinion. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents. Furthermore, we have assumed compliance with all covenants and agreements contained in the Arbitrage and Use of Proceeds Certificate, including without limitation covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Notes to be included in gross income for federal income tax purposes

or adjusted gross income for purposes of personal income taxes imposed by the State of New York and the City of New York. We call attention to the fact that the rights and obligations under the Notes and the Arbitrage and Use of Proceeds Certificate and their enforceability may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against New York municipal corporations such as the Town. We express no opinion with respect to any indemnification, contribution, penalty, choice of law, choice of forum, or waiver provisions contained in the foregoing documents.

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

We have examined the Note, in our opinion, the form of said Note and its execution are regular and proper.

Very truly yours,

TRESPASZ & MARQUARDT, LLP

**TOWN OF SALINA**  
**ONONDAGA COUNTY, NEW YORK**

**GENERAL PURPOSE FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY SCHEDULES**

**December 31, 2022**

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



TOWN OF SALINA, NEW  
YORK

MANAGEMENT'S  
DISCUSSION AND  
ANALYSIS

AND

BASIC FINANCIAL  
STATEMENTS

For the Year Ended  
December 31, 2022

**TOWN OF SALINA, NEW YORK  
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# D'Arcangelo & Co., LLP

Certified Public Accountants & Consultants

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## Independent Auditor's Report

Town Board  
Town of Salina, New York

### Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Salina, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town of Salina's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Salina, as of December 31, 2022, 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 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 of Salina 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 of Salina's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards, 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 of Salina'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 of Salina's ability to continue as a going concern for a reasonable period of time.

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

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the 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.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Salina's basic financial statements. The combining nonmajor governmental fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2023 on our consideration of the Town of Salina's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Salina'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 of Salina, New York's internal control over financial reporting and compliance.

*D'Arcangelo + Co., LLP*

June 2, 2023  
Rome, New York



**TOWN OF SALINA, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

---

The Town of Salina's discussion and analysis of financial performance provides an overall review of the Town's financial activities for the fiscal year ended December 31, 2022. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. This section will explain the differences between the current and prior-year assets, deferred outflows, liabilities, deferred inflows, and changes in net position. This should be read in conjunction with the financial statements, which immediately follow this section.

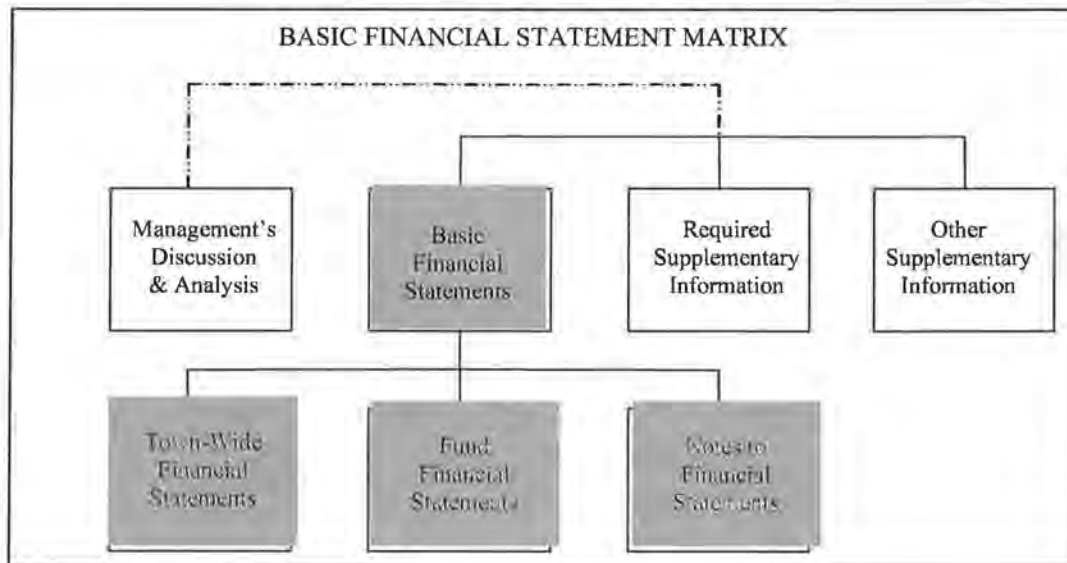
**1. FINANCIAL HIGHLIGHTS**

Key financial highlights for fiscal year 2022 are as follows:

- The Town's total Net Position as reflected in the Town-wide financial statements, increased by \$1,545,004.
- The Town's expenses for the year, as reflected in the Town-wide financial statements, totaled \$17,240,694. This amount was directly offset by the following revenue sources: \$727,473 charges for services, \$454,062 for operating grants, and \$1,492,157 capital grants. General revenues of \$16,112,006 amounted to 92% of total revenues.
- The General Whole Town Fund's total fund balance, as reflected in the fund financial statements on pages 15 and 17, increased by \$1,083,547, to a balance of \$4,648,576. This was primarily due actual revenues exceeding the budget by \$684,845 and an unexpended budget in the amount of \$1,042,768.

**2. OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts – Management's discussion and analysis (MD&A), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements consist of Town-wide financial statements, fund financial statements, and notes to the financial statements. A graphic display of the relationship of these statements follows:



**TOWN OF SALINA, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

---

**A. Town-wide Financial Statements**

The Town-wide financial statements are organized to provide an understanding of the fiscal performance of the Town as a whole in a manner similar to a private sector business. There are two Town-wide financial statements - the Statement of Net Position and the Statement of Activities. These statements provide both an aggregate and long-term view of the Town's finances.

These statements utilize the accrual basis of accounting. This basis of accounting recognizes the financial effects of events when they occur, without regard to the timing of cash flows related to the events.

Statement of Net Position

The Statement of Net Position presents information on all of the Town's assets, deferred outflows, liabilities and deferred inflows, with the difference between the two reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating, respectively.

Statement of Activities

The Statement of Activities presents information showing the change in net position during the fiscal year. All changes in net positions are recorded at the time the underlying financial event occurs. Therefore, revenues and expenses are reported in the statement for some items that will result in cash flow in future fiscal periods.

**B. Fund Financial Statements**

The fund financial statements provide more detailed information about the Town's funds, not the Town as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town also uses fund accounting to ensure compliance with finance-related legal requirements. The funds of the Town are reported in the governmental funds and the fiduciary funds.

These statements utilize the modified accrual basis of accounting. This basis of accounting recognizes revenues in the period that they become measurable and available. It recognizes expenditures in the period that they become measurable, funded through available resources, and payable within a current period.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the Town-wide financial statements. However, the governmental fund financial statements focus on shorter term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year for spending in future years. Consequently, the governmental fund statements provide a detailed short-term view of the Town's operations and the services it provides.

Because the focus of governmental funds is narrower than that of Town-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Town-wide financial statements. By doing so, you may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains seven major individual governmental funds, General Whole Town, General Part Town, Highway Part Town, Sewer, Fire Protection, Refuse and Capital funds, each of which is considered to be a major fund and is presented separately in the fund financial statements.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the Town in its capacity as custodian or trustee. All of the Town's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. The fiduciary activities have been excluded from the Town's Town-wide financial statements because the Town cannot use these assets to finance its operations.

**TOWN OF SALINA, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

**3. FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE**

**A. Net Position**

The Town's total net position increased \$1,545,004 between fiscal year 2022 and 2021. A summary of the Town's Statement of Net Position at December 31, 2022 and 2021, are as follows:

	2022	2021	Increase (Decrease)	Percentage Change
Current and Other Assets	\$ 15,731,237	\$ 16,143,191	\$ (411,954)	(2.6%)
Net Pension Asset - Proportionate Share	801,855		801,855	100.0%
Capital Assets, (Net of Accumulated Depreciation)	<u>34,303,007</u>	<u>33,564,826</u>	<u>738,181</u>	2.2%
Total Assets	<u>\$ 50,836,099</u>	<u>\$ 49,708,017</u>	<u>\$ 1,128,082</u>	2.3%
Deferred Outflows of Resources	<u>\$ 3,171,759</u>	<u>\$ 4,079,533</u>	<u>\$ (907,774)</u>	(22.3%)
Non-Current Liabilities	\$ 20,758,911	\$ 21,452,509	\$ (693,598)	(3.2%)
Net Pension Liability - Proportionate Share		9,275	(9,275)	(100.0%)
Other Liabilities	<u>16,374,319</u>	<u>16,648,544</u>	<u>(274,225)</u>	(1.6%)
Total Liabilities	<u>\$ 37,133,230</u>	<u>\$ 38,110,328</u>	<u>\$ (977,098)</u>	(2.6%)
Deferred Inflows of Resources	<u>\$ 3,463,435</u>	<u>\$ 3,811,033</u>	<u>\$ (347,598)</u>	(9.1%)
Net Position				
Net Investment in Capital Assets	\$ 13,357,817	\$ 13,171,852	\$ 185,965	1.4%
Restricted	68,663	116,800	(48,137)	(41.2%)
Unrestricted (Deficit)	<u>(15,287)</u>	<u>(1,422,463)</u>	<u>1,407,176</u>	98.9%
Total Net Position	<u>\$ 13,411,193</u>	<u>\$ 11,866,189</u>	<u>\$ 1,545,004</u>	13.0%

Current and other assets decreased by \$411,954, as compared to the prior year. This decrease was mainly due to spend down of cash balances in the Capital Fund.

Capital assets increased by \$738,181, as compared to the prior year. This increase is primarily due to a purchase of land for \$364,483 and other capital outlays exceeding depreciation.

Non-current liabilities decreased by \$693,598 as compared to the prior year. This decrease is mainly the result of payments of \$1,004,425 for principal on the bonds outstanding offset by a \$490,169 increase in the OPEB liability.

The accounting standards require the recognition of the Town's proportionate share of Net Pension Assets/Liabilities and Deferred Outflows/Inflows of Resources for the New York State Employees' Retirement System. The details of the above changes in the respective pension accounts are more fully described on page 33 to 36 of the financial statements.

Other liabilities decreased by \$274,225. The decrease is mainly due to an decrease in Bond Anticipation Notes in the amount of \$453,000, this was partially offset by a net increase in unearned revenue in the amount of \$306,544 due to the American Rescue Plan funding.

The Net Position investment in capital assets is calculated by subtracting the amount of outstanding debt used for construction from the total cost of all asset acquisitions, net of accumulated depreciation. The total cost of these acquisitions includes expenditures to purchase land, construct and improve buildings and purchase vehicles, equipment and furniture to support Town operations.

The Restricted Net Position represents funds being held for capital, repair, and debt service reserves. The funds can only be spent on specific public improvements. The increase represents the increase in reserve amounts.

**TOWN OF SALINA, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

The Unrestricted Net position at December 31, 2022, is deficit of \$15,287 which represents the amount by which the Town's assets other than capital assets, exceeding the Town's liabilities excluding debt related to capital construction.

**B. Changes in Net Position**

The results of this year's operations as a whole are reported in the Statement of Activities in a programmatic format in the accompanying financial statements.

A summary of this statement for the years ended December 31, 2022 and 2021, is as follows.

<b>Revenues</b>	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Program Revenues				
Charges for Services	\$ 727,473	\$ 546,312	\$ 181,161	33.2%
Operating Grants	454,062	460,349	(6,287)	(1.4%)
Capital Grants	1,492,157	50,000	1,442,157	2884.3%
General Revenues				
Property Taxes and Other Items	13,941,133	14,467,801	(526,668)	(3.6%)
Nonproperty Tax Items	493,990	514,643	(20,653)	(4.0%)
Sale of Property and Compensation for Loss	40,813	40,977	(164)	(0.4%)
State and Federal Sources	1,283,393	1,216,914	66,479	5.5%
Other	352,677	240,781	111,896	46.5%
Total Revenues	<u>18,785,698</u>	<u>17,537,777</u>	<u>1,247,921</u>	7.1%
<b>Expenses</b>				
General Government Support	\$ 3,538,021	\$ 3,540,319	\$ (2,298)	(0.1%)
Public Safety	2,634,532	2,365,179	269,353	11.4%
Transportation	5,335,115	3,065,430	2,269,685	74.0%
Home and Community Services	4,019,502	4,331,798	(312,296)	(7.2%)
Culture and Recreation	1,255,256	1,409,926	(154,670)	(11.0%)
Debt Service - Interest	458,268	351,131	107,137	30.5%
Total Expenses	<u>17,240,694</u>	<u>15,063,783</u>	<u>2,176,911</u>	14.5%
Total Change in Net Position	<u>\$ 1,545,004</u>	<u>\$ 2,473,994</u>	<u>\$ (928,990)</u>	(37.6%)

The decrease in Property Taxes and Other items revenues is primarily due to budgeted tax levy reduction.

Charges for Services increased by \$181,161 was mainly due to \$152,445 received for energy rebates for street lighting.

Capital Grants increased by \$1,442,157 mainly due to \$1,233,349 in revenues from the American Rescue Plan funding.

