This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstance shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**PRELIMINARY OFFICIAL STATEMENT DATED JULY 6, 2021**

**SERIAL BONDS**
**BOOK-ENTRY-ONLY BONDS**

**RATING – MOODY'S INVESTOR SERVICE: " "**
**See "Bond Rating", herein**

*In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the County, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. In addition, in the opinion of Bond Counsel to the County, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivision, including The City of New York. See "TAX MATTERS" herein.*

*The County will NOT designate the Bonds as "qualified tax-exempt obligations" pursuant to the provision of Section 265(b)(3) of the Code.*

# COUNTY OF ORANGE, NEW YORK
**(the "County")**

## $16,328,444* PUBLIC IMPROVEMENT SERIAL BONDS – 2021 SERIES A
**(the "Series A Bonds")**

**Dated: Date of Delivery** **Principal and Interest Due: As shown on inside cover**

## $14,030,000* PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS – 2021 SERIES B
**(the "Series B Bonds" together with the Series A Bonds, the "Bonds")**

**Dated: Date of Delivery** **Principal and Interest Due: As shown on inside cover**

**SEE BOND MATURITY SCHEDULE HEREIN**

*Security and Sources of Payment*: The Bonds are general obligations of the County of Orange, New York (the "County"), and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied upon all the taxable real property within the County, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"). (See "*Tax Levy Limit Law*" herein).

*Prior Redemption:* The Series A Bonds maturing on June 15, 2028 and thereafter are subject to redemption, prior to maturity, at the option of the County, on June 15, 2027 and thereafter on any date, in accordance with terms described herein. The Series B Bonds are not subject to redemption prior to maturity. (See "*Optional Redemption of the Series A Bonds*" and "*Optional Redemption of the Series B Bonds*", herein).

*Form and Denomination:* The Bonds will be issued as registered bonds and, when issued, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as the securities depository for the Bonds. Individual purchases of the Bonds may be made only in book-entry form in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination in the first maturity of the Series A Bonds. Bondholders will not receive certificates representing their respective interests in the Bonds purchased. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*", herein).

*Payment:* Payment of the principal of and interest on the Bonds will be made by the County to DTC which will in turn remit such payment to its Participants for subsequent distribution to the Beneficial Owners of the Bonds in accordance with standing instructions and customary practices. Payment to the Beneficial Owners will be the responsibility of the DTC Participant or Indirect Participant and not of DTC or the County, subject to any statutory and regulatory requirements as may be in effect from time to time. (See "*DESCRIPTION OF BOOK-ENTRY SYSTEM*", herein).

Sealed bids for the Bonds will be received at 11:00 A.M. (Prevailing Time) on July 15, 2021, in accordance with the Notices of Sale dated July 6, 2021.

*The Bonds are offered subject to the respective final approving opinions of Hawkins Delafield & Wood LLP, New York, New York, Bond Counsel to the County, and certain other conditions. It is expected that delivery of the Series A Bonds and the Series B Bonds in book-entry form will be made through the facilities of DTC on or about July 29, 2021, respectively, in New York, New York.*

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM "DEEMED FINAL" BY THE COUNTY FOR THE PURPOSE OF SECURITIES AND EXCHANGE COMMISSION RULE 15c2-12 (THE "RULE"). FOR A DESCRIPTION OF THE COUNTY'S AGREEMENT TO PROVIDE CONTINUING DISCLOSURE FOR THE BONDS, AS DESCRIBED IN THE RULE, SEE "DISCLOSURE UNDERTAKING" HEREIN.

, 2021

*Preliminary, subject to change.

# COUNTY OF ORANGE, NEW YORK

## $16,328,444* PUBLIC IMPROVEMENT SERIAL BONDS – 2021 SERIES A

### BOND MATURITY SCHEDULE

**Principal Due:** **June 15, 2023-2032 inclusive**
**Interest Due:** **Semi-annually on June 15 and December 15 in each year to maturity, commencing June 15, 2022**

| Year | Amount** | Rate | Yield or Price | CUSIP # |
|---|---|---|---|---|
| June 15, 2023 | $ 1,493,444 | | | |
| June 15, 2024 | 1,520,000 | | | |
| June 15, 2025 | 1,555,000 | | | |
| June 15, 2026 | 1,580,000 | | | |
| June 15, 2027 | 1,615,000 | | | |
| June 15, 2028 | 1,645,000*** | | | |
| June 15, 2029 | 1,680,000*** | | | |
| June 15, 2030 | 1,715,000*** | | | |
| June 15, 2031 | 1,745,000*** | | | |
| June 15, 2032 | 1,780,000*** | | | |

*Preliminary, subject to change.
**Amounts are subject to adjustment by the County following the sale, pursuant to the terms of the Notice of Sale relating to the Series A Bonds, to achieve substantial level or declining annual debt service as provided in Section 58.00 (c)(2) of the Local Finance Law.
***Subject to prior redemption.

## $14,030,000* PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS – 2021 SERIES B

### BOND MATURITY SCHEDULE

**Principal Due:** **July 1, 2022-2026 inclusive**
**Interest Due:** **Semi-annually on January 1 and July 1 in each year to maturity, commencing January 1, 2022**

| Year | Amount** | Rate | Yield or Price | CUSIP # |
|---|---|---|---|---|
| July 1, 2022 | $2,640,000 | | | |
| July 1, 2023 | 2,700,000 | | | |
| July 1, 2024 | 2,785,000 | | | |
| July 1, 2025 | 2,895,000 | | | |
| July 1, 2026 | 3,010,000 | | | |

*Preliminary, subject to change.
**Amounts are subject to adjustment by the County following the sale, pursuant to the terms of the Notice of Sale relating to the Series B Bonds, to achieve substantial level or declining annual debt service as provided in Section 58.00 (c)(2) of the Local Finance Law and to effectuate the County's plan of refunding.

**COUNTY OF ORANGE, NEW YORK**

COUNTY EXECUTIVE

Steven M. Neuhaus

COUNTY LEGISLATORS

L. Stephen Brescia, Chair of the Legislature

| | |
|---|---|
| Michael Amo | James D. O'Donnell |
| Mike Anagnostakis | Michael D. Paduch |
| Leigh J. Benton | Paul Ruszkiewicz |
| Katie Bonelli | Rob Sassi |
| Barry J. Cheney | Joel Sierra |
| Thomas J. Faggione | Kathy Stegenga |
| Kevin W. Hines | Janet Sutherland |
| James M. Kulisek | Laurie R. Tautel |
| Kevindaryan Lujan | Peter Tuohy |
| Joseph J. Minuta | John S. Vero |

---

| | |
|---|---|
| Annie Rabbitt | County Clerk |
| Langdon C. Chapman, Esq. | County Attorney |
| Karin E. Hablow | Commissioner of Finance |

* * *

Bond Counsel

Hawkins Delafield & Wood LLP
New York, New York

* * *

Prepared with the Assistance of

**MUNICIPAL ADVISOR**

12 Roosevelt Avenue
Port Jefferson Station, N.Y. 11776
(631) 331-8888

E-mail: info@munistat.com
Website: http://www.munistat.com

No dealer, broker, salesman or other person has been authorized by the County to give any information or to make any representations, other than those contained in this Official Statement and if given or made, such other information or representations must not be relied upon as having been authorized by the County. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained by the County from sources which are believed to be reliable but it is not guaranteed as to accuracy or completeness. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

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**APPENDIX D: FORM OF CONTINUING DISCLOSURE UNDERTAKING**

# OFFICIAL STATEMENT

# COUNTY OF ORANGE, NEW YORK

# $16,328,444* PUBLIC IMPROVEMENT SERIAL BONDS – 2021 SERIES A
# AND
# $14,030,000* PUBLIC IMPROVEMENT REFUNDING SERIAL BONDS – 2021 SERIES B

## [BOOK-ENTRY-ONLY BONDS]

This Official Statement and the appendices hereto present certain information relating to the County of Orange, in the State of New York (the "County" and "State," respectively) in connection with the sale of $16,328,444* Public Improvement Serial Bonds – 2021 Series A (the "Series A Bonds") and $14,030,000* Public Improvement Refunding Serial Bonds – 2021 Series B (the "Series B Bonds") of the County. The Series A and Series B Bonds are collectively referred to herein as the "Bonds".

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

This Official Statement should be read with the understanding that the ongoing COVID-19 global pandemic has created prevailing economic conditions (at the global, national, State and local levels) that are highly uncertain, generally negative, and rapidly changing, and these conditions are expected to continue for an indefinite period of time. Accordingly, the County's overall economic situation and outlook (and all of the specific County-related information contained herein) should be carefully reviewed, evaluated and understood in the full light of this unprecedented world-wide event, the effects of which are extremely difficult to predict and quantify. See "MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE" and "IMPACT OF COVID-19" herein.

## THE SERIES A BONDS

### Description of the Series A Bonds

The Series A Bonds will be dated July 29, 2021 and will mature on June 15, in each of the years 2023 to 2032, inclusive, in the principal amounts as set forth on the inside cover page hereof.

The Series A Bonds will be issued in fully registered form and when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series A Bonds. Individual purchases of the Series A Bonds may be made in book-entry form only, in denominations of $5,000 or integral multiples thereof, except for one necessary odd denomination. Purchasers will not receive certificates representing their respective interests in the Series A Bonds. (See "*Book-Entry System*", herein).

Interest on the Series A Bonds will be payable semiannually on June 15 and December 15 in each year to maturity, commencing June 15, 2022. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Series A Bonds, as described herein. The Series A Bonds may be transferred in the manner described on the Series A Bonds and as referenced in certain proceedings of the County referred to therein. (See "*Description of Book-Entry System*", herein.

The Record Date of the Series A Bonds will be the last business day of the month preceding each interest payment date.

The Commissioner of Finance will act as Fiscal Agent for the Series A Bonds. Paying agent fees, if any, will be paid by the purchaser. The County's contact information is as follows: Karin E. Hablow, Commissioner of Finance, County of Orange, 255 Main Street, Goshen, NY 10924, Phone (845) 291-2488 and email: khablow@orangecountygov.com.

*Preliminary, subject to change.

## Optional Redemption of the Series A Bonds

The Series A Bonds maturing on or before June 15, 2027 will not be subject to redemption prior to maturity. The Series A Bonds maturing on June 15, 2028 and thereafter, will be subject to redemption, prior to maturity, at the option of the County, in whole or in part, and if in part, in any order of their maturity and in any amount within a maturity (selected by lot within a maturity), on any date on or after June 15, 2027, at a redemption price equal to the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption.

The County may select the maturities of the Bonds to be redeemed and the amount to be redeemed of each maturity selected, as the County shall determine to be in the best interest of the County at the time of such redemption. If less than all of the Bonds of any maturity are to be redeemed prior to maturity, the particular Bonds of such maturity to be redeemed shall be selected by the County by lot in any customary manner of selection as determined by the County.

Notice of such call for redemption shall be given by mailing such notice to the registered owner at least thirty (30) days prior to the date set for such redemption. Notice of redemption having been given as aforesaid, the bonds so called for redemption shall, on the date for redemption set forth in such call for redemption, become due and payable together with interest to such redemption date. Interest shall cease to be paid thereon after such redemption date.

## Authorization and Purpose on the Series A Bonds

The Series A Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law, and various bond resolutions duly adopted by the county Legislation, authorizing the following purposes:

| Date Authorized | Purpose | Amount to Bonds |
|---|---|---|
| 6/6/2013 | CC-2004 COMP EQUIP | $ 60,751 |
| 3/3/2016 | PW-2012 RECON GOSHEN BLDG | 2,025 |
| 10/6/2016 | PW-2016 CONTAMINATED SOIL | 3,895 |
| 3/2/2017 | PW-2017 CONTAMINATED SOIL | 2,017 |
| 2/1/2018 | PW-2018 CONTAMINATED SOIL | 1,081 |
| 3/7/2017 | PW-2019 CONTAMINATED SOIL | 21,478 |
| 2/4/2017 | PW-2017 BUILDING EQUIPMENT | 12,374 |
| 2/1/2018 | PW-2018 BUILDING EQUIP | 7,006 |
| 2/7/2019 | PW-2019 BLDG EQUIP | 95,361 |
| 3/5/2020 | PW-20 BUILDING EQUIPMENT | 27,372 |
| 7/1/2015 | PW-2014 RECON GARAGE FLOOR | 298,822 |
| 12/22/2016 | PW-2014 RECON GARAGE FLOOR | 300,000 |
| 6/4/2020 | PW-2014 RECON GARAGE FLOOR | 76,511 |
| 3/5/2020 | PW-20 BUILDING IMPROVEMENTS | 116,993 |
| 2/2/2017 | PW-2017 BUILDING IMPROV | 8,980 |
| 2/1/2018 | PW-2018 BUILDING IMPORVS | 61,820 |
| 2/7/2019 | PW-2019 BLDG IMPROVEMENTS | 277,015 |
| 3/5/2020 | PW-20 ASBESTOS AND LEAD REMOVAL | 19,962 |
| 2/7/2019 | PW-2019 COMPUTER TECH | 1,199 |
| 9/5/2019 | BE-2019 HARDWARE/SOFTWARE | 286,381 |
| 3/4/2019 | PW-2019 GROUNDS EQUIP | 145,037 |
| 11/7/2019 | MH-2019 BOILER REPLACEMENT | 22,380 |
| 7/1/2015 | PW-2015 RPL CCN AT COURTS | 135,377 |
| 12/20/2018 | PW-2018 FUEL SYS UPGRADE | 6,346 |
| 4/8/2016 | IT-2016 TECH UPGRADES | 2,014 |

| | | |
|---|---|---|
| 2/1/2018 | IT-2018 TECH UPGRADES | 334,740 |
| 2/7/2019 | IT-2019 TECH UPGRADES | 439,253 |
| 2/6/2020 | IT-2020 TECH UPDATES | 1,656,107 |
| 2/7/2019 | IT-2019 NEXT GEN SVCS | 237,775 |
| 2/6/2020 | IT-20 RECORDS CENTER EQUIP | 1,083 |
| 6/2/2016 | VE-2011 CEMETERY IMPROV | 118,819 |
| 7/6/2017 | VE-2011 CEMETERY IMPROV | 140,109 |
| 7/7/2011 | OC-MIDDLETOWN CAMPUS | 37,376 |
| 4/1/2011 | OC-2011 POWER PLANT | 17,950 |
| 4/5/2013 | OC-2013 CAMPUS PAVING | 2,250 |
| 5/7/2015 | OC-2015 PE RECONSTRUCTION | 1,000 |
| 5/5/2016 | OC-2016 DATA CENTER | 7,223 |
| 7/7/2016 | OC-2016 BIOTECH UNIVENT | 12,205 |
| 7/7/2016 | OC-2016 CAMPUS WIDE BLCKTOP | 52,689 |
| 7/7/2016 | OC-2016 MORRISON COOL TOWER | 11,728 |
| 7/6/2017 | OC-2017 BIOTECH WINDOWS | 6,073 |
| 7/6/2019 | OC-2017 HORTON HAL SITE RPR | 84,630 |
| 7/6/2017 | OC-2017 PUMPS & MOTORS | 38,313 |
| 7/6/2017 | OC-2017 WAYFINDNG & SIGNAGE | 6,876 |
| 7/6/2017 | OC-2017 KAPLAN FACADE RPRS | 30,000 |
| 10/4/2018 | OC-2018 PE CRITICAL MAINT | 179,281 |
| 10/4/2018 | OC-2018 ROOF MAINTENANCE | 32,136 |
| 11/7/2019 | OC-2019 BIO-TECH RENOVATION | 16,898 |
| 11/7/2019 | OC-2019 BIO-TECH COOL TOWER | 137,572 |
| 4/7/2017 | CF-2017 BLDG IMPROVS | 460 |
| 5/3/2018 | CF-2018 BUILDING IMPROV | 71,972 |
| 4/7/2017 | CF-2017 BLDG EQUIP | 2,322 |
| 5/3/2018 | CF-2018 BUILDING EQUIP | 19,304 |
| 5/4/2017 | SH-2014 EMERG POWER EQUIP | 232,497 |
| 6/6/2019 | ES-2019 GPS DISPATCH | 71,840 |
| 12/3/2015 | ES-2013 PULBIC SAFETY COMM | 1,305,893 |
| 3/2/2017 | ES-2013 PULBIC SAFETY COMM | 3,406,315 |
| 5/3/2018 | ES-2013 PULBIC SAFETY COMM | 875,160 |
| 2/1/2018 | ES-2018 BUILDING IMPROV | 7,500 |
| 2/1/2018 | ES-2018 HAZMAT TRUCK | 480,438 |
| 3/2/2017 | PW-2017 INTERSECITON IMPR | 23,595 |
| 2/6/2019 | PW-2012 SITE DISTANCE | 6,348 |
| 5/3/2012 | PW-2012 CONSTR HOWE ST BR | 27,079 |
| 8/6/2015 | PW-2013 RHB GLNMRE LAKE DAM | 21,879 |
| 2/7/2019 | PW-2019 STRENGTH PAVING | 42,382 |
| 2/6/2020 | PW-2020 STRENGTH PAVING | 136,246 |
| 12/3/2015 | PW-2015 BRIDGE PAINTING | 21,392 |
| 12/7/2017 | PW-2017 BRIDGE IMPROV | 25,030 |
| 12/18/2020 | PW-2020 BRIDGE IMPROVS | 2,181 |
| 4/8/2016 | PW-2016 MAPLE GLEN BRIDGE#1 | 243,641 |
| 4/8/2016 | PW-2016 GARDNERVILLE BRIDGE | 1,231 |

| | | |
|---|---|---|
| 12/5/2019 | PW-2018 GRAHAMLINE BRIDGE | 66,390 |
| 12/6/2018 | PW-2018 MAIN ST BRIDGE#2 | 430 |
| 10/3/2019 | PW-2018 BOARD BRIDGE | 5,297 |
| 6/6/2019 | CP-2019 LAKE HORTON BRIDGE | 7,603 |
| 8/6/2020 | PW-2020 FLEET REPLACEMENT | 36,348 |
| 6/6/2019 | PW-2019 BOWMAN BRIDGE | 2,722 |
| 10/3/2019 | PW-2019 BANK STREET BRIDGE | 32,714 |
| 10/1/2020 | PW-2020 MAIN STREET BRIDGE | 5,485 |
| 12/5/2019 | PW-2017 ORANGE SPRING BRIDG | 643,287 |
| 2/7/2019 | PW-2005 GROVE DR BRDG | 117,083 |
| 9/6/2018 | PW-2016 OTISVILLE VIADUCT | 13,261 |
| 12/20/2018 | PW-2018 ROADSIDE SAFETY | 1,168 |
| 12/20/2012 | AT-2012 AIRPORT REPAIRS | 11,398 |
| 12/1/2016 | AT-2016 AIRPORT BLDG IMPROV | 18,732 |
| 8/1/2019 | AT-2019 APRON A | 4,528 |
| 8/1/2019 | AT-2019 TRANSIENT APRON | 4,779 |
| 8/1/2019 | AT-2019 MASTER PLAN UPDATE | 13,977 |
| 8/1/2019 | AT-2019 SNOW REMOVAL EQUIP | 1,354 |
| 10/25/2017 | AT-2009 RUNWAY 3 | 22,337 |
| 2/4/2016 | PR-2012 HERITAGE TRAIL | 60,296 |
| 5/3/2018 | PR-2012 HERITAGE TRAIL | 43,000 |
| 2/7/2019 | PR-2012 HERITAGE TRAIL | 17,998 |
| 4/5/2019 | PR-2012 HERITAGE TRAIL | 59,800 |
| 7/2/2019 | PR-2012 HERITAGE TRAIL | 580,223 |
| 2/2/2017 | PR-2017 HERITAGE MNR-HARR | 93,640 |
| 2/7/2019 | PR-2019 HERT TRL PAVING | 6,098 |
| 4/8/2016 | PR-2015 PARKS PAVING | 13,079 |
| 10/3/2019 | PR-2015 TBMP WATER SYSTEM | 42,473 |
| 3/5/2020 | PR-20 PARK IMPROVEMENTS | 58,999 |
| 10/3/2019 | PR-2018 HISTORIC STRUCTURES | 123,006 |
| 2/6/2020 | PR-2020 HICKORY HILL EQUIP | 10,070 |
| 2/7/2020 | PR-2020 STONY FORD EQUIP | 10,070 |
| 2/7/2019 | PR-2019 HICK HILL IRRIG | 12,103 |
| 2/7/2019 | PR-2019 STONY FORD IRRIG | 13,671 |
| 2/7/2019 | PR-2019 HVAC | 2,250 |
| 11/3/2016 | PW-2016 BEAVER DAM IMPROV | 846,887 |
| 6/6/2019 | PW-2016 BEAVER DAM IMPROV | 172,049 |
| 4/5/2013 | LF-2013 EXPND NEWB TRAN | 26,751 |
| 7/1/2002 | LF-2004 GAS COLLECT SYS | 6,119 |
| 6/4/2015 | LF-2015 CHEECHUNCK CANAL | 37,361 |
| 8/4/2016 | LF-2015 CHEECHUNCK CANAL | 131,302 |
| 4/8/2016 | LDF-2016 FLEET & EQUIP REPLACEMENT | 45,034 |
| 4/7/2017 | LDF-2017 FLEET-EQUIP | 7,052 |
| 7/6/2017 | LF-2017 COMPOSTING FACILITY | 22,025 |
| 8/2/2018 | LF-2018 NEW HAMPTON PAVING | 556 |
| 8/2/2018 | LF-2018 LANDFILL EQUIPMENT | 33,689 |

| | | |
|---|---|---|
| 6/6/2019 | LDF-2019 LEACHATE MANAGEMNT | 94,638 |
| 12/5/2019 | LF-2019 STATION #3 RENO | 29,888 |
| 2/6/2019 | VV-2016 RESIDENT UNIT IMPRV | 2,623 |
| 4/7/2017 | VV-2017 RES UNIT REFURB | 598 |
| 6/1/2017 | VV-2017 TRAY ASSEMBLY LINE | 90,997 |
| 6/1/2017 | VV-2017 HLTH INFO TECHNOLGY | 6,218 |
| | | $16,328,444 |

## THE SERIES B BONDS

### Description of the Series B Bonds

The Series B Bonds will be dated July 29, 2021 and will mature on July 1, in each of the years 2022 to 2026, inclusive, in the principal amounts as set forth on the inside cover page hereof.

The Series B Bonds will be issued in fully registered form and when issued will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series B Bonds. Individual purchases of the Series B Bonds may be made in book-entry form only, in denominations of $5,000 or integral multiples thereof. Purchasers will not receive certificates representing their respective interests in the Series B Bonds. (See "*Description of Book-Entry System*", herein).

Interest on the Series B Bonds will be payable semiannually on January 1 and July 1 in each year to maturity, commencing January 1, 2022. Principal and interest will be paid by the County to DTC, which will in turn remit such principal and interest to its Participants, for subsequent distribution to the Beneficial Owners of the Series B Bonds, as described herein. The Series B Bonds may be transferred in the manner described on the Series B Bonds and as referenced in certain proceedings of the County referred to therein. (See "*Description of Book-Entry System*", herein).

The Record Date of the Series B Bonds will be the fifteenth day of the month preceding each interest payment date.

The Commissioner of Finance will act as Fiscal Agent for the Series B Bonds. Paying agent fees, if any, will be paid by the purchaser. The County's contact information is as follows: Karin Hablow, Commissioner of Finance, County of Orange, 255 Main Street, Goshen, NY 10924, Phone (845) 291-2488 and email: khablow@orangecountygov.com.

### Optional Redemption of the Series B Bonds

The Series B Bonds will not be subject to redemption prior to maturity.

## Authorization and Purpose for the Series B Bonds

The Series B Bonds are being issued pursuant to the Constitution and statutes of the State of New York, including among others, the Local Finance Law and a refunding bond resolution duly adopted by the County Legislature on June 3, 2021, (the "Refunding Bond Resolution"), authorizing the refunding of all or a part of the County's Various Purpose Serial Bonds – 2012 Series A. The amounts expected to be refunded are set forth below:

**Summary of Refunded Bonds**
(the "Refunded Bonds")

| Various Purpose Serial Bonds-2012A Maturity Date | Amount to Be Refunded | Interest Rate | Date of Redemption | Call Price | CUSIP Numbers |
|---|---|---|---|---|---|
| 07/1/2022 | $ 2,870,000 | 3.000% | 08/31/2021 | 100.00% | 684575Y31 |
| 07/1/2023 | 2,935,000 | 3.000 | 08/31/2021 | 100.00 | 684575Y49 |
| 07/1/2024 | 3,000,000 | 3.000 | 08/31/2021 | 100.00 | 684575Y56 |
| 07/1/2025 | 3,085,000 | 3.000 | 08/31/2021 | 100.00 | 684575Y64 |
| 07/1/2027 | 3,180,000 | 3.000 | 08/31/2021 | 100.00 | 684575Y72 |
| Subtotal: | $15,070,000 | | | | |

## Refunding Financial Plan

Pursuant to the County's Refunding Financial Plan, as referred to in the Refunding Bond Resolution, the Series B Bonds are being issued to effect the refunding of the Refunded Bonds maturing on their respective principal payment dates as set forth herein. The Refunding Financial Plan will permit the County to realize, as a result of the issuance of the Series B Bonds, cumulative dollar and present-value debt service savings.

The net proceeds of the Series B Bonds (after payment of the underwriting fee and other costs of issuance relating to the Series B Bonds), will be used to purchase non–callable, direct obligations of or obligations guaranteed by the United States of America (the "Government Obligations") which, together with remaining cash proceeds from the sale of the Series B Bonds, will be placed in an irrevocable trust fund (the "Escrow Fund") to be held by Manufactors and Traders Trust Company (the "Escrow Holder"), a bank located and authorized to do business in the State, pursuant to the terms of an escrow contract by and between the County and the Escrow Holder, dated as of the delivery date of the Series B Bonds (the "Escrow Contract"). The Government Obligations so deposited will mature in amounts which, together with the cash so deposited, will be sufficient to pay the principal of, interest on and applicable redemption premiums, if any, of the Refunded Bonds on the dates of their redemption. The Refunding Plan requires the Escrow Holder, pursuant to the Refunding Bond Resolution of the County and Escrow Contract, to pay the Refunded Bonds at maturity or at the earliest date on which the Refunded Bonds may be called for redemption prior to maturity.

The holders of the Refunded Bonds will have a first lien on all cash on deposit in the Escrow Fund. Upon payment by the Escrow Holder to the fiscal agent for the Refunded Bonds of amounts from the Escrow Fund adequate for the payment, in full, of the Refunded Bonds to be paid from the Escrow Fund, including interest and redemption premium, if any, payable with respect thereto, and payment of all expenses incidental to the issuance of the Series B Bonds, such Escrow Contract shall terminate.

Under the Refunding Financial Plan, the Refunded Bonds will continue to be general obligations of the County and will continue to be payable from *ad valorem* taxes on all taxable real property in the County. However, inasmuch as the funds held in the Escrow Fund together with interest earnings thereon and cash held in the Escrow Fund shall be sufficient to meet all required payments of principal of, interest on the premium payable with respect to the Refunded Bonds, it is not anticipated that other sources of payment will be utilized.

**Sources and Uses of Bond Proceeds**

| | |
|---|---|
| Sources: | |
| Par Amount of Bonds | |
| Original Issue Premium | |
| Total | |
| Uses: | |
| Escrow Deposit | |
| Underwriter's Discount | |
| Allowance for Costs of Issuance and Contingency | |
| Total | |

## DESCRIPTION OF BOOK-ENTRY SYSTEM

DTC will act as Securities Depository for any Bonds issued as book-entry bonds. Such Bonds will be issued as fully registered securities, in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Bonds and deposited with DTC.

DTC is limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilities the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of certificates.

Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants") and together with Direct Participant, the ("Participants"). The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

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

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

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

Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

Principal and interest payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County on the payable date, in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC (nor its nominee) or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County, disbursement of such payments to Direct Participants will be the responsibility of DTC), and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Source: The Depository Trust Company, New York, New York.

The information contained in the above section concerning DTC and DTC's book-entry system has been obtained from sample offering document language supplied by DTC, but the County takes no responsibility for the accuracy thereof.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS, TO INDIRECT PARTICIPANTS OR ANY BENEFICIAL OWNER WITH RESPECT TO (I) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY PARTICIPANTS, OR ANY INDIRECT PARTICIPANT; (II) THE PAYMENT BY DTC OR ANY PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OF OR INTEREST ON THE BONDS; (III) ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO HOLDERS; (IV) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (V) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER.

THE COUNTY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC WILL DISTRIBUTE TO DIRECT PARTICIPANTS OR THAT DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS (I) PAYMENTS OF THE PRINCIPAL OF OR INTEREST ON THE BONDS; (II) CONFIRMATION OF THEIR OWNERSHIP INTEREST IN THE BONDS; OR (III) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO. AS NOMINEE, AS REGISTERED OWNER OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SO SERVE AND ACT IN THE MANNER DESCRIBED IN THE OFFICIAL STATEMENT.

## CERTIFICATED BONDS

If the Bonds are issued as book-entry bonds registered in the name of Cede & Co., DTC may discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law, or the County may terminate its participation in the system of book-entry transfers through DTC at any time. In the event that such book-entry system is discontinued, the following provisions will apply: The Bonds will be issued in registered form in denominations of $5,000, or integral multiples thereof. Principal of and interest on the Bonds when due will be payable at the principal corporate trust office of a bank or trust company to be named by the County as the fiscal agent. Certificated Bonds may be transferred or exchanged at no cost to the owner of such Bonds at any time prior to maturity at the corporate trust office of the fiscal agent for Bonds of the same or any other authorized denomination or denominations in the same aggregate principal amount upon the terms set forth in the certificate of the Supervisor authorizing the sale of the Bonds and fixing the details thereof and in accordance with the Local Finance Law.

## NATURE OF OBLIGATION

Each Bond when duly issued and paid for will constitute a contract between the County and the holder thereof.

The Bonds will be general obligations of the County and will contain a pledge of the faith and credit of the County for the payment of the principal thereof and the interest thereon. For the payment of such principal and interest, the County has the power and statutory authorization to levy ad valorem taxes on all taxable real property in the County, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. (See "*Tax Levy Limit Law*", herein).

Under the Constitution of the State, the County is required to pledge its faith and credit for the payment of the principal of and interest on the Bonds, and the State is specifically precluded from restricting the power of the County to levy taxes on real estate therefor. However, Chapter 97 of the New York Laws of 2011, as amended (the "Tax Levy Limit Law"), imposes a statutory limitation upon the County's power to increase its annual tax levy. As a result, the power of the County to levy real estate taxes on all the taxable real property within the County is subject to statutory limitations set forth in Tax Levy Limit Law, unless the County complies with certain procedural requirements to permit the County to levy certain year-to-year increases in real property taxes. (See *"Tax Levy Limit Law,"* herein).

## MARKET MATTERS AFFECTING FINANCINGS OF THE MUNICIPALITIES OF THE STATE

The County's credit rating could be affected by circumstances beyond the County's control. Economic conditions such as the rate of unemployment and inflation, termination of commercial operations by corporate taxpayers and employers, as well as natural catastrophes, could adversely affect the assessed valuation of County property and its ability to maintain fund balances and other statistical indices commensurate with its current credit rating. As a consequence, a decline in the County's credit rating could adversely affect the market value of the Bonds.

If and when an owner of any of the Bonds should elect to sell a Bond prior to its maturity, there can be no assurance that a market will have been established, maintained and continue in existence for the purchase and sale of any of those Bonds. The market value of the Bonds is dependent upon the ability of the holder to potentially incur a capital loss if such Bond is sold prior to its maturity.

There can be no assurance that adverse events including, for example, the seeking by another municipality in the State or elsewhere of remedies pursuant to the Federal Bankruptcy Act or otherwise, will not occur which might affect the market price of and the market for the Bonds. In particular, if a significant default or other financial crisis should occur in the affairs of the State or any of its municipalities, public authorities or other political subdivisions thereby possibly further impairing the acceptability of obligations issued by those entities, both the ability of the County to arrange for additional borrowing(s) as well as the market for and market value of outstanding debt obligations, including the Bonds, could be adversely affected.

The County is dependent in part upon financial assistance from the State in the form of State aid as well as grants and loans to be received ("State Aid"). The availability of such monies and the timeliness of such payment may be affected by a delay in the adoption of the State budget, the impact to the State's economy and financial condition due to the COVID-19 outbreak and other circumstances, including State fiscal stress. State aid appropriated and apportioned to the County can be paid only if the State has such monies available therefor. Should the County fail to receive all or a portion of the amounts of State Aid expected to be received from the State in the amounts and at the times anticipated, occasioned by a delay in the payment of such moneys, the County is authorized pursuant to the Local Finance Law ("LFL") to provide operating funds by borrowing in anticipation of the receipt of such uncollected State Aid, however, there can be no assurance that, in such event, the County will have market access for any such borrowing on a cost effective basis. (See also "*State Aid*" herein.)

Future amendments to applicable statutes whether enacted by the State or the United States of America affecting the treatment of interest paid on municipal obligations, including the Bonds, for income taxation purposes could have an adverse effect on the market value of the Bonds (see "*Tax Matters*" herein).

The enactment of the Tax Levy Limit Law, which imposes a tax levy limitation upon municipalities, school districts and fire districts in the State, including the County, without providing an exclusion for debt service on obligations issued by municipalities and fire districts, including the County, may affect the market price and/or marketability for the Bonds. (See "*Tax Levy Limit Law*" herein.)

Federal or State legislation imposing new or increased mandatory expenditures by municipalities, school districts and fire districts in the State, including the County could impair the financial condition of such entities, including the County and the ability of such entities, including the County, to pay debt service on the Bonds.

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the County's financial condition and operating results by potentially delaying the receipt of real property taxes or resulting in a delay or reduction by the State in the payment of Federal or State aid. Currently, the COVID-19 outbreak has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to continue to affect economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency, which was followed by the enactment of a variety of stimulus measures designed to address financial stability and liquidity issues caused by the outbreak. The State also declared a state of emergency and the Governor has taken steps designed to mitigate the spread and impacts of COVID-19, including closing schools and non-essential businesses for extended periods. Efforts to contain the spread of COVID-19 has reduced the spread of the virus in some areas and there have been recent efforts to relax some of the restrictions put in place following the initial outbreak. Nevertheless, the outbreak of COVID-19 and the dramatic steps taken by the Federal government and State to address it are expected to negatively impact federal and local economies, including the economy of the State. The full impact of COVID-19 on the State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact to the County's operations and finances as a result of COVID-19 is extremely difficult to predict due to the uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions have been or may continue to be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The spread of the outbreak or resurgence later in the year could have a material adverse effect on the State and municipalities and school districts located in the State, including the County. The County is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

## REMEDIES UPON DEFAULT

Neither the Bonds, nor the proceedings with respect thereto, specifically provide any remedies which would be available to owners of the Bonds should the County default in the payment of principal of or interest on the Bonds, nor do they contain any provisions for the appointment of a trustee to enforce the interests of the owners of the Bonds upon the occurrence of any such default. Each Bond is a general obligation contract between the County and the owners for which the faith and credit of the County are pledged and while remedies for enforcement of payment are not expressly included in the County's contract with such owners, any permanent repeal by statute or constitutional amendment of a bond or note holder's remedial right to judicial enforcement of the contract should, in the opinion of Bond Counsel, be held unconstitutional.

Upon default in the payment of principal of or interest on the Bonds, at the suit of the owner, a Court has the power, in proper and appropriate proceedings, to render judgment against the County. The present statute limits interest on the amount adjudged due to contract creditors to nine per centum per annum from the date due to the date of payment. As a general rule, property and funds of a municipal corporation serving the public welfare and interest have not been judicially subjected to execution or attachment to satisfy a judgment. A Court also has the power, in proper and appropriate proceedings, to order payment of a judgment on such Bonds from funds lawfully available therefor or, in the absence thereof, to order the County to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising its discretion as to whether to issue such an order, the Court may take into account all relevant factors, including the current operating needs of the County and the availability and adequacy of other remedies. Upon any default in the payment of the principal of or interest on a Bond, the owner of such Bond could, among other remedies, seek to obtain a writ of mandamus from a Court ordering the governing body of the County to assess, levy and collect an *ad valorem* tax, upon all taxable property of the County subject to taxation by the County, sufficient to pay the principal of and interest on the Bonds as the same shall come due and payable (and interest from the due date to date of payment) and otherwise to observe the covenants contained in the Bonds and the proceedings with respect thereto all of which are included in the contract with the owners of the Bonds. The mandamus remedy, however, may be impracticable and difficult to enforce. Further, the right to enforce payment of the principal of or interest on the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws and equitable principles, which may limit the specific enforcement of certain remedies.

In 1976, the New York Court of Appeals, the State's highest court, held in *Flushing National Bank* v. *Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), that the New York State legislation purporting to postpone the payment of debt service on New York City obligations was an unconstitutional moratorium in violation of the New York State constitutional faith and credit mandate included in all municipal debt obligations. While that case can be viewed as a precedent for protecting the remedies of holders of bonds or notes of the County, there can be no assurance as to what a Court may determine with respect to future events, including financial crises as they may occur in the State and in municipalities of the State, that require the exercise by the State of its emergency and police powers to assure the continuation of essential public services. (See also, *Flushing National Bank* v. *Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 1088 (1977), where the Court of Appeals described the pledge as a direct Constitutional mandate.)

As a result of the Court of Appeals decision, the constitutionality of that portion of Title 6-A of Article 2 of the Local Finance Law enacted at the 1975 Extraordinary Session of the State legislature authorizing any county, city, town or village with respect to which the State has declared a financial emergency to petition the State Supreme Court to stay the enforcement against such municipality of any claim for payment relating to any contract, debt or obligation of the municipality during the emergency period, is subject to doubt. In any event, no such emergency has been declared with respect to the County.

Pursuant to Article VIII, Section 2 of the State Constitution, the County is required to provide an annual appropriation of monies for the payment of due and payable principal of and interest on indebtedness. Specifically, this constitutional provision states: "If at any time the respective appropriating authorities shall fail to make such appropriations, a sufficient sum shall be set apart from the first revenues thereafter received and shall be applied to such purposes. The fiscal officer of any county, city, town, village or school district may be required to set aside and apply such revenues as aforesaid at the suit of any holder of obligations issued for any such indebtedness." This constitutes a specific non-exclusive constitutional remedy against a defaulting municipality or school district; however, it does not apply in a context in which monies have been appropriated for debt service but the appropriating authorities decline to use such monies to pay debt service. However, Article VIII, Section 2 of the Constitution of the State also provides that the fiscal officer of any county, city, town, village or school district may be required to set apart and apply such revenues at the suit of any holder of any obligations of indebtedness issued with the pledge of the faith of the credit of such political subdivision. In *Quirk* v. *Municipal Assistance Corp*., 41 N.Y.2d 644 (1977), the Court of Appeals described this as a "first lien" on revenues, but one that does not give holders a right to any particular revenues. It should thus be noted that the pledge of the faith and credit of a political subdivision in the State is a pledge of an issuer of a general obligation bond or note to use its general revenue powers, including, but not limited to, its property tax levy, to pay debt service on such obligations, but that such pledge may or may not be interpreted by a court of competent jurisdiction to include a constitutional or statutory lien upon any particular revenues. The Constitutional provision providing for first revenue set asides does not apply to tax anticipation notes, revenue anticipation notes or bond anticipation notes.

While the courts in the State have historically been protective of the rights of holders of general obligation debt of political subdivisions, it is not possible to predict what a future court might hold.

In prior years, certain events and legislation affecting a holder's remedies upon default have resulted in litigation. While courts of final jurisdiction have generally upheld and sustained the rights of holders of bonds or notes, such courts might hold that future events, including a financial crisis as such may occur in the State or in political subdivisions of the State, may require the exercise by the State or its political subdivisions of emergency and police powers to assure the continuation of essential public services prior to the payment of debt service.

## MUNICIPAL BANKRUPTCY

The undertakings of the County should be considered with reference, specifically, to Chapter IX of the Bankruptcy Act, 11 U.S.C. §401, et seq., as amended ("Chapter IX") and, in general, to other bankruptcy laws affecting creditors' rights and municipalities. Chapter IX permits any political subdivision, public agency or instrumentality that is insolvent or unable to meet its debts (i) to file a petition in a Court of Bankruptcy for the purpose of effecting a plan to adjust its debts provided such entity is authorized to do so by applicable state law; (ii) directs such a petitioner to file with the court a list of a petitioner's creditors; (iii) provides that a petition filed under such chapter shall operate as a stay of the commencement or continuation of any judicial or other proceeding against the petitioner; (iv) grants priority to debt owed for services or material actually provided within three (3) months of the filing of the petition; (v) directs a petitioner to file a plan for the adjustment of its debts; and (vi) provides that the plan must be accepted in writing by or on behalf of creditors holding at least two-thirds (2/3) in amount or more than one-half (1/2) in number of the listed creditors.

Bankruptcy proceedings by the County could have adverse effects on holders of bonds or notes including (a) delay in the enforcement of their remedies, (b) subordination of their claims to those supplying goods and services to the County after the initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings and (c) imposition without their consent of a reorganization plan reducing or delaying payment of the Bonds. The Bankruptcy Code contains provisions intended to ensure that, in any reorganization plan not accepted by at least a majority of a class of creditors such as the holders of general obligation bonds, such creditors will have the benefit of their original claim or the "indubitable equivalent". The effect of these and other provisions of the Bankruptcy Code cannot be predicted and may be significantly affected by judicial interpretation.

Accordingly, enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the County, may become subject to Chapter IX and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against public agencies in the State. Bankruptcy proceedings, or the

exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion, interpretation and of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights.

The State has consented (see Title 6-A of the Local Finance Law) that any municipality in the State may file a petition with any United States district court or court of bankruptcy under any provision of the laws of the United States, now or hereafter in effect for the composition or adjustment of municipal indebtedness. However, it is noted that there is no record of any recent filings by a New York municipality. Since the New York City fiscal crisis in 1975, the State has legislated a financial control or review board and assistance corporations to monitor and restructure finance matters in addition to New York City, for the Cities of Yonkers, Troy and Buffalo and for the Counties of Nassau and Erie. Similar active intervention pursuant to State legislation to relieve fiscal stress for the County in the future cannot be assured.

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

The above references to the Bankruptcy Act are not to be construed as an indication that the County is currently considering or expects to resort to the provisions of the Bankruptcy Act.

**Financial Control Boards**

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

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

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

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

Several municipalities in the State are presently working with the FRB. The County has not applied to the FRB and does not reasonably anticipate submission of a request to the FRB for a comprehensive review of its finances and operations. School districts and fire districts are not eligible for FRB assistance.

**No Past Due Debt**

No principal or interest payment on County indebtedness is past due. The County has never defaulted in the payment of the principal of and/or interest on any indebtedness.

## THE COUNTY

### General Overview

The County was established by an act of the Colonial Assembly of New York on November 1, 1683, as one of the ten original counties of New York. The County encompasses approximately 811 square miles and, according to the 2019 estimate US Census Bureau, had a population of 384,940. The County is located sixty miles northwest of the City of New York. The County is bordered by the Hudson River to the east, the states of Pennsylvania to the west and New Jersey to the southwest, and the counties of Sullivan and Ulster to the north and Rockland to the south.

Demographically, the County is suburban residential in nature; however, the County has large tracts of land devoted to farming, as well as three small cities which accounted for approximately 17% of the total population in 2019. The commercial and industrial base of the County has been centered primarily in the Newburgh and Middletown areas, both of which are located at the intersection of major highway systems. However, recent commercial and industrial development has been through a network of business parks located throughout the County. See *"Economic Development"* herein.

The County's employment base is quite diverse. A majority of the area workforce is employed in service and trade related jobs. Data compiled by the US Census Bureau indicated that wholesale and retail trade accounted for 16.3% of employment in the area, while service employment accounted for an additional 21.4%. Government employment was 20% of the workforce, reflecting the presence of the United States Military at West Point in the County. There are 40 nongovernmental employers which employ 300 or more persons within the County. Orange Regional Medical Center is the largest employer with over 2,500 employees. The County's annual unemployment rates have consistently been below the State and national levels. See *"Economic and Demographic Factors - Employment"* herein.

Agriculture continues to play an important role in the economy of the County. Based on data from the USDA's National Agricultural Statistics Service, New York Field Office for 2017, the most recent year available, there were approximately 600 farms in Orange County that covered approximately 81,192 acres which represents over 10% of the total area of the County. Various parts of the County have rich deposits of "black dirt" soil which is conducive to certain crops, including onions, lettuce and celery. Fruit orchards are found throughout the County, especially in eastern areas. Vineyards and wineries are also found, including the Brotherhood Winery in Washingtonville, Warwick Valley Winery and Applewood Winery in Warwick. Dairy farming and horse breeding also represent important agricultural activities in the County.

### Form of Government

The County operates under a charter form of government which provides for separate and independent executive and legislative functions with an elected County Executive and a 21-person County Legislature. This current form of government was adopted pursuant to the provisions of Local Law No. 8 of 1968 and became effective on January 1, 1970.

The County Executive is elected from the County at large for a term of four years with the right of unlimited self-succession. Such executive must be a qualified elector of the County and may not concurrently hold another public office. The County Executive is the chief executive officer responsible for the administration of all County affairs. The County Executive is required to approve all local laws of the County Legislature. Any local law which is not approved must be returned to the Legislature within 30 days, together with a written explanation for the disapproval or is otherwise deemed to have been approved by such Executive. The County Legislature may override a veto of the County Executive with a two-thirds vote of its membership.

The current County Executive, Steven M. Neuhaus, began his second term of office on January 1, 2018.

The County Legislature is the legislative, appropriating and policy making body of the County. The 21 members represent legislative districts of approximately equal population. Members are elected to serve four-year terms and may serve an unlimited number of terms. Duties of the Legislature include, among others: review and adoption of the County's annual budget; approval of budgetary modifications during the year; and authorization by resolution for the issuance of debt by the County. Legislative committees have been organized to oversee various aspects of County government. These committees are advisory in nature and formal actions must be approved by a vote of the Legislature as a whole. The County Legislature retains the services of an independent public accounting firm to audit the financial records of the County and issue their report thereon.

Other elected officials include the County Clerk, District Attorney and Sheriff who are elected from the County at large for terms of four years. The County Legislature adopted Local Law No. 11 of 2007 creating an Office of Medical Examiner in the County Health Department as of December 31, 2007 and eliminating the elected coroners.

The chief fiscal officer of the County is the Commissioner of Finance who is appointed by the County Executive and confirmed by the County Legislature. The Commissioner of Finance is responsible for the administration of the financial affairs of the County. Duties of this position include collecting and disbursing County funds, investing such funds for temporary periods, issuing debt approved by the County Legislature, maintaining accounting records and preparing financial statements therefrom. The current Commissioner of Finance, Karin E. Hablow, took office in May 2016.

The following County departments, divisions, offices or boards report to the Executive Department: Office for the Aging, Airport, Board of Elections, Budget, Community Development, Consumer Affairs, Economic Development, Emergency Communications, Employment and Training Administration, Environmental Facilities and Services, Finance, General Services, Health, Historian, Human Resources, Human Rights Commission, Information Technologies, Law, Mental Health, Parks, Recreation & Conservation, Planning, Probation, Public Works, Real Property Agency, Risk Management, Social Services, Tourism, Valley View Center for Nursing Care and Rehabilitation, Veterans Services and Youth Bureau.

## Employees

The County employs over 2,000 full-time employees (not including Orange County Community College) to provide services to its citizens. Employees, other than management and certain professional positions, are represented by eight labor organizations recognized by the County and certified by the State Public Employees Relations Board under the provisions of the State's Taylor Law.

The following chart provides information on recent union membership and contract expiration dates:

| Union | Number of Employees Represented | Current Contract Expiration Date |
|---|---|---|
| Orange County Local #836, CSEA, Inc., Local #1000 (A.F.S.C.M.E.), The County Employees' Unit | 1,693 | 12/31/23 |
| Corrections Officers Benevolent Association (C.O.B.A.) | 279 | 12/31/22 |
| Orange County Deputy Sheriffs Police Benevolent Association | 87 | 12/31/22 |
| Orange County Community College Faculty Association | 119 | 08/31/17[a] |
| Orange County District Attorney's Officers Criminal Investigators' Association | 12 | 12/31/22 |
| Orange County Community College Staff and Chairman | 104 | 08/31/17[a] |
| Orange County Local #836, CSEA, Inc., Local #1000 (A.F.S.C.M.E.), College Employees' Unit | 163 | 12/31/23 |
| Orange County Local #836, CSEA, Inc., Local #1000 (A.F.S.C.M.E.), The Superior Officers' Unit | 16 | 12/31/22 |
| Total | 2,473 | |

a. Expired, currently in negotiations.

## Municipal Services

Residents of the County receive a full range of services from the County government including: higher education (Orange County Community College); health services (Valley View Center for Nursing Care and Rehabilitation); highway maintenance and improvement; social services; mental health services; sewage treatment (Orange County Sewer District No. 1); enhanced 911 emergency response system; tax collections and enforcement (the County guarantees 100% of the taxes levied by the towns, villages and certain school districts within the County); parks, recreation, and culture; airport facilities; planning and development; emergency preparedness; consumer protection, employment training services, youth services, and veterans services.

## Community College

The Orange County Community College (the "College") was established in 1950 with the County as the local sponsor under the provisions of Article 126 of the Education Law. The College is administered by a board of trustees consisting of nine voting members: five members are appointed by the County Legislature and four members by the Governor of the State. The College budget is subject to the approval of the County Legislature. One-half of the capital costs and approximately one-third of the operating expenses are paid for by the County. Title to real property of the College vests with the County. The County is responsible for the issuance of debt for College capital projects. Debt service on these bonds will be paid annually through County tax collections. The College reports its financial transactions on the basis of a fiscal year ending August 31. Certain financial information on the College may be found in this Official Statement and the appendices hereto.

The County's annual contribution to the operation of the College and its student enrollments on a full-time equivalent (FTE) basis for the years 2010 through 2020 are presented below:

| Fiscal Year Ending August 31 | Amount | Percent of College Budget | Student FTE Enrollments |
|---|---|---|---|
| 2010 | 16,615,670 | 31.2 | 5,020 |
| 2011 | 17,031,062 | 29.8 | 5,117 |
| 2012 | 17,368,277 | 30.5 | 5,127 |
| 2013 | 17,619,169 | 29.9 | 5,044 |
| 2014 | 17,619,169 | 29.5 | 4,924 |
| 2015 | 17,619,169 | 28.9 | 4,786 |
| 2016 | 17,959,169 | 29.8 | 4,745 |
| 2017 | 17,959,169 | 29.8 | 4,602 |
| 2018 | 17,959,169 | 30.1 | 4,531 |
| 2019 | 18,497,944 | 30.5 | 4,546 |
| 2020 | 19,052,882 | 30.7 | 4,202 |

**Sewage Treatment**

The County created a sewer district in 1977 known as the Orange County Sewer District #1 located in Harriman, New York. The current permitted capacity of the wastewater treatment plant is 6 million gallons per day and serves approximately 8,000 customers within the County. Most County residents rely on their individual municipalities and individual on-site septic systems for wastewater treatment services. The most recent upgrade to the facility was completed in 2006.

The County created and initiated an Industrial Pretreatment Program to regulate the effluent discharge from industrial users as mandated by the United States Environmental Protection Agency.

The County plans to expand the capacity of the plant beyond the current 6 million gallons per day by 3 million gallons per day to 9 million gallons per day to accommodate growth in the Southern area of the County. Environmental review for the expansion pursuant to the State Environmental Quality Review Act (SEQRA) is in process.

The County is working with the state to acquire necessary variances from certain of the requirements of the plant's State Pollutant Discharge Elimination System (SPDES) permit.

**Solid Waste**

The County is not responsible for the collection of solid waste generated by residents and businesses within the County. Solid waste is collected by certain communities either directly or through contractual agreements with private waste carters, while in other communities the homeowners or businesses must contract individually for this service with private vendors.

The County operates three transfer stations and is responsible for the operation and maintenance of the transfer stations. A private contractor is responsible for disposal of the solid waste and charges the County a fixed price per ton. Such price covers transportation and disposal of the solid waste. The County in turn, collects a tip fee from residents, municipalities and private carters who deposit solid waste at the transfer station. Solid waste services are funded by a combination of user fees and property taxes.

At Transfer Station Number 2 in Newburgh, the County is preparing plans and specifications to go out to bid to demolish the Commercial side of transfer station facility. This portion of the transfer station was closed at the end of November 2019. Bids for its replacement were not implemented due to costs over the budgeted estimate. The station's Citizen Dropoff Area (CDA) for bagged garbage, recyclables, electronics, TV's, monitors, tires, scrap metal, appliances, and paper is open to Orange County citizens.

Local haulers have implemented single stream recycling in much of the County. The single stream commodities are brought to the transfer station in Goshen, loaded onto trailers and transported to a recycling facility at the Port of Albany.

## Orange County Water Authority

The County created a Water Authority (the "Authority") in 1987 pursuant to provisions of the State's Public Authorities Law. Under the original plan, the Water Authority was to construct and operate a countywide supply and distribution system at an estimated cost of $200 million. A feasibility study released in early 1992 indicated an insufficient demand for this project and the need for substantial operating subsidies from the County. The County was unwilling to support the project at the levels indicated.

The current mission of the Authority is to address the future water supply needs of the County. Towards that end, the Authority is engaged in the following activities: study of County groundwater resources, implementation of groundwater and wellhead protection programs, implementation of a countywide water conservation program and implementation of intermunicipal water supply capital improvements.

The County established a designation of fund balance to underwrite the start-up costs associated with the Authority. A total of $25 million was contributed to this designation between 1987 and 1990. For the last several years, the advances to the Authority from the General Fund have been classified as non-spendable to indicate that the loan will not be collected in the current fiscal year. Likewise, such loan has been classified as a liability in the Statement of Net Position as a liability in the financial statements of the Authority. The classification of the liability is reflected in the Government Wide Audited Financial Statements. Although the County has initiated plans to generate revenue with smaller scale projects, there is a recognition that a large-scale project is unlikely to happen within the next three to five years.

Beginning with the audited financial statement for the fiscal year ending December 31, 2015, the County established an allowance against this receivable with an offsetting expenditure charge in the general government support section of the budget as an allowance for the uncollectible Authority receivable. The effect of the adjustment reduced the total fund balance of the County's General Fund by approximately $29 million. However, the amount previously reported in the non-spendable portion of that fund balance was also eliminated. The financial operations of the County's General Fund were not affected, as there was no impact on the General Fund's annual cash flow or unassigned fund balance.

## Valley View Center for Nursing Care and Rehabilitation

Valley View Center for Care and Rehabilitation (the "Facility") is a 360-bed skilled nursing facility established and operated under provisions of Article 6 of the General Municipal Law. Although a County Department, the operations of the Facility are accounted for as an enterprise fund within the County's General-Purpose Financial Statements. The Facility was established as an enterprise fund of the County in 1984. All assets or liabilities used for, or arising from, the operations of the Facility are owned by or are the responsibility of the County. All expenditures relating to the Facility are paid by the County.

An enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Indirect costs from other County departments attributable to shared services have been charged to the Facility based on allocations from the most recent cost allocation plan for the County.

The Facility also completes its own financial statements prepared by an independent auditor on an annual basis. The last such audit for fiscal year ending December 31, 2020 is available upon request.

Over the past year, the County has pursued operational efficiencies and has made significant financial progress through a retirement incentive, savings in employee costs, health insurance and workers compensation. Revenues have also increased for resident services. The County is committed to the long-term retention of the Facility and is exploring opportunities to increase revenues through further efficiencies. The County has also been approached by private investors looking to build on surrounding County-owned land with complementary health care services to increase the presence of the existing Facility.

## Other Entities

The County has 3 cities, 21 towns and 20 villages, as well as numerous school districts, fire districts, library districts and other special improvement districts located wholly or partially within the County's borders. The towns, villages, school districts, fire districts, library districts and other special improvement districts have independent debt and taxing powers. The County is required by law to guarantee and enforce the unpaid real property taxes of the towns and certain school and other districts. In addition, the County has, by local law, opted to guarantee and enforce the unpaid real property taxes of the villages. Cities, on the other hand, by the adoption of their local ordinances pay the County the full amount of the County levy within its boundaries and must enforce all taxes inside such cities.

Some of the services provided by the cities, towns, and villages in the County include road maintenance, parks and recreation, planning and zoning, police protection, tax assessment and local courts. The school districts are responsible for primary and secondary education.

## TRANSPORTATION

The County is served by an extensive network of transportation which has been a valuable tool in its economic development. Virtually all major forms of transportation are available in the County.

In recent years, the County has been one of the fastest growing counties in New York State, with its increasing residential development, population growth, commercial development accompanied by increasing car, truck, bus, rail and air traffic. Located at the geographic center of the Boston to Washington corridor of 40 million people and the northern fringe of the NY-NJ-CT-PA metro area, the County has both regional and metropolitan transportation connections. The County is located at the crossroads of three intersecting interstate highways: Interstate 84, Interstate 87 (the NYS Thruway) and future Interstate 86 (NYS 17). These highways give the County unparalleled highway access to New England and the greater Northeast. A byproduct of the County's interstate road access is a clustering of distribution, warehouse, and regional retail uses near the interstate highways.

### Highway System

The County is served by an excellent highway system which promotes commerce and facilitates the movement of goods. Major highways include: the New York State Thruway (Interstate 87) which runs north and south through the eastern portion of the County, Interstate 84 which runs northeast and southwest across the County, and NYS Route 17 (future Interstate 86) which runs southeast and northwest through the County. Taken together they form a triangle crossing at Newburgh, Middletown and Monroe-Woodbury-Harriman.

The NYS Thruway and Interstate 84 intersect in the Town of Newburgh near Stewart International Airport. Substantial commercial and industrial development has occurred in this area and the Port Authority of New York and New Jersey, which now operates the airport, is in the midst of a substantial airport capital improvement program. Stewart Airport benefits from a new I-84 interchange (Exit 5A) and new direct roadway access. The Thruway and I-84 were recently directly interconnected through a major capital project by the NYS Thruway Authority. These and other public and private initiatives will likely encourage further development in the area.

Interstate 84 intersects with future Interstate 86 (NYS Route 17) in the Middletown/Wallkill area, which has also seen strong development activities in recent years. Development includes several office parks, a number of medical facilities, and multiple regional retail uses including the 1.2 million square foot Galleria Mall. From this area west into the Sullivan County and the NY Southern Tier, the NYS Department of Transportation (NYSDOT) has recently completed substantial capital construction to achieve federal interstate standards. NYSDOT has recently completed another major capital construction project at I-86 (NY17) Exit 122/Crystal Run Road, which will substantially improve both the interstate and local roads in this area and provide access to the recently completed Garnet Health Medical Center (formerly Orange Regional Medical Center hospital). Another major road transportation improvement was completed in 2016 with the direct interconnection of the Galleria Mall roadway and the Orange Plaza roadway on the other side of future I-86. These major highways and capital improvements, together with a developed network of secondary routes, provide County businesses with easy access to regional and national markets.

### Highway Freight

Because of its location at the crossing of Interstates 84, 86, and 87 which are main routes to and from New York City, New England, Canada and the mid-West, Orange County is an important center and conduit for freight movements. Truck freight serves local businesses and a growing number of distribution and warehousing operations, some of which are also served by rail. A substantial number of trucks are simply passing through. NYSDOT estimates that 25% of the traffic volume on I-84 is truck traffic. Efficient movement of goods in and through Orange County is important to both the regional economy and to New York State and beyond. The major freight, distribution, and warehousing operations are clustered near I-84 Exit 5 in Montgomery, near I-84 and I-87 near Stewart International Airport in the Towns of Newburgh and New Windsor, and near NY Route 17 (future I-86) in the Towns of Chester and Wallkill.

### Rail Freight

The two major rail freight operators in the County are CSX and Norfolk Southern. CSX and Norfolk Southern are the only Class I operators within the County, operating over 100 miles of track. The largest carrier is CSX which operates approximately 52 trains per day on the west shore River Line along the Hudson River. This line passes the length of the county (22 miles) extending north and south into Ulster and Rockland Counties. Double-stack cars are currently being used by CSX on the River Line. CSX also operates a six-mile short line known as the Newburgh Industrial Track, extending from the Newburgh waterfront to Cornwall with one train per day.

Norfolk Southern (NFS) operates from Port Jervis to Tuxedo on the same track leased to MTA Metro North for the Port Jervis Line. NFS operates approximately 2 to 4 freight trains each day on that line and also operates three short lines. One of these, the Hudson Secondary, extends twenty miles from the Town of Montgomery to the Town of Warwick with approximately two trains operating per day. Two additional short lines run from Hamptonburgh to Montgomery and Walden. These lines are known as the Maybrook Industrial Track (7 miles in length) and the Walden Secondary (6 miles in length). Approximately one train operates on each of these lines per week. NFS also operates a one-mile section of track within the Town of Warwick. One train runs on this track per week, which is known as the Belvidere Industrial Track.

The County is also served by the New York Susquehanna and Western (NYS&W) and Middletown & New Jersey (M&NJ) railroads. NYS&W has trackage rights over Norfolk Southern's Southern Tier Line and also owns about 4 miles of track between Warwick and the New Jersey state line. M&NJ operates over 19 miles of track.

### Marine Freight

The Hudson River, which forms the eastern border of the County, has a deep-water channel suitable for oceangoing vessels as far north as Albany. Deep draft vessels can be berthed at the City of Newburgh. Barges can use docks at several locations along the County's Hudson River shoreline. The Hudson River also affords direct access to the Erie and Champlain Barge Canals and the Great Lakes - St. Lawrence Seaway Route. Orange County is a member of the Hudson River Valley Greenway, for which State and Federal funds are available to enhance access to and recreational use of the Hudson River. Newburgh-Beacon ferry service complements the Haverstraw-Ossining high-speed ferry service. Both ferry services can provide enhanced access to MetroNorth passenger rail services. The port of Newburgh is served by rail currently operated by CSX.

### Public Transit

The County has growing regional and local public transit services, encompassing a variety of modes: commuter rail, intercity commuter and local bus services, van pools, and demand responsive dial-a-bus services.

### Passenger Rail Services

The Metropolitan Transportation Authority (MTA) Metro North Railroad provides commuter passenger service to the New York and New Jersey metropolitan areas. Orange County is served directly by the Metro North Port Jervis Line (operated by New Jersey Transit) and the Metro North Hudson Line on the east shore of the Hudson River. The Port Jervis Line service has Orange County stations at Tuxedo, Harriman, Salisbury Mills, Campbell Hall, Middletown, Otisville and Port Jervis. Port Jervis Line service continues into New Jersey, with connecting rail services to New York City at the new Secaucus Junction station and PATH and ferry services to lower Manhattan at Hoboken Terminal. Connecting bus and ferry services to the Hudson Line station at Beacon are provided from multiple locations in Orange County, with direct highway access on the I-84 Newburgh-Beacon Bridge. Orange County residents also access the Hudson Line at the Peekskill, Garrison and Croton stations. Connections to Amtrak can be made from both the Hudson Line and the Port Jervis Line. Ferry service operates between Newburgh and Beacon Station by NY Waterway under contract to Metro-North.

MTA Metro-North continues a substantial capital investment program for the Port Jervis Line track, having completed modernizations at all its Orange County station facilities and begun work on a new bi-directional cab signal system. The railroad completed major repairs to the line following flooding from Hurricane Irene and Tropical Storm Lee in 2011. Metro-North is presently working on Phase 2 of the West of Hudson Regional Transit Access Study, which could result in the recommendation of major new capital improvements, e.g., a future rail spur between Salisbury Mills/Cornwall and Stewart Airport that would serve both commuters and airport passengers. As part of this study, Metro-North is also evaluating options for capacity improvements to the Port Jervis Line, including a new Mid-Point Yard and double-tracking between Sloatsburg and the eastern approach to Moodna Viaduct.

### Regional Bus Services

The County is served by local and commuter bus transit services provided by 18 transit operators many sponsored by the County using state and federal aid. These include substantial New York City express commuter service as well as localized fixed route and demand responsive dial-a-bus and paratransit services.

Coach USA/Shortline is the largest provider of bus service in and through Orange County. Coach USA serves over 1.6 million Orange County passengers annually. Most of the service is provided along the I-84, Route 17, and Route 32/I-87/Route 9W corridors. Coach USA provides major commuter service to New York City running 76 trips per day to and from Orange County during the morning and evening peak hours. Coach USA also provides service to the East Side of Manhattan via the George Washington Bridge and operates the Orange Westchester Link (OWL) which provides service to the White Plains area. Due to its growing commuter services and relationship with Orange County, in May 2014 Coach USA/Shortline opened its new headquarters and bus operations center in the county near the Chester interchange from Route 17 (future I-86). Coach USA commuter services are focused on the growing network of state-owned park and ride lots in Orange County, which provide free parking for transit and ridesharing. Other commuter bus services are provided by Monroe Bus, Monsey Trails, New Jersey Transit, and Adirondack Trailways.

### Local Bus Services

Local fixed route bus systems operate in and around the Cities of Newburgh and Middletown and the Village of Kiryas Joel. New fleets of hybrid diesel-electric buses purchased by Orange County with federal funding began service in all three areas in 2013. The County is also working with the Newburgh area bus operator to substantially increase the local service area and number of buses.

