



COUNTY OF SULLIVAN



Jerry Cohen Photography

Lake Views

ANNUAL COMPREHENSIVE FINANCIAL REPORT

**FISCAL YEAR ENDED
DECEMBER 31, 2021**

COUNTY OF SULLIVAN, NEW YORK
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

PREPARED BY:
COUNTY OF SULLIVAN
TREASURER'S OFFICE
NANCY BUCK, TREASURER

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INTRODUCTORY SECTION

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June 30, 2022

To The Legislature of the
County of Sullivan, New York

The Annual Comprehensive Financial Report (“ACFR”) for the County of Sullivan, New York for the fiscal year ended December 31, 2021 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This ACFR is issued pursuant to that requirement.

This report consists of management's representations concerning the finances of the County of Sullivan. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of the County has established a comprehensive internal control framework that is designed to both protect the County's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. Management asserts that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's basic financial statements have been audited by Drescher Malecki, LLP, an accounting firm of licensed certified public accountants specializing in governmental and not for profit entities. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County of Sullivan's basic financial statements for the fiscal year ended December 31, 2021, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The financial section also includes a

narrative introduction, overview and analysis of the December 31, 2021 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

The independent audit of the basic financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to not only report on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. These reports are available in the County's separately issued Single Audit Report.

GOVERNMENTAL STRUCTURE

The County operates under a Charter form of government, which allows the local community to have greater control over certain governmental issues. The Charter provides for a County Legislature form of government with nine members. Each Legislator has one vote representing a separate legislative district. Districts were determined by dividing the County on the basis of population. Each Legislator is elected to a four year term. An appointed County Manager is the Chief Executive Officer of the County. The County Treasurer is the Chief Fiscal Officer of the County, and is elected for a four year term.

In accordance with the Laws of the State of New York, the County has formally established budgetary accounting control for its operating funds. Budgetary control is maintained at the department or function level by the encumbrance of estimated purchase amounts before the release of purchase orders to vendors. Purchase orders that result in an overrun of division balances are not released until additional appropriations are made available through transfer from other accounts, either by approval of budget modifications by the County Legislature or by administrative transfer.

The charter mandates a review every 10 years, by a Charter Review Commission appointed to research and assess issues affecting the effectiveness of the County's government. This entity submits recommendations for change to the County Legislature and if the legislature approves the recommendations, it adopts a local law(s) some of which may be subject to a public referendum, presented to the voters to accept or reject proposed changes to the County's form of government.

GENERAL INFORMATION

Sullivan County, formerly a part of Ulster County, was created by a special act of the New York State Legislature in 1809. The County's geographic location and economic history make it very unique in terms of its population trends and economic transition. Located approximately 85 miles northwest of the New York City Metropolitan Area, the County is experiencing steady growth as a result of the out-migration of individuals from the New York Metropolitan Area, Orange and Ulster counties, and an influx of second home owners. Much of this growth is driven by lower median sale prices of homes compared to other neighboring counties in the Hudson-Delaware Region (i.e. Orange, Putnam, Rockland), and the County's desirability as a place to live.

The year-round population of the County has remained relatively stable for the last four years with the exception of a slight increase in 2021. According to the US Census Bureau, between 2012 and 2020 Sullivan County experienced a 2% decrease in population while New York State exhibited an increase in population of 3%. However, in 2021 the County saw an almost 6% increase from 2020. This is likely attributable to the many jobs that moved to remote offices during the pandemic, keeping a portion of our summer residents in the County permanently. Although Sullivan County is fairly large in terms of area, approximately 997 square miles, the average population density is 81 persons per square mile. Indeed this number is higher in the County's larger towns and villages, which has implications for added infrastructure, water quality, and attention to long-term capital planning.

It is important to note that the County's population size is more than just year-round residents: second home owners and seasonal populations have implications for County development as well. Sullivan County is home to 79,806 year round residents. Second home owners nearly double the population to 150,000, and an annual influx of seasonal residents from Memorial Day to Labor Day brings the total number to 350,000.

ECONOMIC CONDITION AND OUTLOOK

Sullivan County has a long history of tourism and entertainment as the primary industry sector and economic driver of the local economy. Recent additions to this sector, including Resorts World Catskills Casino, and the Kartrite Hotel & Indoor Water Park, continue to grow this sector with over \$1 billion of new investment and the creation of over 2,000 new jobs. The local economy has been bolstered by this new investment with new mid-market hotels and a variety of service industries building off of this extraordinary development. The Bethel Woods Center for the Arts, a world class entertainment destination, draws guests from throughout the Tri-State area and beyond providing unique entertainment experiences that have been the foundation of the tourism sector for quite some time.

While tourism is undergoing a remarkable resurgence, health care has been a decades-long economic driver in the county. Garnet Health Medical Center Catskills, Crystal Run Health Care, The Center for Discovery, New Hope Community, The Arc Sullivan-Orange Counties and others represent nearly 5,000 employees directly or indirectly working in this industry.

Diversification is a priority for Sullivan County. Companies like Kohl's Distribution, Ideal Snacks, Nonni's Foods, Formaggio Cheese, La Belle Poultry, and Hudson Valley Foie Gras along with a substantial storied agricultural sector find Sullivan County home. A burgeoning specialty metal fabrication sector is growing fast and poised to expand significantly as a priority for the Partnership. Firms like Metcar's Aerospace Materials Division, ASA Precision, D.C Welding, Alumatech, Sullivan Fabricators and others have found Sullivan County offers a low-cost environment, with access to major markets.

Agriculture represents the second largest economic sector in Sullivan County. Farms create direct economic benefits, provide our residents with fresh local foods, support other local businesses across many sectors, and preserve the rural character that our residents and visitors value so highly. Cornell Cooperative Extension (CCE) Sullivan County supports local agriculture by providing resources for farmers and consumers, helping strengthen the local and regional food systems.

The impacts of the Covid-19 pandemic were felt worldwide. Many of Sullivan County's employers and scores of small businesses suffered mandatory closings and staff furloughs. However, the County of Sullivan experienced a unique positive: As the Covid-19 pandemic spread through the Country, metropolitan residents who were looking to avoid the congestion of the city and lucky enough to have the opportunity and ease of working from home looked to Sullivan County's open, green spaces to relocate.

The real estate market in 2021 continued the trend of dramatic price appreciation. Every County in the Hudson Valley Region showed average home price increases of \$95,000 or more over the last five years. In Sullivan County, the median sales price for homes was up to \$270,000 a 17.4% increase from December 2020, when the median sales price was \$230,000. Sullivan County showed one of the largest gains in closed sales the past five years with a 29.2% increase. Sullivan County also saw the most significant year-over-year gain in median sale prices of 25.6%. In fact, there are a number of transactions that show sales prices that exceed 100% of the list price, as bidding wars have become commonplace in this tight housing market.

In the year 2021, Sullivan County saw a tremendous increase in real property transactions with 5062 deeds recorded and a total of 7025 parcels conveyed. In addition, 65 new subdivisions filed, which created 515 new taxable property lots.

Still reeling from the after effects of the Covid-19 pandemic in 2021, the residents of Sullivan County learned that in order to keep our newfound popularity, they needed to embrace all of its long standing traditions, festivals, parks and waterways. Sullivan County Towns embraced their individual points of interest and in turn, attracted new visitors to every corner of the County, some of which are noted below:

- Bethel Lakeside Music (sponsored by the Town of Bethel Local Development Corporation) celebrated its fourth anniversary of its Thursday Summer Concert Series. Each week, talented local artists take the stage and fans are encouraged to bring a chair or blanket to enjoy the entertainment, as well as the views along the shores of Kauneonga Lake.
- In addition, the Town of Bethel is home to Bethel Woods, Bethel Woods Performing Arts Center (BPAC) located at the historic site of the 1969 Woodstock Music Festival on Hurd Road in the Town of Bethel. In 2021, Bethel Woods hosted performances by James Taylor, Jackson Brown, John Fogerty, The Zac Brown Band, Chris Stapleton and the Black Crowes, as well as scores of other acts.
- The Callicoon Porchfest celebrated its second year providing live-music on some of the historic porches scattered throughout downtown Callicoon. The Callicoon Porchfest highlights local talent as well as the historic hamlet of Callicoon and its charming architecture on the banks of the Delaware River. Visitors are encouraged to walk throughout the hamlet and enjoy the music, local shops and eateries.
- In 2021, the Town of Callicoon hosted its 25th annual Tractor Parade. The parade features dozens of tractors from large farm machines to antique riding mowers. The Town also hosts an annual Country Fair, Art Walk and Dickens on the Delaware, a Victorian-themed holiday event, complete with caroling, entertainment and shopkeepers and residents dressed in Victorian-era costumes.
- The Town of Fallsburg has the unique distinction of owning and operating two 18-hole golf courses: Tarry Brae and Lochmor. Tarry Brae is a championship golf course which offers great views and incredible rates. The layout winds through hills and wooded areas and offers a spectacular view of Echo Lake on the green of the sixth hole. As a sister course to Tarry Brae Golf Course, Lochmor offers a different golfing experience. Two holes run alongside Morningside Lake. The views are spectacular, and the golf challenging. A membership at Tarry Brae Golf Course also gives you membership privileges at Lochmor Golf Course.

- The Town of Neversink is the home to the Grahamsville Little World's Fair, the longest running independent fair in New York. The fair is hosted by the Neversink Agricultural Society and offers three days of old-fashioned family fun! 2021 marked the 141st Annual Fair featuring agricultural and livestock exhibits and contests, daily entertainment including live music and demonstrations, rides for all ages together with an array of great food, games and vendors.
- The Village of Monticello is considered the birthplace of the bagel and the official bagel capital of the world. They have embraced this title and are becoming known for the annual Bagel Festival. The world-wide food commodity has become the centerpiece of an annual event in the Village and a piece of the pride and joy of a community. With over 5,000 attendees at the 1st event in 2013, crowds grow exponentially each year. While bagels are the center of the Festival, dozens of local food, drink and craft vendors and community organizations are available to meet with attendees.
- The Town of Forestburgh is home to the new Dr. Ted Kerpez Memorial Eagle Viewing Blind at the Mongaup Valley Wildlife Management Area (WMA). Kerpez, who directed the DEC region's wildlife program, died suddenly in December 2018. Mongaup Valley WMA includes more than 11,000 acres of land and was initially acquired for the primary purpose of protecting critical wintering habitat for bald eagles. It has been designated a Bird Conservation Area because of its unique combination of habitats important to bird species, including forests, reservoirs, and river habitat. The eagle blind is accessible to people of all ages and abilities, and provides an ideal location to view wintering eagles in a shelter that minimizes any disturbance to wildlife. It is located on Sullivan County Route 43 facing the Mongaup Falls Reservoir.

Every winter up to 150-200 bald eagles migrate to this region. They are seeking a reliable food source and undisturbed habitat so they can survive the cold winter months. When the lakes, rivers and reservoirs north of our region freeze over, the eagles head this way, where open water on the Delaware and Hudson Rivers and the associated tributaries and reservoirs provide a source of fish. Some bald eagles will fly nearly 900 miles from their breeding ground to winter in this region.

In 1975, there was just a single pair of nesting bald eagles left in New York State. Today, there are hundreds due in part to the Mongaup Valley Wildlife Management Area.

- For well over fifty years, The New York Ontario & Western Railway (O&W) ferried tourists from the sweltering New York City summers to the cooler Catskill Mountain resorts of Sullivan County. The main line of the former O&W Railway runs for 50 miles through the scenic heart of Sullivan County, and connects many hamlets, towns, and villages at the gateway to the Catskills. The Sullivan O&W Rail Trail transforms these historic rail towns to trail towns. Sullivan County currently has 18 trailheads scattered throughout the County. The gentle grades of these former railroad beds provide the perfect opportunity to explore the beauty, history, and culture of Sullivan County by foot, by bike, and (in certain areas) horseback. The trailhead located in the Hamlet of Hurleyville (in the Town of Fallsburg) boasts 3.5 miles of paved trails which are handicapped accessible.

In addition, the Town of Mamakating maintains the D&H Canal Trail with five trailheads.

MAJOR INITIATIVES AND THE FUTURE

Sullivan County residents were provided with many tools to help them embrace the post-Covid year of 2021. With an influx of new residents seeking a better quality of life outside of the metropolitan area, there is more demand for programs which help improve the health and wellbeing of its County's residents.

Leadership Sullivan

The mission of Leadership Sullivan is to develop informed and committed leaders from all segments of the community who will apply their collective experience and skills to serve, strengthen and improve the quality of life for all people who live and work in Sullivan County.

The Leadership Sullivan Program is a platform that expands leadership potential of participants through: educational programs designed to broaden individuals knowledge of the County, improve communication skills, and increase organization and problem solving skills.

Sullivan 180

Sullivan 180 is a nonprofit organization created to improve the health and wellbeing of the residents of Sullivan County to make it a healthier place to live, work, play and raise a family. It is a grassroots movement comprised of many but speaking with a single voice in favor of new policies, systems and programs to enhance the overall quality of life for all residents. Sullivan 180 utilizes an inclusive approach

that unites the entire community – businesses, organizations and individuals in healthcare, education, agriculture, government, the arts and faith based institutions.

Sullivan 180 will offer residents opportunities for improving their health and prosperity. This encompasses not only physical, but also mental, spiritual and environmental wellness. A sense of purpose; connection to family and community and access to fresh foods; and an active lifestyle are all-essential for a thriving Sullivan County.

The Conservation Fund and the Greater New York Councils, Boy Scouts of America (BSA) announced the launch of a multi-year effort to permanently protect most of the historic Ten Mile River Scout Reservation, which is one of the largest privately-owned and unprotected properties within the Delaware River watershed. The Conservation Fund's purchase of nearly 6,100 acres provides time for the development and implementation of permanent conservation strategies on the forestland to support water quality and wildlife habitat protection, help combat climate change, and explore future recreational access for hiking, camping and fishing.

This transaction is the first of a two-phase sale that will secure approximately 9,400 acres of the Ten Mile River Scout Reservation. Located in the Towns of Tusten and 75 miles from New York City along the New York and Pennsylvania border, the Ten Mile River Scout Reservation was first assembled in 1927 by Franklin D. Roosevelt, who served as the chairman of the Councils' board. As part of this project, Greater New York Councils-BSA will maintain ownership of the active summer camp facilities encompassing 2,100 acres so that the Reservation can continue to support youth leadership programming as well as outdoor and camping opportunities while preventing the larger landscape from being fragmented or developed.

The Sullivan County Transportation Department provides Open Public Transportation. "Move Sullivan" which is operated by local bus company, Rolling V, provides public transportation to County residents five days a week. Move Sullivan is currently utilized by over 700 individuals each week, traveling between and around Monticello and Liberty. Currently, new routes are being developed to expand service to outlying, more remote areas of the County. This would give many more residents access to low cost transportation to and from places of employment and retail areas.

The Avon Commercial Park Project has been proposed in the Town of Thompson. Currently, the plans for this would include two warehouses totaling 560,000 square feet on a 176 acre property in Rock Hill. Although no specific tenant has been named on this project, the scale of this development has the potential to bring numerous jobs and industry to the area. The project is still under review with the Planning Board in the town with the hope to move forward soon.

In 2021, the County entered into a contract with Hatzolah Air, leasing them 21.7 acres for the next 30 years with the option for renewal. Here, Hatzolah plans to build their world headquarters which would include a fuel farm, parking area, and recreational space. This project is expected to bring added revenue to the County through fuel sales and increased traffic to the Airport.

As tourism flourishes within the County and new, large scale industry migrates here, the County continues to prepare for growth in the future. The County, along with the towns are constantly implementing plans and constructs for improved infrastructure and maintaining the natural beauty that brings people and businesses to the County.

FINANCIAL POLICIES

Over the last few years the County has implemented or modified several policies, including Capital Planning, Strategic Planning, Performance Budgeting, the Delinquent Tax Installment Program, a Debt Management Plan, and a Fund Balance Policy.

The Capital Planning Program requires the preparation of a plan listing proposed capital projects to be undertaken during the succeeding six-year period. The plan includes a description of the project, total cost, method of financing, along with other pertinent information.

The Strategic Plan is similar to Capital Planning in that it outlines, in order of priority, the programs and fiscal priorities set by and for each department for the succeeding two years. In both programs, the Legislature has the authority to adopt and amend the plans as needed. These plans provide information necessary to prioritize departmental goals and prepare the County budget.

The County continues to offer an installment payment option to delinquent taxpayers. The program allows all property owners to enter into agreements which, after an initial down payment, converts the delinquent tax balance into 24 equal monthly payments and stays tax foreclosure proceedings. During the contract term, the property owner is required to pay any subsequent taxes when due in addition to the installment payments. Failure to do so results in a default of the agreement, forfeiture of payments made and eventual tax foreclosure.

The County also adopted a Debt Management Policy in 2013 in an effort to standardize and support the issuance and management of debt. This policy will help to establish conditions for the use of debt and create procedures and policies that minimize debt service and issuance costs, maintain the highest practical credit rating, and provide full and complete financial disclosure and reporting.

A Fund Balance Policy was created to establish clear policies and procedures for developing, appropriating, and managing the County's operating budget and capital program. This includes a policy for establishing year-end fund balances that meet specific targets for ensuring accounting and fiscal stability.

AWARDS

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020.

In order to award a Certificate of Excellence, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

CONCLUSION

The County, in anticipation of future expenditures, has assigned General Fund fund balance for various projects in excess of \$13 million and has an unassigned General Fund fund balance for 2021 of approximately \$21.8 million.

In the County's 2022 budget, we have continued to project our revenues at reasonable levels. The County's financial outlook continues to be optimistic, however, in the present economy we are carefully monitoring expenses and capital commitments in light of revenues that are holding their own. We will continue to monitor as well as cut expenditures in the future as necessary, pending an upswing in the economy locally, statewide and nationally.

ACKNOWLEDGMENTS

Preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Treasurer's Accounting Office to whom I would like to express my deep felt appreciation. My thanks are directed as well to our independent auditors, Drescher Malecki LLP, who assisted and contributed to its preparation. I would also like to thank the County Legislature, the County Manager and the Budget Office staff for their dedication and support in the financial operations of the County.

Respectfully submitted,

Nancy Buck

Nancy Buck
Sullivan County Treasurer

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COUNTY OF SULLIVAN, NEW YORK
List of Elected and Appointed Officials
Year Ended December 31, 2021

Elected Officials:

County Treasurer..... Nancy Buck
County Clerk Russell Reeves
District Attorney..... Meagan Galligan
Sheriff..... Michael A. Schiff
Coroner..... Albee Bockman
Coroner..... Elton Harris
Coroner..... Alan Kesten
Coroner..... Michael J. Speer

Legislature:

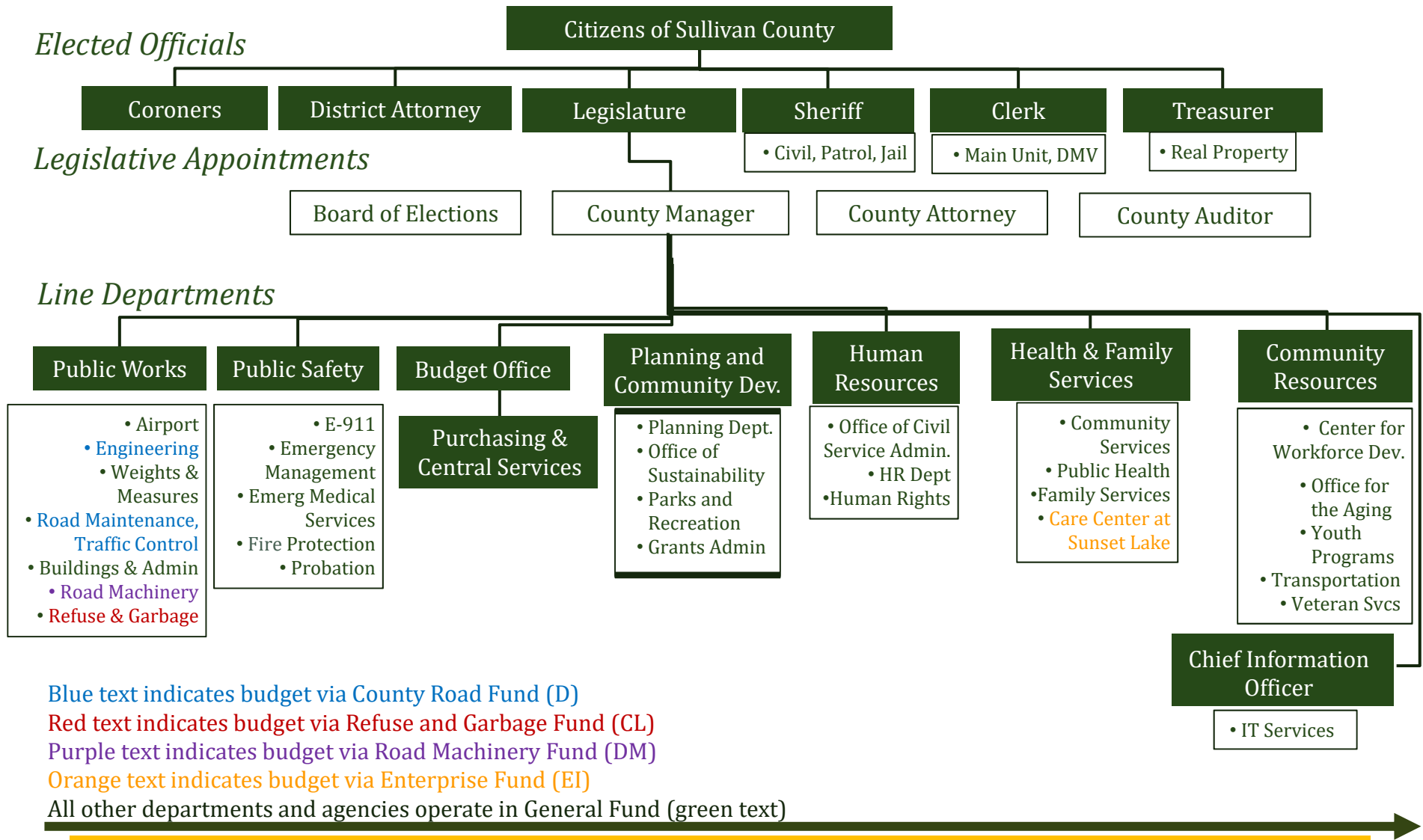
District 1..... Robert Doherty
District 2..... Nadia Rajsz
District 3..... Michael Brooks
District 4 Nicholas Salamone Jr.
District 5 George Conklin III
District 6..... Luis Alvarez
District 7..... Joseph Perrello
District 8..... Ira Steingart
District 9..... Alan J. Sorensen

Appointed Officials:

County Manager..... Joshua Potosek
Assistant County Manager..... Michelle Huck
Deputy County Treasurer Kathleen Lara



County Government Organization Chart



Blue text indicates budget via County Road Fund (D)
 Red text indicates budget via Refuse and Garbage Fund (CL)
 Purple text indicates budget via Road Machinery Fund (DM)
 Orange text indicates budget via Enterprise Fund (EI)
 All other departments and agencies operate in General Fund (green text)



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Sullivan
New York**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

The Honorable County Legislature of the
County of Sullivan, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Sullivan, New York (the "County"), as of and for the year ended December 31, 2021 (with the Sullivan County Community College for the fiscal year ended August 31, 2021), and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports and additional procedures performed by the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2021 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.

We did not audit the financial statements of the Sullivan County Adult Care Center, the Sunset Lake Local Development Corporation, the Sullivan Tobacco Asset Securitization Corporation, the Sullivan County Funding Corporation, the Sullivan County Infrastructure Local Development Corporation, or the Sullivan County Broadband Local Development Corporation, which represent 7.6 percent, 1.2 percent, 2.4 percent, 1.0 percent, 87.8 percent, and 0.0 percent, respectively, of the assets, and 57.9 percent, 1.7 percent, 5.6 percent, 1.5 percent, 33.3 percent, and 0.1 percent, respectively, of the revenues of the business-type activities. We did not audit the financial statements of the Sullivan County Community College, Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, or the Sullivan County Lank Bank Corporation, which represent 60.0 percent, 27.1 percent, 3.6 percent, and 5.4 percent, respectively, of the assets, and 78.3 percent, 6.6 percent, 0.3 percent, and 3.1 percent, respectively, of the revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sullivan County Adult Care Center, the Sunset Lake Local Development Corporation, the Sullivan Tobacco Asset Securitization Corporation, the Sullivan County Funding Corporation, the Sullivan County Infrastructure Local Development Corporation, Sullivan County Community College, Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, and the Sullivan County Land Bank Corporation, is based solely on the reports of such other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standard generally accepted in the United States of America (“GAAS”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating 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 County’s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors’ 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 auditors’ report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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, 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 County’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 County’s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Supplementary Information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information, as listed in the table of contents, is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information Included in the Annual Report

Management is responsible for the other information. The other information comprises the Introductory Section and Statistical Section, as listed in the table of contents, but does not include the financial statements and our auditors' report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Drescher & Malecki LLP

June 30, 2022

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2021

As management of the County of Sullivan, New York (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

Financial Highlights

- The liabilities and deferred inflows of resources of the County's primary government exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$158,029,868 (*net position*). Of this amount \$(93,559,497) represents governmental activities net position and \$(64,470,371) represents business-type activities net position.
- The County's primary government total net position increased \$35,719,544 during the year ended December 31, 2021. Net position increased \$41,229,825 for governmental activities and decreased \$5,510,281 for business-type activities.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$59,680,921, an increase of \$30,900,924 in comparison with the prior year's fund balance of \$28,779,997. This increase is primarily due to an increase in sales tax collections in comparison to the prior year.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$21,832,935, or 11.7 percent of total General Fund expenditures and transfers out. This amount constitutes approximately 40.0 percent of the General Fund's total fund balance of \$54,522,299 at December 31, 2021, and is available for spending per the County's policy on fund balance.
- The County's governmental activities net bonded indebtedness decreased by \$9,275,000 as a result of principal payments of \$9,075,000, offset by refunding issuance of \$3,355,000, which refunded previously issued 2012 serial bonds in the amount of \$3,555,000.

Overview of the Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements—The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County’s assets, liabilities and deferred inflows/outflows of resources, with the difference 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 County is improving or deteriorating.

The *statement of activities* presents information showing how the County’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 (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County 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 charges (*business-type activities*). The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services. The business-type activities of the County include the Sullivan County Adult Care Center, a skilled nursing facility, the Sunset Lake Local Development Corporation (“SLLDC”), the Sullivan County Tobacco Asset Securitization Corporation (“STASC”), the Sullivan County Funding Corporation (“SCFC”), the Sullivan County Infrastructure Local Development Corporation (“ILDC”), and the Sullivan Broadband Local Development Corporation (“BLDC”).

The government-wide financial statements include not only the County itself (known as the *primary government*), but also legally separate entities, reported as discretely presented component units (the Sullivan County Community College, the Sullivan County Soil and Water Conservation District, the Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, and the Sullivan County Land Bank Corporation) for which the County is financially accountable. Financial information for the County’s component units are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 28-29 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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and the fiduciary fund.

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 County maintains seven 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, County Road, Refuse and Garbage, and Capital Projects Funds, which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these nonmajor funds is provided in the form of the combining statements in the Supplementary Information section of this report.

The basic governmental fund financial statements can be found on pages 30-33 of this report.

Proprietary funds—The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for the Adult Care Center, the SLLDC, the STASC, the SCFC, the ILDC, and the BLDC. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the operation of the workers' compensation and dental benefits self-insurance programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

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 the Adult Care Center, the SLLDC, the STASC, the SCFC, the ILDC, and the BLDC, all of which are considered to be major funds of the County. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 34-37 of this report.

Fiduciary funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are not reflected in the government-wide financial statements because the resources of the funds are not available to support the County's own programs. The County maintains one fiduciary fund, the Custodial Fund.

The Custodial Fund reports resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The Fiduciary Fund financial statements can be found on pages 38-39 of this report.

Component units—As discussed above, component units are legally separate entities for which the County is financially accountable. The component units addressed above are reported in the aggregate in the government-wide financial statements. The combining statements can be found on pages 40-41 of this report.

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 42-97 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the changes in the County's other post-employment benefits obligation, the County's net pension liability/(asset), and the County's budgetary comparisons for the General, County Road, and Refuse and Garbage funds. Required supplementary information and the related notes to the required supplementary information can be found on pages 98-106 of this report.

Detail schedules in connection with major governmental funds, combining statements referred to earlier in connection with nonmajor governmental funds, and combining statements for internal service funds are presented immediately following the Required Supplementary Information in the Supplementary Information—Combining and Individual Fund Financial Statements and Schedules section of this report on pages 107-126.

Finally, the Statistical Section can be found on pages 127-146 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government’s financial position. In the case of the County’s primary government, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$158,029,868 at the close of the most recent fiscal year, as compared to \$193,749,412 (as adjusted), at the close of the fiscal year ended December 31, 2020.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 152,380,324	\$ 136,949,760	\$ (2,561,543)	\$ 1,032,435	\$ 149,818,781	\$ 137,982,195
Capital assets	269,074,989	272,465,337	86,478,111	89,581,792	355,553,100	362,047,129
Total assets	421,455,313	409,415,097	83,916,568	90,614,227	505,371,881	500,029,324
Deferred outflows of resources	101,201,485	91,435,783	15,809,986	10,139,454	117,011,471	101,575,237
Current liabilities	65,050,735	78,815,263	1,892,428	1,694,381	66,943,163	80,509,644
Noncurrent liabilities	432,001,018	508,225,187	151,088,871	154,981,528	583,089,889	663,206,715
Total liabilities	497,051,753	587,040,450	152,981,299	158,273,574	650,033,052	743,716,359
Deferred inflows of resources	119,164,542	48,599,752	11,215,626	3,037,822	130,380,168	51,637,574
Net position:						
Net investment in capital assets	136,846,516	129,259,214	(15,663,485)	(13,912,777)	121,183,031	115,346,437
Restricted	1,842,885	2,013,233	-	203,112	1,842,885	2,216,345
Unrestricted	(232,248,898)	(266,061,769)	(48,806,886)	(45,250,425)	(281,055,784)	(311,312,194)
Total net position	\$ (93,559,497)	\$ (134,789,322)	\$ (64,470,371)	\$ (58,960,090)	\$ (158,029,868)	\$ (193,749,412)

The largest positive portion of the County’s primary government net position, \$121,183,031, reflects its net investment in capital assets (e.g. land, buildings, machinery, equipment, and infrastructure), net of accumulated depreciation, less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County’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 net position, \$1,842,885, represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining component of the County’s net position, \$(281,055,784), represents unrestricted net position. This deficit does not mean that the County does not have resources available to meet its obligations in the ensuing year. Rather it reflects liabilities not related to the County’s capital assets and are not expected to be repaid from current resources. These long-term liabilities, including landfill post-closure costs, compensated absences, other post-employment benefits (“OPEB”) obligations, claims payable, and net pension liability, are funded annually within the funds.

Table 2, as presented below, shows the changes in net position for the years ended December 31, 2021 and December 31, 2020.

Table 2—Condensed Statements of Changes in Net Position—Primary Government

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>Year Ended December 31,</u>		<u>Year Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues:						
Program revenues:						
Charges for services	\$ 34,419,471	\$ 31,953,771	\$ 17,540,464	\$ 15,640,172	\$ 51,959,935	\$ 47,593,943
Operating grants and contributions	41,782,968	40,646,663	2,583,898	4,860,162	44,366,866	45,506,825
Capital grants and contributions	8,733,543	7,646,373	-	-	8,733,543	7,646,373
General revenues:						
Property taxes	68,358,963	66,236,154	-	-	68,358,963	66,236,154
Property tax items	7,386,285	11,452,202	-	-	7,386,285	11,452,202
Sales tax	65,069,481	48,943,642	-	-	65,069,481	48,943,642
Other nonproperty tax items	5,898,063	3,616,676	-	-	5,898,063	3,616,676
Use of money and property	297,941	377,362	62,112	73,126	360,053	450,488
Sale of property and compensation for loss	1,322,636	1,220,135	-	-	1,322,636	1,220,135
Miscellaneous	<u>3,925,633</u>	<u>1,568,002</u>	<u>2,194,780</u>	<u>1,170,352</u>	<u>6,120,413</u>	<u>2,738,354</u>
Total revenues	<u>237,194,984</u>	<u>213,660,980</u>	<u>22,381,254</u>	<u>21,743,812</u>	<u>259,576,238</u>	<u>235,404,792</u>
Expenses:						
General government support	36,386,184	39,158,085	-	-	36,386,184	39,158,085
Education	5,720,075	5,703,608	-	-	5,720,075	5,703,608
Public safety	32,379,222	37,762,123	-	-	32,379,222	37,762,123
Health	24,960,512	26,155,263	-	-	24,960,512	26,155,263
Transportation	24,303,352	40,503,345	-	-	24,303,352	40,503,345
Economic assistance and opportunity	53,654,010	62,485,095	-	-	53,654,010	62,485,095
Culture and recreation	3,223,714	3,710,605	-	-	3,223,714	3,710,605
Home and community services	10,783,761	5,788,849	-	-	10,783,761	5,788,849
Interest and other fiscal charges	4,554,329	4,681,276	-	-	4,554,329	4,681,276
Adult Care Center	-	-	17,541,436	20,548,864	17,541,436	20,548,864
SLDC	-	-	625,632	25,349	625,632	25,349
STASC	-	-	635,092	657,806	635,092	657,806
Funding Corporation	-	-	85,814	122,244	85,814	122,244
ILDC	-	-	9,001,399	9,089,250	9,001,399	9,089,250
BLDC	-	-	2,162	-	2,162	-
Total expenses	<u>195,965,159</u>	<u>225,948,249</u>	<u>27,891,535</u>	<u>30,443,513</u>	<u>223,856,694</u>	<u>256,391,762</u>
Change in net position	41,229,825	(12,287,269)	(5,510,281)	(8,699,701)	35,719,544	(20,986,970)
Net position—beginning	(134,789,322)	(122,502,053)	(58,960,090)	(50,252,889)	(193,749,412)	(172,754,942)
Prior period adjustment	-	-	-	(7,500)	-	(7,500)
Net position—ending	<u>\$ (93,559,497)</u>	<u>\$ (134,789,322)</u>	<u>\$ (64,470,371)</u>	<u>\$ (58,960,090)</u>	<u>\$ (158,029,868)</u>	<u>\$ (193,749,412)</u>

Governmental activities—Governmental activities increased the County’s net position by \$41,229,825. The largest funding sources for the County’s governmental activities, as a percent of total revenues, are property taxes which comprised 28.8 percent, sales tax which comprised 27.4 percent, and operating grants and contributions which comprised 17.6 percent.

The largest expense categories as a percent of total expenses for the County’s governmental activities are economic assistance and opportunity which comprised 27.4 percent, general government support which comprised 18.6 percent and public safety which comprised 16.5 percent.

Significant changes from 2020 to 2021 in revenues and expenses for the County include the following:

- Total revenues increased \$23,534,004 primarily due to an approximate increase in sales tax revenue of 32 percent.
- Total expenses decreased \$29,983,090 from the prior year, primarily attributed to decreased cost associated with the County’s pension and OPEB plans.

Business-type activities—Business-type activities decreased the County’s net position by \$5,510,281. The majority of the change can be attributed to the Adult Care Center, in the amount of \$4,588,592. Although operating revenues increased from the prior year, offset by decreases in intergovernmental transfer revenue and the continuing impact of personnel and benefits costs to operate the facility offset any positive operating variances. The SLLDC and ILDC net position decreased by \$251,722 and \$1,544,360, respectively. Net position of the STASC, SCFC, and BLDC increased by \$608,771, \$242,784 and \$22,838, respectively.

Financial Analysis of Governmental Funds

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

Governmental funds—The focus of the County’s *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County’s financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the County Legislature.

At December 31, 2021, the County’s governmental funds reported combined ending fund balances of \$59,680,921, an increase of \$30,900,924 in comparison with the prior year. Approximately 26.7 percent of this amount, \$15,945,700, constitutes *unassigned fund balance*, which is available for spending per the County’s fund balance policy. The remainder of fund balance is either *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is: (1) not in spendable form, \$18,626,341, (2) restricted for particular purposes, \$1,271,405, (3) committed for particular purposes, \$26,985, or (4) assigned for particular purposes, \$23,810,490.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, *unassigned fund balance* of the General Fund was \$21,832,935, while total fund balance increased to \$54,522,299. As a measure of the General Fund’s liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to the total General Fund expenditures and transfers out. Unassigned fund balance represents approximately 11.7 percent of the total General Fund expenditures and transfers out, while total fund balance represents approximately 29.3 percent of that same amount.

The fund balance in the County Road Fund increased \$1,526,414 from the prior year ended December 31, 2020, primarily due to a state aid and transfers in of ARPA funds outpacing transportation and paving costs. The ending fund balance in the County Road Fund was \$3,160,864.

The fund balance in the Refuse and Garbage Fund increased \$119,524 from the prior year ended December 31, 2020, due to increased charges for services outpacing increasing operating expenditures. The ending fund balance in the Refuse and Garbage Fund was \$4,712,960, of which \$4,668,468 represents amounts assigned for specific use and is available for spending towards this fund’s activities.

The fund balance in the Capital Projects Fund increased \$148,159 from the prior year ended December 31, 2020, due to state and federal aid and other financing sources exceeding capital outlay. The County’s Capital Projects Fund ending fund balance was in a deficit position of \$(5,887,235), due to certain projects funded with short-term financing. This deficit is expected be eliminated as resources are obtained (e.g., from revenues, long-term debt issuances, and transfers in) to make the scheduled debt service principal and interest payments on the BANs.