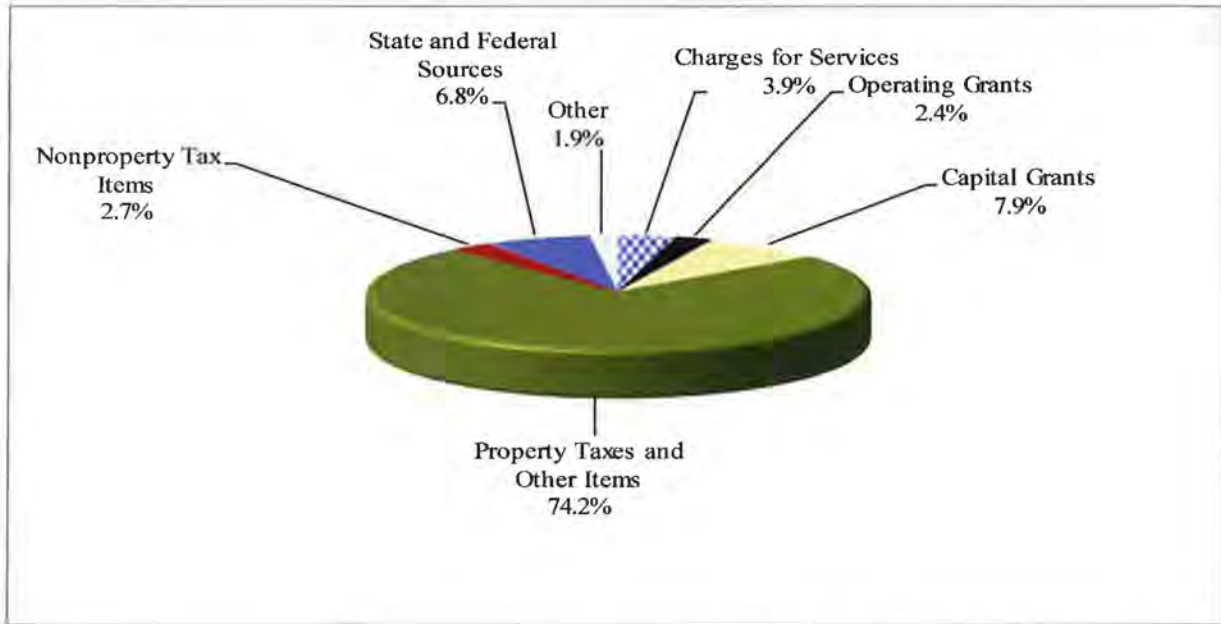
Transportation expenses increased by \$2,269,685 in the current year. The main reason for the increase was attributed to increased payroll, maintenance costs incurred in the current year, and a change in allocation of employee benefits.

Home and Community expenses decreased by \$312,296 in the current year. This decrease was mainly due to lower sewer maintenance costs and a change in allocation of employee benefits. These decreases were offset by an expense of \$500,000 used to fund a grant to for a home loan program. The grant was funded by the American Rescue Plan grant.

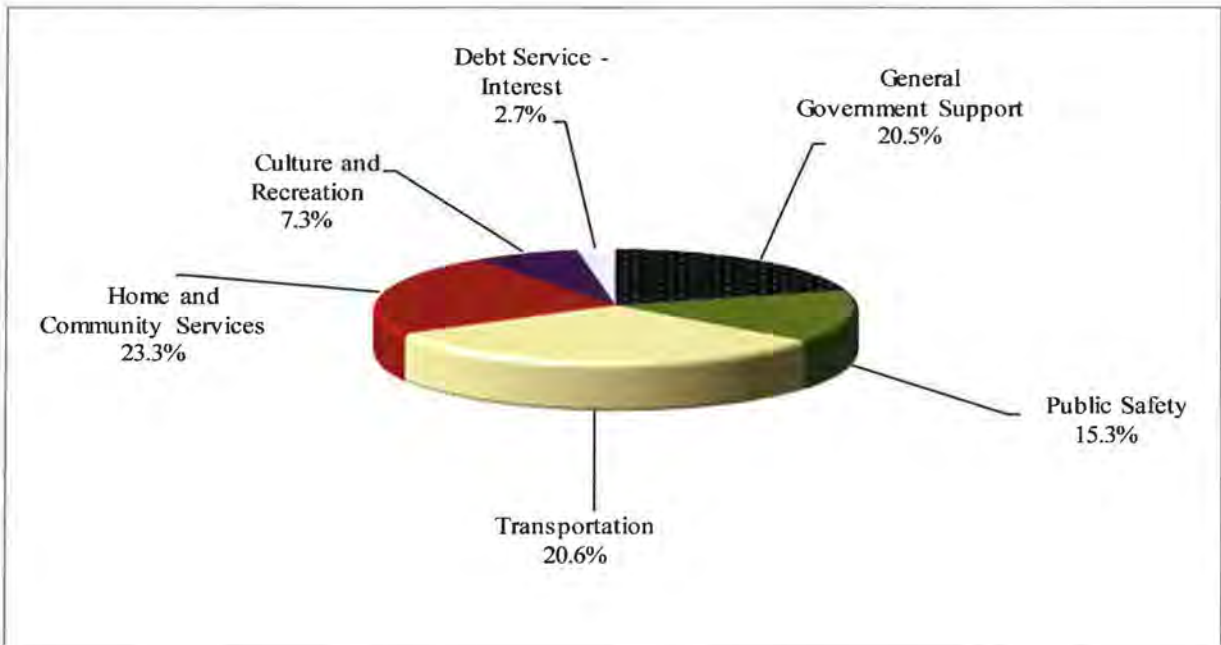
**TOWN OF SALINA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2022**

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**Revenues for the Year Ended December 31, 2022**



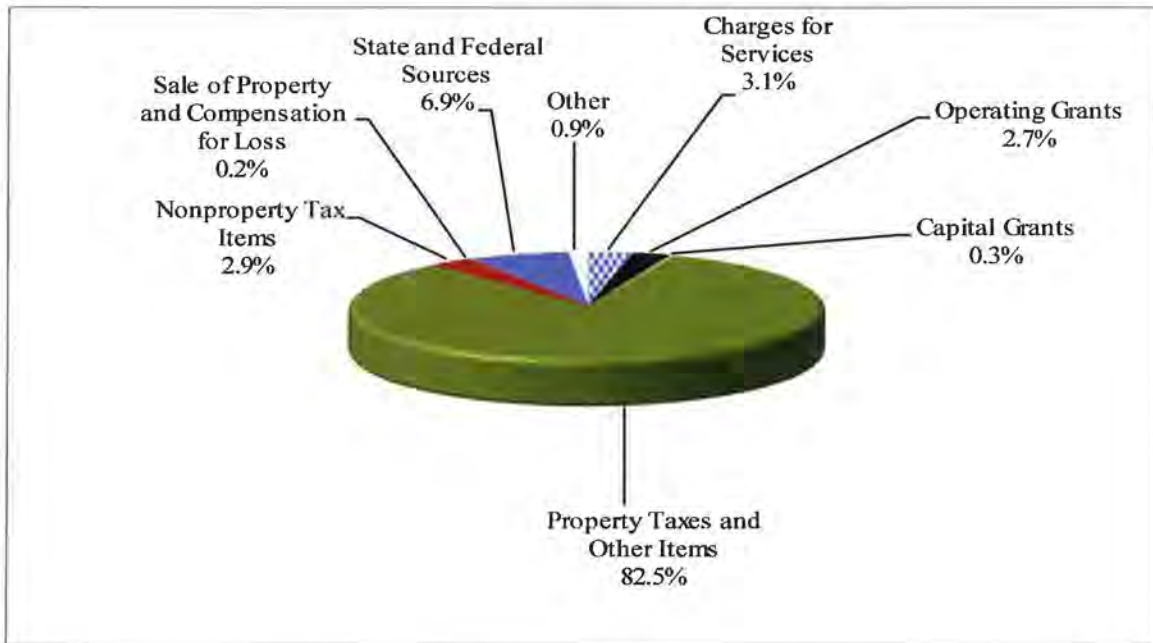
**Expenses for the Year Ended December 31, 2022**



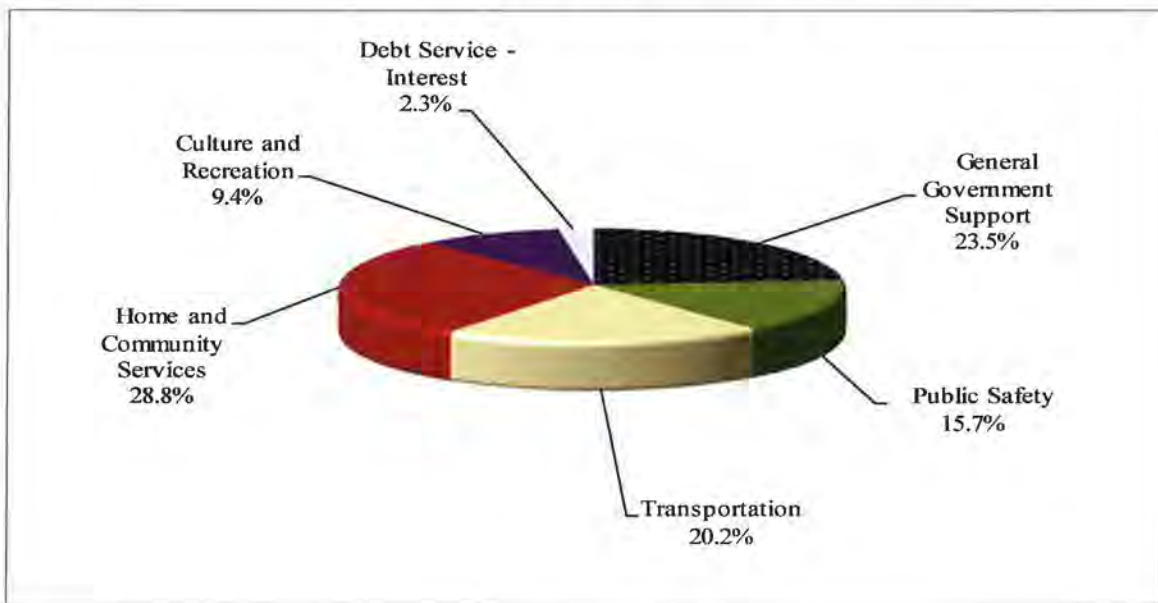
**TOWN OF SALINA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2022**

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**Revenues for the Year Ended December 31, 2021**



**Expenses for the Year Ended December 31, 2021**



**TOWN OF SALINA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2022**

**4. FINANCIAL ANALYSIS OF THE TOWN'S FUND BALANCES**

At December 31, 2022, the Town's governmental funds reported a combined fund balance deficit of \$502,147 which is a decrease of \$185,311 from the prior year. This decrease is primarily due a deficit in the Capital fund offsetting the General Fund surplus of \$1,083,547 for the year. A summary of the change in fund balance by fund is as follows:

	<u>2022</u>	<u>2021</u>	Increase (Decrease)
<b>General Whole Town</b>			
Nonspendable	\$ 82,967	\$ 110,881	\$ (27,914)
Restricted	66,000	66,000	
Assigned	1,037,847	621,019	416,828
Unassigned	<u>3,461,762</u>	<u>2,767,129</u>	<u>694,633</u>
	<u>4,648,576</u>	<u>3,565,029</u>	<u>1,083,547</u>
<b>General Part Town</b>			
Nonspendable	15,568	19,496	(3,928)
Assigned	<u>1,373,594</u>	<u>757,060</u>	<u>616,534</u>
	<u>1,389,162</u>	<u>776,556</u>	<u>612,606</u>
<b>Highway</b>			
Nonspendable	84,423	89,569	(5,146)
Restricted	2,663	2,663	
Assigned	<u>2,005,371</u>	<u>2,431,844</u>	<u>(426,473)</u>
	<u>2,092,457</u>	<u>2,524,076</u>	<u>(431,619)</u>
<b>Fire</b>			
Assigned	<u>54,435</u>	<u>52,480</u>	<u>1,955</u>
<b>Sewer</b>			
Assigned	<u>2,484,525</u>	<u>2,520,465</u>	<u>(35,940)</u>
<b>Refuse</b>			
Assigned	<u>195,133</u>	<u>158,507</u>	<u>36,626</u>
<b>Capital</b>			
Unassigned (Deficit)	<u>(11,389,977)</u>	<u>(10,100,549)</u>	<u>(1,289,428)</u>
<b>Non-Major</b>			
Restricted		48,137	(48,137)
Assigned	<u>23,542</u>	<u>138,463</u>	<u>(114,921)</u>
	<u>23,542</u>	<u>186,600</u>	<u>(163,058)</u>
 Total Fund Balance (Deficit)	 <u>\$ (502,147)</u>	 <u>\$ (316,836)</u>	 <u>\$ (185,311)</u>

**TOWN OF SALINA, NEW YORK**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

**5. GENERAL FUND BUDGETARY HIGHLIGHTS**

**A. Budget**

The Town's adopted budgets for the year ended December 31, 2022, for the following funds was \$17,282,100. This is a decrease of \$155,458 over the prior year's adopted budgets. The budgets were adopted and amended as follows:

	General Whole Town	General Part Town	Highway Part Town	Fire	Refuse	Sewer
<b>Change from Adopted Budget to Final Budget</b>						
Adopted Budget	\$ 5,517,426	\$ 1,365,042	\$ 5,116,960	\$ 1,910,517	\$ 2,458,422	\$ 913,733
Add: Prior Year's Encumbrances	<u>16,085</u>		<u>190,676</u>			
Original and Adopted Budget	<u>\$ 5,533,511</u>	<u>\$ 1,365,042</u>	<u>\$ 5,307,636</u>	<u>\$ 1,910,517</u>	<u>\$ 2,458,422</u>	<u>\$ 913,733</u>
Amendments:						
Duerr Park Pavilion and Bathrooms	70,000					
Burnham Park	450,000					
Community Center	375,000					
Home Headquarters' Program	500,000					
Town Clerk's Office Renovations	569,950					
Unclaimed Bail Forfeiture	25,783					
Miscellaneous	30,593	(16,276)				
Paving Highway Improvements			250,000			
Emergency Project - Sunflower			52,000			
Gutter Project			300,000			
Sewers under the Thruway						127,959
Bond Admin Fees						<u>200</u>
Total Amendments	<u>2,021,326</u>	<u>(16,276)</u>	<u>602,000</u>			<u>128,159</u>
Final Budget	<u>\$ 7,554,837</u>	<u>\$ 1,348,766</u>	<u>\$ 5,909,636</u>	<u>\$ 1,910,517</u>	<u>\$ 2,458,422</u>	<u>\$ 1,041,892</u>

The majority of this funding source for the budgets consisted of \$13,729,164 in property taxes, \$510,000 in non-property taxes that include franchise taxes, and \$710,746 in State Aid.