There are presently eight Dial-a-Bus services in Orange County, all municipally operated, which currently lease County-owned vehicles for their operations. Dial-a-Bus services provide transportation services to meet the needs of the general public as well as particular individuals such as the disabled and elderly.

Orange County is responsible for local transit coordination and the administration of Federal, State and other funding for local transit operations. These coordination and administrative functions reside principally within the Orange County Planning Department, which also provides principal staff support for the Orange County Transportation Council. Information on all transit services in and through the County is available through its web portal.

## Air Services

Commercial airline service is available at Stewart International Airport located in the northeastern portion of the County. Presently, there are three airlines including Allegiant, American Airlines and JetBlue Airways, providing non-stop and connecting service to numerous destinations in the United States and abroad. Stewart has been operated by the Port Authority of New York-New Jersey since 2007. The airport, located near the intersection of I-84 and I-87, now has two new entrances, one with immediate access to I-84. A state-of-the-art control tower was commissioned by the FAA in 2006. Open 24 hours a day, the tower is staffed by FAA-certified air-traffic controllers. The Port Authority has completed a new 400 space parking lot at the airport and is planning additional parking lot improvements. They also have in their capital plan an additional $500 million for future improvements over ten years. A planned expansion of the passenger terminal will separate domestic and international travel operations and add new space for a permanent customs inspection area. The Port Authority is also building a new $5.2 million regional crime lab for the New York State Police as part of an agreement that ensures the police force continues to guard and protect the airport.

Stewart International Airport continues to grow as a major air cargo facility. Freight services at the airport are offered by Federal Express, United Parcel Service, and the US Postal Service. The development of land in the surrounding area and the provision of air cargo storage and handling facilities at the Airport are expected to continue this growth. With its twelve-thousand-foot main runway, Stewart is also home to the 105th Airlift Wing of the New York Air National Guard and two Marine Air Squadrons.

About 2,700 people work at Stewart Airport. Airport activity supports more than $750 million in annual economic activity and more than 5,500 total jobs. More than half the capital projects initiated by the Port Authority were awarded to local firms and contractors.

The United States Department of Commerce has granted to the County a Foreign Trade Zone ("FTZ"), #37. Goods entering the FTZ are not considered to have entered the Country for customs purposes and are not subject to duties and tariffs until they enter U.S. commerce. Goods of foreign origin can be packaged, assembled, manufactured, displayed and have value added within the FTZ and pay duties on the final products rather than the imported components often at a lower rate. The FTZ offers a significant competitive advantage and savings to its business clients. It keeps local manufacturing jobs in demand and opens foreign markets to County based firms. FTZ status was recently granted by the U.S. Department of Commerce to properties located at the City of Newburgh waterfront, at Stewart Airport, and at the Goshen Westgate Business Park. This status will increase access of domestic businesses to international markets.

In addition to Stewart Airport, residents of the County have access to extensive passenger services at metropolitan New York airports located approximately 60 miles south of the County.

The County also owns and is home to a regional general aviation airport. Orange County Airport (OCA) in the Town of Montgomery is a reliever to the commercial centric airports in the region. OCA has over 165 based business and private aircraft, annually supports 100,000+ operations (takeoffs and landings) and has several aviation-based businesses onsite providing dozens of local jobs. Currently, the FAA in conjunction with New York State and the County, are engaged and investing in a $30 million dollar runway realignment project as well as a 2.5-million-dollar commercial hangar project. This project will make the airport one of the few facilities in the area that will be fully compliant with FAA runway safety requirements as well as host a state-of-the-art instrument landing system (ILS) for corporate and commercial utilization.

The County also has two smaller private airports hosting general private aviation pursuits. Randall Airport in the Town of Wallkill and Warwick Airport in the Town of Warwick both support a range of aviation activities to include gliders, balloons, ultra-lights, flight instruction and private modern and antique aircraft.

## Multi-Use Bicycle & Pedestrian Trails

The Orange County Heritage Trail, running along the former Erie Railroad right of way, is the County's premier paved/unpaved pedestrian multi-purpose trail. Presently, about ninety-five percent of the trail has been completed, running from the Village of Harriman to Palmer Avenue in Middletown, NY. This section of the completed trail was designated in 2007 by the Secretary of the Interior as a National Recreation Trail. The County is presently working to design and construct the western section of the Heritage Trail from East Main Street to Ingrassia Road, in Middletown, NY. This section will cost approximately $12,000,000, with approximately 80% of the funds coming from federal transportation programs. $1,000,000 of project expenditures to be made by the Orange County Funding Corporation, and $500,000 expected to be received from the New York State Office of Parks, Recreation and Historic Preservation. When completed, the trail will be over 20 miles in length, with a possible future expansion in the southern end of the County which could go into Harriman State Park.

The Village of Walden and Town of Montgomery have recently completed a four-mile section of the Wallkill Valley Rail Trail, connecting into Ulster County and the hamlet of Wallkill. Through the work of these municipalities and others in Ulster County, this trail will connect with another trail in Ulster that will eventually extend all the way to the City of Kingston.

## EDUCATIONAL, RECREATIONAL, CULTURAL AND MEDICAL INSTITUTIONS

### Education

Primary and secondary education is the responsibility of the various public-school districts located within the County, as well as a number of private and parochial schools. Higher education is available at Mount St. Mary's, a four-year institution located in the City of Newburgh offering undergraduate and graduate degrees in various fields of study and at Marist College which operates a satellite campus in the Village of Goshen. The United States Military Academy at West Point is also located within the County. The New York University Medical Center Institute of Environmental Medicine is located in Sterling Forest in the Town of Tuxedo. Other colleges which operate extensions in the County include Empire State, Columbia University, C.W. Post/Long Island University and John Jay College. Orange County Community College awards associate degrees in a number of fields. The Orange County Community College has two campuses, in the City of Middletown and the City of Newburgh. Touro College of Osteopathic Medicine opened a campus in the fall of 2014 in the City of Middletown. In 2018, a satellite campus for Orange County Community College was opened in Port Jervis.

### Recreation and Culture

The County offers a broad range of diverse recreational and cultural opportunities to its residents and visitors. An extensive network of Federal, State, County and municipal parks offers a wide variety of sporting activities such as boating, hiking, swimming, equestrian, fishing, skiing, tennis and golf. Nearly 20% of the County's land is protected for recreation, parkland or open space. The County's 3,400 acres of parkland boasts seasonal activities, including but not limited to picnic sites, play equipment, athletic fields, tennis courts, two golf courses, campsites, four historic sites, an arboretum, equestrian rings and two dog parks. The County's 18+/- mile paved/unpaved Heritage Trail currently links communities from eastern Orange County to Goshen for hikers, bicyclists, bird watchers, skaters, joggers and nature lovers, with expansion to Middletown planned in 2021. The Appalachian Trail actually began here, and now crosses the County through its network of parks and trails on its way to Maine or Georgia.

The United States Military Academy at West Point is a popular destination that includes numerous attractions. The historic Academy is home to the West Point Museum and Fort Putnam, as well as Eisenhower Hall which hosts major cultural and artistic events including Broadway plays, musical concerts and dance ensembles. Army football draws large crowds as do other athletic events, open to the public. West Point, Woodbury Common Premium Outlets and Orange County Choppers are three of the most popular tourism destinations outside of New York City found in the County.

Proud of its role in the American Revolution, the County boasts numerous museums and historic sites. New Windsor Cantonment, George Washington's Headquarters, Fort Decker and General Knox's Headquarters portray various aspects of this time in our nation's history. At the D&H Canal Park, walk the well preserved 1-mile section of the historic Delaware & Hudson Canal where two boys and mules once guided boats of coal, as you marvel at the imposing abutments of John Roebling's Aqueduct located in Sullivan County. Brick House and Hill-Hold Museums, authentic 18th century manor houses with hands on exhibits, are both operated by the County. The National Purple Heart Hall of Honor features the names of Purple Heart recipients and preserves the stories of America's servicemen and women wounded or lost in combat. The museum is located at the site where General George Washington presented the Military Merit as the award was known in that time.

Museum Village in the Town of Monroe depicts small town life with its collection of 19th century buildings. The Harness Racing Museum has interactive exhibits including a 3-D simulator where you can ride a sulky to victory. The Goshen Historic Track is one of the oldest harness tracks in the world. Hudson Highlands Nature Museum and Discovery Center offers indoor and outdoor displays on the local environment with exhibits of living native animals.

An international destination, the Storm King Art Center is the country's leading outdoor sculpture park, displaying huge works by major artists over its 600 acres. Crawford House has an excellent collection of paintings by the Hudson River School, from the first arts movement in the United States begun in the early 1800's. The Sugar Loaf Arts and Craft Village has been home to accomplished craftsmen and women for over 250 years. Gillinder Brothers, established in 1861 in Port Jervis, tours visitors through one of the oldest glass manufacturers in the U.S.

The Hudson Valley is the oldest wine producing region in the country, and the County is home to Brotherhood, the oldest winery in the nation. Tours of its vast underground cellars include sipping wine in its stylish tasting room. Excellent vintages can also be found at the County's six other wineries, Applewood, Clearview, Demarest Hill, Orchard Hill Cider Mill, Palaia and Warwick Valley. The scenic "Black Dirt" area continues to be one of the largest growing areas in New York State, producing a bumper crop of farm stands, picking farms, and community farmers' markets offering locally grown produce, breads, honeys, jams, herbs and flowers.

### Medical

County residents are provided a wide range of inpatient and outpatient medical services through the five hospitals located within the County: Orange Regional Medical Center (Middletown); Cornwall Hospital (Cornwall); Bon Secours Hospital (Port Jervis); St. Anthony's Community Hospital (Warwick); and St. Luke's Hospital (Newburgh). The Orange Regional Medical Center opened as a new hospital in August 2011. In addition to the aforementioned hospitals, the County administers a variety of programs to help those in need of health services through its Departments of Health and Mental Health, including patient services, ambulatory clinic services, home health services, health education, environmental health and social work. Valley View Center for Nursing Care and Rehabilitation provides nursing for long-term care patients and service for chronic respiratory diseases. There are other long-term care facilities in the County, as well as the Glen Arden Life Care and Retirement Community which provides a continuum of care for senior citizens. Hospice of Orange County cares for the terminally ill and the needs of their family.

### Utilities

Central Hudson Gas & Electric, Orange & Rockland Utilities and New York State Electric & Gas Corporation provide all of the gas and substantially all of the electricity to County residents. The New York State Power Authority provides a small amount of electricity. Both Central Hudson and Orange & Rockland are major employers and taxpayers in the County.

Municipal water and sewer services are provided by the three cities in the County, and by many of the villages and larger towns. Less developed areas of the County continue to rely upon private wells for water and septic systems for sewage disposal.

## ECONOMIC AND DEMOGRAPHIC INFORMATION

### Population

County population has increased by at least 30,000 people in each of the last five decades. Population growth in the County has outpaced both the State and the nation as a whole. In 2010, Orange County was among the fastest-growing counties in New York State, second only to Saratoga County.

### Population Trends

The following table sets forth population statistics for the County and, the State.

| Year | Orange County | State of New York |
|---|---|---|
| 1990 | 307,647 | 17,990,455 |
| 2000 | 341,367 | 18,976,457 |
| 2010 | 372,813 | 19,378,102 |
| 2019 | 384,940 | 19,453,561 |

Source: U.S. Bureau of the Census.

## Income Data

| | Per Capita Money Income | | | |
|---|---|---|---|---|
| | 1990 | 2000 | 2010 | 2019[a] |
| County of Orange | $15,198 | $21,597 | $28,944 | $ 36,641 |
| State of New York | 16,501 | 23,389 | 30,791 | 41,857 |

| | Median Household Income | | | |
|---|---|---|---|---|
| | 1990 | 2000 | 2010 | 2019[a] |
| County of Orange | $39,198 | $52,058 | $69,523 | $ 84,458 |
| State of New York | 32,965 | 43,393 | 55,603 | 72,108 |

| | Median Family Income | | | |
|---|---|---|---|---|
| | 1990 | 2000 | 2010 | 2019[a] |
| County of Orange | $44,039 | $60,355 | $82,480 | $ 100,230 |
| State of New York | 39,741 | 51,691 | 67,059 | 89,475 |

a. Based on American Community Survey 5-Year Estimates (2015-2019)
Source: U.S. Bureau of the Census.

## Economic Development

Orange County's comprehensive economic development program keeps it one of the fastest growing counties in the state. Comprised of several successful and highly regarded partner agencies, Orange County's economic development team aggressively attracts new businesses, promotes the growth and expansion of those businesses already operating in the county, and works to retain existing companies.

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The point person for economic development for Orange County Government and for the Orange County Legislature is the Director of Economic Development, who reports directly to the County Executive. This Director, first appointed in 2018, leads the planning and execution of the County's strategic economic development efforts, in cooperation and coordination with the Orange County Partnership for Economic Development, the Orange County Industrial Development Agency and several federal, state, and regional agencies, to advance the prosperity and economic welfare of the county's residents by creating and retaining valuable jobs.

The Director of Economic Development also manages Orange County's Foreign Trade Zone #37. Established in 1978, FTZ #37 enables enterprises located in and around Orange County to defer or eliminate duties paid on imported goods and raw materials. These benefits provide significant cost savings and other efficiencies to local companies such as Konica Minolta, Takasago Fragrances and The Gap. Orange County's Economic Development Department recently revamped its marketing efforts for FTZ #37 and are currently in discussions to add new usage-driven sites and subzones that will create or retain jobs in the region.

The Orange County Partnership ("The Partnership") is a private, not-for-profit, office of economic development that conducts critical business development activities designed to help attract, grow and retain quality employers in Orange County. The Partnership's team of economic development professionals works with commercial real estate brokers, developers, site selection firms and regional and statewide economic development agencies to find the most advantageous and cost-effective locations for corporate attractions and expansions.

The Orange County Industrial Development Authority (the "IDA") is one of the most progressive IDA's in New York State. Its mission is to promote economic development through a program of incentives that assist in the construction, equipping and maintenance of specific types of projects and facilities. The IDA assists with strategic planning and business plan development, identifies resources to help companies grow to the next level or to capitalize an investment in facilities, equipment or technology.

The Orange County IDA also operates four business Accelerator sites. The Accelerators are low cost, specially equipped facilities for smaller manufacturers, or "makers", each with a concentration on a particular industry sector: Tech & Media in Middletown, CBD in Warwick, and Fashion Manufacturing in both Newburgh and New Windsor. The Accelerator model allows the IDA to assist small entrepreneurs with production, process flow, and aids in finding funding for their expanded operations and necessary machinery. Now a certified New York State Incubator, The Accelerator is fully occupied in New Windsor with manufacturers who are scaling up their businesses, increasing their sales and creating new, higher-paying jobs.

This talented team of economic development partner agencies works cohesively and aggressively to attract viable sectors, exciting companies and, most importantly, quality high-paying jobs to Orange County. The impressive roster of companies that already call Orange County home includes several Fortune 500 firms, household names and other fast-growing enterprises:

**LEGOLAND New York, Amazon, McKesson, AmerisourceBergen, Amy's Kitchen, Medline, Angry Orchard (Boston Brewing Co.), Ball Corp., Konica-Minolta, Home Depot, Staples, Cardinal Healthcare, Mediacom, United Technologies, United Natural Foods and Anheuser-Busch**. Together, these top names, and many others, make Orange County one of the Northeast's largest office/industrial hubs.

Orange County's infrastructure has the 4 R's of economic development: Road, Rail, River and Runway, which, continues to drive business attraction and growth. All of the logistical pieces are in place in Orange County: proximity to New York City (less than 60 miles), a robust highway system (with 3 interstates), several commuter and freight rail routes, a Hudson River deep seaport and, at the center of it all, New York Stewart International Airport. These resources are located at the center of 18% of the nation's population, and 20% of the nation's GDP, where 52 million people can be reached within a one-day ground footprint. New and expanding companies have leveraged these factors, along with an extraordinary inventory of commercial land and real estate, to help keep Orange County growing, regardless of the national economic climate.

In addition to the strategic business advantages that Orange County has to offer, the rich landscape, which includes a diversity of settings from bustling cities to bucolic towns and villages, and rolling hills and farmland to lakes and forests, continues to draw corporations and enterpreneurs. This idyllic backdrop is dotted with historical settings like the United States Military Academy at West Point and George Washington's Revolutionary War headquarters, even Brotherhood, America's oldest winery. For these reasons and more, film and television production has also exploded locally, bringing new jobs and economic opportunities to Orange County and to the greater Hudson Valley region.

Following are some recent highlights of the many business attraction and expansion projects Orange County has celebrated:

**LEGOLAND New York (Town of Goshen)** – Construction is now complete on the $500 million entertainment resort that will create 1,000 new jobs and bring up to 2.5 million visitors to the area. Although the pandemic delayed their planned 2020 grand opening, theme park developer Merlin Entertainments doesn't expect to miss a beat once they officially open in Summer 2021, as they sold a record number of season passes and reservations for their LEGO-themed hotel are surpassing expectations.

**Amazon aka Project Sailfish (Town of Montgomery)** – Construction of Amazon's new 1,015,740 SF e-commerce fulfillment center will be completed in time for the 2021 holiday shopping season. The $75.2 million facility, developed by Bluewater Industrial Partners, will employ more than 800 people in the Town of Montgomery and, using innovative technology, will pick, pack and ship consumer items such as bulk paper products, pet food, sports equipment, patio furniture, kayaks and larger household goods.

**Medline (Town of Montgomery)** – Already a major employer in Orange County with more than 340 employees in the Town of Wawayanda, Medline is building a 1.3 million square foot distribution center in Montgomery where they will add another 300 new jobs over the next 5 years. Medline expects to open the new $120 million facility by the 2nd or 3rd quarter of 2021.

**Amy's Kitchen (Town of Goshen)** – With significant infrastructure work in place, construction of the 390,000 square foot manufacturing plant for California-based organic meals titan is set to begin in Spring 2021. The $150 million factory, that will employ 680 people in the Town of Goshen will produce more than 600,000 meals per day and is expected to begin producing meals in 2022.

**City Winery (Village of Montgomery)** – Despite this popular chain having locations from Chicago to Atlanta completely shut down for much of the pandemic, their $12 million City Winery Hudson Valley successfully opened in the Village of Montgomery in June 2020. The breathtaking 50,000 square foot facility, created in a 207-year-old former wool mill, includes a full-production winery, restaurant and tasting room. As the COVID-19 restrictions continue to lighten, this destination wedding, events and live music venue will only enhance Orange County's tourism draw while creating more than 100 new jobs.

**Newburgh Wireworks (City of Newburgh)** –Poughkeepsie-based developers RL Baxter and partners invested more than $2.7 million to completely transform this former spring factory. The well-appointed industrial-chic designed building includes 8,000 square feet of ground-floor commercial space, 6,000 square feet upstairs dedicated for offices and a coworking space, the Beahive, along with market-rate loft apartments. Located just off Newburgh's burgeoning Liberty Street corridor, it's no wonder that virtually all of Wireworks' commercial and residential spaces were quickly filled upon opening in early 2020.

The schedules on the following pages provides information concerning the trends in economic development within the County.

**County Economic and Social Development Information**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|
| Amount of Retail Sale (In Billions)* | $7.04 | $7.08 | $7.47 | $7.73 | $8.01 | $7.43 |
| County Residential Sale (Excludes Condo/Townhouse Sales)** | | | | | | |
| Units Sold (New & Existing) | 2,748 | 3,485 | 3,483 | 3,483 | 3,673 | 3,998 |
| Average Days on Market | 138 | 125 | 108 | 98 | 92 | 86 |
| Annual Median Sales Price | 225,000 | 229,000 | 256,017 | 258,750 | 271,000 | 315,000 |
| Annual Average Sales Price | 244,714 | 246,392 | 242,700 | 280,220 | 288,900 | 337,996 |
| Education Attainment (25 Years Old +)*** | | | | | | |
| High School Graduate (Inc. Equivalency) | 72,119 | 71,627 | 71,246 | 71,284 | 71,028 | N/A |
| Associate Degree | 23,635 | 25,651 | 23,941 | 28,070 | 24,870 | N/A |
| Bachelor's Degree | 42,274 | 39,451 | 44,360 | 44,179 | 42,291 | N/A |
| Graduate or Professional Degree | 29,463 | 30,640 | 31,454 | 30,659 | 31,344 | N/A |
| Percent High School Graduate or Higher | 89.90% | 89.30% | 89.80% | 90.00% | 89.70% | N/A |
| Percent Bachelor's Degree or Higher | 29.90% | 29.00% | 31.00% | 29.30% | 30.30% | N/A |

Source: *Orange County Department of Finance
**Orange County Association of Realtors/Orange County Department of Real Property
***U.S. Census Bureau, American Community Survey

## County Industrial and Office Information

Industrial Space
(Million Square Feet)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Square Feet | 19.7 | 19.7 | 20.1 | 20.9 | 21.0 | 21.2 | 22.5 | 22.7 | 23.1 | 23.5 |
| Vacancy Rate (%) | 7.2 | 5.8 | 5.0 | 4.0 | 3.3 | 3.2 | 1.8 | 1.2 | 2.0 | 0.8 |

Office Space
(Million Square Feet)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Square Feet | 4.1 | 4.2 | 4.4 | 4.4 | 4.5 | 4.7 | 4.7 | 4.7 | 4.8 | 4.8 |
| Vacancy Rate (%) | 10.0 | 10.2 | 9.7 | 9.7 | 9.5 | 9.1 | 9.8 | 9.4 | 10.3 | 10.5 |

Source: Mansfield Commercial Real Estate.

## Building Permits

Each of the respective Towns are responsible for the administration of the NYS Building Code, NYS Fire Prevention Code, the NYS Energy Code, Planning and Zoning regulations, the Federal Flood Plain Regulations and various other local laws administered and enforced by each Town Board. The Building Department of each Town schedules building construction inspections, receives complaints concerning all areas of code administration, maintains records and collects fees for any operations that require fee collection for permits. A building permit is required for new homes, additions, alterations, manufactured homes, and accessory structures. Accessory structures most commonly include detached garages, sheds, decks, gazebos and swimming pools. The Towns review permits for code conformance, inspect new construction, make fire code inspections, and inspect for code enforcement problems.

## Employment

Employed Yearly Average Civilian Labor Force

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| County | 178,300 | 178,400 | 181,600 | 182,200 | 188,686 |
| State | 9,561,900 | 9,557,100 | 9,561,400 | 9,574,700 | 10,085,219 |

Source: Local Area Unemployment Statistics, NYS Department of Labor

## Occupations and Class of Worker (2019)

| | New York State | Orange County |
|---|---|---|
| Occupation (%) | | |
| Management, Business, Sciences, and Arts | 43.1 | 36.8 |
| Service Occupations | 20.2 | 19.4 |
| Sales and Office Occupations | 19.8 | 23.0 |
| Natural Resources, Construction and Maintenance | 7.2 | 8.3 |
| Production, Transportation and Materials | 9.8 | 12.4 |
| Class of Worker (%) | | |
| Private Wage and Salary Workers | 78.7 | 75.8 |
| Government Workers | 15.7 | 19.5 |
| Self-Employed | 5.3 | 4.4 |

Source: U.S. Census Bureau, Factfinder.Census.gov.

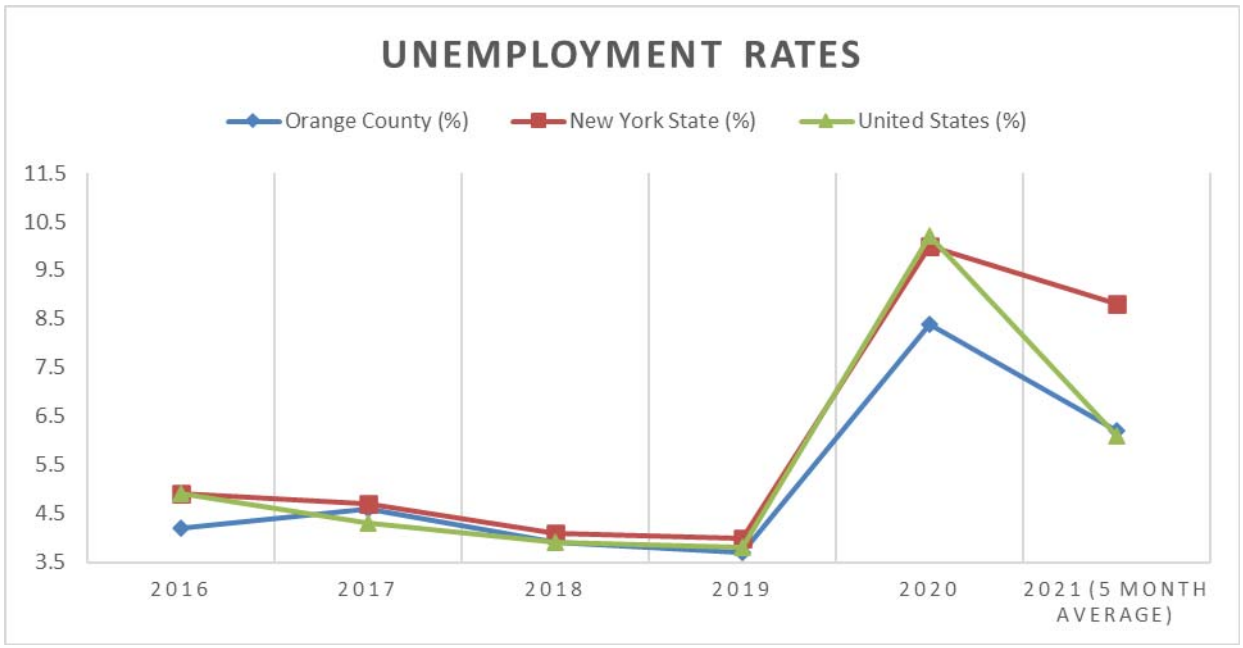
## Employment by Industry

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|---|---|---|---|---|
| Industry (%) | | | | | |
| Agriculture, Forestry, Fishing, Hunting and Mining | 0.8 | 0.9 | 1.7 | 1.0 | 0.9 |
| Construction | 5.8 | 5.8 | 8.1 | 6.1 | 6.4 |
| Manufacturing | 7.5 | 7.2 | 5.5 | 6.8 | 7.0 |
| Wholesale Trade | 3.4 | 2.8 | 3.3 | 3.1 | 3.3 |
| Retail Trade | 13.8 | 14.3 | 13.5 | 12.8 | 13.0 |
| Transportation, Retail and Utility | 6.2 | 6.7 | 5.6 | 5.8 | 6.3 |
| Information | 2.5 | 2.8 | 1.8 | 2.5 | 2.4 |
| Finance, Insurance, Real Estate, Rental and Leasing | 5.8 | 5.2 | 5.4 | 6.0 | 5.3 |
| Professional, Scientific, Management, Administrative, Waste Management | 9.0 | 8.4 | 9.2 | 9.0 | 8.9 |
| Educational, Health and Social Services | 25.7 | 25.8 | 26.4 | 24.3 | 27.2 |
| Arts, Entertainment, Recreation, Accommodation and Food Services | 8.0 | 8.5 | 7.6 | 7.8 | 7.8 |
| Other Services (Except Public Administration) | 4.7 | 4.2 | 4.8 | 8.3 | 4.7 |
| Public Administration | 6.8 | 7.4 | 7.1 | 6.4 | 6.8 |

Source: U.S. Census Bureau.

**Yearly Average Unemployment Rates**

| Annual Averages: | Orange County (%) | New York State (%) | United States (%) |
|---|---|---|---|
| 2016 | 4.2 | 4.9 | 4.9 |
| 2017 | 4.6 | 4.7 | 4.3 |
| 2018 | 3.9 | 4.1 | 3.9 |
| 2019 | 3.7 | 4.0 | 3.8 |
| 2020 | 8.4 | 10.0 | 10.2 |
| 2021 (5 Month Average) | 6.2 | 8.8 | 6.1 |




Source: New York State Department of Labor, U.S. Bureau of Labor Statistics

**Major Employers in The County**
(300 or more employees)

| Name | Type | Estimated Number Of Employees |
|---|---|---|
| United States Military Academy at West Point | Colleges & Technical Institutes | 4000 |
| Orange Regional Medical Center | Healthcare | 2524 |
| Orange County Government | Government | 2147 |
| Crystal Run Health | Healthcare | 2050 |
| Access: Supports for Living | Non-Profit Organizations | 1400 |
| St Luke's Cornwall Hospital | Healthcare | 1247 |
| Elant, Inc. | Healthcare | 1200 |
| Amscan, Inc. | Manufacturing & Distribution | 800 |
| C & S Wholesale Grocers, Inc. | Distribution | 800 |
| Empire Blue Cross/Blue Shield | Service | 795 |
| Spectrum Enterprise | Communications | 750 |
| Bon Secours Community Hospital | Healthcare | 598 |
| Cornerstone Family Healthcare | Healthcare | 550 |
| The ARC of Orange County | Non-Profit Organizations | 525 |
| Here's Help Staffing & Recruiting | Staffing Services | 500 |
| Horizon Family Medical Group | Healthcare | 500 |
| Kolmar Laboratories Inc | Manufacturing | 500 |
| Mirabito Energy Products | Distribution | 500 |
| Staples, Inc. | Distribution | 460 |
| Verla International LTD | Manufacturing | 445 |
| YRC Worldwide | Cargo & freight | 435 |
| Adecco | Service | 400 |
| United Natural Foods, Inc (UNFI) | National Distributor of Natural, Organic and Specialty Foods | 400 |
| Mediacom Communications Corp | Communications | 395 |
| Times Herald Record | Distribution/Publishing | 395 |
| Crystal Run Village Inc | Non-Profit Organizations | 391 |
| *SUNY Orange | Education | 386 |
| Mid-Hudson Processing and Distribution USPS | Distribution | 359 |
| Allegiance Healthcare-Cardinal Health | Distribution | 350 |
| IBM Business Continuity & Resiliency Services | Service | 350 |
| Mount Saint Mary College | Education | 350 |
| Precision Pipeline Solutions | Utilities | 350 |
| St. Anthony Community Hospital | Healthcare | 342 |
| Medline Industries, Inc. | Distribution | 340 |
| Superior Pack Group Inc. | Packaging & labeling | 325 |
| BFY Brands - Popcorners | Food Manufacturing | 311 |
| CoachUSA | Transportation | 300 |
| Milmar Food Group | Manufacturing | 300 |
| Newburgh Auto Auction | Service | 300 |
| Pratt & Whitney | Proprietary thermal barrier coating for Pratt & Whitney engines only | 300 |
| President Container Inc. | Manufacturing | 300 |

Source: OC Partnership as of 3/26/21
*SUNY Orange as of 12/31/2020

## HOUSING DATA

### Housing Stock

| | 1990 | 2000 | 2010 | 2012 | 2014 | 2016 | 2019 |
|---|---|---|---|---|---|---|---|
| County | 110,814 | 122,754 | 137,107 | 138,349 | 138,441 | 141,147 | 128,016 |
| State | 7,226,891 | 7,679,307 | 8,108,211 | 8,123,585 | 8,153,309 | 8,232,039 | 7,446,812 |

Source: 2015-2019 American Community Survey, U.S. Census Bureau
U.S. Department of Commerce, Bureau of the Census 1990, 2000 and 2010.

### Median Housing Values and Rents

| | 2000 | | 2010 | | 2019 | |
|---|---|---|---|---|---|---|
| | County | State | County | State | County | State |
| Median Value - Owner Occupied Units | $144,500 | $148,700 | $286,600 | $296,500 | $271,200 | $338,700 |
| Gross Rent - Renter Occupied Units | $714 | $672 | $1,077 | $1,020 | $1,259 | $1,309 |
| Occupancy Status | | | | | | |
| Owner Occupied | 62.7% | 48.7% | 62.9% | 48.1% | 66.3% | 47.5% |
| Renter Occupied | 30.8% | 43.2% | 28.0% | 40.6% | 23.1% | 41.1% |
| Vacant | 6.5% | 8.1% | 9.1% | 11.3% | 10.6% | 11.4% |

a. Includes units for occasional use and units temporarily vacant pending sale, rental or the conclusion of the rental or sale process.
Sources: U.S. Bureau of the Census: Census 2000, 2010 and 2019 American Community Survey, Factfinder.census.gov.

## INDEBTEDNESS OF THE COUNTY

### Constitutional Requirements

The State Constitution limits the power of the County (as well as other municipalities and school districts of the State) to issue obligations and contract indebtedness. Such constitutional limitations include the following, in summary form, and are generally applicable to the County and the Bonds:

**Purpose and Pledge.** The County shall not give or loan any money or property to or in aid of any individual or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation.

The County may contract indebtedness only for a County purpose and shall pledge its faith and credit for the payment of principal of and interest thereon.

**Payment and Maturity.** Except for certain short-term indebtedness contracted in anticipation of taxes, or to be paid in one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness shall be paid in annual installments commencing no later than two years after the date such indebtedness shall have been contracted and ending no later than the expiration of the periods of probable usefulness of the objects or purposes as determined by statute or in the alternative, the weighted average period of probable usefulness of the several objects or purposes for which such indebtedness is to be contracted; no installment may be more than fifty per centum in excess of the smallest prior installment, unless the County has authorized the issuance of indebtedness having substantially level or declining annual debt service. The County is required to provide an annual appropriation for the payment of interest due during the fiscal year on its indebtedness and for the amounts required in such year for amortization and redemption of its serial bonds, bond anticipation notes and capital notes.

**General.** The County is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the County so as to prevent abuses in the exercise of such powers; however, as has been noted under "*Nature of Obligation*", the State Legislature is prohibited by a specific constitutional provision from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limit Law imposes a statutory limitation on the County's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limit Law. (See "*Tax Levy Limit Law*" herein).

## Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the County to borrow and incur indebtedness subject, of course, to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including the General Municipal Law.

Pursuant to the Local Finance Law, the County authorizes the incurrence of indebtedness by the adoption of a bond resolution approved by at least two-thirds of the members of the County Legislature, except in the event that the County determines to subject the bond resolution to voter approval by mandatory referendum, in which case only a three-fifths vote is required.

The Local Finance Law provides a twenty-day statute of limitations after publication of a bond resolution which, in effect, estops thereafter legal challenges to the validity of obligations authorized by such bond resolution except for alleged constitutional violations. It is a procedure that is recommended by Bond Counsel, but it is not an absolute legal requirement.

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

Each bond resolution also authorizes the issuance of bond anticipation notes prior to the issuance of bonds. Statutory law in New York permits notes to be renewed each year provided that principal is amortized and provided that such renewals do not (with certain exceptions) extend more than five years beyond the original date of borrowing. However, bonds issued in anticipation of the sale of bonds for assessable improvements are not subject to such five-year limit and may be renewed subject to annual reductions of principal for the entire period of probable usefulness of the purpose for which such bonds were originally issued. (See "*Payment and Maturity*" under "*Constitutional Requirements*" herein).

In addition, under each bond resolution, the County Legislature may delegate, and has delegated, power to issue and sell bonds and notes, to the Commissioner of Finance, the chief fiscal officer of the County.

In general, the Local Finance Law contains similar provisions providing the County with power to issue general obligation revenue anticipation notes, tax anticipation notes, deficiency notes and budget notes.

**Debt Limit.** The County has the power to contract indebtedness for any County purpose so long as the aggregate outstanding principal amount thereof shall not exceed seven per centum of the average full valuation of taxable real estate of the County and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional and statutory method for determining the full valuation is by dividing the assessed valuation of taxable real estate by the respective equalization rates assigned to each assessment roll. Such equalization rates are the ratios which each of such assessed valuations bear to the respective full valuation of such year, as assigned by the Office of Real Property Tax Services. The State Legislature is required to prescribe the manner by which such ratios shall be determined. Average full valuation is determined by adding the full valuations for the most recently completed assessment roll and the four immediately preceding assessments rolls and dividing the resulting sum of such addition by five.

There is no constitutional limitation on the amount that may be raised by the County by tax on real estate in any fiscal year to pay principal and interest on all indebtedness. However, the Tax Levy Limit Law imposes a statutory limitation on the power of the County to increase its annual tax levy. The amount of such increases is limited by the formulas set forth in the Tax Levy Limit Law. (See "*Tax Levy Limit Law*," herein).

The following pages set forth certain details with respect to the indebtedness of the County.

**Trend of Town Indebtedness**

| | December 31: | | | | |
|---|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 | 2020 |
| Bonds | $107,770,000 | $108,460,000 | $107,300,000 | $104,450,000 | $109,555,000 |
| Bond Anticipation Notes | 1,000,000 | 500,000 | 0 | 0 | 0 |
| Installment Purchase Debt | 0 | 0 | 0 | 421,490 | 0 |
| Totals | $108,770,000 | $108,960,000 | $107,300,000 | $104,871,490 | $109,555,00 |

**Details of Short-Term Indebtedness Outstanding**
(As of July 6, 2021)

As of the date of this Official Statement, the Town has no short-term outstanding debt.

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**Computation of Debt Limit and Calculation of Net Debt Contracting Margin**
(As of July 6, 2021)

| Fiscal Year ending Dec 31: | Assessed Valuation | State Equalization Rate | Full Valuation |
|---|---|---|---|
| 2016 | $12,446,003,635 | 41.34 | $30,106,443,239 |
| 2017 | 12,579,410,119 | 40.58 | 30,999,039,229 |
| 2018 | 13,187,370,113 | 41.36 | 31,885,407,716 |
| 2019 | 13,275,856,002 | 39.74 | 33,406,841,847 |
| 2020 | 13,444,107,081 | 38.35 | 35,052,312,655 |

| | |
|---|---|
| Total Five Year Full Valuation | $161,450,044,686 |
| Average Five Year Full Valuation | 32,290,008,937 |
| Debt Limit - 7% of Full Valuation | 2,260,300,626 |
| Inclusions: | |
| Various Purpose Bonds | $260,640,000 |
| Bond Anticipation Notes | 0 |
| Total Indebtedness | 260,640,000 |
| Appropriations for Bonds | 17,690,000 |
| Appropriations for Notes | - |
| Total Exclusions | 17,690,000 |
| Total Net Indebtedness Before Issuing the Series A Bonds | 242,950,000 |
| The Series A Bonds | 16,328,444 |
| Less: BANs Being Redeemed by the Series A Bonds | 0 |
| Net Effect of the Series A Bonds | 16,328,444 |
| Total Net Indebtedness After Issuing the Series A Bonds | 259,278,444 |
| Net Debt Contracting Margin | 2,001,022,182 |
| Per Cent of Debt Contracting Margin Exhausted | 11.47% |

**Details of Short-Term Indebtedness Outstanding**

As of the date of this Official Statement, the County has no short-term debt outstanding.

**Debt Service Requirements - Outstanding Bonds**

| Fiscal Year Ending December 31 | Principal | Interest | Total |
|---|---|---|---|
| 2021 | $ 33,522,000 | $ 10,289,626 | $ 43,811,626 |
| 2022 | 30,151,000 | 8,333,870 | 38,484,870 |
| 2023 | 27,060,000 | 6,980,298 | 34,040,298 |
| 2024 | 26,944,000 | 5,811,538 | 32,755,538 |
| 2025 | 23,493,000 | 4,777,440 | 28,270,440 |
| 2026 | 23,712,000 | 3,883,234 | 27,595,234 |
| 2027 | 20,030,000 | 3,043,833 | 23,073,833 |
| 2028 | 20,660,000 | 2,381,494 | 23,041,494 |
| 2029 | 12,700,000 | 1,881,323 | 14,581,323 |
| 2030 | 10,585,000 | 1,504,828 | 12,089,828 |
| 2031 | 10,905,000 | 1,201,752 | 12,106,752 |
| 2032 | 11,240,000 | 896,700 | 12,136,700 |
| 2033 | 8,585,000 | 615,240 | 9,200,240 |
| 2034 | 8,840,000 | 355,694 | 9,195,694 |
| 2035 | 8,045,000 | 110,825 | 8,155,825 |
| Total | $ 276,472,000 | $ 52,067,693 | $ 328,539,693 |

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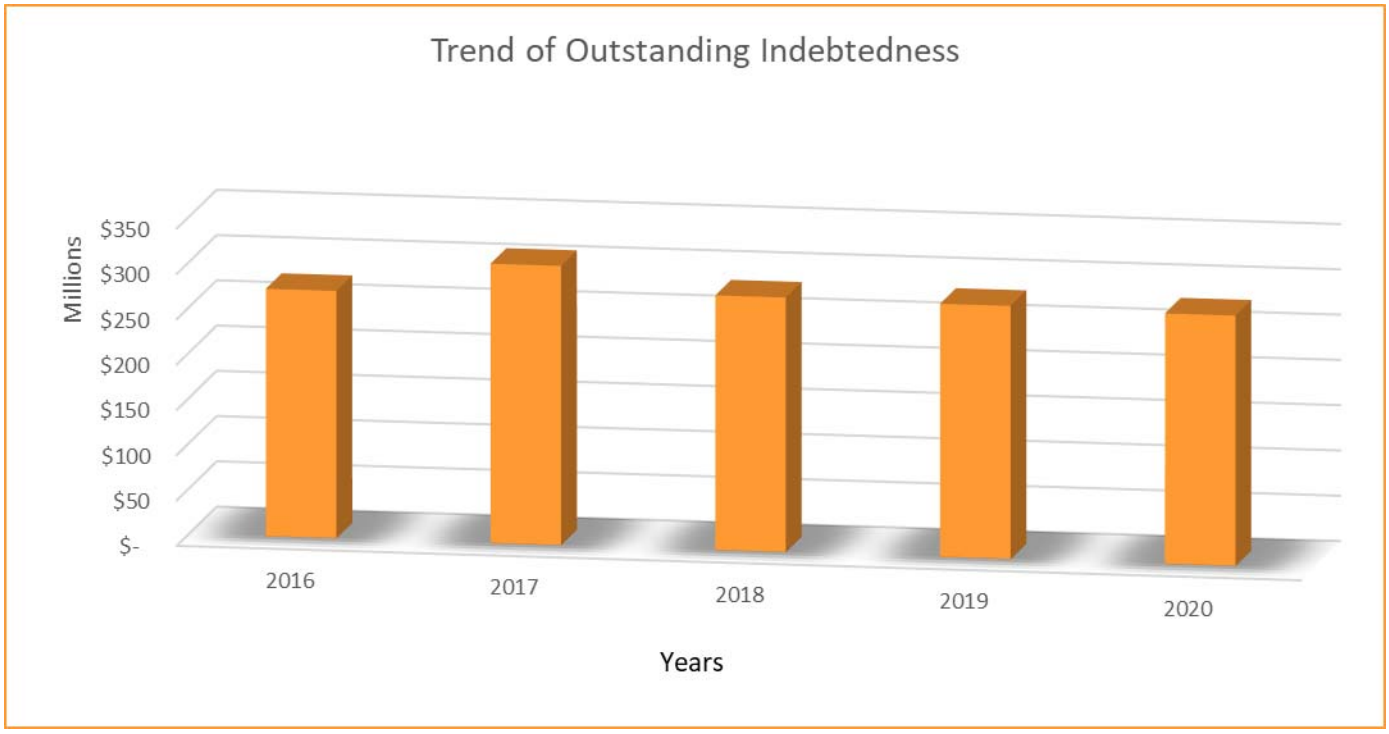
**Trend of County Indebtedness**

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| Debt Outstanding End of Year: | | | | | |
| Bonds | $273,269,295 | $308,556,763 | $281,155,189 | $279,525,000 | $276,472,000 |
| Bond Anticipation Notes | - | - | - | - | - |
| Total Outstanding Debt | $273,269,295 | $ 308,556,763 | $281,155,189 | $ 279,525,000 | $ 276,472,000 |




Source: Audited financial statements of the County 2016-2019
Unaudited financial statements of the County 2020

In addition to the County, various other political units within the County have the power to incur indebtedness payable from property taxes on property located in the County. The following table includes the total outstanding principal amount of debt issued by other political units within the County.

**Estimated Overlapping and Underlying Indebtedness**

| Overlapping Units | Applicable Total Indebtedness | Applicable Net Indebtedness |
|---|---|---|
| Cities | 168,850,824 | 168,850,824 |
| Towns | 130,751,251 | 130,751,251 |
| Villages | 107,133,373 | 107,133,373 |
| School Districts | 544,660,500 | 544,660,500 |
| Fire Districts | 34,748,011 | 34,748,011 |
| Totals | $986,143,959 | $986,143,959 |

Source: Special Report on Municipal Affairs published by the Office of the State Comptroller for the most recent year or more recent Official Statements.

## Debt Ratios

The following table sets forth certain ratios relating to the County's indebtedness as of the date of this Statement.

| | Amount | Per Capita[a] | Percentage of Full Value (%)[b] |
|---|---|---|---|
| Total Direct Debt | $ 260,640,000 | $ 677 | 0.744 |
| Net Direct Debt | 242,950,000 | 631 | 0.693 |
| Total Direct & Applicable Total Overlapping Debt | 1,246,783,959 | 3,239 | 3.557 |
| Net Direct & Applicable Net Overlapping Debt | 1,229,093,959 | 3,193 | 3.506 |

a. The current population of the County is 384,940 (U.S. Census - 2019)
b. The County's full value of taxable real property for 2019-20 is $35,052,312,655.

## Long-Term Lease Agreements for County Offices

The County has entered into three long-term lease agreements for County office space in the Cities of Middletown, Newburgh, and Port Jervis. The leases are part of an urban initiative undertaken by the County. Within the City of Newburgh, the County has entered into a lease with GEMMA Development Company LLC for 45,600 square feet of space to consolidate County satellite offices serving the Newburgh and eastern Orange County areas. The space has been rehabilitated and final occupancy occurred in May 1998. The lease expired 20 years after the County took occupancy. The 2020 annual lease costs of the premises were $964,693. The County has agreed to an assignment of their lease payments to a trustee for the $5,700,000 City of Newburgh Industrial Development Agency ("IDA"), 1996 Taxable Industrial Development Revenue Bonds (GEMMA Development Company LLC Facility), issued to finance the cost of rehabilitation of such space. The County has been escrowing rental payments since January 1, 2018 waiting for accounting of payments on Bonds with the Newburgh IDA and Wells Fargo Bank.

In February 2002, the County entered into a 20-year lease with RAC Development of Newburgh LLC for 25,000 square feet for County offices of the Health Department, County Clerk, and the Newburgh Motor Vehicle office at 128 Broadway, City of Newburgh. The lease was a Fixed Rate Triple Net Lease of $172,500 per year for 20 years. The County Legislature had approved $2.3 million in bonds for purchase of (RAC) 128 Broadway and (GEMMA) 145 Broadway. The cost of taxes and common charges are additional to the lease. The annual lease cost for 2020 was $223,174. Current lease expires January 31, 2022.

Within the City of Port Jervis, the County has renewed their lease with 150 Pike Street Limited Partnership for 10,450 square feet of office space for Orange County Probation, Department of Social Services, Health Department and Office of Mental Health. The lease is for five years with an option for an additional five years at the annual cost of $165,700 along with an additional payment of $38,911. for cleaning. Current lease expires March 31, 2022. The County also leased an additional 5,000 square feet for a SUNY Orange satellite campus for three years at an annual cost of $48,779.

Within the City of Middletown, the County leases 5,500 square feet of office space, a 5-year lease with a 5-year renewable clause, with Crawford House LLC for the Middletown Motor Vehicle office at 12–14 Kings Street. This lease was renewed for the period of September 1, 2018 through August 31, 2023 at $50,000 per year.

The County is relocating certain County offices in the Goshen area into more efficient space at a reduced cost of $14 per square feet (including all heat, electric and common charges). The annual budget cost is expected to be $615,622 and will expire on December 31, 2028. This budgeted costs includes 43,927 square feet at 30–40 Matthews Street from Goshen Shopping Association. The County is expected to realize savings by moving the Social Services offices from Hatfield Lane.

The County also leases 5,840 square feet at 14–15 Scotchtown Ave for the Legal Aid Office and the Goshen Court Plaza for $73,392 in 2020, as well as 10,533 square feet at 1997 Route 17M from Seneco Enterprises for $129,029 for the Goshen Probation Office. All leases are gross leases which include all heat, electric, common charges, and taxes.

## Lease Revenues

In April of 2008, Orange County purchased property on Broadway in the City of Newburgh for a new Orange County Community College Campus branch. It included two existing office buildings: The Tower Building at 1 Washington Center currently used by the Orange County Community College and the Maple Building at 3 Washington Center. The Maple Building has the following existing tenants with leases:

- Federal Government, Department of Social Security Administration – 13,856 square feet – annual rent of $274,831. Ten-year lease that was extended.
- New York State Department of Labor and Orange County Office of Employment and Training – 13,200 square feet – annual rent of $184,800 per month for month-to-month tenant. Currently working on a new lease.
- Orange County BOCES – 9,000 square feet – annual rent of $63,500.

## Authorized but Unissued Debt

As of the date of this Official Statement, the County has authorized but unissued debt in the aggregate amount of $81,642,056. Such amount consists of authorizations for various governmental purposes including, but not limited to, improvements to the Orange County Community College, public safety, airport, landfill, parks and recreations, roads, and various special districts located in the County. A portion of such amount in the amount of $16,328,444 will be financed with the issuance of the Series A Bonds.

## Capital Budget Summary 2021-2023

As required by County Charter, the County Executive submits a Capital Plan on an annual basis as part of the budgeting process. Such plan is a product of various discussions with department heads and the Capital Program Committee. The table below represents the Capital Plan for the next several years. It should be noted that the Plan includes all grant related projects, direct budget appropriations, projects in process, and other capital needs. The County has historically borrowed only a small portion of the amounts in the Plan.

| | 2021 | 2022 | 2023 | Total |
|---|---|---|---|---|
| Airport | $ 39,627,789 | $ 8,422,000 | $ 7,503,000 | $ 55,552,789 |
| Beaver Dam | 5,439,229 | - | - | 5,439,229 |
| Buildings | 112,468,271 | 14,325,000 | 13,750,000 | 140,543,271 |
| County Roads | 44,614,108 | 19,275,000 | 14,985,000 | 78,874,108 |
| County Taxation | 171,174,361 | 13,974,513 | 23,170,799 | 208,319,673 |
| Fire | 40,000 | | | 40,000 |
| Landfill Fund | 4,695,241 | 8,572,101 | - | 13,267,342 |
| Parks | 14,841,292 | 4,758,500 | 1,250,000 | 20,849,792 |
| Sewer | - | 54,000,000 | 54,000,000 | 108,000,000 |
| Valley View | 1,497,503 | - | - | 1,497,503 |
| Total | $ 394,397,794 | $ 123,327,114 | $114,658,799 | $ 632,383,707 |
| Borrowing Amount | $ 59,707,513 | $ 30,992,447 | $ 69,517,160 | $ 160,217,120 |

## DISCUSSION OF CERTAIN FINANCIAL MATTERS

### Budgetary Procedures

The County budgets, maintains accounting records, and prepares financial statements on a calendar year basis. The County Executive is the Chief Budgeting Officer of the County. The County Executive appoints a full-time Budget Director who is an officer in the executive department. The timetable for the development of the annual budget is as follows:

| | |
|---|---|
| June | Budget request forms are sent to each department head and must be returned by July 15. |
| By September 1 | The Budget Director and the County Executive review the various department requests and hold hearings with each department head. Revisions are made where necessary. |
| By October 1 | The County Executive must present the proposed County budget to the Legislature, which turns the budget over to the various committees of the Legislature for review and acceptance or revision. |
| By October 15 | The various legislative committees report to the Legislature as a whole and the tentative budget is determined. |
| By October 25 | Public hearings must be held to permit public expressions and suggestions to the budget. After such hearings, the Legislature must consider results and public expression. |
| By November 15 | The Legislature must make any changes desired in the tentative budget and determine the final budget. |
| By December 1 | If the County Executive so wishes, any changes made by the Legislature may be vetoed. |
| By December 15 | The Legislature must act to accept or override the County Executive's action. A two-thirds vote is required to override. The final budget must be determined no later than December 15. |

Budgetary control is the joint responsibility of the Budget Division and the Department of Finance. Collectively, they supervise and control appropriations and monitor revenues. The County Legislature must approve any amendments to the budget, while the County Executive may authorize transfers between functional categories of expenditure. Appropriation transfers within a department or functional category may be made by the Budget Division. The County operates on an encumbrance accounting system based on allocations wherein all purchase orders are encumbered. No expenditures may be made unless they are included as part of an allocation. The Commissioner of Finance may not disburse money unless there is an appropriation and sufficient allocation for the purpose of the disbursement. Appropriations in governmental funds lapse at the end of the fiscal year; however, outstanding encumbrances are re-appropriated in the succeeding year.

A SUMMARY OF THE COUNTY'S 2021 ADOPTED BUDGET IS PRESENTED IN APPENDIX B OF THIS STATEMENT.

### Financial Accounting and Reporting

County finances are accounted for through various funds: the General Fund, Special Revenue Funds and other funds.

The General Fund constitutes the primary operating fund of the County and includes all revenues and expenditures not required by law to be accounted for in other funds.

The Special Revenue Funds account for the proceeds of specific revenue sources that are legally or budgetary restricted to expenditures for certain specified purposes. The Special Revenue Funds include:

*County Road Fund* – accounts for the maintenance and repair of County roads and bridges and snow removal costs;

*Road Machinery Fund* – accounts for the purchase, repair and maintenance of highway machinery, tolls and equipment, and for the construction, purchase and maintenance of buildings for the storage and repair of highway machinery equipment;

*Sewer Fund* – accounts for the operation of the County's sewer district;

*Community Development Fund* – accounts for projects financed by entitlements from the U.S. Department of Housing and Urban Development;

*Airport Fund* – accounts for the operation of Orange County Airport;

*Sanitary Landfill Fund* – accounts for solid waste arrangements;

*Off-Street Parking Fund* – accounts for revenues derived from off-street parking facilities;

*Workforce Investment Act Fund* – accounts for revenues derived from entitlements from the U.S. Department of Labor; and the

*Small Watershed Protection Fund* – accounts for operations of drain and watershed projects.

Other funds utilized by the County for financial reporting purposes include:

*Debt Service Fund* – accounts for the accumulation of resources to be used for the payment of principal and interest on general long-term debt;

*Capital Projects Fund* – accounts for financial resources to be used for the acquisition and construction of capital assets;

*Trust and Agency Fund* – accounts for assets held by the County in a trustee capacity or as agent for individuals, private organizations, or other governmental units and/or other funds;

*Enterprise Fund* – accounts for the operation of the County's Valley View Center for Nursing Care and Rehabilitation; and the

*Internal Service Funds* – accounts for the financing of goods and services provided by one department to other departments of the County on a cost reimbursement basis (the motor pool and the County's self-insurance pools).

The financial statements of the County are audited each year by an independent auditing firm. Those audits have been performed by PKF O'Connor Davies, LLP, previously named Bennett, Kielson, Storch, DeSantis & Company, LLP, the Government Services Division of O'Connor, Davies, Munns & Dobbins, LLP, Harrison, New York. The last such audit completed is for the County's fiscal year ended December 31, 2020.

## Investment Policy

Pursuant to the County Charter, the Commissioner of Finance is responsible for the investment of moneys not required for immediate disbursement. In conformance with Sections 11 and 39 of the General Municipal Law, the Commissioner of Finance has proposed, and the County Legislature has approved an Investment Policy. Such policy is reviewed at least annually by the County Legislature and amended as deemed appropriate.

Pursuant to the County's Investment Policy, investment of available cash balances may be made in certain types of bank accounts and direct obligations authorized by State law: (1) demand and time deposits (including certificates of deposits) in banks or trust companies located in and authorized to do business in the State; (2) direct obligations of the United States of America; (3) obligations whose principal and interest is 100% guaranteed by the United States of America; (4) obligations of the State of New York; and (5) obligations issued by certain units of local government within the State of New York (with the approval of the State Comptroller).

The County's Investment Policy further states that bank and trust company deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, must be secured by a pledge of "eligible securities" with a market value equal to the amount of the deposit not covered by the federal insurance program or an eligible surety bond issued by an insurance agency authorized to do business in New York State to the extent such a surety bond is permitted under the law. Eligible securities used for collateralizing deposits must be held by a third-party bank or trust company subject to security and custodial agreements.

The County's Investment Policy also authorizes the County to enter into repurchase agreements subject to the following restrictions: (1) All repurchase agreements must be entered into subject to a master repurchase agreement; (2) Obligations shall be limited to obligations of the United States of America and obligations of agencies of the United States of America where principal and interest are guaranteed by the United States; (3) No substitution of securities will be allowed; (4) The securities will be held by a third party; (5) The market value of the securities shall initially be at least 102%; and (6) Should the market value of the securities ever fall below 100% the account party must provide the County with additional securities so that the value of the collateral equals at least 100%.

All investments of the County are made in conformance with its Investment Policy and all applicable State and Federal laws.

## Revenues

The County receives most of its revenue from a real property tax on all non-exempt real property situated within the County, non-property taxes (including sales and use tax) and State aid and Federal aid. A summary of such revenues for the five most recently completed fiscal years may be found in Appendix A.

*Real Property Taxes*

See "Tax Information" and "Tax Levy Limit Law", herein.

## State and Federal Aid

According to the financial statements, the County received 24.6% of its total 2020 General Fund revenue and other financing sources from the State and Federal governments. A significant portion of this revenue relates to reimbursement for social service and mental health expenditures. Virtually all State and Federal aid is designated for spending in specific program areas. The 2020 and 2021 adopted budgets estimates that similar amounts of total revenue and other financing sources, will be received from the State and Federal governments.

Neither the Federal government nor the State is constitutionally obligated to maintain or continue Federal and State aid to the County. No assurance can be given that present aid levels will be maintained in the future. In view of the State's continuing budget problems, future State aid reductions are likely. Similarly, the Federal government has recently initiated significant changes to many of the social service programs administered by the County. It is not certain at this time what changes the State government will undertake in response to the Federal amendments. State budgetary restrictions and Federal funding changes that eliminate or substantially reduce Federal or State aid could have a material adverse effect upon the County requiring either a counterbalancing increase in revenues from other sources to the extent available, or curtailment of expenditures. See also "*Market Factors*" herein.

The following table presents the Federal and State aid reported for the County's General Fund in recent financial statements.

### Federal and State Aid

| Year Ended December 31: | Federal Aid | State Aid | Total Federal and State Aid | % of Total Operating Revenue |
|---|---|---|---|---|
| 2015 | 64,975,362 | 81,051,774 | 146,027,136 | 26.6 |
| 2016 | 65,594,235 | 79,302,049 | 144,896,284 | 25.2 |
| 2017 | 61,667,118 | 85,366,243 | 147,033,361 | 25.0 |
| 2018 | 64,419,329 | 85,057,095 | 149,476,424 | 24.6 |
| 2019 | 63,322,247 | 95,946,441 | 159,268,688 | 25.8 |
| 2020 | 60,849,567 | 83,110,255 | 143,959,822 | 24.6 |

## Expenditures

A major portion of the County's expenditures are related to the delivery and administration of human service programs. Included are a number of programs related to various Federal and State mandated aid programs including Medicaid, Home Relief, Aid to Dependent Children and other community service programs. Although a substantial portion of the expenditures for social service programs are ultimately offset with Federal and State aid, expenditures fluctuate widely in response to economic conditions and are difficult to predict. Recently, Federal legislation has restructured the basis on which Federal aid is available. The new Federal requirements limit eligibility terms and, in certain cases, call for participation of beneficiaries in employment, job training and educational programs.

Approximately 34.6% of the County's General Fund expenditures and other financing uses in 2020 were spent to provide economic opportunity to residents of the County. Other major expenditures were as follows: Public Safety – 17.2%, Health – 8.6% and General Support – 25.2%. Municipalities located within the County provide primary police protection and refuse collection, while fire protection is provided by local special districts. Public school districts are responsible for educating the children of the County.

# RETIREMENT SYSTEMS

## County Employees

The County participates in the New York State and Local Employees' Retirement System (ERS). These plans are cost sharing, multiple public employers plans. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). ERS offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments.

NYSRSSL provides that all participating employers are jointly and severally liable for any actuarial unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in ERS. Employees enrolled in ERS, and having less than 10 years of service, must contribute 3% of their annual salary; except for those employees enrolled prior to July 27, 1976 for whom the system is non-contributory. Employee contributions are deducted by employers from employees' paychecks and are sent directly to ERS. It is the policy of the County to fund its pension cost during the period incurred.

On December 10, 2009, the Governor signed into law a new Tier 5. The law is effective for new ERS and New York State Teachers' Retirement System (TRS) employees hired after January 1, 2010. New ERS employees will now contribute 3% of their salaries and new TRS employees will contribute 3.5% of their salaries. There is no provision for these contributions to cease after a certain period of service.

On March 16, 2012, Governor Cuomo signed into law Chapter 18 of the Laws of 2012, which legislation provides for a new Tier VI for employees hired after April 1, 2012. The Division of Budget estimates the new tier will save the State and local governments outside of New York City $80 billion over the next 30 years. The new pension tier has progressive contribution rates between 3% and 6%; it increases the retirement age for new employees from 62 to 63 and includes provisions allowing early retirement with penalties. Under Tier VI, the pension multiplier will be 1.75% for the first 20 years of service and 2% thereafter; vesting will occur after 10 years; the time period for calculation of final average salary is increased from three years to five years; and the amount of overtime to be used to determine an employee's pension is capped at $15,000, indexed for inflation, for civilian and non-uniform employees and at 15% of base pay for uniformed employees outside of New York City. It also includes a voluntary, portable, defined contribution plan option for new non-union employees with salaries of $75,000 or more.

*ERS Billing Procedures*

ERS contributions are due December 15 of each year and are based on salaries estimated to be paid the fiscal year ending on March 31 of the next calendar year.

**Community College Employees**

The Community College provides retirement benefits for substantially all of its regular full-time employees. Non-teaching personnel are members of the New York State and Local Employees' Retirement System (ERS), the same system that covers County employees. The elements of this system are described above. All full-time and certain part-time instructional personnel are eligible to participate in either the New York State Teachers' Retirement System (TRS) or the Teachers Insurance Annuity Association and the College Retirement Equities Fund (TIAA/CREF).

TRS offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after ten years of credit service. Employees enrolled in TRS, and having less than 10 years of service, must contribute 3% of their annual salary, except for those employees enrolled prior to July 26, 1976 for whom the system is non-contributory. Employee contributions are deducted by employers from employees' paychecks and sent directly to TRS. The NYSRSSL provides that all participants in the TRS are jointly and severally liable for any actuarial unfunded amounts. Such amounts are collected through annual billings to all participating employers.

TIAA/CREF is an optional retirement program, designated by the trustees of the State University of New York. The TIAA/CREF is a privately-operated defined contribution retirement plan. The College assumes no liability for the financial status of TIAA/CREF members' accounts other than payment of contributions. This system offers a wide range of plans and benefits which are related to years of service and amount of premiums purchased during the period of employment.

All benefits are fully vested after thirteen (13) months of participation in TIAA/CREF. New York State Education law establishes the contribution rate for each employee electing this optional retirement program. Employees enrolled in TIAA/CREF, and having less than 10 years of service, must contribute 3% of their annual salary, except for those employees enrolled prior to July 26, 1976 for whom the system is non-contributory. Employee contributions are deducted by employers from employees' paychecks and are sent directly to TIAA/CREF. TIAA/CREF allows members to make extra payments at any time; these extra payments are not matched by the College.

*TRS Billing Procedures*

TRS contributions payable by the College for benefits earned on or after July 1, 1989 are due September 15, October 15 and November 15 of the succeeding College fiscal year.

## Status and Financing of Employee Pension Benefits

Substantially all employees of the County are members of the New York State and Local Employees' Retirement System ("ERS") or the New York State and Local Police and Fire Retirement System (PFRS with ERS, the "Retirement Systems"). The Retirement System is a cost-sharing multiple public employer retirement system. The obligation of employers and employees to contribute and the benefits to employees are governed by the New York State Retirement System and Social Security Law (the "Retirement System Law"). The Retirement System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability benefits and optional methods of benefit payments. All benefits generally vest after five years of credited service, except for members hired after January 1, 2010, whose benefits vest after ten years of credited service. The Retirement System Law generally provides that all participating employers in the retirement system are jointly and severally liable for any unfunded amounts. Such amounts are collected through annual billings to all participating employers. Generally, all employees, except certain part-time employees, participate in the Retirement System. The Retirement System is non-contributory with respect to members hired prior to July 27, 1976. All members hired on or after July 27, 1976 through and including December 31, 2009, must contribute 3% of gross annual salary toward the cost of retirement programs until they attain ten years in the Retirement System, at such time contribution becomes voluntary. Members hired after January 1, 2010 must contribute three percent of their gross annual salary toward the cost of retirement programs for the duration of their employment.

On May 14, 2003, the Governor signed a pension reform bill into law as Chapter 49 of the Laws of 2003 ("Chapter 49"). Chapter 49 changes the cycle of billing to match budget cycles of the County. Under the previous method, the County was unsure of how much it paid to the system until after its budget was implemented. Under the reforms implemented by Chapter 49, the employer contribution for a given fiscal year will be based on the value of the pension fund on the prior April 1, instead of the following April 1, so that the County will be able to more accurately include the cost of the contribution into its budget. As a result, the County is notified of and can include the actual cost of the employer contribution in its budget. Chapter 49 requires the County to make a minimum contribution of 4.5% of payroll every year, including years in which the investment performance of the fund would make a lower contribution possible.

