



TOWN OF CLIFTON PARK, NEW YORK

FINANCIAL STATEMENTS

DECEMBER 31, 2021

TOWN OF CLIFTON PARK, NEW YORK

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of all fund types and account groups of the Town of Clifton Park, New York (the "Town") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town of Clifton Park, New York's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of all fund types and account groups of the Town as of December 31, 2021, and the respective changes in its financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 1, the financial statements present all fund types and account groups and do not purport to, and do not present fairly, the financial position of the Town as of December 31, 2021, or the changes in its government-wide financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

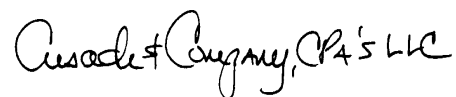
Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 38-50 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, 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's basic financial statements. The accompanying schedule of expenditures of federal awards on page 56, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards 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 November 18, 2022 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



CUSACK & COMPANY, CPA'S LLC

TOWN OF CLIFTON PARK, NEW YORK
BALANCE SHEETS
GOVERNMENTAL FUND TYPES AND ACCOUNT GROUPS
DECEMBER 31, 2021

Assets	Governmental Fund Types										Account Groups	
	General	Highway	Water	Sewer	Refuse and Garbage	Parks	Lighting	Ambulance	Special Grant	Capital Projects	Non-Current Governmental Assets	Non-Current Governmental Liabilities
Cash	\$ 11,140,510	\$ 1,197,360	\$ 91,222	\$ 1,578,586	\$ 197,160	\$ 649,662	\$ 221,966	\$ 67,383	\$ 1,114	\$ 1,522,629	\$ -	\$ -
Cash restricted	1,222,261	939,152	9,854	17,680	-	-	-	-	-	-	-	-
Other receivables	665,564	117,752	-	57,431	-	-	-	3,784	3,483	42,118	-	-
State and federal receivables	162,002	564,974	-	-	-	-	-	-	-	1,653,159	-	-
Due from other funds	2,700,508	2,265	-	31,923	-	25	-	-	-	1,517,790	-	-
Due from other governments	2,472,939	31,072	-	-	-	-	-	-	-	29,485	-	-
Prepaid expenditures	295,338	78,051	-	10,219	-	-	-	-	-	-	-	-
Fixed assets	-	-	-	-	-	-	-	-	-	-	48,652,442	-
Provisions to be made in future budgets	-	-	-	-	-	-	-	-	-	-	-	50,477,763
Total assets	<u>\$ 18,659,122</u>	<u>\$ 2,930,626</u>	<u>\$ 101,076</u>	<u>\$ 1,695,839</u>	<u>\$ 197,160</u>	<u>\$ 649,687</u>	<u>\$ 221,966</u>	<u>\$ 71,167</u>	<u>\$ 4,597</u>	<u>\$ 4,765,181</u>	<u>\$ 48,652,442</u>	<u>\$ 50,477,763</u>
Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)												
Liabilities:												
Accounts payable	\$ 408,037	\$ 97,251	\$ -	\$ 52,631	\$ 170	\$ 39,982	\$ 857	\$ -	\$ -	\$ 58,657	\$ -	\$ -
Accrued liabilities	234,333	85,259	-	13,789	80,300	292	8,397	-	-	-	-	-
Other deposits	592,296	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	82,401	829	-	-	-	-	-	-	237	291	-	-
Due to other funds	1,534,174	493	149,996	1,247	-	133	-	235,000	-	2,331,468	-	-
Due to other governments	688	-	-	-	-	-	-	-	-	-	-	-
Consolidated payroll	110,450	-	-	-	-	-	-	-	-	-	-	-
Unearned revenues	2,471,642	670,332	-	-	-	-	-	-	-	1,471,931	-	-
Due to retirement systems	-	-	-	-	-	-	-	-	-	-	-	20,931
Other post-employment benefits	-	-	-	-	-	-	-	-	-	-	-	40,726,468
Landfill closure	-	-	-	-	-	-	-	-	-	-	-	50,000
Installment purchase debt	-	-	-	-	-	-	-	-	-	-	-	818,796
Judgments and claims payable	-	-	-	-	-	-	-	-	-	-	-	276,000
Compensated absences	-	-	-	-	-	-	-	-	-	-	-	2,109,568
Bans and bonds payable	-	-	-	-	-	-	-	-	-	450,000	-	6,476,000
Total liabilities	<u>5,434,021</u>	<u>854,164</u>	<u>149,996</u>	<u>67,667</u>	<u>80,470</u>	<u>40,407</u>	<u>9,254</u>	<u>235,000</u>	<u>237</u>	<u>4,312,347</u>	<u>-</u>	<u>50,477,763</u>
Deferred Inflows of Resources	-	-	-	53,265	-	-	-	-	-	-	-	-
Fund balance (deficit):												
Investment in fixed assets	-	-	-	-	-	-	-	-	-	-	48,652,442	-
Nonspendable	295,338	78,051	-	10,219	-	-	-	-	-	-	-	-
Restricted	1,222,261	939,152	-	17,680	-	-	-	-	-	-	-	-
Committed	181,524	-	-	-	-	-	-	-	-	-	-	-
Assigned	2,650,597	1,059,259	-	1,547,008	116,690	609,280	212,712	-	4,360	452,834	-	-
Unassigned (deficit)	8,875,381	-	(48,920)	-	-	-	-	(163,833)	-	-	-	-
Total fund balance (deficit)	<u>13,225,101</u>	<u>2,076,462</u>	<u>(48,920)</u>	<u>1,574,907</u>	<u>116,690</u>	<u>609,280</u>	<u>212,712</u>	<u>(163,833)</u>	<u>4,360</u>	<u>452,834</u>	<u>48,652,442</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance (deficit)	<u>\$ 18,659,122</u>	<u>\$ 2,930,626</u>	<u>\$ 101,076</u>	<u>\$ 1,695,839</u>	<u>\$ 197,160</u>	<u>\$ 649,687</u>	<u>\$ 221,966</u>	<u>\$ 71,167</u>	<u>\$ 4,597</u>	<u>\$ 4,765,181</u>	<u>\$ 48,652,442</u>	<u>\$ 50,477,763</u>

