



Town of Queensbury

Financial Report

December 31, 2022

Town of Queensbury, New York

Financial Report

December 31, 2022

CONTENTS

	Page
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-10
Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13
Reconciliation of the Total Fund Balances in the Governmental Funds to the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Change in Net Position shown in the Statement of Activities	16
Statement of Net Position - Proprietary Funds	17
Statement of Revenues, Expenditures, and Changes in Net Position - Proprietary Funds	18
Statement of Cash Flows - Proprietary Funds	19
Notes to Financial Statements	20-50
Required Supplementary Information	
Schedule of Other Postemployment Benefits Liability	51
Schedule of Proportionate Share of the Net Pension Liability	52
Schedule of Pension Contributions	53
Budgetary Comparison Statement - General Fund	54
Budgetary Comparison Statement - Highway Fund	55
Budgetary Comparison Statement - Fire Protection Fund	56
Supplementary Information	
Combining Balance Sheet - Non-Major Governmental Funds	57
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-Major Governmental Funds	58
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	59-60



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows 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.

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 currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 management's discussion and analysis and the required supplementary information listed in the accompanying table of contents on pages 4 to 10 and 51 to 56, respectively, 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.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual non-major fund financial statements on pages 57 to 58 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and 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 combining and individual non-major fund financial statements are 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 September 19, 2023 on our consideration of the Town's internal control over financial reporting and on our tests of it compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control over financial reporting and compliance.

BST & Co. CPAs, LLP

Latham, New York
September 19, 2023



Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2022

Description

As management of the Town of Queensbury, New York (Town), we offer the readers of the Town's financial statements this narrative overview and analysis as of and for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with our basic financial statements, which can be found on pages 11 through 51 and our supplementary information which can be found on pages 51 through 58 of this report.

Financial Highlights

- The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows on December 31, 2022 by \$19,259,519, representing net position. Of this amount, \$40,487,714 represents the Town's investment in capital assets net of related debt, and \$6,653,395 is restricted for future capital improvements and perpetual care for the Town's cemeteries. The remaining amount of \$(27,881,590) represents unrestricted net deficit.
- At December 31, 2022, the Town's governmental funds reported a combined ending fund balance of \$24,057,823. Of this total amount, \$15,443,887 was restricted and assigned for specific purposes, \$842,776 was nonspendable, and \$7,771,160 was unassigned.
- At December 31, 2022, the unreserved and unappropriated fund balance of the General Fund was \$7,771,160, or 49% of 2022 expenditures and transfers out.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to private sector business.

The statement of net position presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as sales and mortgage taxes held for distribution by the County of Warren, unbilled water and sewer rents for services provided during the year, interest payable on long-term debt, and vested sick leave benefits payable to eligible employees.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and assessment charges (business-type activities). The governmental activities of the Town include general government support, public safety, health, transportation, economic opportunity and development, culture and recreation, and various home and community services. The business-type activities of the Town include operations of the Town's water districts, sewer districts, and refuse and garbage disposal and recycling services provided at the Town's landfill and transfer stations.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2022

Overview of the Financial Statements - Continued

Government-Wide Financial Statements - Continued

The government-wide financial statements can be found on pages 11 and 12 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The Town did not have any fiduciary funds as of and for the year ended December 31, 2022.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Highway Fund, Capital Projects Fund and Fire Protection Fund, all of which are considered to be major funds. Data from the other four governmental funds (the Special Grant Fund, Cemetery Fund, Lighting Fund, and Aquatic District Fund) are combined into a single, aggregated presentation as Non-Major Governmental Funds.

The governmental fund financial statements can be found on pages 13 through 16 of this report.

Proprietary Funds. The Town utilizes enterprise funds to report the same function presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its Water Districts, Sewer Districts, Refuse and Garbage Disposal, and Recycling operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Water operations, Sewer operations, and operation of the Town's Landfill and Transfer Stations, all of which are considered to be major funds of the Town.

The Town utilizes an internal service fund to account for certain workers' compensation and unemployment insurance costs.

The proprietary fund financial statements can be found on pages 17 through 19 of this report.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2022

Overview of the Financial Statements - Continued

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 through 50 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town, assets and deferred outflows exceeded liabilities and deferred inflows by \$19,259,519 at December 31, 2022.

By far, the largest portion of the Town's net position, \$40,487,714, reflects the Town's investment in capital assets. This portion of net position includes the cost of land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and work in progress, less accumulated depreciation and any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position, \$6,653,395, represents resources that are subject to restrictions on how they may be used. The remaining balance of net position reflects a net deficit.

The following is a condensed statement of the Town's net position as of December 31, 2022:

	December 31, 2022		
	Governmental Activities	Business-Type Activities	Total
Current assets	\$ 30,395,167	\$ 12,988,812	\$ 43,383,979
Capital assets	17,345,008	33,002,925	50,347,933
Total assets	<u>47,740,175</u>	<u>45,991,737</u>	<u>93,731,912</u>
Deferred outflows of resources	<u>10,229,292</u>	<u>3,257,468</u>	<u>13,486,760</u>
Current liabilities	8,400,351	3,555,625	11,955,976
Long-term liabilities	32,049,194	15,029,227	47,078,421
Total liabilities	<u>40,449,545</u>	<u>18,584,852</u>	<u>59,034,397</u>
Deferred inflows of resources	<u>20,525,449</u>	<u>8,399,307</u>	<u>28,924,756</u>
Net position			
Net investment in capital assets	15,393,508	25,094,206	40,487,714
Restricted	5,429,217	1,224,178	6,653,395
Unrestricted (deficit)	<u>(23,828,252)</u>	<u>(4,053,338)</u>	<u>(27,881,590)</u>
Total net position	<u>\$ (3,005,527)</u>	<u>\$ 22,265,046</u>	<u>\$ 19,259,519</u>

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2022

Overview of the Financial Statements - Continued

Government-Wide Financial Analysis - Continued

The following is a condensed statement of activities of the Town for 2022:

	Year Ended December 31, 2022		
	Governmental Activities	Business-Type Activities	Total
REVENUES			
Program revenues			
Charges for services	\$ 3,280,703	\$ 7,153,005	\$ 10,433,708
Capital grants and contributions	844,887	-	844,887
General revenues			
Real property tax and related tax items	5,426,199	1,329,350	6,755,549
Non-property taxes	13,881,347	-	13,881,347
Other	1,540,760	17,933	1,558,693
Total revenues	24,973,896	8,500,288	33,474,184
EXPENSES			
General government activities	5,563,742	-	5,563,742
Public safety	6,092,455	-	6,092,455
Health	2,874,126	-	2,874,126
Transportation	2,962,077	-	2,962,077
Economic opportunity and development	309,627	-	309,627
Culture and recreation	2,296,371	-	2,296,371
Home and community service	2,112,924	-	2,112,924
Debt service	70,155	-	70,155
Water	-	5,451,137	5,451,137
Sewer	-	2,143,936	2,143,936
Landfill	-	556,909	556,909
Total expenses	22,281,477	8,151,982	30,433,459
Change in net position	2,627,025	413,700	3,040,725
NET POSITION, beginning of year	(5,632,552)	21,851,346	16,218,794
NET POSITION, end of year	\$ (3,005,527)	\$ 22,265,046	\$ 19,259,519

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2022

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$24,057,823, an increase of \$2,274,099 from the prior year. Portions of these fund balances are reserved to indicate that they are not available for new spending because they have already been committed to pay future capital improvements of \$4,479,609 and pay for perpetual care at the Town's cemeteries of \$679,608.

General Fund. The General Fund is the main operating fund of the Town. At the end of the current fiscal year, the unreserved unappropriated fund balance of the General Fund was \$7,771,160, while total fund balance of the General Fund aggregated \$13,613,880. As a measure of the General Fund's liquidity, it is useful to compare both unreserved unappropriated fund balance and total fund balance to total fund expenditures. Unreserved unappropriated fund balance represents 49% of total General Fund expenditures and transfers out for 2022, while total fund balance represents 85% of the same amount.

The fund balance of the General Fund increased \$3,220,719 from the prior year primarily because sales taxes and other revenue sources were significantly higher than expected (budgeted) and general government and employee benefit expenditures which were lower than expected.

The main revenue source for the General Fund is derived from sales and use taxes, which are distributed from the County of Warren to all Towns and the Village and City located within the County. Together with our similar user taxes, non-property tax revenue and mortgage tax revenue for 2022 totaled \$13,881,347, representing 72% of total General Fund revenues.

Highway Fund. The Highway Fund is one of the Town's major governmental funds. It is utilized to account for revenues needed to maintain, repair, and improve Town roads, provide snow removal services, and provide other transportation services for Town residents and organizations. The main revenue source for the Highway Fund is an annual transfer of resources from the General Fund, funded primarily from non-property taxes. During 2022, the General Fund contributed \$4,240,800 to the Highway Fund, which ended the year with a fund balance of \$1,865,817.

Capital Projects Fund. The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Financing is generally provided from proceeds of bonds, notes, federal and state grants, and transfers from other governmental funds. The fund balance at December 31, 2022 is assigned for capital project purposes.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2022

Financial Analysis of the Town's Funds - Continued

Fire Protection District Fund. The Fire Protection District Fund is also a major governmental fund. It is utilized to account for real property taxes levied annually, and other applicable revenues generated to finance contracts for fire protection and emergency medical services. The Fire Protection District Fund received \$4,004,902 in real property taxes during 2022 and ended the year with a fund balance of \$5,579,239. In accordance with GASB Statement No. 73, the Town accounts for and reports assets and liabilities related to the Town sponsored service award programs for volunteer firefighters and ambulance workers within the fund financial statements.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Town maintains three enterprise funds and one internal service fund.

Water District Fund. The Water District Fund is reported as an enterprise fund. The Water District Fund ended 2022 with net position of \$14,201,344 which is an increase of \$57,922 from the prior year. Net position includes \$19,061,694 representing the Town's investment in water capital assets, net of related debt, and \$298,618 which is restricted for capital improvements. The remaining unrestricted net position is a deficit of \$5,158,968.

Sewer District Fund. The Sewer District Fund is reported as an enterprise fund. The Sewer District Fund ended 2022 with net position of \$7,393,400 which is a decrease of \$395,676 from the prior year. Net position includes \$5,631,511 representing the Town's investment in sewer capital assets, net of related debt. The remaining unrestricted net position of \$1,761,889 can be used for ongoing sewer operations.

Landfill/Transfer Stations Fund. The Landfill/Transfer Stations Fund is also reported as an enterprise fund. The Landfill/Transfer Stations Fund ended 2022 with net position of \$670,302, which is a decrease of \$39,898 from the prior year. Net position includes \$401,001 representing the Town's investment in capital assets and \$925,560 representing amounts restricted for future capital improvements and post-closure costs. The remaining unrestricted net position is a deficit of \$656,259.

Governmental Fund Budgetary Highlights

Budgetary comparison statements for the Town's General Fund, Highway Fund, and Fire Protection Fund are included on pages 55 through 57 of this report.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$50,347,936 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, work in progress, and infrastructure assets, such as roads, water systems, and sewer systems.

Major capital assets events that occurred during the current fiscal year included the following:

- Acquisition of water and landfill equipment;
- Continued construction of the Town's highway and cemetery storage buildings and construction of culverts.

Additional information on the Town's capital assets can be found in Note 6 on pages 31 and 32 of this report.

Town of Queensbury, New York

Management's Discussion and Analysis December 31, 2022

Capital Asset and Debt Administration - Continued

Long-Term Debt. At December 31, 2022, the Town had outstanding debt of \$1,951,500 relating to the Main Street reconstruction, \$190,000 for water district purposes, and \$5,718,969 for sewer district purposes, for a total of \$7,860,469. Debt of the Town is general obligation debt backed by the full faith and credit of the Town.

The Town was rated "Aa2" by Moody's Investor Services as of May 2021.