During its 2004 Session, the New York State Legislature enacted further pension relief in the form of Chapter 260 of the Laws of 2004 ("Chapter 260"). Among other things, Chapter 260 changed the pension payment date for all local governments from December 15 to February 1.

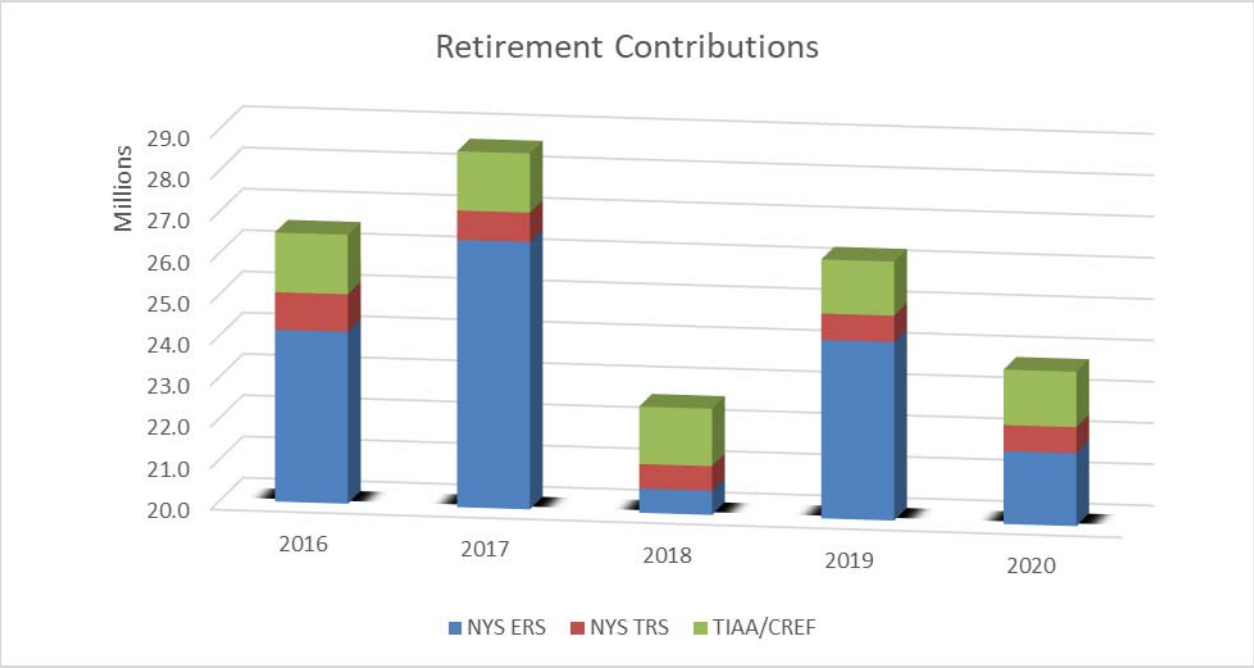
The New York State Retirement System has advised the County that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made at a discount amount. The County has prepaid its employer contributions each December since the option was made available in 2004.

Due to significant capital market declines in the past, the State's Retirement System portfolio has experienced negative investment performance and downward trends in market earnings. As a result of the forgoing, the employer contribution rate for the State's Retirement System may be higher than the minimum contribution rate established by Chapter 49. To mitigate the expected increases in the employer contribution rate, various forms of legislation has been enacted that permits local governments and school districts to amortize a portion of their required ERS pension contribution payments with the State Retirement System. Such legislation also requires that those local governments and school districts choosing to amortize their ERS pension contribution payments with the State Retirement System to reserve funds for future payment increases that are a result of fluctuations in pension plan performance. The County has not found it necessary to amortize any payments to the Retirement System.

## Recent Retirement Contributions

The following presentation shows the retirement expenditures recorded by the County for reporting periods ending during the years 2016 through 2020.

| Fiscal Year Ending December 31: | NYS ERS | NYS TRS[a] | TIAA/CREF[a] | Total |
|---|---|---|---|---|
| 2016 | 24,161,089 | 908,991 | 1,444,524 | 26,514,604 |
| 2017 | 26,471,926 | 710,705 | 1,432,174 | 28,614,805 |
| 2018 | 20,585,936 | 595,284 | 1,388,730 | 22,569,950 |
| 2019 | 24,323,383 | 636,570 | 1,308,304 | 26,268,257 |
| 2020 | 21,766,751 | 629,298 | 1,340,308 | 23,736,357 |
| 2021 (estimated) | 25,125,054 | N/A | N/A | N/A |




a. Expenditures are for the fiscal year ending August 31.

## Other Post-Employment Benefits

The County provides post-retirement healthcare benefits to various categories of former employees. These costs may be expected to rise substantially in the future. School districts and Boards of Cooperative Education Services, unlike other municipal units of government in the State, have been prohibited from reducing retiree health benefits or increasing health care contributions received or paid by retirees below the level of benefits or contributions afforded to or required from active employees. This protection from unilateral reduction of benefits had been extended annually by the New York State Legislature until recently when legislation was enacted to make permanent these health insurance benefit protections for retirees. Legislative attempts to provide similar protection to retirees of other local units of government in the State have not succeeded as of the date hereof. Nevertheless, many such retirees of all varieties of municipal units in the State do presently receive such benefits.

GASB Statement No. 75 ("GASB 75") of the Governmental Accounting Standards Board ("GASB"), requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits ("OPEB"). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB in essentially the same manner as they currently do for pensions. Under previous rules, these benefits have generally been administered on a pay-as-you-go basis and have not been reported as a liability on governmental financial statements. Only current payments to existing retirees were recorded as an expense.

GASB 75 requires that state and local governments adopt the actuarial methodologies to determine annual OPEB costs. Annual OPEB cost for most employers will be based on actuarially determined amounts that, if paid on an ongoing basis, generally would provide sufficient resources to pay benefits as they come due.

During the year ended December 31, 2018, the County adopted GASB 75, which supersedes and eliminates GASB 45. Under GASB 45, based on actuarial valuation, an annual required contribution ("ARC") will be determined for each state or local government. The ARC is the sum of (a) the normal cost for the year (the present value of future benefits being earned by current employees) plus (b) amortization of the unfunded accrued liability (benefits already earned by current and former employees but not yet provided for), using an amortization period of not more than 30 years. If a municipality contributes an amount less than the ARC, a net OPEB obligation will result, which is required to be recorded as a liability on its financial statements.

GASB 75 establishes new standards for recognizing and measuring OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures to provide more transparent reporting and useful information about the liability and cost of benefits. Municipalities and school districts are required to account for OPEB within the financial statements rather than only noted in the footnotes as previously required by GASB 45. It is measured as of a date no earlier than the end of the employer's prior fiscal year and no later than the employer's current fiscal year. The discount rate is based on 20-year, tax exempt general obligation municipal bonds. There is no amortization of prior service cost.

Those that have more than 200 participants are required to have a full actuarial valuation annually. Plans with fewer than 200 participants are required to have a full valuation every two years.

For the fiscal year ended December 31, 2020, the County implemented GASB 75. The implementation of this Statement resulted in the reporting of the entire actuarial accrued liability for other post-employment benefits. The County's total OPEB liability at December 31, 2020 is as follows:

| | Primary Government | Community College (Component Unit) |
|---|---|---|
| Total OPEB Liability at Dec 31, 2019 | $ 1,390,880,610 | $ 205,664,965 |
| Charges for the Year: | | |
| Service Cost | 30,449,930 | 5,785,425 |
| Interest | 27,830,565 | 4,594,201 |
| Changes of Benefit Terms | - | - |
| Differences Between Expected and Actual Experience | - | - |
| Changes in Assumptions or Other Inputs | 41,434,027 | 10,640,905 |
| Benefit Payments | (26,259,694) | (4,763,479) |
| Net Changes | 73,454,828 | 16,257,052 |
| Total OPEB Liability at Dec 31, 2020 | $1,464,335,438 | $221,922,017 |

## TAX INFORMATION

### Tax Collection Procedure

Real property taxes are levied and attached as a lien against property on January 1. County taxes are billed with the town and city taxes and initially collected by the towns and cities on behalf of the County.

Real property taxes in the towns may be paid between January 1 and January 31 without interest or penalty. Payments received after January 31 must include interest computed at 1% per month from February 1. The towns retain the first moneys collected to satisfy the entire amount of their respective tax warrants. Moneys collected thereafter are remitted to the County. Tax rolls and a list of the unpaid taxes are returned to the County after March 31. A 5% penalty is added to the unpaid taxes by the County, which collects these taxes with interest computed at 1% per month from February 1. The County continues to collect unpaid taxes and is responsible for the enforcement of the tax lien. For taxes levied for periods prior to January 1, 1995, the tax enforcement period is approximately four and three-quarter years. For taxes levied for periods after January 1, 1995, the tax enforcement period is estimated to run two and one-half years.

Cities, on the other hand, must pay the County the full amount of the County taxes levied in the city. Similarly, cities are responsible for the collection and enforcement of taxes levied within their corporate limits for school district purposes. County taxes remaining unpaid are enforced by the cities in the same manner as unpaid city and school district taxes.

The County is also responsible for collecting and enforcing delinquent school taxes on properties outside of the three cities. Such taxes are collected by the school districts in the County between September 1 and October 31. On or about November 1, the school tax receivers transmit the school tax rolls together with a listing of the unpaid taxes to the appropriate school authorities. The school districts must certify such listing of unpaid taxes and transmit said list to the County. Unpaid school taxes (except for properties in the three cities) are re-levied as part of the County and town tax bill due on January 1 of the next calendar year and thereafter collected and enforced in the same manner as County real property taxes. The County must satisfy the full amount of the unpaid school taxes no later than April 1 of the year following the levy of such taxes.

Pursuant to Section 1242 of the Real Property Tax Law and Orange County Local Law No. 7 of 1978, the County has agreements with the villages within the County to collect and enforce delinquent village taxes when requested by the village. The County enforces taxes on behalf of all the villages located within the County. County tax bills include amounts relevied for unpaid village taxes where appropriate.

### Constitutional Tax Limit

The amount that may be raised by the levy of taxes on real property in the County in any year for purposes other than debt service on County indebtedness is limited to one and one-half per centum (subject to increase up to two per centum by the State Legislature) of the average full valuation of taxable real estate in the County. See "*Tax Levy Limit Law*" herein.

The following table sets forth such real estate taxing limit of the County for the years ending December 31, 2016 through 2020.

**Computation of Constitutional Tax Limit**
for Years Ending December 31

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| Tax Limit | $462,559,012 | $455,831,049 | $456,658,624 | $468,565,481 | $484,571,185 |
| Add Exclusions[a] | 30,647,164 | 28,950,550 | 25,001,323 | 37,857,317 | 37,630,981 |
| Total Taxing Power | 493,206,176 | 484,781,599 | 481,659,947 | 506,422,798 | 522,202,166 |
| Tax Levy[b] | 119,596,374 | 121,104,342 | 123,466,554 | 127,117,873 | 132,042,324 |
| Tax Margin | 373,609,802 | 363,677,257 | 358,193,393 | 379,304,925 | 390,159,842 |
| Percent of Unused Taxing Power | 75.75% | 79.78% | 78.44% | 74.90% | 74.71% |

a. Net exclusions for debt service
b. Unadjusted tax levy for County purposes only

## Real Property Taxes

The following table sets forth the percentage of the County's General Fund revenue as reported in the audited financial statements (including transfers) for each of the fiscal years 2016 through 2020.

| Fiscal Year Ending December 31: | Total Revenue | Real Property Taxes | Real Property Taxes to Revenues (%) |
|---|---|---|---|
| 2016 | 580,508,500 | 86,747,747 | 14.94 |
| 2017 | 594,126,033 | 86,682,843 | 14.59 |
| 2018 | 610,608,578 | 91,048,284 | 14.91 |
| 2019 | 620,568,835 | 79,229,934 | 12.77 |
| 2020 | 585,404,453 | 84,738,413 | 14.48 |

The following table sets forth the trend for real property taxes and tax collections during the last five years.

### Tax Levy and Collection Record

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| County Taxes | $118,296,374 | $120,046,374 | $122,377,892 | $126,020,609 | $130,958,803 |
| Local Special Districts | 2,857,955 | 2,786,058 | 2,871,173 | 2,639,216 | 2,663,963 |
| Relevied Schools | 28,103,437 | 27,657,314 | 28,867,146 | 28,402,705 | 27,721,591 |
| Relevied Villages | 2,334,710 | 2,628,062 | 2,515,805 | 2,754,218 | 2,681,893 |
| Towns | 170,921,440 | 174,943,791 | 177,453,671 | 183,323,695 | 190,113,497 |
| Relevy Penalties | 2,130,671 | 2,119,977 | 2,196,806 | 2,180,983 | 2,128,244 |
| Late Penalties and Fees | 1,489,911 | 1,469,475 | 1,496,121 | 1,536,553 | 1,596,282 |
| Total Tax Levy | 326,134,498 | 331,651,051 | 337,778,614 | 346,857,979 | 357,864,273 |
| Collected End of Year of Levy: | | | | | |
| Amount | $312,978,446 | $318,319,188 | $323,196,537 | $334,856,153 | $345,494,697 |
| Percent | 95.97% | 95.98% | 95.68% | 96.54% | 96.54% |

a. Includes amounts unpaid by cities for county tax levy within the cities.

**Selected Listing of Large Taxable Properties**

2020 Assessment Roll[a]

| Name | Type | Full Valuation |
|---|---|---|
| Orange & Rockland Utilities | Public Utility | $266,462,256 |
| Central Hudson & Gas | Public Utility | 174,235,082 |
| Chelsea GCA Realty | Shopping Center | 159,653,700 |
| Roseton Generating | Public Utility | 55,891,500 |
| Crystal Run NEWCO LLC | Shopping Center | 26,298,540 |
| Frontier Communications | Public Utility | 18,560,621 |
| Middletown I Resources | Shopping Center | 15,750,200 |
| Walmart | Shopping Center | 12,004,700 |
| East Coast Imperial Gardens LLC | Apartment Complex | 7,700,100 |
| Tuxedo Reserve Owner LLC | Real Estate Developer | 3,690,424 |
| | Total[a] | $740,247,123 |

a. Assessment Roll established in 2020 for levy and collection of taxes during 2021 Fiscal Year. See "Tax Certiorari Claims" herein.
b. Represents 5.51% of the total Assessed Valuation of $13,804,145,601.

## Tax Certiorari Claims

In common with other municipalities, there are a number of tax certiorari proceedings pending involving properties that are subject to the levy of County taxes. The plaintiffs in these matters have asserted that their properties are over-assessed and are seeking assessment reductions. A refund of excess taxes is also generally requested. Historically, certiorari claims have been settled through negotiations, resulting in amounts, at times, substantially less than originally claimed. Many settlements provide for future adjustments with no direct outlay of money. There are no significant claims filed by the larger taxpayers at this time.

## Sales Tax

Most counties in the State share some portion of the proceeds from their sales tax with cities, towns, villages, or school districts. These sales tax distributions are done in accordance with sharing agreements based on population, real property valuation and/or other factors, some of which are required by statute under certain circumstances and others or which are left to the discretion of the County. All of the sharing agreements must be approved by the County Legislature, and any agreement between cities and counties that does not allocate revenues solely in proportion to population must also be approved by the State Comptroller.

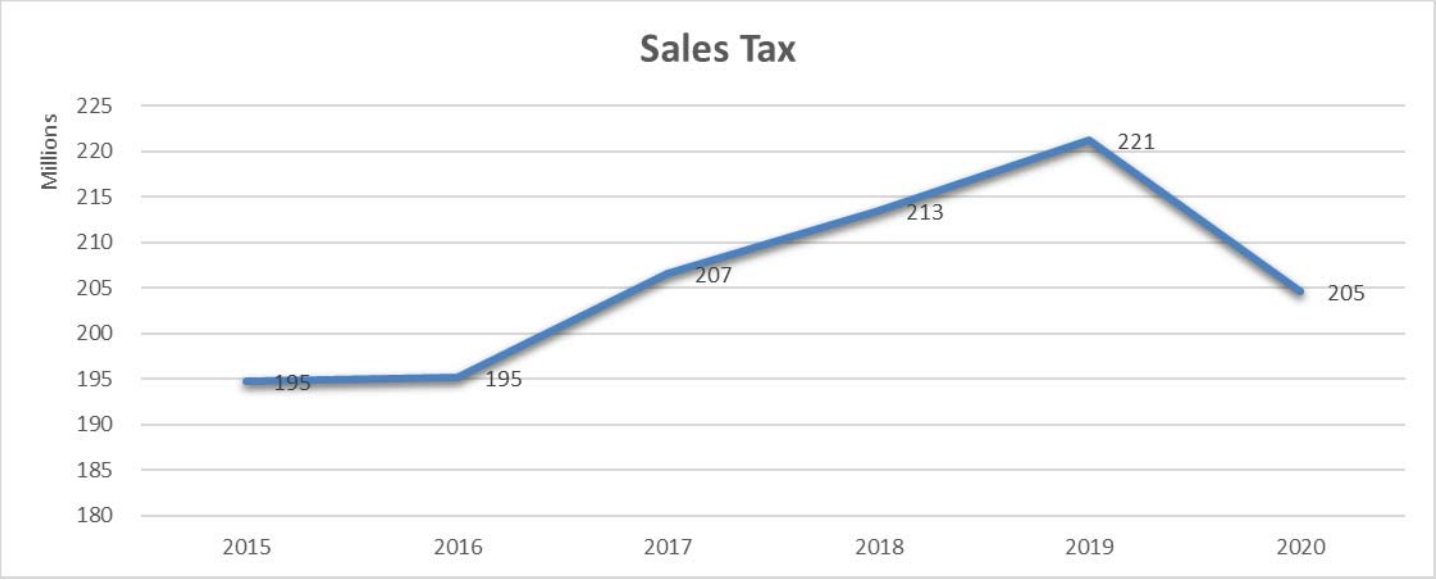
The County presently imposes a sales and use tax of 3.75%, in addition to the 4% tax imposed by the State and 3/8% levied by the Metropolitan Transportation Authority, for a countywide sales tax rate of 8 1/8%. Such sales and use tax collections are administered by the State Tax Commission and paid at least monthly to the County. The County, pursuant to a Sales Tax Sharing Agreement, shares the proceeds of the County's 3.75% sales and use tax with the three cities, twenty-one towns and nineteen villages within the County. Under the terms of the Agreement, the County retains 73.62% of the sales tax revenues with the balance disbursed quarterly to the municipalities on a formula basis.

The following table sets forth the percentage of the County's General Fund revenue (including other financing sources) comprised of sales tax for each of the fiscal years 2015 through 2020.

| Year Ended December 31: | Total General Fund Revenues | Sales Taxes (Net of Distribution to Municipalities) | Sales Taxes to Revenues (%) |
|---|---|---|---|
| 2015 | 556,012,702 | 194,690,649 | 35.02 |
| 2016 | 580,508,500 | 195,178,088 | 33.62 |
| 2017 | 594,126,033 | 206,531,355 | 34.76 |
| 2018 | 610,608,578 | 213,447,051 | 34.96 |
| 2019 | 620,568,835 | 221,181,579 | 35.64 |
| 2020[a] | 585,404,453 | 204,614,605 | 34.95 |

a. Unaudited.

The County has budgeted $220,994,773 in sales tax for the fiscal year ending December 31, 2020.




Source: Audited financial statements 2015 through 2019. Unaudited reports of the County for 2020. Table itself is not audited.

**Hotel Motel Tax**

The Hotel Motel Room Occupancy Tax Local Law No. 13 of 2009 was adopted by the County Legislature in August 2009. The effective date of its enactment was August 24, 2009 when it was filed with the Office of the Secretary of State for the State of New York. The local law imposes a 5% tax on the occupancy of hotel/motel rooms in the County. The local law remains in full force and effect for a period of three (3) years from the effective date of its enactment. Pursuant to Section 25 of the local law, a subsequent local law imposing a hotel and motel room occupancy tax may be adopted by the Legislature upon the expiration. Local Law No. 1 of 2012, Local Law No. 3 of 2015, Local Law No. 5 of 2018 and Local Law No. 3 of 2021 were adopted by the Legislature, extending the law an additional period of three years. The current law will be in effect until to August of 2024.

The intent of this local law shall be to impose a tax on facilities providing lodging on an overnight basis and provide for the collection thereof in order to make funds available for deposit in the General Fund of the County to be allocated to enhance the general economy of the County.

Operators must file with the Commissioner of Finance a certificate of registration. The Commissioner of Finance will then issue a certificate of authority empowering such operator to collect the tax from the occupant.

On a quarterly basis, the operators file a tax return together with the tax they have collected, to the Commissioner of Finance. Quarters end on the last day of February, May, August and November. Payment is due by the 20th of the month following the end of the quarter. Failure to file a return or pay over any tax within the time required shall be subject to a penalty of five percent (5%) of the amount of tax due. In addition to the aforementioned penalty, interest at the rate of one percent (1%) of such tax for each month of delay, excepting the first month after such return was required to be filed or such tax became due, shall accrue.

Exempt Organizations include the following: (1) those in possession of a New York State tax exempt certificate, (2) any person occupying any room or rooms for at least 30 consecutive days shall be considered a "permanent resident" with regard to the period of such occupancy and (3) any occupant whose rent is paid from public assistance from the County shall be deemed an "exempt occupant" with respect to the period of such occupancy, regardless of the length thereof, are not subject to the five percent (5%) tax imposed by the local law.

The following table sets forth the annual hotel/motel revenues received by the County for the five most recently completed fiscal years.

| Year Ending December 31: | Hotel/Motel Taxes |
|---|---|
| 2016 | 3,505,731 |
| 2017 | 3,590,909 |
| 2018 | 3,934,370 |
| 2019 | 4,116,440 |
| 2020 | 2,492,501 |

The County executed an Agreement with Airbnb which will collect and remit the 5% occupancy tax on behalf of its operators as of December 1, 2018.

## Tax Levy Limit Law

On June 24, 2011, Chapter 97 of the Laws of 2011 was signed into law by the Governor (the "Tax Levy Limitation Law"). The Tax Levy Limitation Law applies to virtually all local governments, including school districts (with the exception of New York City, Yonkers, Syracuse, Rochester and Buffalo). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing after January 1, 2012. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index ("CPI"), over the amount of the prior year's tax levy. Certain adjustments would be permitted for taxable real property full valuation increases or changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees' Retirement System, the Police and Fire Retirement System, and the Teachers' Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This has been interpreted by the Court of Appeals, the State's highest court, in Flushing National Bank v. Municipal Assistance Corporation for the City of New York, 40 N.Y.2d 731 (1976), as follows:

> A pledge of the city's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the city's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit", are used and they are not tautological. That is what the words say and that is what courts have held they mean.

Article 8 Section 12 of the State Constitution specifically provides as follows:

> It shall be the duty of the legislature, subject to the provisions of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town, village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted.

On the relationship of the Article 8 Section 2 requirement to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds subject to the general obligation pledge, the Court of Appeals in the Flushing National Bank case stated:

> So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted. While phrased in permissive language, these provisions, when read together with the requirement of the pledge of faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded.

In addition, the Court of Appeals in the Flushing National Bank case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of municipalities.

Therefore, while the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able to (1) limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

## LITIGATION

The County, some of its officers and employees and/or agents are defendants in lawsuits. The Department of Law has reviewed the status of all cases currently pending and has determined that there are no cases pending at this time where there is a reasonable possibility of a judgment against any of the defendants that would likely result in an exposure of at least five million dollars ($5,000,000). Please note that the County is self-insured for only the first one million dollars of any settlement, verdict or judgment. Any settlement, verdict or judgment in excess of one million dollars would be paid out of the County's excess and umbrella insurance policies unless a policy exclusion exists.

## CYBERSECURITY

The County, like many other public and private entities, relies on technology to conduct its operations. As a recipient and provider of personal, private, or sensitive information, the County faces multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. To mitigate the risk of business operations impact and/or damage from cyber incidents or cyber-attacks, the County invests in various forms of cybersecurity and operational controls; however, no assurances can be given that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact business operations and/or damage County digital networks and systems and the costs of remedying any such damage could be substantial.

## IMPACT OF COVID-19

An outbreak of disease or similar public health threat, such as the COVID-19 outbreak, or fear of such an event, could have an adverse impact on the County's financial condition and operating results. Currently, the spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and has been declared a pandemic by the World Health Organization. The outbreak of the disease has affected travel, commerce and financial markets globally and is widely expected to affect economic growth worldwide. The full impact of COVID-19 upon the State is not expected to be known for some time. Similarly, the degree of the impact to the County's operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, and (ii) severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including the State, to contain or mitigate its impact. The County is monitoring the situation and will take such proactive measures as may be required to maintain its operations and meet its obligations.

The American Rescue Plan Act ("ARPA"), a $1.9 trillion COVID-19 relief package that includes $350 billion to state, local and territorial governments to keep their frontline workers employed, distribute the vaccine, increase testing, reopen schools and maintain vital services. The American Rescue Plan also includes an additional $1,400 payment to eligible individuals and families, enhanced unemployment aid, rental and utility assistance to low and moderate income households, an increase in food stamp benefits, additional funding for child care and an increase in child care tax credits.

Although the ARPA provides for funds to be paid to the State, it is not possible to predict whether any future federal legislation will contain reduction in other federal aid to the State. Any reduction in Federal funding levels could have a materially adverse impact on the State budget. In addition to the potential fiscal impact of polices that may be proposed and adopted by the new administration and Congress, the State budget may be adversely affected by other actions taken by the federal government, including audits, disallowances, and changes to federal participation rates or other Medicaid rules. The County will continue to monitor closely the 2021 economic environment and the global COVID-19 pandemic situation, and take the proactive measures as required to ensure the strong financial condition of the County.

## TAX MATTERS

### Opinion of Bond Counsel

In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the County, under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code. The Tax Certificate of the County (the "Tax Certificate"), which will be delivered concurrently with the delivery of the Bonds will contain provisions and procedures relating to compliance with applicable requirements of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the County in connection with the Bonds and Bond Counsel has assumed compliance by the County with certain ongoing provisions and procedures set forth in the Tax Certificate relating to compliance with applicable requirements of the Code to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel to the County, under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Bond Counsel expresses no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

### Certain Ongoing Federal Tax Requirements and Certifications

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The County, in executing the Tax Certificate, will certify to the effect that the County will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure the exclusion of interest on the Bonds from gross income under Section 103 of the Code.

### Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

Prospective owners of the Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

## Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a Bond (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Bonds. In general, the issue price for each maturity of Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Bonds having OID (a "Discount Bond"), OID that has accrued and is properly allocable to the owners of the Discount Bond under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner's adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Discount Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

## Bond Premium

In general, if an owner acquires a bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that bond (a "Premium Bond"). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner's yield over the remaining term of the Premium Bond, determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such Bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Bond should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

## Information Reporting and Backup Withholding

Information reporting requirements apply to interest on tax-exempt obligations, including the Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

### Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

## LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds will be subject to the respective final approving opinions of Hawkins Delafield & Wood LLP, Bond Counsel, substantially as set forth in Appendix C.

## DISCLOSURE UNDERTAKING

At the time of the delivery of the Bonds, the County will provide an executed copy of its Undertaking to Provide Continuing Disclosure substantially as set forth in Appendix D.

## BOND RATING

The County has applied to Moody's Investors Service ("Moody's"), 7 WTC at Greenwich Street, New York, NY, Phone: (212) 553-4055 and Fax: (212) 298-6761, for a rating on the Bonds and such application is pending at this time. Such rating will reflect only the view of such rating agency and an explanation of the significance of such rating should be obtained from the respective rating agency. There can be no assurance that such rating will not be revised or withdrawn, if in the judgement of agency circumstances so warrant. Any downward revision or withdrawal of the rating assigned to the Bonds could have an adverse affect on the market price of the Bonds or the availability of a secondary market for such Bonds.

## VERIFICATION OF MATHEMATICAL COMPUTATIONS FOR THE SERIES B BONDS

Causey Demgen & Moore Inc. will verify from the information provided to them, the mathematical accuracy, as of the date of the closing of the Series B Bonds, of: (1) the computations contained in the provided schedules to determine that the anticipated receipts from the Government Obligations and cash deposits listed in the underwriter's schedules, to be held in escrow, will be sufficient to pay, when due, the principal, interest and call premium requirements of the Refunded Bonds, and (2) the computations of the yield on both the Government Obligations and the Series B Bonds contained in the provided schedules to be used by Hawkins Delafield & Wood LLP, as Bond Counsel to the County for the Series B Bonds, in its determination that the interest on the Series B Bonds is excludable from gross income for Federal income tax purposes. Causey Demgen & Moore Inc. will express no opinion on the assumptions provided to them, nor as to the exclusion from taxation of the interest on the Series B Bonds.

The accuracy of the mathematical computations regarding the adequacy of the cash as deposit in the Escrow Fund, to pay, when due, the principal of and interest on the Refunded Bonds on the applicable payment date(s) will be verified by Causey Demgen & Moore, P.C. Such verification of the accuracy of the mathematical computation will be based, in part, upon factual information supplied by the County and the Purchaser or the Municipal Advisor.

## MUNCIPAL ADVISOR

Munistat Services, Inc. (the "Municipal Advisor"), is a Municipal Advisor, registered with the Securities and Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor serves as independent financial advisor to the County on matters relating to debt management. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing, or trading municipal securities or any other negotiated instruments. The Municipal Advisor has provided advice as to the plan of financing and the structuring of the Bonds and has reviewed and commented on certain legal documents, including this Official Statement. The advice on the plan of financing and the structuring of the Bonds was based on materials provided by the County and other sources of information believed to be reliable. The Municipal Advisor has not audited, authenticated, or otherwise verified the information provided by the County or the information set forth in this Official Statement or any other information available to the County with respect to the appropriateness, accuracy, or completeness of disclosure of such information and no guarantee, warranty, or other representation is made by the Municipal Advisor respecting the accuracy and completeness of or any other matter related to such information and this Official Statement.

## ADDITIONAL INFORMATION

Additional information may be obtained upon request from the office of Karin E. Hablow, Commissioner of Finance, County of Orange, 255 Main Street, Goshen, NY 10924, Phone (845) 291-2488 and email: khablow@orangecountygov.com or from the office of Munistat Services Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York 11776, telephone number 631/331-8888.

Munistat Services, Inc. may place a copy of this Official Statement on its website at www.munistat.com. Unless this Official Statement specifically indicates otherwise, no statement on such website is included by specific reference or constitutes a part of this Official Statement. Munistat Services, Inc. has prepared such website information for convenience, but no decisions should be made in reliance upon that information. Typographical or other errors may have occurred in converting original source documents to digital format, and neither the County nor Munistat Services, Inc. assumes any liability or responsibility for errors or omissions on such website. Further, Munistat Services, Inc. and the County disclaim any duty or obligation either to update or to maintain that information or any responsibility or liability for any damages caused by viruses in the electronic files on the website. Munistat Services, Inc. and the County also assumes no liability or responsibility for any errors or omissions, unauthorized editing, or for any updates to dated website information.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be, in fact, realized. This Official Statement is not to be construed as a contract or agreement between the County and the original purchasers or owners of any of the Bonds.

The preparation and distribution of this Official Statement has been authorized by the applicable refunding bond resolution of the County which delegates to the Supervisor the power to sell and issue the Bonds.

COUNTY OF ORANGE, NEW YORK

By: s/s KARIN E. HABLOW
Commissioner of Finance and Chief Fiscal Officer
County of Orange
Goshen, New York

July , 2021

# APPENDIX A

# FINANCIAL INFORMATION

**Statement of Revenues, Expenditures and Fund Balances**
**General Fund**

| | Fiscal Year Ending December 31: | | | | |
|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenues: | | | | | |
| Real Property Taxes | $ 86,747,747 | $ 86,682,843 | $ 91,048,284 | $ 79,229,934 | $ 84,738,413 |
| Other Tax Items | 11,544,584 | 12,657,322 | 10,759,876 | 9,592,503 | 10,013,837 |
| Non-Property Tax Items | 270,427,092 | 285,391,860 | 295,561,047 | 306,179,940 | 282,720,008 |
| Departmental Income | 26,224,569 | 28,559,130 | 26,916,559 | 27,929,429 | 28,344,433 |
| Intergovernmental Charges | 9,152,674 | 9,208,217 | 9,635,530 | 11,091,382 | 9,947,090 |
| Use of Money and Property | 7,932,728 | 5,864,102 | 6,534,826 | 6,437,617 | 5,309,657 |
| Licenses and Permits | | | 1,373,545 | 2,052,074 | 1,014,657 |
| Fines and Forfeitures | 1,081,478 | 909,344 | 715,740 | 1,072,523 | 487,392 |
| Sale of Prop. and Comp. for Loss | 339,687 | 360,781 | 283,552 | 682,203 | 1,976,782 |
| Interfund Revenues | 8,661,114 | 8,539,210 | 9,252,507 | 10,944,418 | 11,682,959 |
| State Aid | 79,302,049 | 85,366,243 | 85,057,095 | 95,946,441 | 83,110,255 |
| Federal Aid | 65,594,235 | 61,667,118 | 64,419,329 | 63,322,247 | 60,849,567 |
| Miscellaneous | 8,276,876 | 3,684,440 | 5,466,512 | 3,595,432 | 4,209,403 |
| Total Revenues | 575,284,833 | 588,890,610 | 607,024,402 | 618,076,143 | 584,404,453 |
| Expenditures: | | | | | |
| General Government Support | 139,628,867 | 143,540,342 | 149,783,881 | 153,500,930 | 148,687,861 |
| Education | 54,197,450 | 56,086,709 | 59,396,108 | 66,189,645 | 57,040,836 |
| Public Safety | 88,230,704 | 91,082,474 | 95,906,793 | 98,735,578 | 101,822,889 |
| Health | 49,789,021 | 52,053,434 | 50,535,201 | 52,192,260 | 50,794,574 |
| Transportation | 636,470 | 648,250 | 657,655 | 662,971 | 667,597 |
| Economic Assistance and Opportunity | 222,517,312 | 221,290,051 | 219,104,590 | 222,420,070 | 204,648,530 |
| Culture and Recreation | 7,155,464 | 7,519,661 | 7,264,862 | 7,614,528 | 6,581,967 |
| Home and Community Services | 14,918,633 | 17,465,131 | 20,958,393 | 17,808,040 | 19,333,014 |
| Employee Benefits | (1,807,150) | 836,833 | 360,320 | (119,015) | 846,106 |
| Debt Service | | | | | |
| Total Expenditures | 575,266,771 | 590,522,885 | 603,967,803 | 619,005,007 | 590,423,374 |
| Excess (Deficiency) of Revenues over Expenditures | 18,062 | (1,632,275) | 3,056,599 | (928,864) | (6,018,921) |
| Other Financing Sources (Uses): | | | | | |
| Operating Transfers In | 5,223,667 | 5,235,423 | 3,584,171 | 2,492,692 | 1,000,000 |
| Operating Transfers Out | (1,491,957) | (1,439,734) | (2,801,457) | (1,795,313) | (3,624,992) |
| Total Other Financing Sources (Uses) | 3,731,710 | 3,795,689 | 782,714 | 697,379 | (2,624,992) |
| Excess (Deficiency) of Revs & Other Sources Over Exp. & Other Uses | 3,749,772 | 2,163,414 | 3,839,313 | (231,485) | (8,643,913) |
| Fund Balance Beginning of Year | 78,814,500 | 82,564,272 | 84,727,686 | 88,566,999 | 87,878,786 * |
| Fund Balance End of Year | $ 82,564,272 | $ 84,727,686 | $ 88,566,999 | $ 88,335,514 | $ 79,234,873 |

*Beginning Balance as Restated

Source: Audited Annual Financial Reports (2016-2020)

**Balance Sheet - General Fund**
**Fiscal Year Ending December 31:**

| ASSETS | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| Cash and Cash Equivalents | $ 96,436,325 | $ 121,886,483 | $ 91,891,948 | $ 34,666,377 | $ 17,093,690 |
| Investments | | | | 57,800,000 | 55,000,000 |
| Receivables: | | | | | |
| Taxes Receivable, Net | 49,157,950 | 50,335,903 | 53,423,980 | 50,086,001 | 16,184,857 |
| Accounts, Net | 4,046,785 | 3,755,554 | 3,864,051 | 4,215,053 | 3,022,968 |
| Sales Tax | 27,561,512 | 29,416,389 | 31,174,115 | 30,835,131 | 28,286,056 |
| State and Federal Receivables | 33,112,005 | 41,298,807 | 51,395,776 | 63,949,721 | 91,876,542 |
| Due from Other Governments | 1,541,173 | 820,081 | 829,365 | 765,359 | 572,112 |
| Due from Component Unit | | | | | 1,818,081 |
| Due from Other Funds | 12,905,032 | 11,565,687 | 33,888,115 | 28,819,108 | 15,430,621 |
| Prepaid Expenses | 4,789,409 | 4,888,751 | 4,657,902 | 4,715,536 | 4,935,155 |
| Total Assets | $ 229,550,191 | $ 263,967,655 | $ 271,125,252 | $ 275,852,286 | $ 234,220,082 |
| LIABILITIES | | | | | |
| Accounts Payable | $ 44,616,971 | $ 55,522,456 | $ 51,482,533 | $ 54,131,476 | $ 52,359,780 |
| Accrued Liabilities | 19,985,377 | 16,314,225 | 15,353,572 | 17,943,290 | 11,030,952 |
| Deposits Payable | | | | | 8,302,968 |
| Employee Payroll Deductions | | | | | 939,482 |
| Due to Other Governments | 2,605,195 | 2,514,424 | 2,849,003 | 2,746,954 | |
| Due to Other Funds | 37,959,810 | 60,942,677 | 63,890,211 | 68,057,473 | 68,129,603 |
| Due to School Districts | 31,801,893 | 33,751,581 | 34,154,756 | 33,347,029 | |
| Unearned Revenue | 78,542 | 73,657 | 58,940 | 141,585 | 3,617,400 |
| Deferred Revenues | | | | | |
| Total Liabilities | 137,047,788 | 169,119,020 | 167,789,015 | 176,367,807 | 144,380,185 |
| Deferred Inflows of Revenues - Deferred Revenues | 9,938,131 | 10,120,949 | 14,769,238 | 11,148,965 | 10,605,024 |
| Total Liabilities & Deferred Inflows | 146,985,919 | 179,239,969 | 182,558,253 | 187,516,772 | 154,985,209 |
| FUND BALANCE | | | | | |
| Nonspendable Fund Balance | 5,045,409 | 4,888,751 | 4,657,902 | 4,715,536 | 4,935,155 |
| Restricted | 5,563,262 | 4,876,751 | 4,937,347 | 5,159,538 | 4,151,594 |
| Committed | 1,459,240 | 784,482 | 787,257 | 790,264 | 795,193 |
| Assigned | 26,725,327 | 23,962,784 | 21,519,970 | 22,721,838 | 18,744,933 |
| Unassigned | 43,771,034 | 50,214,918 | 56,664,523 | 54,948,338 | 50,607,998 |
| Total Fund Balances | 82,564,272 | 84,727,686 | 88,566,999 | 88,335,514 | 79,234,873 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | $ 229,550,191 | $ 263,967,655 | $ 271,125,252 | $ 275,852,286 | $ 234,220,082 |

Source: Audited Annual Financial Reports (2016-2020)

## 2021 BUDGET SUMMARIES BY FUNDS

| | EXPENDITURE TOTAL | REVENUE TOTAL | TAXATION | SURPLUS | STATE FEDERAL & OTHER |
|---|---|---|---|---|---|
| **FUNDS:** | | | | | |
| Airport | $ 1,536,801 | $ 1,536,801 | $ 31,362 | $ 143,605 | $ 1,361,834 |
| Community Development | 3,734,253 | 3,734,253 | 160,499 | | 3,573,754 |
| County Road | 18,216,063 | 18,216,063 | 12,001,895 | 2,000,000 | 4,214,168 |
| Debt Service | 42,842,069 | 42,842,069 | 29,174,543 | | 13,667,526 |
| Employment and Training | 8,413,760 | 8,413,760 | 94,445 | | 8,319,315 |
| General Fund | 435,064,442 | 435,064,442 | 270,521,794 | 13,856,737 | 150,685,911 |
| Landfill | 14,018,143 | 14,018,143 | 1,524,329 | | 12,493,814 |
| Motor Pool | 1,468,942 | 1,468,942 | | 50,232 | 1,418,710 |
| Road Machinery | 2,803,370 | 2,803,370 | 312,659 | 75,000 | 2,415,711 |
| Sewer | 10,413,006 | 10,413,006 | | | 10,413,006 |
| Small Watershed Protection | 522,090 | 522,090 | | | 522,090 |
| Water Authority | 113,544 | 113,544 | 113,544 | | 0 |
| Social Services | 215,170,750 | 215,170,750 | 119,102,424 | | 96,068,326 |
| Valley View | 59,496,889 | 59,496,889 | | 6,460,367 | 53,036,522 |
| Total Revenues | $ 813,814,122 | $ 813,814,122 | $ 433,037,494 | $ 22,585,941 | $ 358,190,687 |
| Reserve for Uncollected Taxes | | | 1,500,000 | | |
| **Total Taxation Required** | | | **434,537,494** | | |
| Sales Tax: County Share | | | 220,994,773 | | |
| Sales Tax: Municipalities | | | 79,154,771 | | |
| Property Tax: | | | 134,387,950 | | |
| **Total Taxation** | | | **434,537,494** | | |

## 2020 BUDGET SUMMARIES BY FUNDS

| | EXPENDITURE TOTAL | REVENUE TOTAL | TAXATION | SURPLUS | STATE FEDERAL & OTHER |
|---|---|---|---|---|---|
| **FUNDS:** | | | | | |
| Airport | $ 1,579,699 | $ 1,579,699 | $ 112,743 | $ 125,000 | $ 1,341,956 |
| Community Development | 3,366,372 | 3,366,372 | 178,732 | | 3,187,640 |
| County Road | 18,169,838 | 18,169,838 | 12,463,221 | 1,592,449 | 4,114,168 |
| Debt Service | 39,154,300 | 39,154,300 | 29,184,466 | | 9,969,834 |
| Employment & Training | 8,570,029 | 8,570,029 | 91,509 | | 8,478,520 |
| General Fund | 438,447,648 | 438,447,648 | 264,452,148 | 19,923,908 | 154,071,592 |
| Landfill | 16,325,904 | 16,325,904 | 1,722,499 | 350,000 | 14,253,405 |
| Motor Pool | 1,624,111 | 1,624,111 | | | 1,624,111 |
| Road Machinery | 2,801,469 | 2,801,469 | 385,758 | | 2,415,711 |
| Sewer | 9,969,970 | 9,969,970 | | | 9,969,970 |
| Small Watershed Protection | 420,129 | 420,129 | | 67,000 | 353,129 |
| Social Services | 218,937,330 | 218,937,330 | 121,613,121 | | 97,324,209 |
| Valley View | 57,288,477 | 57,288,477 | | 1,581,162 | 55,707,315 |
| Water Authority | 408,800 | 408,800 | 398,000 | | 10,800 |
| Total Revenues | $ 817,064,076 | $ 817,064,076 | $ 430,602,197 | $ 23,639,519 | $ 362,822,360 |
| Reserve for Uncollected Taxes | | | 500,000 | | |
| **Total Taxation Required** | | | **431,102,197** | | |
| Sales Tax: County Share | | | 220,994,773 | | |
| Sales Tax: Municipalities | | | 79,154,771 | | |
| Property Tax: | | | 130,953,453 | | |
| **Total Taxation** | | | **431,102,997** | | |

**ASSESSED VALUATIONS FOR FISCAL YEAR ENDING DECEMBER 31, 2016**

| | Assessed Valuation | State Eq. Rate | Full Valuation |
|---|---|---|---|
| City of: | | | |
| Middletown | $ 225,872,857 | 18.50% | $ 1,220,934,362 |
| Newburgh | 869,271,092 | 100.00% | 869,271,092 |
| Port Jervis | 164,316,344 | 45.00% | 365,147,431 |
| Town of: | | | |
| Blooming Grove | 278,110,607 | 18.80% | 1,479,311,739 |
| Chester | 803,982,520 | 65.25% | 1,232,157,119 |
| Cornwall | 973,762,987 | 76.35% | 1,275,393,565 |
| Crawford | 325,066,406 | 40.75% | 797,708,972 |
| Deer Park | 276,772,875 | 60.00% | 461,288,125 |
| Goshen | 972,634,293 | 65.50% | 1,484,937,852 |
| Greenville | 256,633,390 | 68.20% | 376,295,293 |
| Hamptonburgh | 651,805,173 | 100.00% | 651,805,173 |
| Highlands | 515,500,110 | 106.00% | 486,320,858 |
| Minisink | 199,247,960 | 50.00% | 398,495,920 |
| Monroe | 521,279,209 | 18.93% | 2,753,720,069 |
| Montgomery | 1,317,094,592 | 72.00% | 1,829,298,044 |
| Mount Hope | 259,473,290 | 59.00% | 439,785,237 |
| Newburgh | 1,052,009,724 | 38.00% | 2,768,446,642 |
| New Windsor | 374,334,132 | 18.55% | 2,017,973,757 |
| Tuxedo | 176,997,165 | 17.15% | 1,032,053,440 |
| Wallkill | 544,623,021 | 22.10% | 2,464,357,561 |
| Warwick | 519,721,138 | 15.00% | 3,464,807,587 |
| Wawayanda | 516,044,636 | 69.50% | 742,510,268 |
| Woodbury | 651,450,114 | 42.75% | 1,523,859,916 |
| Total. . . . . | $ 12,446,003,635 | | $ 30,135,880,022 |

## ASSESSED VALUATIONS FOR FISCAL YEAR ENDING DECEMBER 31, 2017

| | Assessed Valuation | State Eq. Rate | Full Valuation |
|---|---|---|---|
| City of: | | | |
| Middletown | $ 228,210,123 | 16.90% | $ 1,350,355,757 |
| Newburgh | 864,176,167 | 100.00% | 864,176,167 |
| Port Jervis | 167,109,589 | 44.00% | 379,794,520 |
| Town of: | | | |
| Blooming Grove | 278,112,785 | 18.60% | 1,495,230,027 |
| Chester | 804,302,639 | 63.00% | 1,276,670,856 |
| Cornwall | 976,193,427 | 73.52% | 1,327,793,018 |
| Crawford | 324,944,980 | 40.00% | 812,362,450 |
| Deer Park | 276,795,591 | 60.00% | 461,325,985 |
| Goshen | 970,693,037 | 65.00% | 1,493,373,903 |
| Greenville | 257,617,762 | 67.80% | 379,967,201 |
| Hamptonburgh | 651,037,201 | 100.00% | 651,037,201 |
| Highlands | 516,415,326 | 106.00% | 487,184,270 |
| Minisink | 199,521,727 | 50.00% | 399,043,454 |
| Monroe | 530,156,507 | 19.00% | 2,790,297,405 |
| Montgomery | 1,324,766,590 | 71.00% | 1,865,868,437 |
| Mount Hope | 259,780,555 | 60.00% | 432,967,592 |
| Newburgh | 1,060,779,918 | 36.00% | 2,946,610,883 |
| New Windsor | 377,219,076 | 18.67% | 2,020,455,683 |
| Tuxedo | 175,919,045 | 17.02% | 1,033,601,910 |
| Wallkill | 591,575,234 | 22.00% | 2,688,978,336 |
| Warwick | 521,569,389 | 15.00% | 3,477,129,260 |
| Wawayanda | 521,384,140 | 68.50% | 761,144,730 |
| Woodbury | 701,129,311 | 42.75% | 1,640,068,564 |
| Total. . . . . | $ 12,579,410,119 | | $ 31,035,437,609 |

## ASSESSED VALUATIONS FOR FISCAL YEAR ENDING DECEMBER 31, 2018

| | Assessed Valuation | State Eq. Rate | Full Valuation |
|---|---|---|---|
| City of: | | | |
| Middletown | $ 229,077,064 | 17.45% | $ 1,312,762,544 |
| Newburgh | 882,487,198 | 100.00% | 882,487,198 |
| Port Jervis | 166,868,685 | 42.00% | 397,306,393 |
| Town of: | | | |
| Blooming Grove | 281,262,587 | 18.85% | 1,492,109,215 |
| Chester | 833,980,436 | 62.50% | 1,334,368,698 |
| Cornwall | 1,428,503,024 | 100.00% | 1,428,503,024 |
| Crawford | 327,027,138 | 40.00% | 817,567,845 |
| Deer Park | 279,145,539 | 58.45% | 477,580,050 |
| Goshen | 980,604,106 | 65.00% | 1,508,621,702 |
| Greenville | 259,644,723 | 65.60% | 395,799,883 |
| Hamptonburgh | 652,779,731 | 100.00% | 652,779,731 |
| Highlands | 513,728,451 | 106.00% | 484,649,482 |
| Minisink | 200,416,972 | 50.00% | 400,833,944 |
| Monroe | 534,838,060 | 19.50% | 2,742,759,282 |
| Montgomery | 1,370,062,648 | 68.00% | 2,014,798,012 |
| Mount Hope | 262,927,353 | 61.00% | 431,028,448 |
| Newburgh | 1,048,145,301 | 34.44% | 3,043,395,183 |
| New Windsor | 379,995,800 | 18.04% | 2,106,406,874 |
| Tuxedo | 177,726,657 | 16.80% | 1,057,896,768 |
| Wallkill | 594,140,724 | 21.24% | 2,797,272,712 |
| Warwick | 522,942,515 | 14.60% | 3,581,798,048 |
| Wawayanda | 532,338,864 | 68.50% | 777,137,028 |
| Woodbury | 728,726,537 | 41.70% | 1,747,545,652 |
| Total. . . . . | $ 13,187,370,113 | | $ 31,885,407,714 |

## ASSESSED VALUATIONS FOR FISCAL YEAR ENDING DECEMBER 31, 2019

| | Assessed Valuation | State Eq. Rate | Full Valuation |
|---|---|---|---|
| City of: | | | |
| Middletown | $ 230,970,160 | 16.35% | $ 1,412,661,529 |
| Newburgh | 905,402,215 | 100.00% | 905,402,215 |
| Port Jervis | 168,435,652 | 40.00% | 421,089,130 |
| Town of: | | | |
| Blooming Grove | 282,419,822 | 17.15% | 1,646,762,810 |
| Chester | 842,110,367 | 59.00% | 1,427,305,707 |
| Cornwall | 1,430,314,102 | 100.00% | 1,430,314,102 |
| Crawford | 329,950,170 | 39.00% | 846,026,077 |
| Deer Park | 281,910,243 | 56.20% | 501,619,649 |
| Goshen | 988,899,105 | 62.00% | 1,594,998,556 |
| Greenville | 259,327,358 | 63.40% | 409,033,688 |
| Hamptonburgh | 656,476,830 | 100.00% | 656,476,830 |
| Highlands | 514,338,189 | 100.00% | 514,338,189 |
| Minisink | 201,590,719 | 47.00% | 428,916,423 |
| Monroe | 386,912,012 | 18.55% | 2,085,779,040 |
| Montgomery | 1,373,711,126 | 65.00% | 2,113,401,732 |
| Mount Hope | 263,173,847 | 59.00% | 446,057,368 |
| Newburgh | 1,053,108,771 | 34.00% | 3,097,378,738 |
| New Windsor | 382,206,640 | 16.75% | 2,281,830,687 |
| Palm Tree | 154,409,832 | 18.46% | 836,456,295 |
| Tuxedo | 178,604,207 | 16.60% | 1,075,928,958 |
| Wallkill | 596,078,994 | 21.00% | 2,838,471,400 |
| Warwick | 525,959,043 | 14.10% | 3,730,205,979 |
| Wawayanda | 535,925,304 | 68.00% | 788,125,447 |
| Woodbury | 733,351,294 | 38.23% | 1,918,261,297 |
| Total. . . . . | $ 13,275,586,002 | | $ 33,406,841,848 |

**ASSESSED VALUATIONS FOR FISCAL YEAR ENDING DECEMBER 31, 2020**

| | Assessed Valuation | State Eq. Rate | Full Valuation |
|---|---|---|---|
| City of: | | | |
| Middletown | $ 233,694,512 | 15.25% | $ 1,532,423,030 |
| Newburgh | 965,121,268 | 100.00% | 965,121,268 |
| Port Jervis | 170,363,869 | 41.00% | 415,521,632 |
| Town of: | | | |
| Blooming Grove | 285,165,506 | 16.17% | 1,763,546,729 |
| Chester | 843,898,149 | 58.20% | 1,449,996,820 |
| Cornwall | 1,433,608,921 | 95.00% | 1,509,062,022 |
| Crawford | 334,027,709 | 37.50% | 890,740,557 |
| Deer Park | 295,086,621 | 56.20% | 525,065,162 |
| Goshen | 1,004,621,866 | 61.00% | 1,646,921,092 |
| Greenville | 264,294,464 | 62.58% | 422,330,559 |
| Hamptonburgh | 662,249,414 | 100.00% | 662,249,414 |
| Highlands | 514,397,766 | 100.00% | 514,397,766 |
| Minisink | 204,286,620 | 47.00% | 434,652,383 |
| Monroe | 389,877,939 | 18.15% | 2,148,087,818 |
| Montgomery | 1,386,631,291 | 61.00% | 2,273,166,051 |
| Mount Hope | 268,225,246 | 56.00% | 478,973,654 |
| Newburgh | 1,055,468,079 | 32.20% | 3,277,851,177 |
| New Windsor | 385,569,798 | 15.48% | 2,490,760,969 |
| Palm Tree | 157,737,198 | 18.25% | 864,313,414 |
| Tuxedo | 179,719,669 | 16.55% | 1,085,919,450 |
| Wallkill | 603,957,156 | 19.75% | 3,058,010,916 |
| Warwick | 529,159,527 | 13.70% | 3,862,478,299 |
| Wawayanda | 538,174,889 | 65.50% | 821,641,052 |
| Woodbury | 738,769,604 | 37.71% | 1,959,081,421 |
| Total. . . . . | $ 13,444,107,081 | | $ 35,052,312,655 |

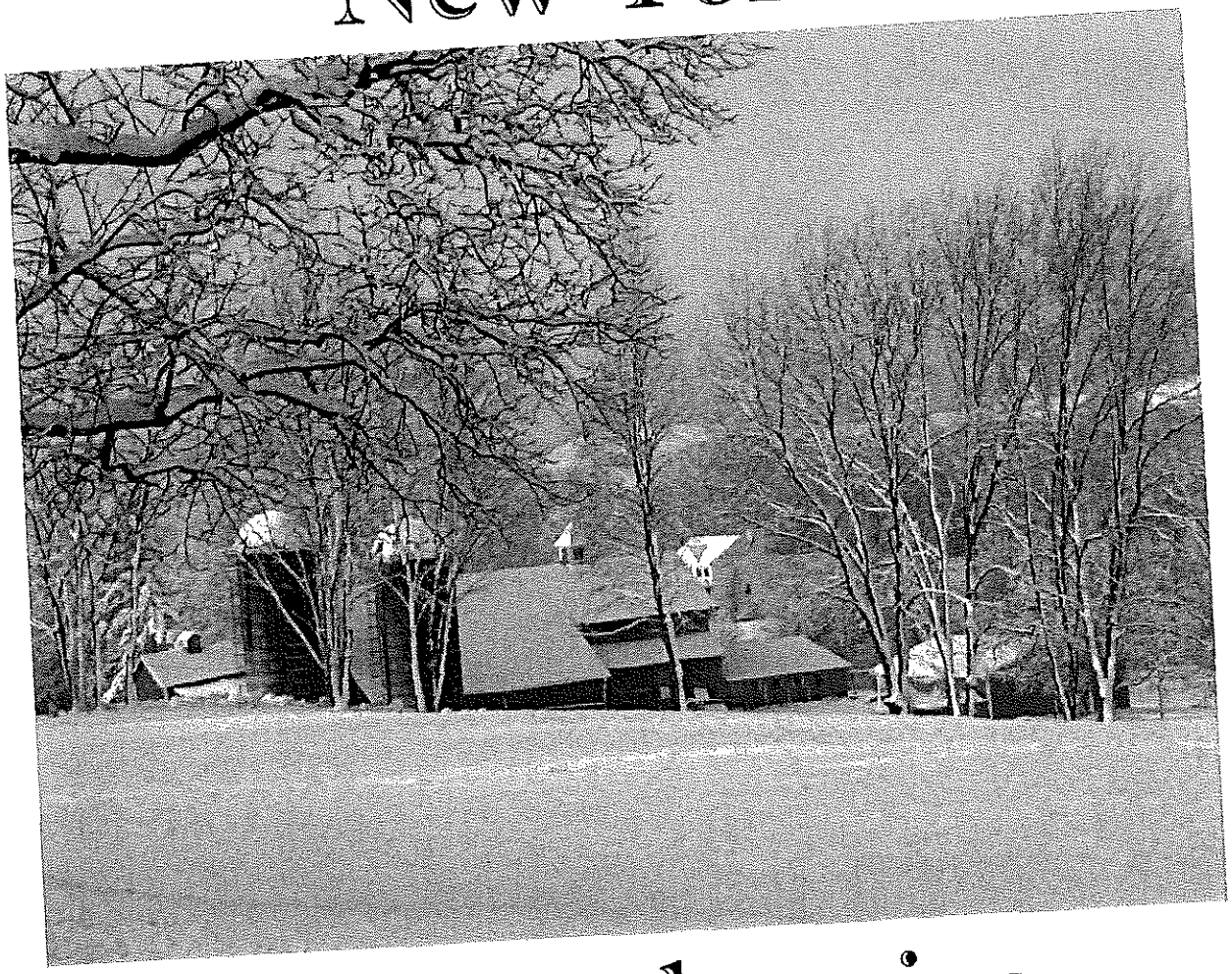
**COUNTY OF ORANGE**

**APPENDIX B**

**AUDITED FINANCIAL STATEMENTS**
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020**

NOTE: SUCH FINANCIAL REPORT AND OPINIONS WERE PREPARED AS OF THE DATE THEREOF AND HAVE NOT BEEN REVIEWED AND/OR UPDATED IN CONNECTION WITH THE PREPARATION AND DISSEMINATION OF THIS OFFICIAL STATEMENT. CONSENT OF THE AUDITORS HAS NOT BEEN REQUESTED OR OBTAINED.

# County of Orange, New York



# Comprehensive Annual Financial Report

Steven M. Neuhaus
County Executive

**Year Ended**
**December 31, 2020**

**Cover Photograph:**
**Local farm in Goshen on a beautiful winter morning after a recent snowfall.**
**-Photo courtesy of Kathy DeRose of the OC Finance Department**

# COUNTY OF ORANGE, NEW YORK

## Comprehensive Annual Financial Report
## Fiscal Year Ended December 31, 2020


Prepared by

**Department of Finance**

**Karin E. Hablow**
*Commissioner*
255 Main Street
Goshen, New York 10924
(845) 291-2488

**County of Orange, New York**

Comprehensive Annual Financial Report
Fiscal Year Ended December 31, 2020
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## STATISTICAL SECTION (Unaudited)

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

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

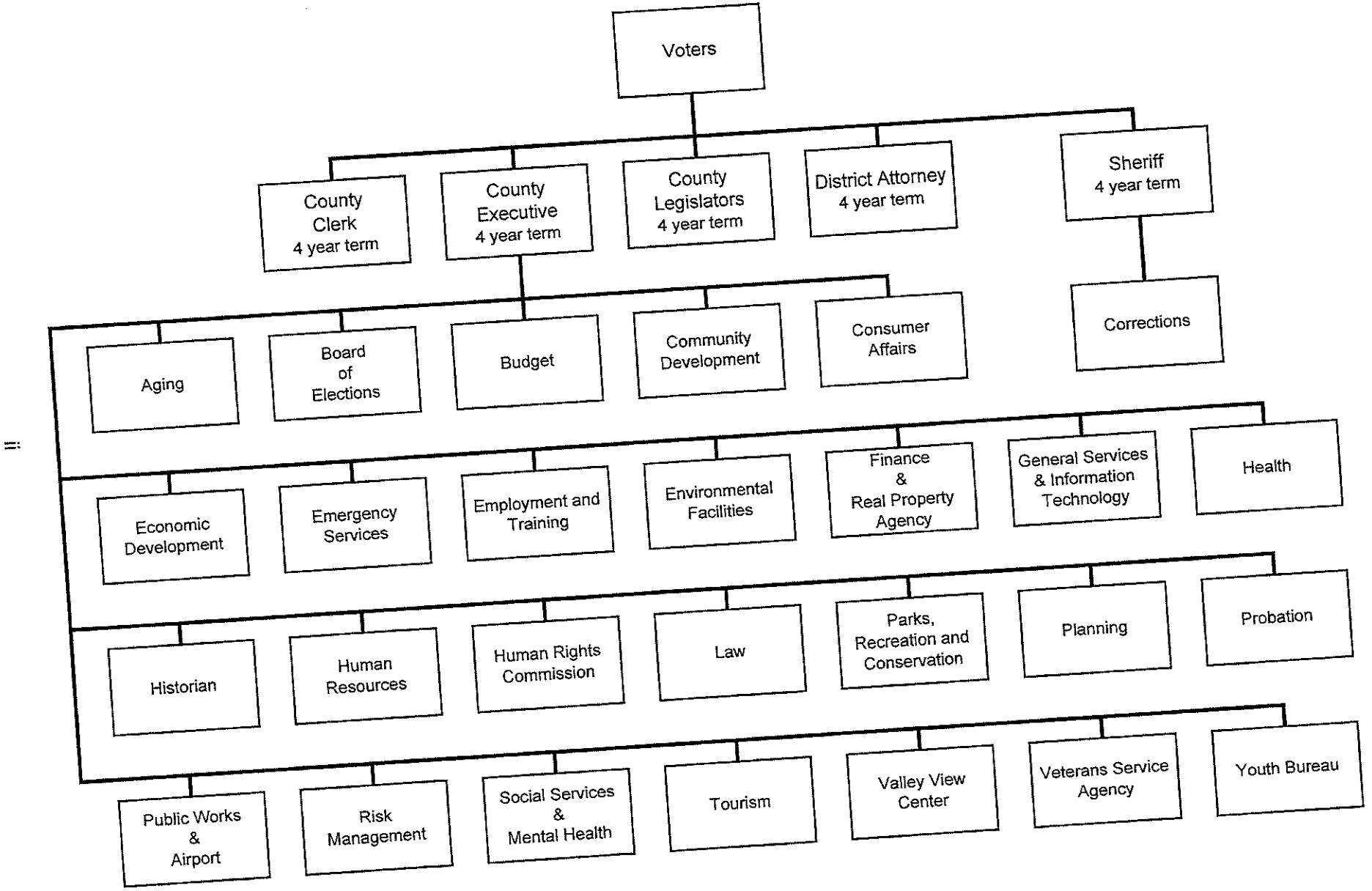
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 204

**County of Orange, New York**

Principal Officials
December 31, 2020

| Office | Name | Term Expires |
|---|---|---|
| **ELECTED OFFICIALS** | | |
| County Executive | Steven M. Neuhaus | 12/31/2021 |
| County Legislators | | |
| Chair of the Legislature | L. Stephen Brescia | 12/31/2021 |
| District #1 | Michael Amo | 12/31/2021 |
| District #2 | Janet Sutherland | 12/31/2021 |
| District #3 | Paul Ruszkiewicz | 12/31/2021 |
| District #4 | Kevindaryán Luján | 12/31/2021 |
| District #5 | Katie Bonelli | 12/31/2021 |
| District #6 | James M. Kulisek | 12/31/2021 |
| District #7 | Peter V. Tuohy | 12/31/2021 |
| District #8 | Barry J. Cheney | 12/31/2021 |
| District #9 | L. Stephen Brescia | 12/31/2021 |
| District #10 | John S. Vero | 12/31/2021 |
| District #11 | Kathy Stegenga | 12/31/2021 |
| District #12 | Kevin W. Hines | 12/31/2021 |
| District #13 | Thomas J. Faggione | 12/31/2021 |
| District #14 | Laurie R. Tautel | 12/31/2021 |
| District #15 | Joseph J. Minuta | 12/31/2021 |
| District #16 | Leigh J. Benton | 12/31/2021 |
| District #17 | Mike Anagnostakis | 12/31/2021 |
| District #18 | Rob Sassi | 12/31/2021 |
| District #19 | Michael D. Paduch | 12/31/2021 |
| District #20 | Joel Sierra | 12/31/2021 |
| District #21 | James D. O'Donnell | 12/31/2021 |
| County Clerk | Annie Rabbitt | 12/31/2021 |
| District Attorney | David M. Hoovler | 12/31/2022 |
| Sheriff | Carl E. DuBois | Appointed |
| **APPOINTED OFFICIALS** | | |
| County Attorney | Langdon C. Chapman | Appointed |
| Commissioner of Finance | Karin E. Hablow | |

# COUNTY OF ORANGE, NEW YORK
# TABLE OF ORGANIZATION
# DECEMBER 31, 2020



**Steven M. Neuhaus**
*County Executive*

# DEPARTMENT OF FINANCE

Karin E. Hablow
*Commissioner*
Orange County Government Center
Goshen, New York 10924-1698
(845) 291-2485

June 15, 2021

To the Honorable County Executive and Members of
the County Legislature of the County of Orange:

The Comprehensive Annual Financial Report ("ACFR") for the County of Orange, New York ("County") for the fiscal year ended December 31, 2020 is herewith submitted. New York State requires the County to submit an annual report of the financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This ACFR is issued pursuant to that requirement.