TOWN OF CLIFTON PARK, NEW YORK
STATEMENTS OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Governmental Fund Types												
	General	Highway	Water	Sewer	Refuse and Garbage	Parks	Lighting	Library	Ambulance	Special Grant	Fire Protection	Capital Projects	Debt Service
Revenue													
Real property taxes	\$ -	\$ 754,608	\$ 95,374	\$ 1,401,106	\$ 98,805	\$ 405,535	\$ 175,000	\$ -	\$ 700,001	\$ -	\$ 461,250	\$ -	\$ -
Real property tax items	251,984	39,452	1,000	5,635	111	2,836	-	-	-	-	-	-	-
Non-property tax items	15,735,076	-	-	-	-	-	-	-	-	-	-	-	-
Departmental income	2,435,944	20,790	-	126,151	-	129,147	-	-	66,130	3,483	-	-	-
Intergovernmental charges	-	-	-	129,115	-	-	-	486,980	-	-	-	42,118	-
Use of money and property	133,964	244,933	51	883	123	342	238	-	2	3	-	-	-
Licenses and permits	386,463	-	-	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	346,687	-	-	-	-	-	-	-	-	-	-	-	-
Sale of property and compensation for loss	675,462	289,904	-	5,373	-	-	-	-	-	-	-	-	-
Miscellaneous local sources	65,537	5,600	-	622	-	-	-	-	-	-	-	-	-
Interfund revenues	217,699	25,915	-	-	-	-	-	-	-	-	-	-	-
State aid	2,395,254	-	-	-	-	-	-	-	-	-	-	150,000	-
Federal aid	-	-	-	31,888	-	-	-	-	-	395,201	-	1,091,597	-
Total revenue	<u>22,644,070</u>	<u>1,381,202</u>	<u>96,425</u>	<u>1,700,773</u>	<u>99,039</u>	<u>537,860</u>	<u>175,238</u>	<u>486,980</u>	<u>766,133</u>	<u>398,687</u>	<u>461,250</u>	<u>1,283,715</u>	<u>-</u>
Expenditures													
General governmental support	3,276,099	-	-	11,763	-	-	-	-	-	-	-	-	80,743
Public safety	2,029,778	-	-	-	-	-	-	-	-	-	461,250	479,699	-
Public health	9,453	-	-	-	-	-	-	-	900,661	-	-	-	-
Transportation	784,168	5,107,821	-	-	-	-	185,742	-	-	-	-	664,782	-
Economic assistance and opportunity	390,358	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	3,157,428	-	-	-	-	-	-	-	-	-	-	-	-
Home and community services	1,181,559	-	9,483	920,457	85,462	543,741	-	-	-	417,519	-	377,727	-
Employee benefits	3,000,517	1,221,704	-	127,163	-	13,098	-	-	-	-	-	301,931	-
Debt service (principal and interest)	183,034	506,958	94,079	262,159	-	51,354	-	-	-	-	-	-	5,612,779
Capital Expenditures	-	-	-	-	-	-	-	486,980	-	-	-	-	-
Total expenditures	<u>14,012,394</u>	<u>6,836,483</u>	<u>103,562</u>	<u>1,321,542</u>	<u>85,462</u>	<u>608,193</u>	<u>185,742</u>	<u>486,980</u>	<u>900,661</u>	<u>417,519</u>	<u>461,250</u>	<u>1,824,139</u>	<u>5,693,522</u>
Other financing sources (uses)													
Proceeds from Serial Bonds	-	-	-	-	-	-	-	-	-	-	-	-	5,070,000
Premiums on Obligations BANs redeemed	-	-	-	-	-	-	-	-	-	-	-	-	623,522
Installment purchase debt	-	-	-	-	-	-	-	-	-	-	-	225,000	-
Operating transfers in	11,608	5,385,333	-	-	-	-	-	-	-	-	-	555,779	-
Operating transfers out	(7,204,409)	-	-	-	-	(1,475)	-	-	-	-	-	1,820,551	-
Total other financing sources (uses)	<u>(7,192,801)</u>	<u>5,385,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,475)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,608)</u>	<u>-</u>
Excess (deficiency) of revenue over expenditures	1,438,875	(69,948)	(7,137)	379,231	13,577	(71,808)	(10,504)	-	(134,528)	(18,832)	-	2,049,298	-
Fund balance (deficit), beginning of year	<u>11,786,226</u>	<u>2,146,410</u>	<u>(41,783)</u>	<u>1,195,676</u>	<u>103,113</u>	<u>681,088</u>	<u>223,216</u>	<u>-</u>	<u>(29,305)</u>	<u>23,192</u>	<u>-</u>	<u>(1,596,464)</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ 13,225,101</u>	<u>\$ 2,076,462</u>	<u>\$ (48,920)</u>	<u>\$ 1,574,907</u>	<u>\$ 116,690</u>	<u>\$ 609,280</u>	<u>\$ 212,712</u>	<u>\$ -</u>	<u>\$ (163,833)</u>	<u>\$ 4,360</u>	<u>\$ -</u>	<u>\$ 452,834</u>	<u>\$ -</u>

TOWN OF CLIFTON PARK, NEW YORK
STATEMENT OF FIDUCIARY NET POSITION AND CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2021

	<u>Custodial</u>
Cash (Total Assets)	\$ <u>10,455</u>
Net Position	\$ <u>10,455</u>

Statement of Changes in Fiduciary Net Position

Bail Receipts	\$ 17,598
Bail Returned/Forfeited	<u>22,735</u>
Change in net position	(5,137)
Net position, beginning of year	<u>15,592</u>
Net position, end of year	\$ <u>10,455</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The following is a summary of significant accounting policies:

A. Financial Reporting Entity

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity (Continued)

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation

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

Governmental Fund Types

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Governmental Fund Types (Continued)

b. Special Revenue Funds (Continued)

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued)

Custodial Fund

The custodial fund represents fiduciary activities that are not required to be reported in pension and other employee benefit trust funds, investments trust funds or private-purpose trust funds.

Account Groups

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

- a. The Non-Current Governmental Assets Account Group - used to account for land, buildings, improvements other than buildings, and equipment utilized for general government purposes.
- b. The Non-Current Governmental Liabilities Account Group - used to account for all long-term debt and other long-term obligations.

C. Basis of Accounting/Measurement Focus

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

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

Material revenue sources considered susceptible to accrual include real property taxes, State and Federal aid, sales tax and certain use charges in the special revenue funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting/Measurement Focus (Continued)

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

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

D. Property Taxes and Collections

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

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

E. Budgetary Data

1. Budget Policies

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Budgetary Data (Continued)

2. Encumbrances

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

3. Budget Basis of Accounting

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

F. Cash and Investments

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

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

G. Capital Assets

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

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

H. Deferred Compensation Plan

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Compensated Absences

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

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

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

J. Retirement Plans

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

K. Estimates

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

L. Self-Insurance

1. Workers' Compensation

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Self-Insurance (Continued)

1. Workers' Compensation (Continued)

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

2. Dental Benefit Plan

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

All known claims filed and an estimate of all incurred but unreported claims existing at December 31, 2021 have been recorded as accounts payable in the general fund.

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

M. Future Accounting Pronouncements

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

GASB Statement No. 87

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Future Accounting Pronouncements (Continued)

GASB Statement No. 91

The objective of this Statement is to better meet the information needs of financial statement users by enhancing the comparability and consistency of conduit debt obligation reporting and reporting of related transactions and other events by state and local government issuers. This Statement also is intended to improve the relevance, reliability, and understandability of information about conduit debt obligations, as well as related transactions and other events. This statement will become effective for fiscal years beginning after December 15, 2021.

GASB Statement No. 97

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This statement is effective for reporting periods beginning after June 15, 2021.