Additional information on the Town's long-term debt can be found in Note 7 on pages 32 and 33 of this report.

Economic Factors

The Town has approximately 28,000 residents and is the County Seat of Warren County, which is located in the southern Adirondack Region of northeastern New York, just north of Saratoga County and the Albany Capital District area.

The Town borders the southern end of Lake George, a well-known summer destination, and is home to the Great Escape Theme Park operated by Six Flags and a factory outlet mall, both of which are popular tourist attractions. Business and government operations within the Town and the County offer numerous recreational and tourism opportunities with several lakes, rivers, streams, mountains, ski centers, hiking trails, snowmobile trails, a newly added trampoline park, and other popular tourist attractions.

The Town is located twenty miles from the Saratoga Racecourse, one of the oldest and most prestigious thoroughbred horse racing tracks in the United States. Each summer, the racetrack operates a six-week schedule of races that attracts world-class horses to participate in various graded events.

With the area's successful tourism industry and its increasing population and both large and small businesses, including several medical manufacturers, Warren County has been able to generate additional revenues from sales tax and hotel occupancy tax.

The County distributes a portion of this revenue source with all Towns and the Village and City located within the County. Since the Town of Queensbury is the largest and most populous municipality within the County, the Town receives a significant amount of these shared revenues. The Town has used these shared revenues to finance governmental activities that promote the Town both on a local and national level for both tourist and business activities.

Request for Information

This financial report is designed to provide a general overview of the Town's financial activity for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Queensbury
Accounting Department
742 Bay Road
Queensbury, New York 12804

Town of Queensbury, New York

Government-Wide Financial Statements Statement of Net Position

	December 31, 2022		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 12,515,632	\$ 6,420,163	\$ 18,935,795
Receivables, net	5,824,836	2,065,853	7,890,689
Inventories	210,957	-	210,957
Prepaid expenses	322,905	77,268	400,173
Cash and cash equivalents, restricted	5,429,217	1,224,178	6,653,395
Investments	4,728,600	902,250	5,630,850
Net pension asset	1,363,020	434,210	1,797,230
Leases receivable	-	1,864,890	1,864,890
Capital assets, not being depreciated	5,810,907	522,012	6,332,919
Capital assets, net of accumulated depreciation	11,534,101	32,480,913	44,015,014
Total assets	47,740,175	45,991,737	93,731,912
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	3,154,585	1,004,941	4,159,526
OPEB deferrals	7,074,707	2,252,527	9,327,234
	10,229,292	3,257,468	13,486,760
LIABILITIES			
Accounts and other payables	1,119,007	821,167	1,940,174
Accrued liabilities	117,552	60,083	177,635
Deposits	248,122	39,751	287,873
Bond anticipation notes payable	-	1,999,750	1,999,750
Interest payable	23,111	30,565	53,676
Compensated absences	183,648	31,540	215,188
Due to other governments	82,429	-	82,429
Unearned revenues	2,740,649	-	2,740,649
Service awards	3,713,833	-	3,713,833
Long-term liabilities			
Due within one year	172,000	572,769	744,769
Due in more than one year	32,049,194	15,029,227	47,078,421
Total liabilities	40,449,545	18,584,852	59,034,397
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	4,648,654	1,480,900	6,129,554
Leases	-	1,863,365	1,863,365
OPEB deferrals	15,876,795	5,055,042	20,931,837
	20,525,449	8,399,307	28,924,756
NET POSITION			
Net investment in capital assets	15,393,508	25,094,206	40,487,714
Restricted for			
Capital improvements	4,749,609	1,224,178	5,973,787
Cemetery perpetual care	679,608	-	679,608
Unrestricted (deficit)	(23,828,252)	(4,053,338)	(27,881,590)
Total net position	\$ (3,005,527)	\$ 22,265,046	\$ 19,259,519

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Government-Wide Financial Statements Statement of Activities

Year Ended December 31, 2022

Functions/Programs	Net (Expenses) Revenues and Change in Net Position						
	Expenses	Program Revenues			Primary Government		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General governmental support	\$ 5,563,742	\$ 35,218	\$ -	\$ -	\$ (5,528,524)	\$ -	\$ (5,528,524)
Public safety	6,092,455	1,800,301	-	-	(4,292,154)	-	(4,292,154)
Health	2,874,126	13,680	-	-	(2,860,446)	-	(2,860,446)
Transportation	2,962,077	-	-	826,869	(2,135,208)	-	(2,135,208)
Economic opportunity and development	309,627	45,000	-	-	(264,627)	-	(264,627)
Culture and recreation	2,296,371	433,469	-	-	(1,862,902)	-	(1,862,902)
Home and community service	2,112,924	953,035	-	18,018	(1,141,871)	-	(1,141,871)
Interest on debt	70,155	-	-	-	(70,155)	-	(70,155)
Total governmental activities	<u>22,281,477</u>	<u>3,280,703</u>	<u>-</u>	<u>844,887</u>	<u>(18,155,887)</u>	<u>-</u>	<u>(18,155,887)</u>
BUSINESS-TYPE ACTIVITIES							
Water	5,451,137	4,612,391	-	-	-	(838,746)	(838,746)
Sewer	2,143,936	2,031,325	-	-	-	(112,611)	(112,611)
Landfill	556,909	509,289	-	-	-	(47,620)	(47,620)
Total business-type activities	<u>8,151,982</u>	<u>7,153,005</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(998,977)</u>	<u>(998,977)</u>
Total primary governmental	<u>\$ 30,433,459</u>	<u>\$ 10,433,708</u>	<u>\$ -</u>	<u>\$ 844,887</u>	<u>(18,155,887)</u>	<u>(998,977)</u>	<u>(19,154,864)</u>
GENERAL REVENUES							
Real property tax and related tax items					5,426,199	1,329,350	6,755,549
Non-property taxes					13,881,347	-	13,881,347
Interest earnings					37,324	17,933	55,257
Sale of property and compensation for loss					60,881	-	60,881
Miscellaneous general revenues					10,145	-	10,145
Federal aid not restricted to specific purposes					65,394	-	65,394
State aid and mortgage taxes not restricted to specific purposes					1,367,016	-	1,367,016
Total general revenues					<u>20,848,306</u>	<u>1,347,283</u>	<u>22,195,589</u>
CHANGE IN NET POSITION					2,627,025	413,700	3,040,725
NET POSITION, beginning of year					<u>(5,632,552)</u>	<u>21,851,346</u>	<u>16,218,794</u>
NET POSITION, end of year					<u>\$ (3,005,527)</u>	<u>\$ 22,265,046</u>	<u>\$ 19,259,519</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Balance Sheet - Governmental Funds

	December 31, 2022					
	Major Funds				Other	Total
	General	Highway	Capital Projects	Fire Protection	Governmental Funds	
ASSETS						
Cash and cash equivalents	\$ 6,429,970	\$ 1,451,147	\$ 1,637,949	\$ 1,917,007	\$ 957,704	\$ 12,393,777
Receivables from other governments	3,889,611	717,498	99,371	-	24,211	4,730,691
Other receivables, net of uncollectibles	305,736	14,657	-	267,465	56,852	644,710
Due from other funds	411,435	-	38,000	-	-	449,435
Prepaid expenses	300,604	117,053	-	40,354	22,421	480,432
Investments	1,014,767	-	-	3,713,833	-	4,728,600
Cash and investments, restricted	4,749,609	-	-	-	679,608	5,429,217
Total assets	<u>\$ 17,101,732</u>	<u>\$ 2,300,355</u>	<u>\$ 1,775,320</u>	<u>\$ 5,938,659</u>	<u>\$ 1,740,796</u>	<u>\$ 28,856,862</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 258,573	\$ 233,644	\$ 68,094	\$ 20,283	\$ 27,650	\$ 608,244
Accrued liabilities	73,708	34,896	-	-	8,948	117,552
Deposits	91,131	156,991	-	-	-	248,122
Due to other governments	75,079	6,157	-	-	1,193	82,429
Due to other funds	47,263	-	319,960	-	91,384	458,607
Unearned revenue	2,740,649	-	-	-	-	2,740,649
Service awards	-	-	-	312,391	-	312,391
Other payables	22,560	2,850	-	26,746	-	52,156
Total liabilities	<u>3,308,963</u>	<u>434,538</u>	<u>388,054</u>	<u>359,420</u>	<u>129,175</u>	<u>4,620,150</u>
Deferred inflows of resources	178,889	-	-	-	-	178,889
Fund balances						
Nonspendable	662,948	117,053	-	40,354	22,421	842,776
Restricted for capital reserve purposes	4,749,609	-	-	-	-	4,749,609
Restricted for other purposes	-	-	-	-	679,608	679,608
Assigned, appropriated	430,163	-	-	-	-	430,163
Assigned, unappropriated	-	1,748,764	1,387,266	5,538,885	909,592	9,584,507
Unassigned	7,771,160	-	-	-	-	7,771,160
Total fund balances	<u>13,613,880</u>	<u>1,865,817</u>	<u>1,387,266</u>	<u>5,579,239</u>	<u>1,611,621</u>	<u>24,057,823</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,101,732</u>	<u>\$ 2,300,355</u>	<u>\$ 1,775,320</u>	<u>\$ 5,938,659</u>	<u>\$ 1,740,796</u>	<u>\$ 28,856,862</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Reconciliation of the Total Fund Balances in the Governmental Funds to the Statement of Net Position

	<u>December 31, 2022</u>
Total fund balances in the fund financial statements for the governmental funds	\$ 24,057,823
This amount differs from the amount of net position shown in the statement of net position due to the following:	
Capital assets are included as assets in the government-wide statements and are added, net of accumulated depreciation.	17,345,008
Net receivables for revenues earned, measurable but not available to provide financial resources, are included in the government-wide statements in revenue rather than as a deferred inflow of resources.	178,889
Inventories of materials and supplies are included as assets in the governmental activities.	210,957
Prepaid retirement expense is recognized as a deferred outflow of resources in the statement of net position.	(157,527)
Deferred outflows of resources related to the net pension liability are recognized on the statement of net position.	3,154,585
Deferred inflows of resources related to the net pension liability are recognized on the statement of net position.	(4,648,654)
Liabilities for interest payable are included as liabilities of the governmental activities and are deducted.	(23,111)
Long-term governmental liabilities for bonds payable are included as liabilities of the governmental activities and are deducted.	(1,951,500)
Long-term governmental liabilities for compensated absences are included as liabilities of the governmental activities and are deducted.	(183,648)
Long-term governmental liabilities for OPEB costs are included as liabilities of the governmental activities and are deducted.	(30,269,694)
Deferred outflows of resources related to OPEB costs are recognized on the statement of net position.	7,074,707
Deferred inflows of resources related to OPEB costs are recognized on the statement of net position.	(15,876,795)
The net pension asset is included as an asset of the governmental activities	1,363,020
Long-term liabilities for service awards payable under the Length of Service Award Program are included as a liability of the governmental activities and are deducted.	(3,401,442)
Net position of the internal service fund is included in governmental activities.	<u>121,855</u>
Total net position per the statement of net position	<u>\$ (3,005,527)</u>