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

The County's financial statements have been audited by PKF O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2020, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles

used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the County's basic financial statements for the fiscal year ended December 31, 2020, are fairly presented, in all material respects, in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2020 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

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

## PROFILE OF THE COUNTY

The County encompasses approximately 816 square miles and, per the U.S. Census Bureau, had an estimated population of 384,940 as of July 1, 2019. The County experienced a 3.2% population growth from 2010 to 2019. The County is located 60 miles northwest of the City of New York. The County is bordered by the Hudson River to the east, the States of Pennsylvania to the west and New Jersey to the southwest, the Counties of Sullivan and Ulster to the north and the County of Rockland to the south.

The County operates under a charter form of government that provides for separate, independent executive and legislative functions with an elected County Executive and a 21-person County Legislature. This current form of government was adopted pursuant to the provisions of Local Law No. 8 of 1968 and became effective on January 1, 1970.

The County Executive is elected from the County at large for a term of four years with the right of unlimited self-succession. The County Executive must be a qualified elector of the County and may

not concurrently hold another public office. The County Executive is the chief executive officer responsible for the administration of all County affairs. The County Executive is required to approve all local laws of the County Legislature. Any local law that is not approved must be returned to the Legislature within 30 days, together with a written explanation for the disapproval, or is otherwise deemed to have been approved by such Executive. The County Legislature may override a veto of the County Executive with a two-thirds vote of its membership.

The County Legislature is the legislative, appropriating and policy making body of the County. The 21 members represent legislative districts of approximately equal population. Members are elected to serve four-year terms and may serve an unlimited number of terms. The membership of the County Legislature as of December 31, 2020 is included on the list of Principal Officials. Duties of the Legislature include, among others: review and adoption of the County's annual budget, approval of budgetary modifications during the year, and authorization by resolution for the issuance of debt. Legislative committees have been organized to oversee various aspects of County government. These committees are advisory in nature and formal actions must be approved by a vote of the Legislature as a whole.

The Department of Finance is charged with the administration of the financial affairs of the County, including the collection of all taxes and other revenues due to the County, the custody and safekeeping of all funds belonging to the County and the disbursement of all County funds. Duties of the Department of Finance include tax collection, financial accounting and reporting, payroll and accounts payable disbursement functions, cash and investment management, debt management and internal audit.

Other elected officials include the County Clerk, District Attorney, and Sheriff, who are elected from the County, at large, for four-year terms.

The County provides a full range of services and facilities, some of which include:

- Parks and recreation services including a 3,415-acre County park system, which includes golf courses, trails, camping and picnic areas.
- Public safety and judiciary services including criminal justice, district attorney, corrections, and probation programs.

- Transportation services, which include maintenance of 302 miles of County roads and operation of the Orange County Airport.
- Educational services, which includes the Orange County Community College and various other programs throughout the County.
- Health services through the Valley View Center for Nursing Care and Rehabilitation, the County Health Department, Mental Health Department, and community health care services.
- Housing and community development programs, as well as land use and environmental planning services.
- Social services, including administration of State and Federally funded public assistance programs, veterans' assistance, and employment and training services.
- Sewer services provided by the Orange County Sewer District.

This report includes all the funds of the County. It includes all County organizations and activities for which the County is financially accountable. The County has considered all potential component units based on criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 61, an amendment of GASB Statement Nos. 14 and 34, including legal standing, fiscal dependency and financial accountability. Based upon the application of the above criteria, the Orange County Community College, the Orange County Industrial Development Agency, the Orange County Water Authority and the Orange County Soil and Water Conservation District are included in the County's reporting entity as discrete presentations.

The County also maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the County Legislature. During the month of June, the various County departments prepare their budgets. These preliminary budgets are due in the Budget office by July 1st and include the estimated revenues and expenditures for the ensuing fiscal year. Budget hearings are scheduled with each department to occur during August and September. On October 1st, the County Executive presents the original copy of the budget to the Clerk of the Legislature. A resolution is then adopted specifying the time and place of the public hearing, which shall be held by October 25th. On or before November 15th, the Legislature submits its budget modifications, if any, to the County Executive, who has until December 1st to accept or veto such modifications, as prescribed by law. The final document is filed by December 15th. Budget to actual comparisons are provided in this report for each individual

governmental fund for which an appropriated annual budget has been adopted. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established within individual funds at the function level.

## FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

### Local Economy

Demographically, the County is suburban residential in nature; however, the County has large tracts of land devoted to farming, as well as three small cities, which account for 18% of the total population. The commercial and industrial base of the County has been centered primarily in the Newburgh and Middletown areas, both of which are located at the intersection of major highway systems. However, recent commercial and industrial development has been completed through a network of business parks located throughout the County. Several of the County's larger employers include Orange Regional Medical Center, St. Lukes/Cornwall Hospital, Crystal Run Healthcare, Elant Inc., Access: Supports for Living, and C&S Wholesale Grocers' Inc. In addition to many other new commercial and industrial development initiatives, Legoland NY will be opening in July 2021. This $500 million entertainment resort will generate more than 1,100 jobs including more than 300 permanent full-time positions.

The County's employment base is quite diverse. A majority of the County's workforce is employed in service and trade related jobs. Data compiled by the United States Bureau of Economic Analysis for 2020 indicated that wholesale and retail trade accounted for 17% of employment in the area, while service employment accounted for an additional 40%. Government employment was 19% of the workforce, reflecting the presence of the U.S. Military Academy at West Point, in the County. The Orange Regional Medical Center is the largest non-governmental employer with 2,524 employees. There are 40 non-governmental employers that employ 300 or more persons within the County. The County's annual unemployment rates have been consistently below the State and national levels.

## Major Initiatives

The following major initiatives were commenced or were in progress during calendar year 2020 by the various departments and agencies of the Orange County government:

**Information Technology Plan:** In March of 2020, the County's Information Technology department assembled a completely reinvented remote County-wide workforce, something non-existent prior to the pandemic. Although unanticipated, every IT project was analyzed and executed with an eye toward the future.

Here are some of the major initiatives which increased remote capacities:

- Automated platforms utilized for efficiencies and protection from cyberattacks and viruses
- Purchased, provisioned, and deployed laptops, iPads, tablets and cell phones
- Windows 7-10 desktop upgrade, all employees migrated to Office 365
- Server upgrades
- Server storage expansion
- Bandwidth increase
- UPS Datacenter upgrade
- Video conference platforms implemented
- VOIP/Calling Center routing assistance
- Back-end expansion to handle increased calls

During a time of increasing demands with tremendous financial constraints and limited resources, the County continues to assess how to best serve all technology needs in a more modernized, secure and cost-efficient manner.

**Building Projects:** In 2020, the County responded to the COVID pandemic which included installing plexiglass barriers, reconfiguring furniture, additional disinfecting services, and pick-up of personal protective equipment (PPE) throughout the tri-state area. The County also installed additional temporary capacity at the Morgue facility. The cooling tower replacement project for the courthouse was completed prior to the 2020 cooling season. Removal and remediation of asbestos containing materials from 2 buildings was completed. Both Middletown and Newburgh DMV customer waiting areas were repainted. Lastly, security lighting was installed and the main roof drainpipe was replaced in the Maple Building parking garage.

**Infrastructure Construction Projects:** During 2020, construction was completed on one bridge replacement initiative, five bridge deck repairs, including new membranes and repaving, one large culvert replacement along a County road and the Heritage Trail parking lot. A railroad bridge re-decking project was also completed in the Village of Harriman. Additionally, 7.5 miles of County roads were paved and/or surface treated in 2020.

**Emergency Services Communications Upgrade:** Orange County initiated a new Capital Project in 2013 to replace its aging Public Safety Radio System. The project consists of replacing all our current radio equipment with new P-25 (the federal standard for receiving grant money) equipment, as well as increasing our tower locations from 8 to 14 sites. This comprehensive upgrade utilizes both County funding and a NYS communications grant. This upgrade will increase our "on the street" portable radio coverage from the low 70th percentile to 95% coverage. It will also provide both intra- and inter-agency interoperable communications. The following tasks were completed in 2020;

- The system went on the air.
- All First Responder Agencies were transferred from the legacy system to the new system.
- Paging for Fire Departments and EMS went on the air.
- All First responders are using the system as their primary communications.

**Long-Term Financial Planning**

**Solid Waste Plan:** The County DPW's Division of Environmental Facilities and Services (DPW EF&S) continued to explore the best strategies for handling and disposing of solid waste. For 2020, the County began self-hauling scrap metal in February and self-hauling mixed paper in June to 4 vendors who gave quotes and paid at market rates. Tipping prices for bagged garbage, tires, computer monitors, televisions, and mixed paper were updated to be consistent with, or below prices charged at surrounding Counties. The County tipping rate for Municipal Solid Waste was $106/ton through the end of the year.

The Citizen Drop Off Area (CDA) for bagged garbage, single stream recycling, scrap metal and white goods continued to be operated by Orange County staff.

The County continued to operate all 3 Transfer Stations with County staff.

The County received a single proposal for innovative waste to energy technology in response to a Request for Proposals (RFP) to implement waste to energy technologies on the property owned by Orange County in the vicinity of the Closed Landfill and Transfer Station #1 in New Hampton.

The County DPW EF&S staff continued developing a new 10-year Local Solid Waste Management Plan (LSWMP) for submission to the NYS Department of Environmental Conservation (NYSDEC) to replace the draft plan as per NYSDEC advice. Four Chapters were submitted to DEC in 2020.

**Orange County Sewer District #1 Sewage Treatment:** The County plans to expand the capacity of the Harriman Wastewater Treatment Plant beyond the current 6 million gallons per day to 9 million gallons per day to accommodate growth in the Southeastern area of the County. Environmental review for the expansion pursuant to the State Environmental Quality Review Act (SEQRA) is in process. SEQRA requires that alternate proposals for expansion be studied and considered. Additionally, alternates involving a new Hudson River plant, or a possible outfall into the Hudson from an expanded Harriman plant will be evaluated.

## RELEVANT FINANCIAL POLICIES

The County prepares its budgets, capital improvement plans, and forecasts with the various financial policies in mind, and operates in compliance with the policies. The County does not foresee any issues with its ability to comply with the current policies in the implementation of its near and long-term initiatives.

## AWARDS AND ACKNOWLEDGEMENTS

### GFOA - Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association ("GFOA") of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its ACFR for the year ended December 31, 2019. This was the 25th consecutive year that the County received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

**Acknowledgements**

The preparation of the ACFR was made possible by the efficient and dedicated services of the entire staff of the Department of Finance, particularly, the divisions of Administration and Accounting. I would like to express my appreciation to all members of the Department and to our independent auditor, PKF O'Connor Davies, LLP, which assisted in its preparation. Due credit also should be given to the County Executive and County Legislators for their interest and support in planning and conducting the operations of the County in a responsible and progressive manner.

Respectfully submitted,

Karin E. Hablow
Commissioner of Finance

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Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Orange County**
**New York**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

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# BASIC
# FINANCIAL STATEMENTS

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

# Independent Auditors' Report

**The Honorable Legislature of the**
**County of Orange, New York**

## Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Orange, New York ("County") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### *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.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Orange County Community College (a component unit), Orange County Industrial Development Agency (a component unit) and the Orange County Water Authority (a component unit), which represent (73.0%, 23.3%, 2.0%) and (97.9%, 1.0%, 0.1%) respectively, of the assets and revenues of the discretely presented component units. 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 such component units, is based solely on the reports 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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.

***Opinions***

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matters***

We draw attention to Note 2E in the notes to financial statements which disclose the effects of the County's adoption of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 84, "*Fiduciary Activities*". Our opinion is not modified with respect to this matter.

As discussed in Note 4D in the notes to financial statements, on March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of COVID-19 ("Coronavirus"). Our opinion is not modified with respect to this matter.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Supplementary and Other Information*

Our audit for the year ended December 31, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules and the introductory and statistical sections for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules 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 for the year ended December 31, 2020 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic

financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2020.

We also previously 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 basic financial statements of the County as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated July 7, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2019 financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2019.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2020 and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2021 on our consideration of the County'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 the County's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

**PKF O'Connor Davies, LLP**
Harrison, New York
June 15, 2021

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## Introduction

As management of the County of Orange, New York ("County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

## Financial Highlights

Key financial highlights for fiscal year 2020 are as follows:

- At December 31, 2020, on the government-wide financial statements for governmental activities, the liabilities and deferred inflows of resources of the County exceeded its assets and deferred outflows of resources by $821,740,404. However, unrestricted net position, which is available to meet the ongoing obligations of the County, reflects a deficit of $1,026,351,470 at December 31, 2020. The unrestricted net position deteriorated by $80,858,457 from the prior year. This decrease results primarily from the change in the required accrual of the County's annual other postemployment benefit cost ("OPEB") in accordance with the provisions of GASB Statement No. 75. This obligation will be satisfied in future years.

- On the government-wide financial statements for business-type activities, the liabilities and deferred inflows of resources of the County exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by $127,708,650. However, unrestricted net position, which is available to meet the ongoing obligations of the County, reflects a deficit of $148,028,516 at December 31, 2020. The unrestricted net position deteriorated by $24,330,789 from the prior year. This decrease results primarily from the change in the required accrual of the County's annual other postemployment benefit cost ("OPEB") in accordance with the provisions of GASB Statement No. 75. This obligation will be satisfied in future years.

- The County is committed to provide postemployment benefits to its employees in the form of pensions and healthcare. As a result, the County has recognized substantial liabilities in the government-wide financial statements for these benefits. As of December 31, 2020, the County had liabilities of $1,464,335,438 for other postemployment benefits recorded in accordance of the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" ("OPEB") and $164,699,754 for its proportionate share of the net position liabilities of the New York State and Local Retirement System ("ERS") recorded in accordance with the provision of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*". More detailed information about the County's OPEB and pension reporting is presented in Note 3 in the notes to the financial statements.

- The General Fund reported an ending total fund balance of $79,234,873, which represents a decrease of $8,643,913 from fiscal year 2019. The unassigned portion of this total fund balance was $50,607,998, a decrease of $3,883,612 from the prior year.

- The County's total outstanding bonds payable for December 31, 2020 were $276,472,000, a net decrease of $3,053,000 from the prior year.

## Overview of the Financial Statements

The County's financial statements are comprised of the Management's Discussion and Analysis ("MD&A") and the basic financial statements. This discussion and analysis serves as an introduction to the basic financial statements. The MD&A provides an analysis and overview of the County's financial activities. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains combining and individual fund financial statements and schedules, in addition to the basic financial statements, along with statistical tables.

## Government-Wide Financial Statements

The government-wide financial statements are presented in a manner similar to private-sector business financial statements. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The government-wide financial statements include two statements: Statement of Net Position and Statement of Activities. Fiduciary activities, whose resources are not available to finance County programs, are excluded from these statements.

The Statement of Net Position presents information on all the County's assets, liabilities and deferred inflows/outflows of resources (when applicable), with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (for example, uncollected taxes, OPEB and net pension liabilities).

Both the financial statements have separate sections for the two different types of activities.

These two types of activities are:

Governmental activities - The activities reflected in this section are general government support, education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and interest. These activities are mostly supported by taxes, charges for services and operating grants and contributions.

Business-type activities - These activities consist of the Valley View Center for Nursing Care and Rehabilitation, a chronic care hospital and skilled nursing facility. These activities are intended to recover their costs of operation, including depreciation, primarily through user charges.

The government-wide financial statements include not only the County itself (the *primary government*), but also the Orange County Community College, the Orange County Industrial Development Agency, the Orange County Soil and Water Conservation District and the Orange County Water Authority, for which the County is financially accountable. Financial information for

these *component units* are reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found immediately following this discussion and analysis.

**Fund Financial Statements**

A fund is an entity with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The County divides its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - Most of the basic services provided by the County are financed and accounted for through governmental funds. Governmental fund financial statements focus on current inflows and outflows of spendable resources, as well as the available balances of these resources at the end of the fiscal year. This information is useful in determining the County's financing requirements for the subsequent fiscal period. Governmental funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting.

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

The County has twelve individual governmental funds: General, County Road, Road Machinery, Sewer District, Airport, Sanitary Landfill, Off-Street Parking, Workforce Investment Act, Small Watershed Protection, Community Development, Debt Service, and Capital Projects funds. Of these, the General, Community Development and Capital Projects funds are reported as major funds, and are presented in separate columns on the statement of revenues, expenditures and changes in fund balance. Data for the other nine governmental funds are combined into a single, aggregated column on these statements. Individual fund data for these non-major funds can be found on the combining statements elsewhere in this report.

The County adopts an annual appropriations budget for its General Fund, all Special Revenue Funds (except the Community Development fund) and the Debt Service Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the budgets.

The governmental fund financial statements can be found in the basic financial statements section of this report.

Proprietary Funds - These funds are used to show activities that operate similarly to private business enterprises. Since these funds charge fees for services provided, they are known as proprietary funds. Proprietary fund financial statements use the economic resources measurement focus and the accrual basis of accounting, like the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for

the Valley View Center for Nursing Care and Rehabilitation. In addition, the internal service funds are presented in the proprietary fund financial statements.

The proprietary fund financial statements can be found in the basic financial statement section of this report.

Fiduciary funds - These funds are used to account for resources held for the benefit of parties outside of the County. The funds are not reflected in the government-wide financial statements, because the assets of these funds are not available to support the activities of the County. The County maintains only one type of fiduciary fund that is known as a Custodial Fund. The Custodial Fund reports resources, not in a trust, that are held by the County for other parties outside of the County's reporting entity and, in the case of the County, primarily to account for real property taxes collected for other governments.

The financial statements for the fiduciary funds can be found in the basic financial statement section of this report.

Component Units - As discussed above, component units are legally separate entities for which the County is financially accountable. The component units addressed above are aggregated when reported in the government-wide financial statements. The combining statements for the component units can be found in the basic financial statements section of this report.

## Notes to Financial Statements

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements are located following the basic financial statements section of this report.

## Other Information

In addition to the basic financial statements and notes to the financial statements, this report also presents required supplementary information ("RSI") concerning the changes in the County's total OPEB liability and related ratios and its contributions and proportionate share of the net pension liability for its participation in ERS. RSI immediately follows the notes to financial statements.

This report also includes supplementary information ("SI"), which immediately follows RSI and gives the reader further detail on the information presented in the basic financial statements. Included in SI are the combining and individual fund financial statements and schedules and the project length schedule for the Capital Projects Fund.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the County's financial position. In the case of the County, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $949,449,054 for fiscal year 2020. The County's overall net position decreased by $108,266,579 from the prior fiscal year. The reasons for this overall decrease are discussed in the sections for governmental and business-type activities immediately after the following table.

## Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Current Assets | $ 264,832,360 | $ 282,951,057 | $ 78,262,995 | $ 81,043,628 | $ 343,095,355 | $ 363,994,685 |
| Capital Assets, Net | 462,481,957 | 467,151,585 | 11,408,536 | 10,943,834 | 473,890,493 | 478,095,419 |
| Total Assets | 727,314,317 | 750,102,642 | 89,671,531 | 91,987,462 | 816,985,848 | 842,090,104 |
| Deferred Outflows of Resources | 268,940,693 | 230,174,406 | 69,473,776 | 38,405,695 | 338,414,469 | 268,580,101 |
| Current Liabilities | 107,840,748 | 138,423,109 | 6,073,071 | 3,968,034 | 113,913,819 | 142,391,143 |
| Long-term Liabilities | 1,702,455,405 | 1,559,873,855 | 279,583,836 | 228,301,502 | 1,982,039,241 | 1,788,175,357 |
| Total Liabilities | 1,810,296,153 | 1,698,296,964 | 285,656,907 | 232,269,536 | 2,095,953,060 | 1,930,566,500 |
| Deferred Inflows of Resources | 7,699,261 | 18,370,874 | 1,197,050 | 2,915,306 | 8,896,311 | 21,286,180 |
| Net Position | | | | | | |
| Net Investment in Capital Assets | 175,348,501 | 181,472,089 | 7,972,721 | 7,204,767 | 183,321,222 | 188,676,856 |
| Restricted | 29,262,565 | 27,630,134 | 12,347,145 | 11,701,275 | 41,609,710 | 39,331,409 |
| Unrestricted | (1,026,351,470) | (945,493,013) | (148,028,516) | (123,697,727) | (1,174,379,986) | (1,069,190,740) |
| Total Net Position | $ (821,740,404) | $ (736,390,790) | $ (127,708,650) | $ (104,791,685) | $ (949,449,054) | $ (841,182,475) |

Current assets decreased in governmental activities by $18.12 million from the prior year due to the implementation of GASB Statement No. 84 whereby property taxes for other governments receivable due and the related liability have now been reclassified and reflected in the Custodial Fund.

Long-term liabilities, which consists of bonds payable, net pension liability, and other post-employment benefit costs increased by $193.86 million from the previous year for governmental and business-type activities combined. This is mainly due to an increase of $73.5 million in the other post-employment benefit liability and an increase of $120.0 million in the net pension liability for both governmental and business-type activities combined.

A significant component of the County's net position is its investment in capital assets (e.g. land, buildings, equipment and infrastructure); net of accumulated depreciation and less any related debt used to acquire those assets that is still outstanding, of $183,321,222. The County uses these capital assets to provide services to the citizens and consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of net position is restricted net position aggregating $41,609,710 at December 31, 2020. This amount represents resources that are subject to external restrictions on how they may be used. For governmental activities, $29,262,565 is restricted for the following purposes:

| | 2020 | 2019 |
|---|---|---|
| Capital projects | $ 8,583,349 | $ 7,349,547 |
| Tax stabilization | 997,540 | 987,211 |
| Debt service | 7,205,731 | 5,321,019 |
| Equipment | 13,227 | 13,227 |
| Sanitary landfill improvements | 24,544 | 24,544 |
| Unemployment benefits | 1,043,327 | 1,495,655 |
| Future capital projects | 389,804 | 530,006 |
| Stop-DWI Program | 983,538 | 1,234,124 |
| Handicapped Parking Education Program | 38,788 | 37,961 |
| Repairs | 163,683 | 163,683 |
| Forfeiture of crime proceeds | 698,597 | 874,581 |
| Sewer purposes | 4,117,549 | 5,952,273 |
| Small watershed protection purposes | 372,884 | 909,349 |
| Workers' compensation benefits, self insurance and liability and casualty claims | 4,630,004 | 2,736,954 |
| | $ 29,262,565 | $ 27,630,134 |

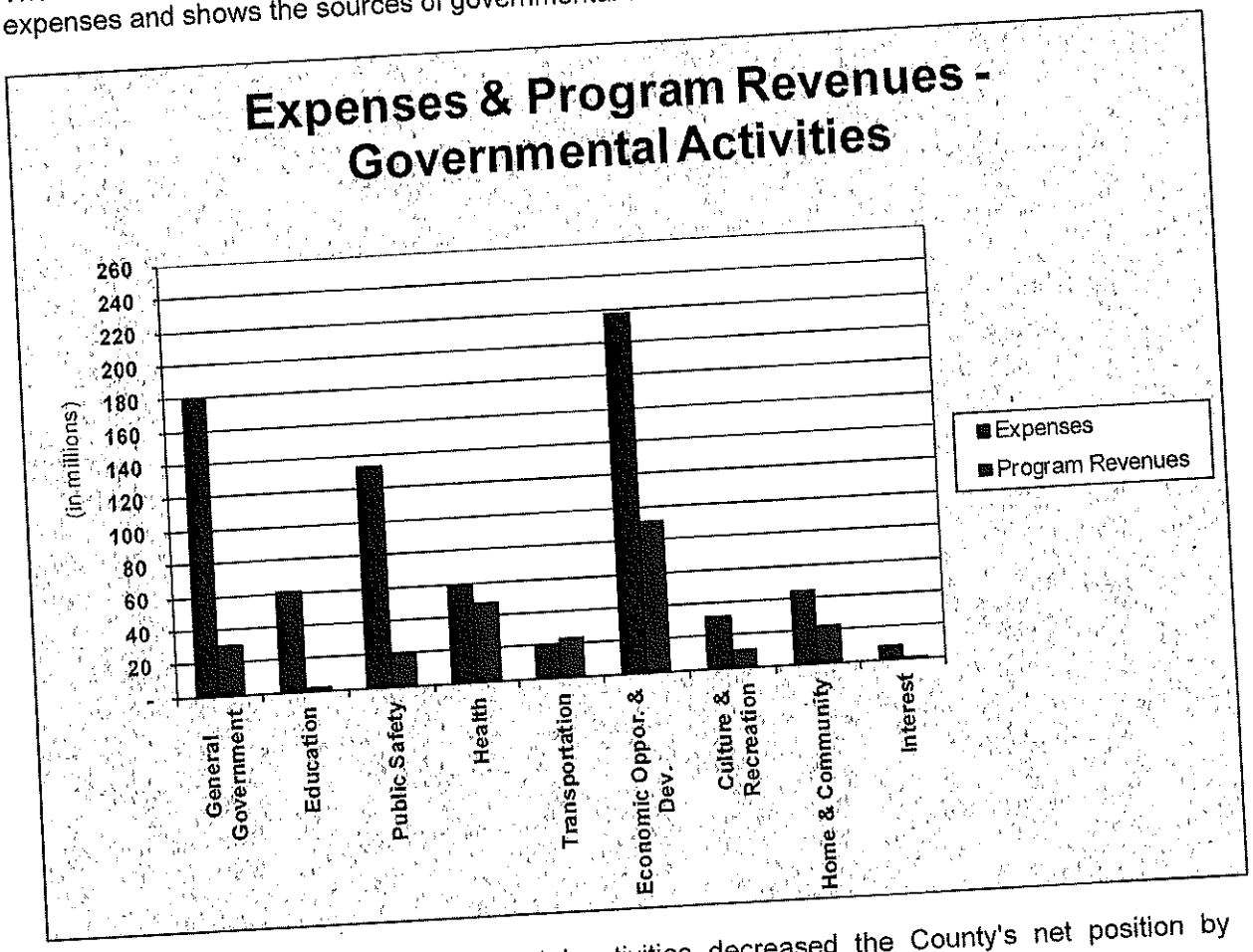
There was a net increase of $1,632,431 in restricted net position reported in connection with the County's governmental activities compared to the prior year. Increases in the amounts restricted for capital projects of $1,233,802, debt service of $1,884,712, and workers' compensation benefits of $1,893,050, partially offset by decreases for sewer purposes $1,834,724, unemployment benefits of $452,328, and for small watershed protection of $536,465 due to lower than expected expenses combined for the majority of the change in the County's restricted net position.

The remaining portion of net position, unrestricted net position, is a negative $1,174,379,986 with a deficit of $1,026,351,470 reported in governmental activities and a $148,028,516 deficit reported for business-type activities. This deficit does not mean the County does not have resources available to meet its obligations in the ensuing year. Rather, it is partly the result of having long-term commitments, including claims payable ($40,640,347), compensated absences ($15,311,436), landfill closure costs ($1,148,000) and OPEB obligations ($1,464,335,438) that are greater than currently available resources. Additionally, the County was required to record, for the fifth time since inception in 2015, its proportionate share of the net pension liability of ERS in accordance with GASB Statement No. 68. The recording of the current year's increase in the net OPEB obligation of $73,454,828 and the increase in the net pension liability of $120,024,149, partially offset by the increase of $69,834,368 in deferred outflows of resources related to OPEB were the primary reasons for the overall decrease in the County's net position. Additional information on all these long-term liabilities can be found in Note 3F in the notes to financial statements.

## Change in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| **REVENUES** | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services | $ 76,840,332 | $ 82,840,437 | $ 38,682,825 | $ 44,531,191 | $ 115,523,157 | $ 127,371,628 |
| Operating Grants and Contributions | 161,673,040 | 177,136,937 | 2,536,720 | - | 164,209,760 | 177,136,937 |
| Capital Grants and Contributions | 9,611,880 | 14,890,410 | - | - | 9,611,880 | 14,890,410 |
| General Revenues | | | | | | |
| Real Property Taxes | 129,102,530 | 125,439,133 | - | - | 129,102,530 | 125,439,133 |
| Other Tax Items | 10,013,837 | 9,592,503 | - | - | 10,013,837 | 9,592,503 |
| Non-property Taxes | 280,965,831 | 304,430,715 | - | - | 280,965,831 | 304,430,715 |
| Unrestricted Use of Money and Property | 215,694 | 871,099 | 529,894 | 756,491 | 745,588 | 1,627,590 |
| Tobacco Settlement Proceeds | 3,400,000 | 3,200,000 | - | - | 3,400,000 | 3,200,000 |
| Off Track Betting Surcharge | - | - | - | - | - | - |
| Intergovernmental Charge | - | - | 6,824,208 | 9,410,506 | 6,824,208 | 9,410,506 |
| Donated Land | - | - | - | - | - | - |
| Other Revenues | 666,387 | 363,580 | - | - | 666,387 | 363,580 |
| Total Revenues | 672,489,531 | 718,764,814 | 48,573,647 | 54,698,188 | 721,063,178 | 773,463,002 |
| **PROGRAM EXPENSES** | | | | | | |
| General Government Support | 180,198,980 | 172,041,496 | - | - | 180,198,980 | 172,041,496 |
| Education | 60,671,239 | 71,894,871 | - | - | 60,671,239 | 71,894,871 |
| Public Safety | 133,060,222 | 119,264,055 | - | - | 133,060,222 | 119,264,055 |
| Health | 58,972,302 | 55,682,990 | - | - | 58,972,302 | 55,682,990 |
| Transportation | 20,136,514 | 21,193,223 | - | - | 20,136,514 | 21,193,223 |
| Economic Opportunity and Development | 216,985,819 | 231,780,748 | - | - | 216,985,819 | 231,780,748 |
| Culture and Recreation | 30,860,937 | 20,137,541 | - | - | 30,860,937 | 20,137,541 |
| Home and Community Services | 44,684,748 | 43,580,741 | - | - | 44,684,748 | 43,580,741 |
| Interest | 8,951,684 | 7,575,024 | - | - | 8,951,684 | 7,575,024 |
| The Valley View Center for Nursing Care and Rehabilitation | - | - | 71,438,512 | 60,077,748 | 71,438,512 | 60,077,748 |
| Total Expenses | 754,522,445 | 743,150,689 | 71,438,512 | 60,077,748 | 825,960,957 | 803,228,437 |
| Change in Net Position Before Transfers | (82,032,914) | (24,385,875) | (22,864,865) | (5,379,560) | (104,897,779) | (29,765,435) |
| Transfers | 52,100 | - | (52,100) | - | - | - |
| Change in Net Position | (81,980,814) | (24,385,875) | (22,916,965) | (5,379,560) | (104,897,779) | (29,765,435) |
| **NET POSITION** | | | | | | |
| Beginning, as restated | (739,759,590) | (712,004,915) | (104,791,685) | (99,412,125) | (844,551,275) | (811,417,040) |
| Ending | $ (821,740,404) | $ (736,390,790) | $ (127,708,650) | $ (104,791,685) | $ (949,449,054) | $ (841,182,475) |

The following charts provide comparisons of governmental activities' program revenues and expenses and shows the sources of governmental activities' revenues and expenses.

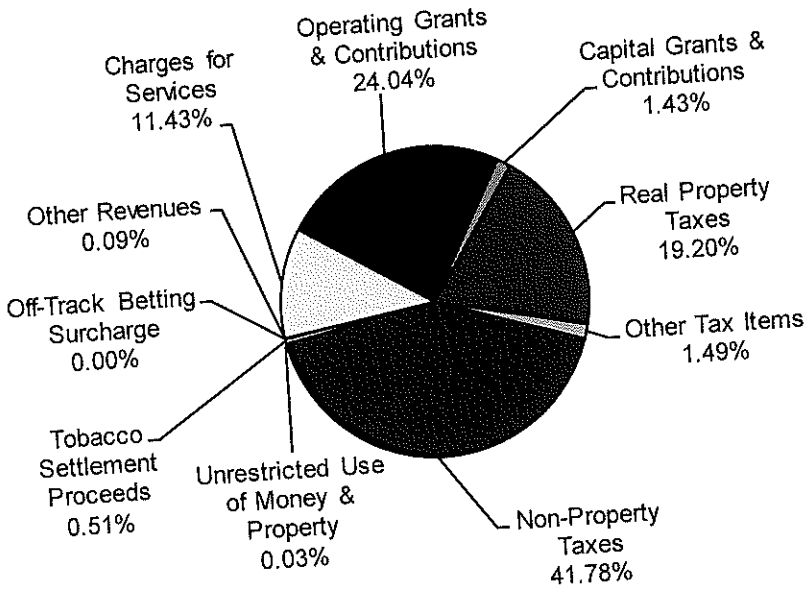



**Governmental activities.** Governmental activities decreased the County's net position by $81,980,814.

For the fiscal year ended December 31, 2020, revenues from governmental activities totaled $672.5 million. Tax revenues ($420.1 million), comprised primarily of real property taxes, other tax items and sales tax, represent the largest revenue source (62.5%). Collection of the current tax levy remains very strong at 96.54%, while averaging 95.39% over the last 10 years. The $46,275,283 decrease in total governmental activities revenues from the prior year is the result of a combination of the following factors:

- Operating grants and contributions decreased by $15,463,897, and capital grants and contributions decreased by $5,278,530.
- Non-property taxes decreased by $23,464,884, primarily from a decrease in sales tax revenues resulting from the Covid-19 pandemic.
- Charges for services decreased by $6,000,105 due to decreased volume of services provided.
- Other tax items increased by $421,334 as a result of an increase in revenue from the sale of County owned properties.
- Real property taxes allocated to governmental activities increased by $3,663,397.

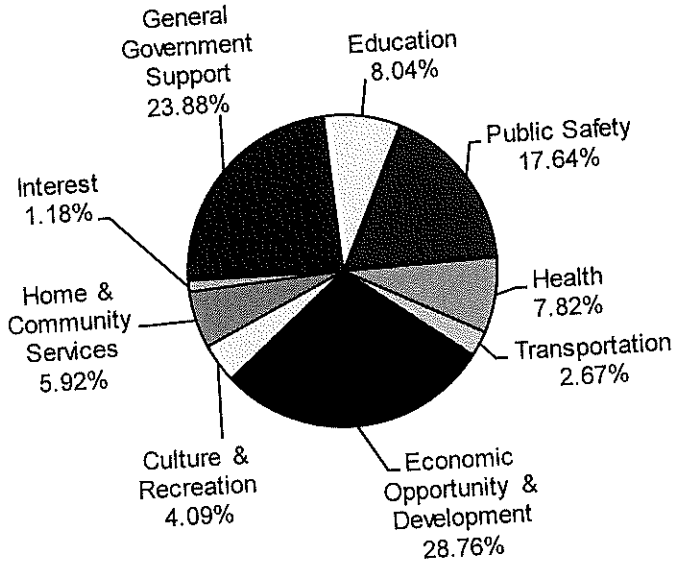
# Revenues
# Governmental Activities
# 2020



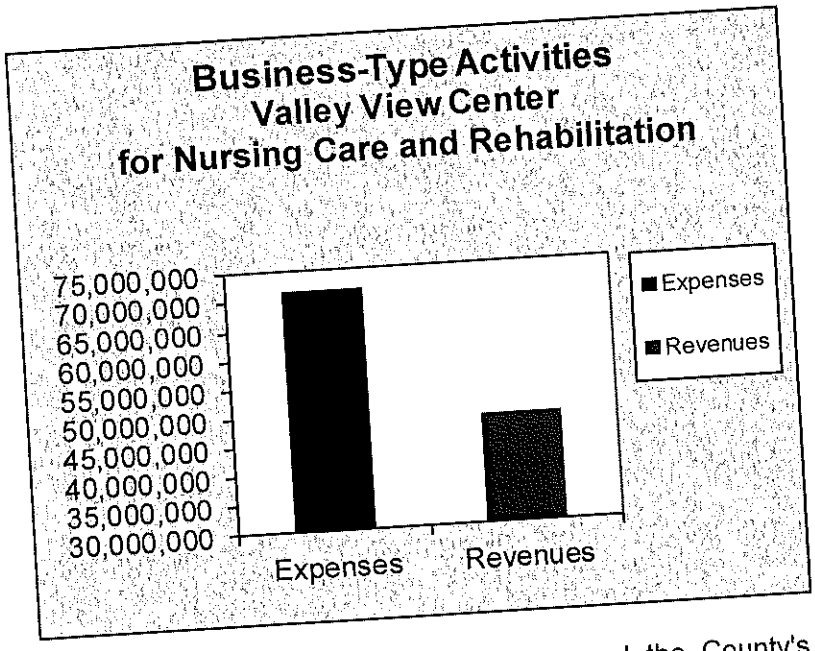

For the fiscal year ended December 31, 2020, expenses from governmental activities totaled $754.5 million. The largest components of governmental activities expenses are economic opportunity and development (i.e. social services programs) $216,985,819 (28.8%), general government support (inclusive of sales tax distribution to other municipalities) $180,198,980 (23.9%), public safety (i.e. sheriff's department and jail) $133,060,222 (17.6%), education (i.e. community college support and education of handicapped children) $60,671,239 (8.0%) and health (health and mental health services) $58,972,302 (7.8%). The $11,371,756 increase in total governmental activities expenses from the prior year is the result of a combination of the following factors:

- General government support expenses increased by $8,157,484 mainly due to the increase in OPEB and net pension expense.
- Public Safety – Expenses increased by $13,796,167 mainly due to the increase in OPEB and net pension expense.
- Health – Expenses increased by $3,289,312 mainly due to the increase in OPEB and net pension expense.
- Culture and Recreation – Expenses increased by $10,723,396 mainly due to the increase in OPEB and net pension expense.
- Home and community services expenses increased by $1,104,007 mainly due to the increase in OPEB and net pension expense.
- Education expenses decreased by $11,223,632 primarily due to reduced services in the education of handicapped children due to Covid-19.
- Economic opportunity and development expenses decreased by $14,794,929 due to the decrease in use of social services programs and expenses.

## Expenses
## Governmental Activities
## 2020




The following chart provides a comparison of business-type activities' revenues and expenses for the current year.




**Business-type activities.** Business-type activities decreased the County's net position by $22,916,965.

## Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported combined fund balances of $89.2 million, an increase of $11 million in comparison with the prior year. Of the total combined fund balance, $38.1 million constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form ($5.1 million), 2) restricted for particular purposes ($11.6 million), 3) committed for particular purposes ($795,193), and 4) assigned for particular purposes ($33.6 million).

The **General Fund** is the primary operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $50.6 million, representing 63.9% of the total General Fund balance of $79.2 million. Two useful measures of liquidity are the percentage of unassigned fund balance to total expenditures, and total fund balance to total expenditures. At the end of the current fiscal year, the General Fund showed a 8.52% unassigned fund balance to total expenditures and other financing uses, while total fund balance represents 13.34% of that same amount.

General Fund revenues and other financing sources were $585,404,453, a decrease of $35,548,341 compared to the prior year. Expenditures and other financing uses were $594,048,366, a decrease of $26,751,954 compared to the prior year. Major changes in specific revenues and expenditures in comparison to the prior year were as follows:

- Non-property taxes decreased from $306,179,940 to $282,720,008 ($23,459,932 or 7.66%) and primarily represents the impact of the pandemic on sales taxes revenues and occupancy tax revenues.
- Licenses and permits revenue decreased, from $2,213,386 to $1,014,657 ($1,198,729 or 54.16%), reflecting the reduced casino revenue due to Covid-19.
- Departmental Income increased from $27,946,929 to $28,344,433 ($397,504 or 1.42%), as a result of increased golf revenues, mental health fees, and other social services aid to dependent children and child care, partially offset by reduced county clerk fees, and public health charges.
- State Aid decreased from $95,946,441 to $83,110,255 ($12,836,186 or 13.38%) due to decreases in revenue from transportation from bus operations, the education and care of handicapped children program, and early intervention programs.
- Economic Opportunity and Development expenses decreased $17,771,540 (7.99%) due to decreased services in various social services programs.
- General government support expenses decreased $4,813,069 (3.14%), from $153,500,930 to $148,687,861, mostly the result of a $5.27 million decrease in distributed sales tax, partially offset by an increase of $849,248 in expenses for the Board of Elections due to early voting.
- Education expenditures decreased $9,148,809 (13.82%) due to a reduction in services related to the education of handicapped children as a result of Covid-19.

The fund balance of the General Fund decreased by $8,643,913 during the fiscal year ended December 31, 2020.

The **Capital Projects Fund** is used to account for capital project activity throughout the County. The Capital Projects Fund ending fund balance is a deficit of $12,414,288 for fiscal year 2020. This is a decrease of $14,308,449 to the deficit balance of $26,722,737 at December 31, 2019, representing a lesser outlay of capital expenses on various sizeable projects throughout the 2020 fiscal year.

The **Special Revenue Funds** are made up of the following individual funds: County Road, Road Machinery, Sewer District, Airport, Sanitary Landfill, Off-Street Parking, Workforce Investment Act, and Small Watershed Protection funds. For fiscal year ending December 31, 2020, the combined fund balances of these Special Revenue funds totaled $15,169,964. This represents an increase of $3,444,481 for the fiscal year 2020, mainly resulting from lower than anticipated expenditures.

The **Debt Service Fund** reported a fund balance of $7,205,731 at December 31, 2020, an increase of $1,884,712 from 2019.

**Proprietary funds.** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Factors concerning the finances of the Enterprise Fund have already been addressed in the discussion of the County's business-type activities.

The **Internal Service** funds net position increased by $2,736,513, from $16,011,498 to $18,748,011, during the year ended December 31, 2020.

## General Fund Budgetary Highlights

During the year, there was a $95.1 million increase in appropriations between the original and final amended budget. The primary drivers of the increase to the budget were 1) increases in transportation and bus operations within Home and Community Services, primarily for Federal grants ($65.3 million), 2) increases in various State-funded health programs and grants ($13.8 million), due to public health administration, 3) increases in public safety, primarily for civic defense and the sheriff ($8.7 million), and 4) increases in general government support ($3.1 million), mainly due to the legal defense of indigents funding and the board of elections.

Overall, actual General Fund expenditures and other financing uses were $594.0 million, which was $154.1 million less than the final budget. The major areas where spending was less than budget was general public safety ($15.4 million), primarily as a result of savings in unspent grant funds, general government support ($18.6 million) from unspent grant funds in the board of elections and legal defense of indigents and decreased sales taxes distributed to municipalities, health ($20.0 million), primarily in unspent grant funds in public health, WIC, and mental health programs, economic opportunity and development ($27.4 million), primarily as a result of savings in unspent social services programs, home and community services ($61.7 million), primarily in unspent planning grant funds, and education ($9.7 million) as a result of savings in the education of handicapped children program due to Covid-19.

Actual General Fund revenues and other financing sources were $585.4 million, which was $138.7 million less than the final budget. The revenue category that reflected a positive variance as compared to the final budget was economic opportunity and development ($966,743) due to

savings in social service programs as expenditures were less than budgeted. This was offset by shortfalls in non-property taxes ($23.8 million) due to reduced sales tax, licenses and permits ($1.6 million) mainly due to reduced revenue from games of chance, federal aid ($71.3 million) mainly due to unspent transportation and public safety grant funds, and state aid ($31.9 million) directly attributable to the reduction of aid for health and social service programs as expenditures were less than budgeted for these programs.

## Capital Asset and Debt Administration

**Capital Assets.** The County's investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounts to $473,890,493 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction-in-progress.

### Orange County Capital Assets
### (Net of Depreciation)
### (in thousands)

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Land | $ 39,241 | $ 39,241 | $ 104 | $ 104 | $ 39,345 | $ 39,345 |
| Buildings and improvements | 214,440 | 225,207 | 9,146 | 8,451 | 223,586 | 233,658 |
| Machinery and equipment | 9,674 | 10,465 | 2,159 | 2,389 | 11,833 | 12,854 |
| Infrastructure | 19,928 | 19,711 | - | - | 19,928 | 19,711 |
| Construction-in-progress | 179,199 | 172,528 | - | - | 179,199 | 172,528 |
| Total (Net of Depreciation) | $ 462,482 | $ 467,152 | $ 11,409 | $ 10,944 | $ 473,891 | $ 478,096 |

The following highlights the amounts expended during the current fiscal year on major capital assets:

- Several sizeable projects, including the public safety communications project, Information Technology improvements and upgrades, replacement of the jail roof, and the expansion of the Heritage Trail were in progress during the past fiscal year.

Additional information on the County's capital assets can be found in Note 3D in the notes to financial statements.

**Long-term Debt.** At the end of the current fiscal year, the County had total bonded debt outstanding of $276,472,000. The net decrease in the County's total debt was $3,053,000. This was the result of new money issues of $26,480,000. The County redeemed $29,533,000 in outstanding bonded indebtedness. All of this debt is backed by the full faith and credit of the County.

**Orange County Outstanding Debt**
**General Obligations Bonds**
**(in thousands)**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| General Obligation Bonds | $ 273,153 | $ 275,908 | $ 3,319 | $ 3,617 | $ 276,472 | $ 279,525 |

Through sound financial management and manageable debt levels, the County has been successful in maintaining its high-grade rating for its general obligation bonds. In March 2020, the County received an Aa2 rating, with a stable outlook from Moody's Investors Service.

The State Constitution limits the amount of indebtedness, both long-term and short-term, which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years. Certain indebtedness is excluded in ascertaining the County's authority to contract indebtedness within the constitutional limits; accordingly, debt of this kind, commonly referred to as "excluded debt," may be issued without regard to the constitutional limits and without affecting the County's authority to issue debt subject to the limit. At December 31, 2020, the County of Orange had used $257,447,000 or 11.38% of the constitutional debt limit leaving $2,003,885,000 remaining to be used.

Additional information on the County's long-term debt can be found in Note 3F in the notes to financial statements.

## Economic Factors and Next Year's Budget and Rates

According to the New York State Department of Labor Statistics, the unemployment rate for Orange County was 16.9% in April 2020, up from 3.3% in April 2019. The State-wide unemployment rate in April 2020 was 16.2%.

Most recent Labor Department data indicates that the number of people employed in the County increased by 1.9%, from 175,900 to 179,300, between May 2018 and May 2019.

Data compiled by the U.S. Census Bureau shows that the wealth indicators for County residents generally compare favorably to national indicators.

The County's median family income for 2019 was $97,009, while New York State's median family income was $84,385. The median income for the nation as a whole was $77,263.

The taxable assessed value of real property in the County increased from $13,444,107,081 in 2019 to $13,472,814,357 in 2020, with the median sales price in 2020 being $315,000.

Increased salary and wage costs, along with rising employee and retiree health care costs, will continue to have a profound effect on the County's future budgets.

The County has appropriated $19.9 million of the fund balance of the General Fund for spending in the 2021 fiscal year. The 2020 County budget includes a $3,434,497, or 2.62% increase to the tax levy, providing for a "County-Wide" tax rate of $3.558 per $1,000 of full value. This is a decrease of $0.17, or 4.61% less than last year's rate of $3.73.

The following economic factors affect the County and were considered in developing the 2021 fiscal year budget.

- The unemployment rate for the County is currently 5.3%, which is a significant decrease from the rate of 16.9% a year ago and compares favorably with the rate of 7.8% for New York State.
- Decreases in the taxable assessed value as a percentage of estimated actual value and resulting increases in property assessments will continue to affect the County's real property tax base.
- Rising home prices and sales are expected to continue throughout the fiscal year, further increasing the mortgage tax revenues and assessed values.
- Interest rates are expected to remain at record low levels throughout fiscal year 2021.
- On the expenditure side, increases are expected in health care premiums, as well as pension and other employee benefit costs.
- Departmental budget reductions were implemented in recognition of the decline in revenues as a result of the Covid-19 pandemic.
- All the County's labor contracts have been settled through December 31, 2022 with the exception of CSEA which has been settled through December 31, 2025.

## Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Karin E. Hablow, Commissioner of Finance, Orange County Government Center, 255 Main St., Goshen, New York, 10924, telephone (845) 291-2488, or visit the County's web site at www.orangecountygov.com.

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# BASIC
# FINANCIAL STATEMENTS

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**County of Orange, New York**

Statement of Net Position
December 31, 2020

| | Primary Government | | | Component Units |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | |
| **ASSETS** | | | | |
| Cash and equivalents | $ 92,218,168 | $ 200 | $ 92,218,368 | $ 21,677,469 |
| Investments | 55,000,000 | - | 55,000,000 | 14,720,969 |
| Receivables | | | | |
| Property taxes, net | 16,184,857 | - | 16,184,857 | - |
| Accounts, net | 9,313,938 | 5,387,175 | 14,701,113 | 11,770,113 |
| Sales taxes | 28,286,056 | - | 28,286,056 | - |
| Sewer rents | 1,294,715 | - | 1,294,715 | - |
| Loans, net | 18,444,002 | - | 18,444,002 | 276,513 |
| Internal balances | (65,056,624) | 65,056,624 | - | - |
| State and Federal aid, net | 101,631,086 | - | 101,631,086 | 424,931 |
| Due from component unit | 1,818,081 | - | 1,818,081 | - |
| Due from other governments | 572,112 | 4,617,776 | 5,189,888 | - |
| Due from third party payors | - | 789,096 | 789,096 | - |
| Inventories | - | 493,022 | 493,022 | - |
| Prepaid expenses | 5,125,969 | 1,107,609 | 6,233,578 | 195,204 |
| Fund held in trust for/by residents | - | 811,493 | 811,493 | - |
| Capital assets | 218,439,875 | 103,701 | 218,543,576 | 743,316 |
| Not being depreciated | 244,042,082 | 11,304,835 | 255,346,917 | 1,557,840 |
| Being depreciated, net | 727,314,317 | 89,671,531 | 816,985,848 | 51,366,355 |
| Total Assets | | | | |
| **DEFERRED OUTFLOWS OF RESOURCES** | 4,057,174 | 110,705 | 4,167,879 | - |
| Deferred charge on refunding bonds | 100,265,557 | 15,390,504 | 115,656,061 | 11,462,732 |
| Pension related | 164,617,962 | 53,972,567 | 218,590,529 | 30,749,396 |
| OPEB related | 268,940,693 | 69,473,776 | 338,414,469 | 42,212,128 |
| Total Deferred Outflows of Resources | | | | |
| **LIABILITIES** | 59,094,531 | 2,273,535 | 61,368,066 | 1,927,879 |
| Accounts payable | 3,307,573 | 44,939 | 3,352,512 | - |
| Accrued interest payable | 11,136,799 | 393,291 | 11,530,090 | 3,698,495 |
| Accrued liabilities | 2,370,771 | - | 2,370,771 | - |
| Due to fiduciary fund | - | 2,549,813 | 2,549,813 | - |
| Due to other governments | 22,688,624 | - | 22,688,624 | 4,799,562 |
| Unearned revenues | 8,302,968 | - | 8,302,968 | 71,000 |
| Deposits payable | 939,482 | - | 939,482 | - |
| Employee payroll deductions | - | - | - | 507,181 |
| Funds held for student activities | - | - | - | 15,000 |
| Security deposits | - | 811,493 | 811,493 | - |
| Fund held in trust for/by residents | 40,159,647 | 790,380 | 40,950,027 | 54,195 |
| Non-current liabilities | 1,662,295,758 | 278,793,456 | 1,941,089,214 | 239,030,836 |
| Due within one year | 1,810,296,153 | 285,656,907 | 2,095,953,060 | 250,104,148 |
| Due in more than one year | 7,699,261 | 1,197,050 | 8,896,311 | 1,259,981 |
| Total Liabilities | | | | |
| **DEFERRED INFLOWS OF RESOURCES** | 175,348,501 | 7,972,721 | 183,321,222 | 2,192,867 |
| Pension related | | | | |
| **NET POSITION** | 8,583,349 | - | 8,583,349 | - |
| Net investment in capital assets | 997,540 | - | 997,540 | - |
| Restricted for: | 7,205,731 | - | 7,205,731 | - |
| Capital projects | 13,227 | - | 13,227 | - |
| Tax stabilization | 24,544 | - | 24,544 | - |
| Debt service | 1,043,327 | - | 1,043,327 | - |
| Equipment | 389,804 | - | 389,804 | - |
| Sanitary landfill improvements | 983,538 | - | 983,538 | - |
| Unemployment benefits | 38,788 | - | 38,788 | - |
| Future capital projects | 163,683 | - | 163,683 | - |
| Stop-DWI Program | 698,597 | - | 698,597 | - |
| Handicapped Parking Education Program | 4,117,549 | - | 4,117,549 | - |
| Repairs | 372,884 | - | 372,884 | - |
| Forfeiture of crime proceeds | 4,630,004 | 12,347,145 | 16,977,149 | - |
| Sewer purposes | - | - | - | 19,109,933 |
| Small watershed protection purposes | (1,026,351,470) | (148,028,516) | (1,174,379,986) | (179,088,446) |
| Workers' compensation benefits, self insurance and liability and casualty claims | $ (821,740,404) | $ (127,708,650) | $ (949,449,054) | $ (157,785,646) |
| Scholarships, awards and grants | | | | |
| Unrestricted | | | | |
| Total Net Position | | | | |

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

**County of Orange, New York**

Statement of Activities
Year Ended December 31, 2020

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions |
|---|---|---|---|---|
| Primary government | | | | |
| Governmental activities | $ 180,198,980 | $ 23,340,347 | $ 6,133,960 | $ 767,748 |
| General government support | 60,671,239 | - | - | 1,689,216 |
| Education | 133,060,222 | 12,789,511 | 6,365,193 | - |
| Public safety | 58,972,302 | 6,455,566 | 41,761,717 | - |
| Health | 20,136,514 | 1,732,745 | 19,146,047 | 3,237,417 |
| Transportation | 216,985,819 | 10,190,210 | 80,921,167 | - |
| Economic opportunity and development | 30,860,937 | 2,198,476 | 5,021,797 | 3,578,765 |
| Culture and recreation | 44,684,748 | 20,133,477 | 2,323,159 | 51,448 |
| Home and community services | 8,951,684 | - | - | 287,286 |
| Interest | | | | |
| Total Governmental Activities | 754,522,445 | 76,840,332 | 161,673,040 | 9,611,880 |
| Business-type activities | | | | |
| The Valley View Center For Nursing Care and Rehabilitation | 71,438,512 | 38,682,825 | 2,536,720 | - |
| Total Primary Government | $ 825,960,957 | $ 115,523,157 | $ 164,209,760 | $ 9,611,880 |
| Component units | | | | |
| Community College | $ 90,173,425 | $ 22,177,520 | $ 16,353,035 | $ - |
| Soil and Water Conservation District | 696,812 | 6,731 | 238,426 | - |
| Industrial Development Agency | 3,269,739 | 612,666 | - | - |
| Water Authority | 282,762 | - | 29,516 | - |
| Total Component Units | $ 94,422,738 | $ 22,796,917 | $ 16,620,977 | $ - |

General revenues
Real property taxes
Other tax items
Interest and penalties on real property taxes
Payments in lieu of taxes
Gain on sale of tax acquired property
Non-property taxes
Sales taxes
Hotel occupancy tax
Unrestricted use of money and property
Contributions from Orange County
Grants and contributions not restricted to specific programs
Tobacco settlement
Intergovernmental transfer - Medicaid funding
Other revenues
Transfers

Total General Revenues and Transfers

Change in Net Position

**NET POSITION**
Beginning, as restated

Ending

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

| Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|
| Primary Government | | | |
| Governmental Activities | Business-type Activities | Total | Component Units |
| $ (149,956,925) | $ - | $ (149,956,925) | $ - |
| (58,982,023) | - | (58,982,023) | - |
| (113,905,518) | - | (113,905,518) | - |
| (10,755,019) | - | (10,755,019) | - |
| 3,979,695 | - | 3,979,695 | - |
| (125,874,442) | - | (125,874,442) | - |
| (20,061,899) | - | (20,061,899) | - |
| (22,176,664) | - | (22,176,664) | - |
| (8,664,398) | - | (8,664,398) | - |
| (506,397,193) | - | (506,397,193) | - |
| - | (30,218,967) | (30,218,967) | - |
| (506,397,193) | (30,218,967) | (536,616,160) | - |
| - | - | - | (51,642,870) |
| - | - | - | (451,655) |
| - | - | - | (2,657,073) |
| - | - | - | (253,246) |
| - | - | - | (55,004,844) |
| 129,102,530 | - | 129,102,530 | - |
| 7,066,443 | - | 7,066,443 | - |
| 1,961,043 | - | 1,961,043 | - |
| 986,351 | - | 986,351 | - |
| 278,473,330 | - | 278,473,330 | - |
| 2,492,501 | - | 2,492,501 | 958,453 |
| 215,694 | 529,894 | 745,588 | 19,128,882 |
| - | - | - | 13,496,135 |
| - | - | - | - |
| 3,400,000 | - | 3,400,000 | - |
| - | 6,824,208 | 6,824,208 | 667,869 |
| 666,387 | - | 666,387 | - |
| 52,100 | (52,100) | - | - |
| 424,416,379 | 7,302,002 | 431,718,381 | 34,251,339 |
| (81,980,814) | (22,916,965) | (104,897,779) | (20,753,505) |
| (739,759,590) | (104,791,685) | (844,551,275) | (137,032,141) |
| $ (821,740,404) | $ (127,708,650) | $ (949,449,054) | $ (157,785,646) |

**County of Orange, New York**

Balance Sheet
Governmental Funds
December 31, 2020

| | General | Community Development | Capital Projects | Non-Major Governmental | Total Governmental Funds |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and equivalents | $ 17,093,690 | $ - | $ - | $ 18,685,446 | $ 35,779,136 |
| Investments | 55,000,000 | - | - | - | 55,000,000 |
| Taxes receivable, net | 16,184,857 | - | - | - | 16,184,857 |
| Other receivables | | | | | |
| Accounts, net | 3,022,968 | - | - | 2,598,476 | 5,621,444 |
| Sales taxes | 28,286,056 | - | - | - | 28,286,056 |
| Sewer rents, net | - | - | - | 1,294,715 | 1,294,715 |
| Loans, net | - | 18,444,002 | - | - | 18,444,002 |
| State and Federal aid, net | 91,876,542 | 1,158,138 | 3,057,539 | 5,538,867 | 101,631,086 |
| Due from component unit | 1,818,081 | - | - | - | 1,818,081 |
| Due from other governments | 572,112 | - | - | - | 572,112 |
| Due from other funds | 15,430,621 | - | 767,311 | - | 16,197,932 |
| | 141,006,380 | 19,602,140 | 3,824,850 | 9,432,058 | 173,865,428 |
| Prepaid expenditures | 4,935,155 | 11,850 | - | 178,964 | 5,125,969 |
| Total Assets | $ 234,220,082 | $ 19,613,990 | $ 3,824,850 | $ 28,296,468 | $ 285,955,390 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)** | | | | | |
| Liabilities | | | | | |
| Accounts payable | $ 52,359,780 | $ 537,615 | $ 2,383,256 | $ 2,738,414 | $ 58,019,065 |
| Accrued liabilities | 11,030,952 | 7,783 | - | 98,064 | 11,136,799 |
| Deposits payable | 8,302,968 | | | | 8,302,968 |
| Employee payroll deductions | 939,482 | | | | 939,482 |
| Due to other funds | 65,758,832 | 545,738 | 13,855,882 | 2,535,925 | 82,696,377 |
| Due to fiduciary funds | 2,370,771 | - | - | - | 2,370,771 |
| Unearned revenues | 3,617,400 | 18,522,854 | - | 548,370 | 22,688,624 |
| Total Liabilities | 144,380,185 | 19,613,990 | 16,239,138 | 5,920,773 | 186,154,086 |
| Deferred inflows of resources | | | | | |
| Deferred tax revenues | 10,605,024 | - | - | - | 10,605,024 |
| Total Liabilities and Deferred Inflows of Resources | 154,985,209 | 19,613,990 | 16,239,138 | 5,920,773 | 196,759,110 |
| Fund balances (deficits) | | | | | |
| Nonspendable | 4,935,155 | 11,850 | - | 178,964 | 5,125,969 |
| Restricted | 4,151,594 | - | - | 7,416,411 | 11,568,005 |
| Committed | 795,193 | - | - | - | 795,193 |
| Assigned | 18,744,933 | - | - | 14,822,301 | 33,567,234 |
| Unassigned | 50,607,998 | (11,850) | (12,414,288) | (41,981) | 38,139,879 |
| Total Fund Balances (Deficits) | 79,234,873 | - | (12,414,288) | 22,375,695 | 89,196,280 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | $ 234,220,082 | $ 19,613,990 | $ 3,824,850 | $ 28,296,468 | $ 285,955,390 |

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

**County of Orange, New York**

Reconciliation of Governmental Funds Balance Sheet to
the Government-Wide Statement of Net Position - Governmental Activities
December 31, 2020

| | |
|---|---|
| Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because: | |
| Total Fund Balances - Governmental Funds: | $ 89,196,280 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | |
| Capital assets - non-depreciable | 218,439,875 |
| Capital assets - depreciable | 614,777,120 |
| Accumulated depreciation | (371,067,336) |
| | 462,149,659 |
| Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on statement of net position. | |
| Deferred outflows - pension related | 100,265,557 |
| Deferred outflows - OPEB related | 164,617,962 |
| Deferred inflows - pension related | (7,699,261) |
| | 257,184,258 |
| Internal service funds are used by management to charge the costs of motor pool, insurance and compensated absences to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | 6,400,866 |
| Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds. | |
| Real property taxes | 10,605,024 |
| Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds. | |
| Accrued interest payable | (3,307,573) |
| General obligation bonds payable | (273,153,345) |
| Landfill closure costs | (1,148,000) |
| Net pension liability | (142,538,451) |
| Total OPEB liability | (1,211,981,895) |
| | (1,632,129,264) |
| Governmental funds report the effect of premiums, discounts, and refundings as similar items when debt is first issued, whereas these amounts are deferred or amortized in the statement of activities. | |
| Deferred amount on refunding | 4,057,174 |
| Premium on general obligation bonds | (19,204,401) |
| | (15,147,227) |
| Net Position of Governmental Activities | $ (821,740,404) |

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

**County of Orange, New York**

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2020

| | General | Community Development | Capital Projects | Non-Major Governmental | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Real property taxes | $ 84,738,413 | $ 178,732 | $ - | $ 43,879,783 | $ 128,796,928 |
| Other tax items | 10,013,837 | - | - | - | 10,013,837 |
| Non-property taxes | 282,720,008 | - | - | - | 282,720,008 |
| Departmental income | 28,344,433 | 286,854 | - | 18,993,867 | 47,625,154 |
| Intergovernmental charges | 9,947,090 | - | - | 2,691,649 | 12,638,739 |
| Use of money and property | 5,309,657 | - | - | 407,447 | 5,717,104 |
| Licenses and permits | 1,014,657 | - | - | 61,800 | 1,076,457 |
| Fines and forfeitures | 487,392 | - | - | - | 487,392 |
| Sale of property and compensation for loss | 1,976,782 | - | - | 2,227,546 | 4,204,328 |
| Interfund revenues | 11,682,959 | - | - | 4,977,148 | 16,660,107 |
| State aid | 83,110,255 | - | 1,971,828 | 6,742,185 | 91,824,268 |
| Federal aid | 60,849,567 | 3,465,706 | 6,559,787 | 2,530,741 | 73,405,801 |
| Miscellaneous | 4,209,403 | - | 803,581 | 900 | 5,013,884 |
| Total Revenues | 584,404,453 | 3,931,292 | 9,335,196 | 82,513,066 | 680,184,007 |
| **EXPENDITURES** | | | | | |
| Current | | | | | |
| General government support | 148,687,861 | - | - | 138,115 | 148,825,976 |
| Education | 57,040,836 | - | - | - | 57,040,836 |
| Public safety | 101,822,889 | - | - | - | 101,822,889 |
| Health | 50,794,574 | - | - | 16,320,015 | 50,794,574 |
| Transportation | 667,597 | - | - | - | 16,987,612 |
| Economic opportunity and development | 204,648,530 | 3,931,292 | - | 5,617,814 | 214,197,636 |
| Culture and recreation | 6,581,967 | - | - | - | 6,581,967 |
| Home and community services | 19,333,014 | - | - | 20,539,427 | 39,872,441 |
| Employee benefits | 846,106 | - | - | - | 846,106 |
| Debt service | | | | | |
| Principal | - | - | - | 29,012,254 | 29,012,254 |
| Interest | - | - | - | 9,987,045 | 9,987,045 |
| Capital outlay | - | - | 23,178,850 | - | 23,178,850 |
| Total Expenditures | 590,423,374 | 3,931,292 | 23,178,850 | 81,614,670 | 699,148,186 |
| Excess (Deficiency) of Revenues Over Expenditures | (6,018,921) | - | (13,843,654) | 898,396 | (18,964,179) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Bonds issued | - | - | 26,257,186 | - | 26,257,186 |
| Issuance premium | - | - | 1,686,025 | 962,597 | 2,648,622 |
| Transfers in | 1,000,000 | - | 874,748 | 10,587,777 | 12,462,525 |
| Transfers out | (3,624,992) | - | (665,856) | (7,119,577) | (11,410,425) |
| Total Other Financing Sources | (2,624,992) | - | 28,152,103 | 4,430,797 | 29,957,908 |
| Net Change in Fund Balances | (8,643,913) | - | 14,308,449 | 5,329,193 | 10,993,729 |
| **FUND BALANCES (DEFICITS)** | | | | | |
| Beginning of Year, as restated | 87,878,786 | - | (26,722,737) | 17,046,502 | 78,202,551 |
| End of Year | $ 79,234,873 | $ - | $ (12,414,288) | $ 22,375,695 | $ 89,196,280 |

