

**GREENE COUNTY, NEW YORK**

**Financial Statements as of  
December 31, 2019  
Together with  
Independent Auditor's Report**

**Bonadio & Co., LLP**  
Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT**

December 24, 2020

To the County Legislature of  
Greene County, New York:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, New York (the County), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of Greene County Soil and Water Conservation District, Greene County Industrial Development Agency, or The Greene County Local Development Corporation, which represent 100 percent of the respective assets, net position, and revenues of the aggregate discretely presented component units.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Greene County Soil and Water Conservation District, Greene County Industrial Development Agency, or The Greene County Local Development Corporation, which represent 100 percent of the respective assets, net position, and revenues of the aggregate discretely presented component units. We did not audit the financial statements of the Greene Tobacco Asset Securitization Corporation (GTASC), which represents .43%, -27.64%, and .44%, respectively, of the assets, net position, and revenues of the governmental activities, 8.22%, 11.82%, and 10.54%, respectively of the assets, fund balance/net position, and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Greene County Soil and Water Conservation District, Greene Industrial Development Agency, and The Greene County Local Development Corporation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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## **INDEPENDENT AUDITOR'S REPORT (Continued)**

### **Auditor's Responsibility (Continued)**

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Emphasis of Matter**

As discussed in Note 16 to the financial statements, during 2019 the County reevaluated the presentation of its component units. Our opinions are not modified with respect to this matter.

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Greene County, New York, as of December 31, 2019, 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.

### **Other Matters**

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the general fund, schedule of changes in total OPEB liability and related ratios, schedule of proportionate share of net pension liability (asset), and schedule of contributions – pension plans be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

(Continued)

## **INDEPENDENT AUDITOR'S REPORT (Continued)**

### **Other Information (Continued)**

The combining and individual nonmajor fund financial statements are the responsibility of management and were 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 combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2020, on our consideration of the Greene County, New York's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Greene County, New York's internal control over financial reporting and compliance.

## **GREENE COUNTY, NEW YORK**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) FOR THE YEAR ENDED DECEMBER 31, 2019**

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The Management Discussion and Analysis (MD&A) of Greene County, New York (County) provides a financial performance overview of the County's financial activities for the year ended December 31, 2019. This document should be read in conjunction with the County's financial statements.

Following this MD&A are the basic financial statements of the County together with the notes thereto, which are essential to a full understanding of the data contained in the financial statements.

The County has a land area of 653 square miles, a population of approximately 49,000, and is located in eastern New York State. Its northern and southern boundaries are the Counties of Albany and Ulster respectively. Its western and eastern boundaries are the County of Delaware and the Hudson River, respectively. The County includes 14 towns and 5 villages including the Village of Catskill. The County is part of the Albany-Schenectady-Troy Metropolitan Statistical Area and is primarily agricultural and residential with some industrial and commercial properties.

#### **GOVERNMENTAL ORGANIZATION**

The County was founded in 1800 and the County seat is located in the Village of Catskill. The legislative body is the County Legislature, which consists of fourteen Legislators. The presiding officer is the Chairman of the Legislature appointed for a one-year term by the County Legislature.

Additional County offices are the County Clerk, District Attorney, Treasurer and Sheriff. The County Legislature appoints the Commissioner of Social Services, Public Works Commissioner, County Attorney, Budget Officer, Compliance Officer and the Clerk of the Board.

#### **FINANCIAL HIGHLIGHTS**

- The County's governmental net position increased \$14,395,893 as a result of this year's activity, which is illustrated in the Statement of Activities.
- The County's \$98,721,805 in governmental expenses were partially funded with charges for services of \$17,456,503, operating grants of \$22,907,238, capital grants of \$6,08,816 and general revenues of \$67,807,888 which is illustrated in the Statement of Activities.
- The 2019 final budget planned for a reduction in the General Fund balance of \$3,097,374; however, the County's actual revenues exceeded actual expenditures by \$5,248,100 resulting in not using the appropriated amount, which is illustrated in the Combined Statement of Revenue, Expenditures, Encumbrances, and Changes in Fund Equity - Budget and Actual - General Fund.
- The Other Post Employment Benefit Plan (OPEB) obligation for the County as of December 31, 2019 decreased \$21,671,351, which is detailed in the notes to the financial statements. In connection with the OPEB obligation, the County recognized a deferred outflow in the amount of \$8,948,706 and a deferred inflow in the amount of \$19,980,735.

## **USING THIS ANNUAL REPORT**

This annual report consists of a set of financial statements and notes. The Statement of Net Position and the Statement of Activities provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements begin thereafter. For governmental activities, these statements tell how these services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

## **REPORTING THE COUNTY AS A WHOLE**

Our analysis of the County as a whole begins with the Statement of Net Position. One of the most important questions asked about the County's finances is, "Is the County, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a manner that helps answer this question. These statements include all assets and, deferred outflows of resources and deferred inflows of resources, liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in them. You can think of the County's net position – the difference between assets/deferred outflows of resources, and liabilities/deferred inflows of resources – as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall health of the County.

In the Statement of Net Position and the Statement of Activities, we divide the County into two kinds of activities:

- Governmental activities – Most of the County's basic services are reported here, including public safety, public works, economic assistance, health, parks, and general support. Property taxes, sales taxes, franchise fees, and state and federal grants finance most of these activities.
- Component units – The County includes four separate legal entities in its report – the Greene County Soil and Water Conservation District, the Greene Industrial Development Corporation, The Greene Local Development Corporation and the Greene Tobacco Asset Securitization Corporation. Although legally separate, these "component units" are important because the County is financially accountable for them. Information included in the accompanying financial statements regarding the component units has been derived from separately issued audited financial statements, which can be obtained from the Greene County Treasurer's Office.

## REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS

Our analysis of the County's major funds provides detailed information about the most significant funds – not the County as a whole. Some funds are required to be established by State law or by bond covenants. Additionally, the County Legislature may establish other funds to help it control and manage resources for particular purposes. The County has three types of funds – Governmental, Fiduciary, and Proprietary.

- Governmental funds – Most of the County's basic services are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for expenditure. These funds are reported using the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash, as well as liabilities that will be paid using these resources. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be expended in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Positions and the Statement of Activities) and governmental funds in reconciliations to the fund financial statements.

Additionally, the County reports the activities of its blended component unit, the Greene Tobacco Asset Securitization Corporation (GTASC) as a debt service governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances.

- Fiduciary funds - Used to account for assets held by the County as an agent for individuals, private organizations, other governmental units, and/or other funds.
- Proprietary funds – When the County charges customers for the services it provides – whether to outside customers or to other units of the County – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the County's enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

## THE COUNTY AS A WHOLE

The County's combined net position increased from \$32,085,586 to \$46,481,479. Net position may serve over time as one useful indicator of a government's financial condition. The County recorded \$128,246,683 in net Other Post Employment Benefit liability at December 31, 2019. A significant portion of the County's net position is capital assets (e.g. land, buildings, infrastructure, machinery, and equipment) less any related outstanding debt used to acquire those assets. The County uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Program expenses in 2019 for the County's Governmental Activities were \$98,721,805.

**THE COUNTY AS A WHOLE** (Continued)

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the County's governmental and business-type activities.

**Table 1 Net Position (In Millions)**

	Governmental Activities		Percent Change
	<u>2019</u>	<u>2018</u>	
Current and other assets	\$ 111.6	\$ 75.7	47%
Capital assets	172.1	156.0	10%
Restricted investments	<u>0.7</u>	<u>0.7</u>	0%
Total assets	<u>284.4</u>	<u>232.4</u>	22%
Deferred outflows of resources	<u>15.1</u>	<u>21.3</u>	-29%
Other liabilities	20.7	20.1	3%
Long-term debt outstanding	<u>206.5</u>	<u>189.2</u>	9%
Total liabilities	<u>227.2</u>	<u>209.3</u>	9%
Deferred inflows of resources	<u>25.8</u>	<u>12.3</u>	110%
Net position:			
Investment in capital assets	139.0	138.3	1%
Restricted	1.5	(12.7)	-112%
Unrestricted	<u>(94.0)</u>	<u>(93.5)</u>	-1%
Total net position	<u>\$ 46.5</u>	<u>\$ 32.1</u>	45%

**THE COUNTY AS A WHOLE** (Continued)

**Table 2 Changes in Net Position (In Millions)**

	Governmental Activities		Percent Change
	<u>2019</u>	<u>2018</u>	
Program revenue:			
Charges for services	\$ 17.5	\$ 16.3	7%
Operating grants	22.9	24.8	-8%
Capital grants	6.1	4.2	45%
General revenue:			
Property taxes	29.2	30.0	-3%
Other taxes	34.8	33.4	4%
Other general revenue	<u>2.6</u>	<u>2.1</u>	24%
Total revenue	<u>113.1</u>	<u>110.8</u>	2%
Program expenses:			
General governmental support	9.5	14.4	-34%
Education	7.6	6.8	12%
Public safety	8.6	12.5	-31%
Health	10.2	11.6	-12%
Transportation	20.0	13.9	44%
Economic Assistance and Opportunity	31.8	33.0	-4%
Culture and recreation	0.6	0.4	50%
Home and community services	8.7	8.7	0%
Debt service	<u>1.7</u>	<u>1.3</u>	31%
Total expenses	<u>98.7</u>	<u>102.6</u>	-4%
Change in net position	<u>\$ 14.4</u>	<u>\$ 8.2</u>	76%

**THE COUNTY AS A WHOLE (Continued)**

Table 3 presents the cost of each of the County’s five largest governmental programs: economic assistance and opportunity, public safety, general support, transportation, and health – as well as each program’s net cost (total cost less revenue generated by the activities). The net cost shows the financial burden that was placed on the County’s taxpayers by each of these functions.

	<b>Governmental Activities (In Millions)</b>			
	2019		2018	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Economic Assistance and Opportunity	\$ 31.8	\$ 15.0	\$ 33.0	\$ 17.0
Public safety	8.6	6.8	12.5	7.0
General support	9.5	4.5	14.4	9.9
Transportation	20.0	16.1	13.9	7.4
Home and Community Services	8.7	2.9	8.7	6.7
All others	<u>20.1</u>	<u>7.0</u>	<u>20.1</u>	<u>8.4</u>
Totals	<u>\$ 98.7</u>	<u>\$ 52.3</u>	<u>\$ 102.6</u>	<u>\$ 56.4</u>

**THE COUNTY’S FUNDS**

As the County completed the year, its governmental funds (as presented in the balance sheet) reported a combined fund balance of \$84,668,208, which was \$35,287,791 greater than last year’s total of \$49,380,417. Included in this year’s total change in fund balance are current surpluses of \$5,248,100, \$909,073, and \$29,740,224 the County’s General Fund, County Road Fund, and Capital Projects Fund, respectively. The County budgeted for a \$3,097,374 deficit in the General Fund for 2019. Fund balance is traditionally used within the budget formula to balance the budget.

## THE COUNTY'S FUNDS (Continued)

An overview of the Governmental Funds results for 2019 follows. This includes more detailed information about sources and uses of funds. In millions of dollars:

	2019		2018	
	Revenue	% of Total	Revenue	% of Total
Real property taxes	\$ 26.28	23.3%	\$ 26.98	24.7%
Real property tax items	3.16	2.8%	3.05	2.8%
Sales and use taxes	34.84	30.9%	33.38	30.5%
Departmental income	14.11	12.5%	14.00	12.8%
Intergovernmental charges	2.45	2.2%	1.21	1.1%
Use of money and property	0.74	0.7%	0.20	0.2%
Licenses and permits	0.05	0.1%	0.05	0.0%
Fines and forfeitures	0.28	0.2%	0.30	0.3%
Sale of property and comp. for loss	0.70	0.6%	0.66	0.6%
Miscellaneous local sources	0.98	0.9%	0.46	0.4%
State aid	19.58	17.4%	17.67	16.2%
Federal aid	9.41	8.4%	11.31	10.4%
<b>Total revenue</b>	<b>\$ 112.58</b>	<b>100.0%</b>	<b>\$ 109.27</b>	<b>100.0%</b>
	2019		2018	
	Expenditures	% of Total	Expenditures	% of Total
General governmental support	\$ 8.66	7.4%	\$ 8.03	7.9%
Education	13.01	11.2%	8.07	6.7%
Public safety	10.01	8.6%	10.55	9.3%
Health	8.02	6.9%	8.73	8.1%
Transportation	20.07	17.3%	14.00	15.6%
Economic Assistance and Opportunity	28.44	24.5%	28.54	27.1%
Culture and recreation	0.50	0.4%	0.35	0.4%
Home and community services	7.80	6.7%	7.30	7.2%
Employee benefits	15.67	13.3%	16.48	15.1%
Debt service - principal	2.85	2.4%	1.78	1.8%
Debt service - interest	1.28	1.1%	0.94	0.5%
<b>Total expenditures</b>	<b>\$ 116.30</b>	<b>100.0%</b>	<b>\$ 104.78</b>	<b>100%</b>

## GENERAL FUND BUDGETARY HIGHLIGHTS

Actual charges to appropriations (expenditures) were \$8,244,205 less than the final budget amounts. The most significant favorable variances occurred in economic assistance and opportunity (\$5,041,468) where their budgets exceeded actual expenditures by the amount indicated.