Town of Queensbury, New York

Fund Financial Statements Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

	Year Ended December 31, 2022						
	Major Funds				Other		
	General	Highway	Capital Projects	Fire Protection	Governmental Funds	Eliminations	Total
REVENUES							
Real property taxes	\$ 2,113,387	\$ -	\$ -	\$ 4,004,902	\$ 197,079	\$ -	\$ 6,315,368
Real property tax items	79,625	-	-	23,626	-	-	103,251
Non-property taxes	13,881,347	-	-	-	-	-	13,881,347
Departmental income	612,634	-	-	1,211,189	664,337	-	2,488,160
Use of money and property	36,256	302	69	-	697	-	37,324
Licenses and permits	214,700	-	-	-	-	-	214,700
Fines and forfeitures	577,843	-	-	-	-	-	577,843
Sale of property and compensation for loss	31,641	29,240	-	-	-	-	60,881
Miscellaneous	5,257	3,250	-	-	1,638	-	10,145
Intergovernmental charges	-	-	-	-	18,018	-	18,018
Interfund revenues	184,455	-	-	-	-	(184,455)	-
State aid	1,367,016	717,498	109,371	-	-	-	2,193,885
Federal aid	65,394	-	-	-	-	-	65,394
Total revenues	<u>19,169,555</u>	<u>750,290</u>	<u>109,440</u>	<u>5,239,717</u>	<u>881,769</u>	<u>(184,455)</u>	<u>25,966,316</u>
EXPENDITURES							
General government support	3,717,590	-	-	-	-	-	3,717,590
Public safety	681,420	-	-	5,923,765	-	-	6,605,185
Health	15,680	-	-	-	143,620	-	159,300
Transportation	609,604	2,595,239	-	-	126,585	-	3,331,428
Economic opportunity and development	309,627	-	-	-	-	-	309,627
Culture and recreation	1,313,821	-	-	-	-	-	1,313,821
Home and community service	803,973	-	-	-	-	-	803,973
Employee benefits	2,752,254	1,261,435	-	469,545	251,253	(184,455)	4,550,032
Debt service							
Principal	164,500	-	-	-	-	-	164,500
Interest	71,799	-	-	-	-	-	71,799
Capital outlay							
General government support	70,854	-	669,078	-	-	-	739,932
Public safety	23,700	-	-	-	-	-	23,700
Transportation	-	897,951	-	-	-	-	897,951
Culture and recreation	10,410	-	267,821	-	-	-	278,231
Home and community service	-	-	100,197	-	559,557	-	659,754
Total expenditures	<u>10,545,232</u>	<u>4,754,625</u>	<u>1,037,096</u>	<u>6,393,310</u>	<u>1,081,015</u>	<u>(184,455)</u>	<u>23,626,823</u>
OTHER FINANCING SOURCES (USES)							
Transfers-in	24,560	4,240,800	893,017	-	243,500	-	5,401,877
Transfers-out	(5,428,164)	-	(24,559)	-	(14,548)	-	(5,467,271)
Total other financing sources (uses)	<u>(5,403,604)</u>	<u>4,240,800</u>	<u>868,458</u>	<u>-</u>	<u>228,952</u>	<u>-</u>	<u>(65,394)</u>
Net change in fund balances	3,220,719	236,465	(59,198)	(1,153,593)	29,706	-	2,274,099
FUND BALANCES, beginning of year	<u>10,393,161</u>	<u>1,629,352</u>	<u>1,446,464</u>	<u>6,732,832</u>	<u>1,581,915</u>	<u>-</u>	<u>21,783,724</u>
FUND BALANCES, end of year	<u>\$ 13,613,880</u>	<u>\$ 1,865,817</u>	<u>\$ 1,387,266</u>	<u>\$ 5,579,239</u>	<u>\$ 1,611,621</u>	<u>\$ -</u>	<u>\$ 24,057,823</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Change in Net Position Shown in the Statement of Activities

		<u>Year Ended December 31, 2022</u>
Net change in fund balances shown for total governmental funds.		\$ 2,274,099
<p>This amount differs from the change in net position shown in the statement of activities and change in net position because of the following:</p>		
<p>Capital outlays for acquisition of capital assets are recorded in governmental funds as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. This amount represents the difference between expenditures for acquisition of capital assets and depreciation expense for the period.</p>		
	Capital acquisitions 771,288 Net dispositions (43,039) Depreciation expense <u>(1,041,204)</u>	(312,955)
<p>Major revenues are recorded in the governmental funds when they become susceptible to accrual; that is, when they are earned, measurable, and available to provide current financial resources. In the statement of activities, major revenues are recognized when they are earned and measurable, regardless of when they become available. This is the amount by which earned revenues for sales tax and mortgage tax for the current period differs from the amount of prior year earned revenues not recognized as being available in the governmental funds until the current period.</p>		
		(992,420)
<p>Governmental funds report the annual contribution to the System as retirement expense. The prior year contribution is recognized as an expense, as well as the change in the net pension liability and the deferred inflows and deferred outflows created as a result of this change:</p>		
	Change in net pension asset (liability) 1,379,504 Change in deferred outflows of resources (1,016,877) Change in deferred inflows of resources <u>172,064</u>	534,691
<p>Bond proceeds provide current year financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
		164,500
<p>The cost of acquiring inventory of material and supplies is included as expenditures in the governmental funds. In the government-wide financial statements, inventory at year-end is included as an asset.</p>		
		158,146
<p>Some expenses and changes in deferred outflows of resources reported in the statement of activities and change in net position do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These include:</p>		
	Accrued interest 1,644 Compensated absences 19,142 Service awards 837,098 Change in OPEB deferred outflows of resources (3,045,894) Change in OPEB deferred inflows of resources (9,140,037) Other postemployment benefit obligation payable <u>12,130,901</u>	802,854
<p>Internal service fund transactions are reported separately in the fund financial statements. In the government-wide financial statements, internal service fund transactions are included in governmental activities. This is the net result of the internal service fund revenues and expenses that are included in governmental activities.</p>		
		<u>(1,890)</u>
Change in net position of governmental activities		<u>\$ 2,627,025</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Statement of Net Position - Proprietary Funds

	December 31, 2022				Governmental Internal Service
	Business-Type Activities				
	Enterprise Funds				
	Water	Sewer	Landfill	Total	
ASSETS					
Cash and cash equivalents	\$ 3,174,425	\$ 3,056,556	\$ 189,182	\$ 6,420,163	\$ 121,855
Receivables, net	1,395,517	620,803	40,125	2,056,445	-
Due from other funds	9,263	145	-	9,408	-
Investments	394,620	-	507,630	902,250	-
Prepaid expenses	60,063	10,941	6,264	77,268	-
Cash and cash equivalents, restricted	298,618	-	925,560	1,224,178	-
Net pension asset	345,248	48,525	40,437	434,210	-
Leases receivable	1,864,890	-	-	1,864,890	-
Capital assets, not being depreciated	352,623	83,952	85,437	522,012	-
Capital assets, net of accumulated depreciation	20,499,071	11,666,278	315,564	32,480,913	-
Total assets	<u>28,394,338</u>	<u>15,487,200</u>	<u>2,110,199</u>	<u>45,991,737</u>	<u>121,855</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension deferrals	799,045	112,307	93,589	1,004,941	-
OPEB deferrals	1,765,645	249,038	237,844	2,252,527	-
	<u>2,564,690</u>	<u>361,345</u>	<u>331,433</u>	<u>3,257,468</u>	<u>-</u>
LIABILITIES					
Accounts and other payables	169,771	455,893	195,267	820,931	-
Accrued liabilities	49,152	4,688	6,243	60,083	-
Deposits	-	39,751	-	39,751	-
Due to other funds	236	-	-	236	-
Bond anticipation notes payable	1,600,000	399,750	-	1,999,750	-
Interest payable	1,346	29,219	-	30,565	-
Compensated absences	31,540	-	-	31,540	-
Bonds payable	190,000	5,718,969	-	5,908,969	-
Landfill post-closure costs	-	-	48,043	48,043	-
OPEB liability	7,712,390	1,082,495	850,099	9,644,984	-
Total liabilities	<u>9,754,435</u>	<u>7,730,765</u>	<u>1,099,652</u>	<u>18,584,852</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	1,177,487	165,498	137,915	1,480,900	-
Leases	1,863,365	-	-	1,863,365	-
OPEB deferrals	3,962,397	558,882	533,763	5,055,042	-
	<u>7,003,249</u>	<u>724,380</u>	<u>671,678</u>	<u>8,399,307</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	19,061,694	5,631,511	401,001	25,094,206	-
Restricted for					
Capital improvements	298,618	-	925,560	1,224,178	-
Unrestricted (deficit)	<u>(5,158,968)</u>	<u>1,761,889</u>	<u>(656,259)</u>	<u>(4,053,338)</u>	<u>121,855</u>
Total net position	<u>\$ 14,201,344</u>	<u>\$ 7,393,400</u>	<u>\$ 670,302</u>	<u>\$ 22,265,046</u>	<u>\$ 121,855</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Statement of Revenues, Expenditures, and Changes in Net Position - Proprietary Funds

	Year Ended December 31, 2022				Governmental Internal Service
	Business-Type Activities				
	Enterprise Funds				
Water	Sewer	Landfill	Total		
OPERATING REVENUES					
Water sales and services	\$ 4,612,391	\$ -	\$ -	\$ 4,612,391	\$ -
Sewer sales and services	-	2,031,325	-	2,031,325	-
Landfill and transfer station charges	-	-	509,289	509,289	-
Total operating revenues	<u>4,612,391</u>	<u>2,031,325</u>	<u>509,289</u>	<u>7,153,005</u>	<u>-</u>
OPERATING EXPENSES					
Costs of sales and services	4,413,555	1,513,896	543,407	6,470,858	1,927
Depreciation	1,024,595	474,972	13,502	1,513,069	-
Total operating expenses	<u>5,438,150</u>	<u>1,988,868</u>	<u>556,909</u>	<u>7,983,927</u>	<u>1,927</u>
Operating income (loss)	<u>(825,759)</u>	<u>42,457</u>	<u>(47,620)</u>	<u>(830,922)</u>	<u>(1,927)</u>
NONOPERATING REVENUES (EXPENSES)					
Real property taxes levied for water and sewer purposes	822,306	507,044	-	1,329,350	-
Interest earnings	8,968	1,243	7,722	17,933	37
Interest expense	(12,987)	(155,068)	-	(168,055)	-
Total nonoperating revenues	<u>818,287</u>	<u>353,219</u>	<u>7,722</u>	<u>1,179,228</u>	<u>37</u>
Income (loss) before other financing sources (uses)	<u>(7,472)</u>	<u>395,676</u>	<u>(39,898)</u>	<u>348,306</u>	<u>(1,890)</u>
OTHER FINANCING SOURCES (USES)					
Transfers-in	80,853	-	-	80,853	-
Transfers-out	(15,459)	-	-	(15,459)	-
Total other financing sources (uses)	<u>65,394</u>	<u>-</u>	<u>-</u>	<u>65,394</u>	<u>-</u>
CHANGE IN NET POSITION	57,922	395,676	(39,898)	413,700	(1,890)
NET POSITION, <i>beginning of year</i>	<u>14,143,422</u>	<u>6,997,724</u>	<u>710,200</u>	<u>21,851,346</u>	<u>123,745</u>
NET POSITION, <i>end of year</i>	<u>\$ 14,201,344</u>	<u>\$ 7,393,400</u>	<u>\$ 670,302</u>	<u>\$ 22,265,046</u>	<u>\$ 121,855</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Fund Financial Statements Statement of Cash Flows - Proprietary Funds