Proprietary funds—The County’s proprietary funds provide the same type of information found in the government-wide financials statements, but in more detail.

Factors concerning the finances of the enterprise funds have already been addressed in the aforementioned discussion of the County’s business-type activities.

The Internal Service Fund is used to account for the County’s self-insurance programs, including workers’ compensation benefits and dental. The total net position at the end of the fiscal year was \$1,586,290. This represents a decrease to net position of \$428,403, primarily due to employee benefits exceeding charges for services during the year.

General Fund Budgetary Highlights

The County’s General Fund budget generally contains budget amendments during the year. The budget is allowed to be amended upward (increased) for prior year’s encumbrances since the funds were allocated under the previous year’s budget, and the County has appropriately assigned an equal amount of fund balance at year-end for this purpose. Furthermore, the budget is allowed to be amended upward (increased) for additional current year appropriations supported by an increase in budgeted revenues. A budgetary comparison schedule within the required supplementary information section of this report has been provided to demonstrate compliance with their budget.

A summary of the General Fund results of operations for the year ended December 31, 2021 is presented in Table 3 below:

Table 3—General Fund Budget

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues and other financing sources	\$ 196,299,891	\$ 198,660,466	\$ 214,316,841	\$ 15,656,375
Expenditures and other financing uses	197,133,345	202,148,116	186,000,282	16,147,834
Excess (deficiency) of revenues over expenditures and other financing uses	\$ (833,454)	\$ (3,487,650)	\$ 28,316,559	\$ 31,804,209

Original budget compared to final budget—During the year, the County’s budgeted revenues and appropriations were amended to adjust for increases in federal aid. No other significant adjustments were noted between the original and final budget.

Final budget compared to actual results—The General Fund had transfers out over final budget of \$2,162,298 for capital projects. The General Fund recognized budget savings of \$18,310,132 due primarily to positive variances realized in economic assistance and opportunity and general government support expenditures. This was the result of savings realized within various federal-funded assistance programs as well as personnel and employee benefits costs.

Capital Assets and Debt Administration

Capital assets—The County’s investment in capital assets for its governmental and business-type activities as of December 31, 2021 amounts to \$355,553,100 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, infrastructure, and machinery and equipment. All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the County’s capital asset policy.

Capital assets net of depreciation for the governmental activities and business-type activities at December 31, 2021 and December 31, 2019 are presented in Table 4 below:

Table 4—Summary of Capital Assets (Net of Accumulated Depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020	2021	2020
Land	\$ 8,798,880	\$ 8,816,187	\$ 364,600	\$ 44,800	\$ 9,163,480	\$ 8,860,987
Construction in progress	4,667,373	6,435,148	38,540	-	4,705,913	6,435,148
Land improvements	4,869,616	5,347,850	513,193	-	5,382,809	5,347,850
Buildings and improvements	109,965,348	108,944,637	609,164	-	110,574,512	108,944,637
Machinery and equipment	12,529,267	15,643,139	261,784	1,613,255	12,791,051	17,256,394
Infrastructure	128,244,505	127,278,376	84,690,830	87,923,697	212,935,335	215,202,073
Total	<u>\$ 269,074,989</u>	<u>\$ 272,465,337</u>	<u>\$ 86,478,111</u>	<u>\$ 89,581,752</u>	<u>\$ 355,553,100</u>	<u>\$ 362,047,089</u>

Significant changes in capital assets from 2020 to 2021 include:

- Infrastructure increased \$12,599,751 for governmental activities, which primarily represents bridge and road projects.

The County’s infrastructure assets are recorded at historical cost in the government-wide financial statements. The County has elected to depreciate its infrastructure assets. Additional information on County’s capital assets can be found in Note 5 of this report.

Long-term debt—At December 31, 2021, The County has approximately \$249.7 million in net bonded debt for its governmental and business-type activities. This includes general obligation issued by the County itself, tobacco settlement bonds issued by the STASC, and revenue bonds issued by the ILDC.

A summary of the County’s long-term liabilities at December 31, 2021 and December 31, 2020 is presented in Table 8 below:

Table 8—Summary of Long-Term Liabilities

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 125,005,000	\$ 134,280,000	\$ -	\$ -	\$ 125,005,000	\$ 134,280,000
Premium on bonds	2,814,059	2,935,825	-	-	2,814,059	2,935,825
Tobacco settlement bonds	-	-	14,850,000	15,350,000	14,850,000	15,350,000
Premium on bonds - STASC	-	-	1,158,639	1,216,570	1,158,639	1,216,570
Revenue bonds	-	-	106,710,000	108,435,000	106,710,000	108,435,000
Discount on bonds	-	-	(864,953)	(913,842)	(864,953)	(913,842)
Capital leases	1,103,228	1,119,819	-	-	1,103,228	1,119,819
Landfill post-closure costs	9,644,042	13,157,289	-	-	9,644,042	13,157,289
Compensated absences	3,677,090	4,027,283	293,437	549,678	3,970,527	4,576,961
Retirement incentives	-	4,137,172	-	568,212	-	4,705,384
Other postemployment benefits	273,861,836	281,468,630	28,917,102	22,999,843	302,778,938	304,468,473
Claims payable	15,680,775	15,852,990	-	-	15,680,775	15,852,990
Net pension liability	214,988	51,246,179	24,646	6,776,067	239,634	58,022,246
Total	\$ 432,001,018	\$ 508,225,187	\$ 151,088,871	\$ 154,981,528	\$ 583,089,889	\$ 663,206,715

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. The County has enjoyed a favorable Moody’s Investors Service and S&P Global Ratings bond rating of AA.

The New York State Constitution limits the amount of indebtedness, both long-term and short-term which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years. Certain indebtedness is excluded in ascertaining the County’s authority to contract indebtedness with the constitutional limits; accordingly, debt of this kind, commonly referred to as “excluded debt”, may be issued without regard to the constitutional limits and without affecting the County’s authority to issue debt subject to the limit. At December 31, 2021, the County of Sullivan had used \$136,108,228 or 24.3% of the constitutional debt limit leaving \$424,056,668 remaining to be used.

For additional information on the County’s long-term debt, refer to Note 12 of this report.

Economic Factors and Next Year’s Budget

According to the New York State Department of Labor, the unemployment rate for the County of Sullivan was 3.1 percent in December 31, 2021, down from 6.2 percent in 2020. The County’s December 2021 unemployment rate was less than the State-wide rate of 4.5 percent.

Labor Department data also indicates that the number of people employed in the County increased by 5.3 percent, from an average of 33,329 to 35,100 between 2020 and 2021, respectively.

The County's 2021 per capita income of \$52,249 is 68.4% of the State's \$76,415. The taxable assessed value of real property in the County increased from \$5,572,548,557 in 2020 to \$5,623,050,781 in 2021, with the median sales price of residential properties increasing from \$175,000 in 2020 to \$200,000 in 2021.

All of these factors were taken into consideration in developing the fiscal 2022 budget.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Nancy Buck, County Treasurer, Sullivan County Government Center, P.O. Box 5012, 100 North Street, Monticello, New York, 12701, telephone (845) 807-0210, or visit the County's web site at www.co.Sullivan.ny.us.

BASIC FINANCIAL STATEMENTS

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COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position
December 31, 2021

	<u>Primary Government</u>			Total Discretely Presented Component Units
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
ASSETS				
Cash and cash equivalents	\$ 45,591,370	\$ 2,927,937	\$ 48,519,307	\$ 11,305,083
Restricted cash and cash equivalents	11,710,627	320,549	12,031,176	3,023,785
Resident trust cash	-	290,136	290,136	-
Restricted Investments	-	4,806,133	4,806,133	1,919,967
Receivables (net of allowances):				
Taxes	28,364,261	-	28,364,261	-
Accounts receivable	18,132,049	4,348,772	22,480,821	3,203,261
Notes receivable	-	265,301	265,301	93,205
Loans receivable	221,500	-	221,500	660,734
Intergovernmental receivables	29,166,385	1,546,286	30,712,671	472,688
Internal balances	17,136,021	(17,136,021)	-	-
Inventories	-	64,943	64,943	-
Prepaid items	2,058,111	61,037	2,119,148	125,705
Net pension asset	-	-	-	1,126,778
Capital assets, not being depreciated	13,466,253	403,140	13,869,393	3,368,641
Capital assets, net of accumulated depreciation	<u>255,608,736</u>	<u>86,074,971</u>	<u>341,683,707</u>	<u>15,827,195</u>
Total assets	<u>421,455,313</u>	<u>83,973,184</u>	<u>505,428,497</u>	<u>41,127,042</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	50,001	188,809	238,810	-
Deferred outflows—relating to pensions	50,034,092	5,735,863	55,769,955	3,733,553
Deferred outflows—relating to OPEB	<u>51,117,392</u>	<u>9,885,314</u>	<u>61,002,706</u>	<u>5,007,336</u>
Total deferred outflows of resources	<u>101,201,485</u>	<u>15,809,986</u>	<u>117,011,471</u>	<u>8,740,889</u>
LIABILITIES				
Accounts payable	17,366,522	581,465	17,947,987	6,432,454
Accrued liabilities	8,320,835	1,077,443	9,398,278	748,626
Intergovernmental payables	15,934,451	-	15,934,451	1,878,630
Due to retirement system	-	-	-	39,307
Unearned revenue	4,288,594	-	4,288,594	3,606,000
Deposits payable	-	290,136	290,136	284,202
Bond anticipation notes payable	9,140,333	-	9,140,333	-
Tax anticipation notes payable	10,000,000	-	10,000,000	-
Other liabilities	-	-	-	1,405,856
Noncurrent liabilities:				
Due within one year	12,899,249	2,393,437	15,292,686	618,855
Due in more than one year	<u>419,101,769</u>	<u>148,695,434</u>	<u>567,797,203</u>	<u>53,039,313</u>
Total liabilities	<u>497,051,753</u>	<u>153,037,915</u>	<u>650,089,668</u>	<u>68,053,243</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows—relating to tuition	-	-	-	335,086
Deferred inflows—relating to pensions	64,358,695	7,378,013	71,736,708	5,484,037
Deferred inflows—relating to OPEB	<u>54,805,847</u>	<u>3,837,613</u>	<u>58,643,460</u>	<u>10,537,209</u>
Total deferred inflows of resources	<u>119,164,542</u>	<u>11,215,626</u>	<u>130,380,168</u>	<u>16,356,332</u>
NET POSITION				
Net investment in capital assets	136,846,516	(15,663,485)	121,183,031	9,782,138
Restricted for:				
Grants and loans	-	-	-	3,313,749
Law enforcement	388,993	-	388,993	-
Debt service	53,943	-	53,943	-
Dental benefits	571,480	-	571,480	-
Community development	828,469	-	828,469	-
Unrestricted	<u>(232,248,898)</u>	<u>(48,806,886)</u>	<u>(281,055,784)</u>	<u>(47,637,531)</u>
Total net position	<u>\$ (93,559,497)</u>	<u>\$ (64,470,371)</u>	<u>\$ (158,029,868)</u>	<u>\$ (34,541,644)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Statement of Activities
Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Total Discretely Presented Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental activities:								
General government support	\$ 36,386,184	\$ 14,045,509	\$ 1,684,812	\$ -	\$ (20,655,863)	\$ -	\$ (20,655,863)	\$ -
Education	5,720,075	-	-	220,479	(5,499,596)	-	(5,499,596)	-
Public safety	32,379,222	1,709,450	1,491,947	633,100	(28,544,725)	-	(28,544,725)	-
Health	24,960,512	4,407,170	10,136,614	-	(10,416,728)	-	(10,416,728)	-
Transportation	24,303,352	1,352,167	322,976	7,879,964	(14,748,245)	-	(14,748,245)	-
Economic assistance and opportunity	53,654,010	2,919,292	23,245,767	-	(27,488,951)	-	(27,488,951)	-
Culture and recreation	3,223,714	74,677	1,158,648	-	(1,990,389)	-	(1,990,389)	-
Home and community services	10,783,761	9,911,206	3,742,204	-	2,869,649	-	2,869,649	-
Interest and other fiscal charges	4,554,329	-	-	-	(4,554,329)	-	(4,554,329)	-
Total governmental activities	<u>195,965,159</u>	<u>34,419,471</u>	<u>41,782,968</u>	<u>8,733,543</u>	<u>(111,029,177)</u>	<u>-</u>	<u>(111,029,177)</u>	<u>-</u>
Business-type activities:								
Adult Care Center	17,541,436	10,036,379	2,285,023	-	-	(5,220,034)	(5,220,034)	-
Sunset Lake LDC	625,632	100,000	273,875	-	-	(251,757)	(251,757)	-
STASC	635,092	-	-	-	-	(635,092)	(635,092)	-
SCFC	85,814	8,582	-	-	-	(77,232)	(77,232)	-
ILDC	9,001,399	7,395,503	-	-	-	(1,605,896)	(1,605,896)	-
BLDC	2,162	-	-	-	-	(2,162)	(2,162)	-
Total business-type activities	<u>27,891,535</u>	<u>17,540,464</u>	<u>2,558,898</u>	<u>-</u>	<u>-</u>	<u>(7,792,173)</u>	<u>(7,792,173)</u>	<u>-</u>
Total primary government	<u>\$ 223,856,694</u>	<u>\$ 51,959,935</u>	<u>\$ 44,341,866</u>	<u>\$ 8,733,543</u>	<u>(111,029,177)</u>	<u>(7,792,173)</u>	<u>(118,821,350)</u>	<u>-</u>
Component units:								
Total discretely presented component units	<u>\$ 19,273,914</u>	<u>\$ 5,227,932</u>	<u>\$ 14,102,178</u>	<u>\$ -</u>				<u>56,196</u>
General revenues:								
Property taxes					68,358,963	-	68,358,963	-
Property tax items					7,386,285	-	7,386,285	-
Sales tax					65,069,481	-	65,069,481	-
Other nonproperty tax items					5,898,063	-	5,898,063	-
Use of money and property					297,941	62,112	360,053	333,079
Sale of property and compensation for loss					1,322,636	-	1,322,636	-
Miscellaneous					3,925,633	2,219,780	6,145,413	517,276
Total general revenues					<u>152,259,002</u>	<u>2,281,892</u>	<u>154,540,894</u>	<u>850,355</u>
Change in net position					41,229,825	(5,510,281)	35,719,544	906,551
Net position—beginning, as restated					<u>(134,789,322)</u>	<u>(58,960,090)</u>	<u>(193,749,412)</u>	<u>(35,448,195)</u>
Net position—ending					<u>\$ (93,559,497)</u>	<u>\$ (64,470,371)</u>	<u>\$ (158,029,868)</u>	<u>\$ (34,541,644)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2021

	General	Special Revenue			Total Nonmajor Funds	Total Governmental Funds
		County Road	Refuse and Garbage	Capital Projects		
ASSETS						
Cash and cash equivalents	\$ 41,672,500	\$ 277,750	\$ 2,546,655	\$ -	\$ 279,068	\$ 44,775,973
Restricted cash and cash equivalents	4,707,142	6,801	4,508	5,784,146	633,013	11,135,610
Receivables (net of allowances):						
Taxes	28,364,261	-	-	-	-	28,364,261
Accounts receivable	10,951,589	1,482	594,474	-	269	11,547,814
Loans receivable	-	-	-	-	221,500	221,500
Intergovernmental receivables	23,832,319	4,105,140	60,524	1,003,652	164,750	29,166,385
Due from other funds	20,296,993	8,981	2,682,424	-	2,266,637	25,255,035
Prepaid items	1,725,482	148,016	44,492	-	40,121	1,958,111
Total assets	<u>\$ 131,550,286</u>	<u>\$ 4,548,170</u>	<u>\$ 5,933,077</u>	<u>\$ 6,787,798</u>	<u>\$ 3,605,358</u>	<u>\$ 152,424,689</u>
LIABILITIES						
Accounts payable	\$ 14,526,929	\$ 1,016,703	\$ 1,117,142	\$ 396,861	\$ 308,887	\$ 17,366,522
Accrued liabilities	6,644,851	370,603	102,955	-	101,894	7,220,303
Intergovernmental payables	15,934,451	-	-	-	-	15,934,451
Due to other funds	14,225,721	-	20	3,137,839	22,544	17,386,124
Unearned revenue	4,288,594	-	-	-	-	4,288,594
Bond anticipation notes	-	-	-	9,140,333	-	9,140,333
Tax anticipation notes	10,000,000	-	-	-	-	10,000,000
Total liabilities	<u>65,620,546</u>	<u>1,387,306</u>	<u>1,220,117</u>	<u>12,675,033</u>	<u>433,325</u>	<u>81,336,327</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue—property taxes	11,407,441	-	-	-	-	11,407,441
Total deferred inflows of resources	<u>11,407,441</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,407,441</u>
FUND BALANCES (DEFICIT)						
Nonspendable	18,393,712	148,016	44,492	-	40,121	18,626,341
Restricted	418,548	6,801	4,508	-	841,548	1,271,405
Committed	26,985	-	-	-	-	26,985
Assigned	13,850,119	3,006,047	4,663,960	-	2,290,364	23,810,490
Unassigned	21,832,935	-	-	(5,887,235)	-	15,945,700
Total fund balances (deficit)	<u>54,522,299</u>	<u>3,160,864</u>	<u>4,712,960</u>	<u>(5,887,235)</u>	<u>3,172,033</u>	<u>59,680,921</u>
Total liabilities, deferred inflows of resources, and fund balances (deficit)	<u>\$ 131,550,286</u>	<u>\$ 4,548,170</u>	<u>\$ 5,933,077</u>	<u>\$ 6,787,798</u>	<u>\$ 3,605,358</u>	<u>\$ 152,424,689</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Reconciliation of the Balance Sheet—
Governmental Funds to the Government-wide Statement of Net Position
December 31, 2021

Amounts reported for governmental activities in the statement of net position (page 28) are different because:

Total fund balances (deficit)—governmental funds (page 30)	\$ 59,680,921	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of the assets is \$532,872,077 and the accumulated depreciation is \$263,797,088.		269,074,989
Real property taxes not collected within 60 days of year end are reported as deferred inflows of resources in the fund statements, but are recognized on the accrual basis for government-wide statements.		11,407,441
Internal service funds are used by the County to charge the costs of workers' compensation and dental benefits to individual funds. Assets in excess of liabilities of the internal service funds are included within governmental activities on the statement of net position.		1,586,290
For refunding bonds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred charge and recognized as a component of interest expense over either the lesser of the life of the debt issuance or the bonds refunded for the government-wide statements.		50,001
Deferred outflows and inflows of resources related to pensions and other postemployment benefits ("OPEB") are applicable to future periods and, therefore, are not reported in the funds:		
Deferred outflows related to employer contributions	\$ 5,874,333	
Deferred outflows related to experience, changes in assumptions, investment earnings, and changes in proportion	44,159,759	
Deferred inflows of resources related to pensions	(64,358,695)	
Deferred outflows related to OPEB liability	51,117,392	
Deferred inflows related to OPEB liability	<u>(54,805,847)</u>	(18,013,058)
Net accrued interest expense for general obligation bonds is not reported in the funds.		(830,539)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
General obligation bonds	\$ (125,005,000)	
Premiums on bonds	(2,814,059)	
Capital leases	(1,103,228)	
Landfill post-closure costs	(9,644,042)	
Compensated absences	(3,677,090)	
OPEB obligation	(273,861,836)	
Claims payable	(195,299)	
Net pension liability	<u>(214,988)</u>	<u>(416,515,542)</u>
Net position of governmental activities		<u>\$ (93,559,497)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—Governmental Funds
Year Ended December 31, 2021

	General	Special Revenue			Total Nonmajor Funds	Total Governmental Funds
		County Road	Refuse and Garbage	Capital Projects		
REVENUES						
Real property taxes	\$ 69,786,508	\$ -	\$ -	\$ -	\$ -	\$ 69,786,508
Other property tax items	7,386,285	-	-	-	-	7,386,285
Non property tax items	70,967,544	-	-	-	-	70,967,544
Departmental income	16,269,013	-	9,665,307	-	929,280	26,863,600
Intergovernmental charges	746,493	142,463	-	-	-	888,956
Licenses and permits	2,899,407	3,710	-	-	-	2,903,117
Fines and forfeitures	114,822	-	-	-	-	114,822
Use of money and property	282,338	49	570	717	14,116	297,790
Sale of property and compensation for loss	892,094	-	259,832	-	161,726	1,313,652
Miscellaneous	1,326,593	85,536	2,507,045	-	6,459	3,925,633
State aid	21,906,062	5,576,832	20,113	936,987	-	28,439,994
Federal aid	19,469,702	160,694	-	1,921,646	524,475	22,076,517
Total revenues	<u>212,046,861</u>	<u>5,969,284</u>	<u>12,452,867</u>	<u>2,859,350</u>	<u>1,636,056</u>	<u>234,964,418</u>
EXPENDITURES						
Current:						
General government support	31,781,240	-	-	-	-	31,781,240
Education	5,446,351	-	-	-	-	5,446,351
Public safety	29,811,992	924,339	-	-	-	30,736,331
Health	24,671,099	-	-	-	-	24,671,099
Transportation	2,114,824	17,684,116	-	-	3,911,813	23,710,753
Economic assistance and opportunity	53,175,154	-	-	-	-	53,175,154
Culture and recreation	3,099,787	-	-	-	-	3,099,787
Home and community services	1,856,928	-	10,253,573	-	677,548	12,788,049
Debt service:						
Principal	457,454	-	-	-	12,630,000	13,087,454
Interest and other fiscal charges	507,322	176,317	-	-	4,320,294	5,003,933
Capital outlay	-	-	-	4,692,068	-	4,692,068
Total expenditures	<u>152,922,151</u>	<u>18,784,772</u>	<u>10,253,573</u>	<u>4,692,068</u>	<u>21,539,655</u>	<u>208,192,219</u>
Excess (deficiency) of revenues over expenditures	59,124,710	(12,815,488)	2,199,294	(1,832,718)	(19,903,599)	26,772,199
OTHER FINANCING SOURCES (USES)						
Issuance of capital leases	-	-	-	440,863	-	440,863
Issuance of refunding bonds	-	-	-	-	3,355,000	3,355,000
Premium on refunding bonds	-	-	-	-	332,862	332,862
Transfers in	2,269,980	18,830,443	126,112	3,845,565	17,771,369	42,843,469
Transfers out	(33,078,131)	(4,488,541)	(2,205,882)	(2,305,551)	(765,364)	(42,843,469)
Total other financing sources (uses)	<u>(30,808,151)</u>	<u>14,341,902</u>	<u>(2,079,770)</u>	<u>1,980,877</u>	<u>20,693,867</u>	<u>4,128,725</u>
Net change in fund balances (deficit)	28,316,559	1,526,414	119,524	148,159	790,268	30,900,924
Fund balances (deficit)—beginning	<u>26,205,740</u>	<u>1,634,450</u>	<u>4,593,436</u>	<u>(6,035,394)</u>	<u>2,381,765</u>	<u>28,779,997</u>
Fund balances (deficit)—ending	<u>\$ 54,522,299</u>	<u>\$ 3,160,864</u>	<u>\$ 4,712,960</u>	<u>\$ (5,887,235)</u>	<u>\$ 3,172,033</u>	<u>\$ 59,680,921</u>

The notes to the financial statements are an integral part of this statement

COUNTY OF SULLIVAN, NEW YORK

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)—
Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2021**

Amounts reported for governmental activities in the statement of activities (page 29) are different because:

Net change in fund balances (deficit)—total governmental funds (page 32) \$ 30,900,924

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital asset additions	\$ 13,056,607	
Depreciation expense	(17,770,033)	
Loss on disposition	<u>1,323,078</u>	(3,390,348)

Governmental funds recognize real property taxes only if collected within 60 days after the end of the fiscal year; however, the government-wide statements recognize revenue on a full accrual basis. (1,427,545)

Internal service funds are used by management to charge the costs of workers' compensation and dental benefits to individual funds. The change in net position of the internal service funds is reported within governmental activities. (428,403)

For refunding bonds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred charge on the government-wide statements and recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. (150,007)

Net differences between pension contributions recognized on the fund financial statements and the government-wide financial statements are as follows:

Direct pension contributions	\$ 7,769,566	
Cost of benefits earned net of employee contributions	<u>(4,885,621)</u>	2,883,945

Deferred outflows and inflows of resources relating to OPEB result from actuarial changes in the census, changes in medical premiums that are different than expected healthcare cost trend rates, and changes in assumptions and other inputs. This amount is shown net of current year amortization. (12,501,835)

In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid. 144,983

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Additionally, in the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). The net effect of these differences in the treatment of long-term debt and related items is as follows:

Issuance of refunding bonds	\$ (3,355,000)	
Repayment of general obligation bonds	12,630,000	
Amortization of bond premiums	121,766	
Issuance of capital leases	(440,863)	
Repayment of capital leases	457,454	
Change in landfill post-closure costs	3,513,247	
Change in compensated absences	350,193	
Change in retirement incentives	4,137,172	
Change in OPEB obligation	7,606,794	
Change in claims payable	<u>177,348</u>	<u>25,198,111</u>

Change in net position of governmental activities \$ 41,229,825

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position—Proprietary Funds
December 31, 2021

	Business-type Activities						Governmental Activities	
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC	Total	Internal Service Funds
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 2,165,391	\$ 100,060	\$ 204,181	\$ 396,020	\$ 44,041	\$ 18,244	\$ 2,927,937	\$ 815,397
Restricted cash and cash equivalents	-	-	486	-	320,063	-	320,549	575,017
Resident trust cash	290,136	-	-	-	-	-	290,136	-
Investments	-	-	1,102,945	-	3,703,188	-	4,806,133	-
Accounts receivable, net of allowances	4,336,072	-	-	-	12,700	-	4,348,772	6,584,235
Notes receivable	-	-	-	265,301	-	-	265,301	-
Intergovernmental receivables	467,792	-	1,078,494	-	-	-	1,546,286	-
Due from other funds	-	-	-	-	-	-	-	9,268,502
Inventories	64,943	-	-	-	-	-	64,943	-
Prepaid items	52,337	-	4,106	-	-	4,594	61,037	100,000
Total current assets	<u>7,376,671</u>	<u>100,060</u>	<u>2,390,212</u>	<u>661,321</u>	<u>4,079,992</u>	<u>22,838</u>	<u>14,631,094</u>	<u>17,343,151</u>
Noncurrent assets:								
Capital assets, not being depreciated	44,800	38,540	-	319,800	-	-	403,140	-
Capital assets, net of accumulated depreciation	261,784	1,122,357	-	-	84,690,830	-	86,074,971	-
Total noncurrent assets	<u>306,584</u>	<u>1,160,897</u>	<u>-</u>	<u>319,800</u>	<u>84,690,830</u>	<u>-</u>	<u>86,478,111</u>	<u>-</u>
Total assets	<u>7,683,255</u>	<u>1,260,957</u>	<u>2,390,212</u>	<u>981,121</u>	<u>88,770,822</u>	<u>22,838</u>	<u>101,109,205</u>	<u>17,343,151</u>
DEFERRED OUTFLOWS OF RESOURCES								
Deferred charge on refunding	-	-	188,809	-	-	-	188,809	-
Deferred outflows—relating to pensions	5,735,863	-	-	-	-	-	5,735,863	-
Deferred outflows—relating to OPEB	9,885,314	-	-	-	-	-	9,885,314	-
Total deferred outflows of resources	<u>15,621,177</u>	<u>-</u>	<u>188,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,809,986</u>	<u>-</u>
LIABILITIES								
Current liabilities:								
Accounts payable	402,631	178,156	-	-	678	-	581,465	-
Accrued liabilities	89,233	-	53,639	-	934,571	-	1,077,443	269,993
Due to other funds	17,136,021	-	-	-	-	-	17,136,021	1,392
Deposits payable	290,136	-	-	-	-	-	290,136	-
Current portion of noncurrent liabilities	293,437	-	295,000	-	1,805,000	-	2,393,437	1,664,772
Total current liabilities	<u>18,211,458</u>	<u>178,156</u>	<u>348,639</u>	<u>-</u>	<u>2,740,249</u>	<u>-</u>	<u>21,478,502</u>	<u>1,936,157</u>
Noncurrent liabilities:								
Due in more than one year	28,941,748	-	15,713,639	-	104,040,047	-	148,695,434	13,820,704
Total noncurrent liabilities	<u>28,941,748</u>	<u>-</u>	<u>15,713,639</u>	<u>-</u>	<u>104,040,047</u>	<u>-</u>	<u>148,695,434</u>	<u>13,820,704</u>
Total liabilities	<u>47,153,206</u>	<u>178,156</u>	<u>16,062,278</u>	<u>-</u>	<u>106,780,296</u>	<u>-</u>	<u>170,173,936</u>	<u>15,756,861</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows—relating to pensions	7,378,013	-	-	-	-	-	7,378,013	-
Deferred inflows—relating to OPEB	3,837,613	-	-	-	-	-	3,837,613	-
Total deferred inflows of resources	<u>11,215,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,215,626</u>	<u>-</u>
NET POSITION								
Net investment in capital assets	306,584	1,160,897	-	-	(17,130,966)	-	(15,663,485)	-
Restricted for:								
Dental benefits	-	-	-	-	-	-	-	571,480
Unrestricted	(35,370,984)	(78,096)	(13,483,257)	981,121	(878,508)	22,838	(48,806,886)	1,014,810
Total net position	<u>\$ (35,064,400)</u>	<u>\$ 1,082,801</u>	<u>\$ (13,483,257)</u>	<u>\$ 981,121</u>	<u>\$ (18,009,474)</u>	<u>\$ 22,838</u>	<u>\$ (64,470,371)</u>	<u>\$ 1,586,290</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenues, Expenses and Changes in Net Position—Proprietary Funds
Year Ended December 31, 2021

	Business-type Activities						Total	Governmental Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC		Internal Service Funds
Operating revenues:								
Net patient revenue	\$ 9,870,950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,870,950	\$ -
Charges for services	165,429	100,000	-	8,582	7,395,503	-	7,669,514	3,648,976
Tobacco settlement revenues	-	-	1,243,796	-	-	-	1,243,796	-
Contribution from County	-	273,875	-	-	-	-	273,875	-
Insurance recoveries	-	-	-	-	-	25,000	25,000	8,984
Total operating revenues	<u>10,036,379</u>	<u>373,875</u>	<u>1,243,796</u>	<u>8,582</u>	<u>7,395,503</u>	<u>25,000</u>	<u>19,083,135</u>	<u>3,657,960</u>
Operating expenses:								
Professional care of residents	5,434,424	-	-	-	-	-	5,434,424	-
Administrative and general services	5,964,587	300,834	34,240	85,814	53,465	2,162	6,441,102	-
Employee benefits	5,640,073	-	-	-	-	-	5,640,073	4,086,514
New York State cash assessment	421,170	-	-	-	-	-	421,170	-
Depreciation	61,866	324,798	-	-	3,232,867	-	3,619,531	-
Interest expense	19,316	-	-	-	-	-	19,316	-
Total operating expenses	<u>17,541,436</u>	<u>625,632</u>	<u>34,240</u>	<u>85,814</u>	<u>3,286,332</u>	<u>2,162</u>	<u>21,575,616</u>	<u>4,086,514</u>
Operating (loss) income	(7,505,057)	(251,757)	1,209,556	(77,232)	4,109,171	22,838	(2,492,481)	(428,554)
Nonoperating revenues (expenses):								
Intergovernmental transfer revenue	2,285,023	-	-	-	-	-	2,285,023	-
Other nonoperating revenue	631,184	-	-	319,800	-	-	950,984	-
Interest income	258	35	606	216	61,536	-	62,651	151
Loss on investment	-	-	(539)	-	-	-	(539)	-
Interest expense	-	-	(600,852)	-	(5,715,067)	-	(6,315,919)	-
Total nonoperating revenues (expenses)	<u>2,916,465</u>	<u>35</u>	<u>(600,785)</u>	<u>320,016</u>	<u>(5,653,531)</u>	<u>-</u>	<u>(3,017,800)</u>	<u>151</u>
Change in net position	(4,588,592)	(251,722)	608,771	242,784	(1,544,360)	22,838	(5,510,281)	(428,403)
Net position—beginning, as restated	<u>(30,475,808)</u>	<u>1,334,523</u>	<u>(14,092,028)</u>	<u>738,337</u>	<u>(16,465,114)</u>	<u>-</u>	<u>(58,960,090)</u>	<u>2,014,693</u>
Net position—ending	<u>\$ (35,064,400)</u>	<u>\$ 1,082,801</u>	<u>\$ (13,483,257)</u>	<u>\$ 981,121</u>	<u>\$ (18,009,474)</u>	<u>\$ 22,838</u>	<u>\$ (64,470,371)</u>	<u>\$ 1,586,290</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2021

	Business-type Activities						Activities	
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from services provided	\$ 7,259,750	\$ 100,000	\$ -	\$ 67,003	\$ 7,395,503	\$ -	\$ 14,822,256	\$ 3,184,012
Receipts from tobacco settlement revenues	-	-	1,184,841	-	-	-	1,184,841	-
Receipts from insurance recoveries	-	-	-	-	-	-	-	8,984
Payments to suppliers of contracted services	(1,724,365)	-	(34,989)	(70,152)	(68,372)	(6,756)	(1,904,634)	-
Payments to employees	(14,857,945)	-	-	-	-	-	(14,857,945)	-
Payments to insurance carriers and claimants	-	(130,428)	-	-	-	-	(130,428)	(4,052,761)
Receipts on behalf of other funds	-	-	-	-	-	25,000	25,000	1,529,916
Receipts (payments) from other operating revenue	165,429	273,875	-	(20,000)	-	-	419,304	-
Net cash provided by (used for) operating activities	(9,157,131)	243,447	1,149,852	(23,149)	7,327,131	18,244	(441,606)	670,151
CASH FLOWS FROM INVESTING ACTIVITIES								
Loss on investment	-	-	(539)	-	-	-	(539)	-
Interest received	-	-	606	216	61,536	-	62,358	151
Net cash provided by investing activities	-	-	67	216	61,536	-	61,819	151
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Payments from County	6,716,151	-	-	-	-	-	6,716,151	449
Receipts from intergovernmental transfer	2,698,882	-	-	-	-	-	2,698,882	-
Receipts from Provider Relief Funds - CARES Act	631,184	-	-	-	-	-	631,184	-
Receipts from interest income	258	35	-	-	-	-	293	-
Principal payments on long-term debt	-	-	(500,000)	-	-	-	(500,000)	-
Interest paid	-	-	(653,358)	-	-	-	(653,358)	-
Net cash provided by (used for) noncapital financing activities	10,046,475	35	(1,153,358)	-	-	-	8,893,152	449
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Capital purchases	(28,668)	(167,422)	-	-	-	-	(196,090)	-
Principal payments on short-term and long-term debt	-	-	-	-	(1,725,000)	-	(1,725,000)	-
Interest paid	-	-	-	-	(5,678,294)	-	(5,678,294)	-
Net cash used for capital and related financing activities	(28,668)	(167,422)	-	-	(7,403,294)	-	(7,599,384)	-
Increase (decrease) in cash and cash equivalents	860,676	76,060	(3,439)	(22,933)	(14,627)	18,244	913,981	670,751
Cash and cash equivalents—beginning (includes restricted cash and cash equivalents and investments)	1,304,715	24,000	1,311,051	418,953	4,081,919	-	7,140,638	719,663
Cash and cash equivalents—ending (includes restricted cash and cash equivalents and investments)	\$ 2,165,391	\$ 100,060	\$ 1,307,612	\$ 396,020	\$ 4,067,292	\$ 18,244	\$ 8,054,619	\$ 1,390,414

(continued)

COUNTY OF SULLIVAN, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2021

	Business-type Activities							Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC	Total	Internal Service Funds
Reconciliation of operating (loss) income to net cash (used for) provided by operating activities:								
Operating (loss) income	\$ (7,505,057)	\$ (251,757)	\$ 1,209,556	\$ (77,232)	\$ 4,109,171	\$ 22,838	\$ (2,492,481)	\$ (428,554)
Adjustments to reconcile operating (loss) income to net cash (used for) provided by operating activities:								
Depreciation expense	61,866	324,798	-	-	3,232,867	-	3,619,531	-
Bad debt expense	346,154	-	-	-	-	-	346,154	-
(Increase) in receivables	(2,957,354)	-	-	-	-	-	(2,957,354)	(306,839)
(Increase) in tobacco settlement receivable	-	-	(58,955)	-	-	-	(58,955)	-
Decrease in notes receivable	-	-	-	58,421	-	-	58,421	-
Decrease in due from other funds	-	-	-	-	-	-	-	1,529,916
Decrease in inventories	6,523	-	-	-	-	-	6,523	-
(Increase) in prepaid items	(5,984)	-	(749)	-	-	(4,594)	(11,327)	-
Decrease in deferred outflows of resources/deferred inflows of resources, net	2,497,832	-	-	-	-	-	2,497,832	-
Increase (decrease) in accounts payable	102,805	170,406	-	(4,338)	(14,907)	-	253,966	-
(Decrease) increase in accrued and other liabilities	(16,000)	-	-	-	-	-	(16,000)	28,620
(Decrease) in unearned revenue	-	-	-	-	-	-	-	(158,125)
(Decrease) in compensated absences	(285,542)	-	-	-	-	-	(285,542)	-
(Decrease) in accrued retirement incentives	(568,212)	-	-	-	-	-	(568,212)	-
Increase in other postemployment benefits	5,917,259	-	-	-	-	-	5,917,259	-
Increase in claims payable	-	-	-	-	-	-	-	5,133
(Decrease) in accrued net pension liability	(6,751,421)	-	-	-	-	-	(6,751,421)	-
Total adjustments	<u>(1,652,074)</u>	<u>495,204</u>	<u>(59,704)</u>	<u>54,083</u>	<u>3,217,960</u>	<u>(4,594)</u>	<u>2,050,875</u>	<u>1,098,705</u>
Net cash provided by (used for) operating activities	<u>\$ (9,157,131)</u>	<u>\$ 243,447</u>	<u>\$ 1,149,852</u>	<u>\$ (23,149)</u>	<u>\$ 7,327,131</u>	<u>\$ 18,244</u>	<u>\$ (441,606)</u>	<u>\$ 670,151</u>
Noncash investing activities:								
Increase in tobacco settlement bonds payable from amortization of original issue discount	\$ -	\$ -	\$ 57,931	\$ -	\$ -	\$ -	\$ -	\$ -
Decrease in deferred outflows of resources from amortization of loss on refunding bonds	\$ -	\$ -	\$ (9,440)	\$ -	\$ -	\$ -	\$ -	\$ -

(concluded)

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Statement of Fiduciary Net Position—Custodial Fund
December 31, 2021

	Custodial Fund
ASSETS	
Restricted cash and equivalents	\$ 2,871,510
Total assets	<u>2,871,510</u>
LIABILITIES	
Accounts payable and other liabilities	<u>1,977,011</u>
Total liabilities	<u>1,977,011</u>
NET POSITION	
Restricted for organizations and other governments	<u>\$ 894,499</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Statement of Changes in Fiduciary Net Position—Custodial Fund
Year Ended December 31, 2021

	Custodial Fund
ADDITIONS	
Funds received on behalf of others	\$ 718,326
Total additions	<u>718,326</u>
DEDUCTIONS	
Funds distributed on behalf of others	<u>35,173</u>
Total deductions	<u>35,173</u>
Change in net position	683,153
Net position—beginning	<u>211,346</u>
Net position—ending	<u>\$ 894,499</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Net Position—Discretely Presented Component Units
December 31, 2021

	Sullivan County Community College (8/31/2021)	Sullivan County Soil and Water Conservation District	Sullivan County Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Sullivan County Land Bank Corporation	Total Discretely Presented Component Units
ASSETS						
Cash and cash equivalents	\$ 4,269,525	\$ 174,246	\$ 6,421,328	\$ 20,731	\$ 419,253	\$ 11,305,083
Restricted cash and cash equivalents	68,830	1,369,079	1,585,876	-	-	3,023,785
Investments	1,919,967	-	-	-	-	1,919,967
Receivables (net of allowance for uncollectibles):						
Accounts receivable	3,172,360	350	17,182	9,977	3,392	3,203,261
Notes receivable	-	-	93,205	-	-	93,205
Loans receivable	660,734	-	-	-	-	660,734
Intergovernmental receivables	455,337	-	-	17,351	-	472,688
Prepaid items	57,380	187	2,700	-	65,438	125,705
Net pension asset	1,126,778	-	-	-	-	1,126,778
Capital assets, not being depreciated	190,000	-	-	1,442,461	1,736,180	3,368,641
Capital assets, net of accumulated depreciation	12,756,348	54,945	3,014,928	-	974	15,827,195
Total assets	<u>24,677,259</u>	<u>1,598,807</u>	<u>11,135,219</u>	<u>1,490,520</u>	<u>2,225,237</u>	<u>41,127,042</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows—relating to pensions	3,460,981	272,572	-	-	-	3,733,553
Deferred outflows—relating to OPEB	5,007,336	-	-	-	-	5,007,336
Total deferred outflows of resources	<u>8,468,317</u>	<u>272,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,740,889</u>
LIABILITIES						
Accounts payable	6,347,075	54,796	18,924	678	10,981	6,432,454
Accrued liabilities	680,839	-	67,186	-	601	748,626
Intergovernmental payables	1,515,603	-	363,027	-	-	1,878,630
Due to retirement system	-	39,307	-	-	-	39,307
Unearned revenue	2,016,391	1,369,079	195,750	-	24,780	3,606,000
Deposits payable	284,202	-	-	-	-	284,202
Other liabilities	831,762	-	289,094	-	285,000	1,405,856
Noncurrent liabilities:						
Due within one year	591,499	4,000	23,356	-	-	618,855
Due in more than one year	52,759,978	36,929	242,406	-	-	53,039,313
Total liabilities	<u>65,027,349</u>	<u>1,504,111</u>	<u>1,199,743</u>	<u>678</u>	<u>321,362</u>	<u>68,053,243</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows—relating to tuition	335,086	-	-	-	-	335,086
Deferred inflows—relating to pensions	5,132,678	351,359	-	-	-	5,484,037
Deferred inflows—relating to OPEB	10,537,209	-	-	-	-	10,537,209
Total deferred inflows of resources	<u>16,004,973</u>	<u>351,359</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,356,332</u>
NET POSITION						
Net investment in capital assets	5,535,566	54,945	2,749,166	1,442,461	-	9,782,138
Restricted	2,349,866	-	963,883	-	-	3,313,749
Unrestricted	(55,772,178)	(39,036)	6,222,427	47,381	1,903,875	(47,637,531)
Total net position	<u>\$ (47,886,746)</u>	<u>\$ 15,909</u>	<u>\$ 9,935,476</u>	<u>\$ 1,489,842</u>	<u>\$ 1,903,875</u>	<u>\$ (34,541,644)</u>

The notes to the financial statements are an integral part of this statement.