**6. CAPITAL ASSET AND DEBT ADMINISTRATION**

**A. Capital Assets**

At December 31, 2022, the Town had invested in a broad range of capital assets, including land, buildings and improvements and equipment. The net increase in capital assets is due to capital outlays exceeding depreciation expense recorded for the year ended December 31, 2022. A summary of the Town's capital assets, net of depreciation at December 31, 2022 and 2021, is as follows:

	2022	2021	Increase/ (Decrease)
Land	\$ 404,358	\$ 39,875	\$ 364,483.00
Construction in Progress	3,785,633	10,972,075	(7,186,442)
Buildings	14,140,935	5,957,961	8,182,974
Infrastructure	53,867,685	53,680,812	186,873
Land Improvements	(4,881,472)	(3,568,903)	(1,312,569)
Equipment	<u>(33,014,132)</u>	<u>(33,516,994)</u>	<u>502,862</u>
Capital Assets, Net	<u>\$ 34,303,007</u>	<u>\$ 33,564,826</u>	<u>\$ 738,181</u>



**TOWN OF SALINA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2022**

**B. Debt Administration**

At December 31, 2022, the Town had total bonds payable of \$9,775,846. A summary of the outstanding debt at December 31, 2022 and 2021, is as follows:

Description	Date of Original Issue	Date of Final Maturity	Interest Rate (%)	Outstanding Amount		Increase (Decrease)
				2022	2021	
<b>Sewer Fund</b>						
2004b NYSEFC	Mar-2004	Mar-2024	1.06-4.48%	\$ 25,000	\$ 45,000	\$ (20,000)
2008	May-2008	May-2023	3.25-4.00%	35,000	70,000	(35,000)
2012b NYSEFC	Jun-2012	Jun-2042	0.26-4.27%	335,000	350,000	(15,000)
2013b NYSEFC	Jun-2013	Jun-2043	0.26-4.76%	780,000	810,000	(30,000)
2015b NYSEFC	Dec-2015	Oct-2045	0%	2,305,846	2,390,271	(84,425)
2013	Sep-2013	Jul-2022	2.0-3.0%		24,000	(24,000)
2020	Jun-2020	Jun-2038	2.00%	2,780,000	2,925,000	(145,000)
				<u>6,260,846</u>	<u>6,614,271</u>	<u>(353,425)</u>
<b>Highway Fund</b>						
2013	Jun-2013	Jun-2026	2.0-3.0%	670,000	830,000	(160,000)
2013	Sep-2013	Jul-2022	2.0-3.0%		154,000	(154,000)
				<u>670,000</u>	<u>984,000</u>	<u>(314,000)</u>
<b>General Fund-Part Town</b>						
2013	Sep-2013	Jul-2022	2.0-3.0%		22,000	(22,000)
<b>General Fund-Landfill</b>						
2014 NYSEFC	Jul-2014	Jun-2036	0.18-3.51%	655,000	745,000	(90,000)
2015 NYSEFC	Aug-2015	Mar-2031	0.20-3.65%	2,190,000	2,415,000	(225,000)
				<u>2,845,000</u>	<u>3,160,000</u>	<u>(315,000)</u>
<b>Total Long Term Debt</b>				<u>\$ 9,775,846</u>	<u>\$10,780,271</u>	<u>\$ (1,004,425)</u>

**7. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Town is experiencing growth from redevelopments at former commercial and industrial properties and corridors. While Salina does not have significant amounts of land available for new development and growth, opportunities for redevelopment exist throughout the town. Future development in the Town is expected within certain commercial corridors and town centers, with potential for long underutilized land to be developed into new mixed used housing. Property values for the Town slightly increased from the previous two years, due to recent sales activity.

The population is aging, and encompasses a larger number of retirees, which is similar to other municipalities in the Central New York area. This creates the need to rely on tax revenues to a greater degree to pay for current operations and upgrades for infrastructure. The ability of the residents to pay the higher taxes in the future is a factor that could affect the future financial health of the Town.

The Town has been named a responsible party by New York State and the Federal Government concerning pollution in Lower Ley Creek. Negotiations have been ongoing on the financial responsibility the Town has, if any. These negotiations are not finalized. However, the Town could face financial costs in the settlement. Currently, the Town believes there are adequate funds available, but would issue debt if needed, to pay this possible cost if that is the result of the negotiations.

**TOWN OF SALINA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended December 31, 2022**

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New York State Aid to the Town is also a factor bearing directly on the Towns' future. State aid to the Town is a direct result of political actions taken by the legislative body in New York State. It is impossible to determine whether state aid will be significantly adjusted upward or downward at the present time.

In May 2011, New York State enacted a law capping property taxes. Under this legislation, starting in 2012 property tax levies can increase the lesser of 2% or the rate of inflation as determined by the CPI index, except for limited exceptions. These exceptions are not expected to apply to the Town. To override, this requires a 60% vote for the governing board and adoption of a local law, which is valid for one year. With the loss of sales tax revenues and enactment of the property tax, the Town will face pressure to drastically cut costs and services to its residents.

New York State and Onondaga County continue to experience economic uncertainty, which could trickle down to local governments. The economic impact on the Town's economy of rerouting Route 81 around the City of Syracuse is still unknown.

The Town has renewed energy and focus, making investments in crucial sectors that drive our economic outlook. A Neighborhood Revitalization grant program was created allowing homeowners to take home improvement loans for their exteriors while only have to pay 1% on said loans. This will drive property values and improve the housing outlook of the town by renewing the aging neighborhoods throughout the town. Additionally, in coordination with Onondaga County, large public funding investments have been instituted along the town's main commercial corridors which include Old Liverpool Road, 7th North Street, Brewerton Road, and Teall Avenue. These investments include roadway enhancements and building improvement grant funds in order to better situate the town's commercial corridors for future redevelopment and growth with an ever-changing regional economy. Lastly, the town has committed to infrastructure investments that include improved parks and drainage systems throughout the town.

**8. CONTACTING THE TOWN**

This financial report is designed to provide the Town's citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the:

**Town Supervisor  
Town of Salina  
201 School Road  
Liverpool, NY 13088**

**TOWN OF SALINA, NEW YORK**  
**STATEMENT OF NET POSITION**  
**December 31, 2022**

	Governmental Activities
<b>Assets</b>	
Cash and Cash Equivalents	\$ 12,334,275
Restricted Cash	2,451,072
Accounts Receivable	198,385
Due From	
Other Governments	652,691
Prepaid Expenditures	94,814
Net Pension Asset - Proportionate Share	801,855
Capital Assets (Not being Depreciated)	4,189,991
Capital Assets (Net of Accumulated Depreciation)	<u>30,113,016</u>
<b>Total Assets</b>	<u>50,836,099</u>
<b>Deferred Outflows of Resources</b>	
Deferred Outflow - Pensions	1,847,795
Deferred Outflow - OPEB	<u>1,323,964</u>
<b>Total Deferred Outflows of Resources</b>	<u>3,171,759</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>\$ 54,007,858</u>
<b>Liabilities</b>	
Accounts Payable	\$ 285,440
Accrued Liabilities	83,170
Consumer Deposits	83,222
Accrued Interest	284,940
Due To Other Governments	110
Bond Anticipation Notes Payable	13,791,000
Unearned Revenue	1,846,437
Noncurrent Liabilities	
Due Within One Year	
Bonds Payable	820,744
Bond Premium	1,688
Due in More Than One Year	
Bonds Payable	8,955,102
Bond Premium	25,320
OPEB	9,913,400
Landfill Closure	<u>1,042,657</u>
<b>Total Liabilities</b>	<u>37,133,230</u>
<b>Deferred Inflows of Resources</b>	
Deferred Inflow - Pensions	2,774,081
Deferred Inflow - OPEB	<u>689,354</u>
<b>Total Deferred Inflows of Resources</b>	<u>3,463,435</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>40,596,665</u>
<b>Net Position</b>	
Net Investment in Capital Assets	13,357,817
Restricted	68,663
Unrestricted	<u>(15,287)</u>
<b>Total Net Position</b>	<u>13,411,193</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<u>\$ 54,007,858</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

**TOWN OF SALINA, NEW YORK**  
**STATEMENT OF ACTIVITIES**  
For the Years Ended December 31, 2022

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government</b>					
<b>Governmental Activities</b>					
General Government Support	\$ 3,538,021	\$ 329,911	\$	\$ 293,783	\$ (2,914,327)
Public Safety	2,634,532	141,353	5,344		(2,487,835)
Transportation	5,335,115	77,668	448,718		(4,808,729)
Home and Community Services	4,019,502	160,823		500,000	(3,358,679)
Culture and Recreation	1,255,256	17,718		698,374	(539,164)
Debt Service - Interest	458,268				(458,268)
<b>Total Governmental Activities</b>	<u>\$ 17,240,694</u>	<u>\$ 727,473</u>	<u>\$ 454,062</u>	<u>\$ 1,492,157</u>	<u>(14,567,002)</u>

**General Revenues**

Real Property Taxes	13,742,291
Other Real Property Taxes Items	198,842
Nonproperty Tax Items	493,990
General State Aid	1,283,393
Use of Money and Property	327,088
Sale of Property and Compensation for Loss	40,813
Miscellaneous	25,589
<b>Total General Revenues</b>	<u>16,112,006</u>
Change in Net Position	1,545,004
Net Position, Beginning of Year	<u>11,866,189</u>
Net Position, End of Year	<u>\$ 13,411,193</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

**TOWN OF SALINA, NEW YORK**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
December 31, 2022

Assets	Governmental							Non-major Governmental	Total Governmental Funds
	General Whole Town	General Part Town	Highway	Fire	Sewer	Refuse	Capital		
<b>Current Assets</b>									
Cash and Cash Equivalents	\$ 5,510,211	\$ 1,393,160	\$ 2,057,325	\$ 55,163	\$ 2,601,206	\$ 195,133	\$ 2,648,664	\$ 255,822	\$ 14,716,684
Restricted Cash	66,000		2,663						68,663
Accounts Receivable	181,080	607	16,698						198,385
Due from Other Funds	389,574		16,960						406,534
Due from Other Governments	437,052	2,644	3,002				209,993		652,691
Prepaid Expenditures	82,967	15,568	84,423						182,958
<b>Total Current Assets</b>	<b>\$ 6,666,884</b>	<b>\$ 1,411,979</b>	<b>\$ 2,181,071</b>	<b>\$ 55,163</b>	<b>\$ 2,601,206</b>	<b>\$ 195,133</b>	<b>\$ 2,858,657</b>	<b>\$ 255,822</b>	<b>\$ 16,225,915</b>
<b>Liabilities and Fund Equity</b>									
<b>Current Liabilities</b>									
Accounts Payable	\$ 144,206	\$ 16,445	\$ 39,481	\$ 618	\$ 33,459	\$	\$ 51,100	\$ 131	\$ 285,440
Accrued Liabilities	27,665	6,372	49,133						83,170
Consumer Deposits					83,222				83,222
Accrued Interest								232,149	232,149
Due to Other Funds							406,534		406,534
Due to Other Governments				110					110
Bond Anticipation Notes Payable							13,791,000		13,791,000
Deferred Revenue - American Rescue Plan	1,846,437								1,846,437
<b>Total Current Liabilities</b>	<b>2,018,308</b>	<b>22,817</b>	<b>88,614</b>	<b>728</b>	<b>116,681</b>		<b>14,248,634</b>	<b>232,280</b>	<b>16,728,062</b>
<b>Fund Equity</b>									
Non-spendable	82,967	15,568	84,423						182,958
Restricted	66,000		2,663						68,663
Assigned	1,037,847	1,373,594	2,005,371	54,435	2,484,525	195,133		23,542	7,174,447
Unassigned (Deficit)	3,461,762						(11,389,977)		(7,928,215)
<b>Total Fund Equity (Deficit)</b>	<b>4,648,576</b>	<b>1,389,162</b>	<b>2,092,457</b>	<b>54,435</b>	<b>2,484,525</b>	<b>195,133</b>	<b>(11,389,977)</b>	<b>23,542</b>	<b>(502,147)</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 6,666,884</b>	<b>\$ 1,411,979</b>	<b>\$ 2,181,071</b>	<b>\$ 55,163</b>	<b>\$ 2,601,206</b>	<b>\$ 195,133</b>	<b>\$ 2,858,657</b>	<b>\$ 255,822</b>	<b>\$ 16,225,915</b>

The Accompanying Notes are an Integral Part of These Financial Statements.

**TOWN OF SALINA, NEW YORK**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND EQUITY TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**December 31, 2022**

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<b>Governmental Fund Equity</b>		<b>\$ (502,147)</b>
<p>Amounts reported for governmental activities in the statement of Net Position are different due to the following:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Original Cost of Capital Assets	84,887,283	
Accumulated Depreciation	<u>(50,584,276)</u>	34,303,007
Accrued Interest		(52,791)
<p>Proportionate share of long-term asset and liability associated with participation in state retirement system are not current financial resources or obligations and are not reported in the funds.</p>		
Deferred Outflows - Pensions	1,847,795	
Prepaid Expenditures - Pension	(88,144)	
Net Pension Liability (Asset) - Proportionate Share	801,855	
Deferred Inflows - Pensions	<u>(2,774,081)</u>	(212,575)
<p>Long-term liabilities and OPEB Liability including related deferred outflows and inflows, are not due and payable in the current-period and, therefore, are not reported in the funds.</p>		
Bonds Payable	(9,775,846)	
Bond Premium	(27,008)	
Landfill Closure	(1,042,657)	
Deferred Inflows - OPEB	(689,354)	
Deferred Outflows - OPEB	1,323,964	
OPEB	<u>(9,913,400)</u>	(20,124,301)
<b>Net Position of Governmental Activities</b>		<b><u>\$ 13,411,193</u></b>

The Accompanying Notes are an Integral Part of These Financial Statements.