	Year Ended December 31, 2022				Governmental Internal Service
	Business-Type Activities				
	Enterprise Funds				
	Water	Sewer	Landfill	Total	
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES					
Cash received from customers	\$ 4,300,366	\$ 1,859,486	\$ 507,531	\$ 6,667,383	\$ -
Cash paid to employees	(2,711,126)	(385,863)	(352,668)	(3,449,657)	-
Cash paid to contractors and suppliers	(1,767,493)	(898,261)	(60,076)	(2,725,830)	(1,927)
Net cash provided (used) by operating activities	<u>(178,253)</u>	<u>575,362</u>	<u>94,787</u>	<u>491,896</u>	<u>(1,927)</u>
CASH FLOWS PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES					
Cash received from real property taxes	822,306	507,044	-	1,329,350	-
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(107,369)	-	(242,971)	(350,340)	-
Repayment of bond anticipation note	-	(133,250)	-	(133,250)	-
Principal paid on long-term debt	(187,400)	(373,567)	-	(560,967)	-
Interest paid on long-term debt	(12,987)	(155,068)	-	(168,055)	-
Net cash provided (used) by capital and related financing activities	<u>(242,362)</u>	<u>(661,885)</u>	<u>(242,971)</u>	<u>(1,147,218)</u>	<u>-</u>
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES					
Purchases of investments	(5,683)	-	(7,311)	(12,994)	-
Interest earnings	8,968	1,243	7,722	17,933	37
Net cash provided by investing activities	<u>3,285</u>	<u>1,243</u>	<u>411</u>	<u>4,939</u>	<u>37</u>
Net increase (decrease) in cash and cash equivalents	404,976	421,764	(147,773)	678,967	(1,890)
CASH AND CASH EQUIVALENTS, beginning of year	<u>3,068,067</u>	<u>2,634,792</u>	<u>1,262,515</u>	<u>6,965,374</u>	<u>123,745</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 3,473,043</u>	<u>\$ 3,056,556</u>	<u>\$ 1,114,742</u>	<u>\$ 7,644,341</u>	<u>\$ 121,855</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ (825,759)	\$ 42,457	\$ (47,620)	\$ (830,922)	\$ (1,927)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	1,024,595	474,972	13,502	1,513,069	-
Loss on disposition	-	2,068	-	2,068	-
Changes in assets and liabilities					
Receivables, net	(310,500)	(171,839)	(1,758)	(484,097)	-
Prepaid expenses	15,742	445	167	16,354	-
Pension deferred outflows of resources	257,330	36,168	30,141	323,639	-
OPEB deferred outflows of resources	797,866	111,268	62,411	971,545	-
Accounts and other payables	33,497	209,931	163,002	406,430	-
Accrued liabilities	3,347	45	2,962	6,354	-
Interest payable	(1,253)	2,448	-	1,195	-
Due to/from other activities	(9,227)	(32)	-	(9,259)	-
Compensated absences	2,170	-	-	2,170	-
Deposits	-	30,645	-	30,645	-
OPEB liability	(3,027,527)	(427,020)	(407,829)	(3,862,376)	-
Net pension liability	(349,424)	(49,112)	(40,927)	(439,463)	-
Landfill post-closure costs	-	-	(8,057)	(8,057)	-
Leases deferred inflows of resources	(1,525)	-	-	(1,525)	-
Pension deferred inflows of resources	(43,584)	(6,125)	(5,104)	(54,813)	-
OPEB deferred inflows of resources	2,255,999	319,043	333,897	2,908,939	-
	<u>\$ (178,253)</u>	<u>\$ 575,362</u>	<u>\$ 94,787</u>	<u>\$ 491,896</u>	<u>\$ (1,927)</u>

See accompanying Notes to Financial Statements.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 1 - Organization and Summary of Significant Accounting Policies

The accompanying financial statements of the Town of Queensbury, New York (Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental units as prescribed by the Governmental Accounting Standards Board (GASB), which is the primary standard-setting body for establishing governmental accounting and financial reporting principles.

a. Financial Reporting Entity

The Town, which was established in 1762, is governed by its Town Charter, and other general laws of the State of New York and various local laws. The Town Board, which is the governing body of the Town, consists of the Supervisor and four voting Council persons, all elected. The Town Supervisor serves as the chief executive and fiscal officer. As authorized by Town Law 3 §34, the Town provides the following basic services: public safety, health services, maintenance of Town roads, recreation, home and community service, economic assistance, and other general services.

In evaluating how to define the Town for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in U.S. GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to influence operations significantly, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the Town and/or its citizens, or whether the activity is conducted within geographic boundaries of the Town and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the Town is able to exercise oversight responsibilities. Based on the application of these criteria, the Town has determined it has no component units.

The Economic Development Corporation (EDC) is a not-for-profit corporation created to promote economic development within Warren County. Members of the EDC are not appointed by the Town Board. EDC members have complete responsibility for management of the agency and accountability for fiscal matters. The Town is not liable for EDC bonds or notes. The Town has entered into an agreement with the EDC for services in the amount of \$114,000 for the year ended December 31, 2022. The EDC is not considered a component unit of the Town.

b. Government-Wide and Fund Financial Statements

The governmental reporting model has the following sections: Management's Discussion and Analysis, Government-Wide Financial Statements, and Fund Financial Statements.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

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

b. Government-Wide and Fund Financial Statements - Continued

The government-wide financial statements, which include the statement of net position and the statement of activities, report information on all nonfiduciary activities of the Town, as the primary government. The effect of interfund transactions within the same activities has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support made to customers.

The statement of net position presents the financial condition of the Town's activities at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The statement of activities identifies the net expense or revenue from each activity and identifies the amount of general revenues needed to help finance the specific activities.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate "fund types."

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though fiduciary funds are excluded from the government-wide financial statements. The General Fund and other major individual governmental funds are reported as separate columns in the fund financial statements. All non-major governmental funds are aggregated in one column identified as other governmental funds.

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

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and applicable fiduciary fund financial statements. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recorded in these statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. This measurement focus and basis of accounting are similar to private sector reporting.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances of these funds' present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financial uses) in net current position.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

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

c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

Under the modified accrual basis of accounting, governmental fund revenues are recognized when susceptible to accrual, which is when they become both measurable and available. "Measurable" means the amount of the transaction can be reasonably determined, and "available" means the related cash resources are collectible within the current period or soon enough thereafter to be used to pay current liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected generally within 120 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, sales taxes, and certain intergovernmental revenues are considered to be susceptible to accrual and so have been recognized in the fund financial statements as revenues of the current fiscal period. All other revenue items are considered to be measurable and available generally when the Town receives cash for these revenues, such as fines, permits, and other miscellaneous collections.

The Town reports deferred outflows and inflows of resources on its government-wide financial statements for items related to the net pension liability and other postemployment benefits liability, and deferred inflows of resources in its fund financial statements for certain revenues other than property taxes.

Governmental fund expenditures are recorded when the fund liability is incurred except that:

- Payments for acquisition of inventory type items are recorded as expenditures when the related amounts are due and payable. This method is generally referred to as the "purchase" method, as opposed to the "consumption" method.
- Principal and interest on indebtedness as well as expenditures related to compensated absences and claims and judgments are recorded as expenditures when the related debt service amounts are due and payable, which normally approximates the date the debt is paid.
- Costs of acquiring capital assets are recorded as expenditures when the related acquisition amounts are due and payable.

d. Fund Accounting

The Town's fund types are as follows:

Governmental Funds are those through which most governmental functions are financed. The acquisition, use, and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The Town's governmental funds are as follows:

- The General Fund is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund. This fund operates within the financial limits of an annual budget adopted by the Town Board and includes expenditures for general governmental support and other general Town activities.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

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

d. Fund Accounting - Continued

- Special Revenue Funds are used to account for specific revenues (other than those generated for major capital projects) that are legally restricted to expenditures for particular purposes. The Town utilizes the following special revenue funds:
 - The Special Grant Fund is used to account for federally funded community development block grants and other specially funded programs.
 - The Cemetery Fund is used to account for revenues from sales of cemetery lots, charges for services, and other revenues generated to pay for operation of the Town's various cemeteries.
 - The Highway Fund is used to account for revenues generated to pay for repairs and improvements to Town roads, acquisition and maintenance of highway vehicles and equipment, snow removal, and other transportation services.
 - The Fire Protection Fund is used to account for real property taxes and other revenues generated to pay for contracts for fire protection services, contributions to the service award program, and other related public safety costs.
 - The Lighting District Fund is used to account for real property taxes and other revenues generated within district boundaries to pay for specific street lighting costs.
 - The Aquatic District Fund is used to account for resources generated within the Glen Lake Aquatic Plant Growth Control District for the purposes of controlling non-native, invasive aquatic plant species in Glen Lake.
- The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Financing is generally provided from proceeds of bonds, notes, federal and state grants, and transfers from other governmental funds.

In addition to the General Fund, the Town considers the Highway Fund, Capital Projects Fund, and the Fire Protection Fund to be major governmental funds.

- Proprietary Funds represent the Town's business-type activities and include enterprise funds and internal service funds. Enterprise funds are used to report activities for which fees are charged to external customers for goods and services provided, and the Town's fee pricing policies are established to recover costs of providing such goods and services, including capital costs such as depreciation or debt service. Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues are charged to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Town of Queensbury, New York

Notes to Financial Statements

December 31, 2022

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

d. Fund Accounting - Continued

The Town reports the following enterprise funds:

- The Water District Fund is used to report operations of the Town's water treatment and supply facilities that provide drinking water to Town residents within established water districts, as well as to certain local communities outside the Town's corporate boundaries. Users of the water system, inside and outside of Town limits, are charged certain user fees and assessments to pay for water operations. The fund also records revenues and expenses associated with extending water lines, making improvements to the water treatment facilities, and other capital expenses.
- The Sewer District Fund is used to report operations of the Town's sanitary sewer system that are provided to Town residents located within established sewer districts. The Town contracts with the City of Glens Falls, New York, for treatment and disposal at the City's wastewater treatment facility. Users of the sewer system are charged certain user fees and assessments to pay for sewer operations.
- The Landfill/Transfer Station Fund is used to report refuse and garbage disposal services and recycling operations at the Town's transfer stations and landfill. Certain user fees are charged to customers to pay for these services.

The Town considers each of the three enterprise funds to be major proprietary funds.

The Town maintains one internal service fund to account for certain workers' compensation and unemployment insurance costs.

- Fiduciary Funds are used to report resources that are held by the Town in a trustee or agency capacity for others and cannot be used to support the Town's own programs. The Town did not maintain any fiduciary during 2022.

In addition to the various funds, the Town also maintains schedules of non-current governmental assets and non-current governmental liabilities. Non-current governmental assets include capital assets used in governmental activities, and non-current governmental liabilities include bonds, retirement system debt, accumulated sick and compensatory time, and other long-term debt used to finance governmental activities. These non-current governmental assets and liabilities are included under governmental activities in the government-wide statement of net position.

e. Property Taxes

Taxes for Town purposes are based on Town budget requirements. Taxes are collected by the Town until April 1, at which time all unpaid taxes are returned to the County, which is responsible for all uncollected taxes. The following calendar pertains to Town real property taxes.

Valuation date	January 1
Taxable status date	March 1
Exemption filing date	March 1
Final roll date	July 1
Date taxes due	January 1
Date penalty periods begin	February 1

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

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

f. Budgetary Accounting

Prior to October 5 of each year, the Budget Officer submits to the Town Clerk and Board a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers' comments. Prior to November 20, the budget is adopted by the Town Board. The Town Board must approve all modifications of the budget.

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

g. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Open encumbrances at year-end are reported as reservations of fund balances since the commitments do not constitute expenditures or liabilities.

h. Estimates

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

i. Leases Receivable

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term, discounted by the explicit or implicit interest rate in the agreement or the Town's incremental borrowing rate at lease inception. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The Town monitors changes in circumstances that would require a remeasurement of its leases and will remeasure a lease receivable and related deferred inflows of resources if changes occur that are expected to significantly affect the amount of the lease receivable.

j. Capital Assets and Depreciation

Property, plant, and equipment of all funds are stated at historical cost or estimated cost. Donated fixed assets are stated at their fair value on the date donated. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets ranging from 3 to 50 years.

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over its fair value. There were no impairments of long-lived assets as of December 31, 2022.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

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

k. Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future period. The Town's deferred outflows of resources represent deferred costs related to the change in the net pension liability and other postemployment benefits liability.

The Town's deferred inflows of resources arise when potential revenue does not meet both of the "measurable" and "available" criteria for recognition in the current period as defined in Note 1b. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the deferred inflow is removed from the balance sheet, and revenue is recognized.