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Activities—Discretely Presented Component Units
Year Ended December 31, 2021

	Sullivan County Community College (8/31/2021)	Sullivan County Soil and Water Conservation District	Sullivan County Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Sullivan County Land Bank Corporation	Total Discretely Presented Component Units
PROGRAM EXPENSES	\$ 16,391,031	\$ 1,722,361	\$ 657,436	\$ 60,212	\$ 193,317	\$ 19,024,357
PROGRAM REVENUES						
Charges for services	3,804,278	38,345	1,385,309	-	-	5,227,932
Operating grants and contributions	<u>12,086,161</u>	<u>1,303,847</u>	<u>-</u>	<u>55,369</u>	<u>656,801</u>	<u>14,102,178</u>
Total program revenues	<u>15,890,439</u>	<u>1,342,192</u>	<u>1,385,309</u>	<u>55,369</u>	<u>656,801</u>	<u>19,330,110</u>
Net (expense) program revenues	<u>(500,592)</u>	<u>(380,169)</u>	<u>727,873</u>	<u>(4,843)</u>	<u>463,484</u>	<u>305,753</u>
GENERAL REVENUES (EXPENSES)						
Use of money and property	320,014	4,334	8,731	-	-	333,079
Interest expense	(95,547)	-	(6,178)	-	-	(101,725)
Bad debt expense	-	-	(147,832)	-	-	(147,832)
Miscellaneous	<u>332,906</u>	<u>184,163</u>	<u>207</u>	<u>-</u>	<u>-</u>	<u>517,276</u>
Total general revenues (expenses)	<u>557,373</u>	<u>188,497</u>	<u>(145,072)</u>	<u>-</u>	<u>-</u>	<u>600,798</u>
Change in net position	56,781	(191,672)	582,801	(4,843)	463,484	906,551
Net position—beginning, as restated	<u>(47,943,527)</u>	<u>207,581</u>	<u>9,352,675</u>	<u>1,494,685</u>	<u>1,440,391</u>	<u>(35,448,195)</u>
Net position—ending	<u>\$ (47,886,746)</u>	<u>\$ 15,909</u>	<u>\$ 9,935,476</u>	<u>\$ 1,489,842</u>	<u>\$ 1,903,875</u>	<u>\$ (34,541,644)</u>

The notes to the financial statements are an integral part of this statement.

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COUNTY OF SULLIVAN, NEW YORK
Notes to the Financial Statements
Year Ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the County of Sullivan, New York (the “County”) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County’s accounting principles are described below.

Description of Government-wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Reporting Entity

The County was established in 1809. Subject to the New York State Constitution, the County operates pursuant to its Charter and Administrative Code (the “Charter”), as well as various local laws. In addition, certain New York State laws govern the County to the extent that such laws are applicable to counties operating under a charter form of government. The charter was adopted by the Board of Supervisors (now County Legislature) of the County of Sullivan on August 25, 1993 by Local Law No. 4-1993, and approved at referendum on November 2, 1993. The Administrative Code was adopted by the Board of Supervisors (now County Legislature) of the County of Sullivan on December 14, 1995 by Local Law No. 11-1995, and amended in its entirety July 17, 1997 by Local Law No. 3-1997 (subsequent amendments noted within applicable sections). The County Legislature is the legislative, appropriating, governing and policymaking body of the County and the County Manager serves as the chief executive and administrative head of the County, and the County Treasurer serves as the chief financial officer of the County.

The County provides mandated social service programs such as Medicaid, Temporary Assistance for Needy Families and Safety Net. The County also provides services and facilities in the areas of culture, recreation, education, public safety, youth, health, senior services, roads, and sanitary sewerage. These general government programs and services are financed by various taxes, state and federal aid and departmental revenue (which are primarily comprised of service fees and various types of program-related charges). Additionally, the County also operates a nursing home.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Discretely presented component units are aggregated and reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Discretely Presented Component Units—The component unit column in the government-wide financial statements includes the financial data of the County’s discretely presented component units. These statements are presented separately from the financial data of the primary government to emphasize that they are legally separate from the County.

Sullivan County Community College—The Sullivan County Community College (the “College”) was established in 1962 under Article 126 of the Education Act of the State of New York under the sponsorship of the County and is operated by a Board of Trustees under Paragraph (c) of Subdivision 6 of Section 6304 of the Education Act of the State of New York. The College is administered by a nine member Board of Trustees. Five members are appointed by the County Legislature and four members are appointed by the New York State Governor. The College’s fiscal year-end is August 31. The Faculty Student Association of Sullivan County Community College, Inc. (the “Association”) is organized under the not-for-profit laws of New York State to supplement and conduct activities and services for the students, faculty, staff and alumni of the College. The Association is presented as a component unit of the College, and its fiscal year end is August 31. The Sullivan County Community College Foundation, Inc. (the “Foundation”) is organized under the not-for-profit laws of New York State to raise funds to provide scholarships and to provide support for initiatives that will have a significant and measurable impact on the students, faculty and staff of the College. The Foundation is a component unit of the College and its fiscal year end is August 31. The Sullivan County Community College Dormitory Corporation (the "Dormitory Corporation") is organized under the not-for-profit laws of New York State to manage the dormitory buildings of the College. The Dormitory Corporation is presented as a component unit of the College and its fiscal year end is August 31.

Pursuant to New York State Education Law relating to community colleges, title to real property is held by the County in trust for the use of the College in carrying out its institutional purposes. The accompanying debt is also a legal obligation of the County. No revenues or assets of the College have been pledged or will be available to pay the principal and interest on this debt. Principal and interest payments on the debt are payable from amounts appropriated each year by the State of New York pursuant to the State Education Law, and the County in the case of County-related debt through the College’s budget, and from monies in the debt service reserve fund held by the Dormitory Authority of the State of New York (the “DASNY”) trustees. Capital appropriations include the annual debt service requirements on the County debt. The provisions of the State Education Law regarding the State appropriations for principal and interest payments do not constitute a legally enforceable obligation of the State. The College recognizes State and County appropriation revenue for contributions of capital assets when the capital project is approved, the appropriation is made available and the expenditure is incurred. Equipment made available to the College from its inception are stated at cost and were purchased from appropriations of the County and New York State, designated for that purpose, and from Federal grants.

Separately issued financial statements for the College may be obtained by writing the Sullivan County Community College, 112 College Road, Loch Sheldrake, New York 12759.

Sullivan County Soil and Water Conservation District—The Sullivan County Soil and Water Conservation District (the "District") was established in 1966 pursuant to Chapter 727 of the Laws of the State of New York. The District is a nonprofit organization formed to coordinate state and federal conservation programs on a local level. The District is managed by a Board of Directors consisting of seven members. Members are appointed by the County Legislature and are subject to removal at the will of the County Legislature. Separately issued financial statements for the District may be obtained by writing the Sullivan County Soil and Water Conservation District, 64 Ferndale-Loomis Road, Liberty, New York 12754.

Sullivan County Industrial Development Agency—The Sullivan County Industrial Development Agency (the “IDA”) is a public benefit corporation established in 1970 under the mandate of Article 18-A, “New York State Industrial Development Agency Act,” of New York State general municipal law. The IDA was formed to promote and assist in acquiring or constructing various business and recreational facilities and, in the process, advances the job opportunities, health, general prosperity and economic welfare of the people of Sullivan County. The IDA’s function is to authorize the issuance of industrial revenue bonds for industrial development projects. The IDA reviews and determines whether to recommend approval of those applicants wishing to obtain financing. The IDA receives application fees from applicants and closing fees from those accepted for industrial revenue financing, such fees are recorded when earned. The IDA is managed by a Board of Directors consisting of nine members. Members are appointed by the County Legislature and are subject to removal at the will of the County Legislature. Separately issued financial statements for the IDA may be obtained by writing the County of Sullivan Industrial Development Agency, at One Cablevision Center, Ferndale, NY 12734.

Emerald Corporate Center Economic Development Corporation—The Emerald Corporate Center Economic Development Corporation (the "ECCEDC") was established in 2000 pursuant to an act of the County Legislature. The ECCEDC was formed to operate and sell shovel-ready lots within the Emerald Corporate Park for commercial office uses. The County advances funds necessary to develop the park and is reimbursed upon the sale of property within the park. The ECCEDC is governed by a nine member board of directors. Members are appointed by the County Legislative Chair, confirmed by the County Legislature, and are subject to removal at the will of the County Legislature. Separately issued financial statements for the ECCEDC may be obtained by writing the Emerald Corporate Center, 198 Bridgeville Road, Monticello, NY 12701.

Sullivan County Land Bank Corporation—The Sullivan County Land Bank Corporation (the “Land Bank”) was established under Article 16 of the Not-for-Profit Corporation Law of the State of New York pursuant to a resolution adopted by County on June 16, 2016. The Land Bank was formed to combat community deterioration by facilitating the return of vacant, abandoned, and tax-delinquent properties to productive use in order to eliminate the harms and liabilities caused by such properties, and lessen the burden of government and act in the public interest. The Land Bank’s public objective and mission is to lessen the burdens of the government by undertaking, promoting, and facilitating the return of vacant, abandoned, and tax delinquent properties to productive use in order to eliminate the harms and liabilities caused by such properties and to combat community deterioration in the County, that will include real estate development and management, real estate project finance, and other community-based economic and human services development activities permissible under the Not-for-Profit Corporation Law. The Land Bank is governed by a nine member board of directors. Members are appointed by the County Legislative Chair, confirmed by the County Legislature, and are subject to removal at the will of the County Legislature. Separately issued financial statements for the Land Bank may be obtained by writing the Sullivan County Land Bank Corporation, 100 North Street, PO Box 5012, Monticello, New York 12701.

Blended Component Units—The following blended component units are legally separate entities from the County, but are, in substance, part of the County’s operations and therefore data from these units is combined with data of the primary government.

Sullivan Tobacco Asset Securitization Corporation—The Sullivan Tobacco Asset Securitization Corporation (“STASC”) is a special purpose, bankruptcy remote, local development corporation organized under the Not-for-Profit Corporation Law of the State of New York and is an instrumentality of, but separate and apart from the County. STASC was incorporated for the sole purpose of issuing tobacco settlement asset backed bonds in order to provide funds to purchase from the County all of the County’s right, title, and interest in annual payments to be received in settlement of certain smoking-related litigation. Tobacco settlement bonds are payable only from the assets of STASC and are not legal obligations of the County. The Board of Directors of STASC consists of five members; the County Manager, the County's Commissioner of Financial Management, the Chairman of the County's Board of Legislators, the Majority Leader of the County's Board of Legislators and the Minority Leader of the County's Board of Legislators. Although legally separate and independent of the County, STASC is considered an affiliated organization under GASB and reported as a component unit of the County for financial reporting purposes and, accordingly, is included in the County’s financial statements. Separately issued financial statements for STASC may be obtained by writing the STASC, 100 North Street Monticello, New York 12701.

Sullivan County Funding Corporation—The Sullivan County Funding Corporation (the "SCFC") was incorporated in November 2010 under Section 1411 of the Not-For-Profit Corporation Law of the State of New York. The SCFC was formed to relieve and reduce unemployment, promote and provide for additional and maximum employment, improve and maintain job opportunities, and lessen the burden of government and act in the public interest. The SCFC’s public objective and mission is to lessen of the burdens of government by undertaking and promoting economic development initiatives in the County. Such initiatives include real estate leasing, acquisition, development and management, real estate project finance, and other community-based economic development activities permissible under the Not-For-Profit Corporation Law. The County is the sole appointing member of the SCFC, acting by and through the County Manager on an ex-officio basis. The SCFC is managed by a Board of Directors consisting of nine members. Members are appointed by the County Manager and are subject to removal at the will of the County Manager. The County is the sole corporate member of the SCFC. Separately issued financial statements for the SCFC may be obtained by writing the Sullivan County Funding Corporation, One Cablevision Center, Ferndale, New York 12734.

Sullivan County Infrastructure Local Development Corporation—The Sullivan County Infrastructure Local Development Corporation (the “ILDC”) was established under to section 1411 of the New York Not-For-Profit Corporation Law pursuant to a resolution adopted by the County on January 28, 2016. The ILDC was formed to develop, own, construct, maintain, certain infrastructure and related improvements located on approximately 1,700 acres of land located in the Town of Thompson exercised solely in connection with the Adelaar Resort Project and related properties. The ILDC’s public objective and mission is to lessening of the burdens of government by undertaking and promoting economic development initiatives in the County that will include real estate leasing, acquisition, development and management, real estate project finance, and other community-based economic development activities permissible under the Not-For-Profit Corporation Law. The County is initial Member of the Corporation acting by and through the County Manager on an ex-officio basis. The Corporation is managed by a Board of Directors consisting of nine members. Members are appointed by the County Manager and are subject to removal at the will of the County Manager. The County is the sole corporate member of the ILDC. Separately issued financial statements for the ILDC may be obtained by writing the Sullivan County Infrastructure Local Development Corporation, 1 Cablevision Center, Ferndale, New York 12734.

Sunset Lake Local Development Corporation—The Sunset Lake Local Development Corporation (the “SLLDC”) was formed by the Sullivan County Legislature on September 3, 2020 pursuant to Section 1411 of the New York State Not-for-Profit Corporation Law. Under Section 4.02(b) of IRS Rev. Proc. 95-48, the Corporation is treated as an affiliate of a governmental unit and is subject to the provisions of the New York State Public Authorities Law. The mission of the Corporation is to aid the County in the solicitation of bids and the identification of a private nursing home operator to run the Care Center at Sunset Lake in Liberty, New York on behalf of the County. The Corporation is comprised of four Board Members and one Chairman. Separately issued financial statements for the Corporation may be obtained by writing the Sunset Lake Local Development Corporation, 100 North Street, Monticello, NY 12701.

Sullivan County Broadband Local Development Corporation—The Sullivan County Broadband Local Development Corporation (the “BLDC”) was formed by the Sullivan County Legislature on January 31, 2021 to oversee the implementation of the County’s Wireless Broadband Access Project, with a goal of providing wireless broadband service Countywide. The Corporation is a local development corporation created pursuant to the not-for-profit corporation law of the State of New York. Separately issued financial statements for the Corporation may be obtained by writing the Sullivan Broadband Local Development Corporation, 100 North Street, Monticello, NY 12701.

Basis of Presentation—Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements.

As discussed earlier, the County has five discretely presented component units: the College, the District, the IDA, the ECCEDC, and the Land Bank. These are aggregately presented within a single column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and various other functions of the County. Elimination of these changes would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation—Fund Financial Statements

The fund financial statements provide information about the County’s funds, including its fiduciary funds and its blended component unit. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- *General Fund*—The General Fund constitutes the primary operating fund of the County and is used to account for all operations not required to be accounted for in other funds.

- *County Road Fund*—The County Road Fund is used to record all revenues and expenditures related to road maintenance and construction throughout the County.
- *Refuse and Garbage Fund*—The Refuse and Garbage fund is used to record all revenues and expenditures related to the County’s solid waste operations.
- *Capital Projects Fund*—The Capital Projects Fund is used to account for financial resources to be used for the acquisition, construction or renovation of major capital facilities or equipment.

The County reports the following nonmajor governmental funds:

Nonmajor Special Revenue Funds—These nonmajor governmental funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The following special revenue funds are utilized:

- *Special Grant Fund*—The Special Grant Fund is used to account for financial assistance from Federal and State agencies.
- *Road Machinery Fund*—The Road Machinery Fund is used to record all revenues and expenditures related to purchase, repair, maintenance, and storage of highway machinery, tools, and equipment in accordance with New York State Laws.
- *Debt Service Fund*—The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

The County reports the following major enterprise funds:

- *Sullivan County Adult Care Center (the “Adult Care Center”)*—The Adult Care Center is a nursing facility delivering long-term care and short-term rehabilitation services to the citizens of Sullivan County.
- *Sunset Lake Local Development Corporation (the “SLLDC”)*—The SLLDC is a blended component unit used to aid the County in the solicitation of bids and the identification of a private nursing home operator to run the Care Center on behalf of the County.
- *Sullivan Tobacco Asset Securitization Corporation (“STASC”)*—STASC is a blended component unit used to account for the receipt and disbursement of resources related to tobacco assets and related obligations.
- *Sullivan County Funding Corporation (“SCFC”)*—SCFC is a blended component unit used to account for the creation, retention and expansion of jobs and economic opportunities within the County.
- *Sullivan County Infrastructure Local Development Corporation (the “ILDC”)*—The ILDC is a blended component unit used to account for the development, ownership, construction, and maintenance of certain infrastructure and related improvements on approximately 1,700 acres within the County, to foster the creation, retention, and expansion of jobs and economic opportunities.
- *Sullivan County Broadband Local Development Corporation (the “BLDC”)*—The BLDC is a blended component created to oversee the implementation of the County’s Wireless Broadband Access Project.

Additionally, the County reports the following fund types:

Internal Service Funds—The Internal Service Funds account for the operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The County has established its Workers' Compensation Benefits Fund and Dental Fund as internal service funds.

Fiduciary Funds—These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Custodial funds account for resources received and disbursements made in accordance with trust agreements or applicable legislative enactments for each particular fund. The County's fiduciary funds include the *Custodial Fund*.

- *Custodial Fund*—Activities reported in the fiduciary funds included monies from outside entities, held by the County for the benefit of others.

During the course of operations the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/due to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., proprietary funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are recorded at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period and considers all other revenues to be available if they are collected within 90

days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue sources (within 90 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue sources (within 90 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and fiduciary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Cash, Cash Equivalents and Investments—Cash and cash equivalents include cash on hand, demand deposits, time deposits, and short-term, highly liquid investments which are readily convertible to known amounts of cash and have a maturity date of 90 days or less from the date of acquisition. State statutes and various resolutions of the County Legislature govern the County’s investment policies. Permissible investments include obligations of the U.S. Treasury and U.S. Government agencies, repurchase agreements and obligations of New York State or its localities. Investments are stated at fair value based on quoted market prices. The County’s business-type activities reported investments of \$4,806,133 at December 31, 2021.

Restricted Cash and Cash Equivalents—Restricted cash and cash equivalents represent amounts to support restricted fund balance, debt proceeds, amounts with constraints placed on their use by either external parties and/or statute, and for unearned revenues.

Resident Trust Cash—Resident trust cash represents deposits held in custody for patients and as such represent fiduciary responsibilities of the Adult Care Center rather than present or future interest.

Receivables—Receivables are stated net of allowances for estimated uncollectible amounts. Amounts due from state and federal governments represent amounts owed to the County to reimburse it for expenditures incurred pursuant to state and federally funded programs.

Inventories—Inventories are recorded at cost (determined using first-in, first-out method).

Prepaid Items—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than when purchased.

Capital Assets—Capital assets, which include property, buildings, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements, as well as within the individual proprietary funds. Capital assets are defined by the County as assets with an individual cost or fair market value of

more than \$25,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are incurred.

The County depreciates capital assets using a straight-line method over the estimated useful lives as shown below:

	<u>Years</u>
Buildings, building and land improvements	20-50
Machinery and equipment	5-20
Infrastructure	25

The *capital outlays* character classification is employed only for expenditures reported in the Capital Projects Fund. Routine capital expenditures in the General Fund and other governmental funds are included in the appropriate functional category (for example, the purchase of a new highway vehicle included as part of *expenditures—transportation*). The amount reported as *capital outlays* in the Capital Projects Fund will also include non-capitalized, project-related costs (for example, furnishings).

Unearned Revenues—Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial statement purposes. At December 31, 2021, the County reported unearned revenues of \$11,647,983 within the General Fund. The County received funds related to grants, asset seizures, and workers’ compensation contributions in advance but have not performed the associated services and therefore recognizes a liability.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2021, the County has three items that qualify for reporting in this category. The first item is a deferred charge on refunding which the County reports within its governmental and business-type activities. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to OPEB reported in the government-wide and proprietary fund financial statements and represents the effects of the change in the County’s proportion of the collective OPEB liability and difference during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability. The third item is related to pensions reported in the government-wide financial statements, as well as within individual proprietary funds. This represents the effect of the net change in the County’s proportion of the collective net pension liability, the difference during the measurement period between the County’s contributions and its proportionate share of the total contribution to the pension systems not included in the pension expense, and any contributions to the pension system made subsequent to the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At December 31, 2021, the County has three items that qualify for reporting in this category. The first item, reported within the governmental fund financial statements represents unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The second item represents the

effect of the net change in the County's proportion of the collective OPEB liability and difference during the measurement period between certain employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability. The third item represents the effects of the change in the County's proportion of the collective net pension liability and the difference during the measurement periods between the County's contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the government-wide financial statements.

Net Position Flow Assumption—Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted—net position and unrestricted—net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted—net position to have been depleted before unrestricted—net position is applied.

Fund Balance Flow Assumptions—Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for specific purposes determined by a formal action of the government's highest level of decision-making authority. The County Legislature is the highest level of decision-making authority for the County that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. Fund balance is assigned through recommendation by the County Manager and County Treasurer, subsequent to review and acceptance and/or modification by the appropriate committee of the Legislature. The Legislature may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenses/Expenditures

Program Revenues—Amounts reported as *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 (including special assessments) that are restricted to meeting the

operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary Funds Operating and Nonoperating Revenues and Expenses—Proprietary 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 a proprietary fund's principal ongoing operations. The principal operating revenues of the Adult Care Center, SLLDC, STASC, SCFC, ILDC, BLDC and internal service funds are charges to customers and interfund/intergovernmental entities for sales and services. Operating expenses for enterprise funds and internal service funds include the professional care of residents cost of sales and services, administrative expenses, employee benefits and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Property Taxes—Real property taxes attach as an enforceable lien on real property and are levied on January 1st, payable without penalty to January 31st. The towns located within the County are responsible for the billing and collection of County taxes. The towns are responsible for collection through March 31st, at which time the collection process is transferred to the County. At that time, a 5% penalty is added to the unpaid amounts. Payments received subsequent to March 31st are also charged interest at 1 % per month on the unpaid tax. The towns retain from their gross tax collection the full amount of their respective levies and return the balance of such collections, which includes the collection of relieved school district taxes, where applicable, to the County.

The County is also responsible for collecting and enforcing delinquent school taxes. Such taxes are collected by the school districts located within the County between September 1st and November 15th. On or about November 15th, the tax receivers of the school districts transmit the school tax rolls together with a listing of unpaid taxes to the appropriate school authorities. The school districts must certify such listing of unpaid taxes and transmit said listing to the County. Unpaid school taxes are relieved as part of the County tax bill due on January 1st of the next calendar year and thereafter collected and enforced in the same manner as County real property taxes. The County must satisfy the full amount of the unpaid school taxes no later than April 1st of the year following the levy of such taxes.

At December 31, 2021, the total real property tax assets relating to the County of \$28,364,261 included an allowance for uncollectible taxes of \$1,235,782. Included in real property tax assets are current year returned school taxes of \$15,641,048, which are offset by liabilities to the school districts. The remaining portion of tax assets is partially offset by deferred inflows of resources—property taxes of \$11,407,441 in the General Fund and represents tax liens which were not collected within the first sixty (60) days of the subsequent year.

Compensated Absences—The County employees are entitled, with certain limitations, to accrue sick leave and vacation time. Estimated sick leave and vacation time is accumulated by governmental fund type employees and reported as a liability and expense in the government-wide financial statements under governmental activities. For proprietary fund type employees, the accumulation is recorded as a noncurrent liability of the proprietary fund type. The compensated absences liability for the County's governmental and business-type activities at December 31, 2021 totaled \$3,677,090 and \$293,437, respectively, and are reported in the government-wide financial statements and proprietary fund financial statements.

Pension Plans—The County is mandated by New York State law to participate in the New York State Local Employees' Retirement System ("ERS"). For purposes of measuring the net pension (asset)/liability, deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments

(including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 7.

Other Postemployment Benefits—In addition to providing pension benefits, the County provides health insurance coverage and/or payments for fractional values of unused sick leave for certain retired employees at the time of retirement, as disclosed in Note 8.

Intergovernmental Transfer (“IGT”)—The New York State Association of Counties (“NYSAC”) and the State Division of the Budget agreed on a methodology to bring additional federal revenues to county nursing homes. This methodology, known as IGT, provides for certain Medicaid rate enhancements to all non-state operated, publicly sponsored nursing facilities. In order to receive these funds, the County is required to provide a 50% local share of the total funds to be received by the Adult Care Center.

Other

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

Reclassifications—Certain amounts were reclassified from component unit financial statements to conform to the County’s reporting presentation.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2021, the County implemented GASB Statements No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*; No. 91, *Conduit Debt Obligations*; No. 93, *Replacement of Interbank Offered Rates*; and No. 98, *The Annual Comprehensive Financial Report*. GASB Statement No. 89 enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for certain interest costs. GASB Statement No. 91 clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. GASB Statement No. 93 addresses those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate (“IBOR”). GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR, which replaces the acronym for comprehensive annual financial report. The implementation of GASB Statements No. 89, 91, 93 and 98 did not have a material impact on the County’s financial position or results from operations.

Future Impacts of Accounting Pronouncements— The County has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 87, *Leases*, effective for the year ending December 31, 2022, No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; No. 96, *Subscription-Based Information Technology Arrangements*; and No. 99, *Omnibus 2022*, effective for the year ending December 31, 2023, and No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences*, effective for the year ended December 31, 2024. The County is, therefore, unable to disclose the impact that adopting GASB Statements No. 87, 94, 96, 99, 100, and 101 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

Legal Compliance—Budgets—The County’s annual procedures in establishing the budgetary data reflected in the basic financial statements are described below.

- No later than November 15th, the County Manager submits a tentative budget to the County Legislature for the fiscal year commencing the following January 1st. The tentative budget includes proposed expenditures and the proposed means of financing for all funds.
- After public hearings are conducted to obtain taxpayer comments, no later than December 20th, the governing board adopts the budget.
- Annual appropriations are adopted and employed for control of the General, County Road, Refuse and Garbage, Road Machinery and Debt Service Funds. These budgets are adopted on a GAAP basis under the modified accrual basis of accounting except that encumbrances if any, are reported as a budgetary expenditure in the year of incurrence of the commitment for the purchase, as well when the actual expenditure occurs in the subsequent fiscal year. All unencumbered appropriations lapse at the end of the fiscal year. At January 1st, encumbrances carried forward from the prior year are reestablished as budgeted appropriations and expenditures.
- Capital projects funds are subject to individual project expenditures determined primarily by the cost of the project together with the requirements for external borrowings used to fund a particular project rather than annual appropriations. These budgets do not lapse at year end and are carried over to the completion of the project.

Deficit Fund Balance—At December 31, 2021, the County’s Capital Project Fund reported a deficit fund balance of \$5,887,235. This deficit fund balance is caused by the County’s issued bond anticipation notes (“BANs”), which do not qualify for treatment as a long-term liability. Accordingly, the BANs are reported as fund liabilities in the balances sheet (rather than an inflow on the statement of revenues, expenditures, and changes in fund balances). When the cash from the BANs is spent, expenditures are reported and fund balance is reduced. Because the BANs are the main source of revenue for the fund, the result is deficit fund balance. The fund balance deficits will be eliminated as resources are obtained (e.g., from revenues, long-term debt issuances, and transfers in).

2. RESTATEMENT OF NET POSITION

During the year ended December 31, 2021, the Sunset Lake Local Development Corporation restated its December 31, 2020 financial statements by decreasing beginning net position in the amount of \$7,500, representing expenses recorded in December 31, 2021 that were related to December 31, 2020. The Sunset Lake Local Development Corporation’s net position has been restated as follows:

	Sunset Lake LDC	Total Business-Type Activities
Net position—December 31, 2020, as previously stated	\$ 1,342,023	\$ (58,952,590)
Expenses recorded in correct period	<u>(7,500)</u>	<u>(7,500)</u>
Net position—December 31, 2020, as restated	<u>\$ 1,334,523</u>	<u>\$ (58,960,090)</u>

During the year ended December 31, 2021, the IDA, a discretely presented component unit, restated net position at December 31, 2020, representing a reclassification of prior year revenues and expenses to correct recording errors. Additionally, during the year ended December 31, 2021, the Emerald Corporate Center Economic Development Corporation, a discretely presented component unit, reevaluated deferred building costs. As a result, net position at December 31, 2020 was restated. The IDA's Emerald Corporate Center Economic Development Corporation's, and total aggregate discretely presented component unit's net position has been restated as follows:

	Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Total Discretely Presented Component Units
Net position—December 31, 2020, as previously stated	\$ 9,319,954	\$ 1,145,692	\$ (35,829,909)
IDA and Emerald Corporate Center restatements	<u>32,721</u>	<u>348,993</u>	<u>381,714</u>
Net position—December 31, 2020, as restated	<u>\$ 9,352,675</u>	<u>\$ 1,494,685</u>	<u>\$ (35,448,195)</u>

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The County's investment policies are governed by State statutes. In addition, the County has its own written investment policy. County monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. Collateral is required for demand deposits and certificates of deposit not covered by federal deposit insurance. Obligations that may be pledged as collateral are outlined in Chapter 623 of the laws of the State of New York.

Cash and cash equivalents at December 31, 2021 consisted of:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Petty cash (uncollateralized)	\$ 8,550	\$ -	\$ -	\$ 8,550
Deposits	<u>57,293,447</u>	<u>3,248,486</u>	<u>2,871,510</u>	<u>63,413,443</u>
Total	<u>\$ 57,301,997</u>	<u>\$ 3,248,486</u>	<u>\$ 2,871,510</u>	<u>\$ 63,421,993</u>

Deposits—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2021 as follows:

	Bank Balance	Carrying Amount
FDIC insured	\$ 2,205,117	\$ 2,205,117
Uninsured:		
Collateral held by pledging bank's agent in the County's name	<u>63,971,912</u>	<u>61,208,326</u>
Total	<u>\$ 66,177,029</u>	<u>\$ 63,413,443</u>

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As noted above, the State Statute all deposits in excess of FDIC insurance coverage must be collateralized.

Restricted Cash and Cash Equivalents—At December 31, 2021, governmental funds reported restricted cash of \$11,135,610, of which \$4,288,594 is restricted for unearned revenue, \$5,784,146 is restricted for capital projects, and \$1,062,870 is restricted to support restricted fund balances. The internal service fund reports restricted cash of \$575,017. Total business-type activities reported restricted cash of \$320,549 at December 31, 2021, of which \$486 is restricted for debt service requirements within the STASC fund, and \$320,063 is restricted for the ILDC.

The terms of STASCs bond indenture provide for the establishment of a liquidity reserve. The reserve has been established at the maximum annual debt service requirements for Series 2016 Serial/Term Bonds and interest on 2016C Turbo Term Bonds in the current and any future fiscal year, assuming principal is paid in accordance with the requirements of the indenture.

Restricted Investments—Restricted investments are reported at fair value. The County’s governmental activities reports no investments as of December 31, 2021. The County’s business-type activities reported investments totaling \$4,806,133 as of December 31, 2021.

Interest Rate Risk—In the case of investments, this is the risk that potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. There is the prospect of a loss should those securities be sold prior to maturity. There are no requirements limiting maturity of investments.

Custodial Credit Risk—Investments—In compliance with State law, the County’s investments are limited to special time deposit accounts in an authorized banking depository or trust company secured in the same manner prescribed by General Municipal law, Section 10; obligations of the United States of America; obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; obligations of the State of New York; obligations of other municipalities, school districts, or district corporation other than the County issued pursuant to Local Finance Law Section 24 or 25 (with approval of the State Comptroller’s Office); obligations of public benefit corporations, public housing authorities, urban renewal, agencies and industrial development agencies; certificates of deposit; and certain repurchase agreements and cooperative investments.

Sullivan County Infrastructure Local Development Corporation—Accounting standards provide the framework for measuring fair value. That framework provides 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include:

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

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

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

Investments, which are securities held by the counter-party or by its trust department or agent, but not in the Corporation's name are reported at contract value, which represents Level 2 fair value input and consisted of \$4,806,133 at December 31, 2021.

Sullivan County Community College

Cash and Cash Equivalents—Cash and cash equivalents for the College totaled \$4,269,525 at August 31, 2021. As of August 31, 2021, none of the College's bank balance of \$4,754,597 was exposed to custodial credit risk as they were either insured or collateralized.

Restricted Cash and Cash Equivalents—At December 31, 2021, restricted cash and cash equivalents at the College totaled \$68,830.