**TOWN OF SALINA, NEW YORK**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY**  
**GOVERNMENTAL FUNDS**  
**For the Years Ended December 31, 2022**

	Governmental							Total Governmental Funds	
	General Whole Town	General Part Town	Highway Part Town	Fire	Sewer	Refuse	Capital		Non-major Governmental
<b>Revenues</b>									
Real Property Taxes	\$ 3,340,212	\$ 1,230,369	\$ 4,215,939	\$ 1,910,472	\$ 536,451	\$ 2,458,642	\$	\$ 50,206	\$ 13,742,291
Other Real Property Tax Items	104,862	18,395	75,585						198,842
Nonproperty Tax Items	493,990								493,990
Departmental Income	18,670	378,795	77,668		6,878				482,011
Use of Money and Property	55,754	16,492	35,787		28,389	2,785	49,557	138,324	327,088
Licenses and Permits	40,636								40,636
Fines and Forfeitures	162,886								162,886
Sale of Property and Compensation for Loss	4,286		36,527						40,813
Miscellaneous	72,414	459							72,873
Local Aid							108,808		108,808
State Aid	1,232,208		448,718				51,185		1,732,111
Federal Aid	1,233,349						150,000		1,383,349
<b>Total Revenues</b>	<b>6,759,267</b>	<b>1,644,510</b>	<b>4,890,224</b>	<b>1,910,472</b>	<b>571,718</b>	<b>2,461,427</b>	<b>359,550</b>	<b>188,530</b>	<b>18,785,698</b>
<b>Expenditures</b>									
General Government Support	2,009,180	34,253	77,580				570,075		2,691,088
Public Safety	126,281	362,475		1,733,517					2,222,273
Transportation	266,664	176,875	3,355,655				366,002		4,165,196
Social Services	8,720								8,720
Home and Community Services	604,044	81,716			280,535	2,424,801	942,514	63,115	4,396,725
Culture and Recreation	849,904						949,173		1,799,077
Employee Benefits	908,270	206,145	912,856	175,000					2,202,271
Debt Service - Principal	600,000	137,850	423,950		295,625				1,457,425
Debt Service - Interest	60,837	24,460	67,836		31,498			296,603	481,234
<b>Total Expenditures</b>	<b>5,433,900</b>	<b>1,023,774</b>	<b>4,837,877</b>	<b>1,908,517</b>	<b>607,658</b>	<b>2,424,801</b>	<b>2,827,764</b>	<b>359,718</b>	<b>19,424,009</b>
Excess (Deficit) Revenues Over Expenditures	1,325,367	620,736	52,347	1,955	(35,940)	36,626	(2,468,214)	(171,188)	(638,311)
<b>Other Financing Sources (Uses)</b>									
Interfund Transfers From	836,349		166,960				1,729,095	8,130	2,740,534
Interfund Transfers To	(1,078,169)	(8,130)	(650,926)				(1,003,309)		(2,740,534)
Bond Anticipation Notes Redeemed from Appropriations							453,000		453,000
<b>Total Other Financing Sources (Uses)</b>	<b>(241,820)</b>	<b>(8,130)</b>	<b>(483,966)</b>				<b>1,178,786</b>	<b>8,130</b>	<b>453,000</b>
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources	1,083,547	612,606	(431,619)	1,955	(35,940)	36,626	(1,289,428)	(163,058)	(185,311)
<b>Fund Equity (Deficit), Beginning of Year</b>	<b>3,565,029</b>	<b>776,556</b>	<b>2,524,076</b>	<b>52,480</b>	<b>2,520,465</b>	<b>158,507</b>	<b>(10,100,549)</b>	<b>186,600</b>	<b>(316,836)</b>
<b>Fund Equity (Deficit), End of Year</b>	<b>\$ 4,648,576</b>	<b>\$ 1,389,162</b>	<b>\$ 2,092,457</b>	<b>\$ 54,435</b>	<b>\$ 2,484,525</b>	<b>\$ 195,133</b>	<b>\$ (11,389,977)</b>	<b>\$ 23,542</b>	<b>\$ (502,147)</b>

The Accompanying Notes are an Integral Part of These Financial Statements.

**TOWN OF SALINA, NEW YORK**  
**RECONCILIATION OF THE STATEMENT OF REVENUES AND**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Years Ended December 31, 2022**

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**Net Changes in Fund Balance - Total Governmental Funds** \$ (185,311)

Capital Outlays to purchase or build capital assets are reported in Governmental Funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their useful lives as depreciation expense in the statement of activities. This is the amount by which capital outlays in the period exceeds depreciation.

Capital Outlays	2,790,917	
Depreciation	<u>(2,052,736)</u>	738,181

Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayments of bond principal is an expenditure in Governmental Funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal Payments on Long Term Debt	<u>1,004,425</u>	1,004,425
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(Increases) Decreases in proportionate share of net pension asset/liability reported in the Statement of Activities do not provide for or require the use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds.

Employees' Retirement System		323,959
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Certain expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental Funds.

Change in OPEB Liability	(536,870)	
Change in Landfill Liability	177,654	
Change in Bond Premium	1,688	
Change in Accrued Interest	<u>21,278</u>	<u>(336,250)</u>

**Change in Net Position Governmental Activities** **\$ 1,545,004**



**TOWN OF SALINA, NEW YORK**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**December 31, 2022**

	Custodial Funds				Total
	LOSAP	Escrow	Town Justice	Town Clerk	
<b>Assets</b>					
Unrestricted Cash	\$	\$ 198,470	\$ 18	\$ 71,171	\$ 269,659
Restricted Cash			79,740		79,740
Service Award Program Assets	1,208,291				1,208,291
<b>Total Assets</b>	<b>\$ 1,208,291</b>	<b>\$ 198,470</b>	<b>\$ 79,758</b>	<b>\$ 71,171</b>	<b>\$ 1,557,690</b>
<b>Liabilities and Net Position</b>					
<b>Liabilities</b>					
Bail Deposits	\$	\$	\$ 79,740	\$	\$ 79,740
Due to Othe Governments			18	71,171	71,189
<b>Total Liabilities</b>			<b>79,758</b>	<b>71,171</b>	<b>150,929</b>
<b>Net Position</b>					
Restricted for Escrow		198,470			198,470
Restricted for LOSAP	1,208,291				1,208,291
<b>Total Net Position</b>	<b>1,208,291</b>	<b>198,470</b>			<b>1,406,761</b>
<b>Total Net Position and Liabilities</b>	<b>\$ 1,208,291</b>	<b>\$ 198,470</b>	<b>\$ 79,758</b>	<b>\$ 71,171</b>	<b>\$ 1,557,690</b>

The Accompanying Notes are an Integral Part of These Financial Statements.

**TOWN OF SALINA, NEW YORK**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Years Ended December 31, 2022**

	Custodial Funds				
	LOSAP	Escrow	Town Justice	Town Clerk	Total
<b>Additions</b>					
Fines Collected for Other Governments	\$	\$	467,603	\$	\$ 467,603
Taxes Collected for Other Governments				61,297,818	61,297,818
Fees Collected for Other Governments				13,023	13,023
Escrow Receipts		23,412			23,412
LOSAP Contributions	175,000				175,000
Unrealized Loss on Investments	(70,413)				(70,413)
Interest Income	7,552	364			7,916
Total Additions	<u>112,139</u>	<u>23,776</u>	<u>467,603</u>	<u>61,310,841</u>	<u>61,914,359</u>
<b>Deductions</b>					
Fines Remitted to Other Governments			467,603		467,603
Taxes Distributed to Other Governments				61,297,818	61,297,818
Fees Distributed to Other Governments				13,023	13,023
Escrow Payments		51,932			51,932
LOSAP Plan Fees	8,153				8,153
LOSAP Plan Payments	118,092				118,092
Total Deductions	<u>126,245</u>	<u>51,932</u>	<u>467,603</u>	<u>61,310,841</u>	<u>61,956,621</u>
Excess Expenditures over Revenues	(14,106)	(28,156)			(42,262)
Fund Balance, Beginning of the Year	<u>1,222,397</u>	<u>226,626</u>			<u>1,449,023</u>
Fund Balance, End of the Year	<u>\$ 1,208,291</u>	<u>\$ 198,470</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,406,761</u>

The Accompanying Notes are an Integral Part of These Financial Statements.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements of the Town have been prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB) which is the primary standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have been prepared primarily from accounts maintained by the Town.

GASB is responsible for establishing U.S. GAAP for State and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies, established in U.S. GAAP and used by the Town, are discussed below.

***Background***

The Town of Salina, New York (the Town), was incorporated in 1847 and operates under an elected Town Supervisor and four member Town Board. The Town Board is the elected legislative body and consists of four district members. The Town provides services of general government, public works, public safety, community enrichment and economic development to its residents.

***Financial Reporting Entity***

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

The decision to include a potential component unit in the Town's reporting entity is based on several criteria set forth in GASB including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, no other organizations have been included or excluded from the reporting entity.

***Financial Statements - Government-Wide***

The Town's financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Maintenance of roads, public works, social services, recreation and culture, and general administrative services are classified as governmental activities.

In the government-wide Statement of Net Position, the governmental columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's Net Position is reported in three parts: net investment in capital assets, restricted net position, and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. All direct expenses incurred are charged to the corresponding function. Capital asset additions that cannot be identified to a specific function are allocated based on total expenses by program.

Employee benefits are reported as a separate function on the fund financial statements. These costs have been allocated for the government-wide financial statements based on the respective payroll for each function.

The net costs (by function or business-type activity) are normally covered by general revenues (property, non-property, or sales taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basic Financial Statements - Fund Financial Statements***

The fund statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The Town reports the following major governmental funds:

**(a) *Major Funds:***

The emphasis in the fund financial statements is on the major governmental fund categories.

General Fund— this is the principal operating fund which is used to account for and report all operations not required to be recorded in other funds. This fund includes general whole-town and general part-town.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. This fund is further broken down into the following categories:

*Highway*-This fund is used to account for maintenance of the Town's streets and highways.

*Refuse and Garbage*- This fund is used to account for Town-wide residential and commercial refuse and garbage removal contracts.

*Fire Protection*- This fund is used to account for the Town's fire department.

*Sewer Fund*- This fund is used to account for the Town's sewer operations.

Capital Fund – This fund is used to account for financial resources to be used for the acquisition, construction, or renovation of major capital facilities or equipment. The principal sources of financing are from the sale of bonds or issuance of bond anticipation notes and state aid.

Non-major funds are summarized into a single column. The non-major funds consist of Debt Service, Water, Electronics Parkway Drainage, and Hydrant.

**(b) *Fiduciary Fund Types*** – Fiduciary funds are used to account for and report assets held in a trustee or custodial capacity for others and therefore, are not available to support Town programs.

The Town's fiduciary funds are presented in the financial statements separate from the governmental funds and activities. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, deferred compensation participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The Town only has a custodial fund. This Fund accounts for the collection of taxes and fees for other governments. The Fund is also used to account for the Length of Service Awards Program for the members of the Fire Department, which are not employees of the Town.

***Measurement Focus and Basis of Accounting***

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual – The governmental activities in the government-wide financial statements and the fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of when the related cash transaction takes place. Nonexchange transactions are transactions in which the Town gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, and donations. Nonexchange revenues are generally reported as nonoperating revenues. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Modified Accrual Basis - All governmental funds financial statements are reported for using the current financial resources measurement focus and the modified accrual basis of accounting.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Under this basis of accounting, revenues are recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town has defined the period of availability to be 30 days.

Material revenues that are accrued include real property taxes, Federal and State aid, sales tax, and certain user charges. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made.

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

- a. Expenditures for inventory-type items are recognized at the time of the disbursements.
- b. Principal and interest on long-term indebtedness is not recognized as an expenditure until due.
- c. Capital fund expenditures are recorded when paid.

***Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of encumbrances, compensated absences, potential contingent liabilities, and useful lives of long-lived assets.

***Property Taxes***

Taxes are collected by the receiver of taxes during the period January 1 to January 31 without penalty. Taxes are due by January 31. If received during February, there is a 1% penalty. If payment is received in March, there is a 1.5% penalty. After March 31, the unpaid amount is turned over to Onondaga County. The County is responsible for collecting all taxes after April 1. The County pays the Town for the delinquent taxes and assumes enforcement responsibility for all taxes levied in the Town.

***Capital Assets/Property, Plant, and Equipment***

Capital assets purchased or acquired with an original cost of \$5,000 or more and a useful life of two years or more, are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Infrastructure assets are capitalized on a prospective basis. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-30 Years
Machinery and Equipment	5-15 Years
Improvements (land and Building)	10-30 Years
Infrastructure	20-50 Years

***Receivables***

All receivables are reported at their gross value and, where appropriate, are reduced by the estimate portion that is expected to be uncollectible. Estimated unbilled revenues are estimated at the end of each fiscal year. Sewer fund receivables are fully guaranteed by the General Fund of the Town. Therefore, no allowance for doubtful accounts has been established for these funds.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Deferred Outflows of Resources***

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has two items that qualify for reporting in this category. The first item is for the pensions reported in the Town-wide Statement of Net Position. This represents the effect of the net change in the Town's proportion of the collective net pension asset or liability and difference during the measurement period between the Town's contributions and its proportion share of total contributions not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the Statement of Net Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years.

***Insurance***

The Town insures against liability for most risks including, but not limited to, property damage and personal injury liability. Judgments and claims are recorded when it is probable that an asset has been impaired or availability has been incurred and the amount of loss can be reasonably estimated.

***Retirement Plan***

The Town provides retirement benefits for substantially all of its regular, full-time employees through contributions to the New York State Employees' Retirement System. The System is a cost-sharing, multiple-employer, public employee retirement system. The System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death, and disability.