2. CASH, INVESTMENTS, OTHER RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

At year end, the book amount of the Town's deposits were \$18,856,539 and the bank balance was \$19,240,413. The insured and collateral status of the year end bank balance was as follows:

Status of Bank Balances

Covered by federal deposit insurance	\$ 8,310,659
Collateralization with securities held by third party custodians for the benefit of the Town, pursuant to third party custody agreements	<u>10,929,754</u>
Total	<u>\$ 19,240,413</u>

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

TOWN OF CLIFTON PARK, NEW YORK
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2021

**2. CASH, INVESTMENTS, OTHER RECEIVABLES AND DUE FROM OTHER GOVERNMENTS
(CONTINUED)**

Capital Reserves

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

Other Receivables and Due from Other Governments

Other receivables and due from other governments are comprised of the following at December 31, 2021:

	Other Receivables					
	General Fund	Highway Fund	Sewer Fund	Ambulance Fund	Special Grant Fund	Capital Fund
Assessments	136,000	\$ -	\$ 57,431	\$ -	\$ -	\$ -
Franchise Fees	131,401	-	-	-	-	-
Court & Clerk Fees	68,147	-	-	-	-	-
Property Leases	150,750	-	-	-	-	-
Interfund Charges	37,029	117,752	-	-	-	-
Solar Field Pilot	29,988	-	-	-	-	-
Waste Connections	60,000	-	-	-	-	-
State and Local Grants	31,644	-	-	-	-	42,118
Miscellaneous*	20,605	-	-	3,784	3,483	-
	<u>\$ 665,564</u>	<u>\$ 117,752</u>	<u>\$ 57,431</u>	<u>\$ 3,784</u>	<u>\$ 3,483</u>	<u>\$ 42,118</u>

* Miscellaneous consists primarily of other fees, charge and assessments.

	Due from Other Governments		
	General Fund	Highway Fund	Capital Projects
Sales Tax	\$ 2,454,670	\$ -	\$ -
Intermunicipal Charges	-	23,651	-
State and Local Grants	18,269	7,421	29,485
	<u>\$ 2,472,939</u>	<u>\$ 31,072</u>	<u>\$ 29,485</u>

TOWN OF CLIFTON PARK, NEW YORK
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2021

3. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

	<u>Balance</u> <u>January 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2021</u>
Land	\$ 7,340,561	\$ -	\$ -	\$ 7,340,561
Improvements Other than Buildings	15,086,625	962,010	(64,076)	15,984,559
Buildings	9,732,376	-	-	9,732,376
Conservation Easement	1,544,496	-	-	1,544,496
Infrastructure	659,714	526,077	-	1,185,791
Machinery and Equipment	12,071,661	930,194	(137,196)	12,864,659
Construction in Progress	377,675	-	(377,675)	-
Total	<u>\$ 46,813,108</u>	<u>\$ 2,418,281</u>	<u>\$ (578,947)</u>	<u>\$ 48,652,442</u>

4. PREPAID EXPENSES

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

	<u>Pension</u>	<u>Other</u>	<u>Total</u> <u>Prepaid</u> <u>Expenses</u>
General	\$ 200,869	\$ 94,469	\$ 295,338
Highway	77,575	476	78,051
Sewer	10,219	-	10,219
Total	<u>\$ 288,663</u>	<u>\$ 94,945</u>	<u>\$ 383,608</u>

5. SHORT-TERM DEBT

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

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

5. SHORT-TERM DEBT (CONTINUED)

The following is a summary of changes in BANs for the year ended December 31, 2021:

BANs Outstanding , January 1, 2021	\$ 225,000
BANs Issued	450,000
BANs Redeemed	<u>(225,000)</u>
BANs Outstanding, December 31, 2021	<u>\$ 450,000</u>

The following BANs are owed by the Town as of December 31, 2021:

	<u>Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
Series 2020	<u>\$ 450,000</u>	.31%	November 1, 2022

6. NON-CURRENT GOVERNMENTAL LIABILITIES

The following is a summary of changes in non-current governmental liabilities debt outstanding at December 31, 2021:

	<u>Payable</u> <u>1/1/21</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Other</u> <u>Net Increase</u> <u>(Decrease)</u>	<u>Payable</u> <u>12/31/21</u>
Serial Bonds (a)	\$ 7,578,000	\$ 5,070,000	\$ (6,172,000)	\$ -	\$ 6,476,000
Judgments and Claims (b)	221,000	-	-	14,000	235,000
Worker's Compensation (c)	35,000	-	-	-	35,000
Post Closure Landfill Monitoring (d)	50,000	-	-	-	50,000
Compensated Absences (e)	1,848,664	-	-	260,904	2,109,568
Installment Purchase (f)	816,667	555,779	(553,650)	-	818,796
Dental Claims (g)	6,000	-	-	-	6,000
Other Post Employment Benefits (h)	40,918,499	-	-	(192,031)	40,726,468
Net Pension Liability (Footnote 10)	<u>5,693,784</u>	<u>-</u>	<u>-</u>	<u>(5,672,853)</u>	<u>20,931</u>
Total	<u>\$ 57,167,614</u>	<u>\$ 5,625,779</u>	<u>\$ (6,725,650)</u>	<u>\$ (5,589,980)</u>	<u>\$ 50,477,763</u>

(a) Serial Bonds

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

6. NON-CURRENT GOVERNMENTAL LIABILITIES

The following is a summary of serial bonds outstanding at December 31, 2021:

<u>Serial Bonds</u>	<u>Maturity Due Date</u>	<u>Issue and Rate</u>	<u>Interest Amount</u>
Sherwood Forest Sewer District	2026	4.0-5.3%	\$ 41,000
Public Improvement (2019)	2039	3.3-3.75%	1,440,000
Public Improvement - Refunding (2021)	2035	3.0%-4.0%	4,995,000
Total			<u>\$ 6,476,000</u>

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

The following is a schedule of principal and interest payments for future debt service requirements and the total principal and interest payment due from the Clifton Park Library as of December 31, 2021:

	<u>Principal</u>	<u>Interest</u>	<u>Due from Clifton Park- Halfmoon Library</u>	
			<u>Principal</u>	<u>Interest</u>
2022	\$ 582,000	\$ 193,374	\$ 381,120	\$ 115,725
2023	613,000	115,307	399,770	104,012
2024	563,000	157,487	403,450	91,963
2025	569,000	140,342	412,950	79,717
2026	594,000	122,689	431,930	67,044
2027-2031	2,640,000	323,565	1,865,370	121,177
2032-2036	615,000	94,261	-	-
2037-2039	300,000	15,271	-	-
Total	<u>\$ 6,476,000</u>	<u>\$ 1,162,296</u>	<u>\$ 3,894,590</u>	<u>\$ 579,638</u>

(b) Judgment and Claims

Several tax certiorari actions are pending against the Town for reductions in the assessed value of various properties. The petitions are for taxes collected from 2017-2021. Management believes that the likelihood of a reduction is probable. Provision for losses for taxes collected from 2017-2021 for those cases is recorded in the Non-Current Governmental Liabilities Account Group.

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(c) Workers' Compensation

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

(d) Post Closure Landfill Monitoring

The Town of Clifton Park entered into an Order of Consent with the Department of Environmental Conservation (DEC) on April 30, 1991 for the purpose of ensuring the proper maintenance and future closure of the Town's landfill. This order includes specific requirements and deadlines for the Town to follow and meet or they could be subject to penalties. The Town ceased accepting refuse after October 1, 1991 in accordance with the consent order. The status of compliance with the consent order is subject to review by the Department of Environmental Conservation. The current estimated liability for post closure care costs of the landfill is \$50,000.