Investments—Investments for the College totaled \$1,919,967 at August 31, 2021, as reported by the Association, the Foundation, and Dormitory Corporation, component units of the College. The fair value investments of the Association, at August 31, 2021 totaled \$500,146. Fair value hierarchy information for investments reported by the Foundation, at August 31, 2021 was as follows:

	<u>Level 1</u>
Equities:	
Common stock	\$ 469,680
Invested cash	<u>30,466</u>
Total	<u>\$ 500,146</u>

Sullivan County Soil and Water Conservation District

Cash and Cash Equivalents—Deposits for the District totaled \$1,543,325 and were fully collateralized or insured at December 31, 2021.

Sullivan County Industrial Development Agency

Cash and Cash Equivalents—Cash and cash equivalents at the IDA totaled \$6,421,328 at December 31, 2021. At December 31, 2021, the Agency's cash balances were fully collateralized with securities held by the Agency's third party custodian and not subject to custodial credit risk.

Restricted Cash and Cash Equivalents—At December 31, 2021, restricted cash and cash equivalents at the IDA totaled \$1,585,876, of which \$1,320,114 represents cash balances held in escrow accounts and \$265,762 represents cash balances associated with revolving loan accounts.

Emerald Corporate Center Economic Development Corporation

Cash and Cash Equivalents—Cash and cash equivalents at the ECCEDC totaled \$20,731 at December 31, 2021. The balance was within FDIC insurance limits at December 31, 2021.

Sullivan County Land Bank Corporation

Cash and Cash Equivalents—Cash and cash equivalents at the Land Bank totaled \$419,253 at December 31, 2021. At December 31, 2021, an amount of \$13,421 was uninsured.

4. RECEIVABLES

Taxes Receivable—Represents amounts due from County taxpayers that remain unpaid. At December 31, 2021 the County recorded \$28,364,261 related to taxes receivable. These amounts are reported net of an allowance for uncollectible taxes provision of \$1,235,782.

Accounts Receivable—Represents amounts due from various sources. The County’s accounts receivable and related allowances for estimated uncollectible amounts at December 31, 2021 are presented below:

	<u>Gross Receivable</u>	<u>Allowances for Uncollectables</u>	<u>Net Receivable</u>
Governmental funds:			
General Fund	\$ 11,419,380	\$ -	\$ 11,419,380
County Road Fund	1,482	-	1,482
Refuse and Garbage Fund	1,005,360	(410,886)	594,474
Nonmajor governmental funds	<u>269</u>	<u>-</u>	<u>269</u>
Total governmental funds	<u>\$ 12,426,491</u>	<u>\$ (410,886)</u>	<u>\$ 12,015,605</u>
Proprietary funds:			
Adult Care Center	\$ 4,456,072	\$ (120,000)	\$ 4,336,072
ILDC	12,700	-	12,700
Internal Service Funds	<u>6,584,235</u>	<u>-</u>	<u>6,584,235</u>
Total proprietary funds	<u>\$ 11,053,007</u>	<u>\$ (120,000)</u>	<u>\$ 10,933,007</u>

Notes Receivable—The SCFC reports notes receivable at December 31, 2021. These represent amounts due from various business entities within the County. The purpose of these notes is to help local businesses expand and develop. Interest earned on the notes is reported as operating revenue in the year it is received. Notes receivable for the SCFC at December 31, 2021 amounted to \$265,301.

Loans Receivable—The County established a home repair program to provide deferred payment loans to low and moderate-income persons for necessary rehabilitation improvements to housing units. Upon completion of a loan project, the disbursement of loan proceeds is recognized with a corresponding rehabilitation loans receivable within the Special Grants Fund. The rehabilitation loans receivable is reduced upon repayment. Undisbursed funds associated with rehabilitation loans are maintained in a separate interest bearing bank account and reported as restricted cash within the Special Grants Fund.

The loans receivable balance of disbursed rehabilitation loans and restricted cash balance of undisbursed rehabilitation loans are offset by restricted fund balance as they represent funds which are subject to externally enforceable legal restrictions.

At December 31, 2021 the County reported loans receivable of \$430,100, an allowance for uncollectable amounts of \$208,600, and restricted cash of \$633,013 related to the home repair program.

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State or other local governments. Intergovernmental receivables at December 31, 2021 are shown below:

Governmental funds:	
General Fund	\$ 23,832,319
County Road Fund	4,105,140
Refuse and Garbage Fund	60,524
Capital Projects Fund	1,003,652
Nonmajor governmental funds	<u>164,750</u>
Total	<u>\$ 29,166,385</u>
Proprietary funds:	
Adult Care Center	<u>\$ 1,546,286</u>

Sullivan County Community College

Accounts Receivable—Accounts receivable at the College are shown net of allowance for doubtful accounts and consist of the following at August 31, 2021:

	<u>Gross Receivable</u>	<u>Allowances for Uncollectables</u>	<u>Net Receivable</u>
Primary institution	\$ 4,418,303	\$ (1,259,837)	\$ 3,158,466
Association	2,635	-	2,635
Dormitory Corporation	<u>11,259</u>	<u>-</u>	<u>11,259</u>
Total	<u>\$ 4,432,197</u>	<u>\$ (1,259,837)</u>	<u>\$ 3,172,360</u>

Loans Receivable—Represents funds due from students advanced to the College by the Federal government under the Federal Perkins Loans Program.

Intergovernmental Receivables—The majority of the funds reflected in this account for the College consist of appropriations made at the state and local governmental levels for sponsorships of various academic and other programs and for student aid.

Sullivan County Soil and Water Conservation District

Accounts Receivable—Accounts receivable for the District at December 31, 2021 amounted to \$350.

Sullivan County Industrial Development Agency

Accounts Receivable—Accounts receivable for the IDA at December 31, 2021 amounted to \$17,182.

Notes Receivable—Notes receivable consists of amounts due from various business entities within Sullivan County. The purpose of these notes is to help local businesses expand and develop. Notes receivable for IDA at December 31, 2021 amounted to \$93,205.

Emerald Corporate Center Economic Development Corporation

Accounts Receivable—Accounts receivable for the ECCEDC at December 31, 2021 amounted to \$9,977.

5. CAPITAL ASSETS

Governmental activities—Capital asset activity for the primary government’s governmental activities for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, not being depreciated:				
Land	\$ 8,816,187	\$ 348,994	\$ 366,301	\$ 8,798,880
Construction in progress	6,435,148	2,246,872	4,014,647	4,667,373
Total capital assets, not being depreciated	<u>15,251,335</u>	<u>2,595,866</u>	<u>4,380,948</u>	<u>13,466,253</u>
Capital assets, being depreciated:				
Land improvements	22,324,396	17,007	-	22,341,403
Buildings and building improvements	133,516,166	4,496,350	614,907	137,397,609
Machinery and equipment	41,991,095	374,737	1,733,848	40,631,984
Infrastructure	306,435,077	12,599,751	-	319,034,828
Total capital assets, being depreciated	<u>504,266,734</u>	<u>17,487,845</u>	<u>2,348,755</u>	<u>519,405,824</u>
Less accumulated depreciation for:				
Land improvements	16,976,546	495,241	-	17,471,787
Buildings and building improvements	24,571,529	2,897,627	36,895	27,432,261
Machinery and equipment	26,347,956	2,743,543	988,782	28,102,717
Infrastructure	179,156,701	11,633,622	-	190,790,323
Total accumulated depreciation	<u>247,052,732</u>	<u>17,770,033</u>	<u>1,025,677</u>	<u>263,797,088</u>
Total capital assets, being depreciated, net	<u>257,214,002</u>	<u>(282,188)</u>	<u>1,323,078</u>	<u>255,608,736</u>
Governmental activities capital assets, net	<u>\$ 272,465,337</u>	<u>\$ 2,313,678</u>	<u>\$ 5,704,026</u>	<u>\$ 269,074,989</u>

Depreciation expense was charged to functions and programs of the primary government’s governmental activities as follows:

General government support	\$ 4,044,060
Education	226,423
Public safety	437,536
Public health	68,163
Transportation	11,481,911
Economic assistance and opportunity	17,037
Culture and recreation	97,006
Home and community services	1,397,897
Total governmental activities	<u>\$ 17,770,033</u>

Business-type activities—Capital asset activity for the primary government’s business-type activities for the year ended December 31, 2021, was as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, not being depreciated:				
Land	\$ 44,800	\$ 319,800	\$ -	\$ 364,600
Construction in progress	-	38,540	-	38,540
Total capital assets, not being depreciated	<u>44,800</u>	<u>358,340</u>	<u>-</u>	<u>403,140</u>
Capital assets, being depreciated:				
Buildings and improvements	12,249,367	128,882	-	12,378,249
Land improvements	513,193	-	-	513,193
Machinery and equipment	1,016,553	28,668	-	1,045,221
Infrastructure	<u>96,986,018</u>	<u>-</u>	<u>-</u>	<u>96,986,018</u>
Total capital assets, being depreciated	<u>110,765,131</u>	<u>157,550</u>	<u>-</u>	<u>110,922,681</u>
Less accumulated depreciation for:				
Buildings and improvements	11,444,287	324,798	-	11,769,085
Land improvements	-	-	-	-
Machinery and equipment	721,571	61,866	-	783,437
Infrastructure	<u>9,062,321</u>	<u>3,232,867</u>	<u>-</u>	<u>12,295,188</u>
Total accumulated depreciation	<u>21,228,179</u>	<u>3,619,531</u>	<u>-</u>	<u>24,847,710</u>
Total capital assets, being depreciated, net	<u>89,536,952</u>	<u>(3,461,981)</u>	<u>-</u>	<u>86,074,971</u>
Business-type activities capital assets, net	<u>\$ 89,581,752</u>	<u>\$ (3,103,641)</u>	<u>\$ -</u>	<u>\$ 86,478,111</u>

Sullivan County Community College

Capital asset activity for the College, for the year ended August 31, 2021, is shown below:

	Balance 9/1/2020	Increases	Decreases	Balance 8/31/2021
Capital assets, not being depreciated:				
Land	\$ 190,000	\$ -	\$ -	\$ 190,000
Total capital assets, not being depreciated	<u>190,000</u>	<u>-</u>	<u>-</u>	<u>190,000</u>
Capital assets, being depreciated:				
Building and improvements	46,592,257	28,945	-	46,621,202
Furniture and equipment	<u>4,839,541</u>	<u>11,011</u>	<u>-</u>	<u>4,850,552</u>
Total capital assets, being depreciated	<u>51,431,798</u>	<u>39,956</u>	<u>-</u>	<u>51,471,754</u>
Less accumulated depreciation for:				
Building and improvements	33,654,745	1,112,885	-	34,767,630
Furniture and equipment	<u>3,943,892</u>	<u>3,884</u>	<u>-</u>	<u>3,947,776</u>
Total accumulated depreciation	<u>37,598,637</u>	<u>1,116,769</u>	<u>-</u>	<u>38,715,406</u>
Total capital assets, being depreciated, net	<u>13,833,161</u>	<u>(1,076,813)</u>	<u>-</u>	<u>12,756,348</u>
Total capital assets, net	<u>\$ 14,023,161</u>	<u>\$ (1,076,813)</u>	<u>\$ -</u>	<u>\$ 12,946,348</u>

Sullivan County Soil and Water Conservation District

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

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, being depreciated:				
Buildings	\$ 55,197	\$ -	\$ -	\$ 55,197
Machinery and equipment	245,812	5,412	33,185	218,039
Total capital assets, being depreciated	<u>301,009</u>	<u>5,412</u>	<u>33,185</u>	<u>273,236</u>
Less accumulated depreciation for:				
Buildings	44,160	1,380	-	45,540
Machinery and equipment	195,468	10,468	33,185	172,751
Total accumulated depreciation	<u>239,628</u>	<u>11,848</u>	<u>33,185</u>	<u>218,291</u>
Total capital assets, net	<u>\$ 61,381</u>	<u>\$ (6,436)</u>	<u>\$ -</u>	<u>\$ 54,945</u>

Sullivan County Industrial Development Agency

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

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, being depreciated:				
Buildings and improvements	\$ 1,603,585	\$ -	\$ -	\$ 1,603,585
Equipment	2,107,412	3,125	8,809	2,101,728
Less: accumulated depreciation	<u>(503,456)</u>	<u>(188,947)</u>	<u>(2,018)</u>	<u>(690,385)</u>
Total capital assets, net	<u>\$ 3,207,541</u>	<u>\$ (185,822)</u>	<u>\$ 6,791</u>	<u>\$ 3,014,928</u>

Emerald Corporate Center Economic Development Corporation

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

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Capital assets, not being depreciated:				
Deferred building costs	<u>\$ 1,442,461</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,442,461</u>

During 2002, ECCEDC acquired land and existing infrastructure from the County of Sullivan for the purpose of constructing a corporate center. All expenses related to the architectural, engineering, legal matters and construction of infrastructure are being capitalized.

Sullivan County Land Bank Corporation

In accordance with §2896(3) of the Public Authorities Law for New York State, the Land Bank reports it owns land and property with a recorded value of \$1,736,180 and \$852,014 at December 31, 2021 and 2020, respectively. The land is located within the County. The Land Bank also has net property and equipment of \$974.

6. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at December 31, 2021, were as follows:

	General Fund	County Road Fund	Refuse and Garbage Fund	Nonmajor Funds	Total Governmental Funds
Salaries and employee benefits	\$ 6,644,851	\$ 370,603	\$ 102,955	\$ 101,894	\$ 7,220,303

7. PENSION PLANS

Plan Descriptions and Benefits Provided

Employees' Retirement System—The County participates in the New York State and Local Employees' Retirement System ("ERS"), a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the "Fund"), which was established to hold all assets and record changes in fiduciary net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System is included in the State's financial report as a pension trust fund. That report, including information with regards to benefits provided, may be found at www.osc.state.ny.us/retire/publications/index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The system is noncontributory, except for employees who joined the ERS after July 27, 1976 who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 10, 2010, who generally contribute three percent (3%) to three and one half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At December 31, 2021, the County reported the liabilities on the following page for its proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2021. The total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of April 1, 2020, with update procedures used to roll forward the total net pension liabilities to the measurement date. The County's proportion of the net pension liabilities were based on projections of the County's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the County.

	ERS	
	Governmental	Business-type
	Activities	Activities
Measurement date	March 31, 2021	
Net pension liability	\$ 214,988	\$ 24,646
County's portion of the Plan's total net pension liability	0.2159072%	0.0247511%

For the year ended December 31, 2021, the County recognized pension expense of \$4,940,750 (\$4,432,601 and \$508,149 for governmental activities and business-type activities, respectively). At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown below:

	ERS			
	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
Differences between expected and actual experiences	\$ 2,625,588	\$ 300,995	\$ -	\$ -
Changes of assumptions	39,529,388	4,531,608	745,536	85,467
Net difference between projected and actual earnings on pension plan investments	-	-	61,757,258	7,079,788
Changes in proportion and differences between the County's contributions and proportionate share of contributions	2,004,783	229,826	1,855,901	212,758
County contributions subsequent to the measurement date	5,874,333	673,434	-	-
Total	<u>\$ 50,034,092</u>	<u>\$ 5,735,863</u>	<u>\$ 64,358,695</u>	<u>\$ 7,378,013</u>

County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as shown below:

Year Ending December 31,	ERS	
	Governmental Activities	Business-type Activities
2022	\$ (3,852,060)	\$ (441,596)
2023	(1,336,337)	(153,196)
2024	(3,316,352)	(380,183)
2025	(11,694,187)	(1,340,609)

Actuarial Assumptions—The total pension liabilities as of the measurement date were determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liabilities to the measurement date. The actuarial valuation used the actuarial assumptions presented below:

	<u>ERS</u>
Measurement date	March 31, 2021
Actuarial valuation date	April 1, 2020
Interest rate	5.9%
Salary scale	4.4%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.7%
Cost-of-living adjustments	1.4%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2020. The actuarial assumptions used in the April 1, 2020 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

The long-term 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 the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation is summarized below:

	<u>ERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Measurement date	<u>March 31, 2021</u>	
Asset class:		
Domestic equities	32.0 %	4.1 %
International equities	15.0	6.3
Private equity	10.0	6.8
Real estate	9.0	5.0
Opportunistic portfolio	3.0	4.5
Credit	4.0	3.6
Real assets	3.0	6.0
Fixed income	23.0	0.0
Cash	1.0	0.5
Total	<u>100.0 %</u>	

Discount Rate—The discount rate used to calculate the total pension liabilities was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System’s fiduciary net position was projected

to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption—The chart below presents the County’s proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the County’s proportionate share of the net pension liability would be if they were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Governmental activities:			
Employer's proportionate share of the net pension liability	\$ 59,672,395	\$ 214,988	\$ (54,618,657)
Business-type activities:			
Employer's proportionate share of the net pension liability	\$ 6,840,781	\$ 24,646	\$ (6,261,426)

Pension Plan Fiduciary Net Position—The components of the current-year net pension liabilities of the employers as of the valuation date, were as follows:

	<u>(Dollars in Thousands)</u>
	<u>ERS</u>
Valuation date	April 1, 2020
Employers' total pension liability	\$ 220,680,157
Plan fiduciary net position	<u>220,580,583</u>
Employers' net pension liability	<u>\$ 99,574</u>
System fiduciary net position as a percentage of total pension liability	100.0%

Sullivan County Community College

The College participates in the ERS and the Teachers’ Retirement System (“TRS”).

Plan Description and Benefits Provided

Teachers’ Retirement System—The College participates in the New York State Teachers’ Retirement System (“TRS”). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (“NYSRSSL”). TRS is governed by a 10 member Board of Trustees. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York State Public Schools and BOCES who elect to participate in TRS. Once a public employer elects to participate in TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for

future members only by enactment of a State statute. Additional information regarding TRS may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Annual Comprehensive Financial Report, which can be found on TRS' website at www.nystrs.org.

Plan members who joined the TRS before July 27, 1976 are not required to make contributions. Those joining after July 27, 1976 are required to contribute 3.0% to 3.5% of their annual salary. Employees in the System more than ten years are no longer required to contribute. Pursuant to Article 11 of the Education Law, rates are established annually by the New York State Teachers' Retirement Board.

Employees' Retirement System—The plan description is the same as disclosed within the County's footnote.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At August 31, 2021, the College reported the following liabilities for its proportionate share of the net pension liability for each of the Systems. The net pension liability was measured as of June 30, 2021 for TRS and March 31, 2021 for ERS. The total pension liability used to calculate the net pension liability was determined by actuarial valuations as of June 30, 2020 for TRS and April 1, 2020 for ERS. The College's proportion of the net pension liability was based on a projection of the College's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by TRS and ERS in reports provided to the College.

	TRS	ERS
Measurement date	June 30, 2021	March 31, 2021
Net pension (asset)/liability	\$ (1,126,778)	\$ 12,939
College's portion of the Plan's total net pension liability	0.0065020%	0.0129950%

For the year ended August 31, 2021, the College recognized pension expense of \$69,613 for the TRS and \$527,885 for ERS. At August 31, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources presented below:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	TRS	ERS	TRS	ERS
Differences between expected and actual experiences	\$ 155,314	\$ 158,024	\$ 5,854	\$ -
Changes of assumptions	370,621	2,379,125	65,632	44,871
Net difference between projected and actual earnings on pension plan investments	-	-	1,179,290	3,716,935
Changes in proportion and differences between the College's contributions and proportionate share of contributions	62,710	120,660	8,396	111,700
College contributions subsequent to the measurement date	17,530	196,997	-	-
Total	<u>\$ 606,175</u>	<u>\$ 2,854,806</u>	<u>\$ 1,259,172</u>	<u>\$ 3,873,506</u>

The College’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2022. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending August 31,</u>	<u>TRS</u>	<u>ERS</u>
2022	\$ (130,574)	\$ (231,841)
2023	(153,286)	(80,429)
2024	(206,233)	(199,599)
2025	(277,647)	(703,828)
2026	59,551	-
Thereafter	37,662	-

Actuarial Assumptions— The total pension (asset)/liability as of the measurement dates were determined by using actuarial valuations as noted in the table below, with update procedures used to roll forward the total pension (asset)/liability to the measurement dates. The actuarial valuations used the following actuarial assumptions:

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2021	March 31, 2021
Actuarial valuation date	June 30, 2020	April 1, 2020
Interest rate	6.95%	5.90%
Salary scale	1.95%-5.18%	4.40%
Decrement tables	July 1, 2015 - June 30, 2020	April 1, 2015 - March 31, 2020
Inflation rate	2.40%	2.70%
Cost-of-living adjustment	1.30%	1.40%

For ERS, the long-term rate of return on pension plan investments is the same as disclosed within the County’s footnote.

For TRS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020 System experience with adjustments for mortality improvements based on Society of Actuaries Scale MP2020, applied on a generational basis. The actuarial assumptions used in the June 30, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standards of Practice (“ASOP”) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) for each major asset class as well as historical investment data and plan performance. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation are summarized on the following page.

Measurement date	Target Allocation		Long-Term Expected Real Rate of Return	
	TRS	ERS	TRS	ERS
			June 30, 2021	March 31, 2021
Asset class:				
Domestic equities	33.0 %	32.0 %	6.8 %	4.1 %
International equities	16.0	15.0	7.6	6.3
Global equities	4.0	0.0	7.1	0.0
Private equity	8.0	10.0	10.0	6.8
Real estate	11.0	9.0	6.5	5.0
Domestic fixed income securities	16.0	0.0	1.3	0.0
Global fixed income securities	2.0	23.0	0.8	0.0
High-yield fixed income securities	1.0	0.0	3.8	0.0
Opportunistic portfolio	0.0	3.0	0.0	4.5
Private debt	1.0	0.0	5.9	0.0
Real assets	0.0	3.0	0.0	6.0
Bonds and mortgages	7.0	0.0	3.3	0.0
Cash	1.0	1.0	(0.2)	0.5
Inflation-indexed bonds	0.0	4.0	0.0	3.6
Total	<u>100.0 %</u>	<u>100.0 %</u>		

Discount Rate—The discount rate used to calculate the total pension liabilities was 6.95% for TRS and 5.90% for ERS. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability/(asset).

Sensitivity of the Proportionate Share of the Net Pension (Asset)/Liability to the Discount Rate Assumption—The chart below presents the College’s proportionate share of the net pension (asset)/liability calculated using the discount rate of 6.95% for TRS and 5.90% for ERS, as well as what the College’s proportionate share of the net pension (asset)/liability would be if they were calculated using a discount rate that is one percentage-point lower (5.95% for TRS and 4.90% for ERS) or one percentage-point higher (7.95% for TRS and 6.90% for ERS) than the current assumption.

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
Employer's proportionate share of the net pension liability/(asset)	\$ (118,239)	\$ (1,126,778)	\$ (1,974,382)
	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Employer's proportionate share of the net pension liability	\$ 3,591,456	\$ 12,939	\$ (3,287,290)

Pension Plan Fiduciary Net Position—The components of the current-year net pension (asset)/liability of the employers as of the valuation dates were as follows:

	(Dollars in Thousands)		
	TRS	ERS	Total
Valuation date	June 30, 2020	April 1, 2020	
Employers' total pension liability	\$ 130,819,415	\$ 220,680,157	\$ 351,499,572
Plan fiduciary net position	<u>148,148,457</u>	<u>220,580,583</u>	<u>368,729,040</u>
Employers' net pension liability	<u>\$ (17,329,042)</u>	<u>\$ 99,574</u>	<u>\$ (17,229,468)</u>
System fiduciary net position as a percentage of total pension (asset)/liability	113.2%	100.0%	104.9%

Voluntary Defined Contribution Plan—The College also offers a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full-time salary rate of \$75,000 or more. The employee contribution is between 3% and 6% depending on salary and the College will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

Teachers' Insurance and Annuity Association College Retirement Equities Fund—The College participates in the Teachers' Insurance and Annuity Association College Retirement Equities Fund ("TIAA-CREF"). TIAA-CREF is a cost sharing multiple-employer defined contribution pension plan. The System provides retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the NYSRSSL. TIAA-CREF issues publicly available financial reports that include financial statements and required supplementary information. These reports may be obtained by writing the Teacher's Insurance and Annuity Association - College Retirement Equities Fund, 730 Third Avenue, New York, New York 10017.

TIAA-CREF is a privately operated defined contribution retirement plan which provides benefits to certain employees of the College. Under the plan, the College is required to make contributions based on gross salaries of the participants show below:

Tier	Dates	Contribution
Tier 1	Membership prior to July 1, 1973	12% of the first \$16,500 of salary per calendar year, and 15% of all salary above \$16,500
Tier 2	July 1, 1973 - July 26 1976	12% of the first \$16,500 of salary per calendar year, and 15% of all salary above \$16,500
Tier 3	July 27, 1976 - August 31, 1983	9% of the first \$16,500 of salary per calendar year, and 12% of all salary above \$16,500
Tier 4	September 1, 1983 - July 16, 1992	12% of the first \$16,500 of salary per calendar year, and 15% of all salary above \$16,500
Tier 5	July 17, 1992 - March 31, 2012	8% of the first seven years of service, and 10% thereafter
Tier 6	April 1, 2012 and thereafter	8% of the first seven years of service, and 10% thereafter

Upon the completion of 366 days of service a lump sum contribution is made by the College for this initial vesting period and each pay period thereafter. An employee contribution of 3% of pay is required for Tiers 3, 4 and 5 which is eliminated after 10 years of service when the College will make an additional 3% contribution for these employees. The Tier 6 employee contribution is required for the duration of their membership and varies based on salary scale.

For the year ended August 31, 2021, employee contributions totaled approximately \$35,000 and the College recognized pension expense of \$300,176.

Sullivan County Soil and Water Conservation District

Plan Descriptions and Benefits Provided

Employees’ Retirement System—The plan description is the same as disclosed within the County’s footnote.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2021, the District reported the following liability for its proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to the measurement date. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the District.

	<u>ERS</u>
Measurement date	March 31, 2021
Net pension liability	\$ 1,112
District's portion of the Plan's total	
Net pension liability	0.0011164%

For the year ended December 31, 2021, the District recognized pension expense of \$23,942. At December 31, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources presented on the following page.

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 13,576	\$ -
Changes of assumptions	204,395	3,855
Net difference between projected and actual earnings on pension plan investments	-	319,330
Changes in proportion and differences between the District's contributions and proportionate share of contributions	15,616	28,174
District contributions subsequent to the measurement date	38,985	-
Total	\$ 272,572	\$ 351,359

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	ERS
2022	\$ (20,701)
2023	(10,699)
2024	(21,701)
2025	(64,671)

Actuarial Assumptions—The total pension liability as of the measurement date was determined by using the same actuarial valuation as disclosed within the County's disclosure.

Discount Rate—The discount rate used to calculate the total pension liability was the same as disclosed within the County's footnote.

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to the Discount Rate Assumption—The chart below presents the District's proportionate share of the net pension liability/(asset) calculated using the discount rate of 5.9%, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage-point lower (4.9%) or one percentage-point higher (6.9%) than the current assumption.

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability	\$ 308,549	\$ 1,112	\$ 282,418

Pension Plan Fiduciary Net Position—The components of the current-year net pension liability of the employers as of the valuation date, was the same as disclosed within the County's footnote.

8. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) OBLIGATION

Plan Description—In addition to providing pension benefits, the County provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees' covered and the percentage of contribution.

Employees Covered by Benefit Terms—At December 31, 2021, the following employees were covered by the benefit terms:

Active employees	873
Retired employees	<u>764</u>
Total	<u><u>1,637</u></u>

Total OPEB Liability

The County’s total OPEB liability for governmental and business-type activities of \$273,861,836 and \$28,917,102, respectively, was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021.

Actuarial Methods and Assumptions—Calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the employer and the plan members) at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

In the January 1, 2021 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate is 2.25% effective December 31, 2021. The salary scale was assumed to increase at 3.00% per year. The PUB-2010 mortality table with MP-2021 projections were used for the mortality rates. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 8.0%, while the ultimate healthcare cost trend rate is 5.0% for years after 2023. An inflation rate of 3.00% was assumed for developing the rate of increase in healthcare costs.

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

Changes in the Total OPEB Liability—The table below presents the changes to the total OPEB liability during the fiscal year, by source:

	<u>Total OPEB Liability</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Balances at December 31, 2020:	\$ 281,468,630	\$ 22,999,843
Changes for the year:		
Service cost	7,499,034	1,248,738
Interest	5,364,967	437,931
Changes of assumptions	(20,359,454)	(1,919,641)
Differences between expected and actual experience	6,870,759	6,768,449
Contributions—employer	<u>(6,982,100)</u>	<u>(618,218)</u>
Net changes	<u>(7,606,794)</u>	<u>5,917,259</u>
Balances at December 31, 2021	<u>\$ 273,861,836</u>	<u>\$ 28,917,102</u>

Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate—The discount rate assumption can have an impact on the OPEB liability. The following table presents the effect of a 1% change in the discount rate assumption would have on the OPEB liability:

	1% Decrease <u>(1.25%)</u>	Current Discount Rate <u>(2.25%)</u>	1% Increase <u>(3.25%)</u>
Governmental activities:			
Total OPEB liability	\$ 329,710,290	\$ 273,861,836	\$ 230,446,976
Business-type activities:			
Total OPEB liability	\$ 35,351,520	\$ 28,917,102	\$ 23,974,100

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the total OPEB liability of a 1% change in the initial (8.0%) and ultimate (5.0%) healthcare cost trend rates.

	1% Decrease <u>(7.0% / 4.0%)</u>	Healthcare Cost Trend Rates <u>(8.0% / 5.0%)</u>	1% Increase <u>(9.0% / 6.0%)</u>
Governmental activities:			
Total OPEB liability	\$ 227,421,779	\$ 273,861,836	\$ 334,936,226
Business-type activities:			
Total OPEB liability	\$ 23,524,498	\$ 28,917,102	\$ 36,155,514

Funding Policy—Contributions by the primary government may vary according to length of service. The cost of providing post-employment health care benefits is shared between the County and the retired employee. Substantially all employees may become eligible for those benefits if they reach normal retirement age and length of service requirement while working for these entities. The cost of retiree health care benefits is recognized as an expenditure as premiums are paid within the governmental funds. For the year ended December 31, 2021, the County recognized OPEB expense of \$14,796,073 (\$11,877,142 and \$2,918,931 for governmental and business-type activities, respectively).

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources shown below.

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Differences between expected and actual experience	\$ 8,181,106	\$ 5,640,374	\$ 27,662,380	\$ 1,577,836
Changes of assumptions	42,936,286	4,244,940	27,143,467	2,259,777
Total	<u>\$ 51,117,392</u>	<u>\$ 9,885,314</u>	<u>\$ 54,805,847</u>	<u>\$ 3,837,613</u>

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

Year Ending December 31,	Governmental Activities	Business-type Activities
2022	\$ (986,861)	\$ 1,232,264
2023	(986,861)	1,232,264
2024	(986,861)	1,232,264
2025	(986,862)	1,232,264
2026	258,990	1,118,645

Sullivan County Community College

Plan Description—In addition to providing pension benefits, the College provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution.

Employees Covered by Benefit Terms—At August 31, 2021, the following employees were covered by the benefit terms:

Active employees	99
Retired employees	<u>113</u>
Total	<u><u>212</u></u>

Total OPEB Liability

The College's total OPEB liability of \$44,809,319 was measured as of August 31, 2021, and was determined by an actuarial valuation as of the same date.

Actuarial Methods and Assumptions—Calculations are based on the types of benefits provided under the terms of the substantive plan (the plan as understood by the employer and the plan members) at the time of the valuation and on the pattern of cost sharing between the employee and plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

The College is required to accrue on the statement of revenues, expenses and changes in net position the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. Funding for the Plan has been established on a pay-as-you-go basis.

In the August 31, 2021 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate is 2.40% effective August 31, 2021. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 7.5%, while the ultimate healthcare cost trend rate is 4.5% for years after 2028.

Changes in the Total OPEB Liability—The following tables presents the changes to the total OPEB liability during the fiscal year, by source:

	Total OPEB Liability
Balance at August 31, 2020	\$ 52,000,689
Changes for the year:	
Service cost	1,842,883
Interest	1,237,345
Changes of assumptions	(490,386)
Differences between expected and actual experience	(8,295,358)
Contributions—employer	(1,485,854)
Net changes	(7,191,370)
Balance at August 31, 2021	\$ 44,809,319

Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate—The discount rate assumption can have an impact on the total OPEB liability. The following table presents the effect of a 1% change in the discount rate assumption would have on the total OPEB liability:

	1% Decrease (1.40%)	Current Discount Rate (2.40%)	1% Increase (3.40%)
Total OPEB liability	\$ 52,637,877	\$ 44,809,319	\$ 38,590,958

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the total OPEB liability of a 1% change in the initial (7.5%) and ultimate (4.5%) healthcare cost trend rates.

	1% Decrease (6.5% / 3.5%)	Healthcare Cost Trend Rates (7.5% / 4.5%)	1% Increase (8.5% / 5.5%)
Total OPEB liability	\$ 37,633,556	\$ 44,809,319	\$ 53,980,414

Funding Policy—Authority to establish and amend the benefit terms and financing requirements rests with the College Board of Trustees through negotiations with its employee groups. Contributions by the College may vary according to length of services. The cost of providing post-employment health care benefits is shared between the College and the retired employee. Substantially all of the College’s employees may become eligible for those benefits if they reach normal retirement age while working for the College. For the year ended August 31, 2021, the College recognized OPEB expense of \$695,232.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The College reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. At August 31, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources shown on the following page.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 367,790
Changes of assumptions	<u>5,007,336</u>	<u>10,169,419</u>
Total	<u>\$ 5,007,336</u>	<u>\$ 10,537,209</u>

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

<u>Year Ending August 31,</u>	
2022	\$ (1,862,046)
2023	(1,471,391)
2024	(2,196,436)

9. RISK MANAGEMENT

The County assumes liability for some risk including, but not limited to, workers' compensation. Asserted and incurred but not reported claims and judgments are recorded when it is probable that an asset has been impaired or a liability has been incurred and the amount of loss can be reasonably estimated. Such recording is consistent with the requirements of GASB.

Governmental fund type estimated current contingent liabilities (i.e., those to be liquidated with available financial resources in the ensuing year) for property damage and personal injury liabilities are recorded in the General Fund. The long-term portion (i.e., liabilities to be paid from future resources) is recorded within noncurrent liabilities debt in the government-wide financial statements.

The County is exposed to various risks of loss related to property damage and destruction of assets, vehicle liability, injuries to employees, and unemployment insurance. The County purchases commercial insurance to cover such potential risks. The County holds various insurance policies including package, excess property, excess liability, boiler and machinery, excess employers, accidental death and dismemberment ("AD&A") volunteers, and AD&D workforce development. In addition, the County held builders risk and pollution liability policies related to the County's jail project. The County's package policy provides coverage for property, general liability, automobile liability, employee benefits liability, public officials liability, and law enforcement liability. Liability coverage under the package policy contains a \$75,000 self-insured retention and property coverage under the package policy contains a \$100,000 self-insured retention. The excess property policy provides flood, earthquake, business income, vehicle, and mobile equipment coverage ranging from \$1,000,000 to \$3,318,080 with blanket coverage of \$143,284,140 per occurrence. The general liability policy provides coverage up to \$9,000,000 per claim and in the aggregate. The County has not incurred claims over the respective coverage limits in any of the last three fiscal years.

The County adopted a self-insured workers' compensation program under the provisions of Local Law No. 1 of 1967. 15 towns and 5 villages located within the geographical boundaries of the County have elected to become participants in the self-insurance plan. As provided by Local Law No. 5-1979, the plan is operated on an accrued liability basis whereby the amounts charged to participants are based on the estimated total liability of participants actuarially computed, arising each year. The apportionment of costs among participants is determined on the basis of two elements: (1) claims incurred within the preceding three-year period and (2) total assessed valuation, in the manner provided in §67 of the Workers' Compensation Law.

The County reports workers' compensation and dental benefits liabilities within the Internal Service Fund and governmental activities. Additionally, the County reports general liability and assessment claim liabilities within the General Fund and governmental activities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. As actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience. The changes in reported workers' compensation, dental benefits, and general liability claims since January 1, 2019 are presented below:

	Balance 1/1/2021	Claims and Adjustments	Claim Payments	Balance 12/31/2021	Due Within One Year
Workers' compensation	\$ 15,476,689	\$ 3,107,767	\$ 3,098,980	\$ 15,485,476	\$ 1,548,548
Dental benefits	3,780	44,742	44,985	3,537	3,537
General liability	372,521	38,150	218,909	191,762	112,687
Total	<u>\$ 15,852,990</u>	<u>\$ 3,190,659</u>	<u>\$ 3,362,874</u>	<u>\$ 15,680,775</u>	<u>\$ 1,664,772</u>

	Balance 1/1/2020	Claims and Adjustments	Claim Payments	Balance 12/31/2019	Due Within One Year
Workers' compensation	\$ 16,817,690	\$ 444,226	\$ 1,785,227	\$ 15,476,689	\$ 1,462,130
Dental benefits	3,780	-	-	3,780	3,780
General liability	208,191	212,065	47,735	372,521	85,413
Total	<u>\$ 17,029,661</u>	<u>\$ 656,291</u>	<u>\$ 1,832,962</u>	<u>\$ 15,852,990</u>	<u>\$ 1,551,323</u>

Sullivan County Community College

The College is one of 22 participants in the Sullivan County Workers' Compensation Self Insurance Plan, a risk sharing pool, administered by Sullivan County, to insure workers' compensation claims. This is a public entity risk pool created under Article 5, Workers' Compensation Law, to finance liability and risks related to workers' compensation claims.

The College is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets and natural disasters. These risks are covered by commercial insurance purchased by Sullivan County that extends coverage to the College. The self-insured retention under these policies is \$1,000,000 per claim and \$2,000,000 in the aggregate. The College also purchases an umbrella policy with coverage up to \$10,000,000.