Resources available for appropriation were \$1,717,641 greater than the final budgeted amount. The most significant favorable variance occurred in the County's sales and use tax items (\$3,8421,042) where the revenue exceeded the budget by the amount indicated. These favorable variances were offset by unfavorable variances in state aid and federal aid of \$1,882,219 and \$833,631, respectively. The sales tax variance is the result of the county budgeting conservatively for sales tax. Because the County calculated the town and village distribution amounts based upon the conservative County portion, there was a doubling effect on the variance.

The final 2019 budget planned on a reduction in the General Fund balance of \$3,097,374; however, the actual operating surplus of \$5,248,100, resulted in a budget surplus of \$8,345,474, which is explained in the above analysis.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At December 31, 2019, the County had \$172,148,037 invested in a broad range of capital assets including equipment, buildings, roads, and bridges (see Table 5 below).

	<u>Governmental Activities</u>		<u>Percent Change</u>
	<u>2019</u>	<u>2018</u>	
Land and land improvements	\$ 2.1	\$ 2.1	0%
Buildings and improvements	53.2	53.0	0%
Machinery and equipment	20.4	19.6	4%
Improvements, other than buildings	5.0	0.5	900%
Infrastructure	238.0	230.4	3%
Construction work in progress	22.6	12.0	88%
Accumulated depreciation	<u>(169.1)</u>	<u>(161.6)</u>	5%
Totals	<u>\$ 172.2</u>	<u>\$ 156.0</u>	10%

## **CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)**

### Debt

At year-end, the County had \$68,242,419 in bonds outstanding versus \$32,174,428 last year.

The County's other significant long-term liabilities consist of \$3,373,821 compensated absences, which represents vacation and sick pay due to eligible employees upon termination, Net pension liabilities resulting from GASB 68 and 71 of \$6,851,420 and \$128,246,683 of other post-employment benefits which represents the accrual for benefits other than pensions due employees upon termination resulting from the implementation of GASB 75.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The County, like many Upstate New York counties, is continually challenged on a fiscal level by having property tax revenues capped by the State-mandated property tax cap while none of its expenditures, outside Medicaid, are capped. Unpredictable events such as weather events, energy cost shocks, and rapidly rising insurance costs require the County to be prepared for emergencies and difficult fiscal situations. The County's recent bond upgrade to Aa2, received in conjunction with the sale of the bonds for the new county jail, shows that Greene County is meeting these challenges in a positive manner. Changes in economic conditions nationally will have an impact on Greene County's finances. The County has been developing a fund to allow it to better absorb revenue losses from economic shocks in the future. Greene County has maintained expense growth below the rate of inflation for most of the last decade, demonstrating its commitment to fiscal responsibility.

In late June of 2011, the New York State Legislature approved to limit the annual growth of local property taxes to 2 percent or the rate of inflation. Several counties will be considering future budgets that call for property-tax increases several times the 2 percent limit due to the cost of providing services mandated by the state, like Medicaid and welfare programs, that are rising faster than the 2 percent cap. The cap also limits municipalities in improving its infrastructure such as roads and bridges, and capital improvements to water, sewer and public safety departments. The State Legislature must pass meaningful mandate relief and redefine the provisions of the tax cap in order to implement actual property tax reductions to our residents.

As in previous years, the County is required to pay the five villages and ten local school districts the unpaid 2018-2019 taxes by April 1, 2020. The amount due to schools, \$9,133,063, could further strain our cash reserves, depending on the status of property tax collection returns from the town tax collectors at that time. In April 2020, the County paid out an additional \$694,311 to villages in the County.

Our overall goal for fiscal year 2019 is to maintain continuous service to the residents of the County and where possible enhance services and keep any cost increase at a minimum. The County remains optimistic to maintain its level of services, minimize or eliminate property tax increases and prevent reduction in County personnel.

### **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

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

Greene County  
County Administrators Office  
411 Main Street  
Catskill, NY 12414  
(518) 719-3270

**GREENE COUNTY, NEW YORK**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2019**

	Governmental Activities	Component Units
<b>ASSETS:</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 78,905,859	\$ 5,988,476
Restricted cash	233,627	-
Inventory	-	4,187
Taxes receivable, net of allowance for doubtful accounts	14,406,399	-
Accounts receivable	4,172,368	284,103
Tobacco settlement receivable	523,500	-
State and federal receivables, net of allowance for uncollectible amounts	10,453,746	-
Due from other governments	267,049	-
Prepaid expenses	975,782	16,662
Notes receivable	<u>1,638,120</u>	<u>-</u>
Total current assets	<u>111,576,450</u>	<u>6,293,428</u>
<b>NONCURRENT ASSETS:</b>		
Capital assets, net	172,148,037	262,845
Restricted investments	664,756	-
Real property held for resale or development	<u>-</u>	<u>3,893,066</u>
Total noncurrent assets	<u>172,812,793</u>	<u>4,155,911</u>
Total assets	<u>284,389,243</u>	<u>10,449,339</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>		
Deferred outflows of resources - ERS	5,860,461	241,252
Deferred outflows of resources - OPEB	8,948,706	-
Deferred outflows of resources - bond refunding	<u>329,948</u>	<u>-</u>
Total deferred outflows of resources	<u>15,139,115</u>	<u>241,252</u>
Total assets and deferred outflows of resources	<u>\$ 299,528,358</u>	<u>\$ 10,690,591</u>
<b>LIABILITIES:</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 5,679,433	\$ 40,464
Accrued expenses	1,174,072	43,757
Bonds payable, current portion	3,605,000	-
Installment purchase agreement, current portion	107,734	-
Due to other governments	9,854,294	4,774
Due to fiduciary funds	313,398	-
Unearned revenue	<u>-</u>	<u>390,633</u>
Total current liabilities	<u>20,733,931</u>	<u>479,628</u>
<b>LONG-TERM LIABILITIES:</b>		
Bonds and notes payable	64,419,447	-
Installment purchase agreement	110,238	-
Compensated absences	3,373,821	35,508
Judgments and claims	275,201	-
Workers' compensation liability	3,246,090	-
Net pension liability	6,851,420	218,319
Total other post employment benefits	<u>128,246,683</u>	<u>-</u>
Total long-term liabilities	<u>206,522,900</u>	<u>253,827</u>
Total liabilities	<u>227,256,831</u>	<u>733,455</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Community development loan repayments	1,638,120	-
Deferred inflows - deferred revenue	1,143,747	-
Deferred inflows of resources - OPEB	19,980,735	-
Deferred inflows of resources - pensions	<u>3,027,446</u>	<u>109,787</u>
Total deferred inflows of resources	<u>25,790,048</u>	<u>109,787</u>
Total liabilities and deferred inflows or resources	<u>253,046,879</u>	<u>843,242</u>
<b>NET POSITION:</b>		
Net investment in capital assets	139,033,794	24,391
Restricted	1,463,138	230,954
Unrestricted	<u>(94,015,453)</u>	<u>9,592,004</u>
TOTAL NET POSITION	<u>\$ 46,481,479</u>	<u>\$ 9,847,349</u>

The accompanying notes are an integral part of these statements.

**GREENE COUNTY, NEW YORK**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants</u>	<u>Capital Grants</u>	<u>Governmental Activities</u>	<u>Component Units</u>
<b>PRIMARY GOVERNMENT:</b>						
<b>GOVERNMENTAL ACTIVITIES</b>						
General governmental support	\$ 9,503,424	\$ 2,689,177	\$ 2,342,450	\$ -	\$ (4,471,797)	
Education	7,623,896	635,294	1,151,018	2,632,933	(3,204,651)	
Public safety	8,600,202	936,587	291,407	524,017	(6,848,191)	
Health	10,214,687	3,452,927	3,857,609	-	(2,904,151)	
Transportation	19,973,628	1,023,765	-	2,896,744	(16,053,119)	
Economic Assistance and Opportunity	31,809,836	1,710,015	15,134,486	-	(14,965,335)	
Culture and recreation	604,592	40,249	49,930	36,122	(478,291)	
Home and community services	8,677,876	6,968,489	80,338	-	(1,629,049)	
Interest	1,713,664	-	-	-	(1,713,664)	
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 98,721,805</b>	<b>\$ 17,456,503</b>	<b>\$ 22,907,238</b>	<b>\$ 6,089,816</b>	<b>(52,268,248)</b>	
<b>COMPONENT UNITS:</b>						
Greene County Soil and Water Conservation District	\$ 2,663,995	\$ 2,545,298	\$ 165,595	\$ -		\$ 46,898
Greene County Industrial Development Agency	1,181,958	692,434	-	-		(489,524)
The Greene Local Development Corporation	228,616	-	-	-		(228,616)
<b>TOTAL COMPONENT UNITS</b>	<b>\$ 4,074,569</b>	<b>\$ 3,237,732</b>	<b>\$ 165,595</b>	<b>\$ -</b>		<b>(671,242)</b>
<b>GENERAL REVENUE:</b>						
Real property taxes					24,869,284	-
Real property tax items					4,341,996	-
Sales and use taxes					34,842,042	-
Sale of property and compensation for loss					704,924	-
Use of money and property					742,379	46,563
Other sources					1,163,516	319,156
<b>TOTAL GENERAL REVENUE</b>					<b>66,664,141</b>	<b>365,719</b>
<b>CHANGE IN NET POSITION</b>					<b>14,395,893</b>	<b>(305,523)</b>
<b>NET POSITION - beginning of year (as restated see Note 16)</b>					<b>32,085,586</b>	<b>10,152,872</b>
<b>TOTAL NET POSITION - end of year</b>					<b>\$ 46,481,479</b>	<b>\$ 9,847,349</b>

The accompanying notes are an integral part of these statements.

GREENE COUNTY, NEW YORK

BALANCE SHEET - GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

	General	Capital Projects	Non-Major Funds	Total
<b>ASSETS:</b>				
Cash	\$ 33,366,756	\$ 35,985,767	\$ 8,725,320	\$ 78,077,843
Restricted cash	230,485	-	3,142	233,627
Restricted investments	-	-	664,756	664,756
Taxes receivable, net of an allowance for uncollectible taxes	14,406,399	-	-	14,406,399
Accounts receivable	3,944,374	-	195,027	4,139,401
Tobacco settlement receivable	-	-	523,500	523,500
Due from other funds	1,681,952	18,041	2,782,619	4,482,612
State and federal receivables	8,150,180	1,941,364	362,202	10,453,746
Due from other governments	267,049	-	-	267,049
Prepaid expenditures	872,497	-	103,285	975,782
Notes receivable	-	-	1,638,120	1,638,120
<b>Total assets</b>	<b>\$ 62,919,692</b>	<b>\$ 37,945,172</b>	<b>\$ 14,997,971</b>	<b>\$ 115,862,835</b>
<b>LIABILITIES:</b>				
Accounts payable	\$ 3,111,054	\$ 2,080,748	\$ 487,631	\$ 5,679,433
Due to other funds	1,036,025	1,263,777	2,464,723	4,764,525
Due to other governments	9,846,414	5,840	2,040	9,854,294
Accrued liabilities	1,000,504	-	-	1,000,504
<b>Total liabilities</b>	<b>14,993,997</b>	<b>3,350,365</b>	<b>2,954,394</b>	<b>21,298,756</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Community development loan repayments	-	-	1,638,120	1,638,120
Unearned revenue - PILOT	2,327,451	-	-	2,327,451
Unearned revenue - delinquent property taxes	5,930,300	-	-	5,930,300
<b>Total deferred inflows of resources</b>	<b>8,257,751</b>	<b>-</b>	<b>1,638,120</b>	<b>9,895,871</b>
<b>FUND BALANCE:</b>				
Nonspendable				
Prepaid expenditures	872,497	-	103,285	975,782
<b>Total nonspendable fund balance</b>	<b>872,497</b>	<b>-</b>	<b>103,285</b>	<b>975,782</b>
Restricted				
Restricted for liability	37,620	-	-	37,620
Restricted for repairs	-	-	81	81
Restricted for debt service	192,865	-	1,232,572	1,425,437
<b>Total restricted fund balance</b>	<b>230,485</b>	<b>-</b>	<b>1,232,653</b>	<b>1,463,138</b>
Assigned				
Appropriated for subsequent years expenditures	3,075,000	-	650,000	3,725,000
Unappropriated	468,912	-	19,041	487,953
Other assigned	15,616,259	34,594,807	8,400,478	58,611,544
<b>Total assigned fund balance</b>	<b>19,160,171</b>	<b>34,594,807</b>	<b>9,069,519</b>	<b>62,824,497</b>
Unassigned				
	19,404,791	-	-	19,404,791
<b>Total fund balance</b>	<b>39,667,944</b>	<b>34,594,807</b>	<b>10,405,457</b>	<b>84,668,208</b>
<b>Total liabilities, deferred inflows of resources, and fund balance</b>	<b>\$ 62,919,692</b>	<b>\$ 37,945,172</b>	<b>\$ 14,997,971</b>	<b>\$ 115,862,835</b>

The accompanying notes are an integral part of these statements.