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

(e) Compensated Absences

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

(f) Installment Purchase

The following is a summary of capital leases outstanding at December 31, 2021:

<u>Capital Lease</u>	<u>Lease Date</u>	<u>Term of Lease</u>	<u>Balance as of December 31, 2021</u>
Parks and Highway Equipment	03/07/2018	5 years	\$ 444,931
Caterpillar 938M	12/29/2020	5 years	128,159
Sewer Sweeper and Cleaner	04/13/2021	7 years	245,706
Total			<u>\$ 818,796</u>

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(f) Installment Purchase (Continued)

The following is a schedule of future minimum lease payments:

2022		\$	308,488
2023			308,488
2024			76,366
2025			76,366
2026			42,627
2027			<u>42,627</u>
			854,962
Amount Representing Interest			<u>(36,166)</u>
			<u>\$ 818,796</u>

(g) Dental Claims

Dental claims represents incurred but not reported claims.

(h) Other Postemployment Benefits

A. General Information about the OPEB Plan

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

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

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(h) Other Postemployment Benefits (Continued)

A. General Information about the OPEB Plan (Continued)

Employees Covered by Benefit Terms - At January 1, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	73
Active employees	<u>102</u>
Total	<u><u>175</u></u>

B. Total OPEB Liability

The Town's total OPEB liability of \$40,726,468 was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.06%
Healthcare Cost Trend Rates:	
2021 Trend (Pre 65/Post 65)	(3.29%)/(0.00%)
Ultimate Trend	4.24%
Year Ultimate Trend is Reached	2089
Salary Increases	3.00%

The discount rate was based on the index provided by *Bond Buyer 20 - Bond General Obligation Index* based on the 20 year AA municipal bond rate as of December 31, 2021.

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(h) Other Postemployment Benefits (Continued)

B. Total OPEB Liability (Continued)

Mortality rates: Pub-2010 General Employees Headcount - Weighted Mortality fully generational using Scale MP-2021, and Pub 2010 General Retirees Headcount - Weighted Mortality fully generational using Scale MP-2021.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period January 1, 2019 - December 31, 2019.

C. Changes in the Total OPEB Liability

Balance at December 31, 2020	\$ <u>40,918,499</u>
<u>Change for the Year -</u>	
Service cost	1,742,737
Interest	795,800
Assumption changes	(854,228)
Difference between actual and expected experience	(990,035)
Benefit payments	<u>(886,305)</u>
Net Changes	<u>(192,301)</u>
 Balance at December 31, 2021	 \$ <u><u>40,726,468</u></u>

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

	<u>1% Decrease</u>	Current Discount Rate	<u>1% Increase</u>
Total OPEB Liability	\$ <u>48,701,438</u>	\$ <u>40,726,468</u>	\$ <u>34,423,142</u>

6. NON-CURRENT GOVERNMENTAL LIABILITIES (CONTINUED)

(h) Other Postemployment Benefits (Continued)

C. Changes in the Total OPEB Liability (Continued)

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 33,511,497	\$ 40,726,468	\$ 50,125,173

D. OPEB Expense

The Town recognized an OPEB expense as follows:

	<u>2021</u>
Service cost	\$ 1,742,737
Interest	795,800
Amortization of deferred changes:	
Difference between expected and actual expense	(180,006)
Changes of assumptions or other inputs	(155,314)
Net OPEB Expense	<u>\$ 2,203,217</u>

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows Resources</u>
Difference between expected and actual experience	\$ -	\$ (810,029)
Changes in assumptions	-	(698,914)
	<u>\$ -</u>	<u>\$ (1,508,943)</u>

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

2022	\$ (335,320)
2023	(335,320)
2024	(335,320)
2025	(335,320)
2026	(167,663)
	<u>\$ (1,508,943)</u>

7. UNEARNED REVENUES AND DEFERRED INFLOWS OF RESOURCES

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

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

Unearned revenues and deferred inflows of resources at December 31, 2021 consist of the following:

	<u>Unearned Revenues</u>	<u>Deferred Inflows of Resources</u>
<u>General Fund</u>		
Arena Deferred Income	\$ 44,505	\$ -
Land Lease (Shen Village NCR)	144,000	-
Land Lease (Arena Realty Group)	390,001	-
Federal Grants (ARPA)	1,833,029	-
State Grants	5,000	-
Miscellaneous	<u>55,107</u>	<u>-</u>
Total General Fund	<u><u>\$ 2,471,642</u></u>	<u><u>\$ -</u></u>
<u>Highway Fund</u>		
Federal and State Aid	645,274	
Miscellaneous	<u>25,058</u>	
Total Highway Fund	<u><u>\$ 670,332</u></u>	<u><u>\$ -</u></u>
<u>Sewer Fund</u>		
Sewer Rents	<u><u>\$ -</u></u>	<u><u>\$ 53,265</u></u>
<u>Capital Projects Funds</u>		
Federal and State Aid	<u><u>\$ 1,471,931</u></u>	<u><u>\$ -</u></u>

8. INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS

Interfund receivables, payables and transfers at December 31, 2021 and for the year then ended were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General	\$ 2,700,508	\$ 1,534,174	\$ 11,608	\$(7,204,409)
Highway	2,265	493	5,385,333	-
Water	-	149,996	-	-
Sewer	31,923	1,247	-	-
Parks	25	133	-	(1,475)
Ambulance	-	235,000	-	-
Capital Projects	1,517,790	2,331,468	1,820,551	(11,608)
Total	<u>\$ 4,252,511</u>	<u>\$ 4,252,511</u>	<u>\$ 7,217,492</u>	<u>\$(7,217,492)</u>

9. FUND BALANCE

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

GASB 54 defines five categories of fund balance as follows:

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

TOWN OF CLIFTON PARK, NEW YORK
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 DECEMBER 31, 2021

9. FUND BALANCE (CONTINUED)

Fund balances for major funds are detailed as follows:

	<u>General Fund</u>	<u>Highway Fund</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Refuse Fund</u>	<u>Parks Fund</u>	<u>Lighting Fund</u>	<u>Capital Projects</u>
Nonspendable								
Prepaid Expenses	\$ 295,338	\$ 78,051	\$ -	\$ 10,219	\$ -	\$ -	\$ -	\$ -
	<u>295,338</u>	<u>78,051</u>	<u>-</u>	<u>10,219</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted								
Water	34,043	-	-	-	-	-	-	-
Debt Service	-	-	-	17,680	-	-	-	-
Parkland	275,236	-	-	-	-	-	-	-
Historic Preservation	34,319	-	-	-	-	-	-	-
Open Space Incentive	878,663	-	-	-	-	-	-	-
Traffic	-	939,152	-	-	-	-	-	-
	<u>1,222,261</u>	<u>939,152</u>	<u>-</u>	<u>17,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Committed								
Capital	181,524	-	-	-	-	-	-	-
Assigned								
Stabilization	2,000,000	-	-	-	-	-	-	-
Capital	223,021	-	-	-	-	-	-	-
Appropriated	18,000	-	-	592	-	7,823	20,000	-
Encumbrances	409,576	-	-	26,662	-	27,513	-	-
Highway	-	1,059,259	-	-	-	-	-	-
Sewer	-	-	-	1,519,754	-	-	-	-
Refuse	-	-	-	-	116,690	-	-	-
Park	-	-	-	-	-	573,944	-	-
Lighting	-	-	-	-	-	-	192,712	-
Capital Projects	-	-	-	-	-	-	-	452,834
	<u>2,650,597</u>	<u>1,059,259</u>	<u>-</u>	<u>1,547,008</u>	<u>116,690</u>	<u>609,280</u>	<u>212,712</u>	<u>452,834</u>
Unassigned (Deficit)								
	8,875,381	-	(48,920)	-	-	-	-	-
Total	<u>\$ 13,225,101</u>	<u>\$ 2,076,462</u>	<u>\$ (48,920)</u>	<u>\$ 1,574,907</u>	<u>\$ 116,690</u>	<u>\$ 609,280</u>	<u>\$ 212,712</u>	<u>\$ 452,834</u>