10. LEASES

Capital Leases—The County entered into long-term capital leases related to buildings and equipment. The present value of the amended leases at December 31, 2021 is \$1,103,228. A \$1,103,228 long-term liability has been recorded within the County’s governmental activities. The assets acquired through the capital lease are as follows:

	<u>Governmental Activities</u>
Assets:	
Buildings and equipment	\$ 1,693,390
Less: Accumulated depreciation	<u>(980,480)</u>
Total	<u>\$ 712,910</u>

Payments on the original lease are due every six months thereafter the commencement of the original lease. The obligation under the leases can be summarized as follows:

<u>Year Ending December 31,</u>	<u>Capital Leases</u>
2022	\$ 566,916
2023	325,873
2024	246,181
2025	89,409
2026	<u>45,000</u>
Total minimum lease payments	1,273,379
Less: Amount representing imputed interest costs	<u>(170,151)</u>
Present value of minimum lease payments	<u>\$ 1,103,228</u>

Operating Leases—The County leases buildings, vehicles and equipment. Leased property, not having elements of ownership, are classified as operating leases. Operating lease payments are recorded as expenditures when payable in the fund financial statements. Total expenditures on operating leases for the fiscal year ended December 31, 2021 were approximately \$710,318. Future minimum lease payments at December 31, 2021 are as follows:

<u>Year Ending December 31,</u>	<u>Operating Leases</u>
2022	\$ 547,070
2023	370,144
2024 and beyond	<u>516,714</u>
Future minimum payments	<u>\$ 1,433,928</u>

Sullivan County Community College

Capital Leases—The College has entered into a capital lease to finance the construction of energy saving improvements and equipment. The lease financed \$3,662,030 for these improvements during 2010. On June 26, 2014, the College paid off its \$3,413,000 lease with BNY Mellon at a negotiated, discounted payment of \$2,153,342, representing payment in full and has refinanced with Sterling National Bank in the amount of \$2,200,000. The interest rate on the new lease is 5.49%. The College is required to maintain \$500,000 in non-interest bearing business checking accounts with Sterling Bank as part of its loan agreement with the bank. During the 2016 year, the College negotiated with Sterling Bank and Sullivan County replacing a \$500,000 restricted bank account that the College had maintained with Sterling Bank with a \$500,000 bank account by the County with Sterling Bank in the College’s place. Future minimum lease payments for the College as of August 31, 2021 follow:

Year Ending August 31,	Principal	Interest
2022	\$ 253,552	\$ 35,715
2023	268,031	21,236
2024	237,870	6,059
Totals	<u>\$ 759,453</u>	<u>\$ 63,010</u>

11. SHORT-TERM DEBT

Bond Anticipation Notes—The County issues bond anticipation notes (“BANs”) to finance capital purchases in anticipation of issuing long-term bonds. Liabilities for BANs are generally accounted for in the Capital Projects Fund. State law requires that BANs issued for capital purposes be converted to long-term obligations within five years after the original issue date. However, BANs issued for assessable improvement projects may be renewed for periods equivalent to the life of permanent financing, provided that annual reductions of principal are made.

The following is a summary of the County’s short-term capital debt for the year ended December 31, 2021:

	Original Issue	Maturity Date	Interest Rate	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021
Governmental activities:							
2020 Road Reconstruction and Highway Equipment	2020	4/8/2021	1.8-3.0%	\$ 12,212,500	\$ -	\$ 12,212,500	\$ -
2021 Road Reconstruction and Highway Equipment	2021	4/7/2022	1.50%	-	9,140,333	-	9,140,333
Total governmental activities				<u>\$ 12,212,500</u>	<u>\$ 9,140,333</u>	<u>\$ 12,212,500</u>	<u>\$ 9,140,333</u>

Tax Anticipation Notes—Tax anticipation notes (“TANs”) are short term non-capital borrowings issued in anticipation of the collection of future real property taxes and assessments. On April 13, 2021 the County a TAN in the amount of \$10,000,000, to provide monies to meet cash flow deficits expected to occur during the period that the TANs are outstanding. The TANs were issued in anticipation of the collection of real property taxes levied for County purposes for the fiscal year of the County which commenced January 1, 2021. The TAN bears an interest rate at 1.00%, and matures on April 13, 2022.

The following is a summary of the County's short-term non-capital debt for the year ended December 31, 2021:

	Original Issue	Maturity Date	Interest Rate	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021
Governmental activities:							
Tax Anticipation Note	2020	4/8/2021	2.96%	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -
Tax Anticipation Note	2020	5/28/2021	2.00%	9,500,000	-	9,500,000	-
Tax Anticipation Note	2021	4/13/2022	1.00%	-	10,000,000	-	10,000,000
Total governmental activities				<u>\$ 19,500,000</u>	<u>\$ 10,000,000</u>	<u>\$ 19,500,000</u>	<u>\$ 10,000,000</u>

12. LONG-TERM DEBT

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

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Further, the unmatured principal of general long-term debt does not require current appropriations and expenditure of governmental fund financial resources.

The County's outstanding long-term liabilities include bonds payable, capital leases, landfill post-closure costs, compensated absences, retirement incentives, OPEB obligation, claims payable, and net pension liability. A summary of changes in the County's long-term liabilities for the year ended December 31, 2021 is presented on the following page.

	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 134,280,000	\$ 3,355,000	\$ 12,630,000	\$ 125,005,000	\$ 9,315,000
Premiums on bonds	<u>2,935,825</u>	<u>332,862</u>	<u>454,628</u>	<u>2,814,059</u>	<u>361,859</u>
Net bonds payable	137,215,825	3,687,862	13,084,628	127,819,059	9,676,859
Capital leases	1,119,819	440,863	457,454	1,103,228	566,916
Landfill post-closure costs	13,157,289	-	3,513,247	9,644,042	622,993
Compensated absences	4,027,283	268,724	618,917	3,677,090	367,709
Retirement incentives	4,137,172	-	4,137,172	-	-
OPEB obligation	281,468,630	19,734,760	27,341,554	273,861,836	-
Claims payable	15,852,990	3,190,659	3,362,874	15,680,775	1,664,772
Net pension liability*	<u>51,246,179</u>	<u>-</u>	<u>51,031,191</u>	<u>214,988</u>	<u>-</u>
Total governmental activities	<u>\$ 508,225,187</u>	<u>\$ 27,322,868</u>	<u>\$ 103,547,037</u>	<u>\$ 432,001,018</u>	<u>\$ 12,899,249</u>
Business-type activities:					
Bonds payable:					
Tobacco settlement bonds	\$ 15,350,000	\$ -	\$ 500,000	\$ 14,850,000	\$ 295,000
Premiums on bonds	1,216,570	-	57,931	1,158,639	-
Revenue bonds	108,435,000	-	1,725,000	106,710,000	1,805,000
Discount on revenue bonds	<u>(913,842)</u>	<u>-</u>	<u>(48,889)</u>	<u>(864,953)</u>	<u>-</u>
Total bonds payable	124,087,728	-	2,234,042	121,853,686	2,100,000
Compensated absences*	549,678	1,238,162	1,494,403	293,437	293,437
Retirement incentives	568,212	-	568,212	-	-
OPEB obligation	22,999,843	8,455,118	2,537,859	28,917,102	-
Net pension liability*	<u>6,776,067</u>	<u>-</u>	<u>6,751,421</u>	<u>24,646</u>	<u>-</u>
Total business-type activities	<u>\$ 154,981,528</u>	<u>\$ 9,693,280</u>	<u>\$ 13,585,937</u>	<u>\$ 151,088,871</u>	<u>\$ 2,393,437</u>

*(Reductions to the net pension liability are shown net of additions.)

Serial bonds—The County borrows money in order to acquire land or equipment or construction of buildings and improvements. This enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. These long-term liabilities are full faith and credit debt of the local government.

A default will have occurred if the payment of principal or interest are not paid when due and payable. Upon default in payment in full of the principal or interest on the bonds, a holder of such defaulted bond has a contractual right to sue the County of the amount due thereon. The County does not have any lines of credit.

On July 7, 2021, the County's governmental activities issued \$3,355,000 in Public Improvement Refunding Serial Bonds (the "bonds"). The bonds were issued at a premium of \$332,862 and included issuance costs of \$132,862. The bonds mature on October 1, 2026 and carry an interest rate ranging from 1.0 to 4.0 percent. As a result, the original bonds are considered refunded and the liability of those bonds, \$3,555,000, has been removed from the financial statements. The refunding resulted in a net present value benefit savings of \$155,248.

A summary of additions and payments of general obligation bonds for the year ended December 31, 2021 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Governmental activities:							
Local ARRA (tax-exempt)	\$ 8,775,000	2010/2021	3.11-5.11	\$ 1,385,000	\$ -	\$ 1,385,000	\$ -
Build America Bonds	7,600,000	2010/2024	4.93-5.93	3,725,000	-	-	3,725,000
Recovery zone	810,000	2010/2024	5.93	810,000	-	-	810,000
Public improvements	9,495,000	2012/2026	2.00-3.00	4,215,000	-	4,215,000	-
Refunding	17,880,000	2013/2022	4.00-5.00	2,570,000	-	1,250,000	1,320,000
Public improvements	11,315,000	2014/2024	2.00-2.25	4,915,000	-	1,185,000	3,730,000
Public improvements	23,822,000	2016/2030	2.00-5.00	17,955,000	-	1,620,000	16,335,000
Public improvements	85,000,000	2016/2046	3.00-3.25	78,970,000	-	2,120,000	76,850,000
Jail construction	10,000,000	2018/2038	3.00-3.50	9,260,000	-	370,000	8,890,000
Public improvements	4,000,000	2018/2038	2.00-5.00	3,710,000	-	145,000	3,565,000
Public improvements	1,140,000	2018/2038	3.00-3.25	1,050,000	-	45,000	1,005,000
Public improvements	6,000,000	2019/2036	3.00	5,715,000	-	290,000	5,425,000
Refunding	3,355,000	2021/2026	1.00-4.00	-	3,355,000	5,000	3,350,000
Total governmental activities				<u>\$ 134,280,000</u>	<u>\$ 3,355,000</u>	<u>\$ 12,630,000</u>	<u>\$ 125,005,000</u>

Revenue Bonds—The ILDC issued \$110,075,000 in authorized revenue bonds to finance public infrastructure improvements, to fund a debt service reserve fund, to fund the payment of interest on the bonds prior to and during construction, and to pay costs of issuing the bonds. The Town of Thompson, New York, on behalf of the ILDC, impose and collect special assessments in an amount sufficient to pay the annual Service Fee. The bonds are special limited obligations of the ILDC payable solely from and secured by a pledge of the Service Fee and certain funds held by the Trustee. The bonds were issued at a discount totaling \$1,115,750, which is being amortized using the effective interest method over the life of the bonds.

A summary of additions and payments of revenue bonds for the year ended December 31, 2021 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Series 2016A	\$ 64,170,000	2016/2049	4.85-5.35	\$ 63,215,000	\$ -	\$ 1,005,000	\$ 62,210,000
Series 2016B	9,170,000	2016/2049	4.85-5.35	9,035,000	-	145,000	8,890,000
Series 2016C	9,035,000	2017/2049	4.85-5.35	8,900,000	-	140,000	8,760,000
Series 2016D	5,935,000	2017/2049	4.85-5.35	5,845,000	-	95,000	5,750,000
Series 2016E	21,765,000	2017/2049	4.85-5.35	21,440,000	-	340,000	21,100,000
Total				<u>\$ 108,435,000</u>	<u>\$ -</u>	<u>\$ 1,725,000</u>	<u>\$ 106,710,000</u>

Amortization of Bond Premiums—In past years, the County issued public improvement serial bonds and received bond premiums. These premiums are being amortized on a straight-line annual basis over the life of the respective bonds. Total unamortized bond premiums at December 31, 2021 are \$2,814,059 and \$1,158,639 for governmental and business-type activities, respectively.

Amortization of Bond Discounts—As noted above, the ILDC issued revenue bonds totaling \$110,075,000 and received a bond discount of \$1,115,750. The discount is being amortized using the effective interest method over the life of the bonds, which mature in 2049.

Tobacco Settlement Bonds—On August 8, 2001, STASC issued \$16,965,000 of Tobacco Settlement Asset-Backed Bonds, Series 2001 pursuant to an indenture dated as of August 1, 2001. The net proceeds of the Series 2001 Bonds were used to purchase from the County all of the County’s right, title and interest to Tobacco Settlement Revenues (“TSRs”) to which the County would otherwise be entitled under the Master Settlement Agreement (“MSA”) and Consent Decree and Final Judgment (the “Decree”). The tobacco settlement bonds were issued at a discount of \$197,383 with interest rates ranging from 5.00%-6.00%.

On September 22, 2016, STASC issued \$16,685,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016, pursuant to an indenture dated as of September 1, 2016. The \$16,685,000 bond issuance was comprised of \$8,100,000 Tobacco Settlement Pass-Through Bonds, Series 2016B Term Bonds and \$8,585,000 Tobacco Settlement Pass-Through Bonds, Series 2016C Turbo Term Bonds. The proceeds of the Series 2016 Bonds and the release of certain reserve funds were used to defease \$10,810,000 of the outstanding Series 2001 Bonds, make a payment to the County, fund the Series 2016B and Series 2016C Liquidity Reserve Accounts, fund the Operating Expense Reserve Account, pay a portion Series 2016B and Series 2016C interest due June 1, 2016, and pay the costs of issuance. The tobacco settlement bonds were issued at a premium of \$1,448,294 with interest rates ranging from 2.45%-5.00%. The County’s liability balance for tobacco settlement bonds amounts to \$14,850,000 at December 31, 2021 for business-type activities.

A summary of tobacco settlement bonds additions and payments for the year ended December 31, 2021 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Business-type activities:							
Tobacco settlement bonds:							
Series 2016B	\$ 8,100,000	2016/2041	5.00	\$ 7,480,000	\$ -	\$ 280,000	\$ 7,200,000
Series 2016C	8,585,000	2016/2051	2.45-4.00	<u>7,870,000</u>	<u>-</u>	<u>220,000</u>	<u>7,650,000</u>
Total				<u>\$ 15,350,000</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ 14,850,000</u>

Capital Leases—As explained in Note 10, the County has entered into lease agreements as lessee for financing options. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. At December 31, 2021, the County’s governmental activities report leases payable totaling \$1,103,228, of which \$566,916 is considered due within one year.

Landfill Post-Closure—State and federal laws and regulations require the County to place a final cover on a section of the landfill site when it reaches final elevation and to perform certain maintenance and monitoring functions at the site for a minimum of thirty years after closure. The \$9,644,042 landfill post-closure liability reported at December 31, 2021 represents the estimated cost of post-closure based on the use of 100 percent of the landfill capacity, less closure expenditures of \$31,947,451. These expenditures have been charged to the Capital Projects Fund, which had a total project budget of \$32,061,004. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Compensated Absences—As explained in Note 1, the County records the value of governmental fund type compensated absences in the government-wide and proprietary fund financial statements. The payment of compensated absences is dependent on many factors and, therefore, cannot be reasonable estimated as to future timing of payment. Under the terms of existing collective bargaining agreements, County employees are granted vacation and sick leave in varying amounts. Upon retirement or separation of service, employees may be compensated for unused vacation time to a maximum of 30 days at the current daily rate of pay. Employees represented by the Brotherhood of Teamsters can accumulate up to 200 days of sick leave. Upon retirement, those employees who have accumulated more than 165 sick leave days shall receive a sum equal to 25% of the employees' daily rate of pay for sick leave accumulations in excess of 165 days up to a maximum of 200 days. The other collective bargaining agreements provide that employees can accumulate up to 200 days of sick leave. Upon retirement, those employees can apply 50% for each unused sick leave day in excess of 120 days to their share of retiree medical premiums. The compensated absences liability for the County's governmental and business-type activities at December 31, 2021 totaled \$3,677,090 and \$293,437, respectively, and are reported in the government-wide and proprietary fund financial statements. The County estimates \$367,709 of governmental activities. The County has determined that due to the nature and timing of the business-type activities compensated absences, that the entire liability, \$293,437, should be recorded as due within one year as it is anticipated that all sick and vacation time will be utilized.

Retirement Incentives—The State Legislature enacted Chapter 57 of the Laws of 2010. This Chapter authorized local governments, at their option, to amortize a portion of their respective ERS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The County has elected to amortize the maximum allowable ERS contributions in each of the fiscal year as noted in the table on the following page. During the year ended December 31, 2021, the County paid off the entire remaining balances within governmental activities and business-type activities.

	Original Amount <u>Amortized</u>	Balance 1/1/2021 <u></u>	Increases/ Adjustments <u></u>	Decreases/ Adjustments <u></u>	Balance 12/31/2021 <u></u>
Governmental activities:					
2013 ERS	\$ 3,037,888	\$ 1,007,362	\$ -	\$ 1,007,362	\$ -
2014 ERS	2,991,890	1,327,372	-	1,327,372	-
2015 ERS	1,973,605	1,063,161	-	1,063,161	-
2016 ERS	1,159,759	739,277	-	739,277	-
Total	<u>\$ 9,163,142</u>	<u>\$ 4,137,172</u>	<u>\$ -</u>	<u>\$ 4,137,172</u>	<u>\$ -</u>
Business-type activities:					
2013 ERS	\$ 424,568	\$ 140,786	\$ -	\$ 140,786	\$ -
2014 ERS	463,238	205,519	-	205,519	-
2015 ERS	217,739	117,293	-	117,293	-
2016 ERS	164,116	104,614	-	104,614	-
Total	<u>\$ 1,269,661</u>	<u>\$ 568,212</u>	<u>\$ -</u>	<u>\$ 568,212</u>	<u>\$ -</u>

OPEB Obligation—As explained in Note 8, the County provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The County’s annual OPEB cost is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees’ past periods of service (total OPEB liability), less the amount of the OPEB plan’s fiduciary net position. The County’s long-term OPEB obligation is estimated to be \$273,861,836 and \$28,917,102 at December 31, 2021, for governmental and business-type activities, respectively.

Claims Payable—As discussed in Note 9, the County reports workers' compensation and dental benefits liabilities within the Internal Service Fund and governmental activities. Additionally, the County reports general liability claims liabilities within the General Fund and governmental activities. The total claims payable liability for workers’ compensation, dental benefits, general liabilities, and assessments at December 31, 2021 is \$15,680,775, of this amount, the County estimates \$1,664,772 is due within a year.

Net Pension Liability—The County reports a liability for its proportionate share of the net pension liability for the Employees’ Retirement System. The net pension liability is estimated to be \$214,988 and \$24,646 in the governmental and business-type activities, respectively. Refer to Note 7 for additional information related to the County’s net pension liability.

A maturity schedule of the County’s indebtedness is presented as follows:

Year Ending December 31,	Governmental Activities				
	Serial Bonds	Premiums on Serial Bonds	Capital Leases	Landfill Post-Closure	Compensated Absences
2022	\$ 9,315,000	\$ 361,859	\$ 566,916	\$ 622,993	\$ 367,709
2023	8,260,000	219,160	283,335	626,537	-
2024	8,490,000	195,670	203,643	626,537	-
2025	5,955,000	180,428	46,871	626,537	-
2026	6,090,000	163,787	2,463	626,537	-
2027-2031	26,830,000	524,578	-	2,112,936	-
2032-2036	21,325,000	436,488	-	2,112,936	-
2037-2041	18,950,000	370,680	-	2,112,936	-
2042-2046	19,790,000	361,409	-	176,093	3,309,381
Total	<u>\$ 125,005,000</u>	<u>\$ 2,814,059</u>	<u>\$ 1,103,228</u>	<u>\$ 9,644,042</u>	<u>\$ 3,677,090</u>

(continued)

Year Ending December 31,	OPEB Obligation	Claims Payable	Net Pension Liability	Total
2022	\$ -	\$ 1,664,772	\$ -	\$ 12,899,249
2023	-	-	-	9,389,032
2024	-	-	-	9,515,850
2025	-	-	-	6,808,836
2026	-	-	-	6,882,787
2027-2031	-	-	-	29,467,514
2032-2036	-	-	-	23,874,424
2037-2041	-	-	-	21,433,616
2042-2046	<u>273,861,836</u>	<u>14,016,003</u>	<u>214,988</u>	<u>311,729,710</u>
Total	<u>\$ 273,861,836</u>	<u>\$ 15,680,775</u>	<u>\$ 214,988</u>	<u>\$ 432,001,018</u>

(concluded)

Year Ending December 31,	Business-type Activities							Total
	Tobacco Settlement Bonds	Premiums on Bonds	Revenue Bonds	Discount on Revenue Bonds	Compensated Absences	OPEB Obligation	Net Pension Liability	
2022	\$ 295,000	\$ -	\$ 1,805,000	\$ -	\$ 293,437	\$ -	\$ -	\$ 2,393,437
2023	310,000	-	1,890,000	-	-	-	-	2,200,000
2024	325,000	-	1,975,000	-	-	-	-	2,300,000
2025	340,000	-	2,080,000	-	-	-	-	2,420,000
2026	360,000	-	2,180,000	-	-	-	-	2,540,000
2027-2031	-	-	12,575,000	-	-	-	-	12,575,000
2032-2036	-	-	16,135,000	-	-	-	-	16,135,000
2037-2041	-	-	20,915,000	-	-	-	-	20,915,000
2042-2046	-	-	27,140,000	-	-	-	-	27,140,000
2047 and thereafter	13,220,000	1,158,639	20,015,000	(864,953)	-	28,917,102	24,646	62,470,434
Total	<u>\$ 14,850,000</u>	<u>\$ 1,158,639</u>	<u>\$ 106,710,000</u>	<u>\$ (864,953)</u>	<u>\$ 293,437</u>	<u>\$ 28,917,102</u>	<u>\$ 24,646</u>	<u>\$ 151,088,871</u>

Interest requirements on the primary government's bonds payable and capital leases are as follows:

Year Ending December 31,	Governmental Activities	Business-type Activities
2022	\$ 3,753,479	\$ 6,217,848
2023	3,399,939	6,092,968
2024	3,110,541	5,970,522
2025	2,880,350	5,842,453
2026	2,721,700	5,707,760
2027-2031	11,378,030	27,284,217
2032-2036	8,020,170	20,888,005
2037-2041	4,887,285	16,086,647
2041-2046	1,959,783	9,861,655
2047 and thereafter	-	2,179,055
Total	<u>\$ 42,111,277</u>	<u>\$ 106,131,130</u>

Sullivan County Community College

Changes in the College's long-term liabilities for the year ended August 31, 2021 were as follows:

	Balance 9/1/2020	Additions	Reductions	Balance 8/31/2021	Due Within One Year
Capital leases	\$ 999,308	\$ -	\$ 239,855	\$ 759,453	\$ 253,552
Perkins loan fund liability	713,268	-	6,920	706,348	-
Mortgage payable	6,250,878	340,596	180,000	6,411,474	278,302
Compensated absences*	598,952	-	144,997	453,955	-
Retirement incentives	255,744	-	57,755	197,989	59,645
OPEB obligation	52,000,689	3,080,228	10,271,598	44,809,319	-
Net pension liability*	3,272,559	-	3,259,620	12,939	-
Total	<u>\$ 64,091,398</u>	<u>\$ 3,420,824</u>	<u>\$ 14,160,745</u>	<u>\$ 53,351,477</u>	<u>\$ 591,499</u>

*(Additions to compensated absences and the net pension liability are shown net of reductions.)

Capital Leases—The College entered into a long-term capital lease to finance the construction of energy saving improvements and equipment. The outstanding balance at August 31, 2021 was \$759,453. Refer to Note 10 for additional information related to the College's capital lease.

Perkins Loans Fund Liability—Funds provided by the U.S. Department of Education under the Federal Perkins Loan Program are loaned to qualified students and may be reloaned after collection. These funds are ultimately refundable to the U.S. Department of Education and are therefore reported as liabilities. At December 31, 2021, the College reported \$706,348 as a liability related to Perkin Loans.

Mortgage Payable—Mortgage payable consists of the issuance of \$7,442,000 Sullivan County Community College Dormitory Corporation Project Series 2014A Tax-Exempt Revenue Bonds with interest at 4.30% payable in 300 monthly installments of \$40,791 with the final maturity on July 1, 2039 and \$558,000 Sullivan County Community College Dormitory Corporation Project Series 2014B Taxable Revenue Bonds with interest at 5.34% payable in 120 monthly installments of \$6,033 with the final maturity on July 1, 2024. The balances on these mortgages are \$6,362,000 and \$270,000 at August 31, 2021. The Corporation has granted a first priority mortgage lien on and security interest in the Mortgaged Property consisting of the two buildings of dormitory housing to Sterling National Bank, as agent of the Issuer, Sullivan County Funding Corporation.

The required annual principal payments under the original terms of this mortgage for the College's years ended August 31 are as follows:

Year Ending August 31,	Principal
2022	\$ 278,302
2023	307,674
2024	323,776
2025	273,881
2026	273,989
Thereafter	<u>4,953,852</u>
Total	<u>\$ 6,411,474</u>

Interest expense related to the College’s mortgage payable amounting to \$281,451 was included in student housing for the year ended August 31, 2021.

Compensated Absences—The College recognizes a liability for vested sick leave and other compensated absences with similar characteristics to the extent it is probable that the College will compensate the employees for the benefits through cash payments at retirement rather than be taken as absences due to illness or other contingencies. The collective bargaining agreement between the College and the Teamsters Local 445 Union provides that upon death, retirement or separation from the College in good standing, employees will be paid the monetary value of accumulated unused vacation and compensatory time at the employee's current pay rate. Under the terms of the other existing collective bargaining agreement, the Professional Staff Association Agreement, any employee who is eligible for retirement and retires from either the New York State Retirement System or from TIAA/CREF and who has unused days of sick leave shall be paid at the current rate of pay for each employee.

Retirement Incentives—The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on taxable fixed rate securities of a comparable duration and will be adjusted annually. The County and the College have elected to amortize the maximum allowable ERS contribution in each of the fiscal years as outlined in the table below:

	Original Amount <u>Amortized</u>	Balance <u>9/1/2020</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>8/31/2021</u>	Due Within <u>One Year</u>
2015-2016 ERS	\$ 78,532	\$ 50,059	\$ -	\$ 7,698	\$ 42,361	\$ 7,950
2014-2015 ERS	132,321	72,358	-	13,588	58,770	14,033
2013-2014 ERS	172,976	76,742	-	18,162	58,580	18,756
2012-2013 ERS	170,644	56,585	-	18,307	38,278	18,906
Total	<u>\$ 554,473</u>	<u>\$ 255,744</u>	<u>\$ -</u>	<u>\$ 57,755</u>	<u>\$ 197,989</u>	<u>\$ 59,645</u>

OPEB Obligation—As explained in Note 8, the College provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The College’s annual OPEB cost is calculated based on the annual required contributions of the employer, an amount actuarially determined in accordance with GASB. The College’s long-term OPEB obligation is estimated to be \$44,809,319 at August 31, 2021.

Net Pension Liability—The College reports a liability for its proportionate share of the net pension liability for the Employees’ Retirement System. The net pension liability is estimated to be \$12,939 at August 31, 2021. Refer to Note 7 for additional information related to the College’s net pension liability.

Sullivan County Soil and Water Conservation District

A summary of the District’s long-term debt at December 31, 2021 follows:

	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021	Due Within One Year
Compensated absences	\$ 19,784	\$ 66,700	\$ 46,667	\$ 39,817	\$ 4,000
Net pension liability*	365,119	-	364,007	1,112	-
Total	<u>\$ 384,903</u>	<u>\$ 66,700</u>	<u>\$ 410,674</u>	<u>\$ 40,929</u>	<u>\$ 4,000</u>

*(Additions to the net pension liability are shown net of reductions).

Compensated Absences—At December 31, 2021 the liability for the District’s compensated absences is \$40,929, of which \$4,000 is estimated to be due within one year.

Net Pension Liability—The District reports a liability for its proportionate share of the net pension liability for the Employees’ Retirement System. The net pension liability is estimated to be \$1,112 at December 31, 2021. Refer to Note 7 for additional information related to the District’s net pension liability.

Sullivan County Industrial Development Agency

A summary of the IDA’s long-term debt at December 31, 2021 follows:

	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021	Due Within One Year
RMAP note payable	\$ 288,029	-	22,267	\$ 265,762	\$ 23,356

RMAP Note Payable—The IDA entered into an agreement with the United States Department of Agriculture (USDA) to create a Rural Microloan Revolving Fund (RMRF), which will provide loans to local eligible businesses. The funds drawn down from the USDA, which must be used to capitalize a Rural Microentrepreneur Assistance Program (RMAP), are in the form of a loan that must be repaid to the USDA. The outstanding balance accrues interest at 2% per annum and must be repaid in equally amortized monthly payments of principal and interest over a period not to exceed 20 years. The first payment, consisting of principal and interest, was due in May 2014.

The following is a summary of the IDA’s future debt service requirements:

Year Ending December 31,	Principal	Interest
2022	\$ 23,356	\$ 5,089
2023	23,827	4,617
2024	24,308	4,137
2025	24,798	3,646
2026	25,299	3,146
2027-2031	134,364	7,860
Thereafter	9,810	38
Total	<u>\$ 265,762</u>	<u>\$ 28,533</u>

13. NET POSITION AND FUND BALANCE

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- **Net Investment in Capital Assets**—This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category. A reconciliation of the County’s governmental and business-type activities net investment in capital assets is presented below:

Governmental activities:

Capital assets, net of accumulated depreciation		\$ 269,074,989
Less related debt:		
General obligation bonds	\$ (125,005,000)	
Unamortized bond premiums	(2,814,059)	
Deferred charge on refunding	50,001	
Capital leases	(1,103,228)	
Bond anticipation notes	(9,140,333)	
Unspent debt proceeds	<u>5,784,146</u>	<u>(132,228,473)</u>
Net investment in capital assets		<u>\$ 136,846,516</u>

Business-type activities:

Capital assets, net of accumulated depreciation		\$ 86,478,111
Less related debt:		
Revenue bonds	\$ (106,710,000)	
Unamortized bond discount	864,953	
Unspent debt proceeds	<u>3,703,451</u>	<u>(102,141,596)</u>
Net investment in capital assets		<u>\$ (15,663,485)</u>

- **Restricted Net Position**—This category represents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The total restricted component of net position for governmental activities was \$1,842,885 at December 31, 2021, of which \$388,993 is restricted for law enforcement, \$53,943 for debt service, \$571,480 for dental benefits, and \$828,469 for community development.
- **Unrestricted Net Position**—This category represents net position of the County not restricted for any project or other purpose.

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance maintained by the County at December 31, 2021 is presented below:

- **Long-term Due from Other Funds**—Represents the long-term portion of funds, \$16,668,230, reported within the County’s General Fund as receivable from the Adult Care Center not expected to be received within one year of the financial statement date.

- **Prepaid Items**—Represents amounts prepaid to New York State ERS. The General Fund, County Road Fund, Refuse and Garbage Fund, and nonmajor funds reported \$1,725,482, \$148,016, \$44,492, and \$40,121, respectively, at December 31, 2021.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grants, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. As of December 31, 2021, the County reported restricted fund balances as shown below:

	General Fund	County Road Fund	Refuse and Garbage Fund	Total Nonmajor Funds	Total
Law enforcement	\$ 388,993	\$ -	\$ -	\$ -	\$ 388,993
Debt service	29,555	6,801	4,508	13,079	53,943
Community development	-	-	-	828,469	828,469
Total	<u>\$ 418,548</u>	<u>\$ 6,801</u>	<u>\$ 4,508</u>	<u>\$ 841,548</u>	<u>\$ 1,271,405</u>

- **Restricted for Law Enforcement**—Represents the proceeds of seized funds which are restricted by New York State Law for use in law enforcement activities.
- **Restricted for Debt Service**—Represents reserves which will be used for the reduction of future debt service requirements.
- **Restricted for Community Development**—Represents representing amounts related to the rehabilitation loan program with constraints placed on their use by the United States Department of Housing and Urban Development.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the County’s highest level of decision-making authority. As of December 31, 2021, the County Legislature had committed \$26,985 to the Fort Delaware project.

In the fund financial statements, assignments are not legally required segregations, but are subject to a purpose constraint that represents an intended use established by the County’s Legislature, or by its designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the General Fund, assigned fund balance represents the residual amount of fund balance.

As of December 31, 2021, the County reported the following fund balances assignments:

	General Fund	County Road Fund	Refuse and Garbage Fund	Total Nonmajor Funds	Total
Encumbrances	\$ 1,391,556	\$ 251,250	\$ 241,402	\$ 899,487	\$ 2,783,695
Health insurance contributions	2,000,000	-	-	-	2,000,000
Subsequent year's expenditures	9,277,438	1,118,251	1,687,141	1,023,104	13,105,934
Other purposes	1,181,125	-	-	-	1,181,125
Specific use	-	1,636,546	2,735,417	367,773	4,739,736
Total	<u>\$ 13,850,119</u>	<u>\$ 3,006,047</u>	<u>\$ 4,663,960</u>	<u>\$ 2,290,364</u>	<u>\$ 23,810,490</u>

- *Assigned to Encumbrances*—Represents commitments related to unperformed contracts or purchase orders for goods or services.
- *Assigned to Health Insurance Contributions*—Represents funds set aside relating to health insurance contributions.
- *Assigned to Subsequent Year's Expenditures*—Represents available fund balance being appropriated to meet expenditure requirements in the 2022 fiscal year.
- *Assigned to Other Purposes*—Represents funds set aside for building construction (\$621,540), a Planning Department program (\$426,930), economic development (\$60,000), and soil and water (\$72,655).
- *Assigned to Specific Use*—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignments' purpose relates to each fund's operations and represent the remaining amounts within funds that are not restricted or committed.

It is the County's policy to expend fund balances in the following order: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

14. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are short-term in nature and exist because of temporary advances or payments made on behalf of other funds. With the exception of loans with business-type activities interfund balances are expected to be collected/paid within the subsequent year. Interfund transfers are routine annual events for both the budget and accounting process and are necessary to present funds in their proper fund classification. The composition of interfund balances as of December 31, 2021 is shown on the following page.

Fund	Interfund	
	Receivable	Payable
Governmental funds:		
General Fund	\$ 20,296,993	\$ 14,225,721
County Road Fund	8,981	-
Refuse and Garbage Fund	2,682,424	20
Capital Projects Fund	-	3,137,839
Nonmajor governmental funds	2,266,637	22,544
Enterprise funds:		
Sullivan County Adult Care Center	-	17,136,021
Internal service funds:		
Workers' Compensation Benefits Fund	9,268,502	1,392
Total	<u>\$ 34,523,537</u>	<u>\$ 34,523,537</u>

Transfers are used primarily to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute of budget required to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the fund making payments when due, and (3) move residual cash from closed capital projects.

The County made the following transfers during the year ended December 31, 2021:

Transfers out:	Transfers in:					Total
	Governmental funds					
	General Fund	County Road Fund	Refuse and Garbage Fund	Capital Projects Fund	Total Nonmajor Funds	
Governmental funds:						
General Fund	\$ -	\$ 18,829,159	\$ -	\$ 2,907,271	\$ 11,341,701	\$ 33,078,131
County Road Fund	-	-	-	813,334	3,675,207	4,488,541
Refuse and Garbage Fund	126,112	-	-	-	2,079,770	2,205,882
Capital Projects Fund	2,135,528	541	126,112	556	42,814	2,305,551
Nonmajor funds	8,340	743	-	124,404	631,877	765,364
Total	<u>\$ 2,269,980</u>	<u>\$ 18,830,443</u>	<u>\$ 126,112</u>	<u>\$ 3,845,565</u>	<u>\$ 17,771,369</u>	<u>\$ 42,843,469</u>

15. LABOR CONTRACTS

The County's employees operate under six collective bargaining units: the CSEA Sheriff Corrections contract have expired as of December 31, 2019, and are currently in negotiations. The Teamsters Local 445, Probation contract; the New York State Nurses Association contract; and the Sullivan County Patrolmen's Benevolent Association contract have expired as of December 31, 2020, and are currently in negotiations. The DPW Laborers' International Union of North America is settled through December 31, 2021 and the DPW Supervisory Unit Teamsters Local 445, International Brotherhood of Teamsters is settled through December 31, 2023.

16. TAX ABATEMENTS

The County is subject to tax abatements granted by the Sullivan County Industrial Development Agency ("SCIDA"). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the SCIDA and include the abatement of state, county, local and school district taxes, in addition to other assistance. In the case of the County, the abatements have resulted in reductions of property taxes, which the County administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. Under the agreements entered into by SCIDA, the County collected \$1,756,721 during 2021 in payments in lieu of taxes ("PILOT"), these collections were made in lieu of \$4,449,297 in property taxes.

17. COMMITMENTS AND CONTINGENCIES

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Open encumbrances are reported as an assignment of fund balance since such commitments will be honored through budget appropriations in the subsequent year.

The County considers encumbrances to be significant for amounts that are encumbered in excess of \$100,000 for all funds. As of December 31, 2021, the County reported the following significant encumbrances:

Fund	Description	Amount
General	Systems maintenance	\$ 435,912
General	Dispatch console	169,000
Road Machinery	Heavy equipment	840,723

Litigation—The County is involved in litigation in the ordinary course of its operations. Various legal actions are pending against the County. The outcome of these matters is not presently determinable but, in the opinion of management, the ultimate liability will not have a material adverse effect on the County’s financial condition or results of operation.

Grants—In the normal course of operations, the County receives grant funds from various Federal and State agencies. These grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. any disallowed expenditures resulting from such audits could become a liability of the governmental funds. The amount of disallowance, if any, cannot be determined at this time, although the County expects any such amounts to be immaterial.