GREENE COUNTY, NEW YORK

STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>General</u>	<u>Capital Projects</u>	<u>Non-Major Funds</u>	<u>Total</u>
REVENUE:				
Real property taxes	\$ 26,279,430	\$ -	\$ -	\$ 26,279,430
Real property tax items	3,158,292	-	-	3,158,292
Sales and use taxes	34,842,042	-	-	34,842,042
Departmental income	13,854,677	-	250,068	14,104,745
Intergovernmental charges	108,086	1,316,467	1,023,765	2,448,318
Use of money and property	719,532	-	22,214	741,746
Licenses and permits	47,241	-	-	47,241
Fines and forfeitures	280,653	-	-	280,653
Sale of property and compensation for loss	174,048	-	528,283	702,331
Miscellaneous local sources	393,646	(21,329)	609,704	982,021
State aid	14,477,173	2,775,966	2,329,936	19,583,075
Federal aid	8,430,065	983,914	-	9,413,979
	<u>102,764,885</u>	<u>5,055,018</u>	<u>4,763,970</u>	<u>112,583,873</u>
Total revenue				
EXPENDITURES:				
General governmental support	8,625,857	-	30,478	8,656,335
Education	7,516,171	5,489,784	-	13,005,955
Public safety	9,796,646	-	211,484	10,008,130
Health	8,022,254	-	-	8,022,254
Transportation	-	10,482,405	9,589,827	20,072,232
Economic Assistance and Opportunity	28,051,572	-	386,154	28,437,726
Culture and recreation	416,011	79,500	-	495,511
Home and community services	7,804,384	-	-	7,804,384
Employee benefits	12,871,016	-	2,797,735	15,668,751
Debt service - principal	2,168,987	-	676,300	2,845,287
Debt service - interest	738,605	-	540,912	1,279,517
	<u>86,011,503</u>	<u>16,051,689</u>	<u>14,232,890</u>	<u>116,296,082</u>
Total expenditures				
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>16,753,382</u>	<u>(10,996,671)</u>	<u>(9,468,920)</u>	<u>(3,712,209)</u>
OTHER SOURCES (USES):				
Proceeds from issuance of debt	-	39,000,000	-	39,000,000
Interfund transfers in	115,000	1,758,121	11,073,910	12,947,031
Interfund transfers (out)	(11,620,282)	(21,226)	(1,305,523)	(12,947,031)
	<u>(11,505,282)</u>	<u>40,736,895</u>	<u>9,768,387</u>	<u>39,000,000</u>
Total other sources (uses)				
CHANGE IN FUND BALANCE	5,248,100	29,740,224	299,467	35,287,791
FUND BALANCE - beginning of year (as restated, see Note 16)	<u>34,419,844</u>	<u>4,854,583</u>	<u>10,105,990</u>	<u>49,380,417</u>
FUND BALANCE - end of year	<u>\$ 39,667,944</u>	<u>\$ 34,594,807</u>	<u>\$ 10,405,457</u>	<u>\$ 84,668,208</u>

The accompanying notes are an integral part of these statements.

## GREENE COUNTY, NEW YORK

### RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET POSITION OF GOVERNMENTAL ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019

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Fund balance - All governmental funds	\$ 84,668,208
Amounts reported for governmental activities in the statement of net position are different due to the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	172,148,037
Deferred amount on bond refunding is considered an expenditure at the time of refunding, but is considered a deferred outflow of resources on the statement of net position	329,948
Pension related government-wide activity	
Deferred outflows of resources	5,860,461
Net pension liability	(6,851,420)
Deferred inflows of resources	(3,027,446)
Long-term liabilities are not due and payable in the current period and are, therefore, not reported in the funds.	
Bonds and notes payable	(68,024,447)
Installment purchase agreement	(217,972)
Judgment and claims	(275,201)
Compensated absences	(3,373,821)
OPEB related government-wide activity	
Total postemployment benefits liability	(128,246,683)
Deferred outflows of resources	8,948,706
Deferred inflows of resources	(19,980,735)
Deferral of income earned in the current year is recognized as revenue under the accrual basis of accounting.	7,114,004
Internal Service Fund consolidated in governmental activities in the government wide financial statements.	(2,416,592)
Debt interest expenditures are recorded on cash basis in the funds but on the accrual basis of accounting for governmental activities.	<u>(173,568)</u>
Net position of governmental activities	<u>\$ 46,481,479</u>

The accompanying notes are an integral part of these statements.

**GREENE COUNTY, NEW YORK**

**RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET POSITION-  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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Net changes in fund balance - governmental funds	\$ 35,287,791
Capital outlays are expenditures in governmental funds, but are capitalized in the statement of net position, net of deletions	23,784,755
Depreciation is not recorded as a expenditure in the governmental funds, but is recorded in the statement of activities	(7,621,174)
Pension expense resulting from the GASB 68 related pension reporting is not recorded as an expenditure in the government funds but is recorded in the statement of activities	(559,851)
Proceeds from long-term debt are recorded as revenues in the governmental funds but are recorded as increases of liabilities in the statement of position	(39,000,000)
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position	2,740,000
Repayments on installment purchase debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position	105,287
Amortization of bond premium is not recorded in the governmental funds, but is recorded as an off-set to interest expense in the statement of activities	86,722
Amortization of loss on bond refunding is not recorded in the governmental funds, but is recorded as an addition to interest expense in the statement of activities	(47,136)
Property tax revenue is recorded to the extent it is received within 60 days of year-end for governmental funds, but in the statement of activities, this revenue is recorded as earned upon levy	(226,442)
Net activity of the internal service fund within the government-wide financials	297,953
Other postemployment benefits expense resulting from GASB 75 related OPEB reporting is not recorded as an expenditure in the governmental funds but is recorded in the Statement of Activities	(259,601)
Accrual of long term liabilities do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds	
Judgment and claims	99,782
Compensated absences	179,891
Accreted interest on outstanding GTASC bonds increases the GTASC bonds outstanding but is not recorded as an expenditure in the government funds	(356,642)
Interest is accrued on the outstanding bonds on the statement of net position but is not recorded as an expenditure in the government funds	(117,091)
Certain expenses related to GTASC are reflected in the governmental funds but not in the statement of activities	<u>1,649</u>
Change in net position - Governmental activities	<u>\$ 14,395,893</u>

The accompanying notes are an integral part of these statements.

**GREENE COUNTY, NEW YORK**

**STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
DECEMBER 31, 2019**

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	Internal Service Fund
<b>ASSETS:</b>	
Current assets:	
Cash	\$ 828,016
Accounts receivable	<u>32,967</u>
Total assets	<u>\$ 860,983</u>
<b>LIABILITIES:</b>	
Current liabilities:	
Due to other funds	\$ 31,485
	<u>31,485</u>
Long-term liabilities:	
Workers' compensation liability	<u>3,246,090</u>
Total liabilities	<u>3,277,575</u>
<b>NET POSITION:</b>	
Unrestricted	<u>(2,416,592)</u>
Total liabilities and net position	<u>\$ 860,983</u>

The accompanying notes are an integral part of these statements.

**GREENE COUNTY, NEW YORK**

**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN  
NET POSITION - PROPRIETARY FUND  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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	<u>Internal Service Fund</u>
Operating revenue:	
Charges for services	\$ 1,500,001
Insurance recoveries	2,593
Other operating revenue	<u>181,495</u>
Total operating revenue	<u>1,684,089</u>
Operating expenses:	
Workers Compensation benefits	<u>1,386,769</u>
Total operating expenses	<u>1,386,769</u>
Income from operations	<u>297,320</u>
Non-operating revenue:	
Interest income	<u>633</u>
Total non-operating revenue	<u>633</u>
Excess of revenue over expenses before transfers	<u>297,953</u>
Change in net position	297,953
Net position - beginning of year	<u>(2,714,545)</u>
Net position - end of year	<u><u>\$ (2,416,592)</u></u>

The accompanying notes are an integral part of these statements.

# GREENE COUNTY, NEW YORK

## STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPES FOR THE YEAR ENDED DECEMBER 31, 2019

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	Internal Service Fund
CASH FLOW FROM OPERATING ACTIVITIES:	
Cash received from providing services	\$ 1,677,007
Cash payments for claims and administration	<u>(1,467,735)</u>
Net cash flow used in operating activities	<u>209,272</u>
Investment and other income	<u>633</u>
Net cash flow from investing activities	<u>633</u>
CHANGE IN CASH	209,905
CASH - beginning of year	<u>618,111</u>
CASH - end of year	<u><u>\$ 828,016</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Income from operations	\$ 297,320
Adjustments to reconcile income from operations to net cash flow used in operating activities:	
Change in:	
Accounts receivable	(7,082)
Accounts payable	(105,329)
Due to other funds	31,485
Workers' compensation liability	<u>(7,122)</u>
Net cash flow used in operating activities	<u><u>\$ 209,272</u></u>

The accompanying notes are an integral part of these statements.

**GREENE COUNTY, NEW YORK**

**STATEMENT OF NET POSITION - FIDUCIARY FUNDS  
DECEMBER 31, 2019**

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	<i>Private Purpose Trusts</i>	<i>Agency</i>
<b>ASSETS:</b>		
Restricted cash	\$ 47,989	\$ 3,638,540
Due from governmental funds	-	313,398
Total assets	<u>\$ 47,989</u>	<u>\$ 3,951,938</u>
<b>LIABILITIES:</b>		
Other liabilities	\$ -	\$ 3,951,938
Total liabilities	<u>\$ -</u>	<u>\$ 3,951,938</u>
<b>NET POSITION:</b>		
Unassigned	<u>\$ 47,989</u>	

**GREENE COUNTY, NEW YORK**

**STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

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	<i>Private Purpose Trusts</i>
<b>ADDITIONS:</b>	
Gifts and contributions	\$ 19,653
Use of money and property	69
Total additions	<u>19,722</u>
<b>DEDUCTIONS:</b>	
Expenditures	<u>16,494</u>
NET INCREASE	3,228
NET POSITION - beginning of year	<u>44,761</u>
NET POSITION - end of year	<u>\$ 47,989</u>

The accompanying notes are an integral part of these statements.

**GREENE COUNTY, NEW YORK**

**STATEMENT OF NET POSITION - COMPONENT UNITS  
DECEMBER 31, 2019**

	Greene County Soil and Water Conservation District	Greene County Industrial Development Agency	The Greene Local Development Corporation	Total
<b>ASSETS:</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 1,530,363	\$ 4,445,758	\$ 12,355	\$ 5,988,476
Inventory	4,187	-	-	4,187
Accounts receivable, net of allowance for doubtful accounts	284,103	-	-	284,103
Prepaid expenses	16,662	-	-	16,662
Total current assets	1,835,315	4,445,758	12,355	6,293,428
<b>NONCURRENT ASSETS</b>				
Real property held for resale or development	-	3,893,066	-	3,893,066
Capital assets, net	238,454	24,391	-	262,845
Total noncurrent assets	238,454	3,917,457	-	4,155,911
Total assets	2,073,769	8,363,215	12,355	10,449,339
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to net pension liability	175,203	66,049	-	241,252
Total deferred outflows of resources	175,203	66,049	-	241,252
Total assets and deferred outflows of resources	\$ 2,248,972	\$ 8,429,264	\$ 12,355	\$ 10,690,591
<b>LIABILITIES:</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 36,524	\$ 3,940	\$ -	\$ 40,464
Accrued expenses	-	43,757	-	43,757
Due to other governments	-	4,774	-	4,774
Unearned revenue	378,197	12,436	-	390,633
Total current liabilities	414,721	64,907	-	479,628
Long-term liabilities:				
Net pension liability	180,859	37,460	-	218,319
Compensated absences	35,508	-	-	35,508
Total long-term liabilities	216,367	37,460	-	253,827
Total liabilities	631,088	102,367	-	733,455
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to net pension liability	93,342	16,445	-	109,787
Total deferred inflows of resources	93,342	16,445	-	109,787
Total liabilities and deferred inflows of resources	724,430	118,812	-	843,242
<b>NET POSITION</b>				
Net investment in capital assets	-	24,391	-	24,391
Restricted	230,954	-	-	230,954
Unrestricted	1,293,588	8,286,061	12,355	9,592,004
Total net position	\$ 1,524,542	\$ 8,310,452	\$ 12,355	\$ 9,847,349

**GREENE COUNTY, NEW YORK**

**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION - COMPONENT UNITS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Greene County Soil and Water Conservation <u>District</u>	Greene County Industrial Development <u>Agency</u>	The Greene Local Development <u>Corporation</u>	<u>Total</u>
Revenue:				
Departmental income	\$ 13,510	\$ 549,208	\$ -	\$ 562,718
Intergovernmental charges	2,531,788	143,226	-	2,675,014
Use of money and property	27,547	19,004	12	46,563
State aid	165,595	-	-	165,595
Capital contribution	-	300,000	-	300,000
Other income	-	19,156	-	19,156
	<u>2,738,440</u>	<u>1,030,594</u>	<u>12</u>	<u>3,769,046</u>
Total revenue				
Expenses:				
General governmental support	-	335,364	-	335,364
Home and community services	2,663,995	-	-	2,663,995
Other expenses	-	827,871	3,616	831,487
Depreciation	-	8,542	-	8,542
Transfer of property	-	-	225,000	225,000
Debt service - interest	-	10,181	-	10,181
	<u>2,663,995</u>	<u>1,181,958</u>	<u>228,616</u>	<u>4,074,569</u>
Total expenses				
Change in net position	74,445	(151,364)	(228,604)	(305,523)
NET POSITION - beginning of year	<u>1,450,097</u>	<u>8,461,816</u>	<u>240,959</u>	<u>10,152,872</u>
NET POSITION - end of year	<u>\$ 1,524,542</u>	<u>\$ 8,310,452</u>	<u>\$ 12,355</u>	<u>\$ 9,847,349</u>

The accompanying notes are an integral part of these statements.