9. FUND BALANCE (CONTINUED)

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

10. PENSION PLANS

General Information

The Town participates in the New York State and Local Employees' Retirement System ("ERS") and New York State. The System is a cost sharing multiple-employer, public employee retirement system. The System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability.

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

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

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

		<u>Amount</u>		<u>Rate *</u>
2021	\$	1,147,843		18.2%
2020	\$	1,018,447		16.1%
2019	\$	1,002,346		15.8%

* Reflects rate of most populated tier.

10. PENSION PLANS (CONTINUED)

General Information (Continued)

Covered Payroll

The Town of Clifton Park's covered payroll (as defined in GASB 85) for 2021 is as follows:

ERS	\$ <u>6,896,311</u>
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At December 31, 2021, the Town reported a liability in the schedule of non-current governmental liabilities account group of \$20,931 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

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

At December 31, 2021, the Town's proportion was .0210201%.

At December 31, 2021, the Town reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Total Deferred Outflows of Resources</u>	<u>Total Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 255,619	\$ -
Changes of assumptions	3,848,453	(72,583)
Net difference between projected and actual earnings on pension plan investments	-	(6,012,487)
Changes in proportion and difference between employer contributions and proportionate share of contributions	323,295	(68,271)
Contributions subsequent to the measurement date	860,882	-
	<u>\$ 5,288,249</u>	<u>\$ (6,153,341)</u>

10. PENSION PLANS (CONTINUED)

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

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

December 31, 2022	\$ 605,062
December 31, 2023	(48,008)
December 31, 2024	(283,836)
December 31, 2025	<u>(1,138,310)</u>
	<u>\$ (865,092)</u>

ERS Actuarial Assumptions. The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021. The actuarial valuations used the following actuarial assumptions:

Interest rate	5.9%
Salary increase	4.4%
Inflation rate	2.7%
Cost of living adjustments	1.4%

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

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

10. PENSION PLANS (CONTINUED)

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

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 for ERS were as follows:

<u>Asset Class</u>	<u>Long-Term Expected Rate of Return</u>
Domestic equity	4.05%
International equity	6.30%
Private equity	6.75%
Real estate	4.95%
Opportunistic portfolio	4.50%
Real assets	5.95%
Credit	3.63%
Cash	.50%

Discount Rate

The discount rate used to calculate the total pension 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 liability.

10. PENSION PLANS (CONTINUED)

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

The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Town’s proportionate share of the net pension asset/liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

<u>ERS</u>	<u>1% Decrease</u>	<u>Current Assumption</u>	<u>1% Increase</u>
Employers’ proportionate share of the net pension liability (asset)	\$ <u>5,809,511</u>	\$ <u>(20,931)</u>	\$ <u>(5,317,495)</u>

Pension Plan Fiduciary Net Position

The components of the net pension liability of the fiduciary as of March 31, 2021 was as follows (in thousands):

	<u>ERS</u>
Employers’ total pension liability	\$ (220,680,157)
Fiduciary net position	<u>220,580,583</u>
Employers’ net pension liability	<u>\$ (99,574)</u>
Ratio of fiduciary net position to the employers’ total pension liability	<u>99.95%</u>

Deferred Compensation

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Town employees, permit them to defer a portion of their current salary (up to \$19,500 for participants under age 50 and \$25,000 for those 50 years of age and older) until future years. During the past year, the employees contributed approximately \$345,000. The deferred compensation amounts are not available to the employees until termination, retirement, death, or unforeseeable emergency.

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

10. PENSION PLANS (CONTINUED)

Deferred Compensation (Continued)

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

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

11. TAX ABATEMENT

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

For the year ended December 31, 2021, the Town recognized \$106,564 in PILOT revenue under PILOT agreements expiring through December 31, 2034. Abated property taxes amounted to \$174,699 under this program.

12. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

The Water Fund has deficits of \$48,920 at December 31, 2021. This deficit has occurred from the General Fund loaning money to the Water Fund in order to pay for excess capacity in the construction of a water line. This excess capacity will be repaid to the General Fund when new users are approved and added to the water line. The Water Fund also has \$9,854 of cash restricted for debt service which has not been reported as restricted fund balance due to the deficit.

The Ambulance Fund has a deficit of \$163,833 at December 31, 2021. This deficit has occurred from the General Fund loaning money to the to the Ambulance Fund in order to pay for unanticipated increases in expenses due primarily to the COVID-19 pandemic.

12. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Overdrawn Appropriations

General Fund:

Home and Community Services \$ 4,404

Special Grant:

Home and Community Services \$ 57,842

The over expended amounts were due to the Town's approval of expenditures without budgetary transfers or amendments to finance the payments.

13. SUBSEQUENT EVENTS

Management has evaluated subsequent events or transactions as to any potential material impact on operations or financial position occurring through November 18, 2022, the date the financial statements were available to be issued and have identified the following:

On March 11, 2021, the United States Congress passed legislation granting state & local governments federal aid (due to the COVID-19 pandemic & related downturn). The Town has been authorized to receive approximately \$3.7 million of which \$1.9 million was received in July 2021 and the remaining is to be paid in the summer of 2022. The following restrictions apply: To respond to the public health emergency with respect to the Coronavirus Disease (COVID-19) or its negative economic impacts, including assistance to households, small businesses, non-profits or aid to impacted industries such as tourism, travel and hospitality; hazard pay to essential workers; government services to the extent of reduction in revenue due to the economic impact of COVID-19 compared to the most recent full fiscal year (2019); or to make necessary investments in water, sewer or broadband infrastructure. The Town will be required to report to the US Treasury Department on the uses of these funds.

As of November 18, 2022, the Town authorized the issuance of \$1,495,600 in serial bonds for improvements and related equipment to Riverview Landing Sewer District No 1.

14. COMMITMENT AND CONTINGENCIES

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

14. COMMITMENT AND CONTINGENCIES (CONTINUED)

The Town is exposed to various risks of loss related to torts; theft of; damage to; and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Town has purchased commercial insurance, for all risks above, with minimal deductible amounts except for certain health benefits insurance and workers' compensation insurance. Settled claims have not exceeded the commercial coverage by any material amounts during the year ended December 31, 2021. There was no reduction in insurance coverage during 2021. An estimate of liability is recorded at December 31, 2021 for outstanding claims or for any potential claims incurred but not reported as of that date in the Non-Current Governmental Liabilities Account Group for all other risks.