Adult Care Center—The Center participates in a premium based general and professional liability insurance plan. The plan assumes liability for most risks included, but not limited to, personal injury, malpractice, vehicle, and general liability. At December 31, 2021, no claims or outstanding premiums exist that meet the liability criteria.

The health care industry is subject to numerous laws and regulations imposed by federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. In addition, certain cost reports, which serve as the basis for final settlement with the Medicare program, remain open for audit and settlement, as are New York State Medicaid cost reports for prior years. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenue from patient services. Furthermore, noncompliance with such laws and regulations could result in fines, penalties and exclusion from such programs. Accordingly, there is at least a reasonable possibility that recorded estimates for health care revenue will change in the near term and the change could be material to the Center’s financial condition, results of operations and cash flows.

The Center’s operations have been affected by the recent and ongoing outbreak of the coronavirus disease (COVID-19), which was declared a pandemic by the World Health Organization in March 2020. Many countries around the world, including the United States, have significant governmental measures being implemented to control the spread of COVID-19, including temporary closures of businesses, severe restrictions on travel and the movement of people and other material limitation on the conduct of business. As a result of the COVID-19 pandemic, the Center is experiencing a reduction in patient census that is having a direct negative effect on the Center’s operations. The rise in demand for health care supplies and potential staffing shortages will likely increase costs incurred by the Center as well. The Center has taken steps to strengthen its financial position and balance sheet to maintain financial liquidity and flexibility including the receipt of government awards. The full duration and extent of the COVID-19 pandemic, related business and travel restrictions and changes to behavior intended to reduce its spread are uncertain as of the date these financial statements were available for issuance, as the pandemic continues to evolve

globally. Therefore, the full extent of any adverse impact on the results of operations, financial position and cash flows in 2022 cannot be reasonably estimated at this time.

In July 2020, the County authorized the formation of the Sunset Lake Local Development Corporation (the “SLLDC”) for the purpose of transferring the Sullivan County Adult Care Center’s (the “Center”) capital assets and identifying a management company to assume operations of the Center through a lease agreement. On December 5, 2020, the Center’s building and land improvements in the amount of \$1,342,391 were transferred to the SLLDC and an agreement was entered into whereby the SLLDC will lease the facility back the County for \$1 and the County will continue to operate the Center. Effective May 1, 2021, the County entered into an initial service agreement with Infinite Care Centers, LLC, (“Infinite Care”) an unrelated party, whereby Infinite Care will provide certain administrative services to the Center for a monthly fee of \$30,000.

Effective October 1, 2021, the County entered into a consulting agreement with Infinite Care whereby Infinite Care will provide a more extensive level of services to the Center and the County remains the licensed operator of the facility. The consulting agreement calls for a fee to be determined based on a quarterly reconciliation of the Center’s revenue, expenses, and certain credits to and from Infinite Care. At this time, due to certain ambiguities in the determination of the consulting services fee, no amount has been recorded in the financial statements. Both the County and Infinite Care agree that no amount is due by the County to Infinite Care as of December 31, 2021.

In addition, the County and Infinite Care are working with the New York State Department of Health in submitting a Certificate of Need application for Infinite Care to be established as the operator of the Center.

Sullivan County Tobacco Asset Securitization Corporation—The enforceability of the rights and remedies of the State (and thus the bondholders) and of the obligations of a participating manufacturer under the MSA are subject to the Bankruptcy Code and the other applicable insolvency, moratorium or similar laws relating to or affecting the enforcement of creditors' rights. Some of the risks include risks of delay in or reduction of amounts of payment or of non-payment under the MSA and the risk that the State (and thus the County and/or STASC) may be stayed for an extended time from enforcing any rights under the MSA and the Consent Decree or with respect to the payments owed by the bankrupt participating manufacturer or from commencing legal proceedings against the bankrupt participating manufacturer. As a result, if a participating manufacturer becomes a debtor in a bankruptcy case and defaults in making payment, funds available to STASC to pay bondholders may be reduced or eliminated. The bonds are payable only from the assets of STASC. The bonds are neither legal nor moral obligations of the County or the State of New York, and no recourse may be had thereto for payment of amounts owing on the bonds. STASC's only source of funds for payments on the bonds is the collections and amounts on deposit in pledged accounts pursuant to the indenture. STASC has no taxing power and no significant assets other than the rights to receive tobacco settlement revenues.

Sullivan County Community College

Litigation—The College is involved in litigation in the ordinary course of its operations. Various legal actions are pending against the College. The outcome of these matters is not presently determinable but, in the opinion of management, the ultimate liability will not have a material adverse effect on the College’s financial condition or results of operation.

State and Federal Grant Programs and State Aid—The College participates in various State and Federal grant programs. These programs are subject to program compliance audits by the grantors or their representative. The audits of these programs are an ongoing process and many have not yet been conducted or completed. Accordingly, the College’s compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the College anticipates such amounts, if any, will not be material. The College’s Federal compliance audit under Title 2 U.S. Code of Federal Regulations Part 200, Uniform Guidance Requirements, as applicable, is performed in conjunction with the audit of the College and is included in the College’s report. The College is subject to audits of State aid by New York State. The amount of aid previously paid to the College which may be disallowed cannot be determined at this time, although the College anticipates such amounts, if any, to be immaterial.

Sullivan County Soil and Water Conservation District

Litigation—The District is subject to various litigation and claims arising out of the course of its operations. While the results of the lawsuits cannot be predicted with certainty, management does not believe these matters will have an adverse effect on the District’s overall financial position.

The District is exposed to various risks of loss related to property damage and destruction of assets, vehicle liability, injuries to employees, health insurance and unemployment insurance. The District purchases commercial insurance to cover such potential risks. The general liability and auto policies provide coverage for up to a maximum of \$2,000,000. The District also purchases conventional health insurance coverage for its employees and participates in the Sullivan County Workers’ Compensation Benefits Fund, a risk sharing pool, which provides coverage at statutory levels. Settled claims have not exceed this commercial coverage in the last three fiscal years.

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 30, 2022, and have determined that there are no subsequent events that require disclosure under generally accepted accounting principles.

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REQUIRED SUPPLEMENTARY INFORMATION

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COUNTY OF SULLIVAN, NEW YORK
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Five Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental activities:					
Total OPEB Liability					
Service cost	\$ 7,499,034	\$ 5,740,016	\$ 4,108,250	\$ 5,023,750	\$ 4,993,306
Interest	5,364,967	7,560,063	8,516,890	8,111,525	7,906,838
Changes in assumptions	(20,359,454)	49,008,851	(22,598,294)	(18,319,064)	-
Differences between expected and actual experience	6,870,759	(9,753,783)	13,877,437	(14,007,747)	4,419,853
Benefit payments	<u>(6,982,100)</u>	<u>(5,980,586)</u>	<u>(5,981,394)</u>	<u>(5,949,623)</u>	<u>(5,424,068)</u>
Net changes in total OPEB liability	<u>(7,606,794)</u>	<u>46,574,561</u>	<u>(2,077,111)</u>	<u>(25,141,159)</u>	<u>11,895,929</u>
Total OPEB liability—beginning	<u>281,468,630</u>	<u>234,894,069</u>	<u>236,971,180</u>	<u>262,112,339</u>	<u>250,216,410</u>
Total OPEB liability—ending	<u>\$ 273,861,836</u>	<u>\$ 281,468,630</u>	<u>\$ 234,894,069</u>	<u>\$ 236,971,180</u>	<u>\$ 262,112,339</u>
Covered-employee payroll	\$ 49,899,457	\$ 50,465,779	\$ 53,787,933	\$ 51,819,981	\$ 46,092,209
County's OPEB liability as a percentage of covered-employee payroll	548.8%	557.7%	436.7%	457.3%	568.7%
Business-type activities:					
Total OPEB Liability					
Service cost	\$ 1,248,738	\$ 955,824	\$ 724,986	\$ 945,949	\$ 940,216
Interest	437,931	572,437	576,534	526,096	512,821
Changes in assumptions	(1,919,641)	4,869,543	1,341,716	(1,188,136)	-
Differences between expected and actual experience	6,768,449	(767,215)	(546,415)	(908,512)	(383,147)
Benefit payments	<u>(618,218)</u>	<u>(380,322)</u>	<u>(372,214)</u>	<u>(350,478)</u>	<u>(298,346)</u>
Net changes in total OPEB liability	<u>5,917,259</u>	<u>5,250,267</u>	<u>1,724,607</u>	<u>(975,081)</u>	<u>771,544</u>
Total OPEB liability—beginning	<u>22,999,843</u>	<u>17,749,576</u>	<u>16,024,969</u>	<u>17,000,050</u>	<u>16,228,506</u>
Total OPEB liability—ending	<u>\$ 28,917,102</u>	<u>\$ 22,999,843</u>	<u>\$ 17,749,576</u>	<u>\$ 16,024,969</u>	<u>\$ 17,000,050</u>
Covered-employee payroll	\$ 5,268,889	\$ 4,123,745	\$ 4,064,441	\$ 3,504,281	\$ 6,829,079
County's OPEB liability as a percentage of covered-employee payroll	548.8%	557.7%	436.7%	457.3%	248.9%
Sullivan County Community College:					
Total OPEB Liability					
Service cost	\$ 1,842,883	\$ 1,714,435	\$ 1,982,185	\$ 1,825,162	
Interest	1,237,345	1,722,528	2,185,731	1,937,827	
Changes in benefit terms	-	-	(8,133,017)		
Changes in assumptions	(490,386)	8,466,455	3,096,439	(1,714,796)	
Differences between expected and actual experience	(8,295,358)	(5,566,269)	(4,659,061)	4,548	
Benefit payments	<u>(1,485,854)</u>	<u>(1,461,781)</u>	<u>(1,664,296)</u>	<u>(1,598,483)</u>	
Net changes in total OPEB liability	<u>(7,191,370)</u>	<u>4,875,368</u>	<u>(7,192,019)</u>	<u>454,258</u>	
Total OPEB liability—beginning	<u>52,000,689</u>	<u>47,125,321</u>	<u>54,317,340</u>	<u>53,863,082</u>	
Total OPEB liability—ending	<u>\$ 44,809,319</u>	<u>\$ 52,000,689</u>	<u>\$ 47,125,321</u>	<u>\$ 54,317,340</u>	n/a
Covered-employee payroll	\$ 7,511,479	\$ 6,312,494	\$ 8,130,479	\$ 6,613,824	n/a
County's OPEB liability as a percentage of covered-employee payroll	596.5%	823.8%	579.6%	821.3%	n/a

*Information prior to the year ended December 31, 2017 (August 31, 2018 as to the College) is not available.

The notes to the required supplementary information are an integral part of this schedule.

COUNTY OF SULLIVAN, NEW YORK
Schedule of the Local Government's Proportionate Share of the
Net Pension Liability/(Asset)—Teachers' Retirement System
Last Seven Fiscal Years*

	Year Ended August 31,						
	2021	2020	2019	2018	2017	2016	2015
Sullivan County Community College:							
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Plan fiduciary net position as a percentage of the total pension liability/(asset)	113.2%	97.8%	102.2%	101.5%	100.7%	99.0%	110.5%
College's proportion of the net pension liability/(asset)	0.650200%	0.006370%	0.0072050%	0.0072170%	0.0074050%	0.0084310%	0.0080760%
College's proportionate share of the net pension liability/(asset)	<u>\$ (1,126,778)</u>	<u>\$ 176,038</u>	<u>\$ (187,192)</u>	<u>\$ (130,550)</u>	<u>\$ (56,285)</u>	<u>\$ 90,296</u>	<u>\$ (838,829)</u>
College's covered payroll	\$ 1,103,641	\$ 1,117,336	\$ 1,202,674	\$ 1,175,550	\$ 1,222,471	\$ 1,300,935	\$ 1,213,110
College's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	(102.1)%	15.8%	(15.6)%	(11.1)%	(4.6)%	6.9%	(69.2)%

* Information prior to the year ended December 31, 2015 and August 31, 2015 was not available.

COUNTY OF SULLIVAN, NEW YORK
Schedule of the Local Government's Contributions—
Teachers' Retirement System
Last Seven Fiscal Years*

	Year Ended August 31,						
	2021	2020	2019	2018	2017	2016	2015
Sullivan County Community College:							
Contractually required contributions	\$ 105,177	\$ 95,803	\$ 127,724	\$ 115,204	\$ 137,528	\$ 172,504	\$ 212,658
Contributions in relation to the contractually required contribution	<u>(105,177)</u>	<u>(95,803)</u>	<u>(127,724)</u>	<u>(115,204)</u>	<u>(137,528)</u>	<u>(172,504)</u>	<u>(212,658)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	1,103,641	1,117,336	1,202,674	1,175,550	1,222,471	1,300,935	1,213,110
Contributions as a percentage of covered payroll	9.5%	8.6%	10.6%	9.8%	11.3%	13.3%	17.5%

* Information prior to the year ended December 31, 2015 and August 31, 2015 was not available.

COUNTY OF SULLIVAN, NEW YORK
Schedule of the Local Government's Proportionate Share of the
Net Pension Liability—Employees' Retirement System
Last Seven Fiscal Years*

	Year Ended December 31,						
	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Plan fiduciary net position as a percentage of the total pension liability	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
Governmental activities:							
County's proportion of the net pension liability	0.2159072%	0.2191124%	0.1928306%	0.1828922%	0.1851387%	0.1899655%	0.1857220%
County's proportionate share of the net pension liability	<u>\$ 214,988</u>	<u>\$ 51,246,179</u>	<u>\$ 13,662,643</u>	<u>\$ 5,902,738</u>	<u>\$ 17,396,061</u>	<u>\$ 30,490,042</u>	<u>\$ 6,274,132</u>
County's covered payroll	\$ 47,184,985	\$ 48,326,548	\$ 48,460,129	\$ 46,409,406	\$ 44,100,576	\$ 52,288,877	\$ 51,515,316
County's proportionate share of the net pension liability as a percentage of its covered payroll	0.5%	106.0%	28.2%	12.7%	39.4%	58.3%	12.2%
Business-type activities:							
County's proportion of the net pension liability	0.0247511%	0.0255888%	0.0248519%	0.0240865%	0.0257297%	0.0261291%	0.0262174%
County's proportionate share of the net pension liability	<u>\$ 24,646</u>	<u>\$ 6,776,067</u>	<u>\$ 1,760,832</u>	<u>\$ 777,379</u>	<u>\$ 2,417,622</u>	<u>\$ 4,193,799</u>	<u>\$ 885,687</u>
County's covered payroll	\$ 6,359,134	\$ 7,144,828	\$ 7,052,583	\$ 6,872,926	\$ 6,676,520	\$ 8,063,774	\$ 7,844,031
County's proportionate share of the net pension liability as a percentage of its covered payroll	0.4%	94.8%	25.0%	11.3%	36.2%	52.0%	11.3%
Soil and Water Conservation District:							
District's proportion of the net pension liability	0.0011164%	0.0013788%	0.0014610%	0.0013698%	0.0011771%	0.0011839%	0.0013466%
District's proportionate share of the net pension liability	<u>\$ 1,112</u>	<u>\$ 365,119</u>	<u>\$ 103,514</u>	<u>\$ 44,208</u>	<u>\$ 110,602</u>	<u>\$ 190,018</u>	<u>\$ 45,492</u>
District's covered payroll	\$ 403,703	\$ 445,184	\$ 381,403	\$ 392,135	\$ 372,042	\$ 373,268	\$ 317,882
District's proportionate share of the net pension liability as a percentage of its covered payroll	0.3%	82.0%	27.1%	11.3%	29.7%	50.9%	14.3%
	Year Ended August 31,						
	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Plan fiduciary net position as a percentage of the total pension liability	100.0%	86.4%	96.2%	98.2%	94.7%	90.7%	97.9%
Sullivan County Community College:							
College's proportion of the net pension liability	0.0129950%	0.0116940%	0.0119330%	0.0111630%	0.0113090%	0.0124080%	0.0120940%
College's proportionate share of the net pension liability	<u>\$ 12,939</u>	<u>\$ 3,096,521</u>	<u>\$ 845,482</u>	<u>\$ 360,287</u>	<u>\$ 1,062,603</u>	<u>\$ 1,991,469</u>	<u>\$ 408,579</u>
College's covered payroll	\$ 3,128,688	\$ 3,403,276	\$ 3,067,362	\$ 2,866,780	\$ 2,673,112	\$ 2,763,108	\$ 3,027,884
College's proportionate share of the net pension liability as a percentage of its covered payroll	0.4%	91.0%	27.6%	12.6%	39.8%	72.1%	13.5%

*Information prior to the years ended December 31, 2015 and August 31, 2015 was not available.

COUNTY OF SULLIVAN, NEW YORK
Schedule of the Local Government's Contributions—
Employees' Retirement System
Last Seven Fiscal Years*

	Year Ended December 31,						
	2021	2020	2019	2018	2017	2016	2015
Governmental activities:							
Contractually required contributions	\$ 7,769,566	\$ 7,389,125	\$ 6,764,327	\$ 6,593,679	\$ 6,569,798	\$ 7,341,500	\$ 7,837,849
Contributions in relation to the contractually required contribution	<u>(7,769,566)</u>	<u>(7,389,125)</u>	<u>(6,764,327)</u>	<u>(6,593,679)</u>	<u>(6,569,798)</u>	<u>(7,341,500)</u>	<u>(7,837,849)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 49,304,844	\$ 50,026,454	\$ 53,622,816	\$ 48,231,045	\$ 46,070,276	\$ 43,988,174	\$ 44,018,400
Contributions as a percentage of covered payroll	15.8%	14.8%	12.6%	13.7%	14.3%	16.7%	17.8%
Business-type activities:							
Contractually required contributions	\$ 924,033	\$ 971,332	\$ 876,444	\$ 880,248	\$ 910,645	\$ 1,009,798	\$ 1,106,428
Contributions in relation to the contractually required contribution	<u>(924,033)</u>	<u>(971,332)</u>	<u>(876,444)</u>	<u>(880,248)</u>	<u>(910,645)</u>	<u>(1,009,798)</u>	<u>(1,106,428)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 5,857,720	\$ 7,071,004	\$ 7,981,865	\$ 7,062,896	\$ 6,829,079	\$ 6,683,257	\$ 6,772,279
Contributions as a percentage of covered payroll	15.8%	13.7%	11.0%	12.5%	13.3%	15.1%	16.3%
Soil and Water Conservation District:							
Contractually required contributions	\$ 53,918	\$ 58,200	\$ 53,664	\$ 53,692	\$ 51,260	\$ 44,656	\$ 65,969
Contributions in relation to the contractually required contribution	<u>(53,918)</u>	<u>(58,200)</u>	<u>(53,664)</u>	<u>(53,692)</u>	<u>(51,260)</u>	<u>(44,656)</u>	<u>(65,969)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 418,666	\$ 433,543	\$ 418,513	\$ 385,726	\$ 388,023	\$ 346,261	\$ 311,684
Contributions as a percentage of covered payroll	12.9%	13.4%	12.8%	13.9%	13.2%	12.9%	21.2%
Year Ended August 31,							
	2021	2020	2019	2018	2017	2016	2015
Sullivan County Community College:							
Contractually required contributions	\$ 463,483	\$ 411,109	\$ 410,304	\$ 392,290	\$ 381,778	\$ 479,513	\$ 510,410
Contributions in relation to the contractually required contribution	<u>(463,483)</u>	<u>(411,109)</u>	<u>(410,304)</u>	<u>(392,290)</u>	<u>(381,778)</u>	<u>(479,513)</u>	<u>(510,410)</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 3,128,688	\$ 3,403,276	\$ 3,067,362	\$ 2,866,780	\$ 2,673,112	\$ 2,763,108	\$ 3,027,884
Contributions as a percentage of covered payroll	14.8%	12.1%	13.4%	13.7%	14.3%	17.4%	16.9%

*Information prior to the years ended December 31, 2015 and August 31, 2015 was not available.

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 67,727,784	\$ 67,727,784	\$ 69,786,508	\$ 2,058,724
Other property tax items	8,297,838	8,297,838	7,386,285	(911,553)
Non property tax items	52,590,000	52,590,000	70,967,544	18,377,544
Departmental income	17,629,159	18,502,094	16,269,013	(2,233,081)
Intergovernmental charges	525,132	774,013	746,493	(27,520)
Licenses and permits	1,551,500	1,551,500	2,899,407	1,347,907
Fines and forfeitures	209,400	209,400	114,822	(94,578)
Use of money and property	246,520	227,770	282,338	54,568
Sale of property and compensation for loss	481,670	481,670	892,094	410,424
Miscellaneous	2,419,132	1,584,532	1,326,593	(257,939)
State aid	22,059,335	21,521,537	21,906,062	384,525
Federal aid	20,562,421	23,192,328	19,469,702	(3,722,626)
Total revenues	<u>194,299,891</u>	<u>196,660,466</u>	<u>212,046,861</u>	<u>15,386,395</u>
EXPENDITURES				
Current:				
General government support	36,142,438	34,930,765	31,781,240	3,149,525
Education	5,675,000	5,675,000	5,446,351	228,649
Public safety	30,180,801	31,190,439	29,811,992	1,378,447
Health	23,050,408	25,359,204	24,671,099	688,105
Transportation	2,098,248	2,006,542	2,114,824	(108,282)
Economic assistance and opportunity	63,755,752	63,111,357	53,175,154	9,936,203
Culture and recreation	3,576,535	3,603,068	3,099,787	503,281
Home and community services	2,065,848	2,213,805	1,856,928	356,877
Debt service:				
Principal	457,454	457,454	457,454	-
Interest and other fiscal charges	2,684,649	2,684,649	507,322	2,177,327
Total expenditures	<u>169,687,133</u>	<u>171,232,283</u>	<u>152,922,151</u>	<u>18,310,132</u>
Excess (deficiency) of revenues over expenditures	24,612,758	25,428,183	59,124,710	33,696,527
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000,000	2,000,000	2,269,980	269,980
Transfers out	<u>(27,446,212)</u>	<u>(30,915,833)</u>	<u>(33,078,131)</u>	<u>(2,162,298)</u>
Total other financing sources (uses)	<u>(25,446,212)</u>	<u>(28,915,833)</u>	<u>(30,808,151)</u>	<u>(1,892,318)</u>
Net change in fund balance*	(833,454)	(3,487,650)	28,316,559	31,804,209
Fund balances—beginning	<u>26,205,740</u>	<u>26,205,740</u>	<u>26,205,740</u>	<u>-</u>
Fund balances—ending	<u>\$ 25,372,286</u>	<u>\$ 22,718,090</u>	<u>\$ 54,522,299</u>	<u>\$ 31,804,209</u>

* The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance, and re-appropriation of prior year encumbrances.

The notes to the required supplementary information are an integral part of this schedule.

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—
Budget and Actual—County Road Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental charges	\$ 196,875	\$ 195,000	\$ 142,463	\$ (52,537)
Licenses and permits	5,000	5,000	3,710	(1,290)
Use of money and property	-	-	49	49
Sale of property and compensation for loss	100	100	-	(100)
Miscellaneous	3,000	3,000	85,536	82,536
State aid	3,211,250	5,486,648	5,576,832	90,184
Federal aid	<u>2,951,000</u>	<u>-</u>	<u>160,694</u>	<u>160,694</u>
Total revenues	<u>6,367,225</u>	<u>5,689,748</u>	<u>5,969,284</u>	<u>279,536</u>
EXPENDITURES				
Current:				
Public safety	956,939	1,011,566	924,339	87,227
Transportation	17,154,806	19,547,846	17,684,116	1,863,730
Debt service:				
Interest and other fiscal charges	<u>182,360</u>	<u>182,361</u>	<u>176,317</u>	<u>6,044</u>
Total expenditures	<u>18,294,105</u>	<u>20,741,773</u>	<u>18,784,772</u>	<u>1,957,001</u>
Excess (deficiency) of revenues over expenditures	(11,926,880)	(15,052,025)	(12,815,488)	2,236,537
OTHER FINANCING SOURCES (USES)				
Transfers in	15,992,277	18,829,160	18,830,443	1,283
Transfers out	<u>(4,576,079)</u>	<u>(4,576,079)</u>	<u>(4,488,541)</u>	<u>87,538</u>
Total other financing sources (uses)	<u>11,416,198</u>	<u>14,253,081</u>	<u>14,341,902</u>	<u>88,821</u>
Net change in fund balance*	(510,682)	(798,944)	1,526,414	2,325,358
Fund balances (deficit)—beginning	<u>1,634,450</u>	<u>1,634,450</u>	<u>1,634,450</u>	<u>-</u>
Fund balances (deficit)—ending	<u>\$ 1,123,768</u>	<u>\$ 835,506</u>	<u>\$ 3,160,864</u>	<u>\$ 2,325,358</u>

* The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance and re-appropriation of prior year encumbrances.

The notes to the required supplementary information are an integral part of this schedule.

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Departmental income	\$ 8,400,000	\$ 9,272,544	\$ 9,665,307	\$ 392,763
Use of money and property	-	-	570	570
Sale of property and compensation for loss	35,000	35,000	259,832	224,832
Miscellaneous	2,500,000	2,500,000	2,507,045	7,045
State aid	10,000	10,000	20,113	10,113
Total revenues	<u>10,945,000</u>	<u>11,817,544</u>	<u>12,452,867</u>	<u>635,323</u>
EXPENDITURES				
Current:				
Home and community services	9,841,354	10,765,023	10,253,573	511,450
Total expenditures	<u>9,841,354</u>	<u>10,765,023</u>	<u>10,253,573</u>	<u>511,450</u>
Excess of revenues over expenditures	1,103,646	1,052,521	2,199,294	1,146,773
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	126,112	126,112
Transfers out	(2,101,042)	(2,101,042)	(2,205,882)	(104,840)
Total other financing sources (uses)	<u>(2,101,042)</u>	<u>(2,101,042)</u>	<u>(2,079,770)</u>	<u>21,272</u>
Net change in fund balance*	(997,396)	(1,048,521)	119,524	1,168,045
Fund balances—beginning	4,593,436	4,593,436	4,593,436	-
Fund balances—ending	<u>\$ 3,596,040</u>	<u>\$ 3,544,915</u>	<u>\$ 4,712,960</u>	<u>\$ 1,168,045</u>

* The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance and re-appropriation of prior year encumbrances.

The notes to the required supplementary information are an integral part of this schedule.

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COUNTY OF SULLIVAN, NEW YORK
Notes to the Required Supplementary Information
Year Ended December 31, 2021

1. OPEB LIABILITY

Changes of Assumptions—The rate used to discount future plan cash flows was updated from 1.93% to 2.25% as of December 31, 2021 based on a review of the S&P Municipal Bond 20-Year High Grade Municipal Bond Index.

Sullivan County Community College:

Changes of Assumptions—The rate used to discount future plan cash flows was updated from 2.33% to 2.40% as of August 31, 2021 based on a review of the Bond Buyer 20-Year Bond GO Index.

2. BUDGETARY INFORMATION

Budgetary Basis of Accounting—Annual budgets are adopted on a basis consistent with generally accepted accounting principles in the United States of America for all governmental funds, except the Capital Projects Fund and the Special Grant Fund. These funds are appropriated on a project-length basis; appropriations are approved through a County Legislature resolution at the project/grant's inception and lapse upon termination/completion of the project/grant.

The appropriated budget is prepared by fund, function, and department. Transfers of appropriations require the approval of the County Legislature. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the functional classification.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances.

Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods and services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed, or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements. The General Fund, County Road Fund, and Refuse and Garbage Fund original budgets for the year ended December 31, 2021 include encumbrances from the prior year of \$716,549, \$179,091, and \$25,858, respectively.

Excess of Expenditures over Appropriations—For the year ended December 31, 2021, the County had budgetary expenditures in the General Fund in excess of the final budget amount within transportation and transfers out of \$108,282 and \$2,162,298, respectively, as a result of greater than anticipated maintenance costs and capital projects. The County had budgetary expenditures in the Refuse and Garbage Fund in excess of the final budget within transfers out of \$104,840 as a result of greater than anticipated costs associated with capital projects.

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SUPPLEMENTARY INFORMATION—
INDIVIDUAL SCHEDULES AND
COMBINING STATEMENTS

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is the principal operating fund of the County and includes all operations not required to be recorded in a separate fund.

COUNTY ROAD FUND

The County Road Fund is a separate revenue fund required by Highway Law Section 114 and accounts for salaries and expenditures of the County Highway Superintendent's office, maintenance of county roads and bridges, snow removal and construction and reconstruction of county roads.

REFUSE AND GARBAGE FUND

The Refuse and Garbage Fund is a special revenue fund used to record all revenues and expenditures related to solid waste operations.

CAPITAL PROJECTS FUND

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of capital facilities, other than those financed by proprietary funds and equipment purchases financed in whole or in part from the proceeds of obligations.

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 67,727,784	\$ 67,727,784	\$ 69,786,508	\$ 2,058,724
Other property tax items:				
Gain from sale of tax acquired property	1,500,000	1,500,000	174,471	(1,325,529)
Other payments in lieu of taxes	1,797,838	1,797,838	1,756,721	(41,117)
Interest and penalties on real property taxes	5,000,000	5,000,000	5,455,093	455,093
Total property tax items	<u>8,297,838</u>	<u>8,297,838</u>	<u>7,386,285</u>	<u>(911,553)</u>
Non property tax items:				
Sales and use tax	49,500,000	49,500,000	65,069,481	15,569,481
Tax on hotel room occupancy	1,500,000	1,500,000	3,159,765	1,659,765
Automobile use tax	500,000	500,000	543,406	43,406
Emergency telephone system surcharge	305,000	305,000	370,707	65,707
OTB surtax	30,000	30,000	64,485	34,485
Other non property tax	755,000	755,000	1,759,700	1,004,700
Total non property tax items	<u>52,590,000</u>	<u>52,590,000</u>	<u>70,967,544</u>	<u>18,377,544</u>
Departmental income:				
General government support:				
Treasurer's fees	1,100	1,100	1,747	647
Tax collector's fees	488,868	488,868	231,884	(256,984)
Charges for tax advertising and redemption	500,000	500,000	605,082	105,082
Clerk's fees	1,619,425	1,619,425	1,886,103	266,678
Personnel fees	30,030	30,030	16,369	(13,661)
Attorney's fees	-	435,054	361,413	(73,641)
Other general governmental income	2,377,726	2,426,383	1,874,948	(551,435)
Public safety:				
Sheriff's fees	1,672,500	1,672,500	1,304,923	(367,577)
Probation fees	99,600	99,600	131,895	32,295
Other public safety departmental income	30,000	31,785	11,395	(20,390)
Health:				
Nursing home care	2,149,861	2,484,565	2,492,733	8,168
Mental health fees	2,187,889	2,187,889	1,202,815	(985,074)
Early intervention fees for services	659,091	641,783	329,200	(312,583)
Alcoholism clinic fees	150,162	150,162	57,342	(92,820)
Other health department income	55,340	116,031	63,828	(52,203)

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Departmental income (continued):				
Transportation:				
Public works charges	2,164,892	2,179,244	2,180,754	1,510
Airport fees and rentals	107,000	107,000	151,231	44,231
Other transportation income	346,175	346,175	371,382	25,207
Economic assistance and opportunity:				
Repayment of medical assistance	275,000	275,000	170,980	(104,020)
Repayment of family assistance	500,000	500,000	461,745	(38,255)
Repayment of child care	1,040,000	1,040,000	1,416,241	376,241
Repayment of juvenile delinquent care	15,000	15,000	36,828	21,828
Repayment of safety net assistance	400,000	400,000	321,427	(78,573)
Repayment of home energy assistance (HEAP)	150,000	150,000	90,196	(59,804)
Repayment of emergency care for adults	35,000	35,000	19,036	(15,964)
Repayment of day care	2,500	2,500	4,686	2,186
Social services recovery charges	5,500	5,500	7,531	2,031
Social services charges	135,000	135,000	164,951	29,951
Charges, programs for the aging	39,500	39,500	16,371	(23,129)
Other economic assistance and opportunity income	299,850	299,850	225,671	(74,179)
Culture and recreation:				
Parks and recreation charges	59,900	59,900	58,291	(1,609)
Recreation concessions	12,250	12,250	15	(12,235)
Museum admissions	15,000	15,000	-	(15,000)
Home and community services:				
Other home and community services income	5,000	-	-	-
Total departmental income	<u>17,629,159</u>	<u>18,502,094</u>	<u>16,269,013</u>	<u>(2,233,081)</u>
Intergovernmental charges:				
General government support:				
General services, other governments	365,132	440,124	390,990	(49,134)
Election service charges	-	-	2	2
Education:				
Jail facilities, other governments	3,000	3,000	94,249	91,249
Health:				
Health services, other governments	<u>157,000</u>	<u>330,889</u>	<u>261,252</u>	<u>(69,637)</u>
Total intergovernmental charges	<u>525,132</u>	<u>774,013</u>	<u>746,493</u>	<u>(27,520)</u>
Licenses and permits:				
Business and occupational license	50,000	50,000	53,200	3,200
Games of chance	1,500,000	1,500,000	2,844,707	1,344,707
Permits, other	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Total licenses and permits	<u>1,551,500</u>	<u>1,551,500</u>	<u>2,899,407</u>	<u>1,347,907</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Fines and forfeitures:				
Fines and forfeited bail	11,500	11,500	1,034	(10,466)
Stop DWI fines	<u>197,900</u>	<u>197,900</u>	<u>113,788</u>	<u>(84,112)</u>
Total fines and forfeitures	<u>209,400</u>	<u>209,400</u>	<u>114,822</u>	<u>(94,578)</u>
Use of money and property:				
Interest and earnings	75,270	75,270	69,222	(6,048)
Rental of real property	74,550	55,800	60,836	5,036
Commissions	<u>96,700</u>	<u>96,700</u>	<u>152,280</u>	<u>55,580</u>
Total use of money and property	<u>246,520</u>	<u>227,770</u>	<u>282,338</u>	<u>54,568</u>
Sale of property and compensation for loss:				
Sales, other	6,670	6,670	406,971	400,301
Insurance recoveries	100,000	100,000	96,040	(3,960)
Fuel sales	<u>375,000</u>	<u>375,000</u>	<u>389,083</u>	<u>14,083</u>
Total sale of property and compensation for loss	<u>481,670</u>	<u>481,670</u>	<u>892,094</u>	<u>410,424</u>
Miscellaneous:				
Gifts and donations	74,250	65,150	26,848	(38,302)
VLT/Tribal compact monies	308,570	308,570	308,570	-
Other unclassified revenues	<u>2,036,312</u>	<u>1,210,812</u>	<u>991,175</u>	<u>(219,637)</u>
Total miscellaneous	<u>2,419,132</u>	<u>1,584,532</u>	<u>1,326,593</u>	<u>(257,939)</u>
State aid:				
General government support:				
State revenue sharing	25,000	25,000	56,153	31,153
Court facilities	236,800	236,800	241,108	4,308
Indigent legal services fund	943,361	943,361	1,160,603	217,242
District attorney salary	76,176	76,176	76,176	-
Medical examiner	3,000	3,000	3,313	313
Other general government state aid	158,080	165,163	66,287	(98,876)
Education:				
Education of handicapped children	3,491,625	2,694,873	1,892,659	(802,214)
Public safety:				
Probation services	228,831	228,831	219,291	(9,540)
Navigation law enforcement	4,000	4,000	-	(4,000)
Other public safety state aid	511,500	511,500	1,003,559	492,059

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
State aid (continued):				
Health:				
Public health	1,073,348	1,071,319	1,157,914	86,595
Veterans services	25,000	25,000	34,600	9,600
Early intervention	212,920	212,920	231,251	18,331
Narcotics addiction control	304,038	304,038	370,983	66,945
Mental health	2,678,923	2,928,923	3,589,882	660,959
Other public health state aid	1,899,894	1,899,894	2,213,172	313,278
Transportation:				
Buses and other mass transportation projects	-	-	322,976	322,976
Economic assistance and opportunity:				
Medical assistance	(80,000)	(80,000)	(83,409)	(3,409)
Family assistance	1,100,000	1,100,000	792,580	(307,420)
Social services administration	4,338,590	4,342,490	3,778,779	(563,711)
Child care	2,600,000	2,600,000	2,983,179	383,179
Juvenile delinquent	490,050	490,050	455,324	(34,726)
Safety net	827,000	827,000	671,145	(155,855)
Emergency assistance for adults	10,000	10,000	52,122	42,122
Day care	150,000	150,000	4,674	(145,326)
Services for recipients	-	-	23,196	23,196
Program for aging	676,217	676,217	524,650	(151,567)
Other economic assistance and opportunity state aid	2,000	2,000	-	(2,000)
Culture and recreation:				
Youth programs	72,982	72,982	72,982	-
Home and community services:				
Home and community assistance	-	-	(9,087)	(9,087)
Total state aid	<u>22,059,335</u>	<u>21,521,537</u>	<u>21,906,062</u>	<u>384,525</u>
Federal aid:				
General government support:				
American Rescue Plan Act program	-	3,277,840	3,277,839	(1)
Public safety:				
Crime control	189,900	189,900	107,449	(82,451)
Other public safety federal aid	20,493	84,254	242,820	158,566