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

**County of Orange, New York**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2020

| | | |
|---|---|---|
| Amounts Reported for Governmental Activities in the Statement of Activities are Different Because: | | |
| Net Change in Fund Balances - Total Governmental Funds: | | $ 10,993,729 |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount is less than the total capital outlay since capital outlay includes amounts that are under the capitalization threshold and, therefore, were not capitalized. | | |
| Capital outlay expenditures | 12,330,739 | |
| Depreciation expense | (16,720,824) | |
| | | (4,390,085) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Real property taxes | 305,602 | |
| State and federal aid | (849,543) | |
| | | (543,941) |
| Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. | | |
| Principal paid on general obligation bonds | 29,012,254 | |
| General obligation bonds issued | (26,257,186) | |
| Issuance premium | (2,648,622) | |
| | | 106,446 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | | |
| Landfill closure cost | 172,000 | |
| Accrued interest | (532,409) | |
| Changes in OPEB liabilities and related deferred outflows and inflows of resources | (65,643,621) | |
| Changes in pension liabilities and related deferred outflows and inflows of resources | (25,801,346) | |
| Amortization of loss on refunding bonds and issuance premium | 1,567,770 | |
| | | (90,237,606) |
| Internal service funds are used by management to charge the costs of motor pool, insurance, and compensated absences to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities | | 2,090,643 |
| Change in Net Position of Governmental Activities | | $ (81,980,814) |

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

**County of Orange, New York**

General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
Year Ended December 31, 2020

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Real property taxes | $ 86,314,518 | $ 86,394,930 | $ 84,738,413 | $ (1,656,517) |
| Other tax items | 10,197,782 | 10,197,782 | 10,013,837 | (183,945) |
| Non-property taxes | 306,477,614 | 306,477,614 | 282,720,008 | (23,757,606) |
| Departmental income | 31,771,201 | 31,815,052 | 28,344,433 | (3,470,619) |
| Intergovernmental charges | 10,701,398 | 10,708,898 | 9,947,090 | (761,808) |
| Use of money and property | 7,154,576 | 7,154,576 | 5,309,657 | (1,844,919) |
| Licenses and permits | 2,653,000 | 2,653,000 | 1,014,657 | (1,638,343) |
| Fines and forfeitures | 933,313 | 933,313 | 487,392 | (445,921) |
| Sale of property and compensation for loss | 2,326,902 | 2,328,998 | 1,976,782 | (352,216) |
| Interfund revenues | 11,706,541 | 13,673,070 | 11,682,959 | (1,990,111) |
| State aid | 96,996,472 | 114,994,111 | 83,110,255 | (31,883,856) |
| Federal aid | 57,442,766 | 132,168,115 | 60,849,567 | (71,318,548) |
| Miscellaneous | 3,455,601 | 3,576,736 | 4,209,403 | 632,667 |
| Total Revenues | 628,131,684 | 723,076,195 | 584,404,453 | (138,671,742) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General government support | 164,183,426 | 167,315,414 | 148,687,861 | 18,627,553 |
| Education | 68,310,637 | 66,740,732 | 57,040,836 | 9,699,896 |
| Public safety | 108,572,051 | 117,257,310 | 101,822,889 | 15,434,421 |
| Health | 57,047,259 | 70,820,274 | 50,794,574 | 20,025,700 |
| Transportation | 662,000 | 675,315 | 667,597 | 7,718 |
| Economic opportunity and development | 230,072,429 | 231,999,206 | 204,648,530 | 27,350,676 |
| Culture and recreation | 7,855,596 | 7,848,957 | 6,581,967 | 1,266,990 |
| Home and community services | 15,690,871 | 81,035,466 | 19,333,014 | 61,702,452 |
| Employee benefits | (2,800,000) | 846,106 | 846,106 | - |
| Total Expenditures | 649,594,269 | 744,538,780 | 590,423,374 | 154,115,406 |
| Deficiency of Revenues Over Expenditures | (21,462,585) | (21,462,585) | (6,018,921) | 15,443,664 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 1,000,000 | 1,000,000 | 1,000,000 | - |
| Transfers out | (3,479,253) | (3,625,001) | (3,624,992) | 9 |
| Total Other Financing Sources | (2,479,253) | (2,625,001) | (2,624,992) | 9 |
| Net Change in Fund Balance | (23,941,838) | (24,087,586) | (8,643,913) | 15,443,673 |
| **FUND BALANCE** | | | | |
| Beginning of Year | 23,941,838 | 24,087,586 | 87,878,786 | 63,791,200 |
| End of Year | $ - | $ - | $ 79,234,873 | $ 79,234,873 |

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

County of Orange, New York

Statement of Net Position
Proprietary Funds
December 31, 2020

| | Business-type Activities- Enterprise Fund The Valley View Center for Nursing Care and Rehabilitation | Governmental Activities - Internal Service Funds |
|---|---|---|
| **ASSETS** | | |
| Current assets | | |
| Cash and equivalents | $ 200 | $ 56,439,032 |
| Accounts receivable, net | 5,387,175 | 3,692,494 |
| Due from other governments | 4,617,776 | - |
| Due from other funds | 52,709,479 | 13,788,966 |
| Due from third party payors | 789,096 | - |
| Inventories | 493,022 | - |
| Prepaid expenses | 1,107,609 | - |
| Funds held for/by residents | 811,493 | - |
| Total Current Assets | 65,915,850 | 73,920,492 |
| Noncurrent assets | | |
| Capital assets | | |
| Land | 103,701 | - |
| Buildings and improvements | 31,517,438 | - |
| Equipment | 6,043,398 | 6,109,562 |
| Less accumulated depreciation | (26,256,001) | (5,777,264) |
| Total Noncurrent Assets | 11,408,536 | 332,298 |
| Total Assets | 77,324,386 | 74,252,790 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | |
| Deferred charge on refunding bonds | 110,705 | - |
| Pension related | 15,390,504 | - |
| OPEB related | 53,972,567 | - |
| Total Deferred Outflows of Resources | 69,473,776 | - |
| **LIABILITIES** | | |
| Current liabilities | | |
| Accounts payable | 2,273,535 | 1,075,466 |
| Accrued interest payable | 44,939 | - |
| Accrued liabilities | 393,291 | - |
| Due to other governments | 2,549,813 | - |
| Funds held for/by residents | 811,493 | - |
| Current maturities on bonds payable | 638,380 | - |
| Compensated absences | 152,000 | 578,463 |
| Claims payable | - | 6,525,564 |
| Total Current Liabilities | 6,863,451 | 8,179,493 |
| Noncurrent liabilities | | |
| Bonds payable | 2,908,140 | - |
| Compensated absences | 1,370,470 | 13,210,503 |
| Claims payable | - | 34,114,783 |
| Net pension liability | 22,161,303 | - |
| Other postemployment benefit liability | 252,353,543 | - |
| Total Noncurrent Liabilities | 278,793,456 | 47,325,286 |
| Total Liabilities | 285,656,907 | 55,504,779 |
| **DEFERRED INFLOWS OF RESOURCES** | | |
| Pension related | 1,197,050 | - |
| **NET POSITION** | | |
| Net investment in capital assets | 7,972,721 | 332,298 |
| Unrestricted | (148,028,516) | 18,415,713 |
| Total Net Position | (140,055,795) | $ 18,748,011 |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | 12,347,145 | |
| Net Position of Business-type Activities | $ (127,708,650) | |

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

**County of Orange, New York**

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2020

| | Business-Type Activities- Enterprise Fund | |
|---|---|---|
| | The Valley View Center for Nursing Care and Rehabilitation | Governmental Activities - Internal Service Funds |
| **OPERATING REVENUES** | | |
| Charges for sales and services | $ - | $ 77,494,131 |
| Charges for services - Internal | - | 11,680,051 |
| Charges for services - External | 38,527,394 | - |
| Net resident service revenue | 155,431 | 5,631,341 |
| Miscellaneous | 38,682,825 | 94,805,523 |
| Total Operating Revenues | | |
| **OPERATING EXPENSES** | - | 1,172,292 |
| Salaries and contractual | - | 5,392,926 |
| Judgments and claims | 21,753,324 | - |
| Professional care of residents | 7,788,849 | - |
| General services | 1,846,005 | - |
| Administrative services | 35,267,475 | 84,993,742 |
| Employee benefits | 2,095,428 | - |
| New York State cash assessment | 1,595,879 | 279,543 |
| Depreciation and amortization | 70,346,960 | 91,838,503 |
| Total Operating Expenses | (31,664,135) | 2,967,020 |
| Income (Loss) from Operations | | |
| **NON-OPERATING REVENUES (EXPENSES)** | 529,894 | 627,765 |
| Interest income | 6,824,208 | - |
| Intergovernmental transfer - Medicaid funding | 2,536,720 | - |
| Provider relief funds | (101,364) | - |
| Interest expense | (1,636,058) | - |
| County assessment | - | 28,286 |
| Insurance recoveries | - | 113,442 |
| Sale of property and compensation for loss | 8,153,400 | 769,493 |
| Total Non-Operating Revenues | (23,510,735) | 3,736,513 |
| Income (Loss) before Transfers | (52,100) | (1,000,000) |
| Transfers Out | (23,562,835) | 2,736,513 |
| Change in Net Position | (116,492,960) | 16,011,498 |
| **NET POSITION** | | |
| Beginning of Year | $ (140,055,795) | $ 18,748,011 |
| End of Year | $ (23,562,835) | |
| Change in Net Position | 645,870 | |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | | |
| Change in Net Position of Business-type Activities | $ (22,916,965) | |

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

County of Orange, New York

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2020

| | Business-type Activities- Enterprise Fund The Valley View Center for Nursing Care and Rehabilitation | Governmental Activities - Internal Service Funds |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash received from customers and users - Internal | $ - | $ 75,276,934 |
| Cash received from customers and users - External | 42,696,878 | 10,918,150 |
| Cash received from miscellaneous items | 155,431 | 5,631,341 |
| Cash payments to suppliers | (23,129,562) | (1,181,684) |
| Cash payments to employees | (23,035,179) | (86,402,968) |
| Net Cash from Operating Activities | (3,312,432) | 4,241,773 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | |
| Intergovernmental transfer - Medicaid Funding | 4,412,864 | - |
| Proceeds from provider relief funds | 2,536,720 | - |
| County assessment | (1,636,058) | - |
| Transfers out | (52,100) | (1,000,000) |
| Net Cash from Non-Capital Financing Activities | 5,261,426 | (1,000,000) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | |
| Bonds issued | 222,814 | - |
| Principal payments on capital debt | (520,746) | - |
| Interest paid on indebtedness | (120,374) | |
| Purchases of capital assets | (2,060,582) | - |
| Insurance recoveries | - | 28,286 |
| Proceeds from sales of capital assets | - | 113,442 |
| Net Cash from Capital and Related Financing Activities | (2,478,888) | 141,728 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Interest income | 529,894 | 627,765 |
| Net Change in Cash and Equivalents | - | 4,011,266 |
| **CASH AND EQUIVALENTS** | | |
| Beginning of Year | 200 | 52,427,766 |
| End of Year | $ 200 | $ 56,439,032 |
| **RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES** | | |
| Income (loss) from operations | $ (31,664,135) | $ 2,967,020 |
| Adjustments to reconcile income (loss) from operations to net cash from operating activities | | |
| Depreciation and amortization expense | 1,595,879 | 279,543 |
| Bad debt expense | 625,416 | - |
| Changes in assets and liabilities | | |
| Accounts receivable | 1,513,867 | (759,387) |
| Due from other funds | 4,442,377 | (2,219,712) |
| Inventories | (151,154) | - |
| Prepaid expenses | (375,672) | - |
| Due from third party payors | (82,801) | - |
| Pension related deferred outflows of resources | (10,489,294) | - |
| OPEB related deferred outflows of resources | (20,453,487) | 429,410 |
| Accounts payable | 592,346 | - |
| Accrued interest payable | (18,596) | - |
| Accrued liabilities | (841,200) | - |
| Due to other governments | 2,113,002 | 2,219,712 |
| Compensated absences | 168,235 | 1,325,187 |
| Claims payable | - | - |
| Net pension liability | 16,042,636 | - |
| Total OPEB liability | 35,388,405 | - |
| Pension related deferred inflows of resources | (1,718,256) | - |
| Net Cash from Operating Activities | $ (3,312,432) | $ 4,241,773 |

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

**County of Orange, New York**

Statement of Fiduciary Net Position
Fiduciary Fund
December 31, 2020

| | Custodial Fund |
|---|---|
| **ASSETS** | |
| Real property taxes receivable for other governments | $ 32,966,048 |
| Due from other funds | 2,370,771 |
| | $ 35,336,819 |
| **LIABILITIES** | |
| Due to other governments | $ 35,336,819 |

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

**County of Orange, New York**

Statement of Changes in Fiduciary Net Position
Fiduciary Fund
December 31, 2020

| | Custodial Fund |
|---|---|
| **ADDITIONS** | |
| Real property collected for other governments | $ 31,375,892 |
| | 31,375,892 |
| **DEDUCTIONS** | |
| Payments of real property taxes to other governments | - |
| Net Change in Fiduciary Net Position | - |
| **NET POSITION** | |
| Beginning of Year | $ - |
| End of Year | |

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

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**County of Orange, New York**

Statement of Net Position
Component Units
Year Ended December 31, 2020

| | Orange County Community College | Orange County Soil and Water Conservation District | Orange County Industrial Development Agency | Orange County Water Authority | Total |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and equivalents | $ 13,125,671 | $ 118,276 | $ 8,199,386 | $ 234,136 | $ 21,677,469 |
| Investments | 14,720,969 | - | - | - | 14,720,969 |
| Receivables | | | | | |
| Accounts, net | 8,881,294 | - | 2,885,041 | 3,778 | 11,770,113 |
| State and Federal aid | - | 392,136 | - | 32,795 | 424,931 |
| Loans, net | - | - | 276,513 | - | 276,513 |
| Prepaid expenses | 123,167 | - | 68,535 | 3,502 | 195,204 |
| Capital assets (net of accumulated depreciation) | | | | | |
| Land easements | - | - | - | 743,316 | 743,316 |
| Machinery and equipment | 902,280 | 118 | 640,680 | 14,762 | 1,557,840 |
| Total Assets | 37,753,381 | 510,530 | 12,070,155 | 1,032,289 | 51,366,355 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | | |
| Pension related | 11,462,732 | - | - | - | 11,462,732 |
| OPEB related | 30,749,396 | - | - | - | 30,749,396 |
| | 42,212,128 | - | - | - | 42,212,128 |
| **LIABILITIES** | | | | | |
| Accounts payable | 1,412,869 | 30,188 | 480,627 | 4,195 | 1,927,879 |
| Accrued liabilities | 3,693,492 | - | 5,003 | - | 3,698,495 |
| Unearned revenues | 4,468,150 | 331,412 | - | - | 4,799,562 |
| Other liabilities | 71,000 | - | - | - | 71,000 |
| Funds held for student activities | 507,181 | - | - | - | 507,181 |
| Security deposits | 15,000 | - | - | - | 15,000 |
| Non-current liabilities | | | | | |
| Due within one year | | | | | |
| Compensated absences | 9,802 | 3,507 | - | 8,109 | 21,418 |
| Capital lease obligation | 32,777 | - | - | - | 32,777 |
| Due in more than one year | | | | | |
| Compensated absences | 1,387,224 | 31,567 | - | - | 1,418,791 |
| Capital lease obligation | 75,512 | - | - | - | 75,512 |
| Net pension liability | 13,958,195 | - | - | - | 13,958,195 |
| Other postemployment benefit liability | 223,578,338 | - | - | - | 223,578,338 |
| Total Liabilities | 249,209,540 | 396,674 | 485,630 | 12,304 | 250,104,148 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | | |
| Pension related | 1,259,981 | - | - | - | 1,259,981 |
| **NET POSITION** | | | | | |
| Net investment in capital assets | 793,991 | 118 | 640,680 | 758,078 | 2,192,867 |
| Restricted for | | | | | |
| Scholarships, awards and grants | 19,109,933 | - | - | - | 19,109,933 |
| Unrestricted | (190,407,936) | 113,738 | 10,943,845 | 261,907 | (179,088,446) |
| Total Net Position | $ (170,504,012) | $ 113,856 | $ 11,584,525 | $ 1,019,985 | $ (157,785,646) |

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

**County of Orange, New York**

Statement of Activities
Component Units
Year Ended December 31, 2020

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions |
|---|---|---|---|---|
| Orange County Community College | $ 90,173,425 | $ 22,177,520 | $ 16,353,035 | $ - |
| Orange County Soil and Water Conservation District | 696,812 | 6,731 | 238,426 | - |
| Orange County Industrial Development Agency | 3,269,739 | 612,666 | - | - |
| Orange County Water Authority | 282,762 | - | 29,516 | - |
| Total Component Units | $ 94,422,738 | $ 22,796,917 | $ 16,620,977 | $ - |

General revenues
Unrestricted use of money and property
Contributions from Orange County
Grants and contributions not restricted to specific programs
Other revenues

Total General Revenues

Change in Net Position

**NET POSITION**
Beginning

Ending

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

| Net (Expense) Revenue and Changes in Net Position | | | | |
|---|---|---|---|---|
| Orange County Community College | Orange County Soil and Water Conservation District | Orange County Industrial Development Agency | Orange County Water Authority | Total |
| $ (51,642,870) | $ - | $ - | $ - | $ (51,642,870) |
| - | (451,655) | - | - | (451,655) |
| - | - | (2,657,073) | - | (2,657,073) |
| - | - | - | (253,246) | (253,246) |
| (51,642,870) | (451,655) | (2,657,073) | (253,246) | (55,004,844) |
| 822,920 | 12,560 | 122,973 | - | 958,453 |
| 19,052,882 | - | - | 76,000 | 19,128,882 |
| 13,440,660 | 55,475 | - | - | 13,496,135 |
| 655,373 | 7,496 | - | 5,000 | 667,869 |
| 33,971,835 | 75,531 | 122,973 | 81,000 | 34,251,339 |
| (17,671,035) | (376,124) | (2,534,100) | (172,246) | (20,753,505) |
| (152,832,977) | 489,980 | 14,118,625 | 1,192,231 | (137,032,141) |
| $ (170,504,012) | $ 113,856 | $ 11,584,525 | $ 1,019,985 | $ (157,785,646) |

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## Note 1 - Summary of Significant Accounting Policies

The County of Orange, New York ("County") was established in 1683 and operates in accordance with County Law and the various other applicable laws of the State of New York. The County functions under a County Legislature/County Executive form of government. The County Legislature functions as the legislative body responsible for overall operation. The County Executive serves as the chief executive officer and the Commissioner of Finance serves as the chief financial officer. The County provides the following services to its residents: education, public safety, health, transportation, economic opportunity and development, culture and recreation, home and community services and general and administrative support.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United Stated of America as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County's significant accounting policies are described below:

### A. Financial Reporting Entity

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

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the County's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following individual component units are included in the County's reporting entity because of their operational relationship with the County.

The Orange County Community College ("College") was established in 1950 with the County as the local sponsor under provisions of Article 126 of the Education Law of the State of New York. The College is administered by a Board of Trustees consisting of nine voting members; five are appointed by the County Executive and four by the Governor. The College budget is subject to approval by the County Legislature. The County generally provides funding for one half of the capital costs and one third of the operating costs for the College. Title to real property of the College vests with the County and bonds and notes for College capital costs are issued by the County and are County debt. A fiscal year ending August 31st is mandated by State Law for the College. The College is included in the County's reporting entity since the primary government is able to impose its will, as demonstrated through the ability to approve budgets. The College may also result in a financial burden to the primary government since the County is obligated for the debt of the College. Since the College does not provide services entirely or almost entirely to the County, the College has been reflected as a discretely presented component unit.

The Orange County Soil and Water Conservation District ("District") was established pursuant to New York State Soil Conservation District Law and a County resolution adopted March 11, 1966. The District provides for the conservation of soil and soil resources of the State and the County.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The Board of Directors is appointed by the County Legislature. The Board of Directors serve at the pleasure of the County Legislature and therefore, the primary government is able to impose its will on the District. Since the District is also dependent on the financial support provided by the County, the financial statements of the District have been reflected as a discretely presented component unit.

The Orange County Industrial Development Agency ("Agency") is a public benefit corporation created by State legislation to promote the economic welfare, recreation opportunities and prosperity of the County's inhabitants. Members of the Agency are appointed by the County Legislature. Agency members have complete responsibility for management of the Agency and accountability for fiscal matters. The County is not liable for Agency bonds or notes. The governing board of the Agency serves at the pleasure of the County Legislature and therefore, the primary government is able to impose its will on the Agency. Since the Agency does not provide services entirely or almost entirely to the County, the financial statements of the Agency have been reflected as a discretely presented component unit.

The Orange County Water Authority ("Authority") is a public benefit corporation created under the New York State Public Authorities Law of 1987. It has among its powers the ability to contract, improve, maintain, develop, expand or rehabilitate water facilities. The five members of the Authority are appointed by the County Executive, subject to confirmation by the County Legislature. Authority members have complete responsibility for management of the Authority and accountability for fiscal matters. The County is not liable for Authority bonds or notes. The governing board of the Authority serves at the pleasure of the County Executive and therefore, the primary government is able to impose its will on the Authority. Since the Authority is also dependent on the financial support provided by the County, the financial statements of the Authority have been reflected as a discretely presented component unit.

Complete financial statements of the individual component units can be obtained from their respective administrative offices as indicated below.

Orange County Community College
115 South Street
Middletown, New York 10940

Orange County Soil and Water
Conservation District
225 Dolson Avenue, Suite 102
Middletown, New York 10940

Orange County Industrial Development Agency
4 Crotty Lane, Suite 100
New Windsor, NY 12553

Orange County Water Authority
99 Main Street, Suite 1
P.O. Box 997
Goshen, New York 10924

## Note 1 - Summary of Significant Accounting Policies (Continued)

### B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole and its component units. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The Statement of Net Position presents the financial position of the County and its component units at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The County does not allocate indirect expenses to functions in the Statement of Activities.

While separate government-wide and fund financial statements are provided, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the County's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise Fund and the Internal Service Funds are charges to customers for services. Operating expenses for the Enterprise Fund and the Internal Service Funds include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### C. Fund Financial Statements

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The County maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Proprietary and Fiduciary funds are reported by type. Since the

**Note 1 - Summary of Significant Accounting Policies (Continued)**

governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statement's governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

**Fund Categories**

a. Governmental Funds - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. Special Revenue Funds are governmental funds established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following are the County's major governmental funds.

General Fund - The General Fund constitutes the primary operating fund of the County and is used to account for and report all financial resources not accounted for and reported in another fund.

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

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlay, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

The County also reports the following non-major governmental funds.

Special Revenue Funds:

County Road Fund - The County Road Fund was established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.

Road Machinery Fund - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.

Sewer District Fund - The Sewer District Fund is used to account for the operations and maintenance of the County's sewer facilities.

Airport Fund - The Airport Fund is used to account for the operations of Orange County Airport, which is owned and operated by the County.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Sanitary Landfill Fund - The Sanitary Landfill Fund is used to account for County owned sanitary landfill operations.

Off-Street Parking Fund - The Off-Street Parking Fund is used to account for revenues derived from off-street parking facilities.

Workforce Investment Act Fund - The Workforce Investment Act Fund is used to account for projects financed by entitlements from the U.S. Department of Labor.

Small Watershed Protection Fund - The Small Watershed Protection Fund is used to account for operations of the small watershed protection project.

Debt Service Fund - The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Valley View Center for Nursing Care and Rehabilitation are recorded as a major enterprise fund. The Valley View Center for Nursing Care and Rehabilitation is a skilled nursing facility established and operated under the provisions of Article 6 of the General Municipal Law of the State of New York. The County has established its Motor Pool, Workers' Compensation Benefits, Self-Insurance, Liability and Casualty and Compensated Absences funds as internal service funds.

c. Fiduciary Funds (Not Included in Government-wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the County on behalf of others. The Custodial Fund is used to account for real property taxes collected for other governments.

**D. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

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

**Note 1 - Summary of Significant Accounting Policies (Continued)**

regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, landfill closure costs, certain claims, net pension liability and other post employment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Net resident service revenues in the Enterprise Fund are recorded on the gross charge basis. Contractual adjustments are deducted to arrive at net resident service revenue. Revenues received under cost reimbursement agreements and prospective contractual agreements represent a substantial portion of the Valley View Center for Nursing Care and Rehabilitation's revenue and are subject to subsequent adjustment either by audit of third-party payors or appeals by the Valley View Center for Nursing Care and Rehabilitation. Retroactively calculated third-party contractual adjustments are accrued on an estimated basis in the period the services are rendered and adjusted in future periods as required. Final settlements of retroactive cost reimbursements are recorded as retroactive adjustments.

The Valley View Center for Nursing Care and Rehabilitation grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of accounts receivable from patients and third-party payors at December 31, 2020 was as follows:

| | |
|---|---|
| Medicaid | $ 2,629,515 |
| Medicaid managed care | 2,022,824 |
| Medicare | 1,594,742 |
| Private | 1,248,283 |
| Other third party payors | 540,317 |
| | 8,035,681 |
| Allowance for doubtful accounts | (2,648,506) |
| | $ 5,387,175 |

## Note 1 - Summary of Significant Accounting Policies (Continued)

### Component Units

Component units are presented on the basis of accounting that most accurately reflect their activities. The Orange County Soil and Water Conservation District is accounted for on the modified accrual basis and is converted to the accrual basis for the government-wide statements. The Orange County Community College, Orange County Industrial Development Agency and Orange County Water Authority are accounted for on the accrual basis. The College, however, does not reflect land, buildings and improvements and infrastructure as an asset of the fund and the associated depreciation is not reflected. Land, buildings and improvements and infrastructure of the College are owned by the County.

### E. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balances

#### Cash and Equivalents, Investments and Risk Disclosure

**Cash and Equivalents** - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The County's deposits and investment policies are governed by State statutes. The County has adopted its own written investment policy, which provides for the deposit of funds in FDIC insured commercial banks or trust companies located within the State. The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

Collateral is required for demand deposit accounts, time deposit accounts and certificates of deposit at 100% of all deposits not covered by Federal deposit insurance. The County has entered into custodial agreements with the various banks which hold their deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations of the United States and its agencies and obligations of the State and its municipal and school district subdivisions.

**Investments** - Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The County follows the provisions of GASB Statement No. 72, "*Fair Value Measurements and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to that extent that observable inputs do not exist.

## Note 1 - Summary of Significant Accounting Policies (Continued)

### Risk Disclosure

**Interest Rate Risk** - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the County does not invest in any long-term investment obligations.

**Custodial Credit Risk** - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40, "*Deposits and Investment Risk Disclosures – an amendment of GASB Statement No. 3*", directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County had a bank balance of $675,307 that was not covered by depository insurance and was exposed to custodial credit risk at December 31, 2020.

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The County does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

**Concentration of Credit Risk** - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The County's investment policy limits the amount on deposit at each of its banking institutions.

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

The County is also responsible for collecting and enforcing delinquent school taxes on properties outside of the three cities. Such taxes are collected by the school districts in the County between September 1st and October 31st. On or about November 1st, the tax receivers of the school districts transmit the school tax rolls together with a listing of unpaid taxes to the appropriate school authorities. The school districts must certify such listing of unpaid taxes and transmit said listing to the County. Unpaid school taxes are relevied as part of the County tax bill due on January 1st of the next calendar year and thereafter collected and enforced in the same manner as County real property taxes. The County must satisfy the full amount of the unpaid school taxes no later than April 1st of the year following the levy of such taxes.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

The County has agreements with the villages within the County to collect and enforce delinquent village taxes. The County enforces taxes on behalf of all nineteen villages located within the County. County tax bills include amounts relevied for unpaid village taxes, where appropriate. County and school districts taxes collected prior to the satisfaction of the respective warrants are considered a fiduciary activity under the provisions of GASB Statement No. 84 "*Fiduciary Activities*", and therefore have been accounted for within the Custodial Fund.

**Other Receivables** - Other receivables include amounts due from other governments and individuals for services provided by the County. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

**Due From/To Other Funds and Due From/To Fiduciary Fund** - During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2020, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

**Inventories** - The inventories reflected in the Enterprise Fund balance sheet are recorded at cost on a first in, first out basis and consist of food, supplies and drugs used at the Valley View Center for Nursing Care and Rehabilitation. The cost is recorded as inventory at the time the individual items are purchased. The County uses the consumption method to relieve inventory. Purchases of inventory items at other locations are recorded as expenditures at the time of purchase and year-end balances at these locations are not material.

**Prepaid Expenses/Expenditures** - Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

**Capital Assets** - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year).

**Note 1 - Summary of Significant Accounting Policies (Continued)**

Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives is not capitalized.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives.

| Class | Life in Years |
|---|---|
| Buildings and Improvements | 5-50 |
| Machinery and Equipment | 3-30 |
| Infrastructure | 5-40 |

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

**Unearned Revenues** - Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported unearned revenues of $3,617,400 for State and Federal aid received in advance in the General Fund. The County has also reported unearned revenues of $18,522,854 for State and Federal aid received in advance in the Community Development Fund, $523,699 for inspections in the Sewer District Fund, $24,671 for hangar rent in the Airport Fund, $4,468,150 in the College (component unit) for tuition and other fees, and $331,412 in the District (component unit) for State and Federal aid received in advance. Such amounts have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

**Deferred Outflows/Inflows of Resources** - In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The County reported deferred inflows of resources of $10,605,024 for real property taxes in the General Fund. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

## Note 1 - Summary of Significant Accounting Policies (Continued)

The County reported deferred amounts on refunding bonds resulting from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is being deferred and amortized over the shorter of the life of the refunded or refunding debt.

The County has also reported deferred outflows of resources and deferred inflows of resources in relation to its pension and other postemployment benefit liabilities in the government-wide financial statement for governmental activities. These amounts are detailed in the discussion of the County's pension and other postemployment benefit liabilities in Note 3F.

**Long-term Liabilities** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as Capital Projects Fund expenditures.

**Compensated Absences** - The various collective bargaining agreements provide for the payment of accumulated vacation or sick leave upon separation from service. The liability for such accumulated leave is reflected in the government-wide and proprietary fund financial statements as current and long-term liabilities. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. The liability for compensated absences includes salary related payments, where applicable.

**Net Pension Asset/Liability** - The net pension liability represents the County's proportionate share of the net pension liability of the New York State and Local Employees' Retirement System. The net pension liability represents the College's (component unit) proportionate share of the net pension liability of the New York State Teachers' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, "*Accounting and Financial Reporting for Pensions*" and GASB Statement No. 71, "*Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No.68*".

**Other Post Employment Benefit Liability ("OPEB")** - In addition to providing pension benefits, the Town provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*".

Net Position - represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation/ amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

*Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of sources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling of legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the County includes restricted for capital projects, tax stabilization, debt service, equipment, sanitary landfill improvements, unemployment benefits, future capital projects, stop-DWI program, handicapped parking education program, repairs, forfeiture of crime proceeds, sewer purposes, small watershed protection purposes, workers' compensation benefits, self insurance, and liability and casualty claims.

*Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of two preceding categories.

**Fund Balances** - Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables, advances) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in the General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The County Legislature is the highest level of decision making authority for the County that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the County Legislature removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the County Legislature.

Assigned fund balance, in the General Fund, represents amounts constrained either by policies of the County Legislature for amounts assigned for balancing the ensuing year's budget or delegated to the Commissioner of Finance for amounts assigned for encumbrances. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all funds except the General Fund includes all remaining amounts, except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

## Note 1 - Summary of Significant Accounting Policies (Continued)

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit balance is reported as unassigned.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: committed, assigned, and unassigned.

### F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General and all Special Revenue funds, except the Community Development Fund. Encumbrances outstanding at year end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

### G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates, particularly given the significant social and economic disruptions and uncertainties associated with the ongoing COVID-19 ("Coronavirus") pandemic and the mitigation responses, and such differences may be material (See Note 4D).

### H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is June 15, 2021.

## Note 2 - Stewardship, Compliance and Accountability

### A. Budgetary Data

The County generally follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

a) During the month of June, the various County departments are given notice to prepare their budgets. These preliminary budgets are due in the Budget Department by the first week of July and include the estimated revenues and expenditures for the ensuing fiscal year.

b) Budget hearings are scheduled with each department to occur during August.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

c) On October 1st, the County Executive presents the original copy of the budget to the Clerk of the Legislature. A resolution is then adopted specifying the time and place of the public hearing, which shall be held by October 25th.

d) On or before November 15th, the Legislature submits its budget modifications, if any, to the County Executive, who has until December 1st to accept or veto such modifications, as prescribed by law. The final document is filed by December 15th.

e) Formal budgetary integration is employed during the year as a management control device for the General Fund, all Special Revenue funds, except the Community Development Fund, and the Debt Service Fund.

f) Budgets for General, certain Special Revenue and Debt Service funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for the Community Development and Proprietary funds since other means control the use of these resources (e.g., grant awards) and sometimes span a period of more than one fiscal year.

g) The County Legislature has established legal control of the budget at the function level of expenditures. Transfers between appropriation accounts, at the function level, require approval by the Legislature. Any modification to appropriations resulting from increases in revenue estimates or supplemental reserve appropriations also require a majority vote by the Legislature.

h) Appropriations in the General Fund, all Special Revenue funds, except the Community Development Fund, and the Debt Service Fund lapse at the end of the fiscal year, except that outstanding encumbrances are reappropriated in the succeeding year, pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

Budgeted amounts are as originally adopted, or as amended by the legislature. Amendments in the General Fund for the current year are as follows:

| | |
|---|---|
| Operating expenditures funded by various unanticipated revenues | $ 95,090,259 |

**B. Property Tax Limitation**

The County is permitted by the State Constitution to levy, for purposes other than debt service, up to 1 1/2% of the five year average full valuation of taxable real estate located within the County. In accordance with this provision, the maximum amount of the tax levy for 2020 was $484,571,185, which exceeded the actual levy by $390,159,842.

Under New York State General Municipal Law, the County is not limited as to the maximum amount of real property taxes which may be raised. However, Chapter 97 of the New York State Laws of 2011, as amended ("Tax Levy Limitation Law") modified previous law by imposing a limit on the amount of real property taxes a local government may levy. The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

**Note 2 - Stewardship, Compliance and Accountability (Continued)**

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the County to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-one hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The County is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the County, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the County. The County Legislature may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the County Legislature first enacts, by a vote of at least sixty percent of the total voting power of the County Legislature, a local law to override such limit for such coming fiscal year.

**C. Fund Deficits**

The Community Development, Off-Street Parking and Workforce Investment Act funds reflect unassigned deficits of $11,850, $5,765 and $36,216, respectively. The County plans to address these deficits in the subsequent year.

The Valley View Center for Nursing Care and Rehabilitation has an unrestricted deficit of $148,028,516 at December 31, 2020. This is primarily a result of the requirement to record its other post employment benefit obligations in accordance with GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*".

**D. Capital Projects Fund Project Deficits**

The deficits in certain individual capital projects arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

**E. Adoption of Accounting Standard**

For the year ended December 31, 2020, the County implemented the provisions of GASB Statement No. 84, "*Fiduciary Activities.*" The objective of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement established criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on 1) whether a government is controlling the assets of the fiduciary fund and 2) the beneficiaries with whom a fiduciary relationship exists. As a result of the adoption of this standard, certain transactions previously reported within governmental funds are now reflected within the Fiduciary Fund while other transactions previous reported in the Fiduciary Fund are now reflected within governmental funds.

## Note 2 - Stewardship, Compliance and Accountability (Continued)

### F. Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified to conform with the current year presentation with respect to the implementation of the provisions of GASB Statement No. 84. These reclassifications had no effect on previously reported fund balance amounts.

### G. Prior Period Adjustment

Beginning net position and fund balance of the County was restated for a prior period adjustment decreasing the net position and fund balance by $3,752,759, as follows: General Fund for $840,687, Sewer Fund for $2,321,846, Airport Fund for $132,441 and Sanitary Landfill Fund for $457,785. The County had previously recorded the allowance as a component of nonspendable fund balance. The allowance is now reported as an offset to accounts receivable.

## Note 3 - Detailed Notes on All Funds

### A. Investments

Investments held in the General Fund at December 31, 2020 consisted of the following:

| Investment Type | Issue Date | Maturity Date | Interest Rate | Amount |
|---|---|---|---|---|
| Certificate of deposit | 11/12/2020 | 2/11/2021 | 0.60% | $ 10,000,000 |
| Certificate of deposit | 11/19/2020 | 2/18/2021 | 0.60% | 10,000,000 |
| Certificate of deposit | 11/30/2020 | 2/28/2021 | 0.60% | 10,000,000 |
| Certificate of deposit | 12/3/2020 | 3/3/2021 | 0.60% | 10,000,000 |
| Certificate of deposit | 3/11/2020 | 3/11/2021 | 1.16% | 15,000,000 |
| | | | | $ 55,000,000 |

Certificates of deposit are not subject to provisions of fair value measurements as they are recorded at cost.

Investments of the College (component unit) are stated at fair value and consist of U.S. Government securities of $14,720,969. The securities are insured and registered and are held by the College's agent, a third party financial institution, in the College's name.

### B. Taxes Receivable

Taxes receivable at December 31, 2020 consisted of the following:

| | |
|---|---|
| Taxes receivable, overdue | $ 21,228,762 |
| City school districts taxes | 703,922 |
| Property acquired for taxes | 5,309,653 |
| | 27,242,337 |
| Allowance for uncollectible taxes | (11,057,480) |
| | $ 16,184,857 |

**Note 3 - Detailed Notes on All Funds (Continued)**

School and city school district taxes are offset by liabilities to the school districts. Delinquent village taxes will be relevied in the County's subsequent fiscal year. Taxes receivable and tax liens are also partially offset by deferred tax revenues of $10,605,024 which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

**C. Interfund Receivables/Payables**

The composition of due from/to other funds at December 31, 2020 were as follows:

| Receivable Fund | Payable Fund | Amount |
|---|---|---|
| General Fund | Capital Projects Fund | $ 13,855,882 |
| | Community Development Fund | 524,521 |
| | Workforce Investment Act Fund | 1,050,218 |
| | | 15,430,621 |
| Capital Projects Fund | County Road Fund | 767,311 |
| The Valley View Center for Nursing Care and Rehabilitation | General Fund | 52,709,479 |
| Internal Service Fund - Compensated Absences Fund | General Fund | 13,049,353 |
| | Community Development Fund | 21,217 |
| | Road Machinery Fund | 209,257 |
| | Sewer District Fund | 190,045 |
| | Airport Fund | 51,667 |
| | Sanitary Landfill Fund | 127,084 |
| | Workforce Investment Act Fund | 140,343 |
| | | 13,788,966 |
| | | $ 82,696,377 |

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

The composition of due from/to fiduciary fund at December 31, 2020 were as follows:

| Fund | Due From | Due To |
|---|---|---|
| General | $ - | $ 2,370,771 |
| Fiduciary | 2,370,771 | - |
| | $ 2,370,771 | $ 2,370,771 |

## Note 3 - Detailed Notes on All Funds (Continued)

### D. Capital Assets

Changes in the County's capital assets are as follows:

| Class | Balance January 1, 2020 | Additions | Deductions | Balance December 31, 2020 |
|---|---|---|---|---|
| **Governmental Activities (inclusive of Internal Service Funds):** | | | | |
| Capital Assets, not being depreciated: | | | | |
| Land | $ 39,241,089 | $ - | $ - | $ 39,241,089 |
| Construction-in-progress | 172,527,656 | 10,179,411 | 3,508,281 | 179,198,786 |
| Total Capital Assets, not being Depreciated | $ 211,768,745 | $ 10,179,411 | $ 3,508,281 | $ 218,439,875 |
| Capital Assets, being depreciated: | | | | |
| Buildings and improvements | $ 447,955,340 | $ 1,603,751 | $ 324,978 | $ 449,234,113 |
| Machinery and equipment | 94,743,433 | 2,213,802 | 569,248 | 96,387,987 |
| Infrastructure | 73,422,526 | 1,842,056 | - | 75,264,582 |
| Total Capital Assets, being Depreciated | 616,121,299 | 5,659,609 | 894,226 | 620,886,682 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | 222,748,496 | 12,370,217 | 324,978 | 234,793,735 |
| Machinery and equipment | 84,278,612 | 3,004,881 | 569,248 | 86,714,245 |
| Infrastructure | 53,711,351 | 1,625,269 | - | 55,336,620 |
| Total Accumulated Depreciation | 360,738,459 | 17,000,367 | 894,226 | 376,844,600 |
| Total Capital Assets being Depreciated, net | $ 255,382,840 | $ (11,340,758) | $ - | $ 244,042,082 |
| Governmental Activities Capital Assets, net | $ 467,151,585 | $ (1,161,347) | $ 3,508,281 | $ 462,481,957 |

**Note 3 - Detailed Notes on All Funds (Continued)**

| Class | Balance January 1, 2020 | Additions | Balance December 31, 2020 |
|---|---|---|---|
| **Business-type Activities:** | | | |
| Capital Assets, not being depreciated: | | | |
| Land | $ 103,701 | $ - | $ 103,701 |
| Capital Assets, being depreciated: | | | |
| Buildings and improvements | $ 29,769,542 | $ 1,747,896 | $ 31,517,438 |
| Machinery and equipment | 5,730,713 | 312,686 | 6,043,399 |
| Total Capital Assets, being Depreciated | 35,500,255 | 2,060,582 | 37,560,837 |
| Less accumulated depreciation for: | | | |
| Buildings and improvements | 21,318,557 | 1,052,760 | 22,371,317 |
| Machinery and equipment | 3,341,565 | 543,120 | 3,884,685 |
| Total Accumulated Depreciation | 24,660,122 | 1,595,880 | 26,256,002 |
| Total Capital Assets being Depreciated, net | $ 10,840,133 | $ 464,702 | $ 11,304,835 |
| Business-type Activities Capital Assets, net | $ 10,943,834 | $ 464,702 | $ 11,408,536 |

Depreciation expense was charged to County functions and programs as follows:

| | |
|---|---|
| Governmental Activities: | |
| General Government Support | $ 2,019,310 |
| Education | 3,653,956 |
| Public Safety | 6,452,760 |
| Health | 35,435 |
| Transportation | 2,490,124 |
| Economic Opportunity and Development | 3,909 |
| Culture and Recreation | 541,037 |
| Home and Community Services | 1,524,293 |
| Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets | 279,543 |
| Total Depreciation Expense - Governmental Activities | $ 17,000,367 |
| Business-type Activities - The Valley View Center for Nursing Care and Rehabilitation | $ 1,595,880 |

## Note 3 - Detailed Notes on All Funds (Continued)

### Capital Assets - Component Units

Changes in the College's (component unit) capital assets are as follows:

| Class | Balance September 1, 2019 | Additions | Deletions | Balance August 31, 2020 |
|---|---|---|---|---|
| Capital Assets, being depreciated - Machinery and equipment | $ 20,657,895 | $ 212,744 | $ 47,003 | $ 20,823,636 |
| Less accumulated depreciation | (18,917,634) | (1,050,725) | (47,003) | (19,921,356) |
| College Capital Assets, net | $ 1,740,261 | $ (837,981) | $ - | $ 902,280 |

Changes in the District's (component unit) capital assets are as follows:

| Class | Balance January 1, 2020 | Additions | Deletions | Balance December 31, 2020 |
|---|---|---|---|---|
| Capital Assets, being depreciated - Machinery and equipment | $ 226,942 | $ - | $ - | $ 226,942 |
| Less accumulated depreciation | (217,749) | (9,075) | - | (226,824) |
| District Capital Assets, net | $ 9,193 | $ (9,075) | $ - | $ 118 |

Changes in the Agency's (component unit) capital assets are as follows:

| Class | Balance January 1, 2020 | Additions | Deletions | Balance December 31, 2020 |
|---|---|---|---|---|
| Capital Assets, being depreciated - Machinery and equipment | $ 828,339 | $ 59,668 | $ 31,102 | $ 856,905 |
| Less accumulated depreciation | (157,466) | (61,243) | (2,484) | (216,225) |
| Agency Capital Assets, net | $ 670,873 | $ (1,575) | $ 28,618 | $ 640,680 |

Changes in the Authority's (component unit) capital assets are as follows:

| Class | Balance January 1, 2020 | Additions | Balance December 31, 2020 |
|---|---|---|---|
| Capital Assets, not being depreciated - Land Easements | $ 743,316 | $ - | $ 743,316 |
| Capital Assets, being depreciated - Machinery and equipment | $ 217,800 | $ 1,483 | $ 219,283 |
| Less accumulated depreciation | (200,416) | (4,105) | (204,521) |
| Total Capital Assets, being Depreciated, net | $ 17,384 | $ (2,622) | $ 14,762 |
| Authority Capital Assets, net | $ 760,700 | $ (2,622) | $ 758,078 |

## Note 3 - Detailed Notes on All Funds (Continued)

### E. Accrued Liabilities

Accrued liabilities at December 31, 2020 were as follows:

| | Fund | | | Total |
|---|---|---|---|---|
| | General | Community Development | Non-Major Governmental | Governmental |
| Payroll and employee benefits | $ 3,062,240 | $ 7,783 | $ 98,064 | $ 3,168,087 |
| Other | 7,968,712 | - | - | 7,968,712 |
| Total Accrued Liabilities | $ 11,030,952 | $ 7,783 | $ 98,064 | $ 11,136,799 |

### F. Long-Term Liabilities

The changes in the County's long-term liabilities for the year ended December 31, 2020 are summarized as follows:

| | Balance January 1, 2020 | New Issues/ Additions | Maturities and/or Payments | Balance December 31, 2020 | Due Within One Year |
|---|---|---|---|---|---|
| Governmental Activities: | | | | | |
| General Obligation Bonds Payable | $ 275,908,413 | $ 26,257,186 | $ 29,012,254 | $ 273,153,345 | $ 32,883,620 |
| Plus - Unamortized Premium on bonds | 19,288,618 | 2,648,622 | 2,732,839 | 19,204,401 | - |
| | 295,197,031 | 28,905,808 | 31,745,093 | 292,357,746 | 32,883,620 |
| Other Non-current Liabilities: | | | | | |
| Compensated Absences | 11,569,254 | 2,797,712 | 578,000 | 13,788,966 | 578,463 |
| Landfill Closure Costs | 1,320,000 | - | 172,000 | 1,148,000 | 172,000 |
| Claims | 39,315,160 | 10,373,513 | 9,048,326 | 40,640,347 | 6,525,564 |
| Net Pension Liability | 38,556,938 | 103,981,513 | - | 142,538,451 | - |
| Other Post Employment Benefit Liability | 1,173,915,472 | 59,517,467 | 21,451,044 | 1,211,981,895 | - |
| Total Other Non-Current Liabilities | 1,264,676,824 | 176,670,205 | 31,249,370 | 1,410,097,659 | 7,276,027 |
| Governmental Activities Long-term Liabilities | $ 1,559,873,855 | $ 205,576,013 | $ 62,994,463 | $ 1,702,455,405 | $ 40,159,647 |
| Business-type Activities: | | | | | |
| General Obligation Bonds Payable | $ 3,616,587 | $ 222,814 | $ 520,746 | $ 3,318,655 | $ 638,380 |
| Plus - Unamortized Premium on bonds | 246,875 | 22,476 | 41,486 | 227,865 | - |
| | 3,863,462 | 245,290 | 562,232 | 3,546,520 | 638,380 |
| Other Non-current Liabilities: | | | | | |
| Compensated Absences | 1,354,235 | 303,235 | 135,000 | 1,522,470 | 152,000 |
| Net Pension Liability | 6,118,667 | 16,042,636 | - | 22,161,303 | - |
| Other Post Employment Benefit Liability | 216,965,138 | 40,197,055 | 4,808,650 | 252,353,543 | - |
| Total Other Non-Current Liabilities | 224,438,040 | 56,542,926 | 4,943,650 | 276,037,316 | 152,000 |
| Business-type Activities Long-term Liabilities | $ 228,301,502 | $ 56,788,216 | $ 5,505,882 | $ 279,583,836 | $ 790,380 |

## Note 3 - Detailed Notes on All Funds (Continued)

| | Balance January 1, 2020 | New Issues/ Additions | Maturities and/or Payments | Balance December 31, 2020 | Due Within One Year |
|---|---|---|---|---|---|
| Component Units: | | | | | |
| Capital Lease Obligations | $ 154,606 | $ - | $ 46,317 | $ 108,289 | $ 32,777 |
| Compensated Absences | 1,145,348 | 298,397 | 3,536 | 1,440,209 | 21,418 |
| Net Pension Liability - ERS | 3,632,791 | 9,337,093 | - | 12,969,884 | - |
| Net Pension Liability - TRS | - | 988,311 | - | 988,311 | - |
| Other Post Employment Benefit Liability | 207,230,078 | 21,111,739 | 4,763,479 | 223,578,338 | - |
| Component Units Long-term Liabilities | $ 212,162,823 | $ 31,735,540 | $ 4,813,332 | $ 239,085,031 | $ 54,195 |

Each governmental fund's liability for compensated absences is liquidated by the Internal Service Fund, which is funded primarily by the General Fund. Landfill closure costs are liquidated by the Sanitary Landfill Fund. Claims liabilities are liquidated by the Workers' Compensation Benefits and Liability and Casualty funds, which are funded primarily by the General Fund. The County's indebtedness for general obligation bonds is satisfied by the Debt Service Fund, which is primarily funded by real property taxes. Each governmental fund's liability for net pension liability and other post employment benefit liability are liquidated by the respective fund, primarily by the General Fund.

### General Obligation Bonds Payable

General obligation bonds payable at December 31, 2020 are comprised of the following individual issues:

| Purpose | Year of Issue | Original Issue Amount | Final Maturity | Interest Rate | Amount Outstanding at December 31, 2020 |
|---|---|---|---|---|---|
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2012 | $ 38,170,000 | July, 2026 | 3.000 % | $ 17,880,000 |
| Refunding Bonds Series B | 2012 | 29,495,000 | July, 2022 | 5.000 | 7,915,000 |
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2013 | 9,850,000 | August, 2026 | 3.000 | 5,395,000 |
| Sewer Facility Refunding Bonds | 2014 | 15,595,000 | February, 2034 | 4.813 - 5.150 | 11,820,000 |
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2014 | 28,700,000 | August, 2029 | 2.000 - 3.000 | 19,740,000 |
| Sewer Facility Refunding Bonds | 2015 | 1,676,269 | April, 2026 | 4.634 - 4.769 | 972,000 |
| Refunding Bonds Series A | 2015 | 45,935,000 | March, 2028 | 3.000 - 5.000 | 25,400,000 |
| Refunding Bonds Series B | 2015 | 7,185,000 | March, 2023 | 2.590 - 3.100 | 3,445,000 |
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2016 | 56,291,295 | March, 2026 | 2.000 - 5.000 | 48,795,000 |
| Refunding Bonds Series B | 2016 | 26,625,000 | July, 2026 | 2.000 - 5.000 | 19,380,000 |
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2017 | 55,505,189 | June, 2035 | 2.000 - 5.000 | 50,345,000 |
| Refunding Bonds Series B | 2017 | 12,055,000 | March, 2024 | 5.000 | 7,325,000 |
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2017 | 4,519,279 | December, 2025 | 2.150 - 3.000 | 2,930,000 |
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2019 | 28,650,000 | February, 2028 | 2.250 - 5.000 | 28,650,000 |
| Public Improvements, and Valley View Center for Nursing Care and Rehabilitation | 2020 | 26,480,000 | February, 2028 | 3.000 - 5.000 | 26,480,000 |
| | | | | | $ 276,472,000 |

## Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of $9,987,045 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of $8,951,684 was recorded in the government-wide financial statements for governmental activities. Interest expense of $101,364 was recorded in the fund financial and government-wide financial statements for the business-type activities - The Valley View Center for Nursing Care and Rehabilitation.

### Payments to Maturity

The annual requirements to amortize all bonded debt outstanding as of December 31, 2020, including interest payments of $49,545,181 are as follows:

| Year Ending December 31, | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2021 | $ 32,883,620 | $ 9,774,913 | $ 638,380 | $ 116,494 | $ 33,522,000 | $ 9,891,407 |
| 2022 | 29,810,891 | 7,866,287 | 340,109 | 90,007 | 30,151,000 | 7,956,294 |
| 2023 | 26,710,953 | 6,552,734 | 349,047 | 75,324 | 27,060,000 | 6,628,058 |
| 2024 | 26,580,472 | 5,422,665 | 363,528 | 60,238 | 26,944,000 | 5,482,903 |
| 2025 | 23,162,849 | 4,431,077 | 330,151 | 46,080 | 23,493,000 | 4,477,157 |
| 2026-2030 | 86,697,884 | 11,472,392 | 989,116 | 96,695 | 87,687,000 | 11,569,087 |
| 2031-2035 | 47,306,676 | 3,520,149 | 308,324 | 20,126 | 47,615,000 | 3,540,275 |
| | $ 273,153,345 | $ 49,040,217 | $ 3,318,655 | $ 504,964 | $ 276,472,000 | $ 49,545,181 |

The above general obligation bonds are direct borrowings of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the County.

### Legal Debt Margin

The County is subject to legal limitations on the amount of debt that it may issue. The County's legal debt margin is 7% of the five-year average full valuation of taxable real property. At December 31, 2020, that amount was $2,261,332,000. As of December 31, 2020, the total outstanding debt applicable to the limit was $257,447,000, which is 11.38% of the total debt limit.

### Compensated Absences

Vacation leave is generally taken in the year earned. However, employees of the primary government may accumulate and carry up to 40 days of vacation leave to a subsequent period. At December 31, 2020, the value of such accumulated leave was reflected in the Compensated Absences Internal Service Fund.

The County and College (component unit) have established a sick leave program based on the Civil Service Employees Association collective bargaining agreement, whereby full-time employees accrue sick leave at the rate of three (2.625-4) hours per pay period. The program permits unlimited accumulation. Upon retirement, up to 1,320 hours of accumulated sick leave are used to purchase service credits from ERS and the employee will receive payment for 30% of the excess over the maximum accumulation based upon current salaries. In addition, the County has a sick leave program based on the Correction Officers Benevolent Association collective bargaining agreement, whereby full-time employees upon retirement will receive a payout if they have more than 1,353 hours. The County has recorded this liability in the Compensated Absences Internal Service Fund.

## Note 3 - Detailed Notes on All Funds (Continued)

The District (component unit) employees may accumulate up to 240 hours of unused annual leave. The liability at December 31, 2020 was $35,074.

The Agency (component unit) has no policy with respect to compensated absences.

Sick leave eligibility and accumulation is specified in individual Authority (component unit) employee contracts. Upon retirement, resignation or death, employees may contractually receive a payment based on unused accumulated sick leave. The liability at December 31, 2020 was $8,109.

### Landfill Closure Costs

State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The amount of $1,148,000 reported as a landfill closure costs liability in the government-wide financial statements, at December 31, 2020, represents an estimated amount based on the use of 100 percent of the landfill capacity less the actual expenditures to date of $17,744,959. These expenditures have been charged to the Capital Projects Fund, which has a total project budget of $17,897,633. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

### Unpaid Claim Liabilities

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

An analysis of the activity of unpaid claim liabilities is as follows:

| | 2020 | | 2019 | |
|---|---|---|---|---|
| | Workers' Compensation Benefits | Liability and Casualty | Workers' Compensation Benefits | Liability and Casualty |
| Balance - Beginning of Year | $ 35,150,000 | $ 4,165,160 | $ 34,750,000 | $ 4,543,484 |
| Provision for Claims and Claims Adjustment Expenditures/Expenses | 4,980,587 | 5,392,926 | 6,424,876 | 4,560,203 |
| Claims and Claims Adjustment Expenditures/Expenses Paid | (4,830,587) | (4,217,739) | (6,024,876) | (4,938,527) |
| Balance - End of Year | $ 35,300,000 | $ 5,340,347 | $ 35,150,000 | $ 4,165,160 |
| Current Portion | $ 3,530,000 | $ 2,995,564 | $ 4,709,000 | $ 1,419,160 |

## Note 3 - Detailed Notes on All Funds (Continued)

### Pension Plans

*New York State and Local Retirement System*

The County and College (component unit) participate in the New York State and Local Employees' Retirement System ("ERS"). This is a cost-sharing, multiple-employer defined benefit pension plan. ERS provides retirement benefits as well as death and disability benefits. The net position of the ERS is held in the New York State Common Retirement Fund ("Fund"), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the Trustee of the Fund and is the administrative head of the ERS. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law ("NYSRSSL"). Once a public employer elects to participate in the ERS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The County also participates in the Public Employees' Group Life Insurance Plan, which provides death benefits in the form of life insurance. The ERS is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided may be found at www.osc.state.ny.us/retire/about_us/financial_statements_index.php or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The ERS is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% depending on salary levels for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the ERS's fiscal year ending March 31. The employer contribution rates for the plan's year ending in 2020 are as follows:

| Tier/Plan | Option | Rate |
|---|---|---|
| 1 75I | 41J | 21.6 % |
| 2 75I | 41J CC | 19.8 |
| 2 75I | 41J | 19.7 |
| 3 A14 | 41J CC | 16.2 |
| 3 A14 | 41J | 16.1 |
| 4 553B | 41J | 27.2 |
| 4 89PAF | | 18.7 |
| 4 A15 | 41J CC | 16.2 |
| 4 A15 | 41J | 16.1 |
| 5 553B | 41J | 25.0 |
| 5 89PAF | | 16.2 |
| 5 A15 | 41J CC | 13.5 |
| 5 A15 | 41J | 13.4 |
| 6 553B | 41J1 | 20.2 |
| 6 89PAF | | 11.6 |
| 6 A15 | 41J1 CC | 9.7 |
| 6 A15 | 41J1 | 9.6 |

**Note 3 - Detailed Notes on All Funds (Continued)**

At December 31, 2020, the County and the College (component unit) reported liabilities as follows for their proportionate share of the net pension liability:

| | |
|---|---|
| Primary Government: | |
| Governmental Activities | $ 142,538,451 |
| Business-type Activities | 22,161,303 |
| Component Unit - College | 12,969,884 |

The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County and the College (component unit) proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members. At March 31, 2020, the County and the College's (component unit) proportions were as follows:

| | 2020 | 2019 | Change |
|---|---|---|---|
| Primary Government: | | | |
| Governmental Activities | 0.5382754 % | 0.5441818 % | (0.0059064) % |
| Business-type Activities | 0.0836889 | 0.0863572 | (0.0026683) |
| Component Unit - College | 0.0489789 | 0.0512722 | (0.0022933) |

For the year ended December 31, 2020, the County recognized its proportionate share of pension expense in the government-wide financial statements of $49,304,491 for governmental activities and $2,955,676 for business-type activities. Pension expenditures of $23,503,145 were recorded in the fund financial statements and were charged to the following funds:

| Fund | ERS |
|---|---|
| General | $ 19,785,523 |
| Community Development | 45,476 |
| Road Machinery | 132,300 |
| Sewer District | 190,383 |
| Airport | 52,243 |
| Sanitary Landfill | 192,647 |
| Small Watershed Protection | 1,921 |
| Workforce Investment Act | 146,976 |
| The Valley View Center for Nursing Care and Rehabilitation | 2,955,676 |
| | $ 23,503,145 |

For the year ended August 31, 2020, the College (component unit) recognized its proportionate share pension expense of $4,059,837.

At December 31, 2020, the County and the College (component unit) reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

## Note 3 - Detailed Notes on All Funds (Continued)

| | Governmental Activities | | Business-Type Activities | |
|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | $ 8,388,964 | $ - | $ 1,304,282 | $ - |
| Changes of assumptions | 2,870,049 | 2,478,239 | 446,224 | 385,307 |
| Net difference between projected and actual earnings on pension plan investments | 73,072,138 | - | 11,360,961 | - |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 437,889 | 5,221,022 | 68,081 | 811,743 |
| County contributions subsequent to the measurement date | 15,496,517 | - | 2,210,956 | - |
| | $ 100,265,557 | $ 7,699,261 | $ 15,390,504 | $ 1,197,050 |

| | Community College (Component Unit) | | Total | |
|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | $ 763,330 | $ - | $ 10,456,576 | $ - |
| Changes of assumptions | 261,152 | 225,500 | 3,577,425 | 3,089,046 |
| Net difference between projected and actual earnings on pension plan investments | 6,648,993 | - | 91,082,092 | - |
| Changes in proportion and differences between County contributions and proportionate share of contributions | 39,844 | 475,072 | 545,814 | 6,507,837 |
| County contributions subsequent to the measurement date | 724,633 | - | 18,432,106 | - |
| | $ 8,437,952 | $ 700,572 | $ 124,094,013 | $ 9,596,883 |

The amounts reported as deferred outflows of resources related to ERS resulting from accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan's year ended March 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS will be recognized in pension expense as follows:

| Year Ended March 31, | Governmental Activities | Business-Type Activities | College (Component Unit) | Total |
|---|---|---|---|---|
| 2021 | $ 12,009,027 | $ 1,867,115 | $ 1,092,727 | $ 14,968,869 |
| 2022 | 19,021,903 | 2,957,449 | 1,730,844 | 23,710,196 |
| 2023 | 25,245,775 | 3,925,111 | 2,297,168 | 31,468,054 |
| 2024 | 20,793,074 | 3,232,823 | 1,892,008 | 25,917,905 |
| 2025 | - | - | - | - |
| Thereafter | - | - | - | - |
| | $ 77,069,779 | $ 11,982,498 | $ 7,012,747 | $ 96,065,024 |

**Note 3 - Detailed Notes on All Funds (Continued)**

The total pension liability for the ERS measurement date was determined by using an actuarial valuation date as noted below, with update procedures used to roll forward the total pension liability to that measurement date. Significant actuarial assumptions used in the valuation were as follows:

| | ERS |
|---|---|
| Measurement date | March 31, 2020 |
| Actuarial valuation date | April 1, 2019 |
| Investment rate of return | 6.8% * |
| Salary scale | 4.2% |
| Inflation rate | 2.5% |
| Cost of living adjustments | 1.3% |

*Compounded annually, net of pension plan investment expenses, including inflation.

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation is summarized in the following table.

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Domestic Equity | 36 % | 4.05 % |
| International Equity | 14 | 6.15 |
| Private Equity | 10 | 6.75 |
| Real Estate | 10 | 4.95 |
| Absolute Return Strategies | 2 | 3.25 |
| Opportunistic Portfolio | 3 | 4.65 |
| Real Assets | 3 | 5.95 |
| Bonds and Mortgages | 17 | 0.75 |
| Cash | 1 | - |
| Inflation Indexed Bonds | 4 | 0.50 |
| Total | 100 % | |

The real rate of return is net of the long-term inflation assumption of 2.5%.

**Note 3 - Detailed Notes on All Funds (Continued)**

The discount rate used to calculate the total pension liability was 6.8%. 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 determined. Based upon those assumptions, the ERS'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.

The following presents the County and the College's (component unit) proportionate share of the net pension liability calculated using the discount rate of 6.8%, as well as what the County and the College's (component unit) proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.8%) or 1 percentage point higher (7.8%) than the current rate:

| | 1% Decrease (5.8%) | Current Discount Rate (6.8%) | 1% Increase (7.8%) |
|---|---|---|---|
| Governmental Activities proportionate share of the net pension liability | $ 261,598,302 | $ 142,538,451 | $ 32,883,825 |
| Business-type Activities Proportionate share of the net pension liability | $ 40,672,249 | $ 22,161,303 | $ 5,112,644 |
| College (component unit) proportionate share of the net pension liability | $ 23,803,398 | $ 12,969,884 | $ 2,992,171 |

The components of the collective net pension liability as of the March 31, 2020 measurement date were as follows:

| | ERS |
|---|---|
| Total pension liability | $ 194,596,261,000 |
| Fiduciary net position | (168,115,682,000) |
| Employers' net pension liability | $ 26,480,579,000 |
| ERS fiduciary net position as a percentage of total pension liability | 86.39% |

Employer contributions to ERS are paid annually and cover the period through the end of the ERS's fiscal year, which is March 31st. Retirement contributions as of December 31, 2020 represent the employer contribution for the period of April 1, 2020 through December 31, 2020 based on prior year ERS wages multiplied by the employers' contribution rate, by tier. Retirement contributions to ERS for the nine months ended December 31, 2020 were $15,496,518 for governmental activities and $2,210,956 for business-type activities.