The Town participated in a self-insurance plan for workers' compensation under County of Saratoga Local Law No. 1 and 2, pursuant to Article 5 of the Workers' Compensation Law. The plan, which currently has 50 participants, is open to any eligible municipality or public entity for participation. The County of Saratoga, New York is responsible for administration of the plan and its reserves. The plan purchases commercial insurance for employer's third party suit; the limit is \$1,000,000 with retention of \$10,000. Settled claims have not resulted in a claim against this excess liability coverage since the inception of the plan. All participants make annual payments to the plan based upon historic estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. For the year ended December 31, 2021 the Town's workers' compensation premium was \$149,809.

The Town's annual workers' compensation premium is included in the County tax levy for the given fiscal year, therefore no expenditure is reflected in the Town's financial statements for workers' compensation. The County issues a publicly available financial report which may be obtained by writing to the County of Saratoga, 40 McMaster Street, Ballston Spa, New York 12020.

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

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

<u>Bargaining Unit</u>	<u>Contract Expiration Date</u>
AFSCME - Local 1037A	December 31, 2024
Civil Service Employees Association - Local 1000	December 31, 2024

15. UNCERTAINTY

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

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue					
Real Property Tax Items	\$ 202,219	\$ 202,993	\$ 251,984	\$ -	\$ 48,991
Non-Property Tax Items	13,373,942	13,333,673	15,735,076	-	2,401,403
Departmental Income	1,776,833	1,694,165	2,435,944	-	741,779
Use of Money and					
Property	117,780	99,200	133,964	-	34,764
License and Permits	350,000	350,000	386,463	-	36,463
Fines and Forfeitures	510,400	487,901	346,687	-	(141,214)
Sale of Property and					
Compensation for Loss	25,000	56,850	675,462	-	618,612
Miscellaneous Local					
Sources	15,000	33,588	65,537	-	31,949
Interfund Revenues	217,000	209,029	217,699	-	8,670
State Aid	1,663,987	1,993,795	2,395,254	-	401,459
Total Revenue	<u>18,252,161</u>	<u>18,461,194</u>	<u>22,644,070</u>	<u>-</u>	<u>4,182,876</u>
Expenditures					
General Governmental					
Support	2,922,555	3,513,456	3,276,099	44,669	192,688
Public Safety	2,426,046	2,385,347	2,029,778	25,334	330,235
Public Health	19,200	12,975	9,453	-	3,522
Transportation	369,388	1,074,446	784,168	134,989	155,289
Economic Assistance and					
Opportunity	416,880	498,553	390,358	65,948	42,247
Culture and Recreation	3,456,194	3,553,840	3,157,428	96,081	300,331
Home and Community					
Services	1,137,007	1,219,710	1,181,559	42,555	(4,404)
Employee Benefits	3,103,036	3,058,436	3,000,517	-	57,919
Debt Service (Principal					
and Interest)	100,925	183,061	183,034	-	27
Total Expenditures	<u>13,951,231</u>	<u>15,499,824</u>	<u>14,012,394</u>	<u>409,576</u>	<u>1,077,854</u>
Other Financing Sources (Uses)					
Operating Transfers In	-	-	11,608	-	11,608
Operating Transfers Out	(4,410,333)	(7,328,450)	(7,204,409)	-	124,041
Total Other					
Financing Sources					
(Uses)	<u>(4,410,333)</u>	<u>(7,328,450)</u>	<u>(7,192,801)</u>	<u>-</u>	<u>135,649</u>
Excess (Deficiency) of					
Revenue and Other					
Changes Over					
Expenditures	<u>(109,403)</u>	<u>(4,367,080)</u>	<u>\$ 1,438,875</u>	<u>\$ (409,576)</u>	<u>\$ 5,396,379</u>
Appropriated Fund Balance	109,403	3,551,474			
Prior Year Encumbrances	<u>-</u>	<u>815,606</u>			
Total Budget Appropriations					
and Adjustments	<u>\$ 109,403</u>	<u>\$ 4,367,080</u>			

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - HIGHWAY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue					
Real Property Taxes	\$ 754,607	\$ 754,607	\$ 754,608	\$ -	\$ 1
Real Property Tax Items	40,006	39,451	39,452	-	1
Departmental Income	-	20,790	20,790	-	-
Use of Money and Property	200,057	200,057	244,933	-	44,876
Sale of Property and Compensation for Loss	-	-	289,904	-	289,904
Miscellaneous Local Sources	-	-	5,600	-	5,600
Interfund Revenues	-	-	25,915	-	25,915
State Aid	467,000	537,410	-	-	(537,410)
Total Revenue	<u>1,461,670</u>	<u>1,552,315</u>	<u>1,381,202</u>	<u>-</u>	<u>(171,113)</u>
Expenditures					
Transportation	4,620,744	5,341,725	5,107,821	-	233,904
Employee Benefits	1,221,255	1,242,230	1,221,704	-	20,526
Debt Service (Principal and Interest)	55,004	506,958	506,958	-	-
Total Expenditures	<u>5,897,003</u>	<u>7,090,913</u>	<u>6,836,483</u>	<u>-</u>	<u>254,430</u>
Other Financing Sources					
Operating Transfers In	<u>4,385,333</u>	<u>5,385,333</u>	<u>5,385,333</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue and Other Changes Over Expenditures	<u>(50,000)</u>	<u>(153,265)</u>	<u>\$ (69,948)</u>	<u>\$ -</u>	<u>\$ 83,317</u>
Appropriated Fund Balance	50,000	107,304			
Prior Year Encumbrances	<u>-</u>	<u>45,961</u>			
Total Budget Appropriations and Adjustments	<u>\$ 50,000</u>	<u>\$ 153,265</u>			

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND, EXPENDITURES - BUDGET AND ACTUAL - WATER FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 95,374	\$ 95,374	\$ 95,374	\$ -
Real Property Tax Items	-	-	1,000	1,000
Use of Money and Property	-	-	51	51
Total Revenue	<u>95,374</u>	<u>95,374</u>	<u>96,425</u>	<u>1,051</u>
Expenditures				
Home and Community Services	6,282	9,484	9,483	1
Debt Service (Principal and Interest)	97,129	97,133	94,079	3,054
Total Expenditures	<u>103,411</u>	<u>106,617</u>	<u>103,562</u>	<u>3,055</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>\$ (8,037)</u>	<u>\$ (11,243)</u>	<u>\$ (7,137)</u>	<u>\$ 4,106</u>
Appropriated Fund Balance	8,037	4,106		
Prior Year Encumbrances	<u>-</u>	<u>7,317</u>		
Total Budget Appropriations and Adjustments	<u>\$ 8,037</u>	<u>\$ 11,243</u>		