Deferred inflows of resources in the General Fund represent property tax revenue that was not considered available. Deferred inflows of resources in the government-wide financial statements represent amounts related to the change in the net pension liability, leases, and other postemployment benefits liability.

l. Compensated Absences

Town employees are granted vacation and sick leave in varying amounts. In the event of voluntary separation, an employee is entitled to payment for accumulated vacation time at various rates subject to certain maximum limitations. Upon retirement, an employee is entitled to payment for accumulated vacation and sick leave at various rates subject to certain maximum limitations. The liability for accumulated vacation, vested sick benefits, and related benefits related to governmental activities has been recorded in the government-wide financial statements. For proprietary funds, the liability is recognized within the respective fund.

m. Other Postemployment Benefits (OPEB)

In addition to providing pension benefits, the Town provides certain health care benefits to retired employees and their dependents. Substantially all Town employees may become eligible for those benefits if they reach normal retirement age while working for the Town. The Town recognizes the cost of postemployment benefits in the financial statements in the periods in which the exchange occurs, rather than in the periods when the benefits are paid. The Town amortizes prior service costs over a period of thirty years.

n. Pensions

The Town is a participating employer in the New York State and Local Retirement System (System). Employees in permanent positions are required to enroll in the System, and employees in part-time or seasonal positions have the option of enrolling in the System. The System is a cost sharing, multiple-employer, public employee defined benefit retirement system. The impact on the Town's financial position and results of operations due to its participation in the System is more fully disclosed in Note 9.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

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

o. Fund Balance

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

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

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

p. Net Position

Net position balances at the government-wide level and for enterprise funds are reported in the following three categories:

- Restricted - Net position is reported as restricted when constraints placed on net position use are either:
 - (i) Externally imposed by creditors (such as debt covenants), grantors, contributors, laws, or regulations of other governments; or
 - (ii) Imposed by law through constitutional provisions or enabling legislation.
- Net investment in capital assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Unrestricted - Is the amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted components of net position.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

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

q. Unearned Revenue

Unearned revenues represent amounts received by the Town under the American Rescue Plan Act (ARPA). The use of such funds is subject to eligibility requirements and will be recognized into income when such requirements are met.

r. Adoption of Accounting Standard

For the year ended December 31, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the 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. Upon adoption, the Town recorded leases receivable and deferred inflows of resources approximating \$1,267,000.

s. Subsequent Events

Management has evaluated subsequent events for potential recognition or disclosure through September 19, 2023, the date the financial statements were available to be issued.

Note 2 - Cash, Cash Equivalents, and Investments

The Town's investment policies are governed by state statutes. The Town's monies must be deposited in Federal Deposit Insurance Corporation (FDIC)-insured commercial banks or trust companies located within the state. The Budget Officer is authorized to use demand accounts, certificates of deposit, obligations of the United States of America, New York State and local municipalities and school districts, certificates of participation, and repurchase agreements with certain restrictions.

Collateral is required for demand deposits and certificates of deposit at 100% of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of any state and its municipalities and school districts.

The Town's cash and cash equivalents are defined as restricted and unrestricted short-term, highly liquid investments that are readily convertible to known amounts of cash at maturity (with maturity being no greater than 90 days when purchased).

During 2022, cash and cash equivalents were either insured by federal depository insurance or collateralized by assets of the Town's agent in the Town's name.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 2 - Cash, Cash Equivalents, and Investments - Continued

Investments of the Town at December 31, 2022 of \$2,029,930 (General Fund) \$394,620 (Water Fund) and \$507,630 (Landfill Fund) were held in the New York Cooperative Liquid Asset Securities System (NYCLASS), a cooperative investment program. Investments held by NYCLASS are measured at fair value using amortized cost as reported by NYCLASS. NYCLASS is subject to the Municipal Cooperation Agreement Amended and Restated as of March 14, 2014 (the Agreement) and is structured in accordance with New York State General Municipal Law (GML), Article 3-A and Article 5-G, Sections 119-n and o, and Chapter 623 of the Laws of 1998. All NYCLASS investment and custodial policies are in accordance with GML, Sections 10 and 11 (as amended by Chapter 708 of the Laws of 1992). NYCLASS is rated 'AAA' by S&P Global Ratings. Participants are allowed to conduct transactions (deposits, withdrawal, or transfers) on a normal business day.

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Note 3 - Fair Value Measurements

The framework for measuring fair value includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of inputs used to measure fair value are as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Town has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3 Inputs to the valuation methodology are unobservable inputs and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 3 - Fair Value Measurements - Continued

The investments held within the Town's Length of Service Awards Program (LOSAP) at December 31, 2022 are categorized as Level 1 in the fair value hierarchy with fair value determined by the active markets. Money market funds are reported at carrying amounts which reasonably estimate fair value. The composition of benefit trust investments, investment information, and fair values is presented in Note 11.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents the Town's Volunteer Firefighter Awards Program (See Note 11) investments at December 31, 2022:

	Level 1	Level 2	Level 3	Total
U.S. Equities	\$ 1,909,980	\$ -	\$ -	\$ 1,909,980
Corporate Bonds	810,188	-	-	810,188
Cash and Money Market Funds	148,113	-	-	148,113
Investments, at fair value	\$ 2,868,281	\$ -	\$ -	\$ 2,868,281

The Town's investments with NYCLASS are not required to be categorized within the fair value hierarchy in accordance with GASB Statement No. 72.

Note 4 - Due From Other Governments

Due from other governments, classified on the statement of net position within receivables, consist of the following at December 31, 2022:

	Governmental Activities	Business-Type Activities
Sales and mortgage tax	\$ 3,885,069	\$ -
State aid - Highway	717,498	-
Other	128,124	40,125
Water and sewer rents and relieves	-	2,016,320
	\$ 4,730,691	\$ 2,056,445

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 5 - Restricted Assets

Restricted assets consist of cash and cash equivalents and investments for the following:

	Restricted Balance	Restriction
General Fund	\$ 4,749,609	Capital and other
Water Fund	298,618	Capital
Landfill Fund	925,560	Capital
Cemetery Fund	679,608	Perpetual care
Total restricted assets	\$ 6,653,395	

Note 6 - Capital Assets

A summary of changes in capital assets is as follows:

	Balance January 1, 2022	Additions	Reclassifications/ Retirements	Balance December 31, 2022
Governmental Activities				
Work in progress	\$ 4,743,107	\$ 683,421	\$ (4,087,529)	\$ 1,338,999
Land	4,471,908	-	-	4,471,908
Buildings	6,142,338	4,055,915	(11,556)	10,186,697
Improvements	1,833,366	-	-	1,833,366
Machinery and equipment	9,606,272	119,481	(147,624)	9,578,129
Infrastructure	8,502,309	-	-	8,502,309
	35,299,300	4,858,817	(4,246,709)	35,911,408
Business-Type Activities				
Work in progress	-	65,394	-	65,394
Land	456,619	-	-	456,619
Buildings	1,931,394	-	-	1,931,394
Improvements	12,407	-	-	12,407
Machinery and equipment	1,939,354	284,946	(67,720)	2,156,580
Infrastructure	70,084,108	-	-	70,084,108
	74,423,882	350,340	(67,720)	74,706,502
Accumulated Depreciation				
Governmental Activities				
Buildings	4,229,050	145,128	(11,556)	4,362,622
Improvements	1,026,207	66,855	-	1,093,062
Machinery and equipment	6,262,299	588,861	(104,585)	6,746,575
Infrastructure	6,123,781	240,360	-	6,364,141
	17,641,337	1,041,204	(116,141)	18,566,400
Accumulated Depreciation				
Business-Type Activities				
Buildings	1,273,005	39,879	-	1,312,884
Improvements	3,360	3,102	-	6,462
Machinery and equipment	1,571,217	88,273	(65,654)	1,593,836
Infrastructure	37,408,578	1,381,814	-	38,790,392
	40,256,160	1,513,068	(65,654)	41,703,574
Capital assets, net	\$ 51,825,685	\$ 2,654,885	\$ (4,132,634)	\$ 50,347,936

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 6 - Capital Assets - Continued

Depreciation expense for 2022 was charged to functions of the primary government as follows:

General governmental support	\$	120,671
Public safety		22,273
Transportation		710,310
Culture and recreation		144,254
Home and community service		43,696
		43,696
	\$	1,041,204

Note 7 - Leases

The Town is a party to long-term leasing arrangements, as the lessor, for the placement of cellular equipment on Town owned property. The leases provide for escalating annual payments to the Town over both the initial periods and optional renewal periods. Renewal options under the leases are reasonably certain to be exercised. The leases did not contain provisions for interest and the incremental borrowing rates of the lessees' was not determinable; accordingly, the Town estimated its incremental borrowing rate under the leases to be 2.68% and 6.86%, respectively. At December 31, 2022, leases receivable and deferred inflows of resources related to the leases were \$1,864,890 and \$1,863,365, respectively.

The Town recognized lease and related interest revenue of approximately \$41,000 and \$2,000, respectively, during the year ended December 31, 2022.

Future annual lease payments under the Town's leases at December 31, 2022 are as follows:

	Principal	Interest	Total
2023	\$ 36,798	\$ 7,187	\$ 43,985
2024	37,551	7,007	44,558
2025	38,324	6,825	45,149
2026	44,094	6,639	50,733
2027	44,942	6,418	51,360
2028-2032	250,193	28,620	278,813
2033-2037	307,998	21,790	329,788
2038-2042	316,629	13,369	329,998
2043-2047	174,593	8,578	183,171
2048-2052	205,990	6,355	212,345
2053-2057	242,431	3,735	246,166
2058-2061	165,347	795	166,142
	165,347	795	166,142
Total	\$ 1,864,890	\$ 117,318	\$ 1,982,208

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 8 - Long-Term Liabilities

Governmental activities long-term liabilities consisted of the following at December 31, 2022:

	Balance January 1, 2022	Additions	Retirements	Balance December 31, 2022	Due Within One Year
Bonds payable (a)	\$ 2,116,000	\$ -	\$ (164,500)	\$ 1,951,500	\$ 172,000
Net pension liability	16,484	-	(16,484)	-	-
OPEB liability (c)	42,400,595	2,368,940	(14,499,841)	30,269,694	-
	<u>\$ 44,533,079</u>	<u>\$ 2,368,940</u>	<u>\$ (14,680,825)</u>	<u>\$ 32,221,194</u>	<u>\$ 172,000</u>

Business-type activities long-term liabilities consisted of the following at December 31, 2022:

	Balance January 1, 2022	Additions	Retirements	Balance December 31, 2022	Due Within One Year
Bonds payable (a)	\$ 6,469,936	\$ -	\$ (560,967)	\$ 5,908,969	\$ 572,769
Landfill post-closure costs (b)	56,100	-	(8,057)	48,043	-
Net pension liability	5,253	-	(5,253)	-	-
OPEB liability (c)	13,507,360	754,250	(4,616,626)	9,644,984	-
	<u>\$ 20,038,649</u>	<u>\$ 754,250</u>	<u>\$ (5,190,903)</u>	<u>\$ 15,601,996</u>	<u>\$ 572,769</u>

a. Bonds Payable

Governmental activities bonds payable are comprised of the following at December 31, 2022:

Serial Bonds	Date Issued	Original Amount	Interest Rate	Maturity	Balance December 31, 2022
Main Street	7/17/2013	\$ 3,319,000	3.00 to 4.00%	2032	<u>\$ 1,951,500</u>

Future debt service requirements related to governmental activities bonds payable are as follows:

	Principal	Interest	Total
2023	\$ 172,000	\$ 66,751	\$ 238,751
2024	175,500	61,539	237,039
2025	179,000	55,998	234,998
2026	186,000	49,834	235,834
2027	193,500	43,193	236,693
2028-2032	1,045,500	104,436	1,149,936
Total	<u>\$ 1,951,500</u>	<u>\$ 381,751</u>	<u>\$ 2,333,251</u>