# GREENE COUNTY, NEW YORK

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2019

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### 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Greene County, New York (the County) was established in 1800, and is governed by County law and other general laws of the State of New York. The Board of Legislators, which is the legislative body responsible for the overall operation of the County, consists of fourteen members representing nine legislative districts with each member's vote weighted on the basis of population. The Chairman of the County Legislature, elected by the board each year, is the Chief Executive Officer of the County, the County Treasurer, elected for a four-year term, is the Chief Fiscal Officer of the County, the County Clerk, Sheriff, and District Attorney are constitutional officials and are elected in accordance with constitutional provisions.

The County provides the following principal services: public safety, educational assistance for County residents attending community colleges, economic assistance, health, general government support and maintenance of County roads.

The accounting policies of the County conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the acceptable standards setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies:

#### Reporting Entity

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

The decision to include a potential component unit in the County's reporting entity is based upon several criteria set forth in GAAP, including legal standing, fiscal dependency, financial accountability, selection of governing authority, ability to significantly influence operations, and the primary government's economic benefit from resources of the affiliated entity.

Based on the application of these criteria, the County has determined that Greene County Soil and Water Conservation District (District), Greene County Industrial Development Agency (IDA), Green County Local Development Corp. (LDC) and Greene Tobacco Asset Securitization Corp. (GTASC) are component units and their activities have been included in the financial reporting entity.

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

Reporting Entity (Continued)

*Discretely Presented Component Units*

The basic financial statements include financial data of the County's discretely presented component units. These units are reported separately to emphasize that they are legally separate from the County.

*Greene County Soil and Water Conservation District (District)* – This component unit is a political subdivision established by the County Legislature for the purpose of improving and advancing conservation, wise use and orderly development of the soil, water and related natural resources of the County of Greene, New York.

*Greene Industrial Development Agency (IDA)* – The IDA is a Public Benefit Corporation created by State legislation to promote the economic welfare, recreational opportunities and prosperity of the County's inhabitants.

*Greene County Local Development Corporation (LDC)* – The LDC is a Public Benefit Corporation created by the Greene County IDA under section 2827-a of the New York State Public Authorities Law to promote economic growth in the County.

*Blended Component Unit*

The following blended component unit is legally separate from the County, but is, in substance, part of the County's operations and therefore, data from this unit is combined with data of the primary government.

*Greene Tobacco Asset Securitization Corp. (GTASC)* - This component unit is a special purpose, bankruptcy remote, local development corporation incorporated under the provisions of Section 1411 of the New York State Not-for-Profit Law and is an instrumentality of, but separate and apart from the County. Although legally separate and independent of the County, GTASC is considered an affiliated organization under GASB and, therefore, is reported as a blended component unit of the County. The GTASC was created for the purpose of issuing bonds securitized solely from County Tobacco Settlement Revenues under the Purchase and Sale Agreement dated October 15, 2000, and to forward to the County net proceeds from the bond issuance.

Various joint ventures entered into between the County and other state and local governmental entities are excluded from the reporting entity.

Basis of Presentation

*Government-Wide Financial Statements*

The statement of net position and the statement of activities present financial information about the County's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, state aid, intergovernmental revenue, and other exchange and non-exchange transactions. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

## 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Basis of Presentation (Continued)

#### *Government-Wide Financial Statements* (Continued)

The statement of activities presents a comparison between direct expenses and program revenue for each function of the County's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenue includes charges paid by the recipients of goods or services offered by the programs, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue.

#### *Fund Financial Statements*

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

The accounts of the County are organized into funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenue, and expenditures. The various funds are summarized by type in the financial statements. Significant transactions between funds within a fund type have been eliminated. The fund types used by the County are as follows:

#### Governmental Fund Types

Governmental funds are those in which most governmental functions of the County are reported. The acquisition, use, and balances of the County's expendable financial resources and the related liabilities (except those accounted for in the proprietary and fiduciary funds) are accounted for through the governmental funds. The measurement focus is upon determination of changes in financial position rather than upon determination of net income. The following are the County's governmental fund types:

The County reports the following governmental funds:

- General Fund (Major Fund) - The general fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in other funds.
- County Road Fund - Established to account for revenue and expenditures related to the construction and maintenance of County roads in accordance with New York State laws.
- Capital Projects (Major Fund) - The capital projects fund is used to account for financial resources used for the acquisition or construction of major capital projects (other than those reported in the proprietary fund type).
- Community Development Fund - Established to account for the expenditures relating to the promotion of economic development and prosperity of the County's citizens through the use of Community Development Block Grants.

## 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Governmental Fund Types

The County reports the following governmental funds:

- County Machinery Fund - Established to account for revenue and expenditures related to the 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 accounts for the Greene Tobacco Asset Securitization Corporation (GTASC) which is used to account for the receipt and disbursement of resources related to tobacco assets and related obligations. It also records the proceeds and payments to escrow agents for refundings.

### Proprietary Fund Types

Proprietary funds are used to account for the County's on-going activities that are similar to those often found in the private sector. The measurement focus is upon determination of net income. The County maintains the following proprietary fund:

*Internal Service Fund* - Used to account for special activities or services provided by one department to other departments or to other governments on a cost reimbursement basis. The Workers Compensation Fund is used to account for the County's self-insured Workers' Compensation Plan.

The County established a plan of self-insurance under the Workers' Compensation Law whereby other Towns and Villages can participate in the plan. Each participant is billed by the plan for its share of the estimated premium costs for the ensuing year. Any deficiencies in the amounts billed are added to the next year's bill.

### Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the County as an agent for individuals, private organizations, other governmental units, and/or other funds because their resources do not belong to the County and are not available to be used.

There are two classes of fiduciary funds:

- *Private Purpose Trust Funds*: These funds are used to account for trust arrangements in which principal and income benefits annual third party awards established criteria govern the use of the funds and members of the County or representatives of the donors may serve on committees to determine who benefits.
- *Agency Funds*: These funds are strictly custodial in nature and do not involve the measurement of results of operations. Assets are held by the County as agent for various groups and for payroll or employee withholding.

### Basis of Accounting and Measurement Focus

The modified accrual basis of accounting is followed by the governmental funds while fiduciary funds and the component units utilize the full accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recorded when it is susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter (within 60 days of year-end) to be used to pay liabilities of the current period. Material revenues that are accrued include real property taxes to be collected within 60 days of year-end and sales tax. Expenditures, other than interest on long-term debt, pension contributions, and compensated absences, are recorded when the liability is incurred, if measurable.

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

Basis of Accounting and Measurement Focus (Continued)

In applying the susceptible-to-accrual concept to state and federal aid, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of this revenue. In one, monies must be expended on the specific purpose or project before any amounts are recorded as revenue by the County; therefore, revenue is recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are generally reflected as revenue at the time of receipt.

The accrual basis of accounting is used by the proprietary funds. Under the accrual basis of accounting, revenue is recorded when earned and expenses are recorded when incurred.

The Countywide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions in which the County gives or receives value without directly receiving or giving equal value in exchange include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Budgetary Data

*General Budget Process*

No later than November 1, the Budget Officer submits to the County Legislature a proposed tentative operating budget for the fiscal year commencing the following January 1. The operating budget includes expenditures and the means of financing them for all funds except the Capital Projects and the Soil and Water Conservation District. Public hearings are conducted to obtain taxpayers' comments. Prior to December 20, the budget is adopted by the County Legislature. The County Administrator is authorized to approve certain budget transfer requests within departments, within a fund; however, any revisions that alter total expenditures of any department or fund must be approved by the County Legislature. For year-end financial reporting, adjustments are made to actual results to conform with modified budget classifications and reflect year-end encumbrances.

*Budgetary Basis of Accounting*

Budgets are adopted annually on a basis consistent with accounting principles generally accepted in the United States of America. Appropriations authorized for the current year are increased by the amount of encumbrances carried forward from the prior year.

The County Legislature has amended the 2019 budget, as follows:

	<u>General Fund</u>
Original adopted budget	\$ 103,178,797
Encumbrances carried forward	182,434
Appropriation adjustments	<u>783,387</u>
Amended budget	<u>\$ 104,144,618</u>

## 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Encumbrances

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

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### Cash

The County investment policies are governed by the statutes of the State of New York (State). 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. The County Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Government and its agencies and obligations of the State of New York.

The County does not typically purchase investments for a long enough duration to cause it to be believed that it is exposed to any material interest rate risk.

For purposes of reporting the statement of cash flows, the County includes all cash accounts and certificates of deposit that are not subject to withdrawal restrictions or penalties as cash on the accompanying balance sheet.

### Accounts Receivable

The County establishes an allowance for doubtful accounts based on a review of outstanding amounts and the history of collections. All trade accounts and property taxes receivable are shown net of an allowance for doubtful accounts.

### Due To/From Other Funds

The amounts reported on the Government Funds Balance Sheet for due to and due from other funds represents amounts due between different fund types (general, county road, county machinery, community development, economic development, and capital projects funds). Eliminations have been made for amounts due to and due from within the same fund type. A detailed description of the individual fund balances at year-end is provided subsequently in these notes.

### Capital Assets, Net

Capital assets are reported at actual cost for acquisitions subsequent to January 1, 2011. For assets acquired prior to January 1, 2011, estimated historical costs were used. Donated assets are reported at estimated fair value at the time received. In accordance with GAAP, the County has retroactively capitalized pre-2011 infrastructure and related depreciation effective for the year ended December 31, 2019.

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

Capital Assets, Net (Continued)

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the countywide statements are as follows:

<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>	
Land	\$5,000	N/A	N/A
Buildings and improvements	10,000	Straight-line	30
Vehicles and equipment	5,000	Straight-line	3-10
Land improvements	5,000	Straight-line	20
Infrastructure	(*)	Straight-line	10-50

(\*) – Infrastructure utilizes multiple capitalization thresholds based upon the type of infrastructure. They include; Roads \$100,000, bridges \$700,000, \$15,000-\$400,000 for culverts and \$100 for signage.

Compensated Absences

Pursuant to contractual agreements, County employees are entitled to accrue sick leave, vacation leave and personal leave. An individual who leaves the employment of the County is entitled to be paid for 100% unused vacation leave as follows:

All employees except Deputy Sheriffs, Solid Waste and Highway Department are paid 100% of a maximum of 30 vacation days for a total of 240 hours for employees working a 40-hour workweek and 210 hours for employees working a 35-hour workweek.

All Deputy Sheriffs, Solid Waste and Highway Department employees are paid 100% of a maximum of 40 days for a total of 320 hours for a 40-hour workweek.

Upon death or retirement, unused sick leave shall be paid accordingly as follows:

All employees except Nurses, Solid Waste and the Highway Department employees are paid 75% of a maximum of 160 sick days, for a total of 1,280 hours paid at 75% for employees working a 40-hour work week and 1,120 hours paid at 75% for employees working a 35-hour work week.

Nurses are paid 50% of a maximum of 240 days, for a total of 1,680 hours paid at 50% for a 35-hour workweek.

Solid waste employees are paid 100% of 105 days, for a total of 840 hours paid at 100% for a 40-hour workweek.

The Highway Department employees are reimbursed at different rates. Employees hired before February 13, 1996 that had accrued at least 50 sick hours are reimbursed for a maximum of 120 days or 960 hours for a 40-hour workweek. They are reimbursed for the hours accrued by February 13, 1996 at 100% and the balance of unused sick time up to the maximum hours are paid at 50%.

## 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Compensated Absences (Continued)

Employees not grandfathered or hired after February 13, 1996 are paid 50% of a maximum of 240 days, for a total of 1,920 hours paid at 50% for a 40-hour workweek.

The estimated value of earned and unused leave credits in the amount of \$3,373,821 has been recorded as non-current government liability.

### Pension Plan

The County participates in the New York State and Local Employees' Retirement System (ERS). ERS is a cost sharing multiple employer system that provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York serves as sole trustee and administrative head of the system. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of its funds. The system issues a publicly available financial report that includes financial statements and required supplemental information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12236.