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue					
Real Property Taxes	\$ 1,401,106	\$ 1,401,106	\$ 1,401,106	\$ -	\$ -
Real Property Tax Items	5,635	5,635	5,635	-	-
Departmental Income	128,374	128,374	126,151	-	(2,223)
Intergovernmental Charges	127,240	127,240	129,115	-	1,875
Use of Money and Property	851	851	883	-	32
Sale of Property and Comp for Loss	-	-	5,373	-	5,373
Miscellaneous Local Sources	-	-	622	-	622
Federal Aid	-	-	31,888	-	31,888
Total Revenue	<u>1,663,206</u>	<u>1,663,206</u>	<u>1,700,773</u>	<u>-</u>	<u>37,567</u>
Expenditures					
General Governmental Support	15,000	15,000	11,763	-	3,237
Home and Community Services	1,285,440	1,250,950	920,457	26,662	303,831
Employee Benefits	142,514	142,514	127,163	-	15,351
Debt Service (Principal and Interest)	223,899	262,159	262,159	-	-
Total Expenditures	<u>1,666,853</u>	<u>1,670,623</u>	<u>1,321,542</u>	<u>26,662</u>	<u>322,419</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(3,647)</u>	<u>(7,417)</u>	<u>\$ 379,231</u>	<u>\$ (26,662)</u>	<u>\$ 359,986</u>
Appropriated Fund Balance	3,647	3,647			
Prior Year Encumbrances	<u>-</u>	<u>3,770</u>			
Total Budget Appropriations and Adjustments	<u>\$ 3,647</u>	<u>\$ 7,417</u>			

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - REFUSE AND GARBAGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable</u>
Revenue				
Real Property Taxes	\$ 98,805	\$ 98,805	\$ 98,805	\$ -
Real Property Tax Items	235	235	111	(124)
Use of Money and Property	-	-	123	123
Total Revenue	<u>99,040</u>	<u>99,040</u>	<u>99,039</u>	<u>(1)</u>
Expenditures				
Home and Community Services	<u>138,040</u>	<u>138,040</u>	<u>85,462</u>	<u>52,578</u>
Total Expenditures	<u>138,040</u>	<u>138,040</u>	<u>85,462</u>	<u>52,578</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>(39,000)</u>	<u>(39,000)</u>	<u>\$ 13,577</u>	<u>\$ 52,577</u>
Appropriated Fund Balance	<u>39,000</u>	<u>39,000</u>		
Total Budget Appropriations and Adjustments	<u>\$ 39,000</u>	<u>\$ 39,000</u>		

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - PARKS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue					
Real Property Taxes	\$ 405,534	\$ 405,534	\$ 405,535	\$ -	\$ 1
Real Property Tax Items	2,836	2,836	2,836	-	-
Departmental Income	147,946	147,946	129,147	-	(18,799)
Use of Money and Property	<u>10</u>	<u>10</u>	<u>342</u>	<u>-</u>	<u>332</u>
Total Revenue	<u>556,326</u>	<u>556,326</u>	<u>537,860</u>	<u>-</u>	<u>(18,466)</u>
Expenditures					
Culture and Recreation	519,191	799,807	543,741	27,513	228,553
Employee Benefits	12,854	13,294	13,098	-	196
Debt Service (Principal and Interest)	<u>51,573</u>	<u>51,573</u>	<u>51,354</u>	<u>-</u>	<u>219</u>
Total Expenditures	<u>583,618</u>	<u>864,674</u>	<u>608,193</u>	<u>27,513</u>	<u>228,968</u>
Other Financing Uses					
Operating Transfers Out	<u>-</u>	<u>(1,475)</u>	<u>(1,475)</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue Over Expenditures and Other Changes	<u>(27,292)</u>	<u>(309,823)</u>	<u>\$ (71,808)</u>	<u>\$ (27,513)</u>	<u>\$ 210,502</u>
Appropriated Fund Balance	27,292	222,943			
Prior Year Encumbrances	<u>-</u>	<u>86,880</u>			
Total Budget Appropriations and Adjustments	<u>\$ 27,292</u>	<u>\$ 309,823</u>			

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - LIGHTING FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 175,000	\$ 175,000	\$ 175,000	\$ -
Use of Money and Property	<u>500</u>	<u>500</u>	<u>238</u>	<u>(262)</u>
Total Revenue	<u>\$ 175,500</u>	<u>\$ 175,500</u>	<u>\$ 175,238</u>	<u>\$ (262)</u>
Expenditures				
Transportation	<u>200,000</u>	<u>200,000</u>	<u>185,742</u>	<u>14,258</u>
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>185,742</u>	<u>14,258</u>
Excess (Deficiency) of Revenue Over Expenditures	(24,500)	(24,500)	<u>\$ (10,504)</u>	<u>\$ 13,996</u>
Appropriated Fund Balance	<u>24,500</u>	<u>24,500</u>		
Total Budget Appropriations and Adjustments	<u>\$ 24,500</u>	<u>\$ 24,500</u>		

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - LIBRARY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue				
Intergovernmental Charges	\$ 486,980	\$ 486,980	\$ 486,980	\$ -
Total Revenue	<u>486,980</u>	<u>486,980</u>	<u>486,980</u>	<u>-</u>
Expenditures				
Debt Service (Principal and Interest)	<u>486,980</u>	<u>486,980</u>	<u>486,980</u>	<u>-</u>
Total Expenditures	<u>486,980</u>	<u>486,980</u>	<u>486,980</u>	<u>-</u>
Excess of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - AMBULANCE FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue				
Real Property Taxes	\$ 700,000	\$ 700,000	\$ 700,001	\$ 1
Departmental Income	199,662	66,130	66,130	-
Use of Money and Property	-	-	2	2
Total Revenue	<u>899,662</u>	<u>766,130</u>	<u>766,133</u>	<u>3</u>
Expenditures				
Public Health	<u>899,662</u>	<u>900,662</u>	<u>900,661</u>	<u>1</u>
Total Expenditures	<u>899,662</u>	<u>900,662</u>	<u>900,661</u>	<u>1</u>
Excess (Deficiency) of Revenue Over Expenditures	-	(134,532)	<u>\$ (134,528)</u>	<u>\$ 4</u>
Appropriated Fund Balance	<u>-</u>	<u>134,532</u>		
Total Budget Appropriations and Adjustments	<u>\$ -</u>	<u>\$ 134,532</u>		

TOWN OF CLIFTON PARK, NEW YORK
 SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - SPECIAL GRANT FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue				
Departmental Income	\$ -	\$ -	\$ 3,483	\$ 3,483
Use of Money and Property	-	-	3	3
Federal Aid	<u>359,677</u>	<u>359,677</u>	<u>395,201</u>	<u>35,524</u>
Total Revenue	<u>359,677</u>	<u>359,677</u>	<u>398,687</u>	<u>39,010</u>
Expenditures				
Home and Community Services	<u>359,677</u>	<u>359,677</u>	<u>417,519</u>	<u>(57,842)</u>
Total Expenditures	<u>359,677</u>	<u>359,677</u>	<u>417,519</u>	<u>(57,842)</u>
Excess of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,832)</u>	<u>\$ (18,832)</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF REVENUE AND EXPENDITURES - BUDGET AND ACTUAL - FIRE PROTECTION FUND
 FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Adopted Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenue				
Real Property Taxes	\$ 461,250	\$ 461,250	\$ 461,250	\$ -
Total Revenue	<u>461,250</u>	<u>461,250</u>	<u>461,250</u>	<u>-</u>
Expenditures				
Public Safety	<u>461,250</u>	<u>461,250</u>	<u>461,250</u>	<u>-</u>
Total Expenditures	<u>461,250</u>	<u>461,250</u>	<u>461,250</u>	<u>-</u>
Excess of Revenue Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULES OF CONTRIBUTIONS AND PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEES RETIREMENT SYSTEM
FOR THE YEARS ENDED DECEMBER 31, 2015-2021