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 8 - Long-Term Liabilities - Continued

a. Bonds Payable - Continued

Business-type activities bonds payable are comprised of the following at December 31, 2022:

State Loans Payable	Date Issued	Original Amount	Interest Rate	Maturity	Balance December 31, 2022
Shore Colony Water District	12/15/2003	\$ 2,880,333	2.0 to 2.125%	2023	\$ 190,000
Queensbury Avenue Sewer	3/4/2004	1,362,591	4.00%	2033	540,000
Route 9 Sewer	7/17/2006	4,912,000	2.49 to 4.13%	2035	2,595,000
<u>Serial Bonds</u>					
West Queensbury Sewer	7/17/2013	\$ 1,316,500	3.00 to 4.00%	2032	773,500
Sewer Force Main	12/21/2016	930,000	2.93%	2031	605,469
Carey Road Sewer Improvements	6/24/2020	1,293,400	2.00 to 4.00%	2045	1,205,000
					<u>\$ 5,908,969</u>

Future debt service requirements related to business-type activities bonds payable are as follows:

	Principal	Interest	Total
2023	\$ 572,769	\$ 159,235	\$ 732,004
2024	391,020	144,579	535,599
2025	404,323	133,355	537,678
2026	414,178	121,226	535,404
2027	423,588	108,699	532,287
2028-2032	2,228,091	342,053	2,570,144
2033-2037	1,005,000	93,826	1,098,826
2038-2042	285,000	38,709	323,709
2043-2045	185,000	6,914	191,914
Total	<u>\$ 5,908,969</u>	<u>\$ 1,148,596</u>	<u>\$ 7,057,565</u>

b. Landfill Post-Closure Care Costs

State and federal laws and regulations require the Town to place a final cover on its Ridge Road landfill site and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The Town ceased operations at the landfill in 1993 and completed closure in 1997. Landfill post-closure care costs of \$48,043 reported at December 31, 2022 represent the remaining estimated cost to perform post-closure care. These estimated amounts are based on what it would cost to perform post-closure care as of December 31, 2022. Actual post-closure care costs may differ due to inflation, changes in technology, or changes in regulations.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 8 - Long-Term Liabilities - Continued

c. Other Postemployment Benefits

Plan Description and Annual OPEB Cost

In addition to providing retirement benefits, the Town provides medical and Medicare Part B benefits to its eligible retirees. The benefits are provided through fully insured plans. To be eligible for such coverage, the retiring employee must be age fifty-five or older, eligible to receive a pension from the New York State Employees' Retirement System (NYSERS) and have at least ten to fifteen years of service with the Town; or the retiring employee must be age fifty or older, eligible to receive a pension from NYSERS, and have at least thirty years of service with the Town.

The Town pays a portion of the retirees' and their dependents' medical benefits depending on the employee group. The Town also reimburses the retiree for a portion of the Medicare Part B premium. The spouse may be permitted to continue coverage following the death of the retired employee provided that the retiree had 20 or more years of service at the time of retirement.

A summary of active employees and retired employees covered under the plan are as follows:

Active employees	128	
Retired employees	80	
	208	
	208	

The Town recognizes the cost of providing health insurance annually as expenditures in various funds in its financial statements as payments are made. For the year ended December 31, 2022, the Town recognized \$865,736 for its share of insurance premiums for currently enrolled retirees. The Town is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees.

At December 31, 2022, the Town reported a liability of \$30,269,694 and \$9,644,984 for its OPEB liability in the governmental activities and business-type activities, respectively. The OPEB liability was measured as of December 31, 2022 by an actuarial valuation using census data information as of January 1, 2021. For the year ended December 31, 2022, the Town recognized OPEB expense (credit) of \$(11,000,403) and \$(3,502,321) in the governmental activities and business-type activities, respectively. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,325,711	\$ 13,671,389
Changes of assumptions	2,748,996	2,205,406
Total	\$ 7,074,707	\$ 15,876,795

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 8 - Long-Term Liabilities - Continued

c. *Other Postemployment Benefits - Continued*

Plan Description and Annual OPEB Cost - Continued

	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,377,270	\$ 4,352,857
Changes of assumptions	875,257	702,185
Total	\$ 2,252,527	\$ 5,055,042

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

	Governmental Activities	Business Type-Activities	Total
Year ending December 31,			
2023	\$ (1,182,605)	\$ (376,532)	\$ (1,559,137)
2024	(1,856,436)	(591,073)	(2,447,509)
2025	(2,774,961)	(883,524)	(3,658,485)
2026	(2,846,449)	(906,285)	(3,752,734)
2027	(141,636)	(45,096)	(186,732)
Thereafter	(1)	(5)	(6)
Total	\$ (8,802,088)	\$ (2,802,515)	\$ (11,604,603)

The total OPEB liability at December 31, 2022 was determined using the following actuarial assumptions:

Discount rate	3.72% based on the <i>Bond Buyer 20-Bond General Obligation Index</i> based on the 20 year AA municipal bond rate ats of December 31, 2022.
Healthcare cost trend rates:	
Pre 65	2.49%
Post 65	(2.01%)
2024 trend (Pre 65/Post 65)	7.50% / 4.54%
Ultimate trend	4.54%
Year ultimate trend is reached (Pre 65/Post 65)	2090 / 2023
Salary increases for:	
2021	3.00%
2022	4.00%
2023	5.00%
Years thereafter	3.00%
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.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 8 - Long-Term Liabilities - Continued

c. Other Postemployment Benefits - Continued

Plan Description and Annual OPEB Cost - Continued

Actuarial valuations involve estimates and assumptions about the probability of events far into the future and are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future. These calculations are designed to reduce short-term volatility in actuarial accrued liabilities. Projected benefits are based on the types of benefits provided at the time of each valuation and on the cost-sharing provisions then in effect.

Changes in the net OPEB liability are as follows:

	<u>Governmental Activities</u>	<u>Business Type-Activities</u>	<u>Total</u>
Balance as of January 1, 2022	<u>\$ 42,400,595</u>	<u>\$ 13,507,360</u>	<u>\$ 55,907,955</u>
Changes for the year			
Service cost	1,262,813	402,069	1,664,882
Interest	1,106,126	352,181	1,458,307
Assumption changes	(13,368,982)	(4,256,571)	(17,625,553)
Benefit payments	<u>(1,130,858)</u>	<u>(360,055)</u>	<u>(1,490,913)</u>
Net changes	<u>(12,130,901)</u>	<u>(3,862,376)</u>	<u>(15,993,277)</u>
Balance as of December 31, 2022	<u>\$ 30,269,694</u>	<u>\$ 9,644,984</u>	<u>\$ 39,914,678</u>

The following presents the OPEB liability of the Plan as of December 31, 2022 using current health care cost trend rates as well as what the OPEB liability would be if it were calculated using health care cost trend rates 1% lower or 1% higher than the current rates:

	<u>1% Decrease</u>	<u>Current Rates</u>	<u>1% Increase</u>
OPEB liability			
Governmental Activities	\$ 25,728,893	\$ 30,269,694	\$ 35,998,032
Business-Type Activities	<u>8,191,863</u>	<u>9,644,984</u>	<u>11,461,469</u>
	<u>\$ 33,920,756</u>	<u>\$ 39,914,678</u>	<u>\$ 47,459,501</u>

The following presents the OPEB liability of the plan as of December 31, 2022 calculated using the discount rate of 3.72%, as well as what the 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 rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
OPEB liability			
Governmental Activities	\$ 34,614,263	\$ 30,269,694	\$ 26,755,057
Business-Type Activities	<u>11,020,889</u>	<u>9,644,984</u>	<u>8,518,584</u>
	<u>\$ 45,635,152</u>	<u>\$ 39,914,678</u>	<u>\$ 35,273,641</u>

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 9 - Reserved Fund Balances

Encumbrances

The governmental funds include a reserve for encumbrances equal to an amount reserved to satisfy purchase orders and other commitments for goods and/or services to be received in the following year.

Capital Reserves

Capital reserves have been established for the following capital projects:

General Fund	
Recreation assessment	\$ 78,649
Capital	4,541,025
Town wide drainage	126,301
Highway garage	3,634
	<hr/>
	4,749,609
	<hr/>
Water Fund	
Equipment	289,952
Capital	8,666
	<hr/>
	298,618
	<hr/>
Landfill Fund	
Landfill closure	767,511
Equipment	158,049
	<hr/>
	925,560
	<hr/>
	\$ 5,973,787
	<hr/>

Reserve for Perpetual Care

The Cemetery Fund has a reserve for perpetual care of \$679,608.

Note 10 - Retirement Benefits

a. Plan Description and Benefits Provided

The Town participates in the System, which is a cost-sharing multiple-employer, public employee retirement system. The System provides retirement benefits as well as death and disability benefits. New York State Retirement and Social Security Law govern obligations of employers and employees to contribute and provide benefits to employees. The System issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained from the System at www.osc.state.ny.us/retire.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 10 - Retirement Benefits - Continued

a. Plan Description and Benefits Provided - Continued

The System provides retirement, disability, and death benefits for eligible members, including an automatic cost of living adjustment. In general, retirement benefits are determined based on an employee's individual circumstances using a pension factor, age factor, and final average salary. The benefits vary depending on the individual's employment tier. Pension factors are determined based on tier and an employee's years of service, among other factors.

b. Contributions

The System is noncontributory except for employees who joined after July 26, 1976, who contribute 3% of their salary for the first ten years of membership, employees who joined between January 1, 2010 and April 1, 2012, who contribute 3% of their salary for the entire length of service, and employees who joined after April 1, 2012 who contribute between 3% and 6% of their earned wages for the entire length of their career.

The Comptroller annually certifies the rates, expressed as proportions of payroll of members, which are used in computing the contributions required to be made by employers. The Town's contributions for the current year and two preceding years were:

2022	\$ 835,808
2021	1,122,788
2020	960,219

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

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

At December 31, 2022, the Town reported an asset in the governmental activities and business-type activities of \$1,363,020 and \$434,210, respectively. The net pension asset was measured as of March 31, 2022, and the total pension liability was determined by an actuarial valuation as of April 1, 2021. The Town's proportion of the net pension liability was based on the ratio of its actuarially determined employer contribution to the System's total actuarially determined employer contribution for the fiscal year ended on the measurement date. At the March 31, 2022 measurement date, the Town's proportionate share was 0.0219856%.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 10 - Retirement Benefits - Continued

c. Pension Assets, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions - Continued

For the year ended December 31, 2022, the Town recognized pension expense on the accrual basis of accounting in the governmental activities and business-type activities of \$851,623 and \$215,698, respectively. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to the net pension liability as follows:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 103,224	\$ 133,886
Changes of assumptions	2,274,727	38,383
Net differences between projected and actual investment earnings on pension plan investments	-	4,463,317
Changes in proportion and differences between employer contributions and proportionate share of contributions	142,757	13,068
Town contributions subsequent to the measurement date	633,877	-
Total	\$ 3,154,585	\$ 4,648,654
	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 32,883	\$ 42,652
Changes of assumptions	724,649	12,227
Net differences between projected and actual investment earnings on pension plan investments	-	1,421,858
Changes in proportion and differences between employer contributions and proportionate share of contributions	45,477	4,163
Town contributions subsequent to the measurement date	201,932	-
Total	\$ 1,004,941	\$ 1,480,900

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 10 - Retirement Benefits - Continued

c. Pension Assets, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions - Continued

Town contributions subsequent to the measurement date will be recognized as an adjustment of the net pension asset in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Governmental Activities	Business Type-Activities	Total
Year ending December 31,			
2023	\$ (305,421)	\$ (97,297)	\$ (402,718)
2024	(467,412)	(148,901)	(616,313)
2025	(1,133,874)	(361,213)	(1,495,087)
2026	(221,239)	(70,480)	(291,719)
Total	\$ (2,127,946)	\$ (677,891)	\$ (2,805,837)

d. Actuarial Assumptions

The actuarial assumptions used in the April 1, 2021 valuation, with updated procedures to roll forward the total pension asset to March 31, 2022, were based on the results of an actuarial experience study for the period April 1, 2015 to March 31, 2020. The valuation used the following assumptions:

Actuarial cost method	Aggregate cost method
Inflation rate	2.7 percent
Salary scale	4.4 percent, indexed by service
Investment rate of return, including inflation	5.9 percent compounded annually, net of expenses
Cost of living adjustment	1.4% annually
Decrement	Based on FY 2015-2020 experience
Mortality improvement	Society of Actuaries Scale MP-2020

e. Investment Asset Allocation

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

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 10 - Retirement Benefits - Continued

e. Investment Asset Allocation - Continued

Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2022 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	32.00%	3.30%
International equity	15.00%	5.85%
Private equity	10.00%	6.50%
Real estate	9.00%	5.00%
Opportunistic/absolute return strategy	3.00%	4.10%
Credit	4.00%	3.78%
Real assets	3.00%	5.80%
Fixed income	23.00%	0.00%
Cash	1.00%	-1.00%
	100.00%	

f. Discount Rate

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

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

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

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Town's proportionate share of the net pension liability (asset)			
Governmental activities	\$ 3,508,397	\$ (1,363,020)	\$ (5,437,724)
Business-type activities	1,117,654	(434,210)	(1,732,271)
	\$ 4,626,051	\$ (1,797,230)	\$ (7,169,995)

Town of Queensbury, New York

Notes to Financial Statements

December 31, 2022

Note 10 - Retirement Benefits - Continued

h. Pension Plan Fiduciary Net Position

The components of the current-year net pension asset of the New York State and Local Employees' Retirement System as of March 31, 2022 were as follows (amounts in thousands):

Employers' total pension liability	\$ 223,874,888
Plan net position	<u>(232,049,473)</u>
Employers' net pension asset	<u>\$ (8,174,585)</u>
Ratio of plan net position to the employers' total pension liability	<u>103.65%</u>

Note 11 - Volunteer Firefighter Awards Program

The Town established a defined contribution Service Award Program (referred to as a LOSAP - Length of Service Awards Program - under Section 457(e)(11) of the Internal Revenue Code) effective January 1, 1990, for the active volunteer firefighter members of the Bay Ridge, Central Queensbury, North Queensbury, South Queensbury, and West Glens Falls Fire Companies. The program was established pursuant to Article 11-A of the New York State General Municipal Law. The program provides municipally-funded deferred compensation to volunteer firefighters to facilitate the recruitment and retention of active volunteer firefighters. Funds deposited into the program cannot be revoked by the Fire District; however, the funds may be subject to the claims made by the Town's general unsecured creditors. The Town is the sponsor of the program and the program administrator.

Program Description

Participation, Vesting, and Service Credit

In a defined contribution LOSAP, each participant has an individual program account. An eligible program participant is defined by the program sponsor to be an active volunteer firefighter who is at least 18 years of age and has earned one year of service award program service credit. Each participant's individual program account is credited with a service award contribution as of the end of each year during which the volunteer met the requirements to earn a year of service award program service credit. The participant is paid his or her account balance upon attainment of the entitlement age. The program's entitlement age is 62. The amount paid will vary depending upon the number of years of service credit earned by the volunteer and the investment income (less administrative and/or investment expenses not paid by the Fire District) earned by the program assets and allocated to the participant's program account.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 11 - Volunteer Firefighter Awards Program - Continued

Program Description - Continued

Benefits

Participants acquire a non-forfeitable right to be paid their program account balance after earning credit for five (5) years of service or upon attaining the program's entitlement age while an active volunteer. An active volunteer firefighter earns a year of service award program service credit calendar year after the establishment of the program in which he or she accumulates fifty or more points. Points are granted for the performance of certain firefighter activities in accordance with a system established by the sponsor on the basis of a statutory list of activities and point values. A participant may also receive service award program credit for five (5) years of active volunteer firefighting service rendered prior to the establishment of the program as an active volunteer firefighter of the Bay Ridge, Queensbury Central, North Queensbury, South Queensbury, or West Glens Falls Fire Companies.

A participant's benefit under the program is his or her program account balance paid upon attainment of the entitlement age in a lump sum to the participant. The annual contribution paid by the Fire District and credited to the account of a participant who earned fifty points during a calendar year is currently \$700. The maximum number of years of service credit a participant may earn under the program is 40 years. Currently, there are no other forms of payment of a volunteer's earned service award under the program.

Except in the case of pre-entitlement age death or total and permanent disablement, a participant's account balance will not be paid until a participant attains the entitlement age. The program provides lump sum death and disability benefits equal to the participant's program account balance as of the December, 31 preceding the date of death or disablement. The program does not provide extra line-of-duty death or disability benefits. All death and disability benefits are self-insured and are paid from the program trust fund.

For a complete explanation of the program see the program document, a copy of which is available from the Town Supervisor.

Fiduciary Investment and Control

After the end of each calendar year, each fire company prepares and certifies a list of names of all persons who were active volunteer members of the fire company during the year indicating which volunteers earned fifty points. The certified list is delivered to the Town Board for the Board's review and approval. The fire company must maintain the point system records to verify each volunteer's points on forms provided and/or approved by the Town Board.

The Town Board has retained Penflex, Inc. to assist in the administration of the program. The services provided by Penflex, Inc. are described in an agreement between Penflex, Inc. and the Town.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 11 - Volunteer Firefighter Awards Program - Continued

Fiduciary Investment and Control - Continued

Based on the certified calendar year volunteer firefighter listings, Penflex, Inc. determines and certifies in writing to the Town Board the amount of the service award to be paid to the participant or to a participant's designated beneficiary. The person(s) authorized by the Town Board then authorizes, in writing, the custodian of the Town's Volunteer Firefighter Service Award Program trust fund to pay the service award. No service award benefit payment is made without the written certification from Penflex, Inc. and the written directive from the authorized representative of the Town.

Penflex, Inc. bills the Town for the services it provides. Penflex, Inc.'s invoices are authorized for payment by the Town in the same manner as any other invoice presented to the Town for payment. The Town pays Penflex, Inc. invoices from its Fire Protection District Fund.

Program assets are required to be held in trust by Article 11-A, for the exclusive purpose of providing benefits to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The Town created a Service Awards Program Trust Fund through the adoption of a Trust Document, a copy of which is available from the Town Supervisor. The Town Board is the Program Trustee.

Authority to invest the program assets is vested in the Program Trustee. Program assets are invested in accordance with a statutory prudent person rule and in accordance with the written investment policy statement adopted by the Town.

The Town has retained Glens Falls National Bank to provide investment management and custodial services as well to pay benefits to participants.

Program Financial Condition

Net assets available for benefits are as follows:

	% of Total	
Cash and money market	5%	\$ 148,113
Equities	67%	1,909,980
Fixed income	28%	810,188
Interest receivable and other assets	0%	3,133
		<u>2,871,414</u>
Benefits payable		<u>(28,020)</u>
Total net assets available for benefits		<u><u>\$ 2,843,394</u></u>

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 11 - Volunteer Firefighter Awards Program - Continued

Program Financial Condition - Continued

Changes in net assets available for benefits
were as follows:

Plan contributions	\$ 67,414
Change in plan contributions receivable	(67,414)
Investment income earned	72,714
Net depreciation in market value of securities	(484,799)
Administrative fees	(17,080)
Benefits paid	<u>(233,570)</u>

Change in net assets available for benefits (662,736)

Net assets available for benefits, *beginning of year* 3,506,129

Net assets available for benefits, *end of year* \$ 2,843,393

Contributions

Amount of sponsor's required contributions	\$ 67,414
Amount of sponsor's actual contributions	67,414

Administration fees

Fees paid to administrative/actuarial services provider	\$ 7,965
Fees paid for investment management	15,980
Other administrative fees paid	1,100

Note 12 - Volunteer Ambulance Worker Service Award Program

In connection with service contracts between the Town and local volunteer ambulance workers, the Town implemented a volunteer ambulance worker service award program on January 25, 1996, effective January 1, 1994. The program is a defined contribution retirement plan, covering volunteer ambulance workers who have earned 50 service credits and who are at least 18 years of age. The annual contribution is \$700 per calendar year for each volunteer ambulance worker who earned 50 service credits during the year. There were no contributions to the plan for the year ended December 31, 2022. Service award program assets of \$842,419 are held by Glens Falls National Bank pursuant to a Trust Agreement.

Note 13 - Tax Abatements

Certain property values in the Town have been reduced as the result of payment in-lieu of tax (PILOT) agreements entered into by the EDC for the purpose of general economic development. These agreements reduce the assessed value of the properties for all taxing agencies in Warren County, including the Town. As a result of the agreement, the Town receives a PILOT payment, which is equal to the reduced assessed value times the Town's levied tax rate.

There were no significant abatements in effect during the year ended December 31, 2022.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 14 - Operating Transfers

During the course of normal operations, the Town records numerous transactions between funds, including expenditures for the provision of services as well as transfers between funds to finance various projects or debt payments.

Transfers and interfund balances arising from these transactions as of December 31, 2022, were as follows:

	Interfund Receivable	Interfund Payable	Operating Transfer In	Operating Transfer Out
General	\$ 411,435	\$ 47,263	\$ 24,560	\$ 5,428,164
Highway	-	-	4,240,800	-
Capital Projects	38,000	319,960	893,017	24,559
Other Governmental Funds	-	91,384	243,500	14,548
Water	9,263	236	80,853	15,459
Sewer	145	-	-	-
	\$ 458,843	\$ 458,843	\$ 5,482,730	\$ 5,482,730

Note 15 - Contingencies, Risks, and Uncertainties

a. *Lawsuits*

From time to time, the Town is involved in certain suits and claims arising in the normal course of business, including claims for property damage, personal injury, personnel practices, disputes over contract awards and property condemnation proceedings, and suits contesting assessments. In the opinion of the Town, after considering all relevant facts, the ultimate losses not covered by insurance resulting from such litigation would be immaterial in relation to the financial statements taken as a whole.

b. *Grant Programs*

The Town participates in a number of grant programs. These programs are subject to financial and compliance audits by the grantor or its representatives. The Town believes, based upon its review of current activity and prior experience, the amount of disallowances resulting from these audits, if any, will not be significant to the Town's financial position or results of operations.

c. *Environmental Concerns*

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

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 16 - Bond Anticipation Notes Payable

The Town's obligations for bond anticipation notes payable are as follows:

Description	Issue Date	Maturity Date	Interest Rate	December 31, 2022 Balance
<i>Sewer Fund</i>				
Quaker Road Sewer Main Replacement	June 2022	June 2023	2.31%	\$ 399,750
<i>Water Fund</i>				
Ridge Road Water Improvements	May 2022	May 2023	2.05%	\$ 1,600,000

In May 2023, the Town renewed the Ridge Road Water Improvements bond anticipation note for \$1,038,245 with interest at 4.15% with a maturity date of May 2024. In June 2023, the Town renewed the Quaker Road Sewer Main Replacement bond anticipation note for \$266,500 with interest at 4.35% with a maturity date of June 2024.

Note 17 - Accounting Standards Issued But Not Yet Implemented

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

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

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

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 17 - Accounting Standards Issued But Not Yet Implemented - Continued

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

GASB Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and change to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting – understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements. This statement prescribes the accounting and financial reporting for (1) each type of accounting changes and (2) error corrections. This statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This statement requires disclosures in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about quantitative effects of beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information and supplementary information. For periods that are earlier than those included in the basic financial statements, information presented as required supplementary information and supplementary information should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Town of Queensbury, New York

Notes to Financial Statements December 31, 2022

Note 17 - Accounting Standards Issued But Not Yet Implemented - Continued

GASB Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave.

Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. The requirements of this statement are effective for fiscal years beginning after December 15, 2023.

Management has not estimated the extent of potential impact of these statements on the Town's financial statements but does plan to implement these standards in the required year.

Town of Queensbury, New York

Required Supplementary Information - Schedule of Other Postemployment Benefits Liability

Governmental Activities	2022	2021	2020	2019	2018
Beginning of year	\$ 42,400,595	\$ 41,587,141	\$ 40,082,519	\$ 33,972,020	\$ 35,737,559
Changes for the year					
Service cost	1,262,813	2,209,360	2,189,463	2,050,094	1,598,647
Interest	1,106,126	822,297	829,177	1,028,842	1,211,528
Assumption changes	(13,368,982)	(4,405,803)	1,627,940	7,357,692	-
Difference between expected and actual experience	-	3,284,515	(2,054,616)	(3,235,388)	(3,538,271)
Benefit payments	(1,130,858)	(1,096,915)	(1,087,342)	(1,090,741)	(1,037,443)
Net changes	(12,130,901)	813,454	1,504,622	6,110,499	(1,765,539)
End of year	<u>\$ 30,269,694</u>	<u>\$ 42,400,595</u>	<u>\$ 41,587,141</u>	<u>\$ 40,082,519</u>	<u>\$ 33,972,020</u>
Covered payroll	\$ 5,787,540	\$ 5,564,942	\$ 5,460,642	\$ 5,166,445	\$ 5,284,843
OPEB liability as a percentage of covered payroll	523%	762%	762%	776%	643%
Business-Type Activities	2022	2021	2020	2019	2018
Beginning of year	\$ 13,507,360	\$ 13,248,221	\$ 12,768,901	\$ 10,822,309	\$ 11,384,749
Changes for the year					
Service cost	402,069	703,826	697,487	653,089	509,273
Interest	352,181	261,957	264,146	327,753	385,951
Assumption changes	(4,256,571)	(1,403,537)	518,606	2,343,906	-
Difference between expected and actual experience	-	1,046,333	(654,529)	(1,030,683)	(1,127,170)
Benefit payments	(360,055)	(349,440)	(346,390)	(347,473)	(330,494)
Net changes	(3,862,376)	259,139	479,320	1,946,592	(562,440)
End of year	<u>\$ 9,644,984</u>	<u>\$ 13,507,360</u>	<u>\$ 13,248,221</u>	<u>\$ 12,768,901</u>	<u>\$ 10,822,309</u>
Covered payroll	\$ 1,843,710	\$ 1,772,798	\$ 1,739,572	\$ 1,645,851	\$ 1,683,568
OPEB liability as a percentage of covered payroll	523%	762%	762%	776%	643%

Data not available prior to the 2018 implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Town of Queensbury, New York

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability (asset)	0.0219856%	0.0218303%	0.0220248%	0.0218992%	0.0222732%	0.0232837%	0.0228080%	0.0220104%
Town's proportionate share of the net pension liability (asset)	\$ (1,797,230)	\$ 21,737	\$ 5,832,283	\$ 1,551,622	\$ 718,856	\$ 2,187,790	\$ 3,660,747	\$ 743,565
Town's covered-employee payroll	\$ 7,418,035	\$ 7,377,740	\$ 6,801,893	\$ 6,506,483	\$ 6,282,951	\$ 6,165,797	\$ 6,143,642	\$ 6,221,965
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-24.23%	0.29%	85.74%	23.85%	11.44%	35.48%	59.59%	11.95%
Plan fiduciary net position as a percentage of the total pension liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.68%	97.95%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Town of Queensbury, New York

Required Supplementary Information Schedule of Pension Contributions

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 835,808	\$ 1,122,788	\$ 960,219	\$ 909,430	\$ 896,415	\$ 905,097	\$ 941,050	\$ 1,054,148
Contributions in relation to the contractually required contribution	835,808	1,122,788	960,219	909,430	896,415	905,097	941,050	1,054,148
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
Town's covered-employee payroll	7,418,035	7,377,740	6,801,893	6,506,483	6,282,951	6,165,797	6,143,642	6,221,965
Contribution as a percentage of covered-employee payroll	11%	15%	14%	14%	14%	15%	15%	17%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Town of Queensbury, New York

Required Supplementary Information Budgetary Comparison Statement - General Fund

	Year Ended December 31, 2022			Variance with Revised - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Adopted	Revised		
REVENUES				
Real property taxes	\$ 2,107,000	\$ 2,107,000	\$ 2,113,387	\$ 6,387
Real property tax items	80,000	80,000	79,625	(375)
Non-property taxes	10,185,000	10,359,067	13,881,347	3,522,280
Departmental income	280,500	325,500	612,634	287,134
Use of money and property	6,000	6,000	36,256	30,256
Licenses and permits	202,000	202,000	214,700	12,700
Fines and forfeitures	250,000	250,000	577,843	327,843
Sale of property and compensation for loss	-	6,503	31,641	25,138
Miscellaneous	-	-	5,257	5,257
Interfund revenues	185,000	185,000	184,455	(545)
State aid	960,000	967,561	1,367,016	399,455
Federal aid	-	65,394	65,394	-
Total revenues and appropriated fund balance	14,255,500	14,554,025	19,169,555	4,615,530
EXPENDITURES				
General government support	4,009,300	4,367,716	3,788,444	(579,272)
Public safety	671,545	749,346	705,120	(44,226)
Health	17,000	17,000	15,680	(1,320)
Transportation	501,700	612,350	609,604	(2,746)
Economic opportunity and development	159,500	333,567	309,627	(23,940)
Culture and recreation	1,249,970	1,343,314	1,324,231	(19,083)
Home and community service	697,800	829,300	803,973	(25,327)
Employee benefits	3,051,000	3,021,500	2,752,254	(269,246)
Debt service	236,301	236,301	236,299	(2)
Total expenditures	10,594,116	11,510,394	10,545,232	(965,162)
OTHER FUNDING SOURCES (USES)				
Interfund transfers-in	-	24,560	24,560	-
Interfund transfers-out	(4,289,950)	(5,678,163)	(5,428,164)	249,999
Appropriated fund balance	628,566	2,609,972	-	(2,609,972)
Total other financing sources (uses)	(3,661,384)	(3,043,631)	(5,403,604)	(2,359,973)
Appropriated fund balance (budget) and net change in fund balance (actual)	\$ -	\$ -	3,220,719	\$ 1,290,395
FUND BALANCE, beginning of year			10,393,161	
FUND BALANCE, end of year			\$ 13,613,880	

Town of Queensbury, New York

Required Supplementary Information Budgetary Comparison Statement - Highway Fund

	Year Ended December 31, 2022			Variance with Revised - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Adopted	Revised		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 302	\$ 302
Sale of property and compensation for loss	-	22,563	29,240	6,677
Miscellaneous	-	-	3,250	3,250
State aid	350,000	731,083	717,498	(13,585)
Total revenues	350,000	753,646	750,290	(3,356)
EXPENDITURES				
Transportation	2,740,700	4,541,323	3,493,190	1,048,133
Employee benefits	1,405,750	1,284,149	1,261,435	22,714
Total expenditures	4,146,450	5,825,472	4,754,625	1,070,847
OTHER FUNDING SOURCES				
Interfund transfers-in	3,796,450	4,240,800	4,240,800	-
Appropriated fund balance	-	831,026	-	(831,026)
Total other financing sources	3,796,450	5,071,826	4,240,800	(831,026)
Appropriated fund balance (budget) and net change in fund balance (actual)	\$ -	\$ -	236,465	\$ (236,465)
FUND BALANCE, beginning of year			1,629,352	
FUND BALANCE, end of year			\$ 1,865,817	

Town of Queensbury, New York

Required Supplementary Information Budgetary Comparison Statement - Fire Protection Fund

	Year Ended December 31, 2022			Variance with Revised - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Adopted	Revised		
REVENUES				
Real property taxes	\$ 4,027,200	\$ 4,027,200	\$ 4,028,528	\$ 1,328
Departmental income	1,100,000	1,100,000	1,211,189	111,189
Use of money and property	1,800	1,800	-	(1,800)
Total revenues	5,129,000	5,129,000	5,239,717	110,717
EXPENDITURES				
Public safety	5,007,000	5,422,000	5,923,765	(501,765)
Employee benefits	242,000	242,000	469,545	(227,545)
Total expenditures	5,249,000	5,664,000	6,393,310	(729,310)
OTHER FUNDING SOURCES				
Appropriated fund balance	120,000	535,000	-	(535,000)
Appropriated fund balance (budget) and net change in fund balance (actual)	\$ -	\$ -	(1,153,593)	\$ (1,153,593)
FUND BALANCE, beginning of year			6,732,832	
FUND BALANCE, end of year			\$ 5,579,239	

Town of Queensbury, New York

Supplementary Information Combining Balance Sheet - Non-Major Governmental Funds

	December 31, 2022				
	Special Grant	Cemetery	Lighting District	Aquatic District	Total
ASSETS					
Cash and cash equivalents	\$ 187,638	\$ 214,027	\$ 369,889	\$ 186,150	\$ 957,704
Receivables from other governments	24,211	-	-	-	24,211
Other receivables, net of uncollectibles	56,852	-	-	-	56,852
Prepaid expenses	-	22,421	-	-	22,421
Cash and cash equivalents, restricted	-	679,608	-	-	679,608
	-	679,608	-	-	679,608
Total assets	\$ 268,701	\$ 916,056	\$ 369,889	\$ 186,150	\$ 1,740,796
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 3,374	\$ 10,496	\$ 13,020	\$ 760	\$ 27,650
Accrued liabilities	-	8,948	-	-	8,948
Due to other governments	-	1,193	-	-	1,193
Due to other funds	91,384	-	-	-	91,384
Total liabilities	94,758	20,637	13,020	760	129,175
Fund balances					
Nonspendable	-	22,421	-	-	22,421
Restricted for other purposes	-	679,608	-	-	679,608
Assigned, unappropriated	173,943	193,390	356,869	185,390	909,592
Total fund balances	173,943	895,419	356,869	185,390	1,611,621
Total liabilities and fund balances	\$ 268,701	\$ 916,056	\$ 369,889	\$ 186,150	\$ 1,740,796

Town of Queensbury, New York

Supplementary Information Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds

	Year Ended December 31, 2022				
	Special Grant	Cemetery	Lighting District	Aquatic District	Total
REVENUES					
Real property taxes	\$ -	\$ -	\$ 143,625	\$ 53,454	\$ 197,079
Departmental income	-	639,337	-	25,000	664,337
Use of money and property	56	443	126	72	697
Miscellaneous	505	1,133	-	-	1,638
Intergovernmental charges	18,018	-	-	-	18,018
Total revenues	18,579	640,913	143,751	78,526	881,769
EXPENDITURES					
Health	-	-	-	143,620	143,620
Transportation	-	-	126,585	-	126,585
Employee benefits	-	251,253	-	-	251,253
Home and community service	27,158	532,399	-	-	559,557
Total expenditures	27,158	783,652	126,585	143,620	1,081,015
OTHER FINANCING SOURCES (USES)					
Interfund transfers in	-	243,500	-	-	243,500
Interfund transfers out	-	(14,548)	-	-	(14,548)
Total other financing sources (uses)	-	228,952	-	-	228,952
Net change in fund balances	(8,579)	86,213	17,166	(65,094)	29,706
FUND BALANCES, <i>beginning of year</i>	182,522	809,206	339,703	250,484	1,581,915
FUND BALANCES, <i>end of year</i>	\$ 173,943	\$ 895,419	\$ 356,869	\$ 185,390	\$ 1,611,621

See Independent Auditor's Report.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Queensbury, New York (Town), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated September 19, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

BST & Co. CPAs, LLP

Latham, New York
September 19, 2023