### Other Post-Employment Benefits

In addition to providing retirement benefits, the County provides certain health benefits for retired employees. Substantially all of the County's employees have the option of receiving these benefits that are provided by an insurance company upon retirement. At the fund level, the County recognizes the cost of providing these benefits as the premiums are paid.

### Net Position/Fund Balance Classifications

#### Net Position – Government Wide Statements

Net Position is displayed in three components:

- a) Net Investment in Capital Assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) Restricted Net Position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations for other governments; or (2) law through constitutional provisions or enabling legislation.
- c) Unrestricted Net Position - all other net position that do not meet the definition of restricted or net investment in capital assets.

The County's policy is to use restricted resources prior to utilizing unrestricted funds.

## 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Fund Balance – Fund Financial Statements

In the fund financial statements there are five classifications of fund balance:

Non-spendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form legally or they are contractually required to be maintained intact. Non-spendable fund balance includes the prepaid items and inventory recorded in the component units.

Restricted fund balance – Includes amounts with constraints placed on the use of resources either externally imposed by creditors, grantors, contributors, laws, or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. The County has the following restricted fund balances:

#### Repair

Repair reserve (GML §6-d) is used to pay the cost of repairs to capital improvements or equipment, which repairs are of a type not recurring annually. The County Legislature, without voter approval, may establish a repair reserve fund by a majority vote of its members. Voter approval is required to fund this reserve (opinion of the New York State Comptroller 81-401). Expenditures from this reserve may be made only after a public hearing has been held, except in emergency situations. If no hearing is held, the amount expended must be repaid to the reserve fund over the next two subsequent fiscal years. This reserve is accounted for in the general fund under restricted fund balance.

#### Debt Service

Mandatory reserve for debt service (GML §6-l) is used to establish a reserve for the purpose of retiring the outstanding obligations upon the sale of County property or capital improvement that was financed by obligations which remain outstanding at the time of sale. The funding of the reserve is from the proceeds of the sale of County property or capital improvement. The reserve is accounted for in the general fund under restricted fund balance.

#### Liability

Liability reserve (GML §6-n) is used to establish a reserve for the purpose of paying liability and property claims. The amount paid into the liability reserve may not exceed the greater of \$33,000 or 5% of the total budget for such fiscal year. The reserve is accounted for in the general fund under restricted fund balance.

Committed fund balance – Includes amounts that can be used for the specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision-making authority, i.e., the County Legislature. The County has no committed fund balances as of December 31, 2019.

Assigned fund balance – Includes amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. All encumbrances of the general fund are classified as assigned fund balance. Encumbrances reported in the general fund amounted to \$468,912 as of December 31, 2019.

Unassigned fund balance - Includes all other general fund amounts that do not meet the definition of the above four classifications and are deemed to be available for general use by the County.

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

Order of Fund Balance Spending Policy

The County's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined. Any remaining fund balance amounts for funds other than the general fund are classified as restricted fund balance. In the general fund, committed fund balance is determined next and then assigned. The remaining amounts are reported as unassigned. Assignments of fund balance cannot cause a negative unassigned fund balance.

Property Taxes

County property taxes are levied annually no later than December 31 and become a lien on January 1. Accordingly, property tax is recognized as revenue in the year for which the levy is made, and to the extent that such taxes are received within the reporting period of sixty days thereafter. Delinquent property taxes not collected at year-end (excluding collections in the 60-day subsequent period) are included in deferred inflows of resources.

Interfund Transfers

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

Short-term advances between funds are accounted for in the appropriate due from (to) other funds accounts. Transactions between funds that would be treated as revenues or expenditures if they involved organizations external to the governmental unit are accounted for as revenues or expenditures in the funds involved. Transactions that constitute reimbursements to a fund for expenditures initially made from that fund which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of the expenditure in the fund that is reimbursed. All other legally authorized transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

Insurance

The County assumes the risk for general liability. The County is involved in many pending tort claims against them, the ultimate outcomes of which cannot be reasonably determined. Therefore, judgments and claims 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.

The County maintains a risk retention reserve which is included in the General Fund. The County also maintains a workers' compensation risk pool in which it predominately participates. In compliance with Government Accounting Standards Board (GASB) pronouncement Number 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, the County, based upon available data has estimated and recorded in the Internal Service Fund a workers' compensation premium liability. The County has also recorded an unbilled receivable for the same amount, less cash reserves at year-end. The estimate includes incurred but not reported claims as is required by accounting principles generally accepted in the United States of America.

**Explanation of certain differences between governmental fund statements and government-wide statements**

Due to the differences in the measurement focus and basis of accounting used in the governmental fund statements and the countywide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items. The differences result primarily from the economic focus of the statement of activities, compared with the current financial resources focus of the governmental funds.

**1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(Continued)**

Total Fund Balances of Governmental Funds vs. Net Position of Governmental Activities

Total fund balances of the County's governmental funds differ from net position of governmental activities reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the solely current financial resources focus of the governmental fund balance sheets.

Statement of Revenue, Expenditures, and Changes in Fund Balance vs. Statement of Activities

Differences between the governmental funds statement of revenue, expenditures, and changes in fund balance and the statement of activities fall into one of three broad categories. The amounts shown below represent:

Long-Term Revenue Differences

Long-term revenue differences arise because governmental funds report revenue only when it is considered available, whereas the statement of activities reports revenue when earned. Differences in long-term expenses arise because governmental funds report on a modified accrual basis, whereas the accrual basis of accounting is used on the statement of activities.

Capital Related Differences

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

Long-Term Debt Transaction Differences

Long-term debt transaction differences occur because both interest and principal payments are recorded as expenditures in the governmental fund statements, whereas interest payments are recorded in the statement of activities as incurred, and principal payments are recorded as a reduction of liabilities in the statement of net position.

**2. STEWARDSHIP**

The Internal Service Fund deficit is primarily the result of unfunded estimated future liabilities of the self-insured workers compensation fund. The County estimates current costs and charges its participants on a pay-as-you-go method.

The County annually assesses, with the assistance of an actuary, the current and estimated future claims of the fund and adjusts its reserves in accordance with that analysis. The County will continue to assess this estimate. These estimated future costs are not funded.

### 3. CASH

#### Governmental Activities

As of December 31, 2019, all of the County's cash balances were either insured or collateralized with securities held by the pledging financial institution's trust department in the County's name:

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Cash, including trust funds	\$ 84,205,462	\$ 82,826,015
Collateralized with securities held by the pledging financial institution's trust department or agent in the County's name	\$ 81,100,200	
Covered by FDIC insurance	<u>3,105,262</u>	
Total	<u>\$ 84,205,462</u>	

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. These assets represent amounts required by statute to be reserved for various purposes.

Restricted cash consists of the following:

#### General fund:

Cash on deposit for reserves		
Restricted for liability		\$ 37,620
Restricted for debt service		<u>192,865</u>
Total general fund restricted cash		<u>\$ 230,485</u>

#### County road fund:

Cash on deposit for reserves		
Restricted for debt service		<u>\$ 507</u>

#### Road machinery fund:

Cash on deposit for reserves		
Restricted capital improvement fund		\$ 2,554
Restricted for repairs		<u>81</u>
Total road machinery fund restricted cash		<u>\$ 2,635</u>

#### Fiduciary funds:

Cash on deposit for scholarships, private purpose trust funds,		<u>\$ 3,686,529</u>
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#### 4. RESTRICTED INVESTMENTS

Investments are held by fiscal agents and consist of a Liquidity Reserve, Issuance, Turbo, Collection and Debt Service accounts.

The Liquidity Reserve account, administered by a trustee, was established and initially funded from bond proceeds. This account serves as collateral for the GTASC's bonds and is used to pay interest and required amortization payments in the event the GTASC defaults on the required annual principal and interest payments made from the Turbo and Debt Service accounts.

The Issuance Account, administered by a trustee, serves to cover any issuance costs associated with the Organization entering into new bond agreements.

The Turbo Account, administered by a trustee, serves to remit principal payments to bond holders

The Collection Account, administered by a trustee, serves to receive proceeds from tobacco companies under the Master Settlement Agreement. Funds are transferred to the Debt Service and Turbo Accounts to cover principal and interest payments, respectively. The Collection Accounts is also used to pay certain Trustee fees.

The Debt Service Account, administered by a trustee, serves to remit interest payments to bond service expenses.

Investments held by fiscal agents at year-end are as follows:

	United States Treasury Notes (Level 1)	Money Market Funds (Amortized Cost)	Total Investments
Liquidity Reserve	\$ 648,368	\$ -	\$ 648,368
Debt Service	11,993	262	12,255
Turbo	-	3,701	3,701
Collection	-	432	432
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Total	<u>\$ 660,361</u>	<u>\$ 4,395</u>	<u>\$ 664,756</u>

In accordance with GASB Statement No. 72, fair value measurements are identified as Level 1, Level 2, or Level 3. Level 1 fair value is based on quoted prices in active markets for identical assets. Level 2 fair value is based on significant other observable inputs. Level 3 fair value is based on significant unobservable inputs. There are no Level 2 or Level3 investments as of December 31, 2019.

GTASC's investment policy is to invest in high-quality investments with a yield not to exceed the yield on the Tobacco Asset Securitization Corporation (TASC) bonds. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. GTASC manages and attempts to minimize interest rate risk by investing short-term investments that mature within one year, so that they can react to changing interest rates and invest in securities that provide the highest yield without exceeding interest rates on the TASC bonds.

## 5. PROPERTY TAXES

County real property taxes are levied annually no later than December 31 and become a lien on January 1. Taxes are collected during the period January 1 to July 31 by the town tax collectors, thereafter by the County Treasurer's tax department. On March 1, interest is accrued on all unpaid taxes in accordance with real property law. Taxes for County purposes are levied together with taxes for town and special district purposes as a single bill. The towns and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. The County assumes enforcement responsibility for all taxes levied in the towns.

Unpaid village taxes levied on properties are returned to the County for enforcement. Any such taxes remaining unpaid at year-end are re-levied as County taxes in the subsequent year.

At December 31, 2019, real property taxes receivable totaled \$14,406,399, which includes an allowance for uncollectible taxes at year-end of \$259,574. Current year returned school district and village taxes receivable are also included as liabilities to the school districts and village, which will be paid no later than February 28, 2018. \$5,930,300 of the remaining portion of taxes receivable has been classified as unearned tax revenue and represents an estimate of the outstanding taxes, which will not be collected within the first sixty (60) days of the subsequent year.

## 6. STATE AND FEDERAL RECEIVABLES

State and federal receivables are comprised of the following:

<u>Fund</u>	<u>Balance</u>	<u>Description</u>
General	<u>\$ 8,150,180</u>	Claims for reimbursement of expenditures in administering various health and social service programs net of related advances.
County Road	<u>\$ 362,202</u>	Claims for reimbursement of expenditures for various projects.
Capital Projects	<u>\$ 1,941,364</u>	Claims for reimbursement of expenditures for various capital projects.

### Community Development Block Grants:

The County is the recipient of Community Development Block Grants to operate revolving loan funds. These funds are to be loaned to industry, not-for-profit organizations, and individuals for the purpose of creating and retaining permanent jobs within the County. The balance of loans receivable and unearned revenue at December 31, 2019 of \$1,638,120 consists of loans that require periodic payments of principal and interest or interest only for loans that have not been fully drawn down, and have a rate of interest at one-half of prime plus one percent.

## 7. TOBACCO SETTLEMENT RECEIVABLE

As purchaser of the County's Tobacco Assets under the Master Settlement Agreement, per the Purchase and Sale Agreement dated August 25, 2005 and November 25, 2005 between GTASC and the County, GTASC obtained all rights, title, and interest, exclusive of the 100% Beneficial Interest in the Residual Trust, of the Tobacco Assets. Total available funds over the life of the bonds including earnings on the Liquidity Reserve less annual operating expense allocations estimated at \$59.6 million at the bond issuance date are dependent upon numerous variables. These variables are identified in the Bond Offering Statement dated August 25, 2005 and November 25, 2005.

Collections of funds in excess of debt service requirements, should they occur, will be residual payments, the rights to which have been retained by the County.

The Tobacco Settlement Receivable of \$523,500 as of December 31, 2019 consists entirely of estimated revenue that will be received in 2020 for 2019 sales of tobacco.