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Federal aid (continued):				
Health:				
Public health departmental aid	559,015	489,786	278,073	(211,713)
WIC program	-	-	53,512	53,512
Other health federal aid	679,803	162,432	349,168	186,736
Economic assistance and opportunity:				
Medicaid assistance	25,000	25,000	(52,841)	(77,841)
Family assistance	7,100,000	7,100,000	5,212,115	(1,887,885)
Social services administration	6,533,678	6,533,678	5,460,165	(1,073,513)
Flexible funding for family services (FFFS)	3,168,997	3,168,997	3,112,904	(56,093)
Safety net	60,000	60,000	18,875	(41,125)
Programs for the aging	725,820	784,476	561,016	(223,460)
Other economic assistance and opportunity	692,394	508,644	247,360	(261,284)
Workforce investment act	642,321	642,321	601,247	(41,074)
Home and community services:				
Other home and community services federal aid	165,000	165,000	-	(165,000)
Total federal aid	<u>20,562,421</u>	<u>23,192,328</u>	<u>19,469,702</u>	<u>(3,722,626)</u>
 Total revenues	 <u>\$ 194,299,891</u>	 <u>\$ 196,660,466</u>	 <u>\$ 212,046,861</u>	 <u>\$ 15,386,395</u>
 OTHER FINANCING SOURCES				
Transfers in:				
Transfer from Road Machinery Fund	\$ -	\$ -	\$ 6,258	\$ 6,258
Transfer from Debt Service Fund	-	-	2,082	2,082
Transfer from Refuse and Garbage Fund	-	-	126,112	126,112
Transfer from the Capital Projects Fund	2,000,000	2,000,000	2,135,528	135,528
Total other financing sources	<u>\$ 2,000,000</u>	<u>\$ 2,000,000</u>	<u>\$ 2,269,980</u>	<u>\$ 269,980</u>
 Total revenues and other financing sources	 <u>\$ 196,299,891</u>	 <u>\$ 198,660,466</u>	 <u>\$ 214,316,841</u>	 <u>\$ 15,656,375</u>

(concluded)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
General government support:				
Legislative board	\$ 687,814	\$ 706,982	\$ 672,050	\$ 34,932
Municipal court	5,500	5,500	2,078,222	(2,072,722)
District attorney	2,109,080	2,227,683	-	2,227,683
Public defender	2,357,067	2,357,067	2,815,669	(458,602)
Medical examiner and coroner	423,387	423,925	478,550	(54,625)
Municipal executive	661,342	742,430	1,001,029	(258,599)
Auditor	818,617	829,988	812,812	17,176
Treasurer	585,531	616,100	621,893	(5,793)
Tax collector	1,075,927	1,126,480	808,546	317,934
Budget	1,302,647	1,730,038	1,706,348	23,690
Purchasing	399,546	409,882	405,610	4,272
Assessment	375,117	386,387	347,536	38,851
Clerk	2,320,778	2,347,268	2,225,130	122,138
Law	1,051,521	1,453,118	1,422,623	30,495
Personnel	1,033,852	643,611	608,308	35,303
Elections	983,845	975,072	791,853	183,219
Records management	68,934	73,969	68,594	5,375
Public works administration	1,052,167	1,033,130	957,979	75,151
Central services administration	250,206	250,174	246,598	3,576
Operation of plant	7,685,180	7,910,035	6,431,410	1,478,625
Central data processing	5,238,706	5,628,411	5,315,211	313,200
Unallocated insurance	1,127,272	1,127,272	1,098,237	29,035
Municipal association dues	42,446	33,446	20,696	12,750
Judgments and claims	200,000	200,000	82,585	117,415
Other general government support	4,285,956	1,692,797	763,751	929,046
Total general government support	<u>36,142,438</u>	<u>34,930,765</u>	<u>31,781,240</u>	<u>3,149,525</u>
Education:				
Community college tuition	1,375,000	1,375,000	1,146,351	228,649
Contribution to community college	4,300,000	4,300,000	4,300,000	-
Total education	<u>5,675,000</u>	<u>5,675,000</u>	<u>5,446,351</u>	<u>228,649</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public safety:				
Public safety administration	371,771	346,841	314,308	32,533
Public safety communication system (911)	2,181,189	2,207,739	2,027,816	179,923
Sheriff	10,524,229	10,902,899	10,473,114	429,785
Probation	2,569,645	2,649,714	2,533,172	116,542
Jail	13,187,732	13,714,353	13,168,600	545,753
Stop DWI	225,900	225,900	171,996	53,904
Fire protection	101,279	101,937	83,079	18,858
Other animal controls	60,000	60,000	60,000	-
Safety inspection	6,750	6,750	6,250	500
Other public safety	952,306	974,306	973,657	649
Total public safety	<u>30,180,801</u>	<u>31,190,439</u>	<u>29,811,992</u>	<u>1,378,447</u>
Health:				
Public health	5,309,927	6,098,889	5,950,179	148,710
Physically handicapped	675	675	9	666
Public health, other	1,242,415	1,184,395	1,012,844	171,551
Early intervention program	7,019,377	6,821,665	6,237,854	583,811
WIC program	1,385	49,286	47,874	1,412
Narcotics addiction control	268,697	287,933	242,595	45,338
Narcotics addiction control services	1,841,724	2,309,581	2,309,828	(247)
Alcohol addiction control	13,820	14,724	20,818	(6,094)
Mental health administration	1,592,389	1,597,437	1,467,950	129,487
Mental health programs	3,010,663	4,198,283	4,037,581	160,702
Contracted mental health services	2,289,918	2,289,918	2,838,664	(548,746)
Other health	459,418	506,418	504,903	1,515
Total health	<u>23,050,408</u>	<u>25,359,204</u>	<u>24,671,099</u>	<u>688,105</u>
Transportation:				
Airport	991,287	925,371	889,565	35,806
Other airport	1,025,653	1,005,863	1,150,029	(144,166)
Other transportation	81,308	75,308	75,230	78
Total transportation	<u>2,098,248</u>	<u>2,006,542</u>	<u>2,114,824</u>	<u>(108,282)</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Economic assistance and opportunity:				
Social services administration	17,336,169	17,623,468	15,441,907	2,181,561
Day care	1,588,350	1,588,350	784,897	803,453
Services for recipients	1,111,950	1,111,950	873,538	238,412
Medicaid	19,981,800	18,989,568	16,840,544	2,149,024
Family assistance	5,165,000	5,165,000	2,626,580	2,538,420
Child care	10,058,084	10,058,084	8,976,086	1,081,998
Juvenile delinquent	812,000	812,000	22,067	789,933
State training school	75,000	75,000	158,442	(83,442)
Safety net (formerly home relief)	2,851,500	2,851,500	2,782,816	68,684
Home energy assistance	60,000	60,000	92,616	(32,616)
Emergency aid for adults	60,000	60,000	110,393	(50,393)
Workforce investment act	1,387,761	1,394,124	1,296,909	97,215
Publicity	1,340,000	1,340,000	1,258,024	81,976
Veterans service	547,496	562,506	556,862	5,644
Consumer affairs	88,134	90,388	21,771	68,617
Other economic development	<u>1,292,508</u>	<u>1,329,419</u>	<u>1,331,702</u>	<u>(2,283)</u>
Total economic assistance and opportunity	<u>63,755,752</u>	<u>63,111,357</u>	<u>53,175,154</u>	<u>9,936,203</u>
Culture and recreation:				
Parks	491,575	472,012	384,802	87,210
Youth programs	246,644	252,184	235,418	16,766
Museum	45,558	41,299	19,567	21,732
Historical property	110,025	28,822	1,097	27,725
Program for the aging	2,537,226	2,661,244	2,312,012	349,232
Other culture and recreation	<u>145,507</u>	<u>147,507</u>	<u>146,891</u>	<u>616</u>
Total culture and recreation	<u>3,576,535</u>	<u>3,603,068</u>	<u>3,099,787</u>	<u>503,281</u>
Home and community services:				
Planning	873,308	1,011,487	747,619	263,868
Human rights commission	-	60,090	36,344	23,746
Fish and game	234,616	183,155	193,070	(9,915)
Flood and erosion control	340,000	340,000	328,151	11,849
Cemeteries	11,467	12,616	7,623	4,993
Other home and community services	<u>606,457</u>	<u>606,457</u>	<u>544,121</u>	<u>62,336</u>
Total home and community services	<u>2,065,848</u>	<u>2,213,805</u>	<u>1,856,928</u>	<u>356,877</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Debt service:				
Principal	457,454	457,454	457,454	-
Interest and other fiscal charges	<u>2,684,649</u>	<u>2,684,649</u>	<u>507,322</u>	<u>2,177,327</u>
Total debt service	<u>3,142,103</u>	<u>3,142,103</u>	<u>964,776</u>	<u>2,177,327</u>
Total expenditures	<u>\$ 169,687,133</u>	<u>\$ 171,232,283</u>	<u>\$ 152,922,151</u>	<u>\$ 18,310,132</u>
OTHER FINANCING USES				
Transfers out:				
Transfer to Capital Projects Fund	\$ -	\$ 732,738	\$ 2,907,271	\$ (2,174,533)
Transfer to County Road Fund	15,992,277	18,829,160	18,829,159	1
Transfer to Road Machinery Fund	4,736,326	4,636,326	4,636,326	-
Transfer to Debt Service Fund	<u>6,717,609</u>	<u>6,717,609</u>	<u>6,705,375</u>	<u>12,234</u>
Total other financing uses	<u>\$ 27,446,212</u>	<u>\$ 30,915,833</u>	<u>\$ 33,078,131</u>	<u>\$ (2,162,298)</u>
Total expenditures and other financing uses	<u>\$ 197,133,345</u>	<u>\$ 202,148,116</u>	<u>\$ 186,000,282</u>	<u>\$ 16,147,834</u>

(concluded)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—County Road Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental charges:				
Transportation:				
Transportation services, other governments	\$ 21,875	\$ 20,000	\$ 25,504	\$ 5,504
Snow removal, other governments	175,000	175,000	116,959	(58,041)
Total intergovernmental charges	<u>196,875</u>	<u>195,000</u>	<u>142,463</u>	<u>(52,537)</u>
Licenses and permits:				
Permits, other	5,000	5,000	3,710	(1,290)
Total licenses and permits	<u>5,000</u>	<u>5,000</u>	<u>3,710</u>	<u>(1,290)</u>
Use of money and property:				
Interest and earnings	-	-	49	49
Total use of money and property	<u>-</u>	<u>-</u>	<u>49</u>	<u>49</u>
Sale of property and compensation for loss:				
Sales, other	100	100	-	(100)
Total sale of property and compensation for loss	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
Miscellaneous:				
Other unclassified revenues	3,000	3,000	85,536	82,536
Total miscellaneous	<u>3,000</u>	<u>3,000</u>	<u>85,536</u>	<u>82,536</u>
State aid:				
Transportation:				
Consolidated highway improvement program ("CHIPS")	2,600,000	5,012,523	5,012,523	-
Other transportation	611,250	474,125	564,309	90,184
Total state aid	<u>3,211,250</u>	<u>5,486,648</u>	<u>5,576,832</u>	<u>90,184</u>
Federal aid:				
Transportation:				
Other transportation	2,951,000	-	160,694	160,694
Total federal aid	<u>2,951,000</u>	<u>-</u>	<u>160,694</u>	<u>160,694</u>
Total revenues	<u>\$ 6,367,225</u>	<u>\$ 5,689,748</u>	<u>\$ 5,969,284</u>	<u>\$ 279,536</u>
OTHER FINANCING SOURCES				
Transfers in:				
Transfer from Debt Service Fund	\$ -	\$ -	\$ 743	\$ 743
Transfer from Capital Projects Fund	-	-	541	541
Transfer from General Fund	15,992,277	18,829,160	18,829,159	(1)
Total other financing sources	<u>\$ 15,992,277</u>	<u>\$ 18,829,160</u>	<u>\$ 18,830,443</u>	<u>\$ 1,283</u>
Total revenues and other financing sources	<u>\$ 22,359,502</u>	<u>\$ 24,518,908</u>	<u>\$ 24,799,727</u>	<u>\$ 280,819</u>

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditure and Other Financing Uses—Budget and Actual—County Road Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Public safety:				
Traffic control	\$ 811,738	\$ 866,365	\$ 765,818	\$ 100,547
Other public safety	<u>145,201</u>	<u>145,201</u>	<u>158,521</u>	<u>(13,320)</u>
Total public safety	<u>956,939</u>	<u>1,011,566</u>	<u>924,339</u>	<u>87,227</u>
Transportation:				
Engineering	1,041,213	1,081,678	1,018,320	63,358
Maintenance of roads	12,780,851	15,161,426	13,557,597	1,603,829
Snow removal	2,556,963	2,528,963	2,383,189	145,774
Other transportation	<u>775,779</u>	<u>775,779</u>	<u>725,010</u>	<u>50,769</u>
Total transportation	<u>17,154,806</u>	<u>19,547,846</u>	<u>17,684,116</u>	<u>1,863,730</u>
Debt service:				
Interest and other fiscal charges	<u>182,360</u>	<u>182,361</u>	<u>176,317</u>	<u>6,044</u>
Total debt service	<u>182,360</u>	<u>182,361</u>	<u>176,317</u>	<u>6,044</u>
 Total expenditures	 <u>\$ 18,294,105</u>	 <u>\$ 20,741,773</u>	 <u>\$ 18,784,772</u>	 <u>\$ 1,957,001</u>
OTHER FINANCING USES				
Transfers out:				
Transfer to Capital Projects Fund	\$ 813,334	\$ 813,334	\$ 813,334	\$ -
Transfer to Debt Service Fund	<u>3,762,745</u>	<u>3,762,745</u>	<u>3,675,207</u>	<u>87,538</u>
Total other financing uses	<u>\$ 4,576,079</u>	<u>\$ 4,576,079</u>	<u>\$ 4,488,541</u>	<u>\$ 87,538</u>
 Total expenditures and other financing uses	 <u>\$ 22,870,184</u>	 <u>\$ 25,317,852</u>	 <u>\$ 23,273,313</u>	 <u>\$ 2,044,539</u>

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Departmental income:				
Home and community services:				
Refuse and garbage charges	\$ 8,400,000	\$ 9,272,544	\$ 9,665,307	\$ 392,763
Total departmental income	<u>8,400,000</u>	<u>9,272,544</u>	<u>9,665,307</u>	<u>392,763</u>
Use of money and property:				
Interest and earnings	-	-	570	570
Total use of money and property	<u>-</u>	<u>-</u>	<u>570</u>	<u>570</u>
Sale of property and compensation for loss:				
Sales of refuse for recycling	35,000	35,000	259,832	224,832
Total sale of property and compensation for loss	<u>35,000</u>	<u>35,000</u>	<u>259,832</u>	<u>224,832</u>
Miscellaneous:				
Miscellaneous fee reimbursement	2,500,000	2,500,000	2,507,045	7,045
Total miscellaneous	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,507,045</u>	<u>7,045</u>
State aid:				
Home and community services:				
Other home and community service	10,000	10,000	20,113	10,113
Total state aid	<u>10,000</u>	<u>10,000</u>	<u>20,113</u>	<u>10,113</u>
Total revenues	<u>\$ 10,945,000</u>	<u>\$ 11,817,544</u>	<u>\$ 12,452,867</u>	<u>\$ 635,323</u>
OTHER FINANCING SOURCES				
Transfers in:				
Transfer from Capital Projects Fund	\$ -	\$ -	\$ 126,112	\$ 126,112
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,112</u>	<u>\$ 126,112</u>
Total revenues and other financing sources	<u>\$ 10,945,000</u>	<u>\$ 11,817,544</u>	<u>\$ 12,578,979</u>	<u>\$ 761,435</u>

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Home and community services:				
Refuse and garbage	\$ 9,751,434	\$ 10,685,103	\$ 10,174,927	\$ 510,176
Other home and community services	<u>89,920</u>	<u>79,920</u>	<u>78,646</u>	<u>1,274</u>
Total home and community services	<u>9,841,354</u>	<u>10,765,023</u>	<u>10,253,573</u>	<u>511,450</u>
 Total expenditures	 <u>\$ 9,841,354</u>	 <u>\$ 10,765,023</u>	 <u>\$ 10,253,573</u>	 <u>\$ 511,450</u>
OTHER FINANCING USES				
Transfers out:				
Transfer to General Fund	\$ -	\$ -	\$ 126,112	\$ (126,112)
Transfer to Debt Service Fund	<u>2,101,042</u>	<u>2,101,042</u>	<u>2,079,770</u>	<u>21,272</u>
Total other financing uses	<u>\$ 2,101,042</u>	<u>\$ 2,101,042</u>	<u>\$ 2,205,882</u>	<u>\$ (104,840)</u>
 Total expenditures and other financing uses	 <u>\$ 11,942,396</u>	 <u>\$ 12,866,065</u>	 <u>\$ 12,459,455</u>	 <u>\$ 406,610</u>

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NONMAJOR GOVERNMENTAL FUNDS

ROAD MACHINEY FUND

The Road Machinery Fund is a special revenue fund required by Highway Law Section 133 and accounts for purchases, repairs and maintenance of highway machinery, tools and equipment; for construction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment; and for the purchase of materials and supplies to provide an adequate central stockpile for highway, snow removal and bridge purposes.

SPECIAL GRANT FUND

The Special Grant Fund is used to account for projects financed by entitlements from the U.S. Department of Housing and Urban Development.

DEBT SERVICE FUND

The Debt Service Fund accounts for the accumulation of resources for the payment of principal and interest on long-term debt. Debt Service Funds are not required unless segregation of resources is legally mandated. Such legally mandated instances include: proceeds from the sale of property on which debt is outstanding, State and Federal Aid received for a project on which debt is outstanding, interest earned on the proceeds of long-term debt which was not budgeted as a source of financing for the project, unexpected proceeds of long-term debt, and resources for a "Reserve Fund for Payment on Bonded Indebtedness" established pursuant to General Municipal Law Section 6-h.

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COUNTY OF SULLIVAN, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2021

	<u>Special Grant</u>	<u>Road Machinery</u>	<u>Debt Service</u>	<u>Total Nonmajor Funds</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 279,068	\$ -	\$ 279,068
Restricted cash and cash equivalents	633,013	-	-	633,013
Receivables (net of allowances):				
Accounts receivable	-	269	-	269
Loans receivable	221,500	-	-	221,500
Intergovernmental receivables	164,750	-	-	164,750
Due from other funds	-	2,266,637	-	2,266,637
Prepaid items	-	40,121	-	40,121
Total assets	<u>\$ 1,019,263</u>	<u>\$ 2,586,095</u>	<u>\$ -</u>	<u>\$ 3,605,358</u>
LIABILITIES				
Accounts payable	\$ 168,250	\$ 140,637	\$ -	\$ 308,887
Accrued liabilities	-	101,894	-	101,894
Due to other funds	22,544	-	-	22,544
Total liabilities	<u>190,794</u>	<u>242,531</u>	<u>-</u>	<u>433,325</u>
FUND BALANCES				
Nonspendable	-	40,121	-	40,121
Restricted	828,469	13,079	-	841,548
Assigned	-	2,290,364	-	2,290,364
Total fund balances	<u>828,469</u>	<u>2,343,564</u>	<u>-</u>	<u>3,172,033</u>
Total liabilities and fund balances	<u>\$ 1,019,263</u>	<u>\$ 2,586,095</u>	<u>\$ -</u>	<u>\$ 3,605,358</u>

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Nonmajor Governmental Funds
Year Ended December 31, 2021

	<u>Special Grant</u>	<u>Road Machinery</u>	<u>Debt Service</u>	<u>Total Nonmajor Funds</u>
REVENUES				
Departmental income	\$ 245,899	\$ 683,381	\$ -	\$ 929,280
Use of money and property	11,191	20	2,905	14,116
Sale of property and compensation for loss	-	161,726	-	161,726
Miscellaneous	-	6,459	-	6,459
Federal aid	<u>387,091</u>	<u>-</u>	<u>137,384</u>	<u>524,475</u>
Total revenues	<u>644,181</u>	<u>851,586</u>	<u>140,289</u>	<u>1,636,056</u>
EXPENDITURES				
Current:				
Transportation	-	3,911,813	-	3,911,813
Home and community services	677,548	-	-	677,548
Debt service:				
Principal	-	-	12,630,000	12,630,000
Interest and other fiscal charges	<u>-</u>	<u>8,995</u>	<u>4,311,299</u>	<u>4,320,294</u>
Total expenditures	<u>677,548</u>	<u>3,920,808</u>	<u>16,941,299</u>	<u>21,539,655</u>
Excess (deficiency) of revenues over expenditures	(33,367)	(3,069,222)	(16,801,010)	(19,903,599)
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	-	-	3,355,000	3,355,000
Premium on refunding bonds	-	-	332,862	332,862
Transfers in	-	4,655,316	13,116,053	17,771,369
Transfers out	<u>-</u>	<u>(762,459)</u>	<u>(2,905)</u>	<u>(765,364)</u>
Total other financing sources (uses)	<u>-</u>	<u>3,892,857</u>	<u>16,801,010</u>	<u>20,693,867</u>
Net change in fund balances	(33,367)	823,635	-	790,268
Fund balances—beginning	<u>861,836</u>	<u>1,519,929</u>	<u>-</u>	<u>2,381,765</u>
Fund balances—ending	<u>\$ 828,469</u>	<u>\$ 2,343,564</u>	<u>\$ -</u>	<u>\$ 3,172,033</u>

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Road Machinery Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Departmental income	\$ 750,000	\$ 750,000	\$ 683,381	\$ (66,619)
Use of money and property	-	-	20	20
Sale of property and compensation for loss	-	150,000	161,726	11,726
Miscellaneous	2,000	2,000	6,459	4,459
Total revenues	<u>752,000</u>	<u>902,000</u>	<u>851,586</u>	<u>(50,414)</u>
EXPENDITURES				
Current:				
Transportation	5,187,947	5,273,081	3,911,813	1,361,268
Debt service:				
Principal	100,500	100,500	-	100,500
Interest and other fiscal charges	8,994	8,994	8,995	(1)
Total expenditures	<u>5,297,441</u>	<u>5,382,575</u>	<u>3,920,808</u>	<u>1,461,767</u>
Excess (deficiency) of revenues over expenditures	(4,545,441)	(4,480,575)	(3,069,222)	1,411,353
OTHER FINANCING SOURCES (USES)				
Transfers in	4,736,326	4,636,326	4,655,316	18,990
Transfers out	(687,363)	(687,363)	(762,459)	(75,096)
Total other financing sources (uses)	<u>4,048,963</u>	<u>3,948,963</u>	<u>3,892,857</u>	<u>(56,106)</u>
Net change in fund balance*	(496,478)	(531,612)	823,635	1,355,247
Fund balances—beginning	<u>1,519,929</u>	<u>1,519,929</u>	<u>1,519,929</u>	<u>-</u>
Fund balances—ending	<u>\$ 1,023,451</u>	<u>\$ 988,317</u>	<u>\$ 2,343,564</u>	<u>\$ 1,355,247</u>

* The net change in fund balance was included in the budget as an appropriation (i.e. spenddown) of fund balance and re-appropriation of prior year encumbrances.

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Debt Service Fund
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 2,905	\$ 2,905
Federal aid	-	-	137,384	137,384
Total revenues	<u>-</u>	<u>-</u>	<u>140,289</u>	<u>140,289</u>
EXPENDITURES				
Debt service:				
Principal	9,070,000	12,625,000	12,630,000	(5,000)
Interest and other fiscal charges	<u>4,198,759</u>	<u>4,331,621</u>	<u>4,311,299</u>	<u>20,322</u>
Total expenditures	<u>13,268,759</u>	<u>16,956,621</u>	<u>16,941,299</u>	<u>15,322</u>
Excess (deficiency) of revenues over expenditures	(13,268,759)	(16,956,621)	(16,801,010)	155,611
OTHER FINANCING SOURCES (USES)				
Issuance of refunding bonds	-	3,355,000	3,355,000	-
Premium on refunding bonds	-	332,862	332,862	-
Transfers in	13,268,759	13,268,759	13,116,053	(152,706)
Transfers out	<u>-</u>	<u>-</u>	<u>(2,905)</u>	<u>(2,905)</u>
Total other financing sources (uses)	<u>13,268,759</u>	<u>16,956,621</u>	<u>16,801,010</u>	<u>(155,611)</u>
Net change in fund balances	-	-	-	-
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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INTERNAL SERVICE FUNDS

The internal service funds account for and may be used to report any activity that provides goods or services to other funds, departments or agencies of the primary government, and its component units or to other governments on a cost reimbursement basis. These funds should only be used when the reporting government is the predominant participant in the activity.

WORKERS' COMPENSATION BENEFITS FUND

The Workers' Compensation Benefits Fund is used to account for the County's workers' compensation claims. Additionally, the fund is utilized to account for amounts due from other local governments within the County related to their workers' compensation liabilities.

SELF-INSURED DENTAL FUND

The Self-Insured Dental Fund is used to account for the County's self-insurance program for dental benefits.

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Net Position—Internal Service Funds
December 31, 2021

	Workers'	Self-Insured	Total
	Compensation	Dental	Internal
	Benefits	Dental	Service Funds
ASSETS			
Cash and cash equivalents	\$ 815,397	\$ -	\$ 815,397
Restricted cash and cash equivalents	-	575,017	575,017
Accounts receivable	6,584,235	-	6,584,235
Due from other funds	9,268,502	-	9,268,502
Prepaid items	100,000	-	100,000
Total assets	<u>16,768,134</u>	<u>575,017</u>	<u>17,343,151</u>
LIABILITIES			
Accrued liabilities	266,456	3,537	269,993
Due to other funds	1,392	-	1,392
Noncurrent liabilities:			
Due within one year	1,664,772	-	1,664,772
Due in more than one year	13,820,704	-	13,820,704
Total liabilities	<u>15,753,324</u>	<u>3,537</u>	<u>15,756,861</u>
NET POSITION			
Restricted for:			
Dental benefits	-	571,480	571,480
Unrestricted	1,014,810	-	1,014,810
Total net position	<u>\$ 1,014,810</u>	<u>\$ 571,480</u>	<u>\$ 1,586,290</u>

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Revenues, Expenses, and Changes in Net Position—
Internal Service Funds
Year Ended December 31, 2021

	Workers'	Self-Insured	Total
	Compensation	Dental	Internal
	Benefits	Dental	Service Funds
Operating revenues:			
Charges for services	3,235,833	413,143	\$ 3,648,976
Insurance recoveries	8,984	-	8,984
Total operating revenues	<u>3,244,817</u>	<u>413,143</u>	<u>3,657,960</u>
Operating expenses:			
Employee benefits	<u>3,650,979</u>	<u>435,535</u>	<u>4,086,514</u>
Total operating expenses	<u>3,650,979</u>	<u>435,535</u>	<u>4,086,514</u>
Operating income (loss)	<u>(406,162)</u>	<u>(22,392)</u>	<u>(428,554)</u>
Nonoperating revenues:			
Interest income	<u>45</u>	<u>106</u>	<u>151</u>
Total nonoperating revenues	<u>45</u>	<u>106</u>	<u>151</u>
Change in net position	(406,117)	(22,286)	(428,403)
Net position—beginning	<u>1,420,927</u>	<u>593,766</u>	<u>2,014,693</u>
Net position—ending	<u>\$ 1,014,810</u>	<u>\$ 571,480</u>	<u>\$ 1,586,290</u>

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Cash Flows—Internal Service Funds
Year Ended December 31, 2021

	Workers' Compensation Benefits	Self-Insured Dental	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from services provided	\$ 2,770,869	\$ 413,143	\$ 3,184,012
Receipts from insurance recoveries	8,984	-	8,984
Payments to insurance carriers and claimants	(3,617,109)	(435,652)	(4,052,761)
Payments on behalf of other funds	1,529,916	-	1,529,916
Net cash provided by (used for) operating activities	<u>692,660</u>	<u>(22,509)</u>	<u>670,151</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	45	106	151
Net cash provided by investing activities	<u>45</u>	<u>106</u>	<u>151</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payments from other funds	449	-	449
Net cash provided by noncapital financing activities	<u>449</u>	<u>-</u>	<u>449</u>
Increase (decrease) in cash and cash equivalents	693,154	(22,403)	670,751
Cash and cash equivalents—beginning	122,243	597,420	719,663
Cash and cash equivalents—ending	<u>\$ 815,397</u>	<u>\$ 575,017</u>	<u>\$ 1,390,414</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating (loss)	\$ (406,162)	\$ (22,392)	\$ (428,554)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
(Increase) in receivables	(306,839)	-	(306,839)
Decrease in due from other funds	1,529,916	-	1,529,916
Increase in accrued liabilities	25,083	3,537	28,620
(Decrease) in unearned revenue	(158,125)	-	(158,125)
Increase (decrease) in claims payable	8,787	(3,654)	5,133
Total adjustments	<u>1,098,822</u>	<u>(117)</u>	<u>1,098,705</u>
Net cash provided by (used for) operating activities	<u>\$ 692,660</u>	<u>\$ (22,509)</u>	<u>\$ 670,151</u>

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STATISTICAL SECTION (UNAUDITED)

This part of the County’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents:	<u>Page</u>
Financial Trends	127
<i>These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	134
<i>These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.</i>	
Debt Capacity	138
<i>These schedules present information to help the reader assess the affordability of the County’s current level of outstanding debt and the County’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information	142
<i>These schedules offer demographic and economic indications to help the reader understand the environment within which the County’s financial activities take place.</i>	
Operating Information	144
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.</i>	

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

COUNTY OF SULLIVAN, NEW YORK
Schedule I—Net Position by Component
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2012 ¹	2013	2014	2015	2016	2017 ²	2018	2019	2020	2021
Governmental activities:										
Net investment in capital assets	\$ 81,670,910	\$ 85,262,582	\$ 88,651,807	\$ 101,642,615	\$ 115,374,686	\$ 128,836,832	\$ 130,242,152	\$ 140,876,073	\$ 129,259,214	\$ 136,846,516
Restricted	4,500,821	1,758,414	4,887,153	5,931,828	2,220,351	2,115,629	2,288,884	2,442,518	2,013,233	1,842,885
Unrestricted	(33,799,457)	(38,231,820)	(46,016,248)	(62,333,657)	(70,062,234)	(254,002,129)	(251,536,534)	(265,820,644)	(266,061,769)	(232,248,898)
Total net position—governmental activities	\$ 52,372,274	\$ 48,789,176	\$ 47,522,712	\$ 45,240,786	\$ 47,532,803	\$ (123,049,668)	\$ (119,005,498)	\$ (122,502,053)	\$ (134,789,322)	\$ (93,559,497)
Business-type activities:										
Net investment in capital assets	\$ 1,413,451	\$ 1,298,706	\$ 1,613,933	\$ 2,696,176	\$ 2,011,150	\$ 8,998,212	\$ 6,372,769	\$ (11,840,765)	\$ (13,912,777)	\$ (15,663,485)
Restricted	-	850,579	715,891	-	202,718	203,094	203,016	203,704	203,112	-
Unrestricted	(22,543,688)	(25,885,338)	(21,264,110)	(25,788,417)	(29,698,669)	(38,661,588)	(46,876,931)	(38,615,828)	(45,242,925)	(48,806,886)
Total net position—business-type activities	\$ (21,130,237)	\$ (23,736,053)	\$ (18,934,286)	\$ (23,092,241)	\$ (27,484,801)	\$ (29,460,282)	\$ (40,301,146)	\$ (50,252,889)	\$ (58,952,590)	\$ (64,470,371)
Primary government:										
Net investment in capital assets	\$ 83,084,361	\$ 86,861,288	\$ 90,265,740	\$ 104,338,791	\$ 117,385,836	\$ 137,835,044	\$ 136,614,921	\$ 129,035,308	\$ 115,346,437	\$ 121,183,031
Restricted	4,500,821	2,608,993	5,603,044	5,931,828	2,423,069	2,318,723	2,491,900	2,646,222	2,216,345	1,842,885
Unrestricted	(56,343,145)	(64,117,158)	(67,280,358)	(88,122,074)	(99,760,903)	(292,663,717)	(298,413,465)	(304,436,472)	(311,304,694)	(281,055,784)
Total net position—primary government	\$ 31,242,037	\$ 25,353,123	\$ 28,588,426	\$ 22,148,545	\$ 20,048,002	\$ (152,509,950)	\$ (159,306,644)	\$ (172,754,942)	\$ (193,741,912)	\$ (158,029,868)

¹ Governmental Accounting Standards Board Statement No. 63-"Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources and Net Position" renamed net assets to net position effective for the year ended December 31, 2012.

² Governmental Accounting Standards Board Statement No. 80, "Blending Requirements for Certain Component Units - an amendment of GASB County Funding Corporation and Sullivan County Infrastructure Local Development Corporation to be presented as blended component units of the County's primary government.

COUNTY OF SULLIVAN, NEW YORK
Schedule II—Changes in Net Position
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Primary government:										
Expenses:										
Governmental activities:										
General government support	\$ 23,222,974	\$ 22,299,150	\$ 22,867,189	\$ 25,299,974	\$ 29,873,350	\$ 29,115,461	\$ 30,139,092	\$ 28,413,693	\$ 39,158,085	\$ 36,386,184
Education	5,775,448	6,499,480	6,272,866	5,885,213	5,975,783	5,936,169	6,021,019	5,878,828	5,703,608	5,720,075
Public safety	26,070,999	26,924,495	26,718,049	26,658,920	29,407,686	31,261,509	29,511,914	33,757,361	37,762,123	32,379,222
Health	25,388,743	24,293,812	23,145,341	23,707,230	24,825,500	24,935,401	25,103,386	24,447,844	26,155,263	24,960,512
Transportation	19,581,033	20,593,635	22,164,720	25,323,854	22,258,819	25,778,147	27,724,623	26,599,958	40,503,345	24,303,352
Economic assistance and opportunity	58,836,611	56,813,202	60,484,322	52,313,394	65,156,303	63,261,879	62,440,445	65,549,246	62,485,095	53,654,010
Culture and recreation	3,545,385	3,463,248	3,355,192	3,162,612	3,909,500	3,831,391	3,420,293	3,538,998	3,710,605	3,223,714
Home and community services	10,530,023	13,221,737	7,309,555	10,431,878	12,723,655	12,381,033	9,726,977	21,452,276	5,788,849	10,783,761
Interest and other fiscal charges	2,472,088	2,096,007	1,895,292	1,870,859	2,732,282	4,962,053	4,554,786	4,594,955	4,681,276	4,554,329
Total governmental activities	<u>175,423,304</u>	<u>176,204,766</u>	<u>174,212,526</u>	<u>174,653,934</u>	<u>196,862,878</u>	<u>201,463,043</u>	<u>198,642,535</u>	<u>214,233,159</u>	<u>225,948,249</u>	<u>195,965,159</u>
Business-type activities:										
Adult Care Center	17,447,113	16,165,086	16,886,860	17,935,927	19,012,834	18,456,483	18,862,205	18,920,719	20,548,864	17,541,436
Sunset Lake LDC	-	-	-	-	-	-	-	-	25,349	625,632
Sullivan County TASC	818,639	782,343	754,869	729,676	9,184,711	695,551	676,604	667,283	657,806	635,092
SCFC	-	-	-	-	-	198,759	640,440	319,027	122,244	85,814
ILDC	-	-	-	-	-	81,111	7,480,240	9,101,036	9,089,250	9,001,399
BLDC	-	-	-	-	-	-	-	-	-	2,162
Total business-type activities	<u>18,265,752</u>	<u>16,947,429</u>	<u>17,641,729</u>	<u>18,665,603</u>	<u>28,197,545</u>	<u>19,431,904</u>	<u>27,659,489</u>	<u>29,008,065</u>	<u>30,443,513</u>	<u>27,891,535</u>
Total expenses	<u>193,689,056</u>	<u>193,152,195</u>	<u>191,854,255</u>	<u>193,319,537</u>	<u>225,060,423</u>	<u>220,894,947</u>	<u>226,302,024</u>	<u>243,241,224</u>	<u>256,391,762</u>	<u>223,856,694</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General government support	8,386,063	8,440,597	8,538,626	3,788,188	6,588,102	8,682,448	8,342,601	7,753,744	7,622,169	14,045,509
Education	462,102	-	-	257,293	-	-	-	-	-	-
Public safety	1,559,469	1,298,078	1,399,463	2,125,579	3,611,717	1,515,057	2,095,264	2,187,090	1,606,395	1,709,450
Health	8,775,797	7,525,923	6,572,292	6,303,080	7,444,976	3,644,505	4,889,871	4,067,333	3,913,713	4,407,170
Transportation	1,200,844	1,272,124	1,242,440	5,538,814	6,032,541	5,642,509	3,962,107	3,338,634	3,296,340	1,352,167
Economic assistance and opportunity	2,538,179	3,175,957	2,963,563	2,395,739	4,323,812	2,473,064	2,162,368	2,280,770	2,533,592	2,919,292
Culture and recreation	221,139	213,173	189,508	91,864	618,995	125,490	1,435,142	3,440,060	1,188,172	74,677
Home and community services	11,535,541	11,715,220	11,179,889	11,478,802	12,138,306	12,088,922	12,944,255	11,894,485	11,793,390	9,911,206
Operating grants and contributions	38,601,375	37,409,612	38,906,382	37,865,882	35,877,893	38,487,037	37,316,230	40,413,261	40,646,663	41,782,968
Capital grants and contributions	1,712,392	2,210,020	1,807,953	2,934,391	5,487,781	5,590,759	4,168,943	7,343,927	7,646,373	8,733,543
Total governmental activities	<u>74,992,901</u>	<u>73,260,704</u>	<u>72,800,116</u>	<u>72,779,632</u>	<u>82,124,123</u>	<u>78,249,791</u>	<u>77,316,781</u>	<u>82,719,304</u>	<u>80,246,807</u>	<u>84,935,982</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Schedule II—Changes in Net Position
Last Ten Fiscal Years
(Unaudited, accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Adult Care Center:										
Charges for services	11,766,216	9,241,119	9,856,047	12,966,995	10,632,154	11,542,085	10,886,587	9,903,623	8,304,766	10,036,379
Operating grants and contribution	3,125,999	2,555,973	10,064,732	-	10,804,326	6,804,913	4,414,457	5,501,316	4,860,162	2,285,023
Sunset Lake LDC	-	-	-	-	-	-	-	-	-	373,875
Funding Corporation	-	-	-	-	-	323,903	213,776	11,178	8,415	8,582
ILDC	-	-	-	-	-	-	-	2,009,028	7,326,991	7,395,503
Total program revenues	<u>14,892,215</u>	<u>11,797,092</u>	<u>19,920,779</u>	<u>12,966,995</u>	<u>21,436,480</u>	<u>18,670,901</u>	<u>15,514,820</u>	<u>17,425,145</u>	<u>20,500,334</u>	<u>20,099,362</u>
	<u>89,885,116</u>	<u>85,057,796</u>	<u>92,720,895</u>	<u>85,746,627</u>	<u>103,560,603</u>	<u>96,920,692</u>	<u>92,831,601</u>	<u>100,144,449</u>	<u>100,747,141</u>	<u>105,035,344</u>
Net revenue (expense):										
Governmental activities	(100,430,403)	(102,944,062)	(101,412,410)	(101,874,302)	(114,738,755)	(123,213,252)	(121,325,754)	(131,513,855)	(145,701,442)	(111,029,177)
Business-type activities	(3,373,537)	(5,150,337)	2,279,050	(5,698,608)	(6,761,065)	(761,003)	(12,144,669)	(11,582,920)	(9,917,830)	(7,792,173)
Total net (expense) revenue	<u>(103,803,940)</u>	<u>(108,094,399)</u>	<u>(99,133,360)</u>	<u>(107,572,910)</u>	<u>(121,499,820)</u>	<u>(123,974,255)</u>	<u>(133,470,423)</u>	<u>(143,096,775)</u>	<u>(155,619,272)</u>	<u>(118,821,350)</u>
General revenues and transfers:										
Governmental activities:										
Property taxes	49,824,079	53,982,110	54,940,465	55,805,788	56,874,718	60,879,911	62,865,543	64,409,687	66,236,154	68,358,963
Other property tax items	8,463,919	9,313,959	7,522,050	8,431,127	8,403,849	8,138,632	7,705,974	9,418,795	11,452,202	7,386,285
Non-property taxes	36,226,594	36,206,602	38,064,659	38,813,293	41,659,523	42,510,038	49,628,569	47,193,801	52,560,318	70,967,544
Use of money and property	79,860	74,090	69,755	44,922	220,060	677,800	565,422	3,950,446	377,362	297,941
Sale of property and										
compensation for loss	521,881	589,724	293,579	402,891	1,212,261	1,566,166	487,364	771,543	1,220,135	1,322,636
Miscellaneous	-	48,241	105,205	82,760	8,660,361	3,253,317	4,137,449	823,383	1,568,002	3,925,633
Transfers	(300,621)	(553,762)	(1,149,767)	(74,405)	-	(573,750)	(20,397)	1,449,645	-	-
Total governmental activities	<u>94,815,712</u>	<u>99,660,964</u>	<u>99,845,946</u>	<u>103,506,376</u>	<u>117,030,772</u>	<u>116,452,114</u>	<u>125,369,924</u>	<u>128,017,300</u>	<u>133,414,173</u>	<u>152,259,002</u>
Business-type activities:										
Use of money and property	95,094	91,838	87,427	86,706	1,019,048	16,203	296,115	199,506	73,126	62,112
Miscellaneous	1,027,520	2,139,985	1,285,523	1,898,647	1,349,457	851,806	987,293	854,779	1,170,352	2,219,780
Transfers	300,621	553,762	1,149,767	74,405	-	573,750	20,397	-	-	-
Total business-type activities	<u>1,423,235</u>	<u>2,785,585</u>	<u>2,522,717</u>	<u>2,059,758</u>	<u>2,368,505</u>	<u>1,441,759</u>	<u>1,303,805</u>	<u>1,054,285</u>	<u>1,243,478</u>	<u>2,281,892</u>
Total primary government	<u>96,238,947</u>	<u>102,446,549</u>	<u>102,368,663</u>	<u>105,566,134</u>	<u>119,399,277</u>	<u>117,893,873</u>	<u>126,673,729</u>	<u>129,071,585</u>	<u>134,657,651</u>	<u>154,540,894</u>
Change in net position:										
Governmental activities	(5,614,691)	(3,283,098)	(1,566,464)	1,632,074	2,292,017	(6,761,138)	4,044,170	(3,496,555)	(12,287,269)	41,229,825
Business-type activities	(1,950,302)	(2,364,752)	4,801,767	(3,638,850)	(4,392,560)	680,756	(10,840,864)	(10,528,635)	(8,699,701)	(5,510,281)
Total change in net position	<u>\$ (7,564,993)</u>	<u>\$ (5,647,850)</u>	<u>\$ 3,235,303</u>	<u>\$ (2,006,776)</u>	<u>\$ (2,100,543)</u>	<u>\$ (6,080,382)</u>	<u>\$ (6,796,694)</u>	<u>\$ (14,025,190)</u>	<u>\$ (20,986,970)</u>	<u>\$ 35,719,544</u>

¹ Governmental Accounting Standards Board Statement No. 80, "Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14" (concluded)
County Funding Corporation and Sullivan County Infrastructure Local Development Corporation to be presented as blended component units of the County's primary government.