In addition to providing pension benefits, the Town provides post-employment health insurance coverage and survivor benefits for retired employees and their survivors. Collective bargaining agreements determine if Town employees are eligible for these benefits if they reach normal retirement age while working for the Town. Health care benefits are provided through plans whose premiums are based on the benefits paid during the year. The cost of providing postemployment benefits is shared between the Town and the retired employee. Other postemployment benefit costs are measured and disclosed using the accrual basis of accounting.

***Interfund Activity***

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charged the appropriate benefiting fund and reduced its related cost as reimbursement. All other interfund transactions are treated as transfers.

***Compensated Absences***

Town employees are granted vacation and sick leave in varying amounts. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation at various rates subject to certain maximum limits. Sick leave is not paid when an employee leaves due to termination or retirement.

***Deferred Inflows of Resources***

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two items that qualify for reporting in this category. The first item is related to pensions reported in the Town-wide Statement of Net Position. This represents the effect of the net change in the Town's proportion of the collective net pension liability (ERS System) and difference during the measurement periods between the Town's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is related to other postemployment benefits (OPEB) reported on the Statement of Net Position and represents the effect of differences between expected and actual experience and changes in assumptions during the year. These amounts are deferred and will be recognized in OPEB expense over the next several years.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Cash and Cash Equivalents***

State statutes require that collateral be pledged at 100 percent of all deposits not covered by Federal Deposit Insurance Corporation insurance for demand deposits, time deposits, repurchase agreements, and certificates of deposit. Obligations of the United States Treasury and its agencies as well as obligations of New York State and its municipalities and Towns may be pledged. Investments are carried at market value.

The Town's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the Town's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities.

Collateral is required for demand and time deposits and certificates of deposit 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 Districts.

***Unearned Revenue***

Unearned revenues arise when resources are received by the Town before it has legal claim to them, as when grant monies are received prior to the incidence of qualifying expenditures. In subsequent periods, when both recognition criteria are met, or when the Town has legal claim to the resources, the liability for unearned revenues is removed and revenues are recorded.

***Short-Term Debt***

The Town may issue bond anticipation notes (BAN), in anticipation of proceeds from the subsequent sale of bonds. These notes are recorded as current liabilities of the funds that will actually receive the proceeds from the issuance of bonds. State law requires that BAN's issued for capital purposes are converted to long-term financing within five years after the original issue date.

***Equity classifications***

**(a) *Government-wide Financial Statements***

In the Government-wide statements there are three classes of net position:

Net Investment in Capital Assets – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, constructions or improvements of those assets.

Restricted Net Position – reports Net Position when constraints placed on the assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – reports all other Net Positions that do not meet the definition of the above two classifications and are deemed to be available for general use by the Town.

**(b) *Fund Statements***

The following classifications describe the relative strength of the spending constraints:

***Non-spendable***

This category includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. This category consists of the balances in prepaid expenditure accounts.

***Restricted Resources***

Amounts constrained by specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

***Assigned fund balance***

Amounts the Town intends to use for a specific purpose; intent for which must be expressed by the Town Board or Department management.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Unassigned fund balance*

Amounts within the General Fund that do not meet the definition of the above four classifications and are deemed to be available for general use by the Town and amounts in other funds with negative fund balances.

*New Accounting Standard*

Effective January 1, 2022, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the Town's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. 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.

*Future Changes in Accounting Standards*

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements* - Effective for the years ended after December 15, 2023

The Town will evaluate the impact this pronouncement may have on its financial statements and will implement it as applicable and when material.

**2. DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND TOWN-WIDE STATEMENTS**

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the Town-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic resource management focus of the Statement of Activities, compared with the current financial resource management focus of the governmental funds.

*Total Fund Balances of Governmental Funds Compared To Net Positions of Governmental Activities*

Total fund balances of the Town's governmental funds differs from "net positions" of governmental activities reported in the Statement of Net Position. This difference primarily results from the additional long-term economic focus of the Statement of Net Position versus the solely current financial resources focus of the governmental fund Balance Sheet.

*Statement of Revenues, Expenditures, and Changes In Fund Balance Compared To Statement of Activities*

Differences between the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balance and the Statement of Activities fall into one of six broad categories. The amounts shown below represent:

*(a) Long-Term Revenue Differences*

Long-term revenue differences arise because governmental funds report revenues only when they are considered "available," whereas the Statement of Activities reports revenues when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the Statement of Activities.

*(b) Capital Related Differences*

Capital related differences include the difference between proceeds for the sale of capital assets reported on governmental fund statements and the gain or loss on the sale of assets as reported on the Statement of Activities, and the difference between recording an expenditure for the purchase of capital items in the governmental fund statements and depreciation expense on those items as recorded in the Statement of Activities.

*(c) Long-Term Debt Transaction Differences*

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the Statement of Activities as incurred, and principal payments are recorded as a reduction of liabilities in the Statement of Net Position.



**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**2. DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND TOWN-WIDE STATEMENTS**  
**(Continued)**

**(d) *Employee Benefit Allocation***

Expenditures for employee benefits are not allocated to a specific function on the Statement of Revenues, Expenditures, and Changes in Fund Equity based on the requirements of New York State. These costs have been allocated based on total salary for each function on the Statement of Activities.

**(e) *Pension Differences***

Pension differences occur as a result of changes in the Town's proportion of the collective net position, asset/liability and differences between the Town's contributions and its proportionate share of the total contributions to pension system.

**(f) *OPEB Differences***

OPEB differences occur as a result of changes in the Town's total OPEB liability and differences between the Town's contributions and OPEB expense.

***Budgets and Budgetary Accounting***

**(a) *Budget Basis of Accounting***

The budget is adopted annually on a basis consistent with U.S. GAAP. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

**(b) *Budget Policies***

- Budgets are adopted annually on a basis consistent with U.S. generally accepted accounting principles.
- No later than October 5, the Town 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 them.
- Public hearings are conducted to obtain taxpayer comments.
- The budget is legally enacted through passage of legislative resolution no later than Thursday after election date. Certified copies are filed no later than November 20 with the tax roll coordinator (Onondaga County) for the purpose of preparing the tax levy.
- The Town Supervisor is authorized to transfer certain budgeted amounts within departments and/or individual funds.

**(c) *Legally Adopted Budgets***

All of the Funds, except capital, have legally adopted budgets. The Funds' budgets are adopted on a departmental and object level of expenditure basis in which expenditures may not legally exceed appropriations on a departmental and object of expenditure level.

Individual governmental fund comparisons of budget and actual data at the legal level of control established by the adopted budget (i.e., minimally at the department and object level) are not presented in this report for those funds with annual adopted budgets due to the excessive detail involved. However, a separate budgetary comparison report is available which contains this information.

**3. ENCUMBRANCE ACCOUNTING**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded for budgetary control purposes to reserve that portion of the applicable appropriations, is employed in the governmental funds. Encumbrances are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Expenditures for such commitments are recorded in the period in which the liability is incurred.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**4. BUDGET LIMITATIONS AND SUPPLEMENTAL APPROPRIATIONS**

Appropriations established by the adoption of the budget constitute a limitation on expenditures (and encumbrances) which may be incurred. Appropriations lapse at the end of the fiscal year unless expended or encumbered. Encumbrances will lapse if not expended in the subsequent year. Supplemental 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.

The following supplemental appropriations occurred during the year:

	General <u>Whole Town</u>	General <u>Part Town</u>	Highway <u>Part Town</u>	<u>Fire</u>	<u>Refuse</u>	<u>Sewer</u>
<b>Change from Adopted Budget to Final Budget</b>						
Adopted Budget	\$ 5,517,426	\$ 1,365,042	\$ 5,116,960	\$ 1,910,517	\$ 2,458,422	\$ 913,733
Add: Prior Year's Encumbrances	<u>16,085</u>		<u>190,676</u>			
Original and Adopted Budget	<u>\$ 5,533,511</u>	<u>\$ 1,365,042</u>	<u>\$ 5,307,636</u>	<u>\$ 1,910,517</u>	<u>\$ 2,458,422</u>	<u>\$ 913,733</u>
Amendments:						
Duerr Park Pavilion and Bathrooms	70,000					
Burnham Park	450,000					
Community Center	375,000					
Home Headquarters' Program	500,000					
Town Clerk's Office Renovations	569,950					
Unclaimed Bail Forfeiture	25,783					
Miscellaneous	30,593	(16,276)				
Paving Highway Improvements			250,000			
Emergency Project - Sunflower			52,000			
Gutter Project			300,000			
Sewers under the Thruway						127,959
Bond Admin Fees						<u>200</u>
Total Amendments	<u>2,021,326</u>	<u>(16,276)</u>	<u>602,000</u>			<u>128,159</u>
Final Budget	<u>\$ 7,554,837</u>	<u>\$ 1,348,766</u>	<u>\$ 5,909,636</u>	<u>\$ 1,910,517</u>	<u>\$ 2,458,422</u>	<u>\$ 1,041,892</u>

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS**

**Assets**

**(a) Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. While the Town does not have a specific policy for custodial credit risk, New York State statutes govern the Town's investment policies, as discussed previously in these notes. As of December 31, 2022, of the Town's bank balances of \$4,744,129 were not exposed to custodial credit risk because the deposits were fully covered by FDIC and collateral pledged by financial institutions in the Town's name.

**Restricted Cash and Cash Equivalents**

1. Restricted cash of \$66,000 in the General Whole Town fund represents the Town Hall Repair Reserve.
2. Restricted cash of \$2,663 in the Highway fund represents the Highway Equipment reserve.

**Investment Pool**

The BOCES participates in a multi-municipal cooperation investment pool agreement pursuant to New York State General Municipal Law Article 5-G, Section 119-o, whereby it holds a portion of the investments in cooperation with other participants. The investments are highly liquid and are considered to be cash equivalents.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

The following amounts are included as unrestricted cash equivalents:

Fund	Cost	Fair Value
General	\$ 2,900,002	\$ 2,900,002
General Part-Town	1,038,603	1,038,603
Highway	1,616,049	1,616,049
Fire	32,000	32,000
Sewer	2,075,590	2,075,590
Refuse	2,785	2,785
Capital	2,349,946	2,349,946
Non-Major	70,000	70,000
<b>Total</b>	<b>\$ 10,084,975</b>	<b>\$ 10,084,975</b>

The above amounts represent the cost of the investment pool share and are considered to approximate market value. The investment pool is categorically exempt from the New York State collateral requirements. The Investment Pool issues a publicly available financial report that contains financial statements and required supplementary information for the System. The report may be obtained by writing to MBIA/CLASS, 113 King Street, Albany, New York 10504.

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

**(b) Capital Assets**

Capital asset activity for the governmental activities for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 39,875	\$ 364,483	\$	\$ 404,358
Construction in Progress	10,972,075	2,463,281	9,649,723	3,785,633
<b>Total</b>	<b>11,011,950</b>	<b>2,827,764</b>	<b>9,649,723</b>	<b>4,189,991</b>
<b>Capital Assets Being Depreciated</b>				
Buildings	6,421,237	8,211,852		14,633,089
Infrastructure	58,905,270	374,738		59,280,008
Land Improvements	845,441	302,866		1,148,307
Equipment	4,912,468	723,420		5,635,888
<b>Total</b>	<b>71,084,416</b>	<b>9,612,876</b>		<b>80,697,292</b>
<b>Accumulated Depreciation</b>				
Land Improvements	463,276	28,878		492,154
Buildings	5,224,458	187,865		5,412,323
Infrastructure	38,429,462	220,558		38,650,020
Equipment	4,414,344	1,615,435		6,029,779
<b>Total</b>	<b>48,531,540</b>	<b>2,052,736</b>		<b>50,584,276</b>
<b>Net Capital Assets Being Depreciated</b>	<b>22,552,876</b>	<b>7,560,140</b>		<b>30,113,016</b>
<b>Net Capital Assets</b>	<b>\$ 33,564,826</b>	<b>\$ 10,387,904</b>	<b>\$ 9,649,723</b>	<b>\$ 34,303,007</b>

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Depreciation expense was charged to the functions/programs as follows:

<b>Governmental Activities</b>	
General Government Support	\$ 743,236
Public Safety	199,813
Transportation	454,301
Home and Community Services	268,946
Culture and Recreation	<u>386,440</u>
Total Depreciation Expense	<u>\$ 2,052,736</u>

**Liabilities**

**(a) Bond Anticipation Notes (BANs)**

Changes in the Town's short-term outstanding debt for the year ended December 31, 2022 is as follows:

<u>Description</u>	<u>Outstanding Beginning Balance</u>	<u>Issued</u>	<u>Paid</u>	<u>Outstanding Ending Balance</u>
Governmental Activities				
Various Projects	<u>\$ 14,244,000</u>	<u>\$ _____</u>	<u>\$ (453,000)</u>	<u>\$ 13,791,000</u>

The following is a summary of the BAN's outstanding at December 31, 2022:

<u>Payable From/Description</u>	<u>Date of Original Issue</u>	<u>Original Amount</u>	<u>Date of Final Maturity</u>	<u>Interest Rate (%)</u>	<u>Outstanding Amount</u>
<b>Sewer Fund</b>					
Schr Park	06/22	\$ 451,000	06/23	3.00%	\$ 399,000
Boulevard Sewer	06/22	855,000	06/23	3.00%	760,000
Electronics Parkway	06/22	571,000	06/23	3.00%	509,000
Duerr Park Pump	06/22	80,000	06/23	3.00%	69,000
Malden Road	06/22	501,000	06/23	3.00%	<u>449,000</u>
<b>Total Sewer Fund</b>					<u>2,186,000</u>
<b>General Whole Town</b>					
Town Hall Renovations and Improvements	06/22	525,000	06/23	3.00%	480,000
Town Hall Renovations and Improvements	06/22	3,700,000	06/23	3.00%	7,365,000
Street Lighting	06/22	4,800,000	06/23	3.00%	<u>3,530,000</u>
					<u>11,375,000</u>
<b>Highway</b>					
Highway Garage Improvement	06/22	330,000	06/23	3.00%	<u>230,000</u>
<b>Total</b>					<u>\$ 13,791,000</u>

Interest costs for short-term debt for the year ended December 31, 2022 were as follows:

Interest Paid	\$ 213,660
Less: Interest Accrued in the Prior Year	(119,294)
Plus: Interest Accrued in the Current Year	<u>232,149</u>
Total Interest Expense on Short-Term Debt	<u>\$ 326,515</u>

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

**(b) Long Term Debt**

The Town borrows funds on a long-term basis for the purpose of financing acquisitions of land and equipment and construction of buildings and improvements. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities for governmental funds are maintained separately and represent a reconciling item between the fund and Town-wide statements. Interest associated with long-term debt is recorded as an expenditure when such amounts are due.