## Note 3 - Detailed Notes on All Funds (Continued)

### Pension Plans - Component Units

*Teachers' Retirement System*

The College (component unit) participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The TRS issues a stand-alone financial report which may be found at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

The TRS is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% depending on salary levels for their entire length of service. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rate for the plan's year ending in 2020 was 10.62%.

At August 31, 2020, the College reported a liability of $988,311 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension liability was based on its contributions to the pension plan relative to the contributions of all participating members. At June 30, 2020, the College's proportion was .035766%, which was a decrease of .000145% from its proportion measured as of June 30, 2019.

For the year ended August 31, 2020, the College recognized its proportionate share of pension expense of $1,413,649. At August 31, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 865,958 | $ 50,649 |
| Changes of assumptions | 1,249,984 | 445,555 |
| Net difference between projected and actual earnings on pension plan investments | 645,454 | - |
| Changes in proportion and differences between College contributions and proportionate share of contributions | 173,742 | 63,205 |
| College contributions subsequent to the measurement date | 89,643 | - |
| | $ 3,024,781 | $ 559,409 |

**Note 3 - Detailed Notes on All Funds (Continued)**

$89,643 reported as deferred outflows of resources related to TRS resulting from the College's contributions subsequent to the measurement date will be recognized as an increase of the net pension liability in the plan's year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to TRS will be recognized in pension expense as follows:

| Plan's Year Ended June 30, | |
|---|---|
| 2021 | $ 400,454 |
| 2022 | 792,641 |
| 2023 | 675,302 |
| 2024 | 425,421 |
| 2025 | 33,419 |
| Thereafter | 48,492 |
| | $ 2,375,729 |

The total pension liability for the June 30, 2020 measurement date was determined by using an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. These actuarial valuations used the following actuarial assumptions:

| | |
|---|---|
| Inflation | 2.20% |
| Projected salary increases | Rates of increase differ based on service. Rates have been calculated based upon recent NYSTRS member experience. |

| Service | Rate |
|---|---|
| 5 | 4.72 % |
| 15 | 3.46 |
| 25 | 2.37 |
| 35 | 1.90 |

| | |
|---|---|
| Projected COLAs | 1.3% compounded annually |
| Investment rate of return | 7.10% compounded annually, net of pension plan investment expense, including inflation |

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP2014, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions used in the June 30, 2019 valuation was based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice ("ASOP") No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class

**Note 3 - Detailed Notes on All Funds (Continued)**

as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of the valuation date of June 30, 2019 are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Domestic Equity | 33.0 % | 7.10 % |
| International Equity | 16.0 | 7.70 |
| Global Equity | 4.0 | 7.40 |
| Real Estate Equity | 11.0 | 6.80 |
| Private Equity | 8.0 | 10.40 |
| Domestic Fixed Income | 16.0 | 1.80 |
| Global Bonds | 2.0 | 1.00 |
| High-Yield Bonds | 1.0 | 3.90 |
| Private Debt | 1.0 | 5.20 |
| Real Estate Debt | 7.0 | 3.60 |
| Cash Equivalents | 1.0 | 0.70 |
| Total | 100.0 % | |

The discount rate used to measure the total pension liability was 7.1%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, TRS'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.

The following presents the College's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.1%, as well as what the College's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.1%) or one percentage point higher (8.1%) than the current rate:

| | 1% Decrease (6.1%) | Current Discount Rate (7.1%) | 1% Increase (8.1%) |
|---|---|---|---|
| College's proportionate share of the net pension liability (asset) | $ 6,242,822 | $ 988,311 | $ (3,421,555) |

**Note 3 - Detailed Notes on All Funds (Continued)**

The components of the collective net pension liability of TRS as of the June 30, 2020 measurement date were as follows:

| | |
|---|---|
| Total pension liability | $ 123,242,776,000 |
| TRS fiduciary net position | (120,479,505,000) |
| Employers' net pension liability | $ 2,763,271,000 |
| TRS fiduciary net position as a percentage of total pension liability | 97.8% |

Employer and employee contributions for the plan's year ended June 30, 2020 are paid to TRS in the following fiscal year through a state aid intercept or, if state aid is insufficient, through a payment by the College to TRS. Accrued retirement contributions as of August 31, 2020 represent employee and employer contributions for the fiscal year ended August 31, 2020 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS. Accrued retirement contributions to TRS as of August 31, 2020 were $622,590.

*Voluntary Defined Contribution Plan*

The County and College (component unit) can offer a defined contribution plan to all non-union employees hired on or after July 1, 2013 and earning at the annual full time salary rate of $75,000 or more. The employee contribution is between 3% and 6% depending on salary and the County and College will contribute 8%. Employer contributions vest after 366 days of service. No current employees participated in this program.

*Teachers' Insurance and Annuity Association College Retirement Equities Fund*

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

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

**Note 3 - Detailed Notes on All Funds (Continued)**

| Tier | Dates | Contribution |
|---|---|---|
| Tier 1 | Membership prior to July 1, 1973 | 12% of the first $16,500 of salary per calendar year, and 15% of all salary above $16,500 |
| Tier 2 | July 1, 1973 - July 26, 1976 | 12% of the first $16,500 of salary per calendar year, and 15% of all salary above $16,500 |
| Tier 3 | July 27, 1976 - August 31, 1983 | 9% of the first $16,500 of salary per calendar year, and 12% of all salary above $16,500 |
| Tier 4 | September 1, 1983 - July 16, 1992 | 9% of the first $16,500 of salary per calendar year, and 12% of all salary above $16,500 |
| Tier 5 | July 17, 1992 - March 31, 2012 | 8% for the first seven years of service, and 13% thereafter |
| Tier 6 | April 1, 2012 and after | 8% for the first seven years of service, and 10% thereafter |

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

| | |
|---|---|
| Wages of $45,000 or less | 3.00 % |
| Wages of $45,000 - $55,000 | 3.50 |
| Wages of $55,000 - $75,000 | 4.50 |
| Wages of $75,000 - $100,000 | 5.75 |
| Wages greater than $100,000 | 6.00 |

For the year ended August 31, 2020, employee contributions totaled $113,767 and the College recognized pension expense of $1,340,308.

At August 31, 2020, the College reported payables to the defined contribution pension plan of $2,071 for legally required employer contributions and $2,094 for legally required employee contributions which had been withheld from employee wages but not yet remitted to TIAA-CREF.

*Other Pension Plans*

The District and Authority (component units) have a Simplified Employee pension ("SEP"), which covers all employees. SEP contributions were $7,500 and $8,824, respectively, for the year ended December 31, 2020.

The Agency (component unit) adopted a new retirement plan for the year beginning January 1, 2019, allowing the employees to participate in the New York State Deferred Compensation Plan.

**Note 3 - Detailed Notes on All Funds (Continued)**

The New York State Deferred Compensation Plan is a 457(b) retirement plan created for New York State employees, and employees of participating agencies.

**Other Post Employment Benefit Liability ("OPEB")**

In addition to providing pension benefits, the County provides certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the County may vary according to length of service. The cost of providing post employment health care benefits is shared between the County and the retired employee as noted below. Substantially all of the County employees may become eligible for those benefits if they reach normal retirement age while working for the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

At December 31, 2020, the following employees were covered by the benefit terms:

| | Governmental Activities | Business-Type Activities |
|---|---|---|
| Inactive employees currently receiving benefit payments | 1,357 | 331 |
| Active employees | 1,738 | 332 |
| | 3,095 | 663 |

The County's total OPEB liability of $1,464,335,438 ($1,211,981,895 governmental activities and $252,353,543 business-type activities) was measured as of December 31, 2020, and was determined by an actuarial valuation as of January 1, 2020.

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---|---|
| Salary increases | 3.00% |
| Discount rate | 2.02% |
| Healthcare cost trend rates | 7.0% for 2020, decreasing 0.25% per year to an ultimate rate of 3.5% |
| Retirees' share of benefit-related costs | Varies from 0% to 100%, depending on applicable retirement year and bargaining unit |

The discount rate was based on the S&P Municipal Bond 20-year High Grade Rate Index utilizing the average of three 20-year bond indices (e.g., Bond Buyer-20 Bond GO, S&P Municipal 20 Year High Grade Rate Index and Fidelity GA AA 20 Years).

Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee and Healthy Annuitant Tables for both pre and post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2019.

**Note 3 - Detailed Notes on All Funds (Continued)**

The turnover assumptions reflect the rate of separation from the active plan and excludes retirement and disability. The retirement assumptions reflect rate of retirement from the active plan. Both turnover and retirement assumption tables vary by age, gender and years of service with rates based on the ERS and TRS.

The County's change in the total OPEB liability for the year ended December 31, 2020 is as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Total OPEB Liability - Beginning of Year | $ 1,173,915,472 | $ 216,965,138 | $ 1,390,880,610 |
| Service cost | 25,284,129 | 5,165,801 | 30,449,930 |
| Interest | 23,496,437 | 4,334,128 | 27,830,565 |
| Changes of benefit terms | - | - | - |
| Differences between expected and actual experience | - | - | - |
| Changes in assumptions or other inputs | 10,736,901 | 30,697,126 | 41,434,027 |
| Benefit payments | (21,451,044) | (4,808,650) | (26,259,694) |
| Total OPEB Liability - End of Year | $ 1,211,981,895 | $ 252,353,543 | $ 1,464,335,438 |

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.02%) or 1 percentage point higher (3.02%) than the current discount rate:

| | 1% Decrease (1.02%) | Current Discount Rate (2.02%) | 1% Increase (3.02%) |
|---|---|---|---|
| Governmental Activities Total OPEB Liability | $ 1,541,005,004 | $ 1,211,981,895 | $ 973,407,454 |
| Business-Type Activities Total OPEB Liability | $ 323,069,576 | $ 252,353,543 | $ 201,794,767 |

The following presents the total OPEB liability of the County, as well as what 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 rates:

| | 1% Decrease (6.0% decreasing to 3.5%) | Healthcare Cost Trend Rates (7.0% decreasing to 4.5%) | 1% Increase (8.0% decreasing to 5.5%) |
|---|---|---|---|
| Governmental Activities Total OPEB Liability | $ 959,739,668 | $ 1,211,981,895 | $ 1,561,781,877 |
| Business-Type Activities Total OPEB Liability | $ 199,154,164 | $ 252,353,543 | $ 327,079,638 |

For the year ended December 31, 2020, the County recognized OPEB expense of $106,823,638 in the government-wide financial statements. At December 31, 2020, the County reported deferred

## Note 3 - Detailed Notes on All Funds (Continued)

outflows or resources and deferred inflows of resources related to OPEB from the following sources:

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Changes of assumptions or other inputs | $ 164,617,962 | $ - | $ 53,972,567 | $ - | $ 218,590,529 | $ - |
| Differences between expected and actual experience | - | - | - | - | - | - |
| | $ 164,617,962 | $ - | $ 53,972,567 | $ - | $ 218,590,529 | $ - |

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

| Year Ended December 31, | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| 2021 | $ 26,682,302 | $ 8,201,328 | $ 34,883,630 |
| 2022 | 26,682,302 | 8,201,328 | 34,883,630 |
| 2023 | 26,682,302 | 8,201,328 | 34,883,630 |
| 2024 | 26,682,302 | 8,201,328 | 34,883,630 |
| 2025 | 26,682,302 | 8,201,328 | 34,883,630 |
| Thereafter | 31,206,452 | 12,965,927 | 44,172,379 |
| | $ 164,617,962 | $ 53,972,567 | $ 218,590,529 |

### Other Post Employment Benefit Liability ("OPEB") - Component Unit

The College's single employer defined benefit OPEB plan, which administered by the College, provides medical benefits to retired employees and their eligible dependents.

The eligible requirements are determined by the employment contracts negotiated between the College and its employee groups and require that employees obtain 10 years of service and attain the minimum age of fifty-five to be eligible for subsidized health insurance benefits.

Medical benefits, including pharmaceutical costs, are provided through the New York State Health Insurance Plans whose premiums are considered community related. The College pays a variable percentage of the cost of premiums depending on the employee group as follows:

| Employee Group | Years of Service | Retiree Contribution |
|---|---|---|
| Faculty | 10+ (hired before May 5, 2005) | 0% |
| | 10 to 14 (hired on/after May 5, 2005) | 50% |
| | 15 to 19 (hired on/after May 5, 2005) | 25% |
| | 20 to 24 (hired on/after May 5, 2005) | 10% |
| | 25 plus (hired on/after May 5, 2005) | 0% |
| Staff | 10+ (hired before September 1, 2005) | 0% |
| | 10 to 14 (hired on/after September 1, 2005) | 50% |
| | 15 to 19 (hired on/after September 1, 2005) | 25% |
| | 20 to 24 (hired on/after September 1, 2005) | 10% |
| | 25 plus (hired on/after September 1, 2005) | 0% |

**Note 3 - Detailed Notes on All Funds (Continued)**

Surviving spouses may elect to continue coverage by paying 100% of the cost. Surviving spouses that are over age 65 and eligible for Medicare, receive full reimbursement of Medicare Part B premiums.

The authority to establish and amend the benefit terms and financing requirements rests with the College Board of Trustees through negotiations with its employee groups. The plan does not accumulate assets to meet its future obligation in a trust that meets the criteria of GASB 75, page 4 and the plan is not administered through a trust or an equivalent arrangement. The OPEB plan does not issue a stand-alone financial report.

The College funds the cost of providing health care insurance to its retirees on a pay as you go basis. Total contributions to the plan to cover the College's share of retiree's insurance premiums for the year ended August 31, 2020 was $4,763,479.

At September 1, 2019, the number of employees covered by the College's OPEB Plan:

| | College (Component Unit) |
|---|---|
| Inactive employees currently receiving benefit payments | 290 |
| Active employees | 383 |
| | 673 |

The College's total OPEB liability of $223,578,338 was measured as of August 31, 2020 and was determined by an actuarial valuation as of January 1, 2019, with update procedures used to roll forward the total OPEB liability to January 1, 2020. The changes in the OPEB liability are as follows:

| | College (Component Unit) |
|---|---|
| Total OPEB Liability - Beginning of Year | $ 207,230,078 |
| Service cost | 5,785,425 |
| Interest | 4,594,201 |
| Changes of benefit terms | - |
| Differences between expected and actual experience | - |
| Changes in assumptions or other inputs | 10,732,113 |
| Benefit payments | (4,763,479) |
| Total OPEB Liability - End of Year | $ 223,578,338 |

The total OPEB liability in the January 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

**Note 3 - Detailed Notes on All Funds (Continued)**

| | |
|---|---|
| Actuarial Cost Method | Entry age normal as a level of percentage of payroll |
| Payroll Growth | 3.00% |
| Discount Rate | 2.26% |
| Healthcare Cost Trend Rates | 7.0% for 2020, decreasing 0.5% annually to an ultimate rate of 4.5% in 2031 |

The discount rate was based on a 20-year tax-exempt general obligation municipal bond with an average rating of AA/Aa or higher.

RP 2014 Healthy Male and Female Tables are based on the Employee and Healthy Annuitant Tables for both pre and post retirements projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2018.

The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.26%) or 1 percentage point higher (3.26%) than the current discount rate:

| | 1% Decrease (1.26%) | Current Discount Rate (2.26%) | 1% Increase (3.26%) |
|---|---|---|---|
| Total OPEB Liability | $ 274,503,558 | $ 223,578,338 | $ 182,598,772 |

The following presents the total OPEB liability of the College, as well as what the College's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (8% decreasing to 4%) or 1 percentage point higher (10% decreasing to 6%) than the current healthcare cost trend rate (9% decreasing to 5%):

| | 1% Decrease (8.0% decreasing to 4.0%) | Healthcare Cost Trend Rates (9.0% decreasing to 5.0%) | 1% Increase (10.0% decreasing to 6.0%) |
|---|---|---|---|
| Total OPEB Liability | $ 178,894,906 | $ 223,578,338 | $ 280,164,633 |

At August 31, 2020, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | College (Component Unit) | |
|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Changes of assumptions or other inputs | $ 30,749,396 | $ - |
| Differences between expected and actual experience | - | - |
| | $ 30,749,396 | $ - |

**Note 3 - Detailed Notes on All Funds (Continued)**

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

| Year Ended December 31, | College (Component Unit) |
|---|---|
| 2021 | $ 7,268,381 |
| 2022 | 7,268,381 |
| 2023 | 7,268,381 |
| 2024 | 7,191,508 |
| 2025 | 1,752,745 |
| Thereafter | - |
| | $ 30,749,396 |

**Capital Lease Obligations - Component Unit**

The College (component unit) has entered into agreements to lease certain equipment. The agreements provide that payments for any future fiscal period will not be required should funding not be appropriated. Interest on the purchase agreements ranges from 4.156% to 11.11%.

The future minimum lease obligations payments as of August 31, 2020, were as follows:

| Year Ending August 31, | |
|---|---|
| 2021 | $ 33,168 |
| 2022 | 32,780 |
| 2023 | 21,432 |
| 2024 | 21,434 |
| | 108,814 |
| Total minimum lease payments | (525) |
| Less: amount representing interest | |
| Present value of minimum lease payments | $ 108,289 |

**G. Significant Commitments – Encumbrances**

As discussed in Note 2A, Budgetary Data, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2020, the amount of encumbrances expected to be honored upon performance by the vendor in the next year are as follows:

| | |
|---|---|
| General Fund | $ 4,888,196 |
| Non-Major Governmental Funds | 749,118 |
| | $ 5,637,314 |

## Note 3 - Detailed Notes on All Funds (Continued)

### H. Revenues and Expenditures

#### Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The interfund transfers reflected below have been reported as transfers.

| | Transfers In | | | |
|---|---|---|---|---|
| Transfers Out | General | Capital Projects | Non-Major Governmental | Total |
| General | $ - | $ 145,748 | $ 3,479,244 | $ 3,624,992 |
| Capital Projects | - | - | 665,856 | 665,856 |
| Non-Major Governmental | - | 729,000 | 6,390,577 | 7,119,577 |
| Internal Service | 1,000,000 | - | - | 1,000,000 |
| Enterprise Fund | - | - | 52,100 | 52,100 |
| | $ 1,000,000 | $ 874,748 | $ 10,587,777 | $ 12,462,525 |

Transfers are used to 1) move funds from the General Fund to finance various capital projects and programs accounted for in other funds, 2) move restricted funds to the Debt Service Fund and 3) move funds in excess of actuarial requirements from the Internal Service Fund to the General Fund.

### I. Net Position

The components of net position are detailed below:

*Net Investment in Capital Assets* - the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

*Restricted for Capital Projects* - the component of net position that reports the amounts restricted for capital projects, exclusive of unexpended bond proceeds and unrestricted interest earnings.

*Restricted for Tax Stabilization* - the component of net position that has been established to legally segregate funds to stabilize real property tax rates in accordance with Section 6e of the General Municipal Law of the State of New York.

*Restricted for Debt Service* - the component of net position that reports the difference between assets and liabilities of the Debt Service Fund with constraints placed on their use by Local Finance Law.

*Restricted for Equipment* - the component of net position that has been established to set aside funds to maintain and replace the vehicle fleet for sanitary landfill operations pursuant to Section 6c of the General Municipal Law of the State of New York.

*Restricted for Sanitary Landfill Improvements* - the component of net position that has been established to set aside funds for the expansion of the present landfill facility in accordance with Section 6c of the General Municipal Law of the State of New York.

**Note 3 - Detailed Notes on All Funds (Continued)**

*Restricted for Unemployment Benefits* - the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6m of the General Municipal Law of the State of New York.

*Restricted for Future Capital Projects* - the component of net position that has been established to set aside funds to be used to finance all or part of the construction or acquisition of a specific type of improvement in accordance with Section 6c of the General Municipal Law of the State of New York.

*Restricted for Stop-DWI Program* - the component of net position that represents State revenues that are limited by State directive to be used in accordance with the parameters of the Driving While Intoxicated Program.

*Restricted for Handicapped Parking Education Program* - the component of net position that has been established to set aside funds pursuant to a State directive to be used for the education, advocacy and increased public awareness of handicapped parking laws.

*Restricted for Repairs* - the component of net position that has been established to set aside funds to be used for the repairs of off-street parking facilities pursuant to Section 6d of the General Municipal Law of the State of New York.

*Restricted for Forfeiture of Crime Proceeds* - the component of net position that represents the unexpended balance of the forfeiture of seized crime properties to be used pursuant to a State directive in future fiscal years for law enforcement purposes.

*Restricted for Sewer Purposes* - the component of net position that reports the difference between assets and liabilities of the Sewer Fund with constraints placed on their use by the General Municipal Law of the State of New York.

*Restricted for Small Watershed Protection Purposes* - the component of net position that reports the difference between assets and liabilities of the Small Watershed Protection Fund with constraints placed on their use by statute.

*Restricted for Workers' Compensation Benefits, Self Insurance and Liability and Casualty Claims* - the component of net position that has been established to set aside funds to be used for the payment of future claims made upon the County in accordance with Sections 6n and 6j of the General Municipal Law of the State of New York.

*Restricted for Scholarships, Awards and Grants* - the component of net position that has been established to set aside funds to provide scholarships, awards and grants to students attending the College (component unit).

*Unrestricted* - all other amounts that do not meet the definition of "restricted" or "net investment in capital assets".

## Note 3 - Detailed Notes on All Funds (Continued)

### J. Fund Balances

| | 2020 | | | | |
|---|---|---|---|---|---|
| | General Fund | Community Development Fund | Capital Projects Fund | Non-Major Governmental Funds | Total |
| Nonspendable: | | | | | |
| Prepaid expenditures | $ 4,935,155 | $ 11,850 | $ - | $ 178,964 | $ 5,125,969 |
| Restricted: | | | | | |
| Tax stabilization | 997,540 | - | - | - | 997,540 |
| Debt service | - | - | - | 4,705,731 | 4,705,731 |
| Debt service - for subsequent years expenditures | - | - | - | 2,500,000 | 2,500,000 |
| Equipment | - | - | - | 13,227 | 13,227 |
| Sanitary landfill improvements | - | - | - | 24,544 | 24,544 |
| Unemployment benefits | 1,043,327 | - | - | - | 1,043,327 |
| Future capital projects | 389,804 | - | - | - | 389,804 |
| Stop - DWI Program | 983,538 | - | - | - | 983,538 |
| Highway capital projects | - | - | - | 9,226 | 9,226 |
| Handicapped Parking Education Program | 38,788 | - | - | - | 38,788 |
| Repairs | - | - | - | 163,683 | 163,683 |
| Forfeiture of crime proceeds | 698,597 | - | - | - | 698,597 |
| Total Restricted | 4,151,594 | - | - | 7,416,411 | 11,568,005 |
| Committed: | | | | | |
| Orange County Water Authority | 16,089 | - | - | - | 16,089 |
| Infrastructure Loan Program | 180,000 | - | - | - | 180,000 |
| Real property update | 81,124 | - | - | - | 81,124 |
| Parks forest management | 17,980 | - | - | - | 17,980 |
| Future Medicaid expenditures | 500,000 | - | - | - | 500,000 |
| Total Committed | 795,193 | - | - | - | 795,193 |
| Assigned: | | | | | |
| Purchases on order: | | | | | |
| General government support | 514,516 | - | - | - | 514,516 |
| Education | 90,294 | - | - | - | 90,294 |
| Public safety | 3,321,708 | - | - | - | 3,321,708 |
| Health | 230,471 | - | - | - | 230,471 |
| Transportation | - | - | - | 78,805 | 78,805 |
| Economic opportunity and development | 414,329 | - | - | - | 414,329 |
| Culture and recreation | 147,700 | - | - | - | 147,700 |
| Home and community services | 169,178 | - | - | 670,313 | 839,491 |
| | 4,888,196 | - | - | 749,118 | 5,637,314 |
| For subsequent year's expenditures: | | | | | |
| General Fund | 13,856,737 | - | - | - | 13,856,737 |
| County Road Fund | - | - | - | 2,000,000 | 2,000,000 |
| Airport Fund | - | - | - | 143,605 | 143,605 |
| Non-Major funds: | | | | | |
| County Road Fund | - | - | - | 6,520,105 | 6,520,105 |
| Road Machinery Fund | - | - | - | 139,140 | 139,140 |
| Sewer District Fund | - | - | - | 3,478,575 | 3,478,575 |
| Airport Fund | - | - | - | 444,754 | 444,754 |
| Sanitary Landfill Fund | - | - | - | 980,974 | 980,974 |
| Small Watershed Protection Fund | - | - | - | 366,030 | 366,030 |
| Total Assigned | 18,744,933 | - | - | 14,822,301 | 33,567,234 |
| Unassigned: | | | | | |
| Major funds | 50,607,998 | (11,850) | (12,414,288) | - | 38,181,860 |
| Non-Major funds: | | | | | |
| Off-Street Parking Fund | - | - | - | (5,765) | (5,765) |
| Workforce Investment Act Fund | - | - | - | (36,216) | (36,216) |
| Total Unassigned | 50,607,998 | (11,850) | (12,414,288) | (41,981) | 38,139,879 |
| Total Fund Balances (Deficits) | $ 79,234,873 | $ - | $ (12,414,288) | $ 22,375,695 | $ 89,196,280 |

## Note 3 - Detailed Notes on All Funds (Continued)

| | 2019 | | | | |
|---|---|---|---|---|---|
| | General Fund | Community Development Fund | Capital Projects Fund | Non-Major Governmental Funds | Total |
| Nonspendable: | | | | | |
| Prepaid expenditures | $ 4,715,536 | $ 8,897 | $ - | $ 179,583 | $ 4,904,016 |
| Restricted: | | | | | |
| Tax stabilization | 987,211 | - | - | - | 987,211 |
| Debt service | - | - | - | 5,321,019 | 5,321,019 |
| Equipment | - | - | - | 13,227 | 13,227 |
| Sanitary landfill improvements | - | - | - | 24,544 | 24,544 |
| Unemployment benefits | 1,495,655 | - | - | - | 1,495,655 |
| Future capital projects | 530,006 | - | - | - | 530,006 |
| Stop - DWI Program | 1,234,124 | - | - | - | 1,234,124 |
| Handicapped Parking Education Program | 37,961 | - | - | - | 37,961 |
| Repairs | - | - | - | 163,683 | 163,683 |
| Forfeiture of crime proceeds | 874,581 | - | - | - | 874,581 |
| Total Restricted | 5,159,538 | - | - | 5,522,473 | 10,682,011 |
| Committed: | | | | | |
| Orange County Water Authority | 12,000 | - | - | - | 12,000 |
| Infrastructure Loan Program | 180,000 | - | - | - | 180,000 |
| Real property update | 80,264 | - | - | - | 80,264 |
| Parks forest management | 17,980 | - | - | - | 17,980 |
| Future Medicaid expenditures | 500,000 | - | - | - | 500,000 |
| Total Committed | 790,264 | - | - | - | 790,264 |
| Assigned: | | | | | |
| Purchases on order: | | | | | |
| General government support | 291,017 | - | - | - | 291,017 |
| Education | 33,280 | - | - | - | 33,280 |
| Public safety | 1,786,605 | - | - | - | 1,786,605 |
| Health | 317,261 | - | - | - | 317,261 |
| Transportation | - | - | - | 51,820 | 51,820 |
| Economic opportunity and development | 98,460 | - | - | - | 98,460 |
| Culture and recreation | 213,574 | - | - | - | 213,574 |
| Home and community services | 57,733 | - | - | 243,617 | 301,350 |
| For subsequent year's expenditures: | 2,797,930 | - | - | 295,437 | 3,093,367 |
| General Fund | 19,923,908 | - | - | - | 19,923,908 |
| County Road Fund | - | - | - | 1,592,449 | 1,592,449 |
| Airport Fund | - | - | - | 125,000 | 125,000 |
| Sanitary Landfill Fund | - | - | - | 350,000 | 350,000 |
| Small Watershed Protection Fund | - | - | - | 67,000 | 67,000 |
| Non-Major funds: | | | | | |
| County Road Fund | - | - | - | 4,200,467 | 4,200,467 |
| Road Machinery Fund | - | - | - | 150,750 | 150,750 |
| Sewer District Fund | - | - | - | 3,398,284 | 3,398,284 |
| Airport Fund | - | - | - | 286,847 | 286,847 |
| Sanitary Landfill Fund | - | - | - | 84,784 | 84,784 |
| Small Watershed Protection Fund | - | - | - | 837,520 | 837,520 |
| Total Assigned | 22,721,838 | - | - | 11,388,538 | 34,110,376 |
| Unassigned: | 54,491,610 | (8,897) | (26,722,737) | - | 27,759,976 |
| Major funds | | | | | |
| Non-Major funds: | - | - | - | (5,765) | (5,765) |
| Off-Street Parking Fund | - | - | - | (38,327) | (38,327) |
| Workforce Investment Act Fund | | | | | |
| Total Unassigned | 54,491,610 | (8,897) | (26,722,737) | (44,092) | 27,715,884 |
| Total Fund Balances (Deficits) | $ 87,878,786 | $ - | $ (26,722,737) | $ 17,046,502 | $ 78,202,551 |

## Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Position but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been established to account for employee retirement and other payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Restricted for Highway Capital Projects – this component is used to report the difference between expenditures and revenues of the County Road Fund set aside for future highway capital projects.

Amounts committed for Orange County Water Authority represents the unspent appropriations to the Water Authority that the County legislature has required to be set aside for use in subsequent years.

Amounts committed for Infrastructure Loan Program represents an amount that the County Legislature has available for loans to certain Orange County municipal entities to foster the development of housing within the County.

Amounts committed for Real Property Update is used to segregate a portion of fund balance, at the request of the County Legislature, to be utilized to review and monitor the establishment of real property values in the County.

Amounts committed for Parks Forest Management is used to segregate a portion of fund balance, as required by the County Legislature, to be utilized for the operations of certain County parkland.

Amount committed for Future Medicaid Expenditures is used to segregate a portion of the fund balance of the General Fund, at the request of the County Legislature, to be utilized for future unanticipated Medicaid cost increases.

Purchases on order are assigned and represent the County's intention to honor contracts in process at year end. The subsequent year's appropriation will be amended to provide authority to complete the transaction.

Subsequent year's expenditures represent that at December 31, 2020, the County Legislature/Executive has assigned the above amounts to be appropriated for the ensuing year's budget.

Unassigned fund balance in the General Fund represents amounts not classified as nonspendable, restricted, committed or assigned. Unassigned fund balance in the Community Development, Capital Projects and certain non-major governmental funds represents the deficit balances in these funds.

## Note 4 - Summary Disclosure of Significant Contingencies

### A. Litigation

The County is a party to lawsuits involving claims of personal injury, wrongful death, negligence, property disputes, environmental and contract compliance, eminent domain and civil rights violations. The County is self-insured for general liability claims to the extent disclosed below. The County Attorney has indicated that he is not aware of any such action which would have a significant adverse impact on the County's financial condition.

The County is a defendant in numerous tax certiorari proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year in which payments are made.

### B. Risk Management

The County is currently self-insured for liability and casualty claims but maintains conventional excess liability coverage with independent insurance carriers. The general liability coverage provides total limits of $10 million in excess of the County's self insured retention of $1 million per occurrence. The public officials', automobile and law enforcement liability coverage is $1 million in excess of a $1 million self-insured retention per claim. The County also maintains an umbrella liability policy which provides coverage up to $10 million.

The commercial general and professional liability (medical malpractice) coverage provides limits of $1 million per occurrence and an aggregate of $3 million with a self-insured retention of $1 million per claim. The County maintains an umbrella liability policy which provides coverage up to $6 million per occurrence and aggregate.

The County adopted a self-insured workers' compensation program. The governmental funds are charged premiums by the Internal Service Fund – Workers' Compensation Benefits. Claims payable in the Internal Service Fund include provisions for claims reported and claims incurred but not reported ("IBNR's"). Costs relating to the litigation of claims are charged to expenditures as incurred. The County has secured conventional insurance coverage for losses in excess of $1 million per occurrence.

Settled claims resulting from these risks have not exceeded self-insured retention in the past three fiscal years.

The County is self-insured for employees' and retirees' dental and vision and has established an Internal Service Fund to account for the accumulation of premiums and the payment of claims in addition to the premiums for conventional health insurance.

The County is currently self-insured for claims arising from unemployment benefit cases. Unemployment benefits are accounted for in the General Fund and incurred but not reported claims are not material.

## Note 4 - Summary Disclosure of Significant Contingencies (Continued)

### C. Compliance with Grant Requirements

The County participates in various Federal grant programs. These programs are subject to program compliance audits pursuant to Uniform Guidance. Accordingly, the County's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County anticipates such amounts, if any, to be immaterial.

### D. Contingencies

*Coronavirus*

On March 11, 2020, the World Health Organization declared a global pandemic as a result of the spread of Coronavirus. This was followed by the President of the United States declaring the outbreak of Coronavirus a national emergency on March 13, 2020.

Preceding these announcements, the Governor of the State of New York declared a state of emergency on March 7, 2020 and has since issued multiple Executive Orders regarding the pandemic. Furthermore, the Enacted 2020-21 New York State budget granted the Budget Director the authority to reduce state aid payments to local governments and school districts by any amount needed to achieve a balanced budget. The Budget Director is authorized, under Section 1(f) of Chapter 53 of the Laws of 2020, to withhold all or some of specific local aid payments during state fiscal year 2020-21, that began on April 1, 2020, if the budget is deemed unbalanced and if the Budget Director further determines that such withholding is necessary to respond to the direct and indirect economic financial and social effects of the Coronavirus pandemic ("Reduction Authority").

The ultimate size of any permanent reductions would depend on the availability of unrestricted Federal Aid. The onset of the pandemic in the spring of 2020 coincided with the start of the new fiscal year for New York State. With the uncertainties that existed at that time with respect to additional federal assistance and an expected drop in economic activity, the Governor was given authority to make amendments subsequent to the adoption of the 2020-21 New York State budget, which did not take these factors into consideration. This authority included, but was not limited to, the ability to withhold a minimum of 20% of most state aid payments to municipalities to achieve cash flow savings that New York State needed for its budget. Many of these reductions were implemented beginning with payments made by the state in the late spring of 2020 and thus negatively impacted state aid revenues reported by local municipalities that year. However, in the first quarter of 2021, based on New York State's projection of slightly better than expected revenue collections through the first nine months of its fiscal year and additional federal stimulus measures, New York State has indicated that it would restore 75% of the funds withheld from municipalities by March 31, 2021. This would serve to reduce, but not fully eliminate, the impact of the state aid reductions realized in 2020. There continues to be no assurance that state aid in the 2021-22 New York State budget will be restored to pre-pandemic levels. This potential reduction in state aid will need to be considered in managing local municipal budgets going forward.

In addition to these New York State actions, the County's economically sensitive revenues (i.e., sales tax distributions, mortgage tax, interest earnings, charges for services) are being negatively impacted. Meanwhile, the County's expenditures on health and safety measures (personal protective equipment, sanitizing supplies, custodial overtime, technology acquisitions to support a safe working environment) will increase significantly.

## Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The outbreak of the Coronavirus and the dramatic steps taken by the Federal government and New York State to address it will continue to negatively affect New York State and its local economies. The full impact of the Coronavirus on New York State's operations and financial condition is not expected to be known for some time. Similarly, the degree of the impact on the County's future operations and finances as a result of the Coronavirus is extremely difficult to predict due to uncertainties relating to its duration and severity, as well as with regard to what actions may be taken by governmental and other health care authorities, including New York State, to contain or mitigate its effects. The spread of the outbreak or reemergence later in the year could have a material adverse financial effect on New York State and local municipalities, including the County. The County is continuously monitoring the situation and will take such proactive measures as may be required to maintain operations and meet its obligations. Given this level of uncertainty, management cannot reasonably estimate the actual impact on the County's future financial position at this time.

## Note 5 - Tax Abatements

The County had ninety-nine real property tax abatement agreements which fall under both the General Municipal Law #874 Article 18A and the Real Property Tax Law 412a for the purpose of economic development. Currently only sixty-eight have abatement grants greater than zero. The other thirty-one are being taxed at their full amount.

Generally, these agreements provide for a 100 percent abatement of real property taxes in exchange for a payment in lieu of taxes ("PILOT") based on any of the following conditions:

A. 485B Exemption a 50% abatement with increases of 5% each year for 10 years
B. Enhanced 485B Exemption starting with a 0% abatement and increasing 10% each year for 10 years
C. Negotiable – A few are a fixed dollar amount with annual % increases.

Most PILOTs last for 10 years but larger projects could extend to 15 – 20 years. Some PILOTS are through the County IDA and others are through a local municipal IDA.

When an assessment value was not available and for the objective of estimating the amount of abatement that was granted to the beneficiary of the agreement, the assessment was estimated at 3 times the PILOT billing rate.

Copies of the agreements may be obtained from Edward Januszkiewicz, Chief Financial Officer of the Orange County Industrial Development Agency (component unit), 4 Crotty Lane, Suite 100, New Windsor, NY 12553, business@ocnyida.com. Information relevant to disclosure of these agreements for the calendar year ended December 31, 2020 is as follows:

## Note 5 - Tax Abatements (Continued)

| Start Year | Agreement | Town Or City | Locale | Taxable Assessed Value | Tax Rate | Tax Value | PILOT Received | Taxes Abated |
|---|---|---|---|---|---|---|---|---|
| 2014 | Danza Leser Group LLC | City | Middletown | $ 1,068,813 | $ 24.4610 | $ 26,144 | $ 8,715 | $ 17,429 |
| 2016 | Equilibrium Brewery | City | Middletown | 79,200 | 24.4610 | 1,937 | 620 | 1,317 |
| 2016 | Equilibrium Brewery | City | Middletown | 127,800 | 24.4610 | 3,126 | 1,321 | 1,805 |
| 2016 | Heritage Restoration Properties | City | Middletown | 197,300 | 24.4610 | 4,826 | 1,101 | 3,725 |
| 2013 | Sml Group Enterprise, LLC | City | Middletown | 1,131,900 | 24.4610 | 27,687 | 4,514 | 23,173 |
| 2013 | Southeast Towers | City | Middletown | 915,944 | 24.4610 | 22,405 | 7,591 | 14,814 |
| 2005 | Belvedere/Lake St | City | Newburgh | 23,441,000 | 3.8515 | 90,283 | 19,420 | 70,863 |
| 2004 | Bourne & Kenney | City | Newburgh | 4,782,300 | 3.8515 | 18,419 | 5,307 | 13,112 |
| 2011 | Burton Towers | City | Newburgh | 8,867,000 | 3.8515 | 34,151 | 8,550 | 25,601 |
| 1985 | Hudson Heritage | City | Newburgh | 2,700 | 3.8515 | 104 | 900 | - |
| 2017 | Independence Square | City | Newburgh | 5,618,000 | 3.8515 | 21,638 | 2,039 | 19,599 |
| 2020 | Liberty Progress | City | Newburgh | 48,500 | 3.8515 | 187 | 995 | - |
| 2020 | Liberty Progress | City | Newburgh | 62,400 | 3.8515 | 240 | 2,727 | - |
| 2020 | Lower Broadway | City | Newburgh | 619,800 | 3.8515 | 2,387 | 398 | 1,989 |
| 2004 | Safe Harbors/Cornerstone | City | Newburgh | 1,388,900 | 3.8515 | 5,349 | 1,513 | 3,836 |
| 2012 | Varick Homes | City | Newburgh | 6,697,500 | 3.8515 | 25,795 | 8,716 | 17,079 |
| 2012 | Voisons | City | Newburgh | 3,320,000 | 3.8515 | 12,787 | 18,333 | - |
| 2011 | 100 River Road, LLC | City | Port Jervis | 765,000 | 9.9389 | 7,603 | 3,802 | 3,801 |
| 2015 | 3312 Group, LLC | City | Port Jervis | 1,046,050 | 9.5672 | 10,008 | 5,173 | 4,835 |
| Total | | 19 | Cities | $ 60,180,107 | | $ 315,076 | $ 101,735 | $ 222,978 |
| 2009 | Millennium Pipeline | Other | Multiple | N/A | | N/A | $ 195,650 | $ N/A |
| Total | | 1 | Other | | | - | 195,650 | N/A |

| Start Year | Agreement | Town Or City | Locale | Taxable Assessed Value | Tax Rate | Tax Value | PILOT Received | Taxes Abated |
|---|---|---|---|---|---|---|---|---|
| 2019 | Clear Key II, LLC | Town | Blooming Gr | $ 1,282,800 | $ 23.0754 | $ 29,601 | $ 3,957 | $ 25,644 |
| 2014 | Mediacom Realty LLC | Town | Blooming Gr | 1,618,500 | 23.0755 | 37,348 | 15,618 | 21,730 |
| 2019 | Bazs, LLC | Town | Chester | 398,940 | 6.4048 | 2,555 | - | - |
| 2011 | C & S Wholesale Grocers, Inc. | Town | Chester | 758,300 | 6.4048 | 4,857 | - | - |
| 2011 | C & S Wholesale Grocers, Inc. | Town | Chester | 8,501,700 | 6.4048 | 54,452 | 35,351 | 19,101 |
| 2011 | C & S Wholesale Grocers, Inc. | Town | Chester | 51,000 | 6.4048 | 327 | - | - |
| 2014 | Hudson Transit/Coach | Town | Chester | 10,147,000 | 6.4048 | 64,990 | 47,519 | 17,471 |
| 2013 | Satin Realty Assoc., LLC | Town | Chester | 4,800,000 | 6.4048 | 30,743 | 24,993 | 5,750 |
| 2011 | XLLC | Town | Chester | 1,757,000 | 6.4048 | 11,253 | - | - |
| 2017 | Isomedix | Town | Chester | 3,574,222 | 6.4048 | 22,892 | 6,023 | 16,869 |
| 2018 | Aeithamattathil Realty LLC | Town | Chester | 1,854,243 | 6.4048 | 11,876 | 3,400 | 8,476 |
| 2020 | 717 LLC | Town | Chester | 282,500 | 6.4048 | 1,809 | - | - |
| 2019 | Sentinel Realty at PJ, LLC | Town | Deerpark | 6,198,000 | 6.6140 | 40,994 | 10,885 | 30,109 |
| 2019 | Sentinel Realty at PJ, LLC | Town | Deerpark | - | 6.6140 | - | - | - |
| 2019 | Amy's Kitchen | Town | Goshen | 620,000 | 6.1110 | 3,789 | 3,789 | - |
| 2019 | Amy's Kitchen | Town | Goshen | 333,000 | 6.1110 | 2,035 | 2,035 | - |
| 1996 | Glen Arden | Town | Goshen | 560,700 | 6.0547 | 3,395 | 79,446 | - |
| 2019 | Legoland | Town | Goshen | 1,482,500 | 6.1110 | 9,060 | 9,060 | - |
| 2019 | Legoland | Town | Goshen | 226,500 | 6.1110 | 1,384 | 1,384 | - |
| 2019 | Legoland | Town | Goshen | 50,000 | 6.1110 | 306 | 306 | - |
| 2019 | Legoland | Town | Goshen | 50,000 | 6.1110 | 306 | 306 | - |
| 2019 | Legoland | Town | Goshen | 20,000 | 6.1110 | 122 | 122 | - |
| 2011 | Nytt, LLC | Town | Goshen | 746,000 | 6.1110 | 4,559 | - | - |
| 1991 | Ny Power Authority | Town | Greenville | 5,000 | 5.9613 | 30 | 30 | - |
| 2017 | Blackhawk Development | Town | Hamptonburg | 24,150,000 | 3.7341 | 90,179 | 27,446 | 62,733 |
| 2014 | Carlisle Construction | Town | Hamptonburg | 22,849,400 | 3.7341 | 85,322 | 61,797 | 23,525 |

## Note 5 - Tax Abatements (Continued)

| Start Year | Agreement | Town Or City | Locale | Taxable Assessed Value | Tax Rate | Tax Value | PILOT Received | Taxes Abated |
|---|---|---|---|---|---|---|---|---|
| 1991 | Ny Power Authority | Town | Hamptonburg | $ 153,000 | $ 3.7341 | $ 571 | $ 571 | $ - |
| 2018 | CRH Realty III, LLC | Town | Monroe | 2,491,400 | 20.5720 | 51,253 | 16,480 | 34,773 |
| 2010 | Bruderhof Communities | Town | Montgomery | 2,888,600 | 6.1156 | 17,666 | 17,666 | - |
| 2002 | Evergreens Senior Housing | Town | Montgomery | 1,475,700 | 6.1156 | 9,025 | 4,088 | 4,937 |
| 2014 | Goodwill Properties LLC | Town | Montgomery | 5,416,000 | 6.1156 | 33,122 | 19,221 | 13,901 |
| 2020 | Grabinski Solar- County Only | Town | Montgomery | 2,975,000 | | - | 3,500 | - |
| 2012 | Hudson Heritage Federal Credit | Town | Montgomery | 810,000 | 6.1156 | 4,954 | 4,289 | 665 |
| 2011 | Kadge, LLC | Town | Montgomery | 3,944,000 | 6.1156 | 24,120 | 15,624 | 8,496 |
| 2006 | Montgomery Manor Housing | Town | Montgomery | 2,896,500 | 6.1156 | 17,714 | 3,480 | 14,234 |
| 2002 | Montgomery Senior Housing | Town | Montgomery | 622,900 | 6.1156 | 3,809 | 1,426 | 2,383 |
| 2019 | Polich Tallix, Inc. | Town | Montgomery | 1,577,900 | 0.0000 | - | - | - |
| 2013 | Spruce Properties LLC | Town | Montgomery | 1,325,750 | 6.1156 | 8,108 | 4,202 | 3,906 |
| 2014 | United Natural Foods | Town | Montgomery | 33,938,800 | 6.1156 | 207,556 | 114,868 | 92,688 |
| 1987 | Ny Power Authority | Town | Mount Hope | 28,500 | 6.6653 | 190 | 190 | - |
| 2016 | 347 Ave. Americas/Acquest | Town | New Windsor | 552,300 | 24.0735 | 13,296 | 6,067 | 7,229 |
| 2010 | Airport Properties II/Hilton | Town | New Windsor | 1,484,300 | 24.0735 | 35,732 | 35,732 | - |
| 2010 | Airport Properties Viii | Town | New Windsor | 50,600 | 24.0735 | 1,218 | 1,218 | - |
| 2011 | Anheiser Busch | Town | New Windsor | 2,891,100 | 24.0735 | 69,599 | 63,099 | 6,500 |
| 2008 | Atlantic Marine Corps | Town | New Windsor | 36,210 | 24.0735 | 872 | 36,605 | 36,605 |
| 2018 | BDL, LLC | Town | New Windsor | 466,000 | 24.0735 | 11,218 | 11,218 | - |
| 2016 | CRH Realty VIII | Town | New Windsor | 5,700 | 24.0735 | 137 | 95 | 42 |
| 2010 | First Columbia | Town | New Windsor | 426,000 | 0.0000 | - | - | - |
| 2020 | Riley Road Solar #1 | Town | New Windsor | 445,900 | | - | 6,241 | - |
| 2020 | Riley Road Solar #2 | Town | New Windsor | 445,900 | | - | 6,241 | - |
| N/A | Dot, Avis Drive & Park | Town | New Windsor | 36,900 | 24.0735 | 888 | 888 | - |
| N/A | Dot, Budget Rent-A-Car | Town | New Windsor | 13,600 | 24.0735 | 327 | 327 | - |
| N/A | Dot, Enterprise Rent-A-Car | Town | New Windsor | 15,600 | 24.0735 | 376 | - | - |
| N/A | Dot, Farpost Soccer | Town | New Windsor | 29,200 | 24.0735 | 703 | 703 | - |
| N/A | Dot, Hertz Rent-A-Car | Town | New Windsor | 18,500 | 24.0735 | 445 | 445 | - |
| N/A | Dot, Hudson Group | Town | New Windsor | 43,300 | 24.0735 | 1,042 | 1,042 | - |
| N/A | Dot, Pet Central Station | Town | New Windsor | - | 24.0735 | - | - | - |
| N/A | Dot, VW Trans, LLC | Town | New Windsor | 18,246 | 24.0735 | 439 | 439 | - |
| N/A | Air Logistics Inc. | Town | Newburgh | 360,000 | 11.5799 | 4,169 | 4,169 | - |
| N/A | Bergy Realty Llc | Town | Newburgh | 276,500 | 11.5799 | 3,202 | 3,202 | - |
| 2009 | Bre East Mixed Asset Owner LLC | Town | Newburgh | 1,980,000 | 11.1261 | 22,030 | - | - |
| N/A | Caleast Properties | Town | Newburgh | 2,805,750 | 11.5799 | 32,490 | 32,490 | - |
| 2016 | Crh Realty Viii, LLC | Town | Newburgh | 5,144,000 | 11.5799 | 59,567 | 28,829 | 30,738 |
| 2017 | Crossroads Court | Town | Newburgh | 5,338,200 | 11.5799 | 61,816 | 38,155 | 23,661 |
| 1998 | Ej Del Monte Corp | Town | Newburgh | 1,864,000 | 11.5799 | 21,585 | 21,585 | - |
| N/A | Grs Enterprise/Newburgh Ind Assoc | Town | Newburgh | 5,400,000 | 11.5799 | 62,531 | 62,531 | - |
| 2016 | Danskammer Energy, LLC | Town | Newburgh | 41,501,000 | 11.5799 | 480,577 | 15,916 | 464,661 |
| N/A | Iron Workers | Town | Newburgh | 342,500 | 11.5799 | 3,966 | 313 | 3,653 |
| 2011 | Jdp Assoc. | Town | Newburgh | 2,247,500 | 11.5799 | 26,026 | 151,793 | - |
| 2010 | Labor Local 17 Training | Town | Newburgh | 3,266,000 | 11.5799 | 37,820 | 3,002 | 34,818 |
| N/A | Lkd Realty | Town | Newburgh | 1,288,000 | 11.5799 | 14,915 | 14,915 | - |
| 2018 | Matrix Newburgh I, LLC | Town | Newburgh | 12,997,076 | 11.5799 | 150,505 | 61,450 | 89,055 |
| 2003 | Nelco | Town | Newburgh | 1,170,600 | 11.5799 | 13,555 | 13,555 | - |
| 1998 | Newburgh Senior LLC | Town | Newburgh | 2,620,000 | 11.5799 | 30,339 | 2,362 | 27,977 |
| N/A | Ny Telephone | Town | Newburgh | 101,100 | 11.5799 | 1,171 | 1,171 | - |
| N/A | Omnipoint Comm. Inc. | Town | Newburgh | 101,000 | 11.5799 | 1,170 | 1,170 | - |
| N/A | Shortline/Sam Jamison | Town | Newburgh | 96,000 | 11.5799 | 1,112 | 1,112 | - |
| N/A | Sky Chefs/Pacific Sintereg Metals | Town | Newburgh | 375,000 | 11.5799 | 4,342 | 4,342 | - |
| 1999 | Tuxedo Place | Town | Tuxedo | 192,000 | 22.5737 | 4,334 | 4,334 | - |

## Note 5 - Tax Abatements (Continued)

| Start Year | Agreement | Town Or City | Locale | Taxable Assessed Value | Tax Rate | Tax Value | PILOT Received | Taxes Abated |
|---|---|---|---|---|---|---|---|---|
| 2011 | Concrete Properties, LLC/Tetz | Town | Wallkill | $ 189,800 | $ 18.9047 | $ 3,588 | $ 3,319 | $ 269 |
| 2010 | Crh Realty Ii, LLC | Town | Wallkill | 3,252,400 | 18.9047 | 61,486 | - | - |
| 2014 | Crh Realty Vi, LLC | Town | Wallkill | 2,274,400 | 18.9047 | 42,997 | 26,380 | 16,617 |
| 2015 | Fairbanks Mfg., LLC | Town | Wallkill | 169,700 | 18.9047 | 3,208 | 1,604 | 1,604 |
| 2020 | Fogarty Solar County/ Town | Town | Wallkill | 387,000 | | | 4,186 | - |
| N/A | Senior Horizons | Town | Wallkill | 70,500 | 18.9047 | 1,333 | 1,333 | - |
| 2014 | Wallkill Realty Partners LP | Town | Wallkill | 3,717,000 | 18.9047 | 70,269 | 35,701 | 34,568 |
| 2017 | Retford Investments | Town | Wallkill | 633,300 | 18.9047 | 11,972 | 8,010 | 3,962 |
| 2020 | Wallkill Living Center | Town | Wallkill | 1,920,000 | 18.9047 | 36,297 | 27,865 | 8,432 |
| 1988 | Country Village Assoc. | Town | Warwick | 230,500 | 27.2454 | 11,567 | 2,360 | 9,207 |
| 1995 | Devon Wood Ltd. Partnership | Town | Warwick | 693,900 | 27.2454 | 18,906 | 1,380 | 17,526 |
| 1995 | Ibm Corp. | Town | Warwick | 4,000,000 | 27.2454 | 130,575 | 130,575 | - |
| 2018 | Pharmline Inc. | Town | Warwick | 418,000 | 27.2454 | 11,389 | 11,389 | - |
| 2017 | CPV | Town | Wawayanda | 89,670,600 | 5.7019 | 511,293 | 158,351 | 352,942 |
| 2018 | Nowak Properties, Inc. | Town | Wawayanda | 3,763,600 | 5.7019 | 21,460 | 5,237 | 16,223 |
| 2011 | Wawayanda Acquisition, LLC | Town | Wawayanda | 20,000 | 5.7019 | 114 | 114 | - |
| 2011 | Wawayanda Acquisition, LLC | Town | Wawayanda | 12,901,200 | 5.7019 | 73,561 | 69,969 | 3,592 |
| 2011 | Wawayanda Acquisition, LLC | Town | Wawayanda | 10,000 | 5.7019 | 57 | 57 | - |
| Total | | 98 | Towns | $ 373,628,837 | | $ 3,075,858 | $ 1,663,658 | $ 1,597,272 |
| Total | | 118 | All | $ 433,808,944 | | $ 3,390,934 | $ 1,961,043 | $ 1,820,250 |

## Note 6 – Recently Issued GASB Pronouncements

GASB Statement No. 87, "*Leases,*" as amended by GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance,*" establishes a single model for lease accounting based on the concept that leases are a financing of a "right-to-use" underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

This is not an all-inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the County believes will most impact its financial statements. The County will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

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# REQUIRED SUPPLEMENTARY INFORMATION

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**County of Orange, New York**

Required Supplementary Information - Schedule of Changes in the
County's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years (1)(2)

| | 2020 | 2019 | 2018 |
|---|---|---|---|
| Total OPEB Liability: | | | |
| Service cost | $ 30,449,930 | $ 16,277,416 | $ 13,341,666 |
| Interest | 27,830,565 | 40,397,525 | 40,892,261 |
| Changes of benefit terms | - | - | - |
| Differences between expected and actual experience | - | - | - |
| Changes of assumptions or other inputs | 41,434,027 (5) | 241,712,366 (4) | - |
| Benefit payments | (26,259,694) | (24,648,359) | (26,408,794) |
| Net Change in Total OPEB Liability | 73,454,828 | 273,738,948 | 27,825,133 |
| Total OPEB Liability – Beginning of Year | 1,390,880,610 | 1,117,141,662 | 1,089,316,529 (3) |
| Total OPEB Liability – End of Year | $ 1,464,335,438 | $ 1,390,880,610 | $ 1,117,141,662 |
| Covered-employee payroll | $ 137,993,589 | $ 132,744,949 | $ 132,744,949 |
| Total OPEB liability as a percentage of covered-employee payroll | 1061.16% | 1047.78% | 841.57% |

Notes to Schedule:
(1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*".
(2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.
(3) Restated for the implementation of the provisions of GASB Statement No. 75.
(4) The increase is attributable to a decrease in the discount rate from 3.8% to 3.0%.
(5) The increase is attributable to a decrease in the discount rate from 3.0% to 2.02%.

See independent auditors' report.

**County of Orange, New York**

Required Supplementary Information - Schedule of Contributions
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

| | Governmental Activities | | | | | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Contractually required contribution | $ 19,373,768 | $ 20,181,733 | $ 19,500,064 | $ 20,344,203 | $ 19,995,375 | $ 19,250,311 |
| Contributions in relation to the contractually required contribution | (19,373,768) | (20,181,733) | (19,500,064) | (20,344,203) | (19,995,375) | (19,250,311) |
| Contribution excess | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 126,471,967 | $ 121,007,778 | $ 116,416,016 | $ 114,843,621 | $ 130,105,150 | $ 129,116,581 |
| Contributions as a percentage of covered payroll | 15.32% | 16.68% | 16.75% | 17.71% | 15.37% | 14.91% |

| | Business-Type Activities (A) | | | | | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Contractually required contribution | $ 3,008,383 | $ 3,164,942 | $ 3,075,104 | $ 2,846,326 | $ 2,770,206 | $ 2,478,695 |
| Contributions in relation to the contractually required contribution | (3,008,383) | (3,164,942) | (3,075,104) | (2,846,326) | (2,770,206) | (2,478,695) |
| Contribution excess | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 19,787,214 | $ 19,303,503 | $ 18,563,031 | $ 18,255,275 | $ 20,567,987 | $ 20,587,981 |
| Contributions as a percentage of covered payroll | 15.20% | 16.40% | 16.57% | 15.59% | 13.47% | 12.04% |

| | Component Unit (College) | | | | | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Contractually required contribution | $ 1,736,394 | $ 1,765,792 | $ 1,830,419 | $ 1,921,938 | $ 2,013,841 | $ 2,309,490 |
| Contributions in relation to the contractually required contribution | (1,736,394) | (1,765,792) | (1,830,419) | (1,921,938) | (2,013,841) | (2,309,490) |
| Contribution excess | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 12,706,975 | $ 12,864,010 | $ 12,881,984 | $ 11,616,831 | $ 13,260,794 | $ 11,380,391 |
| Contributions as a percentage of covered payroll | 13.66% | 13.73% | 14.21% | 16.54% | 15.19% | 20.29% |

(A) Valley View Center for Nursing Care and Rehabilitation (Enterprise Fund).

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *"Accounting and Financial Reporting for Pensions."*

See Independent auditors' report.

**County of Orange, New York**

Required Supplemental Information - Schedule of the
County's Proportionate Share of the Net Pension Liability
New York State and Local Employees' Retirement System
Last Ten Fiscal Years (1)

| | Governmental Activities | | | | | |
|---|---|---|---|---|---|---|
| | 2020 (3) (4) | 2019 | 2018 | 2017 | 2016 (2) | 2015 |
| Proportion of the net pension liability | 0.5382754% | 0.5441818% | 0.5667699% | 0.5574669% | 0.5235445% | 0.5462432% |
| Proportionate share of the net pension liability | $ 142,538,451 | $ 38,556,938 | $ 18,314,221 | $ 52,380,761 | $ 84,030,347 | $ 18,453,431 |
| Covered payroll | $ 132,108,200 | $ 127,133,811 | $ 124,426,791 | $ 127,350,886 | $ 123,091,786 | $ 111,631,729 |
| Proportionate share of the net pension liability as a percentage of covered payroll | 107.90% | 30.33% | 14.72% | 41.13% | 68.27% | 16.53% |
| Plan fiduciary net position as a percentage of the total pension liability | 86.39% | 96.27% | 98.24% | 94.70% | 90.70% | 97.90% |

| | Business-Type Activities (A) | | | | | |
|---|---|---|---|---|---|---|
| | 2020 (3) (4) | 2019 | 2018 | 2017 | 2016 (2) | 2015 |
| Proportion of the net pension liability | 0.0836889% | 0.0863572% | 0.0895109% | 0.0882248% | 0.0830477% | 0.0867020% |
| Proportionate share of the net pension liability | $ 22,161,303 | $ 6,118,667 | $ 2,888,915 | $ 8,289,801 | $ 13,329,391 | $ 2,929,005 |
| Covered payroll | $ 20,669,033 | $ 20,280,745 | $ 19,820,309 | $ 20,243,401 | $ 19,528,094 | $ 17,710,534 |
| Proportionate share of the net pension liability as a percentage of covered payroll | 107.22% | 30.17% | 14.58% | 40.95% | 68.26% | 16.54% |
| Plan fiduciary net position as a percentage of the total pension liability | 86.39% | 96.27% | 98.24% | 94.70% | 90.70% | 97.90% |

| | Component Unit (College) | | | | | |
|---|---|---|---|---|---|---|
| | 2020 (3) (4) | 2019 | 2018 | 2017 | 2016 (2) | 2015 |
| Proportion of the net pension liability | 0.0489789% | 0.0512722% | 0.0532673% | 0.0539500% | 0.0546160% | 0.0557120% |
| Proportionate share of the net pension liability | $ 12,969,884 | $ 3,632,791 | $ 1,719,173 | $ 5,069,337 | $ 8,765,985 | $ 1,882,101 |
| Covered payroll | $ 12,706,975 | $ 12,864,010 | $ 12,881,984 | $ 12,847,134 | $ 13,260,794 | $ 11,380,391 |
| Proportionate share of the net pension liability as a percentage of covered payroll | 102.07% | 28.24% | 13.35% | 39.46% | 66.10% | 16.54% |
| Plan fiduciary net position as a percentage of the total pension liability | 86.39% | 96.27% | 98.24% | 94.70% | 90.70% | 97.90% |

(A) Valley View Center for Nursing Care and Rehabilitation (Enterprise Fund).

Note - The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, *"Accounting and Financial Reporting for Pensions."*
(2) The discount rate used to calculate the total pension liability was decreased from 8.0% to 7.5% effective with the June 30, 2016 measurement date.
(3) The discount rate used to calculate the total pension liability was decreased from 7.0% to 6.8% effective with the March 31, 2020 measurement date.
(4) Increase in proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

See independent auditors' report.

**County of Orange, New York**

Required Supplementary Information - Schedule of Contributions
New York State Teachers' Retirement System
Last Ten Fiscal Years (1)

Schedule of Contributions

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|
| Contractually required contribution | $ 629,298 | $ 636,570 | $ 595,284 | $ 710,705 | $ 908,991 | $ 1,175,470 |
| Contributions in relation to the contractually required contribution | (629,298) | (636,570) | (595,284) | (710,705) | (908,991) | (1,175,470) |
| Contribution excess | $ - | $ - | $ - | $ - | $ - | $ - |
| Covered payroll | $ 7,102,686 | $ 5,994,068 | $ 6,074,328 | $ 6,064,036 | $ 6,855,136 | $ 6,705,476 |
| Contributions as a percentage of covered payroll | 8.86% | 10.62% | 9.80% | 11.72% | 13.26% | 17.53% |

Schedule of the County's Proportionate Share of the Net Pension Liability (2)

| | 2020 | 2019 | 2018 (4) | 2017 (3) | 2016 | 2015 |
|---|---|---|---|---|---|---|
| Proportion of the net pension liability (asset) | 0.035766 % | 0.035911 % | 0.037291 % | 0.038267 % | 0.038594 % | 0.035559 % |
| Proportionate share of the net pension liability (asset) | $ 988,311 | $ (932,961) | $ (674,324) | $ (290,866) | $ 413,360 | $ (3,693,461) |
| Covered payroll | $ 7,102,686 | $ 5,994,068 | $ 6,074,328 | $ 6,064,036 | $ 6,855,136 | $ 6,705,476 |
| Proportionate share of the net pension liability (asset) as a percentage of covered payroll | 13.91 % | (15.56) % | (11.10) % | (4.80) % | 6.03 % | (55.08) % |
| Plan fiduciary net position as a percentage of the total pension liability | 102.20 % | 102.20 % | 101.53 % | 100.70 % | 99.01 % | 110.46 % |

Note - The amounts presented in this table are for the Orange County Community College (component unit).

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "*Accounting and Financial Reporting for Pensions.*"
(2) The amounts presented for each fiscal year were determined as of the June 30 measurement date of the prior fiscal year.
(3) The discount rate used to calculate the total pension liability was decreased from 8.0% to 7.5% effective with the June 30, 2016 measurement date.
(4) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.25% effective with the June 30, 2017 measurement date.

See independent auditors' report.

# COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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# GENERAL FUND

The General Fund constitutes the primary operating fund of the County and is used to account for and report all financial resources not accounted for and reported in another fund.