COUNTY OF SULLIVAN, NEW YORK
Schedule III—Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund:										
Nonspendable	\$ -	\$ 4,865,391	\$ 397,864	\$ 3,119,167	\$ -	\$ -	\$ -	\$ 16,789	\$ -	\$ 18,393,712
Restricted	775,058	773,434	1,914,665	596,633	636,878	522,901	750,528	727,132	547,258	418,548
Committed	9,694,504	13,503,770	14,250,044	7,604,102	6,718,564	6,098,969	4,084,579	3,720,418	3,778,410	26,985
Assigned	1,116,190	1,349,150	236,404	7,370,106	19,123,085	12,868,232	10,976,878	6,471,176	3,189,539	13,850,119
Unassigned	12,837,110	7,017,360	7,389,166	8,211,445	11,862,438	13,507,895	14,917,926	12,754,275	18,690,533	21,832,935
Total General Fund	<u>\$ 24,422,862</u>	<u>\$ 27,509,105</u>	<u>\$ 24,188,143</u>	<u>\$ 26,901,453</u>	<u>\$ 38,340,965</u>	<u>\$ 32,997,997</u>	<u>\$ 30,729,911</u>	<u>\$ 23,689,790</u>	<u>\$ 26,205,740</u>	<u>\$ 54,522,299</u>
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,629
Restricted	926,902	849,658	2,815,531	740,454	87,503,330	35,965,308	9,006,421	1,217,376	872,209	828,469
Assigned	2,833,070	3,569,924	5,084,728	3,385,393	5,532,960	4,764,106	4,973,130	5,126,288	7,737,442	9,984,759
Unassigned	<u>(2,287,518)</u>	<u>(4,258,647)</u>	<u>-</u>	<u>(3,262,553)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,619,790)</u>	<u>(6,035,394)</u>	<u>(5,887,235)</u>
Total all other governmental funds	<u>\$ 1,472,454</u>	<u>\$ 160,935</u>	<u>\$ 7,900,259</u>	<u>\$ 863,294</u>	<u>\$ 93,036,290</u>	<u>\$ 40,729,414</u>	<u>\$ 13,979,551</u>	<u>\$ 2,723,874</u>	<u>\$ 2,574,257</u>	<u>\$ 5,158,622</u>

COUNTY OF SULLIVAN, NEW YORK
Schedule IV—Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Real property taxes	\$ 51,466,856	\$ 53,786,165	\$ 55,763,769	\$ 55,328,648	\$ 57,546,461	\$ 62,000,021	\$ 62,522,849	\$ 64,073,474	\$ 63,936,357	\$ 69,786,508
Other property tax items	8,463,919	9,313,959	7,522,050	8,431,127	8,403,849	8,138,632	7,705,974	9,418,795	11,452,202	7,386,285
Non property tax items	36,226,594	36,206,602	38,064,659	38,813,293	41,659,523	42,510,038	49,628,569	51,144,247	52,568,003	70,967,544
Departmental income	32,633,592	31,608,948	29,951,852	29,612,294	30,740,210	28,623,104	29,587,334	27,151,449	26,769,737	26,863,600
Intergovernmental charges	1,741,864	1,948,855	2,167,520	1,984,646	711,042	1,266,050	1,248,680	960,173	765,049	888,956
Licenses and permit	30,541	25,467	62,900	56,420	63,920	64,832	1,391,343	3,391,001	1,257,710	2,903,117
Fines and forfeitures	497,936	322,034	283,928	258,877	345,342	193,011	450,167	272,268	182,814	114,822
Use of money and property	176,224	180,743	156,672	157,513	219,709	677,375	539,583	707,550	375,896	297,790
Sale of property and compensation for loss	573,178	610,247	315,710	638,062	1,078,866	1,372,488	487,364	651,600	1,116,809	1,313,652
Miscellaneous	20,569,698	18,420,941	18,284,784	3,657,270	11,951,802	3,708,080	4,520,710	1,449,645	1,616,759	3,925,633
Interfund revenues	13,264	2,810	-	-	-	-	-	-	-	-
State aid	3,405,574	3,505,962	3,641,418	23,266,268	24,480,445	23,500,054	23,439,564	28,484,017	24,426,579	28,439,994
Federal aid	18,631,685	20,360,548	21,455,917	16,672,007	16,493,632	20,159,355	17,657,400	19,270,171	23,861,782	22,076,517
Total revenues	<u>174,430,925</u>	<u>176,293,281</u>	<u>177,671,179</u>	<u>178,876,425</u>	<u>193,694,801</u>	<u>192,213,040</u>	<u>199,179,537</u>	<u>206,974,390</u>	<u>208,329,697</u>	<u>234,964,418</u>
Expenditures:										
Current:										
General government support	23,036,459	23,002,054	23,398,007	24,139,888	25,812,349	27,036,128	30,560,187	30,268,536	31,502,585	31,781,240
Education	5,297,188	5,547,733	5,457,556	5,314,383	5,654,545	5,604,562	5,694,596	5,552,405	5,377,185	5,446,351
Public safety	22,979,002	23,788,104	24,785,241	25,528,334	25,713,246	26,411,869	28,459,071	31,684,622	29,757,124	30,736,331
Health	23,150,414	23,063,706	21,926,234	23,849,742	22,800,971	23,325,203	24,355,241	23,680,551	23,961,690	24,873,824
Transportation	16,992,170	16,132,885	18,288,145	19,700,202	19,731,940	24,138,202	20,972,839	24,128,284	17,780,750	23,710,753
Economic assistance and opportunity	56,711,538	55,052,400	58,931,619	51,877,834	60,597,993	60,227,151	60,941,593	64,244,497	58,573,564	53,175,154
Culture and recreation	3,289,795	3,129,855	3,171,942	3,317,680	3,397,302	3,367,706	3,301,287	3,292,914	3,107,125	3,099,787
Home and community services	8,575,046	8,828,785	8,509,310	8,398,457	8,562,276	10,444,056	11,172,990	13,462,167	11,167,602	12,788,049
Debt service:										
Principal	8,988,877	9,332,285	9,417,516	6,728,109	7,018,541	7,840,779	9,832,854	9,765,149	9,292,982	13,087,454
Interest	2,557,391	2,179,008	2,080,666	2,190,079	1,913,945	5,501,801	4,878,078	4,931,441	4,820,902	4,871,071
Capital outlay	6,651,897	6,297,006	9,957,018	12,080,967	22,265,807	56,415,915	43,179,803	20,807,572	11,564,541	4,622,205
Total expenditures	<u>178,229,777</u>	<u>176,353,821</u>	<u>185,923,254</u>	<u>183,125,675</u>	<u>203,468,915</u>	<u>250,313,372</u>	<u>243,348,539</u>	<u>231,818,138</u>	<u>206,906,050</u>	<u>208,192,219</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Schedule IV—Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other financing sources (uses)										
Transfers in	26,002,934	24,558,828	25,030,396	29,675,955	32,084,354	39,601,829	34,839,669	38,208,878	37,423,229	42,843,469
Transfers out	(26,303,555)	(25,112,590)	(26,180,163)	(29,750,360)	(32,084,354)	(40,175,579)	(34,860,066)	(38,208,878)	(37,423,229)	(42,843,469)
Other financing sources ¹	11,654,747	22,719,088	13,820,204	-	111,387,420	1,024,238	15,171,450	6,547,950	942,686	4,128,725
Other financing uses	-	(20,330,062)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	11,354,126	1,835,264	12,670,437	(74,405)	111,387,420	450,488	15,151,053	6,547,950	942,686	4,128,725
Net change in fund balances	<u>\$ 7,555,274</u>	<u>\$ 1,774,724</u>	<u>\$ 4,418,362</u>	<u>\$ (4,323,655)</u>	<u>\$ 101,613,306</u>	<u>\$ (57,649,844)</u>	<u>\$ (29,017,949)</u>	<u>\$ (18,295,798)</u>	<u>\$ 2,366,333</u>	<u>\$ 30,900,924</u>
Debt service as a percentage of noncapital expenditures	6.73%	6.77%	6.53%	5.21%	5.19%	7.25%	7.69%	7.46%	7.23%	9.13%

¹ Includes debt issuance proceeds and premiums.

(concluded)

COUNTY OF SULLIVAN, NEW YORK
Schedule V—Governmental Funds Tax Revenues by Source
Last Ten Fiscal Years
(Unaudited, modified accrual basis of accounting)

Year	Non-Property Taxes								Total
	General Property Taxes	General Sales Taxes	Room Occupancy Taxes	E-911 Taxes	Off-Track Betting Taxes	Mortgage Taxes	Automobile Use Taxes	Stumpage Taxes	
2012	\$ 51,466,856	\$ 34,034,864	\$ 629,009	\$ 291,465	\$ 323,316	\$ 469,369	\$ 473,315	\$ 5,256	\$ 87,693,450
2013	53,786,165	33,793,427	619,352	286,122	265,550	689,150	548,403	4,599	89,992,768
2014	55,763,769	35,960,305	538,021	277,083	207,963	569,181	507,281	4,825	93,828,428
2015	55,328,648	36,463,665	700,401	284,418	199,444	641,039	519,858	4,469	94,141,942
2016	57,546,461	39,296,629	809,462	283,076	167,899	584,996	512,916	4,575	99,206,014
2017	62,000,021	39,990,156	916,761	266,238	108,797	690,853	533,607	3,626	104,510,059
2018	62,522,849	46,583,305	1,328,714	341,277	80,557	791,187	497,421	6,108	112,151,418
2019	64,073,474	47,193,801	2,184,020	322,941	78,468	803,761	554,619	6,637	115,217,721
2020	63,936,357	48,943,642	1,676,542	352,702	32,398	1,060,928	498,523	3,268	116,504,360
2021	69,786,508	65,069,481	3,159,765	370,706	64,485	1,706,851	543,406	4,419	140,705,621

COUNTY OF SULLIVAN, NEW YORK
Schedule VI—Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Real Property

Year ¹	Residential/ Commercial	State Lands	Special Franchises	Utilities	Railroad Property	Less Exempt Property	Total Taxable Assessed Value ²	Estimated Actual Value ³	Ratio of Assessed Value to Estimated Actual Value	Total Effective Rate ⁴
2012	\$ 6,627,350,429	\$ 25,382,375	\$ 72,095,385	\$ 114,300,718	\$ -	\$ 1,403,003,715	\$ 5,436,125,192	\$ 8,423,392,565	64.54%	\$ 22.34
2013	6,642,143,138	25,557,665	74,964,935	112,393,145	-	1,419,105,652	5,435,953,231	8,120,649,757	66.94%	25.27
2014	6,628,056,033	25,541,375	79,082,515	110,948,188	-	1,416,147,732	5,427,480,379	7,693,733,110	70.54%	26.66
2015	6,255,700,726	25,503,795	73,691,087	109,454,436	-	1,111,587,549	5,352,762,495	7,571,719,348	70.69%	27.33
2016	6,639,053,293	25,753,365	86,390,807	108,947,813	15,643,730	1,403,594,994	5,472,194,014	7,661,276,567	71.43%	28.37
2017	6,792,060,647	25,533,245	91,227,929	107,750,039	17,625,430	1,460,919,507	5,573,277,783	7,769,422,629	71.73%	30.29
2018	6,799,515,570	25,519,475	89,736,987	109,961,655	17,625,430	1,452,112,742	5,590,246,375	7,807,141,187	71.60%	30.97
2019	7,402,110,351	34,545,275	91,230,782	119,385,920	15,594,216	1,833,099,415	5,829,767,129	7,846,771,200	74.30%	24.64
2020	7,606,668,851	34,670,460	92,318,218	117,776,171	15,595,810	1,932,387,402	5,572,548,557	8,199,831,017	67.96%	24.96
2021	7,665,513,780	34,626,195	97,568,730	115,359,454	17,625,430	1,970,551,971	5,623,050,781	8,735,393,400	64.37%	25.50

¹ The years indicated relate to the tax levy year. Assessments are compiled from the County's tax rolls for the preceding year and the equalization rate (see 2 and 3 below) shown relates to such.

² The taxable assessed values are determined by the various town governments located within the County.

³ The estimated actual values represent the weighted average New York State equalization rate established for each town within the County.

⁴ The total effective rate represents the average of all county tax rates per \$1,000 of assessed property value of the County of Sullivan.

Source: Sullivan County tax rolls for assessed values by type, County Legislature resolution for estimated actual full value, and County tax abstracts for direct tax rates

COUNTY OF SULLIVAN, NEW YORK
Schedule VII—Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Unaudited)

Year	County Effective Rates ¹	County Direct Rates ²	Overlapping Rates ³				
			Cities, Towns & Villages	School Districts	Fire Districts	Sewer Districts	Other Special Districts
2012	\$ 22.34	\$6.06-160.96	\$16.20	\$13.44-610.26	\$0.19-41.63	\$0.36-1,273.04	\$0.04-10.15
2013	25.27	6.83-179.40	16.51	13.77-743.28	0.30-41.69	0.35-1,311.48	0.04-267.68
2014	26.66	7.37-186.98	16.81	14.02-787.65	0.30-36.47	0.35-1,213.28	0.04-8.20
2015	27.33	7.60-198.50	17.10	14.36-777.92	0.52-33.24	0.71-1,213.84	0.06-414.58
2016	28.37	7.60-199.03	17.38	14.85-722.60	0.31-33.29	1.04-1,214.30	0.06-414.84
2017	30.29	8.00-209.38	17.73	15.00-723.67	0.53-30.90	0.75-1,990.52	0.04-422.74
2018	30.97	8.17-214.22	17.98	14.90-710.47	0.53-34.26	0.76-6,333.95	0.08-458.42
2019	24.64	8.15-214.30	15.09	13.89-735.67	0.53-34.63	0.76-15,771.86	0.23-445.26
2020	24.96	7.99-219.00	15.37	14.49-741.33	0.24-35.76	0.87-1,376,237	0.05-2,400.692
2021	25.50	7.72-223.82	15.54	14.55-742.91	0.24-37.48	0.64-1,289,106	0.0008-2,423.140

¹ The County has a complex rate structure that would make the calculation of a direct rate extremely difficult, since its revenue base cannot be sufficiently disaggregated for each applicable rate. The County substituted an effective rate instead.

² Equalization rates vary by town making it necessary to present the County tax rate as a range

³ Overlapping rates are those of local governments that apply to property owners within the County of Sullivan. Not all overlapping rates apply to all the County's property owners.

Notes about District Rates: With development of Resorts World Catskills, the Town of Thompson created several special districts in the Adelaar resort area. The largest amounts above for sewer and other special districts are those in the resort area.

Source: Annual Report of the Division of Real Property Tax, Department of Finance, County of Sullivan, New York and various Village Treasurers.

COUNTY OF SULLIVAN, NEW YORK
Schedule VIII—Principal Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	Type of Business	2021			2012		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
EPT Concord II, LLC	Resort Casino	\$ 168,156,900	1	2.99%	\$ -	-	n/a
NYSEG	Utility Company	115,420,857	2	2.05%	94,786,600	1	1.86%
Orange & Rockland	Utility Company	36,299,537	3	0.65%	22,319,770	4	0.44%
State of New York	State Government	33,669,695	4	0.60%	25,340,955	3	0.50%
City of New York	Local Government	21,178,482	5	0.38%	18,326,350	6	0.36%
Catskill Development	Housing Development	20,449,200	6	0.36%	20,449,200	5	0.40%
Eagle Creek	Water Company	16,633,439	7	0.30%	9,526,694	10	0.19%
Verizon	Mobile	13,526,190	8	0.24%	27,321,941	2	0.54%
Wal-Mart	Commercial	10,000,000	9	0.18%	10,000,000	9	0.20%
Time Warner	Utility Company	9,260,910	10	0.17%	-	-	n/a
Thompson Sanitation	Refuse and Garbage	-	-	n/a	10,567,700	8	0.21%
Kutshers's	Hotel	-	-	n/a	11,000,000	7	0.22%
Total		\$ 444,595,210		7.91%	\$ 249,639,210		4.90%

Source: Sullivan County Treasurer's Office

COUNTY OF SULLIVAN, NEW YORK
Schedule IX—Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended December 31,	County Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Periods	Total Collections to Date	
		Amount	Percentage of Total Levy		Amount	Percentage of Levy
2012	\$ 131,802,271	\$ 108,719,407	82.49%	\$ 22,501,049	\$ 131,220,456	99.56%
2013	138,206,973	114,812,766	83.07%	22,791,770	137,604,536	99.56%
2014	140,067,028	117,745,523	84.06%	21,529,725	139,275,248	99.43%
2015	143,146,268	121,508,141	84.88%	19,956,494	141,464,635	98.83%
2016	145,006,335	123,298,082	85.03%	20,849,171	144,147,253	99.41%
2017	149,103,138	128,771,216	86.36%	18,798,271	147,569,487	98.97%
2018	151,324,662	130,455,434	86.21%	18,118,772	148,574,206	98.18%
2019	155,351,402	133,096,207	85.67%	16,389,650	149,485,857	96.22%
2020	165,030,380	139,776,922	84.70%	13,545,902	153,322,824	92.91%
2021	167,630,607	146,948,513	87.66%	11,334,713	158,283,226	94.42%

¹ Town receivers of taxes collect real property taxes for the respective town and County. The respective town receivers distribute the collected tax monies to the towns prior to distributing the balance collected to the County. The towns, thereby, are assured of full collections. Each year, the town receivers turn over uncollected items to the County. The County satisfies the full of the unpaid school taxes. Responsibility for the unpaid taxes rests with the County.

Source: County of Sullivan Treasurer's Office

COUNTY OF SULLIVAN, NEW YORK
Schedule X—Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities		Business-type Activities			Total Primary Government	Percentage of Personal Income ³	Debt per Capita ³
	General Obligation Bonds ¹	Installment Purchases	Adult Care Center Bonds	Sullivan County Infrastructure LDC	Sullivan County TASC Bonds ²			
2012	\$ 57,840,604	\$ 104,916	\$ 84,603	\$ -	\$ 13,229,185	\$ 71,259,308	0.06%	\$ 927.64
2013	52,094,158	-	66,973	-	12,841,774	65,002,905	0.06%	847.88
2014	56,137,663	-	49,489	-	12,294,366	68,481,518	0.06%	893.26
2015	49,082,581	-	32,598	-	11,906,958	61,022,137	0.06%	803.53
2016	153,097,743	-	16,139	73,340,000	18,133,294	244,587,176	0.02%	3,266.52
2017	145,059,234	799,320	-	110,075,000	17,750,363	273,683,917	0.02%	3,625.67
2018	150,156,722	617,916	-	110,075,000	17,372,432	278,222,070	0.02%	3,669.60
2019	146,463,810	660,115	-	110,075,000	17,044,501	274,243,426	0.03%	3,632.46
2020	137,215,825	1,119,819	-	108,435,000	16,566,570	263,337,214	0.02%	3,491.05
2021	127,819,059	1,103,228	-	106,710,000	16,008,639	251,640,926	0.02%	3,153.16

¹ Serial bonds are presented net of related premiums or discounts.

² The activities of the Sullivan County Tobacco Asset Securitization Corporation that had previously been accounted from under governmental activities have been reclassified and presented under business-type activities beginning in 2008. Sullivan County TASC Bonds are presented net of related premiums or discounts.

³ See Schedule XIV for personal income and population data.

COUNTY OF SULLIVAN, NEW YORK
Schedule XI—Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Year	Population	General Bonded Debt Outstanding				Percentage of	
		Estimated Actual Value of Property	Gross Bonded Debt ¹	Less: Debt Service Funds ²	Net Bonded Debt	Net Bonded Debt to Estimated Actual Value ³	Net Bonded Debt per Capita ⁴
2012	76,818	\$ 8,423,392,565	\$ 57,925,207	\$ 13,702	\$ 57,911,505	0.69%	\$ 753.88
2013	76,665	8,120,649,757	52,161,131	3,580	52,157,551	0.64%	680.33
2014	76,665	7,693,733,110	56,187,152	2,731	56,184,421	0.73%	732.86
2015	75,943	7,571,719,348	49,115,179	3,481	49,111,698	0.65%	646.69
2016	74,877	7,661,276,567	153,113,882	8,015	153,105,867	2.00%	2,044.76
2017	75,485	7,769,422,629	145,059,234	29,717	145,029,517	1.87%	1,921.30
2018	75,818	7,807,141,187	150,156,722	40,823	150,115,899	1.92%	1,979.95
2019	75,498	7,846,771,200	146,463,810	64,828	146,398,982	1.87%	1,939.11
2020	75,432	8,199,831,017	137,215,825	17,982	137,197,843	1.67%	1,818.83
2021	79,806	8,735,393,400	127,819,059	2,905	127,816,154	1.46%	1,601.59

Notes: Detail regarding the County's outstanding debt can be found in the notes to the financial statements.

¹ General bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums excluding amounts for Tobacco Settlement Bonds and revenue bonds.

² Amount restricted for debt service principal payments.

³ See Schedule VI for property value data.

⁴ See Schedule XIV for personal income and population data.

Source: County of Sullivan Annual Financial Report to the State of New York, Office of the State Comptroller and US Bureau of the Census, and Trial Balance

COUNTY OF SULLIVAN, NEW YORK
Schedule XII—Computation of Estimated Direct and Overlapping Debt
As of December 31, 2021
(Unaudited)

Governmental Unit	Gross Indebtedness ¹	Estimated Exclusions ²	Net Indebtedness	Percentage Applicable ³	County of Sullivan Portion
Estimated direct debt:					
County of Sullivan	\$ 128,922,287	\$ -	\$ 128,922,287	47.00%	\$ 60,592,767
Estimated overlapping debt:					
Towns:					
Bethel	4,870,502	-	4,870,502	1.78%	86,479
Callicoon	666,667	36,663	630,004	0.24%	1,531
Delaware	1,738,640	1,738,640	-	0.63%	-
Fallsburg	30,533,093	2,715,000	27,818,093	11.13%	3,096,442
Forestburgh	110,000	-	110,000	0.04%	44
Liberty	3,546,200	1,921,000	1,625,200	1.29%	21,010
Mamakating	550,000	-	550,000	0.20%	1,103
Rockland	5,639,170	5,639,170	-	2.06%	-
Thompson	7,431,646	27,816	7,403,830	2.71%	200,589
Tusten	160,000	-	160,000	0.06%	93
Villages:					
Bloomingburg	284,086	284,086	-	0.10%	-
Jeffersonville	160,000	160,000	-	0.06%	-
Liberty	5,848,117	2,725,000	3,123,117	2.13%	66,584
Monticello	10,630,027	7,098,000	3,532,027	3.88%	136,875
Woodridge	10,319,920	10,319,920	-	3.76%	-
Wurtsboro	843,200	-	843,200	0.31%	2,592
School districts:					
Eldred	4,727,962	-	4,727,962	1.72%	81,492
Fallsburg	20,074,588	-	20,074,588	7.32%	1,469,123
Liberty	19,960,111	-	19,960,111	7.28%	1,452,415
Monticello	2,254,728	-	2,254,728	0.82%	18,533
Roscoe	2,035,000	-	2,035,000	0.74%	15,097
Sullivan West	9,240,000	-	9,240,000	3.37%	311,250
Tri-Valley	3,760,000	-	3,760,000	1.37%	51,540
Total estimated overlapping debt	<u>145,383,657</u>	<u>32,665,295</u>	<u>112,718,362</u>		<u>3,605,499</u>
Total estimated direct and overlapping debt	<u>\$ 274,305,944</u>	<u>\$ 32,665,295</u>	<u>\$ 241,640,649</u>		<u>\$ 67,605,558</u>

¹ Direct debt includes the full amount of all long-term debt instruments of the governmental activities—including bonds, certificates of participation, loans, and capital leases.

² Exclusions reflect the amount available for repayment in debt service reserves.

³ Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Sullivan County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Debt information is obtained from the towns, villages and school districts within the County. County debt information is provided by the County's Treasurer's Office.

COUNTY OF SULLIVAN, NEW YORK
Schedule XIII—Legal Debt Margin Information
As of December 31, 2021
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2021	
Estimated Actual Value of Real Property (After Exemptions):	
2017	\$ 7,769,422,629
2018	7,807,141,187
2019	7,846,771,200
2020	8,199,831,017
2021	<u>8,388,612,264</u>
Total five-year valuation	<u>40,011,778,297</u>
Average full valuation	<u>8,002,355,659</u>
Debt limit - 7% of average full valuation ¹	<u>\$ 560,164,896</u>
Debt applicable to limit:	
Governmental activities - general obligation bonds	\$ 125,005,000
Governmental activities - bond anticipation notes	10,000,000
Governmental activities - capital leases	<u>1,103,228</u>
Total amount of net indebtedness applicable to debt limit	<u>136,108,228</u>
Legal debt margin ³	<u>\$ 424,056,668</u>
Percentage of debt contracting power exhausted	24.30%

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt limit	\$ 635,250,346	\$ 592,419,257	\$ 592,419,257	\$ 563,964,754	\$ 552,590,799	\$ 543,435,220	\$ 539,046,100	\$ 541,188,633	\$ 549,982,196	\$ 560,164,896
Total net debt applicable to limit	<u>64,331,298</u>	<u>57,496,420</u>	<u>60,127,269</u>	<u>66,551,519</u>	<u>151,900,500</u>	<u>141,889,320</u>	<u>151,097,916</u>	<u>152,430,115</u>	<u>147,612,319</u>	<u>136,108,228</u>
Legal debt margin	<u>\$ 570,919,048</u>	<u>\$ 534,922,837</u>	<u>\$ 532,291,988</u>	<u>\$ 497,413,235</u>	<u>\$ 400,690,299</u>	<u>\$ 401,545,900</u>	<u>\$ 387,948,184</u>	<u>\$ 388,758,518</u>	<u>\$ 402,369,877</u>	<u>\$ 424,056,668</u>
Total net debt applicable to the limit as a percentage of debt	10.13%	9.71%	10.15%	11.80%	27.49%	26.11%	28.03%	28.17%	26.84%	24.30%

¹ The provisions of Section 104 of the Local Finance Law specifies debt limits of Counties of New York State.

² Under the State Constitution, indebtedness contracted for the construction of sewer facilities may be excluded, in ascertaining the debt incurring power of the County upon application to and the technical approval of the State Comptroller. The County has not submitted such application, so it cannot formally exclude such indebtedness.

³ There is no constitutional limitation of the amount that may be raised by the County by tax on real estate in any fiscal year to pay interest and principal on all indebtedness.

Sources: County of Sullivan Annual Financial Report to the State of New York, and Office of the State Comptroller.

COUNTY OF SULLIVAN, NEW YORK
Schedule XIV—Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Calendar Year	Population	Per Capita Personal Income ¹	Personal Income ²	Unemployment Rate ³
2012	76,818	\$ 40,863	\$ 3,139,014	9.6%
2013	76,665	41,197	3,158,368	8.8%
2014	76,665	41,197	3,158,368	6.8%
2015	75,943	39,368	2,989,724	5.2%
2016	74,877	42,053	3,148,802	4.8%
2017	75,485	42,528	3,210,226	5.2%
2018	75,818	44,707	3,389,595	3.9%
2019	75,498	46,303	3,495,810	3.7%
2020	75,432	48,753	3,677,559	6.2%
2021	79,806	52,249	3,960,582	3.1%

¹ Data represents per capita income for Sullivan County.

² Estimated, in thousands.

³ Unemployment rates obtained from the New York State Department of Labor.

Sources: U.S. Bureau of the Census, New York State Department of Labor/Empire State Development, U.S. Department of Labor—Bureau of Labor Statistics and the Bureau of Economic Analysis.

COUNTY OF SULLIVAN, NEW YORK
Schedule XV—Principal Employers—Current Year and Nine Years Ago
Current Year and Nine Years Ago
(Unaudited)

Employer	Type	2021			2012		
		Approx. No. of Employees	Rank	Percentage of Labor Force ¹	Approx. No. of Employees	Rank	Percentage of Total County Employment
SDTC the Center for Discovery	Retail	1,700	1	5.20%	1,508	1	4.28%
Resorts World Catskills	Hotel/Gaming	1,176	2	3.60%	-	-	0.00%
Sullivan County Government	Local Government	937	3	2.87%	1,008	2	2.86%
NYSARC Inc.	Non-profit	849	4	2.60%	540	6	1.53%
Monticello Central School District	Public Schools	715	5	2.19%	665	4	1.89%
New Hope Community Inc.	Non-profit	684	6	2.09%	596	5	1.69%
Catskill Regional Medical Center	Medical Center	569	7	1.74%	922	3	2.62%
Frito Lay (FKA Ideal Snacks)	Food production	545	8	1.67%	445	8	1.26%
Sullivan Correctional Facility	Correctional Facility	435	9	1.33%	439	9	1.25%
Woodbourne Correction Facility	Hotel/Entertainment	404	10	1.24%	462	7	1.31%
Villa Roma Resort	Hotel/Gaming	-	-	0.00%	271	10	0.77%

¹ Estimated.

Sources: Sullivan County Partnership for Economic Development and New York State Department of Labor.

COUNTY OF SULLIVAN, NEW YORK
Schedule XVI—Full-time Equivalent County Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program:	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General government support	177	175	182	182	181	187	192	192	190	196
Public safety	212	216	215	215	218	228	235	235	230	231
Health/Adult Care Center	304	279	284	289	283	278	271	271	233	208
Transportation	94	94	922	92	84	94	95	95	80	76
Economic assistance and opportunity	168	175	171	184	196	195	192	192	174	168
Culture and recreation	31	34	34	33	33	34	34	34	29	33
Home and community services	24	22	24	23	26	28	29	29	23	25
Total	<u>1,010</u>	<u>995</u>	<u>1,832</u>	<u>1,018</u>	<u>1,021</u>	<u>1,044</u>	<u>1,048</u>	<u>1,048</u>	<u>959</u>	<u>937</u>

Source: Annual Sullivan County Budgets.

COUNTY OF SULLIVAN, NEW YORK
Schedule XVII—Operating Indicators
Last Ten Fiscal Years
(Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sheriff:										
Arrests	1,130	1,163	1,139	1,146	1,290	1,171	1,317	1,218	770	801
Traffic summons	1,716	1,224	1,187	1,213	2,249	2,003	1,878	1,774	1,340	1,356
DWI summons	49	54	70	73	44	65	63	38	34	22
Jail:										
Inmates	1,472	1,475	1,387	1,251	1,249	1,152	1,245	1,061	310	489
Public Works:										
Road paving (miles)	12.80	14.70	25.50	30.70	31.90	25.40	35.20	32.20	28.90	33.50
Road chip seal (miles)	22.30	-	-	-	45.00	24.80	35.60	26.20	24.70	19.00
Bridge replacement	1	1	1	4	4	3	4	6	2	3
Bridge rehabilitation	3	8	5	2	-	-	-	-	-	2
Parks and Recreation:										
Park and pavilion permits	58	36	73	81	32	56	50	37	-	28
Lake Superior attendance	13,714	12,266	11,225	12,653	14,183	10,037	10,955	12,088	-	10,821
Fort Delaware attendance	3,062	2,843	2,848	2,870	2,708	3,529	2,507	2,348	-	-
Refuse Collection:										
Refuse collected (tons per day)	156.00	150.00	149.00	147.00	173.00	206.00	231.00	244.00	199.00	239.00
Recyclables collected (tons per day)	14.50	15.00	16.00	17.00	17.50	20.30	18.95	14.62	16.62	15.57

Source: Various County Departments.

COUNTY OF SULLIVAN, NEW YORK
Schedule XVIII—Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sheriff:										
Jail	1	1	1	1	1	1	1	1	1	1
Vans	2	3	2	2	5	5	6	7	5	5
Cars	21	27	26	29	32	32	30	36	36	39
SUVs	6	6	11	11	12	12	14	17	14	13
Pickups	2	2	2	2	2	2	3	3	3	3
Electric cars	3	3	3	3	3	3	3	3	3	3
ATVs	3	3	5	5	5	5	5	5	5	5
Boats	2	2	2	2	2	2	2	2	3	3
Tactical vehicle	1	1	1	1	1	1	1	1	1	1
Humvee	1	1	1	1	1	1	1	1	1	1
Jet ski	-	-	-	1	1	1	1	1	1	1
Transportation:										
Roads (miles)	385.40	385.20	385.20	385.20	385.20	385.20	385.20	385.2	385.2	385.2
Traffic signals	10	10	10	10	10	10	10	11	11	11
Flashing beacons	25	25	25	26	26	26	26	26	26	26
Bridges	401	401	401	400	400	398	398	396	396	396
Culture and Recreation:										
Parks acreage	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572
Playgrounds	2	2	2	2	2	2	2	2	2	2
Home and Community Services:										
Landfill acres	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8
Transfer stations	6	6	6	6	6	6	6	6	6	6
Haul trucks	6	6	6	6	6	6	6	9	9	9

Source: Various County Departments.