## 8. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance at January 1, 2019	Additions	Deletions	Balance at December 31, 2019
Primary Government:				
Capital assets that are not depreciated:				
Land	\$ 2,106,302	\$ -	\$ -	\$ 2,106,302
Construction work in progress	11,988,528	16,089,918	5,491,767	22,586,679
Total nondepreciable cost	<u>14,094,830</u>	<u>16,089,918</u>	<u>5,491,767</u>	<u>24,692,981</u>
Capital assets that are depreciated:				
Buildings and improvements	52,951,117	228,914	-	53,180,031
Vehicles and equipment	19,609,703	918,805	133,425	20,395,083
Improvements, other than buildings	504,918	4,447,806	-	4,952,724
Infrastructure	230,419,387	7,612,101	21,022	238,010,466
Total depreciable cost	303,485,125	13,207,626	154,447	316,538,304
Less: Accumulated depreciation	161,595,499	7,621,174	133,425	169,083,248
Total depreciable cost, net	<u>141,889,626</u>	<u>5,586,452</u>	<u>21,022</u>	<u>147,455,056</u>
Total capital assets, net	<u>\$ 155,984,456</u>	<u>\$ 21,676,370</u>	<u>\$ 5,512,789</u>	<u>\$ 172,148,037</u>

Depreciation expense is allocated to specific functions as follows:

General government support	\$ 1,020,652
Public safety	610,399
Health	102,206
Transportation	5,353,605
Economic Assistance and Opportunity	256,147
Culture and recreation	21,053
Home and community	<u>257,112</u>
Depreciation expense	<u>\$ 7,621,174</u>

## 8. CAPITAL ASSETS (Continued)

<u>Component Units:</u>	<u>IDA</u>	<u>Soil &amp; Water</u>
Vehicle and equipment	\$ 38,139	\$ 957,871
Infrastructure	54,646	-
	<u>92,785</u>	<u>957,871</u>
Less: Accumulated depreciation	<u>68,394</u>	<u>719,417</u>

## 9. LONG TERM DEBT

A summary of changes in long-term debt is as follows:

	Balance at January 1, <u>2019</u>	<u>Increase</u>	<u>Decrease</u>	Balance at December 31, <u>2019</u>	<u>Current</u>
<u>Governmental activities:</u>					
Bonds Payable and Installment Purchase Debt:					
Serial bonds	\$ 16,695,000	\$ 39,000,000	\$ 2,635,000	\$ 53,060,000	\$ 3,605,000
Installment purchase debt	323,259	-	105,287	217,972	107,734
Unamortized premium on bonds	693,776	-	86,722	607,054	-
GTASC bonds and accreted interest, net	14,462,393	-	105,000	14,357,393	-
Total bonds payable and installment purchase debt	<u>32,174,428</u>	<u>39,000,000</u>	<u>2,932,009</u>	<u>68,242,419</u>	<u>3,712,734</u>
Other Liabilities:					
Total other post employment benefits	149,918,034	9,268,102	30,939,453	128,246,683	-
Compensated absences *	3,553,712	-	179,891	3,373,821	-
Net pension liability *	3,037,646	3,813,774	-	6,851,420	-
Judgments and claims	374,983	-	99,782	275,201	-
Total other liabilities	<u>156,884,375</u>	<u>13,081,876</u>	<u>31,219,126</u>	<u>138,747,125</u>	<u>-</u>
Total	<u>\$ 189,058,803</u>	<u>\$ 52,081,876</u>	<u>\$ 34,151,135</u>	<u>\$ 206,989,544</u>	<u>\$ 3,712,734</u>

\* Additions and deletions to compensated absences and net pension liability are shown net because it is impractical to determine these amounts separately

**9. LONG TERM DEBT (Continued)**

Interest on long term debt for the year was composed of:

Interest paid	\$ 1,279,517
Accrued interest, beginning of year	(56,477)
Accrued interest, end of year	173,568
Accreted interest	356,642
Amortization of premium	(86,722)
Amortization of deferred costs	<u>47,136</u>
 Total expense	 <u>\$ 1,713,664</u>

The County's bonds are comprised of the following:

<u>Description</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Balance at 12/31/19</u>
County Jail Facility	2019	\$ 39,000,000	2.00%-2.625%	2048	\$ 39,000,000
Refunding - Court House	2016	9,410,000	2.00%-4.00%	2028	6,780,000
Bond- Columbia-Greene Community College	2018	5,000,000	1.15-3.70%	2023	4,000,000
Refunding - County Building	2011	9,597,000	1.5%-5%	2022	3,280,000
Installment debt	2017	<u>570,000</u>	2.50%	2021	<u>217,972</u>
Total general long-term debt		<u>\$ 63,577,000</u>			<u>\$ 53,277,972</u>

**Installment debt payable**

The County has entered into an installment purchase agreement to finance the cost of computer network equipment. The unpaid balance at December 31, 2019 was \$217,972. The terms of the agreement provide for repayment over 60 months including interest at a rate of 2.5%. Interest expenditures of \$7,466 were recorded in the fund financial statements in the general fund.

The County's future installment debt service requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2020	\$ 107,734	\$ 5,067	\$ 112,801
2021	<u>110,238</u>	<u>2,562</u>	<u>112,800</u>
Total	<u>\$ 217,972</u>	<u>\$ 7,629</u>	<u>\$ 225,601</u>

## 9. LONG TERM DEBT (Continued)

The County's future bond debt service requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2020	\$ 3,605,000	\$ 1,389,613	\$ 4,994,613
2021	3,740,000	1,271,338	5,011,338
2022	3,870,000	1,154,938	5,024,938
2023	2,760,000	1,056,800	3,816,800
2024	1,795,000	998,700	2,793,700
2025-2029	8,800,000	4,225,600	13,025,600
2030-2034	6,290,000	3,257,250	9,547,250
2035-2039	7,045,000	2,506,675	9,551,675
2040-2044	7,980,000	1,579,013	9,559,013
2045-2048	<u>7,175,000</u>	<u>476,963</u>	<u>7,651,963</u>
Total	<u>\$ 53,060,000</u>	<u>\$ 17,916,890</u>	<u>\$ 70,976,890</u>

In 2016, the County defeased \$8,435,000 of certain maturities of the 2010 bond issue by placing new bond proceeds into an irrevocable escrow account to provide for future debt payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's financial statements. At December 31, 2019, \$6,780,000 of defeased bonds are still outstanding.

On December 7, 2000, the GTASC issued \$8,115,000 variable rate bonds. These bonds were part of the \$227,130,000 New York Counties Tobacco Trust I, Tobacco Settlement Pass-Through Bonds, Series 2000. The GTASC's bonds consist of serial bonds maturing in the years 2002 through and including 2015, fixed term bonds maturing in the years 2016 through and including 2019 and flexible term bonds maturing in the years 2020 through and including 2042. The GTASC bonds are secured by the Tobacco Settlement Revenues acquired from the County by investment earnings on the Liquid Reserve Account and on other accounts established under the bond agreement. The 2000 Bond Series was paid off in 2005.

On August 25, 2005, the GTASC issued \$11,672,040 variable rate bonds. These bonds were part of the \$414,798,208 New York County Tobacco Trust IV, Tobacco Settlement Pass-Through Bonds, Series 2005 N-151. The GTASC's bonds consist of \$10,805,000 of current interest turbo bonds maturing in the years 2006 through and including 2045 and capital appreciation bonds of \$867,040. There is no scheduled payment of principal or interest on the capital appreciation bonds in the required schedule. Interest accrues on the capital appreciation bonds and is not payable until GTASC's bonds are paid in full. The GTASC's bonds are secured by the Tobacco Settlement Revenues acquired from the County and by investment earnings on the Liquidity Reserve Account and on other accounts established under the bond agreement. The payment of interest and principal on these bonds started in 2006. The optional schedule shown below assumes that \$3,535,000 in additional principal payments will be made in 2020. It is more likely than not that, the full amount will not be paid in 2020 and as a result, the interest presented could be significantly higher.

## 9. LONG TERM DEBT (Continued)

On November 29, 2005, the GTASC issued \$1,240,800 in variable rate bonds. These bonds were part of the \$199,375,348 New York Counties Tobacco trust V, Tobacco Settlement Pass-Through Bonds, Series 2005 N-184. The GTASC's bonds consist of turbo bonds maturing in the years 2026 through and including 2060. The GTASC's bonds are collateralized by the Tobacco Settlement Revenues acquired from the County and by investment earnings on the Liquidity Reserve Account and on other accounts established under the bond agreement. The projected start date for the payment of these bonds and interest is anticipated to start in the year 2026, when a portion of the August 2005 has been paid off.

Future Debt Service Requirements are as follows:

Required Schedule:	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
Year ending December 31,			
2020	\$ -	\$ 429,213	\$ 429,213
2021	-	429,213	429,213
2022	-	429,213	429,213
2023	20,000	428,737	448,737
2024	220,000	423,038	643,038
2025-2029	1,280,000	1,940,044	3,220,044
2030-2034	1,650,000	1,577,000	3,227,000
2035-2039	2,110,000	930,625	3,040,625
2040-2044	2,715,000	511,875	3,226,875
2045	<u>625,000</u>	<u>15,625</u>	<u>640,625</u>
	8,620,000	7,114,583	15,734,583
Capital appreciation bonds	867,040	-	867,040
Capital appreciation bonds' interest	1,076,946	-	1,076,946
Current year interest accrued on the capital appreciation bonds	121,278	-	121,278
November 2005 Series	<u>3,672,129</u>	-	<u>3,672,129</u>
Total	<u>\$ 14,357,393</u>	<u>\$ 7,114,583</u>	<u>\$ 21,471,976</u>

It is mandatory for the Corporation to make payments according to the required schedule to meet its obligations to the bond holders; however, an optional flexible amortization payment schedule for the 2005 Series allows for the bonds to be paid off in the year 2026. This accelerated payment schedule would reduce total interest expense over the remaining life of the bonds and will be utilized by the Corporation as funding allows. The Corporation has been paying between the required and the flexible schedule in the past. However, it is anticipated the Corporation will be paying on the required schedule for the foreseeable future.

## 9. LONG TERM DEBT (Continued)

### Flexible Option Schedule

Year ending December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2020	\$ 3,535,000	\$ 341,731	\$ 3,876,731
2021	725,000	236,125	961,125
2022	770,000	198,750	968,750
2023	820,000	159,000	979,000
2024	875,000	115,625	990,625
2025-2028	<u>1,895,000</u>	<u>95,625</u>	<u>1,990,625</u>
	8,620,000	1,146,856	9,766,856
Capital appreciation bonds 2045-2055	2,065,264	-	2,065,264
November 2005 Series	<u>3,672,129</u>	<u>-</u>	<u>3,672,129</u>
Total	<u>\$ 14,357,393</u>	<u>\$ 1,146,856</u>	<u>\$ 15,504,249</u>

## 10. RETIREMENT BENEFITS

### Plan Description

The County participates in the New York State and Local Employees' Retirement System (ERS) and the Public Employees' Group Life Insurance Plan. This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the System. The Comptroller adopts and may amend rules and regulations for the administration and transaction of the business of the Systems and for the custody and control of their funds. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be found at: <http://www.osc.state.ny.us/retire/publications/index.php> or obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, NY 12244.

### Funding Policy

The System is non-contributory for employees who joined the New York State and Local Employees' Retirement System prior to July 27, 1976, the majority of which are no longer active. After this date, employees contributed 3% of their salary for the first ten years of membership. Employees who joined on or after January 1, 2010, generally contribute 3% of their salary for the entire length of service. Starting April 1, 2013, all new hires are subject to a scaling contribution rate based on their annual salary.

## 10. RETIREMENT BENEFITS (Continued)

### Funding Policy (Continued)

The basis for contributions made is as follows:

<u>Wages</u>	<u>Contribution Rate</u>
\$45,000 or less	3.00%
\$45,000.01 to \$55,000	3.50%
\$55,000.01 to \$75,000	4.50%
\$75,000.01 to \$100,000	5.75%
More than \$100,000	6.00%

For the first 3 years of membership, Tier 6 employees' contribution rate is based on annual wages. Thereafter, the contribution rate is based on what employees earned 2 years prior.

Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Contributions for the current year and two preceding years were equal to 100% of the contributions required, and were as follows:

2019	\$ 3,562,595
2018	\$ 3,389,076
2017	\$ 3,377,679

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

At December 31, 2019, the County reported a net pension liability of \$6,851,420 for its proportionate share of the NYSERS net pension liability. The net pension liability was measured as of March 31, 2019, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation April 1, 2018. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2019, the County's proportionate share was .0966900% for NYSERS, which was an decrease of .0025708% from its proportionate share measured at December 31, 2018.

For the year ended December 31, 2019, the County recognized pension expense of \$4,222,056 for NYSERS.

**10. RETIREMENT BENEFITS (Continued)**

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

The County reported deferred outflows/inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>Resources</u>	<u>Resources</u>
Differences between expected and actual experience	\$ 1,349,188	\$ 459,923
Changes of Assumptions	1,722,167	-
Net difference between projected and actual earnings on pension plan investments	-	1,758,453
Changes in proportion and differences between the County's contributions and proportionate share of contributions	117,160	809,070
Contributions subsequent to the measurement date	2,671,946	-
	<u>\$ 5,860,461</u>	<u>\$ 3,027,446</u>

\$2,671,946 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan's Year Ended March 31:	
2020	\$ 1,142,141
2021	(1,562,459)
2022	(290,502)
2023	871,889
2024	-
Thereafter	-
	<u>\$ 161,069</u>

## 10. RETIREMENT BENEFITS (Continued)

### Actuarial Assumptions

The plan's total pension liability at March 31, 2019 was determined by using an actuarial valuation as of April 1, 2018, with update procedures used to roll forward the total pension liability to March 31, 2019.