Long-term liability balances and activity are as follows:

Description	Beginning Balance	Issued	Paid	Ending Balance	Due Within One Year
Governmental Activities					
Serial Bonds Payable	\$ 10,780,271	\$	\$ (1,004,425)	\$ 9,775,846	\$ 820,744
Premium on Bonds Payable	28,696		(1,688)	27,008	1,688
Landfill Closure	1,220,311		(177,654)	1,042,657	
OPEB	9,423,231	804,567	(314,398)	9,913,400	
Total Governmental	<u>\$ 21,452,509</u>	<u>\$ 804,567</u>	<u>\$ (1,498,165)</u>	<u>\$ 20,758,911</u>	<u>\$ 822,432</u>

Future principal and interest payments due on serial bonds debt are as follows:

Fiscal Year Ended December 31,	Principal	Interest	Total
2023	\$ 820,744	\$ 145,926	\$ 966,670
2024	772,063	131,088	903,151
2025	788,382	117,408	905,790
2026	809,701	102,912	912,613
2027	641,020	90,296	731,316
2028-2032	2,794,889	297,303	3,092,192
2033-2037	1,757,866	130,465	1,888,331
2038-2042	1,050,845	25,124	1,075,969
2043-2045	340,336		340,336
Total	<u>\$ 9,775,846</u>	<u>\$ 1,040,522</u>	<u>\$ 10,816,368</u>

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Details relating to general obligation (serial) bonds of the Town outstanding at December 31, 2022, are summarized as follows:

<u>Description</u>	<u>Date of Original Issue</u>	<u>Date of Final Maturity</u>	<u>Interest Rate (%)</u>	<u>Outstanding Amount</u>
<b>Sewer Fund</b>				
2004b NYSEFC	Mar-2004	Mar-2024	1.06-4.48%	\$ 25,000
2008	May-2008	May-2023	3.25-4.00%	35,000
2012b NYSEFC	Jun-2012	Jun-2042	0.26-4.27%	335,000
2013b NYSEFC	Jun-2013	Jun-2043	0.26-4.76%	780,000
2015b NYSEFC	Dec-2015	Oct-2045	0%	2,305,846
2020	Jun-2020	Jun-2038	2.00%	<u>2,780,000</u>
				<u>6,260,846</u>
<b>Highway Fund</b>				
2013	Jun-2013	Jun-2026	2.0-3.0%	670,000
2013	Sep-2013	Jul-2022	2.0-3.0%	
<b>General Fund-Part Town</b>				
2014 NYSEFC	Jul-2014	Jun-2036	0.18-3.51%	655,000
2015 NYSEFC	Aug-2015	Mar-2031	0.20-3.65%	<u>2,190,000</u>
				<u>2,845,000</u>
Total				<u>\$ 9,775,846</u>

Interest costs for long-term debt for the year ended December 31, 2022 were as follows:

Interest Paid	\$ 154,719
Premium Amortization	(1,688)
Less: Interest Accrued in the Prior Year	(74,069)
Plus: Interest Accrued in the Current Year	<u>52,791</u>
Total Interest Expense on Long-Term Debt	<u>\$ 131,753</u>

***Debt Limit***

The constitution of the State of New York limits the amount of indebtedness which may be issued by the Town. The Town may issue indebtedness to the extent that the aggregate outstanding debt issued, which is subject to such limit, does not exceed 7% of the average full valuation of taxable real estate within such Town. At December 31, 2022, the total outstanding indebtedness of the Town aggregated \$23,566,846. Of this amount the Town has exhausted 19.0% of its total debt limit.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

***Pension Plan***

***(a) Plan Description & Benefits Provided***

The Town participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement systems. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November, 2018, he was elected for a new term commencing January 1, 2019. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The Town also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System maintains records and accounts, and prepares financial statements using the accrual basis of accounting. Contributions are recognized when due. Benefit payments are recognized when due and payable. Investments are recognized at fair value. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

***(b) Contributions***

The System is noncontributory except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3 percent of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

<u>For the Year</u> <u>Ended March 31,</u>	<u>ERS</u>
2023	\$ 353,514
2022	\$ 459,017
2021	\$ 405,393

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

At December 31, 2022, the Town reported an asset of \$801,855 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2022 and 2021, the Town's proportion of the net pension liability was 0.0098091 percent and 0.0093149 percent respectively.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

For the year ended December 31, 2022, the Town recognized pension expense of \$54,630. At December 31, 2022, the Town reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 60,726	\$ 78,765
Change of Assumptions	1,338,206	22,581
Net Difference Between Projected and Actual Earnings on Pensions Plan Investments		2,625,739
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	95,349	46,996
Contributions Subsequent to the Measurement Date	353,514	
Total	\$ 1,847,795	\$ 2,774,081

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended March 31,	ERS
2023	\$ (186,457)
2024	\$ (286,570)
2025	\$ (676,077)
2026	\$ (130,696)

**(d) Actuarial Assumptions**

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

Significant actuarial assumptions used in the April 1, 2021 valuation were as follows:

Investment Rate of Return	
(Net of Investment Expense, including Inflation)	5.90%
Salary Scale	4.40%
Decrement Tables	April 1, 2015 - March 31, 2020 System's Experience
Inflation Rate	2.50%



**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

Annuitant mortality rates are based on April 1, 2015 - March 31, 2020 System's experience with adjustments for mortality improvements based on MP-2021.

The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

The long term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 are summarized below.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32.00%	3.30%
International Equity	15.00%	5.85%
Private Equity	10.00%	6.50%
Real Estate	9.00%	5.00%
Opportunistic/Absolute Return Strategies	3.00%	4.10%
Credit	4.00%	3.78%
Real Assets	3.00%	5.80%
Fixed Income	23.00%	0.00%
Cash	1.00%	-1.00%
	100.00%	

*The real rate of return is net of the long-term inflation assumption of 2.50%*

**(e) *Discount Rate***

The discount rate used to calculate the total pension asset/liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset/liability.

**(f) *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 percent, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (4.9 percent) or 1-percentage-point higher (6.9 percent) than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Proportionate Share of the Net Pension Liability (Assets)			
ERS	\$ 2,063,966	\$ (801,855)	\$ (3,198,976)

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

***(g) Pension Plan Fiduciary Net Position***

Detailed information about the Plan's fiduciary net position is available in the separately issued ERS financial report.

***Other Postemployment Benefits (OPEB)***

***(a) Plan Description***

The Town administers the Medical Plan (the Plan) as a single-employer defined benefit Other Postemployment Benefit plan. The Plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the Town subject to applicable collective bargaining and employment agreements. Generally, employees may retire with benefits when they reach the minimum age of 55 and have 20 years of service with the Town.

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

***(b) Funding Policy***

The obligations of the Plan members, employers, and other entities are established by action of the Town pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members vary depending on the applicable agreement. For the year ended December 31, 2020, the Town's contributions to the Plan ranged from 85% to 100% of the required annual premiums. The retirees currently contribute enough money to the Plan to satisfy current obligations on a pay-as-you go basis. The costs of administering the Plan are paid by the Town.

The Town's other postemployment benefit (OPEB) cost for all employee health insurance benefits is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB No. 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Town's net OPEB obligation.

***(c) Employees Covered by Benefit Terms***

	<u>Total</u>
Inactive employees currently receiving benefit payments	27
Active employees	<u>64</u>
Total	<u>91</u>

***(d) Total OPEB Liability***

The Town's total OPEB liability of \$9,913,400 was measured as of January 1, 2022, and was determined by an actuarial valuation as of January 1, 2021.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

**(e) *Changes in the Total OPEB Liability***

Changes in the Town's total OPEB liability were as follows:

	Total OPEB Liability
Balances, December 31, 2021	\$ 9,423,231
Changes recognized for the year:	
Service cost	516,472
Interest on Total OPEB Liability	207,388
Change of Assumptions or other inputs	80,707
Benefit Payments (Including implicit subsidy)	(314,398)
Net changes	490,169
Balances, December 31, 2022	\$ 9,913,400

**(f) *Sensitivity of the total OPEB liability to changes in the discount rate***

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.06 percent) or 1 percentage point higher (3.06 percent) than the current discount rate:

	1% Decrease (1.06%)	Current Assumption (2.06%)	1% Increase (3.06%)
Total OPEB liability	\$ 11,411,016	\$ 9,913,400	\$ 8,683,414

**(g) *Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates***

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rate:

	1% Decrease (6.50%)	Current Assumption (7.50%)	1% Increase (8.50%)
Total OPEB liability	\$ 8,495,383	\$ 9,913,400	\$ 11,708,507

Sensitivity analysis for healthcare cost inflation (trend) rate is illustrated as of end of year.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

**(h) *OPEB Expense and Deferred Outflows of Resources Related to OPEB***

For the year ended December 31, 2022, the Town recognized OPEB expense of \$837,281. At December 31, 2022, the Town reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 537,352
Changes of assumptions or other inputs	1,023,553	152,002
Contributions subsequent to the measurement date	300,411	
Total	\$ 1,323,964	\$ 689,354

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

For the Year ended	
December 31:	Amount
2023	\$ 94,895
2024	241,170
2025	(15,410)
2026	11,347
2027	2,197

**(i) *Actuarial Methods and Assumptions***

The total OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2022, the reporting date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified:

Valuation Date	January 1, 2021
Measurement Date	January 1, 2022
Reporting Date	December 31, 2022
Actuarial Cost Method	Entry Age Normal – Level Percent of Pay
Inflation rate	2.20% (2021 2.50%)
Healthcare Cost Trend Rates	7.50% for 2022 decreasing to an ultimate rate of 4.04% by 2091
Salary Changes	3.50%
Discount Rate	2.06% Bond Buyer Weekly 20 Bond Go Index (2021 2.12%)

The RPH-2014 Mortality Tables for employees and healthy annuitants, sex distinct, with generational mortality adjusted to 2006 with Scale MP-2014, and projected forward with scale MP-2020

**(j) *Changes to Assumptions and Other Inputs***

The discount rate was changed from 2.12% to 2.06%. The discount rates are inputs taken from the rate for a 20-year high-quality tax-exempt municipal bond index as of each measurement date.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**5. DETAIL NOTES ON ALL FUNDS AND ACCOUNT GROUPS (Continued)**

***Interfund Transactions***

Interfund receivables and payables at December 31, 2022, were as follows:

Fund Type	Interfund		Interfund	
	Receivables	Payables	Revenues	Expenditures
General Whole Town	\$ 389,574	\$	\$ 836,349	\$ 1,078,169
General Part Town				8,130
Highway Part Town	16,960		166,960	650,926
Capital Fund		406,534	1,729,095	1,003,309
Non-Major - Aquatic			8,130	
Total	<u>\$ 406,534</u>	<u>\$ 406,534</u>	<u>\$ 2,740,534</u>	<u>\$ 2,740,534</u>

All interfund receivables and payables are considered current. The purpose of the above receivable and payable was to provide cashflow for capital projects. The interfund revenues and expenditures were made to close various capital projects.

**6. LENGTH OF SERVICE AWARD PROGRAM (LOSAP)**

The Town established a defined benefit LOSAP for the active volunteer firefighters of the Liverpool Fire Co., Inc. The Liverpool Fire Co., Inc. Service Award Program took effect on March 1, 1997. The program was established pursuant to Article 11-A of the General Municipal Law. The program provides municipally-funded, pension-like benefits to facilitate the recruitment and retention of active volunteer firefighters. The Town is the sponsor of the program.

The Town's financial statements are for the year ended December 31, 2022. However, the actuarially calculated obligations of the plan contained in this note is based on information for the LOSAP for the plan year ended on January 1, 2022, which is the most recent plan year for which complete information is available.

Under Section 4579(c)(11) of the Internal Revenue Code, Service Award Programs for volunteer firefighters and EMS volunteers are referred to as LOSAP.

**Participation, Vesting, and Service Credit**

Active volunteer firefighters who have reached the age of 18 and who are current active members for one year on the Emergency Service organization's membership roster are eligible to participate in the program. Participants acquire a nonforfeitable right to a service award after being credited with five years of firefighting service or upon attaining the program's entitlement age. The program's entitlement age is 55. In general, active volunteer firefighter is credited with a year of firefighting service for each calendar year after the establishment of the program in which he or she accumulates points in accordance with the method used by the sponsor to determine active status. Points are granted for the performance of certain activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive credit for five years of firefighting service rendered prior to the establishment of the program.

**Benefits**

A participant's benefit under the program is the actuarial equivalent of a monthly payment for life equal to \$20 multiplied by the person's total number of years of firefighting service. The number of years of firefighting service used to compute the benefit cannot exceed forty. Except in the case of disability or death, benefits are payable when a participant reaches entitlement age. The program provides statutorily mandated death and disability benefits.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**6. LENGTH OF SERVICE AWARD PROGRAM (LOSAP) (Continued)**

**Fiduciary Investment and Control**

Service credit is determined by the governing board of the sponsor, based on information certified to the governing board by the Fire Company having members who participate in the program. The Fire Company must maintain all required records on forms prescribed by the governing board.