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**County of Orange, New York**

General Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 17,093,690 | $ 43,076,215 |
| Investments | 55,000,000 | 57,800,000 |
| Taxes receivable | 21,228,762 | 21,028,341 |
| Taxes receivable, overdue | 703,922 | 3,491,346 |
| City school districts taxes | 5,309,653 | 3,335,714 |
| Property acquired for taxes | 27,242,337 | 27,855,401 |
| Allowance for uncollectible taxes | (11,057,480) | (8,926,323) |
| | 16,184,857 | 18,929,078 |
| Other receivables | | |
| Accounts, net of allowance for uncollectible amounts of $25,000 in 2020 and 2019 | 3,022,968 | 4,215,053 |
| Sales taxes | 28,286,056 | 30,835,131 |
| State and Federal aid, net of allowance for uncollectible amounts of $1,200,000 in 2020 and 2019 | 91,876,542 | 63,949,721 |
| Due from component unit | 1,818,081 | - |
| Due from other governments | 572,112 | 765,359 |
| Due from other funds | 15,430,621 | 28,819,108 |
| | 141,006,380 | 128,584,372 |
| Prepaid expenditures | 4,935,155 | 4,715,536 |
| Total Assets | $ 234,220,082 | $ 253,105,201 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE** | | |
| Accounts payable | $ 52,359,780 | $ 54,131,476 |
| Accrued liabilities | 11,030,952 | 17,943,290 |
| Due to other funds | 65,758,832 | 68,057,473 |
| Due to fiduciary fund | 2,370,771 | 4,937,060 |
| Deposits payable | 8,302,968 | 7,254,531 |
| Employee payroll deductions | 939,482 | 1,155,307 |
| Unearned revenues | 3,617,400 | 141,585 |
| Total Liabilities | 144,380,185 | 153,620,722 |
| Deferred inflows of resources | 10,605,024 | 10,756,150 |
| Deferred tax revenues | - | 849,543 |
| Deferred federal and state aid | 10,605,024 | 11,605,693 |
| Total Deferred Inflows of Resources | 154,985,209 | 165,226,415 |
| Total Liabilities and Deferred Inflows of Resources | | |
| Fund balance | 4,935,155 | 4,715,536 |
| Nonspendable | 4,151,594 | 5,159,538 |
| Restricted | 795,193 | 790,264 |
| Committed | 18,744,933 | 22,721,838 |
| Assigned | 50,607,998 | 54,491,610 |
| Unassigned | 79,234,873 | 87,878,786 |
| Total Fund Balance | $ 234,220,082 | $ 253,105,201 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | | |

See independent auditors' report.

**County of Orange, New York**

General Fund
Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Real property taxes | $ 86,314,518 | $ 86,394,930 | $ 84,738,413 | $ (1,656,517) |
| Other tax items | 10,197,782 | 10,197,782 | 10,013,837 | (183,945) |
| Non-property taxes | 306,477,614 | 306,477,614 | 282,720,008 | (23,757,606) |
| Departmental income | 31,771,201 | 31,815,052 | 28,344,433 | (3,470,619) |
| Intergovernmental charges | 10,701,398 | 10,708,898 | 9,947,090 | (761,808) |
| Use of money and property | 7,154,576 | 7,154,576 | 5,309,657 | (1,844,919) |
| Licenses and permits | 2,653,000 | 2,653,000 | 1,014,657 | (1,638,343) |
| Fines and forfeitures | 933,313 | 933,313 | 487,392 | (445,921) |
| Sale of property and compensation for loss | 2,326,902 | 2,328,998 | 1,976,782 | (352,216) |
| Interfund revenues | 11,706,541 | 13,673,070 | 11,682,959 | (1,990,111) |
| State aid | 96,996,472 | 114,994,111 | 83,110,255 | (31,883,856) |
| Federal aid | 57,442,766 | 132,168,115 | 60,849,567 | (71,318,548) |
| Miscellaneous | 3,455,601 | 3,576,736 | 4,209,403 | 632,667 |
| Total Revenues | 628,131,684 | 723,076,195 | 584,404,453 | (138,671,742) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General government support | 164,183,426 | 167,315,414 | 148,687,861 | 18,627,553 |
| Education | 68,310,637 | 66,740,732 | 57,040,836 | 9,699,896 |
| Public safety | 108,572,051 | 117,257,310 | 101,822,889 | 15,434,421 |
| Health | 57,047,259 | 70,820,274 | 50,794,574 | 20,025,700 |
| Transportation | 662,000 | 675,315 | 667,597 | 7,718 |
| Economic opportunity and development | 230,072,429 | 231,999,206 | 204,648,530 | 27,350,676 |
| Culture and recreation | 7,855,596 | 7,848,957 | 6,581,967 | 1,266,990 |
| Home and community services | 15,690,871 | 81,035,466 | 19,333,014 | 61,702,452 |
| Employee benefits | (2,800,000) | 846,106 | 846,106 | - |
| Total Expenditures | 649,594,269 | 744,538,780 | 590,423,374 | 154,115,406 |
| Excess (Deficiency) of Revenues Over Expenditures | (21,462,585) | (21,462,585) | (6,018,921) | 15,443,664 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 1,000,000 | 1,000,000 | 1,000,000 | - |
| Transfers out | (3,479,253) | (3,625,001) | (3,624,992) | 9 |
| Total Other Financing Sources | (2,479,253) | (2,625,001) | (2,624,992) | 9 |
| Net Change in Fund Balance | (23,941,838) | (24,087,586) | (8,643,913) | 15,443,673 |
| **FUND BALANCE** | | | | |
| Beginning of Year, as Reported | 23,941,838 | 24,087,586 | 87,878,786 | 63,791,200 |
| Prior Period Adjustment | - | - | - | - |
| Beginning of Year, as Restated | 23,941,838 | 24,087,586 | 87,878,786 | 63,791,200 |
| End of Year | $ - | $ - | $ 79,234,873 | $ 79,234,873 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 79,370,348 | $ 79,064,573 | $ 79,613,893 | $ 549,320 |
| 10,573,573 | 10,573,573 | 9,592,503 | (981,070) |
| 302,091,718 | 304,795,832 | 306,179,940 | 1,384,108 |
| 31,665,243 | 31,817,140 | 27,946,929 | (3,870,211) |
| 9,827,625 | 9,923,963 | 11,091,382 | 1,167,419 |
| 6,291,394 | 6,291,394 | 6,276,305 | (15,089) |
| 146,449 | 155,155 | 2,213,386 | 2,058,231 |
| 818,759 | 818,759 | 1,072,523 | 253,764 |
| 3,121,652 | 3,121,652 | 682,203 | (2,439,449) |
| 11,385,609 | 11,852,609 | 10,944,418 | (908,191) |
| 92,577,076 | 108,497,187 | 95,946,441 | (12,550,746) |
| 60,383,201 | 101,994,355 | 63,322,247 | (38,672,108) |
| 6,057,601 | 6,068,747 | 3,577,932 | (2,490,815) |
| 614,310,248 | 674,974,939 | 618,460,102 | (56,514,837) |
| 157,382,887 | 162,182,922 | 153,500,930 | 8,681,992 |
| 64,290,073 | 66,223,013 | 66,189,645 | 33,368 |
| 106,040,691 | 112,048,652 | 98,735,578 | 13,313,074 |
| 55,061,963 | 65,965,572 | 52,192,260 | 13,773,312 |
| 662,000 | 666,145 | 662,971 | 3,174 |
| 232,534,391 | 232,961,150 | 222,420,070 | 10,541,080 |
| 7,878,546 | 7,924,170 | 7,614,528 | 309,642 |
| 12,184,289 | 48,492,277 | 17,808,040 | 30,684,237 |
| - | 235,628 | (119,015) | 354,643 |
| 636,034,840 | 696,699,529 | 619,005,007 | 77,694,522 |
| (21,724,592) | (21,724,590) | (544,905) | 21,179,685 |
| 2,000,000 | 2,000,000 | 2,492,692 | 492,692 |
| (1,795,378) | (1,795,380) | (1,795,313) | 67 |
| 204,622 | 204,620 | 697,379 | 492,759 |
| (21,519,970) | (21,519,970) | 152,474 | 21,672,444 |
| 21,519,970 | 21,519,970 | 88,566,999 | 67,047,029 |
| - | - | (840,687) | (840,687) |
| 21,519,970 | 21,519,970 | 87,726,312 | 66,206,342 |
| $ - | $ - | $ 87,878,786 | $ 87,878,786 |

**County of Orange, New York**

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget
Year Ended December 31, 2020
(With Comparative Actuals for 2019)

| | Original Budget | Final Budget | Actual | Variance with Final Budget | 2019 Actual |
|---|---|---|---|---|---|
| **REAL PROPERTY TAXES** | $ 86,314,518 | $ 86,394,930 | $ 84,738,413 | $ (1,656,517) | $ 79,613,893 |
| **OTHER TAX ITEMS** | | | | | |
| Interest and penalties on real property taxes | 7,200,000 | 7,200,000 | 7,066,443 | (133,557) | 7,706,097 |
| Payments in lieu of taxes | 1,797,782 | 1,797,782 | 1,961,043 | 163,261 | 1,631,083 |
| Gain on sale of tax acquired property | 1,200,000 | 1,200,000 | 986,351 | (213,649) | 255,323 |
| Total Other Tax Items | 10,197,782 | 10,197,782 | 10,013,837 | (183,945) | 9,592,503 |
| **NON-PROPERTY TAXES** | | | | | |
| Sales taxes | 300,149,544 | 300,149,544 | 278,473,330 | (21,676,214) | 300,314,275 |
| Hotel occupancy taxes | 4,447,070 | 4,447,070 | 2,492,501 | (1,954,569) | 4,116,440 |
| 911 emergency surcharge | 1,881,000 | 1,881,000 | 1,754,177 | (126,823) | 1,749,225 |
| Total Non-Property Taxes | 306,477,614 | 306,477,614 | 282,720,008 | (23,757,606) | 306,179,940 |
| **DEPARTMENTAL INCOME** | | | | | |
| General | 6,892,783 | 6,892,783 | 5,890,132 | (1,002,651) | 7,114,426 |
| Clerk fees | 364,000 | 364,000 | 370,482 | 6,482 | 443,657 |
| Commissioner of Finance fees | 160,000 | 160,000 | 133,926 | (26,074) | 157,145 |
| Charges for tax advertising and expenses | 8,800 | 8,800 | 3,168 | (5,632) | 1,953 |
| Medical examiner fees | 1,750,000 | 1,750,000 | 1,402,318 | (347,682) | 1,417,817 |
| Attorney fees | 441,000 | 441,000 | 320,082 | (120,918) | 456,075 |
| Other | 9,616,583 | 9,616,583 | 8,120,108 | (1,496,475) | 9,591,073 |
| Public Safety | 860,000 | 860,000 | 570,646 | (289,354) | 663,717 |
| Sheriff fees | 37,500 | 37,500 | 33,868 | (3,632) | 41,542 |
| Restitution surcharge | 1,507,831 | 1,551,682 | 849,822 | (701,860) | 1,351,942 |
| Other | 2,405,331 | 2,449,182 | 1,454,336 | (994,846) | 2,057,201 |
| Health | 585,000 | 585,000 | 497,502 | (87,498) | 588,575 |
| Public health fees | - | - | - | - | (12,686) |
| Home and nursing charges | 5,204,915 | 5,204,915 | 3,976,520 | (1,228,395) | 3,404,991 |
| Mental health fees | 63,597 | 63,597 | 37,118 | (26,479) | 53,181 |
| Early intervention fees | 2,788,000 | 2,788,000 | 1,938,111 | (849,889) | 2,543,247 |
| Other public health charges | 8,641,512 | 8,641,512 | 6,449,251 | (2,192,261) | 6,577,308 |
| Transportation - Bus subsidies | 383,912 | 383,912 | 218,906 | (165,006) | 207,065 |

| | | | | | |
|---|---|---|---|---|---|
| Economic Opportunity and Development | | | | | |
| Medical assistance | 1,758,782 | 1,758,782 | 1,632,220 | (126,562) | 1,400,788 |
| Aid to dependent children | 1,453,703 | 1,453,703 | 1,801,434 | 347,731 | 1,296,313 |
| Medical incentive | 514,000 | 514,000 | 259,342 | (254,658) | 408,417 |
| Child care | 3,658,204 | 3,658,204 | 4,657,892 | 999,688 | 3,209,846 |
| Juvenile delinquents | 4,574 | 4,574 | 6,578 | 2,004 | 3,008 |
| Safety net | 1,131,149 | 1,131,149 | 1,203,017 | 71,868 | 1,183,341 |
| Repay home energy assistance | 191,794 | 191,794 | 167,437 | (24,357) | 207,273 |
| Repay emergency care adults | 1,423 | 1,423 | 177 | (1,246) | 1,057 |
| Repay daycare | - | - | 11,092 | 11,092 | 13,159 |
| Repay DSS | 11,295 | 11,295 | 17,276 | 5,981 | 17,062 |
| Sealer weights and measure | 100,115 | 100,115 | 71,986 | (28,129) | 109,428 |
| Programs for the aging | 51,574 | 51,574 | 40,465 | (11,109) | 39,206 |
| Other | 60,000 | 60,000 | 34,440 | (25,560) | 55,463 |
| | 8,936,613 | 8,936,613 | 9,903,356 | 966,743 | 7,944,361 |
| Culture and Recreation | | | | | |
| Parks and recreation | 200,000 | 200,000 | 107,926 | (92,074) | 201,484 |
| Recreation concessions | 65,000 | 65,000 | 17,865 | (47,135) | 44,972 |
| Golf charges | 1,500,000 | 1,500,000 | 2,052,484 | 552,484 | 1,305,965 |
| Sale cemetery lots | 22,250 | 22,250 | 20,201 | (2,049) | 17,500 |
| | 1,787,250 | 1,787,250 | 2,198,476 | 411,226 | 1,569,921 |
| Total Departmental Income | 31,771,201 | 31,815,052 | 28,344,433 | (3,470,619) | 27,946,929 |
| **INTERGOVERNMENTAL CHARGES** | | | | | |
| Participants assessment | 36,900 | 36,900 | 36,900 | - | 36,900 |
| Public safety services | 58,000 | 58,000 | 37,500 | (20,500) | 40,748 |
| Transportation services | 92,443 | 92,443 | 64,688 | (27,755) | 112,238 |
| Miscellaneous | 10,514,055 | 10,521,555 | 9,808,002 | (713,553) | 10,901,496 |
| Total Intergovernmental Charges | 10,701,398 | 10,708,898 | 9,947,090 | (761,808) | 11,091,382 |
| **USE OF MONEY AND PROPERTY** | | | | | |
| Earnings on investments | 1,756,575 | 1,756,575 | 215,694 | (1,540,881) | 871,099 |
| Rental of real property | 4,636,061 | 4,636,061 | 4,432,683 | (203,378) | 4,552,593 |
| Other rentals | 176,940 | 176,940 | 166,059 | (10,881) | 183,536 |
| Commissions | 585,000 | 585,000 | 495,221 | (89,779) | 669,077 |
| Total Use of Money and Property | 7,154,576 | 7,154,576 | 5,309,657 | (1,844,919) | 6,276,305 |
| **LICENSES AND PERMITS** | | | | | |
| Games of chance | 2,500,000 | 2,500,000 | 872,539 | (1,627,461) | 2,052,074 |
| Other licenses | 153,000 | 153,000 | 142,118 | (10,882) | 161,312 |
| Total Licenses and Permits | 2,653,000 | 2,653,000 | 1,014,657 | (1,638,343) | 2,213,386 |
| **FINES AND FORFEITURES** | | | | | |
| Fines and forfeited bail | 81,000 | 81,000 | 57,360 | (23,640) | 30,796 |
| Forfeiture - DWI program | 852,313 | 852,313 | 430,032 | (422,281) | 766,290 |
| Forfeiture - Federal crime proceeds | - | - | - | - | 275,437 |
| Total Fines and Forfeitures | 933,313 | 933,313 | 487,392 | (445,921) | 1,072,523 |

(Continued)

**County of Orange, New York**

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2020
(With Comparative Actuals for 2019)

| | Original Budget | Final Budget | Actual | Variance with Final Budget | 2019 Actual |
|---|---|---|---|---|---|
| **SALE OF PROPERTY AND COMPENSATION FOR LOSS** | | | | | |
| Sale of scrap and excess material | $ 15,000 | $ 15,000 | $ 2,778 | $ (12,222) | $ 82,958 |
| Minor sales | 112,402 | 114,498 | 59,922 | (54,576) | 123,899 |
| Other sales | 1,800,000 | 1,800,000 | 1,733,613 | (66,387) | 307,756 |
| Insurance recoveries | 399,500 | 399,500 | 180,469 | (219,031) | 167,590 |
| | 2,326,902 | 2,328,998 | 1,976,782 | (352,216) | 682,203 |
| | 11,706,541 | 13,673,070 | 11,682,959 | (1,990,111) | 10,944,418 |
| **INTERFUND REVENUES** | | | | | |
| **STATE AID** | | | | | |
| General | 1,111,455 | 1,111,455 | 733,080 | (378,375) | 1,344,615 |
| Court facilities | 75,551 | 75,551 | 60,441 | (15,110) | 75,551 |
| District Attorney | 4,500 | 4,500 | 4,626 | 126 | 5,343 |
| Real property tax administration | - | 460,173 | 458,351 | (1,822) | - |
| Other capital | 1,299,244 | 7,177,083 | 2,287,680 | (4,889,403) | 1,451,642 |
| Other | 2,490,750 | 8,828,762 | 3,544,178 | (5,284,584) | 2,877,151 |
| Public Safety | 1,251,832 | 1,251,832 | 1,223,868 | (27,964) | 1,243,306 |
| Probation services | 673,361 | 1,462,482 | 767,369 | (695,113) | 721,950 |
| Crime victims assistance program | 1,925,193 | 2,714,314 | 1,991,237 | (723,077) | 1,965,256 |
| Transportation | 7,713,341 | 7,713,341 | 3,813,652 | (3,899,689) | 4,990,931 |
| Bus operations | - | - | 70,644 | 70,644 | 944,136 |
| Other | 7,713,341 | 7,713,341 | 3,884,296 | (3,829,045) | 5,935,067 |
| Health | 1,956,260 | 1,998,174 | 2,218,817 | 220,643 | 2,106,393 |
| Public health | 20,913,647 | 20,913,647 | 14,499,816 | (6,413,831) | 20,786,969 |
| Education and care of handicapped children | 400,000 | 400,000 | 671,797 | 271,797 | 510,826 |
| Compassionate care act | 4,373,912 | 4,373,912 | 2,659,572 | (1,714,340) | 4,775,630 |
| Early intervention | 17,826,579 | 17,826,579 | 16,088,691 | (1,737,888) | 15,416,093 |
| Mental health | 332,278 | 11,082,071 | 3,142,195 | (7,939,876) | 3,050,300 |
| Special health program | 79,837 | 79,837 | 39,697 | (40,140) | 75,559 |
| Other | 45,882,513 | 56,674,220 | 39,320,585 | (17,353,635) | 46,721,770 |

| | | | | | |
|---|---|---|---|---|---|
| Economic Opportunity and Development | | | | | |
| Day care | 1,224,342 | 1,224,342 | 505,117 | (719,225) | 868,678 |
| Medical assistance | (882,968) | (882,968) | (845,316) | 37,652 | (664,969) |
| Aid to dependent children | 1,400,559 | 1,400,559 | 1,514,283 | 113,724 | 1,768,875 |
| Social services administration | 13,040,860 | 13,072,996 | 12,757,322 | (315,674) | 12,253,826 |
| Child care | 10,550,737 | 10,550,737 | 11,105,305 | 554,568 | 11,632,140 |
| Safety net | 3,747,126 | 3,747,126 | 3,390,892 | (356,234) | 3,833,600 |
| Family and children's services block grant | 4,363,614 | 4,363,614 | 2,213,538 | (2,150,076) | 5,041,283 |
| Juvenile delinquents | 2,557,840 | 2,557,840 | 661,249 | (1,896,591) | 671,018 |
| Emergency aid for adults | 132,370 | 132,370 | 68,243 | (64,127) | 97,995 |
| Miscellaneous | 13,765 | 13,765 | 5,584 | (8,181) | 30 |
| | 36,148,245 | 36,180,381 | 31,376,217 | (4,804,164) | 35,502,476 |
| Culture and Recreation | | | | | |
| Programs for the aging | 2,433,359 | 2,443,359 | 2,417,950 | (25,409) | 2,505,117 |
| Youth programs | 403,071 | 439,734 | 575,792 | 136,058 | 439,604 |
| | 2,836,430 | 2,883,093 | 2,993,742 | 110,649 | 2,944,721 |
| Total State Aid | 96,996,472 | 114,994,111 | 83,110,255 | (31,883,856) | 95,946,441 |
| **FEDERAL AID** | | | | | |
| Public Safety | 2,239,109 | 9,167,583 | 3,301,187 | (5,866,396) | 3,984,350 |
| Law enforcement terrorism prevention program | 686,189 | 1,792,144 | 486,389 | (1,305,755) | 826,507 |
| Other | 2,925,298 | 10,959,727 | 3,787,576 | (7,172,151) | 4,810,857 |
| Transportation - Bus operations | 1,167,907 | 64,748,715 | 8,395,018 | (56,353,697) | 7,688,372 |
| Health | | | | | |
| Early intervention | 536,037 | 536,037 | 266,973 | (269,064) | 404,721 |
| Mental health | 1,882,917 | 2,100,610 | 1,992,894 | (107,716) | 2,249,851 |
| W.I.C. Program | 1,168,679 | 2,749,746 | 1,006,497 | (1,743,249) | 1,178,993 |
| | 3,587,633 | 5,386,393 | 3,266,364 | (2,120,029) | 3,833,565 |
| Economic Opportunity and Development | | | | | |
| Aid to dependent children | 19,771,724 | 19,771,724 | 16,513,529 | (3,258,195) | 18,641,644 |
| Title IV-B Funds | 661,651 | 661,651 | 609,502 | (52,149) | 652,351 |
| Medical assistance | (808,602) | (808,602) | (774,046) | 34,556 | (597,513) |
| Social services administration | 13,340,033 | 13,529,013 | 12,418,525 | (1,110,488) | 12,397,863 |
| Food stamp program | 2,687,862 | 2,719,998 | 2,834,976 | 114,978 | 2,524,713 |
| Flexible funds for family services | 10,320,183 | 10,320,183 | 8,839,213 | (1,480,970) | 10,178,082 |
| Safety net | 215,033 | 215,033 | 206,784 | (8,249) | 205,329 |
| Services for recipients | 1,630,250 | 1,630,250 | 2,949,415 | 1,319,165 | 1,562,163 |
| Home energy assistance program | 358,206 | 358,206 | (108,281) | (466,487) | 6,832 |
| Miscellaneous | 13,200 | 363,899 | 16,978 | (346,921) | 17,911 |
| | 48,189,540 | 48,761,355 | 43,506,595 | (5,254,760) | 45,589,375 |

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**County of Orange, New York**

General Fund
Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
Year Ended December 31, 2020
(With Comparative Actuals for 2019)

| | Original Budget | Final Budget | Actual | Variance with Final Budget | 2019 Actual |
|---|---|---|---|---|---|
| Culture and Recreation | $ 1,572,388 | $ 2,311,925 | $ 1,880,479 | $ (431,446) | $ 1,400,078 |
| Programs for the aging | - | - | 13,535 | 13,535 | - |
| Emergency disaster assistance | | | | | |
| | 1,572,388 | 2,311,925 | 1,894,014 | (417,911) | 1,400,078 |
| Total Federal Aid | 57,442,766 | 132,168,115 | 60,849,567 | (71,318,548) | 63,322,247 |
| **MISCELLANEOUS** | | | | | |
| Refund of prior year's expenditures | 1,200 | 1,200 | 18,186 | 16,986 | 892 |
| Gifts and donations | 31,375 | 152,510 | 124,830 | (27,680) | 30,960 |
| Tobacco settlement | 3,400,000 | 3,400,000 | 3,400,000 | - | 3,200,000 |
| Unclassified | 23,026 | 23,026 | 666,387 | 643,361 | 346,080 |
| Total Miscellaneous | 3,455,601 | 3,576,736 | 4,209,403 | 632,667 | 3,577,932 |
| **TOTAL REVENUES** | 628,131,684 | 723,076,195 | 584,404,453 | (138,671,742) | 618,460,102 |
| **OTHER FINANCING SOURCES** | | | | | |
| Transfers in | - | - | - | - | 492,692 |
| Capital Projects Fund | 1,000,000 | 1,000,000 | 1,000,000 | - | 500,000 |
| Workers' Compensation Benefits Fund | - | - | - | - | 750,000 |
| Self-Insurance Fund | - | - | - | - | 750,000 |
| Liability and Casualty Fund | | | | | |
| **TOTAL OTHER FINANCING SOURCES** | 1,000,000 | 1,000,000 | 1,000,000 | - | 2,492,692 |
| **TOTAL REVENUES AND OTHER FINANCING SOURCES** | $ 629,131,684 | $ 724,076,195 | $ 585,404,453 | $ (138,671,742) | $ 620,952,794 |



See independent auditors' report.

**County of Orange, New York**

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget
Year Ended December 31, 2020
(With Comparative Actuals for 2019)

| | Original Budget | Final Budget | Actual | Variance with Final Budget | 2019 Actual |
|---|---|---|---|---|---|
| **GENERAL GOVERNMENT SUPPORT** | | | | | |
| Legislative Board | $ 2,432,784 | $ 2,501,019 | $ 1,909,170 | $ 591,849 | $ 1,950,495 |
| Clerk of Legislative Board | 499,159 | 499,159 | 489,281 | 9,878 | 481,826 |
| Unified Court System | 220,120 | 220,120 | 100,213 | 119,907 | 189,395 |
| District Attorney | 11,702,353 | 11,866,748 | 10,721,368 | 1,145,380 | 10,446,348 |
| Legal Defense of Indigents | 6,081,573 | 10,469,620 | 6,640,995 | 3,828,625 | 5,993,744 |
| Medical Examiner | 1,942,007 | 2,081,090 | 1,900,995 | 180,095 | 1,779,191 |
| County Executive | 749,614 | 734,726 | 712,735 | 21,991 | 711,077 |
| Commissioner of Finance | 3,733,556 | 3,690,018 | 3,435,491 | 254,527 | 3,466,428 |
| Division of Budget | 979,940 | 968,584 | 900,964 | 67,620 | 896,240 |
| Division of Purchasing | 1,622,701 | 1,570,263 | 1,196,763 | 373,500 | 1,954,088 |
| Property Tax Service Agency | 3,237,108 | 3,210,435 | 2,608,311 | 602,124 | 2,767,206 |
| Tax advertising | 276,208 | 276,208 | 174,614 | 101,594 | 309,841 |
| Refunds of real property taxes | 500,000 | 500,000 | 236,936 | 263,064 | 162,011 |
| County Clerk | 7,386,512 | 7,301,856 | 6,412,429 | 889,427 | 6,883,034 |
| Department of Law | 5,752,917 | 6,146,197 | 5,549,243 | 596,954 | 5,433,599 |
| Department of Personnel | 3,083,688 | 3,053,495 | 2,640,310 | 413,185 | 2,815,831 |
| Board of Elections | 3,809,995 | 4,989,247 | 3,777,619 | 1,211,628 | 2,928,391 |
| Records management | - | - | - | - | 117,387 |
| Board of Ethics | 41,251 | 41,167 | 30,370 | 10,797 | 26,167 |
| Public Information and Services | 192,000 | 192,000 | 191,594 | 406 | 187,915 |
| Public Works Administration | 4,764,268 | 4,539,695 | 4,104,172 | 435,523 | 4,315,461 |
| Central Services Administration | 751,529 | 753,989 | 753,988 | 1 | 778,591 |
| Buildings | 11,240,994 | 11,197,456 | 9,488,368 | 1,709,088 | 10,019,667 |
| Central printing and mailing | 418,400 | 418,815 | 186,837 | 231,978 | 292,630 |
| Central data processing | 8,501,141 | 8,501,141 | 8,382,791 | 118,350 | 7,265,364 |
| Risk management | 1,183,071 | 1,183,071 | 1,158,798 | 24,273 | 1,055,072 |
| Municipal association dues | 72,300 | 72,300 | 60,914 | 11,386 | 69,739 |
| Judgments and claims | 45,000 | 45,000 | - | 45,000 | - |
| Taxes and assessments - County property | 488,193 | 488,193 | 423,654 | 64,539 | 452,026 |
| Distribution of sales taxes to municipalities | 79,154,771 | 79,154,771 | 73,858,725 | 5,296,046 | 79,132,696 |
| Metropolitan commuter transportation mobility tax | 565,000 | 575,213 | 575,213 | - | 554,470 |
| Contingent fund | 2,690,273 | 8,818 | - | 8,818 | - |
| Other | 65,000 | 65,000 | 65,000 | - | 65,000 |
| Total General Government Support | 164,183,426 | 167,315,414 | 148,687,861 | 18,627,553 | 153,500,930 |

| | | | | | |
|---|---|---|---|---|---|
| **EDUCATION** | | | | | |
| Community Colleges - Non-resident tuition | 7,390,000 | 7,390,000 | 6,622,141 | 767,859 | 6,887,911 |
| Community College | 19,052,882 | 19,052,882 | 19,052,882 | - | 18,497,944 |
| Education of handicapped children | 41,867,755 | 40,297,850 | 31,365,813 | 8,932,037 | 40,803,790 |
| Total Education | 68,310,637 | 66,740,732 | 57,040,836 | 9,699,896 | 66,189,645 |
| **PUBLIC SAFETY** | | | | | |
| Administration | 1,450,301 | 3,945,216 | 2,833,620 | 1,111,596 | 1,119,086 |
| Communication systems | 9,405,211 | 9,330,682 | 8,655,965 | 674,717 | 8,607,053 |
| Sheriff | 24,466,131 | 26,375,064 | 22,878,682 | 3,496,382 | 22,966,925 |
| Probation | 10,701,865 | 11,537,728 | 10,024,642 | 1,513,086 | 9,787,376 |
| Jail | 59,155,843 | 58,654,652 | 53,528,063 | 5,126,589 | 52,438,601 |
| Special traffic - Stop - DWI | 852,313 | 852,313 | 680,620 | 171,693 | 631,613 |
| Fire prevention | 1,023,264 | 1,017,925 | 956,888 | 61,037 | 913,691 |
| Civil defense | 861,244 | 4,552,693 | 1,741,551 | 2,811,142 | 1,574,567 |
| Other | 655,879 | 991,037 | 522,858 | 468,179 | 696,666 |
| Total Public Safety | 108,572,051 | 117,257,310 | 101,822,889 | 15,434,421 | 98,735,578 |
| **HEALTH** | | | | | |
| Public health | 11,539,553 | 23,618,601 | 15,396,015 | 8,222,586 | 13,516,099 |
| Rabies control | 67,936 | 67,936 | 62,192 | 5,744 | 37,431 |
| Early Intervention Program | 9,559,540 | 9,546,558 | 7,308,240 | 2,238,318 | 9,054,541 |
| W.I.C. | 1,180,579 | 2,761,647 | 993,578 | 1,768,069 | 1,205,881 |
| Mental health program | 14,283,161 | 14,409,042 | 10,350,599 | 4,058,443 | 10,713,108 |
| Contracted mental health services | 20,416,490 | 20,416,490 | 16,683,950 | 3,732,540 | 17,665,200 |
| Total Health | 57,047,259 | 70,820,274 | 50,794,574 | 20,025,700 | 52,192,260 |
| **TRANSPORTATION** | | | | | |
| MTA transportation payment | 147,000 | 147,000 | 139,283 | 7,717 | 146,260 |
| Railroad station maintenance | 515,000 | 528,315 | 528,314 | 1 | 516,711 |
| Total Transportation | 662,000 | 675,315 | 667,597 | 7,718 | 662,971 |

(Continued)

**County of Orange, New York**

General Fund
Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
Year Ended December 31, 2020
(With Comparative Actuals for 2019)

| | Original Budget | Final Budget | Actual | Variance with Final Budget | 2019 Actual |
|---|---|---|---|---|---|
| **ECONOMIC OPPORTUNITY AND DEVELOPMENT** | | | | | |
| Social services - Administration | $ 61,842,437 | $ 61,473,761 | $ 56,911,827 | $ 4,561,934 | $ 58,153,182 |
| Day care | 6,429,169 | 6,429,169 | 4,075,133 | 2,354,036 | 5,313,696 |
| Services for recipients | 13,696,333 | 13,696,333 | 12,114,665 | 1,581,668 | 13,128,325 |
| Medical assistance | 62,500 | 73,358,307 | 67,420,148 | 5,938,159 | 321,037 |
| Medical assistance - MMIS | 73,295,807 | - | - | - | 74,802,841 |
| Special needs program | 13,765 | 13,765 | 6,940 | 6,825 | 30 |
| Aid to dependent children | 19,940,727 | 21,454,928 | 15,203,364 | 6,251,564 | 18,163,122 |
| Child care | 23,661,502 | 23,661,502 | 23,314,203 | 347,299 | 23,446,434 |
| Juvenile delinquents | 2,960,096 | 2,944,743 | 889,477 | 2,055,266 | 903,822 |
| State training school | 1,878,562 | 1,893,915 | 1,893,914 | 1 | 3,386,634 |
| Safety net | 14,566,157 | 14,566,157 | 12,835,557 | 1,730,600 | 14,327,101 |
| Home energy assistance program | 550,000 | 550,000 | 58,922 | 491,078 | 211,980 |
| Emergency aid to adults | 266,274 | 266,274 | 133,664 | 132,610 | 211,846 |
| Tourism and public information | 1,334,730 | 1,334,730 | 1,027,432 | 307,298 | 1,176,661 |
| Veteran's services | 1,045,142 | 1,035,196 | 942,435 | 92,761 | 970,835 |
| Consumer affairs | 847,437 | 837,276 | 670,295 | 166,981 | 849,037 |
| Aging | 7,189,971 | 7,991,330 | 6,805,665 | 1,185,665 | 6,711,040 |
| Other | 491,820 | 491,820 | 344,889 | 146,931 | 342,447 |
| Total Economic Opportunity and Development | 230,072,429 | 231,999,206 | 204,648,530 | 27,350,676 | 222,420,070 |
| **CULTURE AND RECREATION** | | | | | |
| Council for the arts | 179,400 | 179,400 | - | 179,400 | 121,261 |
| Parks | 4,330,815 | 4,294,373 | 3,648,420 | 645,953 | 4,219,908 |
| Special recreational facilities | 1,976,798 | 1,965,241 | 1,885,885 | 79,356 | 2,006,000 |
| Youth bureau | 1,049,481 | 1,092,986 | 861,426 | 231,560 | 1,069,134 |
| Historian | 319,102 | 316,957 | 186,236 | 130,721 | 198,225 |
| Total Culture and Recreation | 7,855,596 | 7,848,957 | 6,581,967 | 1,266,990 | 7,614,528 |

| | | | | | |
|---|---|---|---|---|---|
| **HOME AND COMMUNITY SERVICES** | | | | | |
| Planning | 11,905,606 | 77,252,042 | 16,572,230 | 60,679,812 | 14,269,609 |
| Human rights | 164,781 | 163,276 | 137,554 | 25,722 | 158,827 |
| Sanitation | 1,179,743 | 1,179,743 | 983,277 | 196,466 | 1,005,317 |
| Water Authority | 408,800 | 408,800 | 76,000 | 332,800 | 313,378 |
| Conservation programs | 1,914,991 | 1,914,991 | 1,495,036 | 419,955 | 1,954,964 |
| Cemetery | 116,950 | 116,614 | 68,917 | 47,697 | 105,945 |
| Total Home and Community Services | 15,690,871 | 81,035,466 | 19,333,014 | 61,702,452 | 17,808,040 |
| **EMPLOYEE BENEFITS** | | | | | |
| Unemployment and retirement benefits | (2,800,000) | 803,027 | 803,027 | - | (152,643) |
| Workers' compensation benefits | - | 43,079 | 43,079 | - | 33,628 |
| Total Employee Benefits | (2,800,000) | 846,106 | 846,106 | - | (119,015) |
| **TOTAL EXPENDITURES** | 649,594,269 | 744,538,780 | 590,423,374 | 154,115,406 | 619,005,007 |
| **OTHER FINANCING USES** | | | | | |
| Transfers out | - | 145,748 | 145,748 | - | - |
| Capital Projects Fund | 3,479,253 | 3,479,253 | 3,479,244 | 9 | 1,795,313 |
| Debt Service Fund | | | | | |
| **TOTAL OTHER FINANCING USES** | 3,479,253 | 3,625,001 | 3,624,992 | 9 | 1,795,313 |
| **TOTAL EXPENDITURES AND OTHER FINANCING USES** | $ 653,073,522 | $ 748,163,781 | $ 594,048,366 | $ 154,115,415 | $ 620,800,320 |



See independent auditors' report.

**County of Orange, New York**

Community Development Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Receivable | $ 18,444,002 | $ 18,364,983 |
| Loans, net | 1,158,138 | 2,328,102 |
| State and Federal aid receivable | 19,602,140 | 20,693,085 |
| Prepaid expenditures | 11,850 | 8,897 |
| Total Assets | $ 19,613,990 | $ 20,701,982 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 537,615 | $ 368,885 |
| Accrued liabilities | 7,783 | 28,092 |
| Due to other funds | 545,738 | 1,861,170 |
| Unearned revenues | 18,522,854 | 18,443,835 |
| Total Liabilities | 19,613,990 | 20,701,982 |
| Fund balance (deficit) | | |
| Nonspendable | 11,850 | 8,897 |
| Unassigned | (11,850) | (8,897) |
| Total Fund Balance | - | - |
| Total Liabilities and Fund Balance | $ 19,613,990 | $ 20,701,982 |

See independent auditors' report.

**County of Orange, New York**

Community Development Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **REVENUES** | | |
| Real property taxes | $ 178,732 | $ 305,776 |
| Departmental income | 286,854 | 200,776 |
| Use of money and property | - | 144 |
| Federal aid | 3,465,706 | 3,055,218 |
| Total Revenues | 3,931,292 | 3,561,914 |
| **EXPENDITURES** | | |
| Current | | |
| Economic opportunity and development | 3,931,292 | 3,561,914 |
| Net Change in Fund Balance | - | - |
| **FUND BALANCE** | | |
| Beginning of Year | - | - |
| End of Year | $ - | $ - |

See independent auditors' report.

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# CAPITAL PROJECTS FUND

This fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlay, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds. Individual projects are budgeted and accounted for on a project basis. The individual projects are treated as subfunds within the Capital Projects Fund.

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**County of Orange, New York**

Capital Projects Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| State and Federal aid receivable | $ 3,057,539 | $ 5,964,950 |
| Due from other funds | 767,311 | - |
| Total Assets | $ 3,824,850 | $ 5,964,950 |
| **LIABILITIES AND FUND DEFICIT** | | |
| Liabilities | | |
| Accounts payable | $ 2,383,256 | $ 4,560,268 |
| Due to other funds | 13,855,882 | 28,127,419 |
| Total Liabilities | 16,239,138 | 32,687,687 |
| Fund deficit | | |
| Unassigned | (12,414,288) | (26,722,737) |
| Total Liabilities and Fund Deficit | $ 3,824,850 | $ 5,964,950 |

See independent auditors' report.

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**County of Orange, New York**

Capital Projects Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **REVENUES** | | |
| Sale of property and compensation for loss | $ - | $ 8,599 |
| State aid | 1,971,828 | 4,114,168 |
| Federal aid | 6,559,787 | 8,910,332 |
| Miscellaneous | 803,581 | 1,520,607 |
| Total Revenues | 9,335,196 | 14,553,706 |
| **EXPENDITURES** | | |
| Capital outlay | 23,178,850 | 34,534,349 |
| Deficiency of Revenues Over Expenditures | (13,843,654) | (19,980,643) |
| **OTHER FINANCING SOURCES (USES)** | | |
| Bonds issued | 26,257,186 | 27,743,169 |
| Issuance premium | 1,686,025 | 1,434,082 |
| Transfers in | 874,748 | 161,500 |
| Transfers out | (665,856) | (2,602,902) |
| Total Other Financing Sources | 28,152,103 | 26,735,849 |
| Net Change in Fund Balance | 14,308,449 | 6,755,206 |
| **FUND DEFICIT** | | |
| Beginning of Year | (26,722,737) | (33,477,943) |
| End of Year | $ (12,414,288) | $ (26,722,737) |

See independent auditors' report.

**County of Orange, New York**

Capital Projects Fund
Project-Length Schedule
Inception of Project Through December 31, 2020

| Project | Authorization | Expenditures and Transfers | Unexpended |
|---|---|---|---|
| **General Government Support** | $ 73,825,000 | $ 72,345,774 | $ 1,479,226 |
| 2013 Reconstruction of Government Center | 7,487,209 | 7,094,756 | 392,453 |
| Government Center FFE | 3,230,142 | 2,698,748 | 531,394 |
| County Clerk Computer Equipment | 250,000 | 244,381 | 5,619 |
| Tax Map - G.I. System | 233,980 | 129,152 | 104,828 |
| Tax Map GIS System | 102,023 | 62,949 | 39,074 |
| Real Property Tax Computer Equipment | 350,000 | 207,610 | 142,390 |
| Tax Collection Software | 3,058,811 | 2,466,078 | 592,733 |
| 2011 New CAD System | 11,907,135 | 11,570,783 | 336,352 |
| 2012 Reconstruction Various Buildings | 2,500,000 | - | 2,500,000 |
| Purchase Buildings - Newburgh | 400,000 | 397,696 | 2,304 |
| Improve Various Buildings | 3,500,000 | 3,310,726 | 189,274 |
| 2013 Aging Senior Dining Center | 671,025 | 660,528 | 10,497 |
| County Wide Petroleum Storage | 150,000 | - | 150,000 |
| County Wide Petroleum Bulk Storage | 229,526 | 221,105 | 8,421 |
| 2016 Contaminated Soil Removal | 101,766 | 99,070 | 2,696 |
| 2017 Contaminated Soil Removal | 100,348 | 35,821 | 64,527 |
| 2018 Contaminated Soil Removal | 100,000 | 26,303 | 73,697 |
| 2019 Contaminated Soil Removal | 100,000 | - | 100,000 |
| 2020 Contaminated Soil Removal | 102,005 | 100,000 | 2,005 |
| 2017 Building Equipment Replacement | 153,633 | 150,000 | 3,633 |
| 2018 Building Equipment Replacement | 150,000 | 140,387 | 9,613 |
| 2019 Building Equipment Replacement | 150,000 | 27,371 | 122,629 |
| 2020 Building Equipment Replacement | 1,375,000 | 826,354 | 548,646 |
| 2014 Reconstruction Garage Floor | 413,270 | 400,055 | 13,215 |
| Improvements to Former Psychiatric Center | 302,524 | 266,871 | 35,653 |
| Furniture, Fixtures and Equipment for Board of Education and Information Technology | 412,540 | 412,540 | - |
| Replace Cooling Towers | 357,436 | 350,000 | 7,436 |
| 2017 Building Improvements | 501,351 | 446,766 | 54,585 |
| 2018 Building Improvements | 350,000 | 255,347 | 94,653 |
| 2019 Building Improvements | 350,000 | 83,746 | 266,254 |
| 2020 Building Improvements | 25,985 | 24,101 | 1,884 |
| 2016 Preservation Studies | 125,000 | - | 125,000 |
| 2017 Document Preservation | 329,599 | 328,000 | 1,599 |
| Asbestos / Lead Removal | 50,000 | 50,000 | - |
| 2018 Asbestos / Lead Removal | 50,000 | 49,814 | 186 |
| 2019 Asbestos / Lead Removal | 50,000 | 19,962 | 30,038 |
| 2020 Asbestos / Lead Removal | 25,000 | 25,000 | - |
| E911 School Link | 300,000 | 1,199 | 298,801 |
| Computer Technology | 125,000 | 47,758 | 77,242 |
| RPTS Computer Equipment | 902,268 | 729,363 | 172,905 |
| BOE Voting Machines | 338,285 | 331,010 | 7,275 |
| BOE Voting Machines | 888,980 | 862,710 | 26,270 |
| BOE Hardware/Software | 329,405 | - | 329,405 |
| Voting Machine | 170,000 | 134,255 | 35,745 |
| Grounds Equipment | 150,000 | - | 150,000 |
| 2020 Grounds Equipment | 26,500 | 26,500 | - |
| M.E. Needs Assessment | 2,660,000 | - | 2,660,000 |
| Department of Social Services Homeless Housing | 250,000 | 22,380 | 227,620 |
| Boiler Replacement | 1,000,000 | - | 1,000,000 |
| Medical Examiners Facility | 668,142 | 328,649 | 339,493 |
| Upper Delaware Scenic Byway | 5,571,528 | 5,571,528 | - |
| Energy Efficiency Grant | 723,470 | 621,963 | 101,507 |
| Handicap Access | 401,435 | 400,000 | 1,435 |
| 2015 CCN Building Management System | 37,134,000 | 36,608,396 | 525,604 |
| County Court | 300,000 | 6,345 | 293,655 |
| Fuel System Upgrade | 8,400,000 | 3,509,909 | 4,890,091 |
| 2011 Government Center Move | 11,005,752 | 7,673,692 | 3,332,060 |
| 2011 Storm Damage | 2,358,673 | 2,299,930 | 58,743 |
| 2016 IT Upgrades | 3,081,089 | 2,870,309 | 210,780 |
| 2017 IT Upgrades | 1,123,376 | 1,016,265 | 107,111 |
| 2018 IT Upgrades | 1,250,000 | 1,250,000 | - |
| 2019 IT Upgrades | 1,765,000 | 1,665,076 | 99,924 |
| 2020 IT Upgrades | 294,988 | 284,500 | 10,488 |
| Technology Infrastructure Design | 850,000 | 166,650 | 683,350 |
| Next Gen Services | 532,000 | 1,082 | 530,918 |
| IT Records Center Equipment | 756,294 | 740,109 | 16,185 |
| Veterans Cemetery Improvements | 500,000 | 35,446 | 464,554 |
| Cemetery Expansion | 492,000 | 492,000 | - |
| 2011 Tax Collection Hardware | 50,000 | - | 50,000 |
| ADA Improvements | 200,000 | - | 200,000 |
| DPW Technology Upgrades | 375,000 | - | 375,000 |
| Maple Building Renovations | 198,543,493 | 173,224,818 | 25,318,675 |

| Revenues and Other Financing Sources | Fund Balance (Deficit) at December 31, 2020 |
|---|---|
| $ 72,360,988 | $ 15,214 |
| 7,094,756 | - |
| 2,637,997 | (60,751) |
| 244,381 | - |
| 172,353 | 43,201 |
| 82,096 | 19,147 |
| 207,610 | - |
| 2,466,078 | - |
| 11,568,760 | (2,023) |
| - | - |
| 397,443 | (253) |
| 3,310,726 | - |
| 660,528 | - |
| - | - |
| 221,105 | - |
| 97,983 | (1,087) |
| 34,741 | (1,080) |
| - | (26,303) |
| - | - |
| 87,626 | (12,374) |
| 142,994 | (7,006) |
| 46,864 | (93,523) |
| - | (27,371) |
| 151,178 | (675,176) |
| 413,270 | 13,215 |
| 266,871 | - |
| 412,540 | - |
| 341,020 | (8,980) |
| 384,947 | (61,819) |
| 35,665 | (219,682) |
| - | (83,746) |
| 24,102 | 1 |
| - | - |
| 328,000 | - |
| 50,000 | - |
| 49,814 | - |
| - | (19,962) |
| 25,000 | - |
| - | (1,199) |
| 125,000 | 77,242 |
| 729,363 | - |
| 331,010 | - |
| 417,749 | (444,961) |
| - | - |
| 22,884 | (111,371) |
| - | - |
| 26,500 | - |
| - | - |
| - | (22,380) |
| - | - |
| 328,649 | - |
| 5,569,770 | (1,758) |
| 622,822 | 859 |
| 264,623 | (135,377) |
| 36,608,396 | - |
| - | (6,345) |
| 6,603,878 | 3,093,969 |
| 8,640,612 | 966,920 |
| 2,297,986 | (1,944) |
| 2,870,180 | (129) |
| 681,585 | (334,680) |
| 793,793 | (456,207) |
| - | (1,665,076) |
| 284,500 | - |
| - | (166,650) |
| - | (1,082) |
| 481,181 | (258,928) |
| - | (35,446) |
| 492,000 | - |
| - | - |
| - | - |
| - | - |
| 172,509,917 | (714,901) |

(Continued)

Capital Projects Fund
Project-Length Schedule (Continued)
Inception of Project Through December 31, 2020

| Project | Authorization | Expenditures and Transfers | Unexpended |
|---|---|---|---|
| **Education** | | | |
| Orange County Community College | $ 1,850,000 | $ 308,938 | $ 1,541,062 |
| 2017 Various Improvements | 2,433,618 | 597,846 | 1,835,772 |
| Banner Administration Software | 86,809,000 | 86,081,239 | 727,761 |
| Newburgh Campus | 1,269,515 | 1,155,036 | 114,479 |
| 2007 Various Improvements | 1,540,647 | 1,454,849 | 85,798 |
| 2008 Various Improvements | 2,104,415 | 1,937,288 | 167,127 |
| 2009 Various Improvements | 1,600,000 | 1,506,417 | 93,583 |
| 2010 Improvements Middletown Campus | 58,767,080 | 50,170,634 | 8,596,446 |
| Middletown Campus Lab School | 1,551,616 | 903,308 | 648,308 |
| 2011 Various Improvements | 1,212,452 | 1,175,409 | 37,043 |
| 2012 Various Improvements | 1,280,335 | 1,272,687 | 7,648 |
| 2013 Various Improvements | 3,500,000 | 3,027,948 | 472,052 |
| 2013 Purchase Newburgh Land and Building | 1,387,451 | 1,363,696 | 23,755 |
| 2014 Various Improvements | 1,307,007 | 1,152,643 | 154,364 |
| 2013 Purchase Newburgh Land | 2,837,541 | 2,545,031 | 292,510 |
| 2016 Data Center | 1,341,440 | 1,291,129 | 50,311 |
| 2015 Various Improvements | 1,320,152 | 821,706 | 498,446 |
| 2017 Various Improvements | 1,435,000 | 1,303,376 | 131,624 |
| 2019 Various Improvements | 173,547,269 | 158,069,180 | 15,478,089 |
| **Public Safety** | | | |
| Building Expansion | 350,000 | - | 350,000 |
| Roof Replacement | 6,315,000 | 6,119 | 6,308,881 |
| 2017 Building Improvements | 100,000 | 100,000 | - |
| 2018 Building Improvements | 250,000 | 126,365 | 123,635 |
| 2019 Building Improvements | 100,000 | - | 100,000 |
| 2017 Building Equipment | 100,386 | 100,000 | 386 |
| 2018 Building Equipment | 150,000 | 89,862 | 60,138 |
| 2019 Building Equipment | 161,000 | 22,405 | 138,595 |
| 2015 Expand Parking Area | 220,000 | 176,171 | 43,829 |
| Firearm Range | 150,000 | 78,417 | 71,583 |
| Expand Firearm Range | 50,000 | - | 50,000 |
| Replacement of Jail Security Systems | 806,515 | 763,483 | 43,032 |
| Sheriff Replace Kitchen Floor | 20,000 | 20,000 | - |
| 2013 Digital Video Recording And Image Storage Equipment | 702,886 | 480,465 | 222,421 |
| 2015 Load Test Generators | 95,000 | - | 95,000 |
| Jail Security Cameras | 510,253 | 208,610 | 301,643 |
| 2014 Emergency Power Equipment | 3,878,710 | 3,350,265 | 528,445 |
| New Burn Building | 2,580,014 | 1,831,114 | 748,900 |
| Fire Training Center Improvements | 2,858,106 | 2,858,106 | - |
| GPS Dispatch Hardware | 300,000 | 282,240 | 17,760 |
| 2013 Public Safety Communications | 35,046,809 | 29,803,241 | 5,243,568 |
| 2019 Public Safety Communications | 802,256 | 802,256 | - |
| Arden Tower | 179,896 | - | 179,896 |
| 2015 Controller and Recorder | 1,503,470 | 1,379,329 | 124,141 |
| 2015 Telephone System Improvement | 240,000 | 171,070 | 68,930 |
| Building Renovations | 818,254 | 436,432 | 381,822 |
| FTC Phase II | 40,000 | - | 40,000 |
| Hazmat Truck | 700,000 | 698,701 | 1,299 |
| | 59,028,555 | 43,784,651 | 15,243,904 |
| **Transportation - Highway** | | | |
| Taylor Bridge | 1,996,770 | 1,904,875 | 91,895 |
| 2012 Drainage Improvements | 125,045 | 125,000 | 45 |
| Rehabilitation Beaver Dam Lake | 225,509 | 224,995 | 514 |
| 2012 Non-Highway Paving | 355,332 | 232,803 | 122,529 |
| 2020 Non-Highway Paving | 100,000 | - | 100,000 |
| 2017 Intersection Improvements | 101,719 | 89,915 | 11,804 |
| 2018 Intersection Improvements | 100,000 | - | 100,000 |
| 2019 Intersection Improvements | 100,000 | - | 100,000 |
| 2020 Intersection Improvements | 250,000 | - | 250,000 |
| 2012 Site Distance Improvement | 152,409 | 74,367 | 78,042 |
| 2015 Bridge Painting | 150,074 | 3,893 | 146,181 |
| 2013 Bridge Rail Upgrades | 100,027 | 100,000 | 27 |
| 2015 Bridge Rail Upgrades | 50,000 | 50,000 | - |
| Construct Howe Street Bridge | 771,005 | 749,999 | 21,006 |

| Revenues and Other Financing Sources | Fund Balance (Deficit) at December 31, 2020 |
|---|---|
| $ 154,469 | $ (154,469) |
| 2,425,435 | 1,827,589 |
| 84,536,492 | (1,544,747) |
| 1,155,036 | - |
| 1,519,315 | 64,466 |
| 1,742,329 | (194,959) |
| 1,266,701 | (239,716) |
| 50,005,087 | (165,547) |
| 802,035 | (101,273) |
| 1,109,438 | (65,971) |
| 919,149 | (353,538) |
| 3,027,948 | - |
| 1,367,539 | 3,843 |
| 1,157,411 | 4,768 |
| 2,543,215 | (1,816) |
| 1,216,271 | (74,858) |
| 643,040 | (178,666) |
| 1,115,427 | (187,949) |
| 156,706,337 | (1,362,843) |
| - | - |
| 6,119 | - |
| 99,540 | (460) |
| 54,393 | (71,972) |
| - | - |
| 97,678 | (2,322) |
| 70,559 | (19,303) |
| 22,406 | 1 |
| 176,172 | 1 |
| 117,353 | 38,936 |
| - | - |
| 763,484 | 1 |
| 20,000 | - |
| 702,886 | 222,421 |
| - | - |
| 208,610 | - |
| 3,117,769 | (232,496) |
| 1,831,114 | - |
| 2,858,106 | - |
| 212,500 | (69,740) |
| 26,145,834 | (3,657,407) |
| 802,256 | - |
| - | - |
| 1,379,330 | 1 |
| 171,070 | - |
| 436,433 | 1 |
| - | - |
| 218,263 | (480,438) |
| 39,511,875 | (4,272,776) |
| 2,064,211 | 159,336 |
| 125,000 | - |
| 224,995 | - |
| 289,590 | 56,787 |
| - | - |
| 70,500 | (19,415) |
| - | - |
| - | - |
| - | - |
| 68,020 | (6,347) |
| 3,893 | - |
| 100,000 | - |
| 50,000 | - |
| 722,920 | (27,079) |

(Continued)

Capital Projects Fund
Project-Length Schedule (Continued)
Inception of Project Through December 31, 2020

| Project | Authorization | Expenditures and Transfers | Unexpended |
|---|---|---|---|
| **Transportation - Highway (Continued)** | | | |
| 2013 Improvements To Corwin Bridge | $ 555,678 | $ 538,793 | $ 16,885 |
| Forge Hill Bridge | 3,729,733 | 3,717,883 | 11,850 |
| Rutgers Glen Bridge | 495,779 | 480,052 | 15,727 |
| 2008 Operating Transit Assistance and 1 Bus | 550,000 | 549,986 | 14 |
| Warwick Bus Facility | 3,301,413 | 3,106,949 | 194,464 |
| County Road 106 Kanawauke Road | 3,951,899 | 3,509,446 | 442,453 |
| Pavement Overlay | 3,202,806 | 2,242,446 | 960,360 |
| Improve Various Bridges | 130,000 | 37,200 | 92,800 |
| Willow Avenue Bridge Replacement | 854,678 | 818,192 | 36,486 |
| 2013 Rehabilitation Glenmere Lake Dam | 3,316,671 | 3,297,729 | 18,942 |
| 2018 Reconstruction Various Roads | 1,340,317 | 1,298,138 | 42,179 |
| 2019 Reconstruction Various Roads | 1,300,000 | 1,299,021 | 979 |
| 2020 Reconstruction Various Roads | 1,300,000 | 136,246 | 1,163,754 |
| 2015 FEMA Fleet Replacement | 2,132,301 | 2,131,284 | 1,017 |
| 2016 Bridge Improvements | 512,044 | 426,395 | 85,649 |
| 2017 Bridge Improvements | 500,000 | 62,304 | 437,696 |
| 2018 Bridge Improvements | 500,000 | - | 500,000 |
| 2019 Bridge Improvements | 500,000 | - | 500,000 |
| 2020 Bridge Improvements | 500,000 | - | 500,000 |
| Denton Bridge | 1,992,746 | 1,882,753 | 109,993 |
| 2015 Design Various Dams | 40,746 | 40,632 | 114 |
| 2015 Dwaarkill Bridge | 681,161 | 681,128 | 33 |
| Drainage Improvement 2017 | 202,969 | 116,036 | 86,933 |
| Drainage Improvement 2018 | 242,033 | 225,620 | 16,413 |
| Drainage Improvement 2019 | 150,000 | 10,539 | 139,461 |
| Site Distance Improvement | 1,228,412 | 1,224,376 | 4,036 |
| 2019 Site Distance Improvement | 150,000 | - | 150,000 |
| Maple Glen Bridge | 751,773 | 253,260 | 498,513 |
| Gardnerville Bridge | 125,037 | 28,023 | 97,014 |
| Camp Maples Bridge | 2,201,942 | 1,484,644 | 717,298 |
| Grahamline Bridge | 2,025,000 | 42,297 | 1,982,703 |
| Main Street Bridge #2 | 200,000 | 1,076 | 198,924 |
| Board Bridge | 800,000 | 27,877 | 772,123 |
| Fleet Replacement | 125,000 | - | 125,000 |
| Fleet Replacement | 1,475,000 | 14,245 | 1,460,755 |
| Fleet Replacement | 622,202 | 561,101 | 61,101 |
| Fleet Replacement 2017 | 1,019,265 | 741,445 | 277,820 |
| Fleet Replacement 2018 | 497,689 | 493,188 | 4,501 |
| Fleet Replacement 2019 | 700,000 | 698,038 | 1,962 |
| Fleet Replacement 2020 | 800,000 | 364,054 | 435,946 |
| Bowman Bridge | 75,000 | 5,666 | 69,334 |
| Bank Street Bridge | 50,000 | 26,466 | 23,534 |
| Highland Mill Bridge | 100,000 | - | 100,000 |
| Main Street Bridge | 100,000 | 1,167 | 98,833 |
| Cornwall Bridge | 100,000 | - | 100,000 |
| Powdermill Bridge | 385,000 | - | 385,000 |
| Mcveigh Bridge | 100,000 | - | 100,000 |
| Replace Crystal Run Bridge | 6,952,388 | 6,548,038 | 404,350 |
| Orange Spring Bridge | 750,328 | 689,300 | 61,028 |
| Logtown Road Bridge | 6,131 | 5,844 | 287 |
| Buses, Shelters, and Signs | 2,983,910 | 2,847,248 | 136,662 |
| Replacement Dial-a-bus and Operating Assistance | 128,758 | - | 128,758 |
| Bus Purchases | 19,170,600 | - | 19,170,600 |
| Planning Buses | 334,765 | - | 334,765 |
| Replace Grove Drive Bridge | 5,115,825 | 5,048,562 | 67,263 |
| Long Range Transportation Plan | 2,750,000 | 2,567,496 | 182,504 |
| Buses | 1,790,380 | 1,512,513 | 277,867 |
| Replace Ford Bridge | 598,205 | 598,110 | 95 |
| 2013 New Transit Vehicles | 8,724,895 | 1,028,846 | 7,696,049 |
| 2019 New Transit Vehicles | 3,845,571 | - | 3,845,571 |
| 2014 Two Replacement Buses | 140,000 | 140,000 | - |
| Pedestrian Safety | 169,000 | 58,541 | 110,459 |
| Multimodal Trans Center | 2,592,943 | - | 2,592,943 |
| Newburgh Area Local Transit Service Expansions | 821,562 | 1,148 | 820,414 |
| Reconstruction Laroe Road | 6,710,000 | 6,662,436 | 47,564 |
| Otisville Viaduct | 3,769,863 | 256,530 | 3,513,333 |
| Roadside Safety Improvements | 350,000 | 61,907 | 288,093 |
| Wallkill River Culvert | 612,750 | - | 612,750 |
| Scour Protection | 100,000 | - | 100,000 |
| CR105 and NYS 208 Study | 750,000 | 501,472 | 248,528 |
| Railroad Avenue Transit Facility | 136,758 | 135,000 | 1,758 |
| Bus Equipment | 766,078 | 65,516 | 700,562 |
| | 120,262,894 | 64,860,049 | 55,402,845 |

| Revenues and Other Financing Sources | Fund Balance (Deficit) at December 31, 2020 |
|---|---|
| $ 538,793 | $ - |
| 3,459,289 | (258,594) |
| 480,052 | - |
| 549,986 | - |
| 3,111,340 | 4,391 |
| 3,572,446 | 63,000 |
| 2,242,446 | - |
| 37,200 | - |
| 854,678 | 36,486 |
| 3,275,850 | (21,879) |
| 1,298,139 | 1 |
| 1,256,640 | (42,381) |
| - | (136,246) |
| 213,129 | (1,918,155) |
| 405,004 | (21,391) |
| 39,363 | (22,941) |
| - | - |
| - | - |
| - | - |
| 1,670,193 | (212,560) |
| 40,632 | - |
| 681,128 | - |
| 116,037 | 1 |
| 235,001 | 9,381 |
| 10,565 | 26 |
| 1,224,376 | - |
| - | - |
| 66,563 | (186,697) |
| 26,793 | (1,230) |
| 1,485,996 | 1,352 |
| 826 | (41,471) |
| 646 | (430) |
| 23,971 | (3,906) |
| - | - |
| 6,642 | (7,603) |
| 561,101 | - |
| 734,947 | (6,498) |
| 493,188 | - |
| 698,038 | - |
| 364,054 | - |
| 2,944 | (2,722) |
| - | (26,466) |
| - | - |
| - | (1,167) |
| - | - |
| - | - |
| - | - |
| 6,409,455 | (138,583) |
| 46,482 | (642,818) |
| 5,844 | - |
| 2,847,248 | - |
| - | - |
| - | - |
| - | - |
| 4,507,222 | (541,340) |
| 2,543,830 | (23,666) |
| 1,512,515 | 2 |
| 598,110 | - |
| 960,077 | (68,769) |
| - | - |
| 140,000 | - |
| 56,993 | (1,548) |
| - | - |
| - | (1,148) |
| 6,662,436 | - |
| 199,747 | (56,783) |
| 60,740 | (1,167) |
| - | - |
| - | - |
| 379,588 | (121,884) |
| 136,758 | 1,758 |
| 571,050 | 505,534 |
| 61,135,220 | (3,724,829) |

(Continued)