Schedule of Contributions	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,147,843	\$ 1,018,477	\$ 1,002,346	\$ 1,004,384	\$ 963,227	\$ 971,808	\$ 1,161,829
Contribution in relation to contractually required contribution	\$ 1,147,843	\$ 1,018,477	\$ 1,002,346	\$ 1,004,383	\$ 963,227	\$ 971,808	\$ 1,161,829
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 6,896,311	\$ 6,812,955	\$ 6,756,488	\$ 6,677,113	\$ 6,300,828	\$ 6,242,607	\$ 6,158,885
Contributions as % of covered payroll	16.6%	14.9%	14.8%	15.0%	15.3%	15.6%	18.9%
Schedule of Proportionate Share of the Net Pension Liability	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
% proportionate share of net pension and liability	.021020%	0.021502%	0.022091%	0.021429%	0.021693%	0.023213%	0.232116%
\$ proportionate share of net pension liability	\$ 20,931	\$ 5,693,784	\$ 1,565,212	\$ 691,606	\$ 2,038,308	\$ 3,725,813	\$ 784,278
Covered payroll	\$ 6,896,311	\$ 6,812,955	\$ 6,756,488	\$ 6,677,113	\$ 6,300,828	\$ 6,242,607	\$ 6,158,885
% proportionate share of net pension liability as % of covered payroll	0.3%	83.6%	23.2%	10.4%	32.3%	59.7%	12.7%
Plan fiduciary net position as a % of total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%

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

TOWN OF CLIFTON PARK, NEW YORK

SCHEDULE OF CHANGES IN THE TOWN'S TOTAL OTHER POSTEMPLOYMENT BENEFIT LIABILITY AND RELATED RATIOS

FOR THE YEARS ENDED DECEMBER 31, 2019-2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Other Postemployment Benefit Liability, Beginning of Year	\$ 40,918,499	\$ 38,679,180	\$ 36,530,199
Service Costs	1,742,737	1,765,392	1,718,310
Interest	795,800	1,051,891	993,221
Assumption Changes	(854,228)	-	-
Difference Between Actual and Experience	(990,035)	-	-
Benefit Payments	<u>(886,305)</u>	<u>(577,964)</u>	<u>(562,550)</u>
Other Postemployment Benefit Liability, End of Year	<u>\$ 40,726,468</u>	<u>\$ 40,918,499</u>	<u>\$ 38,679,180</u>
Covered Payroll	<u>\$ 6,142,125</u>	<u>\$ 6,050,412</u>	<u>\$ 5,874,186</u>
Total Other Postemployment Benefit Liability as Percentage of Payroll	<u>663.07%</u>	<u>676.30%</u>	<u>658.46%</u>

Note: 10 years of historical information was 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.

**ADDITIONAL REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
AND THE UNIFORM GUIDANCE**

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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 Supervisor and Members of
the Town Board of the Town
of Clifton Park, 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 all fund types and account groups of the Town of Clifton Park, New York, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town of Clifton Park, New York's basic financial statements, and have issued our report thereon dated November 18, 2022.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Clifton Park, 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
November 18, 2022

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Clifton Park, 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 the Town of Clifton Park, New York's major federal programs for the year ended December 31, 2021. The Town of Clifton Park, 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, the Town of Clifton Park, 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, 2021.

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 the Town of Clifton Park, 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 the Town of Clifton Park, 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 the Town of Clifton Park, 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 the Town of Clifton Park, 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 the Town of Clifton Park, 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 the Town of Clifton Park, 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 the Town of Clifton Park, 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 the Town of Clifton Park, 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.

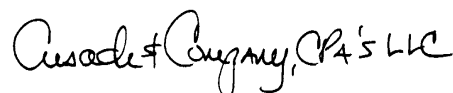
Report on Internal Control Over Compliance

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses in internal control as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.



CUSACK & COMPANY, CPA'S LLC

Latham, New York
November 18, 2022

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Federal Grantor/Pass-through Grantor/ Program/Cluster Title</u>	<u>Assistance Listing/CFDA Number</u>	<u>Agency or Pass Through Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
Federal Financial Assistance of the Primary Government:				
<u>U.S. Department of Housing and Urban Development</u>				
Direct:				
Section 8 Housing Vouchers	14.871	N/A	\$ -	\$ 417,519
<u>U.S. Department of the Treasury</u>				
Direct:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	31,888
<u>U.S. Department of Transportation</u>				
Highway Planning and Construction Cluster:				
Passed Through NYS Department of Transportation				
Clifton Park Center Road	20.205	N/A	-	372,808
Moe Road Gap Trail Closure	20.205	N/A	-	48,685
Total U.S. Department of Transportation (Highway Planning and Construction Cluster)			-	421,493
Total Expenditures of Federal Awards of the Primary Government			\$ -	\$ 870,900

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of federal award programs administered by the Town, which is described in Note 1 to the Town's accompanying financial statements, using the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies.

The information 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).

2. SUMMARY OF CERTAIN SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained from each program, which are reconciled with the Town's financial reporting system.

The federal expenditures are recognized under the Uniform Guidance.

3. SCOPE OF AUDIT PURSUANT TO THE UNIFORM GUIDANCE

The Town of Clifton Park, New York is an independent municipal corporation. All federal grant operations of the Town are included in the scope of the single audit.

4. RELATIONSHIP TO FINANCIAL STATEMENTS

Federal awards revenue is reported in the Town of Clifton Park, New York's financial statements as follows:

Special Grant Fund	\$ 395,201
Capital Projects Fund	1,091,597
Sewer Fund	31,888
Change in Unearned Federal Aid	<u>(647,786)</u>
Total Federal Financial Assistance	<u>\$ 870,900</u>

5. INDIRECT COST RATE

The Town has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance. The Town's indirect cost rates are set by the individual grantors, if applicable.

TOWN OF CLIFTON PARK, NEW YORK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2021

SECTION I — SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes No
- Significant deficiency(ies) identified? ___ Yes None reported
- Noncompliance material to financial statements noted? ___ Yes No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ Yes No
- Significant deficiency(ies) identified? ___ Yes None reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section CFR 200.516(a)? ___ Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction Cluster

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? ___ Yes No

SECTION II - FINANCIAL STATEMENT FINDINGS

No findings or matters were reported

SECTION III - SCHEDULE OF FINDINGS AND QUESTIONED COSTS

No findings or matters were reported

SECTION IV - RESOLUTION OF PRIOR YEAR AUDIT FINDINGS

No findings or matters were reported