The governing board of the sponsor has retained and designated Unity Mutual Life Insurance Company to assist in the administration of the program. The designated program administrator's functions include providing flexible premium group annuities.

Program assets are required to be held in trust by LOSAP legislation, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The trust agreement is dated March 10, 1997, and the trustees are the Town Clerk and the Town Comptroller.

The Town is required to retain an actuary to determine the amount of the Town's contributions to the plan. The actuary retained by the Town for this purpose is BPAS. Portions of the following information are derived from the valuation report prepared by the actuary dated January 1, 2022.

Actuarial Present Value of Benefits at January 1, 2022	\$	2,104,254
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Less: Assets Available for Benefits

	<u>% of Total</u>				
Mutual Funds	79%	\$	970,692		
Annuities	21%	\$	<u>259,257</u>		

Total Net Assets Available for Benefits		<u>1,229,949</u>
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Total Unfunded Benefits at January 1, 2022	\$	<u>874,305</u>
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**Receipts and Disbursements**

Plan Net Assets, Beginning of Year, January 1, 2022	\$	1,222,397
Plan Contributions		175,000
Unrealized Gain (Loss) on Investments		(70,413)
Interest Income		7,552
Less LOSAP Plan Fees		(8,153)
LOSAP Plan Payments		<u>(118,092)</u>
Total		<u>1,208,291</u>
Plan Net Assets, End of Year, December 31, 2022	\$	<u>1,208,291</u>

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

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**6. LENGTH OF SERVICE AWARD PROGRAM (LOSAP) (Continued)**

**Funding Methodology and Actuarial Assumptions**

*Normal Costs*

The actuarial valuation methodology used by the actuary to determine the Town's contribution is the unit credit cost method.

The assumptions used by the actuary to determine the Town's contribution and the actuarial present value of benefits are:

Assumed rate of return on investment used was 5.25% compounded annually.

Mortality Tables used for Retirement were the RP2000 Combined Mortality Table Male Projected to 2017. No other mortality tables were used.

**7. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS**

State and Federal law and regulations require the Town to repair and replace the final cover on its solid waste landfill which stopped accepting waste in the 1980's and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Primary closing and a water treatment plant have been completed in 2015. The Town receives reimbursement from the State for 75% of the eligible costs.

The present value of future costs to monitor the landfill, including the above remediation costs, is established at approximately \$1,042,657. This liability is reflected in the government-wide financial statements.

These amounts are based on estimates of what it would cost to perform all post closure care as of December 31, 2022. Actual costs may be higher in the near term due to approval of certain elements by the New York State Department of Environmental Conservation, inflation, changes in technology or changes in regulations.

**8. COMMITMENTS AND CONTINGENCIES**

*Potential Grantor Liability*

The Town has received proceeds from various state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that programs have been operated in accordance with grant agreements and any required refunds will be minimal. No provision has been made in the accompanying financial statements for the refund of grant monies.

**9. DEFERRED COMPENSATION PLAN**

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and administered by New York State. The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts are immediately 100% vested to the participant. The Town does not make contributions to the 457 plan.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended December 31, 2022**

**10. FUND BALANCE**

(a) The following is the disaggregation of the fund balance that is reported in summary on the Governmental Fund's Balance Sheet at December 31, 2022:

	General		Highway	Fire	Sewer	Refuse	Capital	Non-Major	
	Whole Town	Part Town						Governmental	Total
<b>Nonspendable</b>	\$ 82,967	\$ 15,568	\$ 84,423	\$	\$	\$	\$	\$	\$ 182,958
<b>Restricted</b>									
Reserve for Town Hall Repair	66,000								66,000
Reserve for Highway Equipment			2,663						2,663
<b>Total Restricted</b>	<u>66,000</u>		<u>2,663</u>						<u>68,663</u>
<b>Assigned</b>									
General Support	37,847								37,847
Public Safety				54,435					54,435
Transportation			2,005,371						2,005,371
Home and Community Services					2,484,525	195,133		23,542	2,703,200
General Part-Town		1,373,594							1,373,594
Appropriated for Subsequent Year's Budget	1,000,000								1,000,000
<b>Total Assigned</b>	<u>1,037,847</u>	<u>1,373,594</u>	<u>2,005,371</u>	<u>54,435</u>	<u>2,484,525</u>	<u>195,133</u>		<u>23,542</u>	<u>7,174,447</u>
<b>Unassigned</b>	<u>3,461,762</u>						<u>(11,389,977)</u>		<u>(7,928,215)</u>
<b>Total Fund Equity</b>	<u>\$ 4,648,576</u>	<u>\$ 1,389,162</u>	<u>\$ 2,092,457</u>	<u>\$ 54,435</u>	<u>\$ 2,484,525</u>	<u>\$ 195,133</u>	<u>\$ (11,389,977)</u>	<u>\$ 23,542</u>	<u>\$ (502,147)</u>

(b) The following is a summary of the change in restricted reserve funds during the year ended December 31, 2022

	Beginning Balance	Additions	Disbursement	Ending Balance
<b>General Fund</b>				
Town Hall Repair Reserve	\$ 66,000	\$	\$	\$ 66,000
<b>Highway Part Town Fund</b>				
Highway Equipment Capital Reserve	2,663			2,663
<b>Debt Service Fund</b>				
Restricted for Debt	48,137		48,137	
<b>Total Debt Service Fund</b>	<u>48,137</u>			
<b>Total</b>	<u>\$ 116,800</u>	<u>\$</u>	<u>\$</u>	<u>\$ 68,663</u>

**11. DEFICIT FUND BALANCES**

**Capital**

The Capital Fund had a fund deficit of \$11,389,977 at December 31, 2022. This deficit is due to the timing of funding and reimbursements for active capital projects. The deficit will be eliminated when permanent financing is obtained or appropriations are made from the appropriate funds.



TOWN OF SALINA, NEW YORK  
SCHEDULES OF FUNDING PROGRESS OF OTHER POSTEMPLOYMENT BENEFITS  
For the Years Ended December 31, 2022

	2022	2021	2020	2019	2018 *
Measurement Date	1/1/2022	1/1/2021	1/1/2020	1/1/2019	1/1/2018
Total OPEB Liability					
Service cost	\$ 516,472	\$ 363,678	\$ 278,447	\$ 357,303	\$ 343,446
Interest on Total OPEB Liability	207,388	260,537	320,485	294,303	295,610
Changes in benefit terms			53,455		
Differences between Expected and Actual Experience		(810,471)		(216,411)	
Change in assumptions and other inputs	80,707	650,556	1,314,648	(778,810)	362,824
Benefit payments	(314,398)	(372,068)	(348,605)	(283,677)	(277,925)
Net change in total OPEB Liability	<u>490,169</u>	<u>92,232</u>	<u>1,618,430</u>	<u>(627,292)</u>	<u>723,955</u>
Total OPEB Liability - Beginning	<u>9,423,231</u>	<u>9,330,999</u>	<u>7,712,569</u>	<u>8,339,861</u>	<u>7,615,906</u>
Total OPEB Liability - Ending	<u>\$ 9,913,400</u>	<u>\$ 9,423,231</u>	<u>\$ 9,330,999</u>	<u>\$ 7,712,569</u>	<u>\$ 8,339,861</u>
Covered payroll	\$ 3,071,113	\$ 2,909,975	\$ 2,893,846	\$ 2,378,771	\$ 3,011,188
Total OPEB Liability as a percentage of covered payroll	323%	324%	322%	324%	277%

\* 10 years of historical information will not be available upon implementation. An additional year of historical information will be added each year subsequent to the year of implementation until 10 years of historical data is available.

**Notes to Required Supplementary Information:**

The Town currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis. The Town does not have net assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits.

**Actuarial Assumptions:**

The actuarial methods and assumptions used to calculate the total OPEB liability are described in Note 5 to the financial statements.

**Changes to Assumptions:**

Changes of assumptions and other inputs reflect a change in the discount rate from 2.12% at December 31, 2021 to 2.06% percent at December 31, 2022.

**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**For the Years Ended December 31, 2022**

<b>ERS Pension Plan</b>								
	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015 *</b>
Town's proportion of the net pension liability (asset)	0.0098091%	0.0093149%	0.0097566%	0.0104463%	0.0104447%	0.1059860%	0.0107366%	0.0112407%
Town's proportionate share of the net pension liability (asset)	\$ (801,855)	\$ 9,275	\$ 2,583,617	\$ 740,155	\$ 337,097	\$ 995,872	\$ 1,723,249	\$ 379,740
Town's covered-employee payroll	\$ 3,157,967	\$ 2,840,888	\$ 3,034,548	\$ 2,977,989	\$ 2,827,238	\$ 2,841,664	\$ 3,158,913	\$ 2,889,804
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-25%	0%	85%	25%	12%	35%	55%	13%
Plan fiduciary net position as a percentage of total pension liability (asset)	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

\* Information is presented only for the years available.

**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF TOWN CONTRIBUTIONS**  
**For the Years Ended December 31, 2022**

**ERS Pension Plan**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 353,514	\$ 459,017	\$ 405,393	\$ 436,435	\$ 441,097	\$ 425,494	\$ 432,286	\$ 445,475	\$ 574,354	\$ 529,061
Contributions in Relation to the Contractually Required Contribution	<u>353,514</u>	<u>459,017</u>	<u>405,393</u>	<u>436,435</u>	<u>441,097</u>	<u>425,494</u>	<u>432,286</u>	<u>445,475</u>	<u>574,354</u>	<u>529,061</u>
Contribution Deficiency (Excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Town's Covered-ERS Employee Payroll	\$ 3,157,967	\$ 2,938,579	\$ 2,840,888	\$ 3,034,548	\$ 2,977,989	\$ 2,827,238	\$ 2,841,664	\$ 3,158,913	\$ 2,889,804	\$ 2,564,511
Contributions as a Percentage of Covered-Employee Payroll	11.19%	15.62%	14.27%	14.38%	14.81%	15.05%	15.21%	14.10%	19.88%	20.63%

**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES) -**  
**BUDGET AND ACTUAL - GENERAL WHOLE TOWN FUND**  
**For the Years Ended December 31, 2022**

	Original Budget	Amended Budget	Current Year's Actual	Variance with Amended Budget
<b>Revenues</b>				
Real Property Taxes	\$ 3,336,331	\$ 3,336,331	\$ 3,340,212	\$ 3,881
Other Real Property Tax Items	98,048	98,048	104,862	6,814
Nonproperty Tax Items	510,000	510,000	493,990	(16,010)
Departmental Income	19,300	19,300	18,670	(630)
Use of Money and Property	1,500	1,500	55,754	54,254
Licenses and Permits	32,760	32,760	40,636	7,876
Fines and Forfeitures	141,800	167,583	162,886	(4,697)
Sale of Property and Compensation for Loss			4,286	4,286
Miscellaneous	66,941	67,567	72,414	4,847
State Aid	710,746	712,732	1,232,208	519,476
Federal Aid		1,964,950	1,233,349	(731,601)
Total Revenues	<u>4,917,426</u>	<u>6,910,771</u>	<u>6,759,267</u>	<u>(151,504)</u>
<b>Expenditures</b>				
General Government Support	2,149,459	2,226,509	2,009,180	217,329
Public Safety	143,800	151,300	126,281	25,019
Transportation	274,942	281,288	266,664	14,624
Social Services		23,320	8,720	14,600
Home and Community Services	162,277	658,540	604,044	54,496
Culture and Recreation	989,617	930,176	849,904	80,272
Employee Benefits	1,137,512	981,742	908,270	73,472
Debt Service - Principal	600,000	600,000	600,000	
Debt Service - Interest	60,838	60,838	60,837	1
Total Expenditures	<u>5,518,445</u>	<u>5,913,713</u>	<u>5,433,900</u>	<u>479,813</u>
Excess Revenues Over Expenditures	<u>(601,019)</u>	<u>997,058</u>	<u>1,325,367</u>	<u>328,309</u>
<b>Other Financing Sources (Uses)</b>				
Interfund Transfers From			836,349	836,349
Interfund Transfers To	(20,000)	(1,641,124)	(1,078,169)	562,955
Appropriated Fund Balance	621,019	644,066		(644,066)
Total Other Financing Sources	<u>601,019</u>	<u>(997,058)</u>	<u>(241,820)</u>	<u>755,238</u>
Excess Revenues Over Expenditures and Other Financing Sources	<u>\$</u>	<u>\$</u>	<u>\$ 1,083,547</u>	<u>\$ 1,083,547</u>

See Independent Auditor's Report

**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES -**  
**BUDGET AND ACTUAL - GENERAL PART TOWN FUND**  
**For the Years Ended December 31, 2022**

	Original Budget	Amended Budget	Current Year's Actual	Variance with Amended Budget
<b>Revenues</b>				
Real Property Taxes	\$ 1,230,369	\$ 1,230,369	\$ 1,230,369	\$
Other Real Property Tax Items	16,173	16,173	18,395	2,222
Departmental Income	118,250	118,250	378,795	260,545
Use of Money and Property	250	250	16,492	16,242
Miscellaneous	<u>          </u>	<u>          </u>	459	459
Total Revenues	<u>1,365,042</u>	<u>1,365,042</u>	<u>1,644,510</u>	<u>279,468</u>
<b>Expenditures</b>				
General Government Support	32,353	37,003	34,253	2,750
Public Safety	370,566	396,513	362,475	34,038
Transportation	409,019	409,019	176,875	232,144
Home and Community Services	140,118	123,486	81,716	41,770
Employee Benefits	242,545	228,580	206,145	22,435
Debt Service - Principal	137,850	137,850	137,850	
Debt Service - Interest	<u>24,461</u>	<u>24,461</u>	<u>24,460</u>	<u>1</u>
Total Expenditures	<u>1,356,912</u>	<u>1,356,912</u>	<u>1,023,774</u>	<u>333,138</u>
Excess Revenues Over Expenditures	<u>8,130</u>	<u>8,130</u>	<u>620,736</u>	<u>612,606</u>
<b>Other Financing Sources (Uses)</b>				
Interfund Transfers To	<u>(8,130)</u>	<u>(8,130)</u>	<u>(8,130)</u>	
Total Other Financing (Uses)	<u>(8,130)</u>	<u>(8,130)</u>	<u>(8,130)</u>	
Excess Revenues Over Expenditures and Other Financing Sources	<u>\$</u>	<u>\$</u>	<u>\$ 612,606</u>	<u>\$ 612,606</u>