The actuarial valuation used the following actuarial assumptions for the NYSERS:

Inflation	2.50%
Salary scale	4.2% indexed by service
Projected COLAs	1.3% compounded annually
Decrements	Developed from the Plan's 2015 experience study of the period April 1, 2010 through March 31, 2015
Mortality improvement	Society of Actuaries Scale MP-2014
Investment Rate of Return	7.0% net of investment expenses, including inflation

### Long-term Rate of Return

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2019 are summarized in the following table:

<u>Asset Type</u>	<u>Target Allocations in %</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	36%	4.55%
International Equity	14%	6.35%
Private Equity	10%	7.50%
Real Estate	10%	5.55%
Absolute Return Strategies	2%	3.75%
Opportunistic Portfolio	3%	5.68%
Real Assets	3%	5.29%
Bonds & Mortgages	17%	1.31%
Cash	1%	-0.25%
Inflation-Indexed Bonds	4%	1.25%
	<u>100%</u>	

### Discount Rate

The discount rate used to calculate the total pension liability was 7.0%. 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 Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**10. RETIREMENT BENEFITS (Continued)**

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

The following presents The County's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what The County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate:

	1 % Decrease (6.0%)	Current Assumption (7.0%)	1% Increase (8.0%)
Proportionate Share of Net Pension liability (asset)	\$ 29,955,502	\$ 6,851,420	\$ (12,557,648)

**Pension Plan Fiduciary Net Position**

The components of the current-year net pension liability of the employers as of March 31, 2019 for ERS follow:

	Pension Plan's Fiduciary Net Position	County's proportionate share of Plan's Fiduciary Net Position	County's allocation percentage as determined by the Plan
Total pension liability	\$ 189,803,429,000	\$ 183,538,018	0.0966990%
Net position	(182,718,124,000)	(176,686,598)	0.0966990%
Net pension liability (asset)	\$ 7,085,305,000	\$ 6,851,420	0.0966990%
Fiduciary net position as a percentage of total pension liability		96.27%	96.27%

**11. OTHER POST EMPLOYMENT BENEFITS**

**Plan Description**

The County provides certain health care benefits for retired employees of the County. The County administers its Retirement Benefits Plan (the Benefits Plan) as a single-employer defined benefit Other Post-employment Benefit Plan (OPEB).

Sheriffs and Deputies are assumed to be covered under 552, a 20 year plan with the New York State Employees Retirement System. It is assumed these employees will not retire before age 62 before attaining 20 years of service.

Corrections employees are assumed to be covered under 890, a 25 year plan with the New York State Employees' Retirement System. It is assumed these employees will not retire before age 62 before attaining 25 years of service.

All other employees are assumed covered under Tier 4 of the New York State Employees' Retirement System, with early retirement available at age 55 with 5 years of service, and unreduced benefits at age 62 with 5 years or age 55 with 30 years of service. It is assumed these employees will not retire before age 65 before attaining 10 years of service.

## 11. OTHER POST EMPLOYMENT BENEFITS (Continued)

### Plan Description (Continued)

The Benefits Plan can be amended by action of the County subject to applicable collective bargaining and employment agreements. The number of retired employees currently eligible to receive benefits at December 31, 2019, was approximately 350. The Benefits Plan does not issue a standalone financial report since there are no assets legally segregated in a trust for the sole purpose of paying benefits under the plan that meets the criteria of GASB 75, paragraph 4.

### Benefits Provided

In general, the County provides health insurance and vision coverage for retired employees and their survivors. The benefit terms are dependent on which contract or employment agreement each employee falls under. The specifics of each contract or employment agreement are on file at the County and are available upon request.

### Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries	
currently receiving benefits	533
Inactive employees entitled to but	
not yet receiving benefits	-
Active employees	440
Total participants	<u>973</u>

### Total OPEB Liability

The County's total OPEB liability of \$128,246,683 was measured as of December 31, 2018 and was determined by an actuarial valuation as of January 1, 2017.

### Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Payroll Growth	3.00%
Discount Rate	4.10%
Healthcare Cost Trend Rates	PPO Pre-Medicare - 6.70% for 2019, decreasing to an ultimate rate of 3.90% Forever Blue Medicare - 7.70% for 2019, decreasing to an ultimate rate of 4.00% Vision - 4.00% for 2019, decreasing to an ultimate rate of 3.8%
Share of Benefit-Related Costs	The County pays between 50% and 100% of the premium for medical and vision benefits based on the participants hire date and specific collective bargaining agreements and employment agreements.

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Mortality rates were determined based on the Sex-distinct RP-2006 Base Mortality Tables with projection Scale MP-2018.

**11. OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Changes in the Total OPEB Liability**

Balance at December 31, 2018, as restated	<u>\$ 149,918,034</u>
Changes for the Year	
Service cost	4,065,855
Interest	5,202,247
Changes of benefit terms	-
Changes in assumptions or other inputs	(25,380,934)
Differences between expected and actual experience	-
Benefit payments	<u>(5,558,519)</u>
Net changes	<u>(21,671,351)</u>
Balance at December 31, 2019	<u>\$ 128,246,683</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.44% in 2018 to 4.10% in 2019.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the County, as well as the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current discount rate:

	1% Decrease (3.10%)	Current Discount (4.10%)	1% Increase (5.10%)
Total OPEB Liability	<u>\$ 147,877,124</u>	<u>\$ 128,246,683</u>	<u>\$ 112,418,938</u>

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Rates**

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

	Healthcare		
	1% Decrease (*)	Current Discount (*)	1% Increase (*)
Total OPEB Liability	<u>\$ 111,285,010</u>	<u>\$ 128,246,683</u>	<u>\$ 149,549,446</u>

\* Rates vary. See actuarial assumptions table.

**11. OTHER POST EMPLOYMENT BENEFITS (Continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2019, the County recognized OPEB expense of \$5,474,164. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 3,855,026	\$ 19,980,735
Benefit payments subsequent to measurement date	<u>5,093,680</u>	<u>-</u>
Total	<u>\$ 8,948,706</u>	<u>\$ 19,980,735</u>

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

<u>Fiscal Year Ending June</u>	<u>Amount</u>
2020	\$ (3,793,938)
2021	(3,793,938)
2022	(4,757,695)
2023	(3,780,138)
2024	-
Thereafter	<u>-</u>
	<u>\$ (16,125,709)</u>

**12. JOINTLY GOVERNED ORGANIZATIONS**

Columbia-Greene Community College

The operation of Columbia-Greene Community College is undertaken jointly with Columbia County, under the provisions of Article 126 of the Education Law and is excluded from the County's financial statements. The College is administered by a Board of Trustees. The majority of the trustees are County Board appointees, apportioned between the two Counties. The Counties are responsible for College costs not funded through state aid or tuition and have individually issued bonds for capital costs. The Counties also assume liability of any College operating fund deficit, should any operating fund deficit be incurred.

The counties' governing boards also retain certain budgetary approval powers. The counties' share of the College's operating budgets is based on enrollment. For the 2018-2019 fiscal year Greene County's share of the unfunded portion of the operating budget was 45% and Columbia County's was 55%.

## 12. JOINTLY GOVERNED ORGANIZATIONS (Continued)

### Columbia-Greene Community College (Continued)

The County's share of the operating costs for the year ended December 31, 2019 was \$7,516,171. Separate financial statements are issued for the college and can be found at:

Columbia-Greene Community College  
4400 Route 23B  
Hudson, NY 12534

### Capital District Regional Off-Track Betting Corporation

Capital District Regional Off-Track Betting Corporation is a public benefit corporation occupying a seventeen county region, established in 1973 under the provisions of Chapters 346 and 347 of the Laws of the State of New York. The Board consists of one representative from each of the seventeen participating municipalities.

Separate financial statements are issued for the OTB and can be found at:

Capital District Regional Off-Track Betting Corporation  
1629 State Street  
Schenectady, NY 12304

## 13. INTERFUND ACTIVITY

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

Individual interfund receivable and payable balances arising from these transactions as of December 31, 2019, were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General fund	\$ 1,681,952	\$ 1,036,025
County road	803,507	1,937,959
County machinery	1,979,112	526,764
Capital projects	18,041	1,263,777
Workers compensation	-	31,485
Trust & Agency	313,398	-
	<hr/>	<hr/>
Total	<u>\$ 4,796,010</u>	<u>\$ 4,796,010</u>

### 13. INTERFUND ACTIVITY (Continued)

Interfund transfers throughout the year ended December 31, 2019, were as follows:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General fund	\$ 115,000	\$ 11,620,282
County road fund	9,054,747	1,305,523
County machinery	2,019,163	-
Capital projects	<u>1,758,121</u>	<u>21,226</u>
Total	<u>\$ 12,947,031</u>	<u>\$ 12,947,031</u>

### 14. TAX ABATEMENT

All real property in New York is subject to taxation unless specific legal provisions grant it exempt status. Real property tax exemptions are granted on the basis of many different criteria, including the use to which the property is put, the owner's ability to pay taxes, the desire of the state and local governments to encourage certain economic or social activities, and other such considerations. Most exemptions are granted under Article 4 of the Real Property Tax Law, but others are authorized by a wide variety of statutes ranging from Article 18-A of the real property tax law, the Agriculture and Markets Law to the Transportation Law. Certain exemptions provide full relief from taxation (wholly exempt property) and others reduce the taxes which would otherwise be payable by varying degrees (partially exempt property). Some exemptions apply to taxes levied for county, city/town, and school purposes, whereas others pertain only to some of these purposes. Yet another difference involves the extent of local government autonomy: while some exemptions are mandated by state law, others are subject to local option and/or local determination of eligibility criteria.

The County has nine real property tax abatement agreements entered into by the IDA. These agreements provide for abatement of real property taxes in exchange for a payment in lieu of taxes (PILOT) in compliance with Tax Exemption Policy. PILOT's are granted in accordance with various activities such as new construction, purchasing of an existing facility, or the improvement or expansion of an existing facility. There are also policies for recapture of PILOTs should the applicant not meet certain criteria. The amount property tax abated in the County for the year ended December 31, 2019 was \$6,349,287.

## 15. COMMITMENTS AND CONTINGENCIES

### Pending Litigation

The County has been named, in the normal course of operations, as a defendant in numerous claims of an indeterminate amount. In the opinion of the County, after considering all relevant facts, the ultimate losses not covered by insurance resulting from such litigation would be immaterial in relation to the financial position of the County.

### Self-Insurance

The County sponsors and participates in a self-insurance plan for workers' compensation under Local Law No. 1 and 2, 1956, pursuant to Article 5 of the Workers' Compensation Law. The plan is open to any eligible municipality, school district, or public entity for participation. At December 31, 2019, there were 42 participants, including the County.

The County is responsible for administration of the plan and its reserves. Participant contributions, which are financed on a pay-as-you-go basis, are financed on an estimated claim basis with excess contributions transferred to the reserve at the end of the fiscal year. Liabilities are recorded when it is probable that a loss has been incurred and the amount of loss can be reasonably estimated. Liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment yield assumptions of 3%. These liabilities are recorded at their present value of \$3,246,090 in the countywide statement of net position, which represents the portion to be liquidated with expendable and available financial resources as of December 31, 2019. Benefits and awards expenditures for the year ended December 31, 2019, were \$1,386,769.

### Grant Programs

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

### Public Health Reimbursement

The County Public Health Department recognizes revenue when earned based upon tentative rates that are subject to audit and retroactive adjustment by third-party payers. There has been no provision made in these financial statements for future audit settlements or rate adjustments.

### Tobacco Settlement

The State of New York is estimated to receive approximately \$25 billion over the next 25 years as a result of a comprehensive settlement among 46 states and U.S. territories and all the major tobacco companies. The settlement represents reimbursement to the State for medical costs incurred, primarily paid by Medicaid, from treating smoking-related illnesses. Since the counties of the State and New York City pay a share of Medicaid costs, the State has apportioned approximately half the settlement funds to these localities.

### Construction Commitments

The County has various commitments with contractors for the completion of capital projects.