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**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES -**  
**BUDGET AND ACTUAL - HIGHWAY FUND**  
**For the Years Ended December 31, 2022**

	Original Budget	Amended Budget	Current Year's Actual	Variance with Amended Budget
<b>Revenues</b>				
Real Property Taxes	\$ 4,209,540	\$ 4,209,540	\$ 4,215,939	\$ 6,399
Other Real Property Tax Items	86,966	86,966	75,585	(11,381)
Departmental Income	79,500	79,500	77,668	(1,832)
Use of Money and Property			35,787	35,787
Sale of Property and Compensation for Loss	500	500	36,527	36,027
Miscellaneous				
State Aid	340,454	340,454	448,718	108,264
Total Revenues	<u>4,716,960</u>	<u>4,716,960</u>	<u>4,890,224</u>	<u>173,264</u>
<b>Expenditures</b>				
General Government Support	111,000	90,400	77,580	12,820
Transportation	3,353,807	3,562,921	3,355,655	207,266
Employee Benefits	1,001,043	1,013,603	912,856	100,747
Debt Service - Principal	423,950	423,950	423,950	
Debt Service - Interest	67,836	67,836	67,836	
Total Expenditures	<u>4,957,636</u>	<u>5,158,710</u>	<u>4,837,877</u>	<u>320,833</u>
Excess (Deficit) Revenues Over Expenditures	<u>(240,676)</u>	<u>(441,750)</u>	<u>52,347</u>	<u>494,097</u>
<b>Other Financing Sources (Uses)</b>				
Appropriated Fund Balance	590,676	1,042,676		(1,042,676)
Interfund Transfers From		150,000	166,960	16,960
Interfund Transfers To	(350,000)	(750,926)	(650,926)	100,000
Total Other Financing Sources (Uses)	<u>240,676</u>	<u>441,750</u>	<u>(483,966)</u>	<u>(925,716)</u>
Deficit Revenues Over Expenditures and Other Financing Sources	<u>\$</u>	<u>\$</u>	<u>\$ (431,619)</u>	<u>\$ (431,619)</u>

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**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES -**  
**BUDGET AND ACTUAL - FIRE FUND**  
**For the Years Ended December 31, 2022**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Current Year's Actual</u>	<u>Variance with Amended Budget</u>
Revenues				
Real Property Taxes	\$ 1,910,517	\$ 1,910,517	\$ 1,910,472	\$ (45)
Total Revenues	<u>1,910,517</u>	<u>1,910,517</u>	<u>1,910,472</u>	<u>(45)</u>
Expenditures				
Public Safety	1,735,517	1,735,517	1,733,517	2,000
Employee Benefits	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u></u>
Total Expenditures	<u>1,910,517</u>	<u>1,910,517</u>	<u>1,908,517</u>	<u>2,000</u>
Excess Revenues over Expenditures and Other Financing Sources	<u>\$</u>	<u>\$</u>	<u>\$ 1,955</u>	<u>\$ 1,955</u>

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**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES -**  
**BUDGET AND ACTUAL - SEWER FUND**  
**For the Years Ended December 31, 2022**

	Original Budget	Amended Budget	Current Year's Actual	Variance with Amended Budget
<b>Revenues</b>				
Real Property Taxes	\$ 533,763	\$ 533,763	\$ 536,451	\$ 2,688
Departmental Income	6,878	6,878	6,878	
Use of Money and Property			28,389	28,389
Miscellaneous	1,500	1,500		(1,500)
Total Revenues	<u>542,141</u>	<u>542,141</u>	<u>571,718</u>	<u>29,577</u>
<b>Expenditures</b>				
Home and Community Services	573,892	702,051	280,535	421,516
Debt Service - Principal	295,625	295,625	295,625	
Debt Service - Interest	44,216	44,216	31,498	12,718
Total Expenditures	<u>913,733</u>	<u>1,041,892</u>	<u>607,658</u>	<u>434,234</u>
Excess (Deficit) Revenues Over Expenditures	<u>(371,592)</u>	<u>(499,751)</u>	<u>(35,940)</u>	<u>463,811</u>
<b>Other Financing Sources</b>				
Appropriated Fund Balance	371,592	499,751		(499,751)
Total Other Financing Sources	<u>371,592</u>	<u>499,751</u>		<u>(499,751)</u>
Deficit Revenues Over Expenditures and Other Financing Sources	<u>\$</u>	<u>\$</u>	<u>\$ (35,940)</u>	<u>\$ (35,940)</u>

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**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES -**  
**BUDGET AND ACTUAL - REFUSE FUND**  
**For the Years Ended December 31, 2022**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Current Year's Actual</u>	<u>Variance with Amended Budget</u>
<b>Revenues</b>				
Real Property Taxes	\$ 2,458,422	\$ 2,458,422	\$ 2,458,642	\$ 220
Use of Money and Property			2,785	2,785
Total Revenues	<u>2,458,422</u>	<u>2,458,422</u>	<u>2,461,427</u>	<u>3,005</u>
<b>Expenditures</b>				
Home and Community Services	<u>2,458,422</u>	<u>2,458,422</u>	<u>2,424,801</u>	<u>33,621</u>
Total Expenditures	<u>2,458,422</u>	<u>2,458,422</u>	<u>2,424,801</u>	<u>33,621</u>
Excess Revenues Over Expenditures and Other Financing Sources	<u>\$</u>	<u>\$</u>	<u>\$ 36,626</u>	<u>\$ 36,626</u>

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**TOWN OF SALINA, NEW YORK  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2022

	<u>Debt Service</u>	<u>Aquatic</u>	<u>Hydrant</u>	<u>Electronics Parkway Drainage</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets</b>					
<b>Current Assets</b>					
Unrestricted Cash	\$ 138,324	\$ 2,041	\$ 43,958	\$ 71,499	\$ 255,822
<b>Total Current Assets</b>	<u>\$ 138,324</u>	<u>\$ 2,041</u>	<u>\$ 43,958</u>	<u>\$ 71,499</u>	<u>\$ 255,822</u>
<b>Liabilities and Fund Equity</b>					
<b>Current Liabilities</b>					
Accounts Payable	\$	\$ 131	\$	\$	\$ 131
Accrued Interest	232,149				232,149
<b>Total Current Liabilities</b>	<u>232,149</u>	<u>131</u>	<u></u>	<u></u>	<u>232,280</u>
<b>Fund Equity</b>					
Assigned	(93,825)	1,910	43,958	71,499	23,542
<b>Total Fund Equity</b>	<u>(93,825)</u>	<u>1,910</u>	<u>43,958</u>	<u>71,499</u>	<u>23,542</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 138,324</u>	<u>\$ 2,041</u>	<u>\$ 43,958</u>	<u>\$ 71,499</u>	<u>\$ 255,822</u>

See Independent Auditor's Report

**TOWN OF SALINA, NEW YORK**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Years Ended December 31, 2022**

	<u>Debt Service</u>	<u>Aquatic</u>	<u>Hydrant</u>	<u>Electronics Parkway Drainage</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues</b>					
Real Property Taxes	\$	\$ 8,130	\$ 42,076	\$	\$ 50,206
Use of Money and Property	<u>138,324</u>				<u>138,324</u>
Total Revenues	<u>138,324</u>	<u>8,130</u>	<u>42,076</u>		<u>188,530</u>
<b>Expenditures</b>					
Home and Community Services		15,449	47,666		63,115
Debt Service - Interest	<u>296,603</u>				<u>296,603</u>
Total Expenditures	<u>296,603</u>	<u>15,449</u>	<u>47,666</u>		<u>359,718</u>
Excess (Deficit) Revenues Over Expenditures	<u>(158,279)</u>	<u>(7,319)</u>	<u>(5,590)</u>		<u>(171,188)</u>
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers From		<u>8,130</u>			<u>8,130</u>
Total Other Financing Sources (Uses)		<u>8,130</u>			<u>8,130</u>
Excess (Deficit) Revenues Over Expenditures and Other Financing Sources	<u>(158,279)</u>	<u>811</u>	<u>(5,590)</u>		<u>(163,058)</u>
Fund Equity, Beginning of Year	<u>64,454</u>	<u>1,099</u>	<u>49,548</u>	<u>71,499</u>	<u>186,600</u>
Fund Equity, End of Year	<u>\$ (93,825)</u>	<u>\$ 1,910</u>	<u>\$ 43,958</u>	<u>\$ 71,499</u>	<u>\$ 23,542</u>

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**D'Arcangelo & Co., LLP**  
Certified Public Accountants & Consultants

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Independent Auditor's 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

To the Town Board  
Town of Salina, 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 Town of Salina, New York, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Town of Salina, New York's basic financial statements, and have issued our report thereon dated June 2, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Town of Salina, New York'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 Town of Salina, New York's internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Salina, New York's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned cost as item 2022-001 that we consider to be a material weakness.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Town of Salina, New York'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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

D'Arcangelo + Co., LLP

June 2, 2023  
Rome, New York

**D'Arcangelo & Co., LLP**  
Certified Public Accountants & Consultants

200 E. Garden St., P.O. Box 4300, Rome, N.Y. 13442-4300  
315-336-9220 Fax: 315-336-0836

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Town Board  
Town of Salina, New York

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Town of Salina, New York's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Town of Salina, New York's major federal programs for the year ended December 31, 2022. Town of Salina, New York's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Town of Salina, New York complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Town of Salina, New York and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Town of Salina, New York's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Town of Salina, New York's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Town of Salina, New York's compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Town of Salina, New York's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 Town of Salina, New York's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Town of Salina, New York's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Town of Salina, New York's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on Town of Salina, New York's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Town of Salina, New York's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*D'Arcangelo + Co., LLP*

June 2, 2023

Rome, New York

**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Assistance Number</u>	<u>Current Expenditures</u>	<u>Expenditures to Subrecipients</u>
<u>U.S. Department of Treasury</u>				
(Direct)				
Coronavirus State and Local Fiscal Recovery Funds		21.027	\$ <u>1,233,349</u>	\$ _____
<u>U.S. Department of Housing and Urban Development</u>				
<u>Pass through the County of Onondaga, New York</u>				
Community Development Block Grant – Entitlement Grant	03721	14.218	150,000	
Community Development Block Grant – Entitlement Grant	17621	14.218	<u>50,000</u>	_____
Total US Department of Housing and Urban Development			<u>200,000</u>	_____
<u>Total Federal Financial Assistance</u>			\$ <u>1,433,349</u>	\$ _____

See Independent Auditor's Report and Notes to the Schedule of Expenditure of Federal Awards.

**TOWN OF SALINA, NEW YORK**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

***Organization***

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Town of Salina, New York, an entity defined in Note I to The Town's financial statements under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Salina, New York, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Town of Salina, New York.

***Basis of Accounting***

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. The amounts reported as federal expenditures were obtained from the financial records detail, which is the source of the financial statements.

**2. De Minimis Indirect Cost Rate**

The Town of Salina, New York has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.



**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS UNIFORM GUIDANCE**  
**For the Year Ended December 31, 2022**

**Summary of Auditor's Results**

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any other significant deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Was there any material internal control weakness conditions reported for major Federal programs?	Yes
(d)(1)(iv)	Were there any other significant deficiencies over internal controls reported for major Federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR section 200.516 (a)?	No
(d)(1)(vii)	Major Programs (list):	<u>U.S. Department of the Treasury</u> Coronavirus State and Local Fiscal Recovery Funds (AL# 21.027)
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

(Continued)

**TOWN OF SALINA, NEW YORK**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2022**

(Continued)

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**I. FINDINGS—FINANCIAL STATEMENT AUDIT**

See finding 2022-001.

**II. FINDINGS—FEDERAL AWARD PROGRAMS AUDITS**

**2022-001 Budget Authorizations**

U.S. Department of Treasury

ALN 21.027 Coronavirus State and Local Fiscal Recovery Funds

**Compliance Requirement:** Allowable Activities

**Condition:** The use of the grant funds is not consistently formally authorized by the Board. For certain authorization there is no Board Resolution authorizing the use of the grant funds. 3 out of 7 projects were not authorized. These projects had expenditures of \$409,975 out of the to grant expenditures of \$1,233,348.

**Criteria:** Specific new revenues not initially included in the budget may be appropriated by resolution of the town board at any time (Town Law, Section 112 [3]).

These specific revenues are limited to the following:

- Grants-in-aid from the State and federal governments
- Gifts which must be expended for particular objects or purposes
- Certain insurance recoveries when proposed to be used for the purpose for which the insurance was maintained.

**Effect:** Noncompliance with Town Law and risk of unauthorized expenditures.

**Known Questioned costs:** None noted.

**Recommendations:** We recommend that all budget adjustment for the use of grant funds be clearly authorized by a Board resolution.

**Managements Response:** Authorizations are being verbally authorized, but not consistently passed through a Board resolution in 2022. In 2023, the authorizations are being formally documented in the Board Minutes.

**TOWN OF SALINA, NEW YORK**  
**STATUS OF PRIOR-YEAR FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2022**

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**I. FINDINGS—FINANCIAL STATEMENT AUDIT**

None

**II. FINDINGS—FEDERAL AWARD PROGRAMS AUDITS**

None