## 16. RECLASSIFICATION

During 2019, the County reevaluated the presentation of their component units. The Green Tobacco Asset Securitization Corporation (GTASC) was previously presented as a discretely presented component unit but is now presented as blended component unit. Additionally, The Greene Local Development Corporation was previously not included as a discretely presented component unit but has been included in the 2019 financial statements as a discretely presented component unit. The County's reevaluation resulted in the following changes to beginning net position and fund balance, as appropriate:

	Statement of Net Position		Governmental Funds	
	Governmental		Debt Service	Total
	Activities	Component Units	Fund	Fund Balance
Balance at December 31, 2018, as previously reported	\$ 44,898,065	\$ (2,900,566)	\$ -	\$ 48,085,496
Reclassification of GTASC from discretely presented component unit to blended component unit	(12,812,479)	12,812,479	1,294,921	1,294,921
Greene Local Development Corporation previously not included as discretely presented component unit	-	240,959	-	-
Balance at December 31, 2018, as restated	<u>\$ 32,085,586</u>	<u>\$ 10,152,872</u>	<u>\$ 1,294,921</u>	<u>\$ 49,380,417</u>

## 17. COVID-19 PANDEMIC

As of the date of this report, the United States is in the midst of a national health emergency related to a virus, commonly known as novel coronavirus (COVID-19). The overall Consequences of COVID – 19 on a national, regional and local level are unknown, but it has the potential to result in a significant economic impact. Businesses throughout New York State remain closed or are operating significantly below their capacity. This reduced economic activity is having an adverse effect on sales and income tax revenue collected by New York State. If New York State is unable to meet its budgeted revenue expectations, it may need to reduce expenditures accordingly, which could result in the County receiving less New York State appropriations than expected. The County has also seen reduced sales tax collections. The County has taken some steps to defer expenditures to future years, but has so far not significantly reduced employment levels or made significant cuts to services. Future decisions will be made dependent upon sales tax rebounding as the economy reopens and whether or not New York State reduces state aid. The passage of a federal stimulus act benefiting local governments may be necessary to prevent New York State from cutting aid. The County is closely monitoring this very fluid situation and is acting as proactively as it can.

**REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

**GREENE COUNTY, NEW YORK**

**STATEMENT OF REVENUE, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL - GENERAL FUND (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUE:</b>				
Real property taxes	\$ 26,934,678	\$ 26,934,678	\$ 26,279,430	\$ (655,248)
Real property tax items	3,190,000	3,190,000	3,158,292	(31,708)
Sales and use tax	31,000,000	31,000,000	34,842,042	3,842,042
Departmental income	13,077,338	13,127,338	13,854,677	727,339
Intergovernmental charges	462,450	462,450	108,086	(354,364)
Use of money and property	82,276	82,276	719,532	637,256
Licenses and permits	54,000	54,000	47,241	(6,759)
Fines and forfeitures	327,503	327,503	280,653	(46,850)
Sale of property and compensation for loss	90,000	173,561	174,048	487
Miscellaneous local sources	67,350	72,350	393,646	321,296
State aid	16,028,195	16,359,392	14,477,173	(1,882,219)
Federal aid	8,889,999	9,263,696	8,430,065	(833,631)
<b>Total revenue</b>	<u>100,203,789</u>	<u>101,047,244</u>	<u>102,764,885</u>	<u>1,717,641</u>
<b>EXPENDITURES:</b>				
General government support	9,350,373	9,605,340	8,625,857	979,483
Education	7,922,192	7,922,192	7,516,171	406,021
Public safety	10,079,723	10,033,716	9,796,646	237,070
Health	8,385,715	8,727,432	8,022,254	705,178
Economic assistance and opportunity	33,031,134	33,093,040	28,051,572	5,041,468
Culture and recreation	318,038	528,744	416,011	112,733
Home and community services	7,545,410	7,505,508	7,804,384	(298,876)
Employee benefits	13,438,293	13,438,293	12,871,016	567,277
Debt service - principal	2,063,700	2,063,700	2,168,987	(105,287)
Debt service - interest	1,337,743	1,337,743	738,605	599,138
<b>Total expenditures</b>	<u>93,472,321</u>	<u>94,255,708</u>	<u>86,011,503</u>	<u>8,244,205</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<u>6,731,468</u>	<u>6,791,536</u>	<u>16,753,382</u>	<u>9,961,846</u>
<b>OTHER SOURCES (USES):</b>				
Interfund transfers in	-	-	115,000	115,000
Interfund transfers (out)	(9,888,910)	(9,888,910)	(11,620,282)	(1,731,372)
<b>Total other sources (uses)</b>	<u>(9,888,910)</u>	<u>(9,888,910)</u>	<u>(11,505,282)</u>	<u>(1,616,372)</u>
<b>REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES, ENCUMBRANCES, AND OTHER USES</b>	<u>(3,157,442)</u>	<u>(3,097,374)</u>	<u>5,248,100</u>	<u>\$ 8,345,474</u>
<b>FUND BALANCE - beginning of year</b>	<u>34,419,844</u>	<u>34,419,844</u>	<u>34,419,844</u>	
<b>FUND BALANCE - end of year</b>	<u>\$ 31,262,402</u>	<u>\$ 31,322,470</u>	<u>\$ 39,667,944</u>	

GREENE COUNTY, NEW YORK

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Total OPEB Liability</b>										
Service cost	\$ 4,065,855	\$ 3,834,824								
Interest	5,202,247	5,300,632								
Changes of benefit terms	-	-								
Differences between expected and actual experience	-	-								
Changes in assumptions	(25,380,934)	7,067,548								
Benefit payments	(5,558,519)	(5,307,834)								
<b>Total change in total OPEB liability</b>	<b>(21,671,351)</b>	<b>10,895,170</b>								
<b>Total OPEB liability - beginning</b>	<b>149,918,034</b>	<b>139,022,864</b>								
<b>Total OPEB liability - ending</b>	<b>\$ 128,246,683</b>	<b>\$ 149,918,034</b>								
<b>Covered-employee payroll</b>	<b>\$ 26,685,416</b>	<b>\$ 24,444,550</b>								
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	<b>480.59%</b>	<b>613.30%</b>								

Information for the periods prior to implementation of GASB 75 is unavailable and will be completed for each year going forward as they become available.

Notes to schedule:

**Changes of assumptions.** Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following reflects the discount rate used each period:

Discount rate	4.10%	3.44%
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**Plan Assets.** No assets are accumulated in a trust that meets the criteria in GASB 75, paragraph 4, to pay related benefits:

- Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

**GREENE COUNTY, NEW YORK**

**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Proportion of the net pension liability (asset)	0.0966900%	0.0941192%	0.0981453%	0.0982945%	0.0974331%					
Proportionate share of the net pension liability (asset)	\$ 6,851.4	\$ 3,037.6	\$ 9,221.9	\$ 15,776.5	\$ 3,291.5					
Covered-employee payroll	\$ 23,161.2	\$ 22,232.5	\$ 21,408.1	\$ 22,175.6	\$ 21,207.1					
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	29.58%	13.66%	43.08%	71.14%	15.52%					
Plan fiduciary net position as a percentage of the total pension liability (asset)	96.3%	98.2%	94.7%	90.7%	98.0%					

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

**GREENE COUNTY, NEW YORK**

**SCHEDULE OF CONTRIBUTIONS - PENSION PLANS (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Last 10 Fiscal Years (Dollar amounts displayed in thousands)									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>NEW YORK STATE EMPLOYEES' RETIREMENT SYSTEM PLAN</b>										
Contractually required contribution	\$ 3,562.6	\$ 3,389.1	\$ 3,377.7	\$ 3,622.7	\$ 3,915.0					
Contributions in relation to the contractually required contribution	3,562.6	3,389.1	3,377.7	3,622.7	3,915.0					
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -					
Covered-employee payroll	\$ 23,161.2	\$ 22,232.5	\$ 21,408.1	\$ 22,175.6	\$ 21,207.1					
Contributions as a percentage of covered-employee payroll	15.38%	15.24%	15.78%	16.34%	18.46%					

Information for the periods prior to implementation of GASB 68 is unavailable and will be completed for each year going forward as they become available.

**SUPPLEMENTARY INFORMATION**

GREENE COUNTY, NEW YORK

SCHEDULE OF COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2019

	County <u>Road</u>	County <u>Machinery</u>	Community <u>Development</u>	Debt <u>Service</u>	<u>Total</u>
<b>ASSETS:</b>					
Cash	\$ 5,402,483	\$ 763,854	\$ 2,513,728	\$ 45,255	\$ 8,725,320
Restricted cash	507	2,635	-	-	3,142
Restricted investments	-	-	-	664,756	664,756
Accounts receivable	156,637	38,390	-	-	195,027
Tobacco settlement receivable	-	-	-	523,500	523,500
Due from other funds	803,507	1,979,112	-	-	2,782,619
State and federal receivables	362,202	-	-	-	362,202
Prepaid expenditures	92,065	11,220	-	-	103,285
Notes receivable	-	-	1,638,120	-	1,638,120
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 6,817,401</u>	<u>\$ 2,795,211</u>	<u>\$ 4,151,848</u>	<u>\$ 1,233,511</u>	<u>\$ 14,997,971</u>
<b>LIABILITIES:</b>					
Accounts payable	\$ 326,796	\$ 156,835	\$ -	\$ 4,000	\$ 487,631
Due to other governments	-	-	2,040	-	2,040
Due to other funds	1,937,959	526,764	-	-	2,464,723
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>2,264,755</u>	<u>683,599</u>	<u>2,040</u>	<u>4,000</u>	<u>2,954,394</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Community development loan repayments	-	-	1,638,120	-	1,638,120
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,638,120</u>	<u>-</u>	<u>1,638,120</u>
<b>FUND BALANCE:</b>					
Nonspendable					
Prepaid expenditures	92,065	11,220	-	-	103,285
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total nonspendable fund balance	<u>92,065</u>	<u>11,220</u>	<u>-</u>	<u>-</u>	<u>103,285</u>
Restricted					
Restricted for repairs	-	81	-	-	81
Restricted for debt service	507	2,554	-	1,229,511	1,232,572
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total restricted fund balance	<u>507</u>	<u>2,635</u>	<u>-</u>	<u>1,229,511</u>	<u>1,232,653</u>
Assigned					
Appropriated for subsequent years expenditures	400,000	250,000	-	-	650,000
Unappropriated	-	19,041	-	-	19,041
Other assigned	4,060,074	1,828,716	2,511,688	-	8,400,478
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assigned fund balance	<u>4,460,074</u>	<u>2,097,757</u>	<u>2,511,688</u>	<u>-</u>	<u>9,069,519</u>
Unassigned					
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balance	<u>4,552,646</u>	<u>2,111,612</u>	<u>2,511,688</u>	<u>1,229,511</u>	<u>10,405,457</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 6,817,401</u>	<u>\$ 2,795,211</u>	<u>\$ 4,151,848</u>	<u>\$ 1,233,511</u>	<u>\$ 14,997,971</u>

GREENE COUNTY, NEW YORK

SCHEDULE OF COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019

	County Road	County Machinery	Community Development	Debt Service	Total
<b>REVENUE:</b>					
Departmental income	\$ -	\$ -	\$ 243,770	\$ 6,298	\$ 250,068
Intergovernmental charges	-	1,023,765	-	-	1,023,765
Use of money and property	4,032	496	-	17,686	22,214
Sale of property and compensation for loss	4,716	523,567	-	-	528,283
Miscellaneous local sources	-	131,604	-	478,100	609,704
State aid	2,329,936	-	-	-	2,329,936
<b>Total revenue</b>	<b>2,338,684</b>	<b>1,679,432</b>	<b>243,770</b>	<b>502,084</b>	<b>4,763,970</b>
<b>EXPENDITURES:</b>					
General government support	-	-	-	30,478	30,478
Public safety	211,484	-	-	-	211,484
Transportation	7,325,947	2,263,880	-	-	9,589,827
Economic assistance and opportunity	-	-	386,154	-	386,154
Employee benefits	2,375,727	422,008	-	-	2,797,735
Debt service - principal	462,950	108,350	-	105,000	676,300
Debt service - interest	88,243	20,653	-	432,016	540,912
<b>Total expenditures</b>	<b>10,464,351</b>	<b>2,814,891</b>	<b>386,154</b>	<b>567,494</b>	<b>14,232,890</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES</b>	<b>(8,125,667)</b>	<b>(1,135,459)</b>	<b>(142,384)</b>	<b>(65,410)</b>	<b>(9,468,920)</b>
<b>OTHER SOURCES (USES):</b>					
Interfund transfers in	9,054,747	2,019,163	-	-	11,073,910
Interfund transfers (out)	(1,305,523)	-	-	-	(1,305,523)
<b>Total other sources (uses)</b>	<b>7,749,224</b>	<b>2,019,163</b>	<b>-</b>	<b>-</b>	<b>9,768,387</b>
<b>CHANGE IN FUND BALANCE</b>	<b>(376,443)</b>	<b>883,704</b>	<b>(142,384)</b>	<b>(65,410)</b>	<b>299,467</b>
<b>FUND BALANCE - beginning of year</b>	<b>4,929,089</b>	<b>1,227,908</b>	<b>2,654,072</b>	<b>1,294,921</b>	<b>10,105,990</b>
<b>FUND BALANCE - end of year</b>	<b>\$ 4,552,646</b>	<b>\$ 2,111,612</b>	<b>\$ 2,511,688</b>	<b>\$ 1,229,511</b>	<b>\$ 10,405,457</b>

**REQUIRED REPORT UNDER *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

December 24, 2020

To the County Legislature of Greene County:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the Greene County, New York as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 24, 2020. Our report includes a reference to other auditors who audited the financial statements of the Greene County Soil and Water Conservation District, Greene County Industrial Development Agency, and The Greene County Local Development Corporation, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control over Financial Reporting**

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

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

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

(Continued)

## **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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