Capital Projects Fund
Project-Length Schedule (Continued)
Inception of Project Through December 31, 2020

| Project | Authorization | Expenditures and Transfers | Unexpended |
|---|---|---|---|
| **Transportation - Airport** | $ 160,000 | $ 155,485 | $ 4,515 |
| 2012 Various Airport Repairs | 87,005 | 87,005 | - |
| 2014 Wildlife Hazard Management Plan | 16,720 | 16,720 | - |
| 2015 Taxiway Marking | 50,070 | 20,161 | 29,909 |
| Airport Building Improvements | 980,000 | - | 980,000 |
| 2017 Bulk Hanger | 50,000 | - | 50,000 |
| Roof Replacement | 50,000 | - | 50,000 |
| Roof Replacement 2019 | 134,750 | 105,426 | 29,324 |
| Apron A | 250,000 | - | 250,000 |
| Roof Replacement | 100,000 | 96,456 | 3,544 |
| Transient Apron | 50,000 | - | 50,000 |
| Runway Rehab | 1,452,940 | 5,798 | 1,447,142 |
| Bulk Hangar | 543,192 | 198,361 | 344,831 |
| Master Plan | 92,250 | 90,975 | 1,275 |
| Snow Removal Equipment | 65,790 | 27,078 | 38,712 |
| Rotating Beacon | 50,000 | - | 50,000 |
| Slurry Seal/Paving | 50,000 | - | 50,000 |
| Taxiway Improvements | 50,000 | - | 50,000 |
| Airport Building and Maintenance | 233,230 | 183,564 | 49,666 |
| Obstruction Study | 1,388,889 | 138,009 | 1,250,880 |
| Airport Water and Sewer | 31,925,698 | 31,662,466 | 263,232 |
| Airport Runway 3/21 Realignment | 2,400,000 | 39,514 | 2,360,486 |
| AT - Town of Montgomery Water | 40,180,534 | 32,827,018 | 7,353,516 |
| **Recreation** | 149,858 | 149,858 | - |
| 2014 Paving at Various Parks | 150,000 | - | 150,000 |
| Parking/Roadway | 10,767,977 | 6,092,893 | 4,675,084 |
| 2012 Heritage Trail Improvements | 384,767 | 355,423 | 29,344 |
| 2017 Heritage Trail MNR-HARR | 2,200,000 | - | 2,200,000 |
| 2018 Heritage Trail MIDD-WALKILL | 183,000 | 138,264 | 44,736 |
| 2018 Heritage Trail Paving | 50,000 | 11,152 | 38,848 |
| 2019 Heritage Trail Bridge/Paving | 285,000 | 265,000 | 20,000 |
| Ottaway Arboretum | 150,000 | 11,423 | 138,577 |
| 2013 Improve Hill Hold | 40,500 | 40,117 | 383 |
| 2013 Improvements To Plum Point | 275,048 | 235,591 | 39,457 |
| 2014 Sally's Dream | 375,000 | 352,145 | 22,855 |
| 2015 Parks Department Paving | 93,300 | 93,300 | - |
| 2019 Parks Department Paving | 149,832 | 149,832 | - |
| 2016 Parks Equipment | 101,880 | 100,000 | 1,880 |
| 2018 Parks Equipment | 108,460 | 108,460 | - |
| 2019 Parks Equipment | 76,000 | - | 76,000 |
| TBMP Equipment | 565,000 | 80,322 | 484,678 |
| 2015 TBMP Water System | 445,079 | 387,349 | 57,730 |
| Park Improvements | 101,370 | 100,000 | 1,370 |
| 2018 Park Improvements | 100,000 | 55,036 | 44,964 |
| 2020 Park Improvements | 302,000 | 118,106 | 183,894 |
| Historic Structure | 136,305 | 136,305 | - |
| Hickory Hill Equipment | 147,000 | - | 147,000 |
| 2020 Hickory Hill Equipment | 112,936 | 112,935 | 1 |
| Stony Ford Equipment | 103,000 | - | 103,000 |
| 2020 Stony Ford Equipment | 125,000 | 125,000 | - |
| Heritage Trail Paving | 203,205 | 200,000 | 3,205 |
| Improvement Heritage Trail | 150,000 | 10,015 | 139,985 |
| Improvements to Blackburne Park | 136,090 | 136,090 | - |
| 2011 Recreational Improvements Thomas Bull Park | 90,000 | 15,500 | 74,500 |
| Hickory Hill Deck Replacement | 90,000 | 90,000 | - |
| Hickory Hill Irrigation | 150,000 | 140,239 | 9,761 |
| Stony Ford Irrigation | 75,000 | 75,000 | - |
| Algonquin Pavilion | 50,000 | 47,750 | 2,250 |
| HVAC & Boilers | 7,500 | 7,500 | - |
| Stony Ford Deck Replacement | 115,000 | 115,000 | - |
| Stony Ford Cart Path | 125,000 | - | 125,000 |
| 2020 Stony Ford Cart Path | 157,500 | 141,377 | 16,123 |
| Hickory Hill Cart Path | 125,000 | - | 125,000 |
| 2020 Hickory Hill Cart Path | 20,000 | 450 | 19,550 |
| Invasive Species | 19,172,607 | 10,197,432 | 8,975,175 |

| Revenues and Other Financing Sources | Fund Balance (Deficit) at December 31, 2020 |
|---|---|
| $ 144,088 | $ (11,397) |
| 87,005 | - |
| - | (16,720) |
| 1,429 | (18,732) |
| - | - |
| - | - |
| - | - |
| 45,575 | (59,851) |
| - | - |
| 19,206 | (77,250) |
| - | - |
| - | (5,798) |
| 94,029 | (104,332) |
| 62,988 | (27,987) |
| - | (27,078) |
| - | - |
| - | - |
| - | - |
| 118,062 | (65,502) |
| 130,111 | (7,898) |
| 28,499,337 | (3,163,129) |
| - | (39,514) |
| 29,201,830 | (3,625,188) |
| 149,858 | - |
| - | - |
| 5,221,583 | (871,310) |
| 270,160 | (85,263) |
| - | - |
| 138,265 | 1 |
| 5,055 | (6,097) |
| 278,871 | 13,871 |
| 11,423 | - |
| 40,113 | (4) |
| 235,591 | - |
| 339,066 | (13,079) |
| 93,300 | - |
| 149,832 | - |
| 100,000 | - |
| 108,460 | - |
| - | - |
| 37,850 | (42,472) |
| 445,079 | 57,730 |
| 100,000 | - |
| - | (55,036) |
| 1,400 | (116,706) |
| 136,305 | - |
| - | - |
| 112,936 | 1 |
| - | - |
| 125,000 | - |
| 200,000 | - |
| 10,015 | - |
| 136,090 | - |
| 15,500 | - |
| 77,897 | (12,103) |
| 126,569 | (13,670) |
| 75,000 | - |
| 47,750 | - |
| 7,500 | - |
| 115,000 | - |
| - | - |
| 141,378 | 1 |
| - | - |
| - | (450) |
| 9,052,846 | (1,144,586) |

(Continued)

Capital Projects Fund
Project-Length Schedule (Continued)
Inception of Project Through December 31, 2020

| Project | Authorization | Expenditures and Transfers | Unexpended |
|---|---|---|---|
| **Sewer** | | | |
| Sewer Equipment | $ 56,000 | $ 52,684 | $ 3,316 |
| Inflow and Infiltration Reduction | 2,317,857 | 2,317,857 | - |
| Plan Improvement Harriman Plant | 25,307,153 | 25,307,153 | - |
| 2015 Equipment Replacement | 575,020 | 570,624 | 4,396 |
| 2018 Equipment Replacement | 474,500 | 267,108 | 207,392 |
| Design Meter System | 500,000 | 59,500 | 440,500 |
| 2 Roll Off Trucks | 242,073 | 242,073 | - |
| Sewer Plant Enhancements | 3,840,000 | 3,840,000 | - |
| 2012 Harriman Waste Water Treatment Facility | 925,000 | 559,084 | 365,916 |
| Petroleum Bulk Storage | 280,000 | - | 280,000 |
| 2009 Sewer Equipment Replacement | 2,465,000 | 2,210,568 | 254,432 |
| Sewer Main Extension | 500,000 | - | 500,000 |
| 2017 Sewer Fleet and Equipment | 690,000 | 506,170 | 183,830 |
| 2019 Sewer Fleet and Equipment | 161,500 | 50,931 | 110,569 |
| 2020 Sewer Fleet and Equipment | 70,000 | - | 70,000 |
| Concrete Work | 100,000 | - | 100,000 |
| Carriage Rail | 750,000 | - | 750,000 |
| Air Supply Line | 200,000 | - | 200,000 |
| | 39,454,103 | 35,983,752 | 3,470,351 |
| **Sanitation** | | | |
| Beaver Dam Lake Maintenance | 100,000 | 48,435 | 51,565 |
| Beaver Dam Lake | 5,439,229 | 4,952,257 | 486,972 |
| Beaver Dam Lake Invasive Species | 100,000 | - | 100,000 |
| Landfill Closure | 17,897,633 | 17,744,959 | 152,674 |
| 2013 Expand Newburgh Transfer Station | 8,013,101 | 1,884,926 | 6,128,175 |
| Landfill Gas Collection System | 250,176 | 137,920 | 112,256 |
| 2013 Relocation at Transfer Station #1 | 99,971 | 99,971 | - |
| 2013 Equipment Replacement at Transfer Station #1 | 313,022 | 305,976 | 7,046 |
| 2014 Equipment Replacement for Transfer Stations | 76,946 | 76,945 | 1 |
| 2008 Landfill Various Vehicles | 618,500 | 592,774 | 25,726 |
| 2012 Landfill Various Vehicles | 146,535 | 131,990 | 14,545 |
| 2015 Cheechunck Canal | 1,402,207 | 508,369 | 893,838 |
| Fleet Equipment Replacement | 436,696 | 348,644 | 88,052 |
| 2017 Fleet Equipment Replacement | 125,793 | 55,730 | 70,063 |
| 2019 Fleet Equipment Replacement | 185,800 | - | 185,800 |
| Composting Facility | 627,142 | 81,560 | 545,582 |
| Landfill Improvements / Repairs | 116,000 | 59,604 | 56,396 |
| Retrofit Design | 50,000 | - | 50,000 |
| New Hampton Paving | 250,427 | 196,077 | 54,350 |
| Landfill Equipment | 181,000 | 33,689 | 147,311 |
| Leachate Management | 290,000 | 110,579 | 179,421 |
| EF&S Admin Addition | 200,000 | - | 200,000 |
| Station Renovations | 30,000 | 29,620 | 380 |
| Paving Station #1,3 | 550,000 | - | 550,000 |
| Trailer Parking Pad | 180,000 | - | 180,000 |
| | 37,680,178 | 27,400,025 | 10,280,153 |
| Totals | $ 687,869,633 | $ 546,346,925 | $ 141,522,708 |

See independent auditors' report.

| Revenues and Other Financing Sources | Fund Balance (Deficit) at December 31, 2020 |
|---|---|
| $ 56,000 | $ 3,316 |
| 2,317,857 | - |
| 25,639,688 | 332,535 |
| 575,020 | 4,396 |
| 474,500 | 207,392 |
| 500,000 | 440,500 |
| 121,037 | (121,036) |
| 3,840,000 | - |
| 925,000 | 365,916 |
| 20,000 | 20,000 |
| 2,465,000 | 254,432 |
| 500,000 | 500,000 |
| 690,000 | 183,830 |
| 161,500 | 110,569 |
| 70,000 | 70,000 |
| 100,000 | 100,000 |
| 750,000 | 750,000 |
| 200,000 | 200,000 |
| 39,405,602 | 3,421,850 |
| 100,000 | 51,565 |
| 4,162,151 | (790,106) |
| - | - |
| 17,744,959 | - |
| 1,873,846 | (11,080) |
| 132,115 | (5,805) |
| 99,971 | - |
| 302,792 | (3,184) |
| 76,945 | - |
| 592,774 | - |
| 135,398 | 3,408 |
| 362,639 | (145,730) |
| 303,610 | (45,034) |
| 48,678 | (7,052) |
| - | - |
| 190,004 | 108,444 |
| 59,604 | - |
| - | - |
| 195,521 | (556) |
| - | (33,689) |
| 28,003 | (82,576) |
| - | - |
| - | (29,620) |
| - | - |
| - | - |
| 26,409,010 | (991,015) |
| $ 533,932,637 | $ (12,414,288) |

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# NONMAJOR GOVERNMENTAL FUNDS

## Special Revenue Funds

**County Road Fund** - The County Road Fund was established pursuant to New York State Highway Law and is used to account for the maintenance and repair of County roads and bridges and snow removal costs.

**Road Machinery Fund** - The Road Machinery Fund is used to account for the purchase, repair and maintenance of highway machinery, tools and equipment and for the purchase, construction and maintenance of buildings for the storage and repair of highway machinery and equipment.

**Sewer District Fund** - The Sewer District Fund is used to account for the operations and maintenance of the County's sewer facilities.

**Airport Fund** - The Airport Fund is used to account for the operations of Montgomery Airport, which is owned and operated by the County.

**Sanitary Landfill Fund** - The Sanitary Landfill Fund is used to account for County-owned sanitary landfill operations.

**Off-Street Parking Fund** - The Off-Street Parking Fund is used to account for revenues derived from off-street parking facilities.

**Workforce Investment Act Fund** - The Workforce Investment Act Fund is used to account for projects financed by entitlements from the U.S. Department of Labor.

**Small Watershed Protection Fund** - The Small Watershed Protection Fund is used to account for operations of the drain and watershed project.

## Debt Service Fund

The Debt Service Fund is provided to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest and for financial resources that are being accumulated for principal and interest maturing in future years.

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**County of Orange, New York**

Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2020
(With Comparative Actuals for 2019)

| | Special Revenue | Debt Service | Total Non-Major Governmental Funds 2020 | Total Non-Major Governmental Funds 2019 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and equivalents | $ 12,150,077 | $ 6,535,369 | $ 18,685,446 | $ 12,614,971 |
| Receivables | | | | |
| Accounts, net | 1,923,914 | 674,562 | 2,598,476 | 1,107,544 |
| Sewer rents | 1,294,715 | - | 1,294,715 | 1,327,853 |
| State and Federal aid | 5,538,867 | - | 5,538,867 | 4,601,182 |
| Due from other funds | - | - | - | 2,102,462 |
| | 8,757,496 | 674,562 | 9,432,058 | 9,139,041 |
| Prepaid expenditures | 178,964 | - | 178,964 | 179,583 |
| Total Assets | $ 21,086,537 | $ 7,209,931 | $ 28,296,468 | $ 21,933,595 |
| **LIABILITIES AND FUND BALANCES** | | | | |
| Liabilities | | | | |
| Accounts payable | $ 2,734,214 | $ 4,200 | $ 2,738,414 | $ 2,912,771 |
| Accrued liabilities | 98,064 | - | 98,064 | 314,151 |
| Due to other funds | 2,535,925 | - | 2,535,925 | 1,596,618 |
| Unearned revenues | 548,370 | - | 548,370 | 63,553 |
| Total Liabilities | 5,916,573 | 4,200 | 5,920,773 | 4,887,093 |
| Fund balances (deficits) | | | | |
| Nonspendable | 178,964 | - | 178,964 | 179,583 |
| Restricted | 210,680 | 7,205,731 | 7,416,411 | 5,522,473 |
| Assigned | 14,822,301 | - | 14,822,301 | 11,388,538 |
| Unassigned | (41,981) | - | (41,981) | (44,092) |
| Total Fund Balances | 15,169,964 | 7,205,731 | 22,375,695 | 17,046,502 |
| Total Liabilities and Fund Balances | $ 21,086,537 | $ 7,209,931 | $ 28,296,468 | $ 21,933,595 |

See independent auditors' report.

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**County of Orange, New York**

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Governmental Funds
Year Ended December 31, 2020
(With Comparative Actuals for 2019)

| | Special Revenue | Debt Service | Total Non-Major Governmental Funds 2020 | Total Non-Major Governmental Funds 2019 |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Real property taxes | $ 14,695,317 | $ 29,184,466 | $ 43,879,783 | $ 46,150,261 |
| Departmental income | 18,993,867 | - | 18,993,867 | 22,010,441 |
| Intergovernmental charges | 2,591,649 | 100,000 | 2,691,649 | 2,594,376 |
| Use of money and property | 220,161 | 187,286 | 407,447 | 569,079 |
| Licenses and permits | 61,800 | - | 61,800 | 43,265 |
| Sale of property and compensation for loss | 2,227,546 | - | 2,227,546 | 1,856,526 |
| Interfund revenues | 4,977,148 | - | 4,977,148 | 5,545,850 |
| State aid | 6,742,185 | - | 6,742,185 | 5,815,044 |
| Federal aid | 2,530,741 | - | 2,530,741 | 3,161,307 |
| Miscellaneous | 900 | - | 900 | 69,020 |
| Total Revenues | 53,041,314 | 29,471,752 | 82,513,066 | 87,815,169 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General government support | - | 138,115 | 138,115 | 146,632 |
| Transportation | 16,320,015 | - | 16,320,015 | 17,788,712 |
| Economic opportunity and development | 5,617,814 | - | 5,617,814 | 6,529,055 |
| Home and community services | 20,539,427 | - | 20,539,427 | 23,435,679 |
| Debt service | | | | |
| Principal | - | 29,012,254 | 29,012,254 | 29,680,013 |
| Interest | - | 9,987,045 | 9,987,045 | 9,554,645 |
| Total Expenditures | 42,477,256 | 39,137,414 | 81,614,670 | 87,134,736 |
| Excess (Deficiency) of Revenues Over Expenditures | 10,564,058 | (9,665,662) | 898,396 | 680,433 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Issuance premium | - | 962,597 | 962,597 | 1,056,905 |
| Transfers in | - | 10,587,777 | 10,587,777 | 10,427,617 |
| Transfers out | (7,119,577) | - | (7,119,577) | (6,683,594) |
| Total Other Financing Sources (Uses) | (7,119,577) | 11,550,374 | 4,430,797 | 4,800,928 |
| Net Change in Fund Balances | 3,444,481 | 1,884,712 | 5,329,193 | 5,481,361 |
| **FUND BALANCES** | | | | |
| Beginning of Year, as Restated | 11,725,483 | 5,321,019 | 17,046,502 | 11,565,141 |
| End of Year | $ 15,169,964 | $ 7,205,731 | $ 22,375,695 | $ 17,046,502 |

See independent auditors' report.

**County of Orange, New York**

Combining Balance Sheet
Non-Major Special Revenue Funds
December 31,

| | County Road | Road Machinery | Sewer District | Airport |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and equivalents | $ 5,926,589 | $ 493,394 | $ 3,907,810 | $ 684,680 |
| Receivables | | | | |
| Accounts | 350 | 18 | 713,306 | 23,519 |
| Sewer rents, net | - | - | 1,294,715 | - |
| State and Federal aid | 3,392,239 | - | - | - |
| | 3,392,589 | 18 | 2,008,021 | 23,519 |
| Prepaid expenditures | - | 33,023 | 48,767 | 12,993 |
| Total Assets | $ 9,319,178 | $ 526,435 | $ 5,964,598 | $ 721,192 |
| **LIABILITIES AND FUND BALANCES** | | | | |
| Liabilities | | | | |
| Accounts payable | $ 22,536 | $ 50,898 | $ 1,102,125 | $ 35,005 |
| Accrued liabilities | - | 16,017 | 31,180 | 7,792 |
| Due to other funds | 767,311 | 209,257 | 190,045 | 51,667 |
| Unearned revenues | - | - | 523,699 | 24,671 |
| Total Liabilities | 789,847 | 276,172 | 1,847,049 | 119,135 |
| Fund balances (deficits) | | | | |
| Nonspendable | - | 33,023 | 48,767 | 12,993 |
| Restricted | 9,226 | - | - | - |
| Assigned | 8,520,105 | 217,240 | 4,068,782 | 589,064 |
| Unassigned | - | - | - | - |
| Total Fund Balances | 8,529,331 | 250,263 | 4,117,549 | 602,057 |
| Total Liabilities and Fund Balances | $ 9,319,178 | $ 526,435 | $ 5,964,598 | $ 721,192 |

See independent auditors' report.

| Sanitary Landfill | Off-Street Parking | Workforce Investment Act | Small Watershed Protection Fund | Totals 2020 | Totals 2019 |
|---|---|---|---|---|---|
| $ 589,668 | $ 87,896 | $ - | $ 460,040 | $ 12,150,077 | $ 9,492,217 |
| 1,186,721 | - | - | - | 1,923,914 | 1,007,541 |
| - | - | - | - | 1,294,715 | 1,327,853 |
| 436,749 | - | 1,709,879 | - | 5,538,867 | 4,601,182 |
| 1,623,470 | - | 1,709,879 | - | 8,757,496 | 6,936,576 |
| 47,461 | - | 36,216 | 504 | 178,964 | 179,583 |
| $ 2,260,599 | $ 87,896 | $ 1,746,095 | $ 460,544 | $ 21,086,537 | $ 16,608,376 |
| $ 967,182 | $ - | $ 538,830 | $ 17,638 | $ 2,734,214 | $ 2,908,571 |
| 26,371 | - | 16,704 | - | 98,064 | 314,151 |
| 127,084 | - | 1,190,561 | - | 2,535,925 | 1,596,618 |
| - | - | - | - | 548,370 | 63,553 |
| 1,120,637 | - | 1,746,095 | 17,638 | 5,916,573 | 4,882,893 |
| 47,461 | - | 36,216 | 504 | 178,964 | 179,583 |
| 37,771 | 93,661 | - | 70,022 | 210,680 | 201,454 |
| 1,054,730 | - | - | 372,380 | 14,822,301 | 11,388,538 |
| - | (5,765) | (36,216) | - | (41,981) | (44,092) |
| 1,139,962 | 87,896 | - | 442,906 | 15,169,964 | 11,725,483 |
| $ 2,260,599 | $ 87,896 | $ 1,746,095 | $ 460,544 | $ 21,086,537 | $ 16,608,376 |

**County of Orange, New York**

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Special Revenue Funds
Years Ended December 31,

| | County Road | Road Machinery | Sewer District | Airport |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Real property taxes | $ 12,463,221 | $ 362,092 | $ - | $ 100,872 |
| Departmental income | 112,049 | - | 7,211,617 | 1,401,790 |
| Intergovernmental charges | - | - | 2,569,499 | - |
| Use of money and property | 115,754 | 6,156 | 61,949 | 6,880 |
| Licenses and permits | - | - | 50,480 | - |
| Sale of property and compensation for loss | 34,154 | 54,701 | - | - |
| Interfund revenues | 14,885 | 1,916,971 | - | 50,328 |
| State aid | 6,649,088 | - | - | - |
| Federal aid | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Total Revenues | 19,389,151 | 2,339,920 | 9,893,545 | 1,559,870 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Transportation | 12,878,288 | 2,278,912 | - | 1,162,815 |
| Economic opportunity and development | - | - | - | - |
| Home and community services | - | - | 8,068,106 | - |
| Total Expenditures | 12,878,288 | 2,278,912 | 8,068,106 | 1,162,815 |
| Excess of Revenues Over Expenditures | 6,510,863 | 61,008 | 1,825,439 | 397,055 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (3,820,324) | - | (1,338,317) | (220,780) |
| Total Other Financing Uses | (3,820,324) | - | (1,338,317) | (220,780) |
| Net Change in Fund Balances | 2,690,539 | 61,008 | 487,122 | 176,275 |
| **FUND BALANCES** | | | | |
| Beginning of Year, as Restated | 5,838,792 | 189,255 | 3,630,427 | 425,782 |
| End of Year | $ 8,529,331 | $ 250,263 | $ 4,117,549 | $ 602,057 |

See independent auditors' report.

| Sanitary Landfill | Off-Street Parking | Workforce Investment Act | Small Watershed Protection Fund | Totals 2020 | Totals 2019 |
|---|---|---|---|---|---|
| $ 1,677,623 | $ - | $ 91,509 | $ - | $ 14,695,317 | $ 14,977,592 |
| 9,975,282 | - | - | 293,129 | 18,993,867 | 22,010,441 |
| - | - | - | 22,150 | 2,591,649 | 2,494,376 |
| 18,879 | - | - | 10,543 | 220,161 | 323,776 |
| 11,320 | - | - | - | 61,800 | 43,265 |
| 2,138,691 | - | - | - | 2,227,546 | 1,856,526 |
| - | - | 2,994,964 | - | 4,977,148 | 5,545,850 |
| 93,097 | - | - | - | 6,742,185 | 5,815,044 |
| - | - | 2,530,741 | - | 2,530,741 | 3,161,307 |
| 300 | - | 600 | - | 900 | 69,020 |
| 13,915,192 | - | 5,617,814 | 325,822 | 53,041,314 | 56,297,197 |
| - | - | - | - | 16,320,015 | 17,788,712 |
| - | - | 5,617,814 | - | 5,617,814 | 6,529,055 |
| 12,292,612 | - | - | 178,709 | 20,539,427 | 23,435,679 |
| 12,292,612 | - | 5,617,814 | 178,709 | 42,477,256 | 47,753,446 |
| 1,622,580 | - | - | 147,113 | 10,564,058 | 8,543,751 |
| - | - | - | - | - | 4,667 |
| (1,056,578) | - | - | (683,578) | (7,119,577) | (6,683,594) |
| (1,056,578) | - | - | (683,578) | (7,119,577) | (6,678,927) |
| 566,002 | - | - | (536,465) | 3,444,481 | 1,864,824 |
| 573,960 | 87,896 | - | 979,371 | 11,725,483 | 9,860,659 |
| $ 1,139,962 | $ 87,896 | $ - | $ 442,906 | $ 15,169,964 | $ 11,725,483 |

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**County of Orange, New York**

County Road Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 5,926,589 | $ 3,744,460 |
| Receivables | | |
| Accounts | 350 | 8,879 |
| State and Federal aid | 3,392,239 | 2,107,980 |
| | 3,392,589 | 2,116,859 |
| Total Assets | $ 9,319,178 | $ 5,861,319 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 22,536 | $ 22,527 |
| Due to other funds | 767,311 | - |
| Total Liabilities | 789,847 | 22,527 |
| Fund balance | | |
| Restricted | 9,226 | - |
| Assigned | 8,520,105 | 5,838,792 |
| Total Fund Balance | 8,529,331 | 5,838,792 |
| Total Liabilities and Fund Balance | $ 9,319,178 | $ 5,861,319 |

See independent auditors' report.

**County of Orange, New York**

County Road Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Real property taxes | $ 12,463,221 | $ 12,463,221 | $ 12,463,221 | $ - |
| Departmental income | 110,000 | 110,000 | 112,049 | 2,049 |
| Use of money and property | - | - | 115,754 | 115,754 |
| Sale of property and compensation for loss | 3,000 | 3,000 | 34,154 | 31,154 |
| Interfund revenues | 30,000 | 30,000 | 14,885 | (15,115) |
| State aid | 3,936,668 | 3,936,668 | 6,649,088 | 2,712,420 |
| Miscellaneous | 34,500 | 34,500 | - | (34,500) |
| Total Revenues | 16,577,389 | 16,577,389 | 19,389,151 | 2,811,762 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Transportation | | | | |
| Engineering fees | 178,241 | 178,241 | 135,693 | 42,548 |
| Maintenance of roads and bridges | 11,281,323 | 11,281,323 | 10,882,671 | 398,652 |
| Snow removal | 2,935,823 | 2,935,823 | 1,859,924 | 1,075,899 |
| Total Expenditures | 14,395,387 | 14,395,387 | 12,878,288 | 1,517,099 |
| Excess of Revenues Over Expenditures | 2,182,002 | 2,182,002 | 6,510,863 | 4,328,861 |
| **OTHER FINANCING USES** | | | | |
| Transfers out | (3,820,327) | (3,820,327) | (3,820,324) | 3 |
| Net Change in Fund Balance | (1,638,325) | (1,638,325) | 2,690,539 | 4,328,864 |
| **FUND BALANCE** | | | | |
| Beginning of Year | 1,638,325 | 1,638,325 | 5,838,792 | 4,200,467 |
| End of Year | $ - | $ - | $ 8,529,331 | $ 8,529,331 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 12,877,639 | $ 12,877,639 | $ 12,877,639 | $ - |
| 110,000 | 110,000 | 177,864 | 67,864 |
| - | - | 154,006 | 154,006 |
| 3,000 | 3,000 | 17,025 | 14,025 |
| 25,500 | 25,500 | 27,335 | 1,835 |
| 3,936,668 | 3,936,668 | 5,739,048 | 1,802,380 |
| 34,500 | 34,500 | 3,116 | (31,384) |
| 16,987,307 | 16,987,307 | 18,996,033 | 2,008,726 |
| 160,211 | 160,211 | 128,708 | 31,503 |
| 11,325,401 | 11,325,401 | 11,109,867 | 215,534 |
| 2,935,823 | 2,935,823 | 2,723,701 | 212,122 |
| 14,421,435 | 14,421,435 | 13,962,276 | 459,159 |
| 2,565,872 | 2,565,872 | 5,033,757 | 2,467,885 |
| (3,997,216) | (3,997,216) | (3,987,994) | 9,222 |
| (1,431,344) | (1,431,344) | 1,045,763 | 2,477,107 |
| 1,431,344 | 1,431,344 | 4,793,029 | 3,361,685 |
| $ - | $ - | $ 5,838,792 | $ 5,838,792 |

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**County of Orange, New York**

Road Machinery Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 493,394 | $ 491,938 |
| Accounts receivable | 18 | 1,012 |
| Prepaid expenditures | 33,023 | 33,231 |
| Total Assets | $ 526,435 | $ 526,181 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 50,898 | $ 75,731 |
| Accrued liabilities | 16,017 | 49,867 |
| Due to other funds | 209,257 | 211,328 |
| Total Liabilities | 276,172 | 336,926 |
| Fund balance | | |
| Nonspendable | 33,023 | 33,231 |
| Assigned | 217,240 | 156,024 |
| Total Fund Balance | 250,263 | 189,255 |
| Total Liabilities and Fund Balance | $ 526,435 | $ 526,181 |

See independent auditors' report.

**County of Orange, New York**

Road Machinery Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Real property taxes | $ 385,758 | $ 362,092 | $ 362,092 | $ - |
| Use of money and property | - | - | 6,156 | 6,156 |
| Sale of property and compensation for loss | 85,000 | 85,000 | 54,701 | (30,299) |
| Interfund revenues | 2,329,711 | 2,329,711 | 1,916,971 | (412,740) |
| Miscellaneous | 1,000 | 1,000 | - | (1,000) |
| Total Revenues | 2,801,469 | 2,777,803 | 2,339,920 | (437,883) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Transportation | | | | |
| Maintenance of roads and bridges | 2,806,743 | 2,783,077 | 2,278,912 | 504,165 |
| Excess (Deficiency) of Revenues Over Expenditures | (5,274) | (5,274) | 61,008 | 66,282 |
| **FUND BALANCE** | | | | |
| Beginning of Year | 5,274 | 5,274 | 189,255 | 183,981 |
| End of Year | $ - | $ - | $ 250,263 | $ 250,263 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 377,323 | $ 377,323 | $ 377,323 | $ - |
| - | - | 7,103 | 7,103 |
| 85,000 | 85,000 | 64,859 | (20,141) |
| 2,262,286 | 2,262,286 | 2,266,100 | 3,814 |
| 800 | 800 | 3,678 | 2,878 |
| 2,725,409 | 2,725,409 | 2,719,063 | (6,346) |
| 2,726,279 | 2,726,279 | 2,589,345 | 136,934 |
| (870) | (870) | 129,718 | 130,588 |
| 870 | 870 | 59,537 | 58,667 |
| $ - | $ - | $ 189,255 | $ 189,255 |

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**County of Orange, New York**

Sewer District Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 3,907,810 | $ 3,202,289 |
| Receivables | | |
| Accounts, net | 713,306 | 213,185 |
| Sewer rents | 1,294,715 | 1,327,853 |
| | 2,008,021 | 1,541,038 |
| Prepaid expenditures | 48,767 | 44,084 |
| Total Assets | $ 5,964,598 | $ 4,787,411 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 1,102,125 | $ 877,806 |
| Accrued liabilities | 31,180 | 84,393 |
| Due to other funds | 190,045 | 154,838 |
| Unearned revenues | 523,699 | 39,947 |
| Total Liabilities | 1,847,049 | 1,156,984 |
| Fund balance | | |
| Nonspendable | 48,767 | 44,084 |
| Assigned | 4,068,782 | 3,586,343 |
| Total Fund Balance | 4,117,549 | 3,630,427 |
| Total Liabilities and Fund Balance | $ 5,964,598 | $ 4,787,411 |

See independent auditors' report.

**County of Orange, New York**

Sewer District Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Departmental income | $ 7,139,190 | $ 7,139,190 | $ 7,211,617 | $ 72,427 |
| Intergovernmental charges | 2,647,220 | 2,647,220 | 2,569,499 | (77,721) |
| Use of money and property | - | - | 61,949 | 61,949 |
| Licenses and permits | 50,000 | 50,000 | 50,480 | 480 |
| Sale of property and compensation for loss | - | - | - | - |
| Miscellaneous | 133,560 | 133,560 | - | (133,560) |
| Total Revenues | 9,969,970 | 9,969,970 | 9,893,545 | (76,425) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Home and community services | | | | |
| Administration | 2,801,640 | 2,801,640 | 2,650,411 | 151,229 |
| Operation and maintenance | 6,088,070 | 6,088,070 | 5,417,695 | 670,375 |
| Total Expenditures | 8,889,710 | 8,889,710 | 8,068,106 | 821,604 |
| Excess of Revenues Over Expenditures | 1,080,260 | 1,080,260 | 1,825,439 | 745,179 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (1,268,319) | (1,338,319) | (1,338,317) | 2 |
| Total Other Financing Uses | (1,268,319) | (1,338,319) | (1,338,317) | 2 |
| Net Change in Fund Balance | (188,059) | (258,059) | 487,122 | 745,181 |
| **FUND BALANCE** | | | | |
| Beginning of Year, as Reported | 188,059 | 258,059 | 3,630,427 | 3,372,368 |
| Prior Period Adjustment | - | - | - | - |
| Beginning of Year, as Restated | 188,059 | 258,059 | 3,630,427 | 3,372,368 |
| End of Year | $ - | $ - | $ 4,117,549 | $ 4,117,549 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 6,671,850 | $ 6,671,850 | $ 7,104,646 | $ 432,796 |
| 2,754,709 | 2,754,709 | 2,470,576 | (284,133) |
| - | - | 70,433 | 70,433 |
| 50,000 | 50,000 | 35,120 | (14,880) |
| - | - | 421 | 421 |
| 133,000 | 133,000 | 42,208 | (90,792) |
| 9,609,559 | 9,609,559 | 9,723,404 | 113,845 |
| 2,964,100 | 2,963,755 | 2,710,628 | 253,127 |
| 5,533,419 | 5,533,420 | 4,556,953 | 976,467 |
| 8,497,519 | 8,497,175 | 7,267,581 | 1,229,594 |
| 1,112,040 | 1,112,384 | 2,455,823 | 1,343,439 |
| - | - | 4,667 | 4,667 |
| (1,277,341) | (1,439,185) | (1,439,185) | - |
| (1,277,341) | (1,439,185) | (1,434,518) | 4,667 |
| (165,301) | (326,801) | 1,021,305 | 1,348,106 |
| 165,301 | 326,801 | 4,930,968 | 4,604,167 |
| - | - | (2,321,846) | (2,321,846) |
| 165,301 | 326,801 | 2,609,122 | 2,282,321 |
| $ - | $ - | $ 3,630,427 | $ 3,630,427 |

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**County of Orange, New York**

Airport Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 684,680 | $ 504,207 |
| Accounts receivable, net | 23,519 | 64,605 |
| Prepaid expenditures | 12,993 | 13,265 |
| Total Assets | $ 721,192 | $ 582,077 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 35,005 | $ 68,535 |
| Accrued liabilities | 7,792 | 23,783 |
| Due to other funds | 51,667 | 40,371 |
| Unearned revenues | 24,671 | 23,606 |
| Total Liabilities | 119,135 | 156,295 |
| Fund balance | | |
| Nonspendable | 12,993 | 13,265 |
| Assigned | 589,064 | 412,517 |
| Total Fund Balance | 602,057 | 425,782 |
| Total Liabilities and Fund Balance | $ 721,192 | $ 582,077 |

See independent auditors' report.

**County of Orange, New York**

Airport Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Real property taxes | $ 112,743 | $ 100,872 | $ 100,872 | $ - |
| Departmental income | 1,335,956 | 1,335,956 | 1,401,790 | 65,834 |
| Use of money and property | - | - | 6,880 | 6,880 |
| Interfund revenues | - | - | 50,328 | 50,328 |
| Federal aid | 5,000 | 74,000 | - | (74,000) |
| Miscellaneous | 1,000 | 1,000 | - | (1,000) |
| Total Revenues | 1,454,699 | 1,511,828 | 1,559,870 | 48,042 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Transportation | 1,359,589 | 1,416,718 | 1,162,815 | 253,903 |
| Excess of Revenues Over Expenditures | 95,110 | 95,110 | 397,055 | 301,945 |
| **OTHER FINANCING USES** | | | | |
| Transfers out | (220,780) | (220,780) | (220,780) | - |
| Net Change in Fund Balance | (125,670) | (125,670) | 176,275 | 301,945 |
| **FUND BALANCE** | | | | |
| Beginning of Year, as Reported | 125,670 | 125,670 | 425,782 | 300,112 |
| Prior Period Adjustment | - | - | - | - |
| Beginning of Year, as Restated | 125,670 | 125,670 | 425,782 | 300,112 |
| End of Year | $ - | $ - | $ 602,057 | $ 602,057 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 88,040 | $ 88,040 | $ 88,040 | $ - |
| 1,245,720 | 1,245,720 | 1,389,301 | 143,581 |
| 1,500 | 1,500 | 8,160 | 6,660 |
| 2,520 | 2,520 | - | (2,520) |
| 5,000 | 5,000 | - | (5,000) |
| 1,000 | 1,000 | - | (1,000) |
| 1,343,780 | 1,343,780 | 1,485,501 | 141,721 |
| 1,311,769 | 1,302,125 | 1,237,091 | 65,034 |
| 32,011 | 41,655 | 248,410 | 206,755 |
| (192,681) | (202,325) | (202,325) | - |
| (160,670) | (160,670) | 46,085 | 206,755 |
| 160,670 | 160,670 | 512,138 | 351,468 |
| - | - | (132,441) | (132,441) |
| 160,670 | 160,670 | 379,697 | 219,027 |
| $ - | $ - | $ 425,782 | $ 425,782 |

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**County of Orange, New York**

Sanitary Landfill Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 589,668 | $ 459,253 |
| Receivables | | |
| Accounts, net | 1,186,721 | 719,860 |
| State and Federal aid | 436,749 | 377,066 |
| | 1,623,470 | 1,096,926 |
| Prepaid expenditures | 47,461 | 50,266 |
| Total Assets | $ 2,260,599 | $ 1,606,445 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 967,182 | $ 823,902 |
| Accrued liabilities | 26,371 | 87,609 |
| Due to other funds | 127,084 | 120,974 |
| Total Liabilities | 1,120,637 | 1,032,485 |
| Fund balance | | |
| Nonspendable | 47,461 | 50,266 |
| Restricted | 37,771 | 37,771 |
| Assigned | 1,054,730 | 485,923 |
| Total Fund Balance | 1,139,962 | 573,960 |
| Total Liabilities and Fund Balance | $ 2,260,599 | $ 1,606,445 |

See independent auditors' report.

**County of Orange, New York**

Sanitary Landfill Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Real property taxes | $ 1,722,499 | $ 1,677,623 | $ 1,677,623 | $ - |
| Departmental income | 12,137,000 | 12,137,000 | 9,975,282 | (2,161,718) |
| Use of money and property | 35,000 | 35,000 | 18,879 | (16,121) |
| Licenses and permits | 10,000 | 10,000 | 11,320 | 1,320 |
| Sale of property and compensation for loss | 1,970,945 | 1,970,945 | 2,138,691 | 167,746 |
| State aid | 100,460 | 100,460 | 93,097 | (7,363) |
| Miscellaneous | - | - | 300 | 300 |
| Total Revenues | 15,975,904 | 15,931,028 | 13,915,192 | (2,015,836) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Home and community services | 15,320,464 | 15,275,588 | 12,292,612 | 2,982,976 |
| Excess of Revenues Over Expenditures | 655,440 | 655,440 | 1,622,580 | 967,140 |
| **OTHER FINANCING USES** | | | | |
| Transfers out | (1,056,579) | (1,056,579) | (1,056,578) | 1 |
| Net Change in Fund Balance | (401,139) | (401,139) | 566,002 | 967,141 |
| **FUND BALANCE** | | | | |
| Beginning of Year, as Reported | 401,139 | 401,139 | 573,960 | 172,821 |
| Prior Period Adjustment | - | - | - | - |
| Beginning of Year, as Restated | 401,139 | 401,139 | 573,960 | 172,821 |
| End of Year | $ - | $ - | $ 1,139,962 | $ 1,139,962 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 1,539,275 | $ 1,539,275 | $ 1,539,275 | $ - |
| 14,358,900 | 14,608,900 | 13,015,459 | (1,593,441) |
| 25,000 | 25,000 | 66,589 | 41,589 |
| 10,000 | 10,000 | 8,145 | (1,855) |
| 1,148,945 | 1,148,945 | 1,774,221 | 625,276 |
| 66,162 | 66,162 | 75,996 | 9,834 |
| - | - | - | - |
| 17,148,282 | 17,398,282 | 16,479,685 | (918,597) |
| 16,463,547 | 16,713,547 | 15,973,078 | 740,469 |
| 684,735 | 684,735 | 506,607 | (178,128) |
| (1,036,460) | (1,036,460) | (1,036,114) | 346 |
| (351,725) | (351,725) | (529,507) | (177,782) |
| 351,725 | 351,725 | 1,561,252 | 1,209,527 |
| - | - | (457,785) | (457,785) |
| 351,725 | 351,725 | 1,103,467 | 751,742 |
| $ - | $ - | $ 573,960 | $ 573,960 |

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**County of Orange, New York**

Off-Street Parking Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 87,896 | $ 87,896 |
| **FUND BALANCE** | | |
| Restricted | $ 93,661 | $ 93,661 |
| Unassigned | (5,765) | (5,765) |
| Total Fund Balance | $ 87,896 | $ 87,896 |

See independent auditors' report.

**County of Orange, New York**

Off-Street Parking Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | $ - | $ - | $ - | $ - |
| **EXPENDITURES** | - | - | - | - |
| Excess of Revenues Over Expenditures | - | - | - | - |
| **FUND BALANCE** Beginning of Year | - | - | 87,896 | 87,896 |
| End of Year | $ - | $ - | $ 87,896 | $ 87,896 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ - | $ - | $ - | $ - |
| - | - | - | - |
| - | - | - | - |
| - | - | 87,896 | 87,896 |
| $ - | $ - | $ 87,896 | $ 87,896 |

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**County of Orange, New York**

Workforce Investment Act Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| State and Federal aid receivable | $ 1,709,879 | $ 2,116,136 |
| Prepaid expenditures | 36,216 | 38,327 |
| Total Assets | $ 1,746,095 | $ 2,154,463 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 538,830 | $ 1,016,857 |
| Accrued liabilities | 16,704 | 68,499 |
| Due to other funds | 1,190,561 | 1,069,107 |
| Total Liabilities | 1,746,095 | 2,154,463 |
| Fund balance (deficit) | | |
| Nonspendable | 36,216 | 38,327 |
| Unassigned | (36,216) | (38,327) |
| Total Fund Balance | - | - |
| Total Liabilities and Fund Balance | $ 1,746,095 | $ 2,154,463 |

See independent auditors' report.

**County of Orange, New York**

Workforce Investment Act Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Real property taxes | $ 91,509 | $ 91,509 | $ 91,509 | $ - |
| Interfund revenues | 3,711,335 | 3,711,335 | 2,994,964 | (716,371) |
| Federal aid | 4,767,185 | 4,767,185 | 2,530,741 | (2,236,444) |
| Miscellaneous | - | - | 600 | 600 |
| Total Revenues | 8,570,029 | 8,570,029 | 5,617,814 | (2,952,215) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Economic opportunity and development | 8,570,029 | 8,570,029 | 5,617,814 | 2,952,215 |
| Excess of Revenues Over Expenditures | - | - | - | - |
| **FUND BALANCE** | | | | |
| Beginning of Year | - | - | - | - |
| End of Year | $ - | $ - | $ - | $ - |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 95,315 | $ 95,315 | $ 95,315 | $ - |
| 3,672,982 | 3,672,982 | 3,252,415 | (420,567) |
| 4,505,864 | 4,505,864 | 3,161,307 | (1,344,557) |
| - | - | 20,018 | 20,018 |
| 8,274,161 | 8,274,161 | 6,529,055 | (1,745,106) |
| 8,274,161 | 8,274,161 | 6,529,055 | 1,745,106 |
| - | - | - | - |
| - | - | - | - |
| $ - | $ - | $ - | $ - |

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**County of Orange, New York**

Small Watershed Protection Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 460,040 | $ 1,002,174 |
| Prepaid expenditures | 504 | 410 |
| Total Assets | $ 460,544 | $ 1,002,584 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 17,638 | $ 23,213 |
| Fund balance | | |
| Nonspendable | 504 | 410 |
| Restricted | 70,022 | 70,022 |
| Assigned | 372,380 | 908,939 |
| Total Fund Balance | 442,906 | 979,371 |
| Total Liabilities and Fund Balance | $ 460,544 | $ 1,002,584 |

See independent auditors' report.

**County of Orange, New York**

Small Watershed Protection Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Departmental income | $ 293,129 | $ 293,129 | $ 293,129 | $ - |
| Intergovernmental charges | 60,000 | 60,000 | 22,150 | (37,850) |
| Use of money and property | - | - | 10,543 | 10,543 |
| Total Revenues | 353,129 | 353,129 | 325,822 | (27,307) |
| **EXPENDITURES** | | | | |
| Current | | | | |
| Home and community services | 399,970 | 399,970 | 178,709 | 221,261 |
| Excess (Deficiency) of Revenues Over Expenditures | (46,841) | (46,841) | 147,113 | 193,954 |
| **OTHER FINANCING USES** | | | | |
| Transfers out | (24,578) | (683,578) | (683,578) | - |
| Net Change in Fund Balance | (71,419) | (730,419) | (536,465) | 193,954 |
| **FUND BALANCE** | | | | |
| Beginning of Year | 71,419 | 730,419 | 979,371 | 248,952 |
| End of Year | $ - | $ - | $ 442,906 | $ 442,906 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 323,171 | $ 323,171 | $ 323,171 | $ - |
| 48,000 | 48,000 | 23,800 | (24,200) |
| - | - | 17,485 | 17,485 |
| 371,171 | 371,171 | 364,456 | (6,715) |
| 442,315 | 442,315 | 195,020 | 247,295 |
| (71,144) | (71,144) | 169,436 | 240,580 |
| (17,976) | (17,976) | (17,976) | - |
| (89,120) | (89,120) | 151,460 | 240,580 |
| 89,120 | 89,120 | 827,911 | 738,791 |
| $ - | $ - | $ 979,371 | $ 979,371 |

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**County of Orange, New York**

Debt Service Fund
Comparative Balance Sheet
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 6,535,369 | $ 3,122,754 |
| Receivables | | |
| Accounts | 674,562 | 100,003 |
| Due from other funds | - | 2,102,462 |
| | 674,562 | 2,202,465 |
| Total Assets | $ 7,209,931 | $ 5,325,219 |
| **LIABILITIES AND FUND BALANCE** | | |
| Liabilities | | |
| Accounts payable | $ 4,200 | $ 4,200 |
| Fund balance | | |
| Restricted | 7,205,731 | 5,321,019 |
| Total Liabilities and Fund Balance | $ 7,209,931 | $ 5,325,219 |

See independent auditors' report.

**County of Orange, New York**

Debt Service Fund
Comparative Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual
Years Ended December 31,

| | 2020 | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Final Budget |
| **REVENUES** | | | | |
| Real property taxes | $ 29,184,466 | $ 29,184,466 | $ 29,184,466 | $ - |
| Intergovernmental charges | 100,000 | 100,000 | 100,000 | - |
| Use of money and property | - | - | 187,286 | 187,286 |
| Total Revenues | 29,284,466 | 29,284,466 | 29,471,752 | 187,286 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General government support | 155,000 | 155,000 | 138,115 | 16,885 |
| Debt service | | | | |
| Serial bonds | | | | |
| Principal | 29,012,254 | 29,012,254 | 29,012,254 | - |
| Interest | 9,987,046 | 9,987,046 | 9,987,045 | 1 |
| | 38,999,300 | 38,999,300 | 38,999,299 | 1 |
| Total Expenditures | 39,154,300 | 39,154,300 | 39,137,414 | 16,886 |
| Deficiency of Revenues Over Expenditures | (9,869,834) | (9,869,834) | (9,665,662) | 204,172 |
| **OTHER FINANCING SOURCES** | | | | |
| Issuance premium | - | - | 962,597 | 962,597 |
| Transfers in | 9,869,834 | 9,869,834 | 10,587,777 | 717,943 |
| Total Other Financing Sources | 9,869,834 | 9,869,834 | 11,550,374 | 1,680,540 |
| Net Change in Fund Balance | - | - | 1,884,712 | 1,884,712 |
| **FUND BALANCE** | | | | |
| Beginning of Year | - | - | 5,321,019 | 5,321,019 |
| End of Year | $ - | $ - | $ 7,205,731 | $ 7,205,731 |

See independent auditors' report.

| 2019 | | | |
|---|---|---|---|
| Original Budget | Final Budget | Actual | Variance with Final Budget |
| $ 31,172,669 | $ 31,172,669 | $ 31,172,669 | $ - |
| 100,000 | 100,000 | 100,000 | - |
| - | - | 245,303 | 245,303 |
| 31,272,669 | 31,272,669 | 31,517,972 | 245,303 |
| 255,000 | 255,000 | 146,632 | 108,368 |
| 29,680,013 | 29,680,013 | 29,680,013 | - |
| 9,554,645 | 9,554,645 | 9,554,645 | - |
| 39,234,658 | 39,234,658 | 39,234,658 | - |
| 39,489,658 | 39,489,658 | 39,381,290 | 108,368 |
| (8,216,989) | (8,216,989) | (7,863,318) | 353,671 |
| - | - | 1,056,905 | 1,056,905 |
| 8,216,989 | 8,216,989 | 10,422,950 | 2,205,961 |
| 8,216,989 | 8,216,989 | 11,479,855 | 3,262,866 |
| - | - | 3,616,537 | 3,616,537 |
| - | - | 1,704,482 | 1,704,482 |
| $ - | $ - | $ 5,321,019 | $ 5,321,019 |

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# INTERNAL SERVICE FUNDS

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

Motor Pool Fund - This fund is used to account for the rental of motor vehicles to other departments.

Workers' Compensation Benefits Fund - This fund is used to account for the payment of workers' compensation claims.

Self-Insurance Fund - This fund is used to account for the payment of health benefit claims.

Liability and Casualty Fund – This fund is used to account for the payment of liability and casualty claims.

Compensated Absences Fund – This fund is used to account for the compensated absences of the governmental funds.

**County of Orange, New York**

Internal Service Funds
Combining Statement of Net Position
December 31, 2020
(With Comparative Totals for 2019)

| | Motor Pool | Workers' Compensation Benefits | Self-Insurance |
|---|---|---|---|
| **ASSETS** | | | |
| Current assets | | | |
| Cash and equivalents | $ 1,466,493 | $ 43,021,316 | $ 1,150,492 |
| Receivables | | | |
| Accounts | 257 | - | 3,692,237 |
| Due from other funds | - | - | - |
| | 257 | - | 3,692,237 |
| Total Current Assets | 1,466,750 | 43,021,316 | 4,842,729 |
| Noncurrent assets | | | |
| Capital assets | | | |
| Equipment | 6,109,562 | - | - |
| Less - accumulated depreciation | (5,777,264) | - | - |
| Total Noncurrent Assets | 332,298 | - | - |
| Total Assets | 1,799,048 | 43,021,316 | 4,842,729 |
| **LIABILITIES** | | | |
| Current liabilities | | | |
| Accounts payable | 28,186 | 122,327 | 343,595 |
| Current portion of compensated absences | - | - | - |
| Current portion of claims payable | - | 3,530,000 | - |
| Total Current Liabilities | 28,186 | 3,652,327 | 343,595 |
| Noncurrent liabilities | | | |
| Compensated absences, less current portion | - | - | - |
| Claims payable, less current portion | - | 31,770,000 | - |
| Total Noncurrent Liabilities | - | 31,770,000 | - |
| Total Liabilities | 28,186 | 35,422,327 | 343,595 |
| **NET POSITION** | | | |
| Net investment in capital assets | 332,298 | - | - |
| Unrestricted | 1,438,564 | 7,598,989 | 4,499,134 |
| Total Net Position | $ 1,770,862 | $ 7,598,989 | $ 4,499,134 |

See independent auditors' report.

| Liability and Casualty | Compensated Absences | Totals 2020 | Totals 2019 |
|---|---|---|---|
| $ 10,800,731 | $ - | $ 56,439,032 | $ 52,427,766 |
| - | - | 3,692,494 | 2,933,107 |
| - | 13,788,966 | 13,788,966 | 11,569,254 |
| - | 13,788,966 | 17,481,460 | 14,502,361 |
| 10,800,731 | 13,788,966 | 73,920,492 | 66,930,127 |
| - | - | 6,109,562 | 6,662,098 |
| - | - | (5,777,264) | (6,050,257) |
| - | - | 332,298 | 611,841 |
| 10,800,731 | 13,788,966 | 74,252,790 | 67,541,968 |
| 581,358 | - | 1,075,466 | 646,056 |
| - | 578,463 | 578,463 | 578,000 |
| 2,995,564 | - | 6,525,564 | 6,128,160 |
| 3,576,922 | 578,463 | 8,179,493 | 7,352,216 |
| - | 13,210,503 | 13,210,503 | 10,991,254 |
| 2,344,783 | - | 34,114,783 | 33,187,000 |
| 2,344,783 | 13,210,503 | 47,325,286 | 44,178,254 |
| 5,921,705 | 13,788,966 | 55,504,779 | 51,530,470 |
| - | - | 332,298 | 611,841 |
| 4,879,026 | - | 18,415,713 | 15,399,657 |
| $ 4,879,026 | $ - | $ 18,748,011 | $ 16,011,498 |

**County of Orange, New York**

Internal Service Funds
Combining Statement of Revenues, Expenses and
Changes in Net Position
Year Ended December 31, 2020
(With Comparative Totals for 2019)

| | Motor Pool | Workers' Compensation Benefits | Self-Insurance |
|---|---|---|---|
| **OPERATING REVENUES** | | | |
| Charges for services - Internal | $ 1,523,638 | $ 6,530,194 | $ 61,925,882 |
| Charges for services - External | - | 350,000 | 11,330,051 |
| Miscellaneous | - | 9,649 | 5,569,004 |
| Total Operating Revenues | 1,523,638 | 6,889,843 | 78,824,937 |
| **OPERATING EXPENSES** | | | |
| Salaries and contractual | 1,172,292 | - | - |
| Judgments and claims | - | - | - |
| Employee benefits | - | 4,980,587 | 77,793,444 |
| Depreciation | 279,543 | - | - |
| Total Operating Expenses | 1,451,835 | 4,980,587 | 77,793,444 |
| Income from Operations | 71,803 | 1,909,256 | 1,031,493 |
| **NON-OPERATING REVENUES** | | | |
| Interest income | 12,348 | 461,048 | 62,245 |
| Insurance recoveries | - | 28,286 | - |
| Sale of property and compensation for loss | 113,442 | - | - |
| Total Non-Operating Revenues | 125,790 | 489,334 | 62,245 |
| Income Before Transfers | 197,593 | 2,398,590 | 1,093,738 |
| Transfers out | - | (1,000,000) | - |
| Change in Net Position | 197,593 | 1,398,590 | 1,093,738 |
| **NET POSITION** | | | |
| Beginning of Year | 1,573,269 | 6,200,399 | 3,405,396 |
| End of Year | $ 1,770,862 | $ 7,598,989 | $ 4,499,134 |

See independent auditors' report.

| Liability and Casualty | Compensated Absences | Totals 2020 | Totals 2019 |
|---|---|---|---|
| $ 5,294,706 | $ 2,219,711 | $ 77,494,131 | $ 78,924,567 |
| - | - | 11,680,051 | 12,234,313 |
| 52,688 | - | 5,631,341 | 5,577,991 |
| 5,347,394 | 2,219,711 | 94,805,523 | 96,736,871 |
| - | - | 1,172,292 | 1,383,074 |
| 5,392,926 | - | 5,392,926 | 4,560,203 |
| - | 2,219,711 | 84,993,742 | 87,288,137 |
| - | - | 279,543 | 371,171 |
| 5,392,926 | 2,219,711 | 91,838,503 | 93,602,585 |
| (45,532) | - | 2,967,020 | 3,134,286 |
| 92,124 | - | 627,765 | 910,974 |
| - | - | 28,286 | 50,764 |
| - | - | 113,442 | 96,629 |
| 92,124 | - | 769,493 | 1,058,367 |
| 46,592 | - | 3,736,513 | 4,192,653 |
| - | - | (1,000,000) | (2,000,000) |
| 46,592 | - | 2,736,513 | 2,192,653 |
| 4,832,434 | - | 16,011,498 | 13,818,845 |
| $ 4,879,026 | $ - | $ 18,748,011 | $ 16,011,498 |

**County of Orange, New York**

Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2020
(With Comparative Totals for 2019)

| | Motor Pool | Workers' Compensation Benefits | Self-Insurance |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Cash received from customers and users - Internal | $ 1,526,152 | $ 6,530,194 | $ 61,925,882 |
| Cash received from customers and users - External | - | 350,000 | 10,568,150 |
| Cash received from miscellaneous items | - | 9,649 | 5,569,004 |
| Cash payments to suppliers | (1,181,684) | - | - |
| Cash payments to employees | - | (4,948,867) | (77,816,706) |
| Net Cash from Operating Activities | 344,468 | 1,940,976 | 246,330 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | | |
| Transfers out | - | (1,000,000) | - |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | |
| Purchases of capital assets | - | - | - |
| Insurance recoveries | - | 28,286 | - |
| Proceeds from sales of capital assets | 113,442 | - | - |
| Net Cash from Capital and Related Financing Activities | 113,442 | 28,286 | - |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Interest income | 12,348 | 461,048 | 62,245 |
| Net Change in Cash and Equivalents | 470,258 | 1,430,310 | 308,575 |
| **CASH AND EQUIVALENTS** | | | |
| Beginning of Year | 996,235 | 41,591,006 | 841,917 |
| End of Year | $ 1,466,493 | $ 43,021,316 | $ 1,150,492 |
| **RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES** | | | |
| Income (loss) from operations | $ 71,803 | $ 1,909,256 | $ 1,031,493 |
| Adjustments to reconcile income (loss) from operations to net cash from operating activities | | | |
| Depreciation expense | 279,543 | - | - |
| Changes in assets and liabilities | | | |
| Accounts receivable | 2,514 | - | (761,901) |
| Due from other funds | - | - | - |
| Accounts payable | (9,392) | (118,280) | (23,262) |
| Compensated absences | - | - | - |
| Claims payable | - | 150,000 | - |
| Net Cash from Operating Activities | $ 344,468 | $ 1,940,976 | $ 246,330 |

See independent auditors' report.

| Liability and Casualty | Compensated Absences | Totals 2020 | Totals 2019 |
|---|---|---|---|
| $ 5,294,706 | $ - | $ 75,276,934 | $ 78,321,275 |
| - | - | 10,918,150 | 12,169,519 |
| 52,688 | - | 5,631,341 | 5,577,991 |
| - | - | (1,181,684) | (1,427,218) |
| (3,637,395) | - | (86,402,968) | (91,396,749) |
| 1,709,999 | - | 4,241,773 | 3,244,818 |
| - | - | (1,000,000) | (2,000,000) |
| - | - | - | (245,775) |
| - | - | 28,286 | 50,764 |
| - | - | 113,442 | 96,629 |
| - | - | 141,728 | (98,382) |
| 92,124 | - | 627,765 | 910,974 |
| 1,802,123 | - | 4,011,266 | 2,057,410 |
| 8,998,608 | - | 52,427,766 | 50,370,356 |
| $ 10,800,731 | $ - | $ 56,439,032 | $ 52,427,766 |
| $ (45,532) | $ - | $ 2,967,020 | $ 3,134,286 |
| - | - | 279,543 | 371,171 |
| - | - | (759,387) | 35,939 |
| - | (2,219,712) | (2,219,712) | (734,340) |
| 580,344 | - | 429,410 | (318,254) |
| - | 2,219,712 | 2,219,712 | 734,340 |
| 1,175,187 | - | 1,325,187 | 21,676 |
| $ 1,709,999 | $ - | $ 4,241,773 | $ 3,244,818 |

**County of Orange, New York**

Internal Service Fund - Motor Pool Fund
Comparative Statement of Net Position
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Current assets | | |
| Cash and equivalents | $ 1,466,493 | $ 996,235 |
| Accounts receivable | 257 | 2,771 |
| Total Current Assets | 1,466,750 | 999,006 |
| Noncurrent assets | | |
| Capital Assets | | |
| Equipment | 6,109,562 | 6,662,098 |
| Less - accumulated depreciation | (5,777,264) | (6,050,257) |
| Total Capital Assets, net | 332,298 | 611,841 |
| Total Assets | 1,799,048 | 1,610,847 |
| **LIABILITIES** | | |
| Current liabilities | | |
| Accounts payable | 28,186 | 37,578 |
| **NET POSITION** | | |
| Net investment in capital assets | 332,298 | 611,841 |
| Unrestricted | 1,438,564 | 961,428 |
| Total Net Position | $ 1,770,862 | $ 1,573,269 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Motor Pool Fund
Comparative Statement of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **OPERATING REVENUES** | | |
| Charges for services - Internal | $ 1,523,638 | $ 1,837,047 |
| **OPERATING EXPENSES** | | |
| Salaries and contractual | 1,172,292 | 1,383,074 |
| Depreciation | 279,543 | 371,171 |
| Total Operating Expenses | 1,451,835 | 1,754,245 |
| Income from Operations | 71,803 | 82,802 |
| **NON-OPERATING REVENUES** | | |
| Interest income | 12,348 | 17,027 |
| Sale of property and compensation for loss | 113,442 | 96,629 |
| Total Non-Operating Revenues | 125,790 | 113,656 |
| Change in Net Position | 197,593 | 196,458 |
| **NET POSITION** | | |
| Beginning of Year | 1,573,269 | 1,376,811 |
| End of Year | $ 1,770,862 | $ 1,573,269 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Motor Pool Fund
Comparative Statement of Cash Flows
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash received from customers and users - Internal | $ 1,526,152 | $ 1,923,749 |
| Cash payments to suppliers | (1,181,684) | (1,427,218) |
| Net Cash from Operating Activities | 344,468 | 496,531 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | |
| Purchases of capital assets | - | (245,775) |
| Proceeds from sales of capital assets | 113,442 | 96,629 |
| Net Cash from Capital and Related Financing Activities | 113,442 | (149,146) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Interest income | 12,348 | 17,027 |
| Net Change in Cash and Equivalents | 470,258 | 364,412 |
| **CASH AND EQUIVALENTS** | | |
| Beginning of Year | 996,235 | 631,823 |
| End of Year | $ 1,466,493 | $ 996,235 |
| **RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES** | | |
| Income from operations | $ 71,803 | $ 82,802 |
| Adjustments to reconcile income from operations to net cash from operating activities | | |
| Depreciation expense | 279,543 | 371,171 |
| Changes in assets and liabilities | | |
| Accounts receivable | 2,514 | 86,702 |
| Accounts payable | (9,392) | (44,144) |
| Net Cash from Operating Activities | $ 344,468 | $ 496,531 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 43,021,316 | $ 41,591,006 |
| **LIABILITIES** | | |
| Current liabilities | | |
| Accounts payable | 122,327 | 240,607 |
| Current portion of claims payable | 3,530,000 | 4,709,000 |
| Total Current Liabilities | 3,652,327 | 4,949,607 |
| Noncurrent Liabilities | | |
| Claims payable, less current portion | 31,770,000 | 30,441,000 |
| Total Liabilities | 35,422,327 | 35,390,607 |
| **NET POSITION** | | |
| Unrestricted | $ 7,598,989 | $ 6,200,399 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **OPERATING REVENUES** | | |
| Charges for services - Internal | $ 6,530,194 | $ 7,064,040 |
| Charges for services - External | 350,000 | 400,000 |
| Miscellaneous | 9,649 | - |
| Total Operating Revenues | 6,889,843 | 7,464,040 |
| **OPERATING EXPENSES** | | |
| Employee benefits | 4,980,587 | 6,424,876 |
| Income from Operations | 1,909,256 | 1,039,164 |
| **NON-OPERATING REVENUES** | | |
| Interest income | 461,048 | 665,680 |
| Insurance recoveries | 28,286 | 50,764 |
| Total Non-Operating Revenues | 489,334 | 716,444 |
| Income Before Transfers | 2,398,590 | 1,755,608 |
| Transfers out | (1,000,000) | (500,000) |
| Change in Net Position | 1,398,590 | 1,255,608 |
| **NET POSITION** | | |
| Beginning of Year | 6,200,399 | 4,944,791 |
| End of Year | $ 7,598,989 | $ 6,200,399 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Cash Flows
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash received from customers and users - Internal | $ 6,530,194 | $ 7,070,980 |
| Cash received from customers and users - External | 350,000 | 400,000 |
| Cash received from miscellaneous items | 9,649 | - |
| Cash payments to employees | (4,948,867) | (5,924,681) |
| Net Cash from Operating Activities | 1,940,976 | 1,546,299 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | |
| Transfers out | (1,000,000) | (500,000) |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | |
| Insurance recoveries | 28,286 | 50,764 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Interest income | 461,048 | 665,680 |
| Net Change in Cash and Equivalents | 1,430,310 | 1,762,743 |
| **CASH AND EQUIVALENTS** | | |
| Beginning of Year | 41,591,006 | 39,828,263 |
| End of Year | $ 43,021,316 | $ 41,591,006 |
| **RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES** | | |
| Income from operations | $ 1,909,256 | $ 1,039,164 |
| Adjustments to reconcile income from operations to net cash from operating activities | | |
| Changes in assets and liabilities | | |
| Accounts receivable | - | 6,940 |
| Accounts payable | (118,280) | 100,195 |
| Claims payable | 150,000 | 400,000 |
| Net Cash from Operating Activities | $ 1,940,976 | $ 1,546,299 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Self-Insurance Fund
Comparative Statement of Net Position
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 1,150,492 | $ 841,917 |
| Accounts receivable | 3,692,237 | 2,930,336 |
| Total Assets | 4,842,729 | 3,772,253 |
| **LIABILITIES** | | |
| Accounts payable | 343,595 | 366,857 |
| **NET POSITION** | | |
| Unrestricted | $ 4,499,134 | $ 3,405,396 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Self-Insurance Fund
Comparative Statement of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **OPERATING REVENUES** | | |
| Charges for services - Internal | $ 61,925,882 | $ 63,682,346 |
| Charges for services - External | 11,330,051 | 11,834,313 |
| Miscellaneous | 5,569,004 | 5,238,087 |
| Total Operating Revenues | 78,824,937 | 80,754,746 |
| **OPERATING EXPENSES** | 77,793,444 | 80,159,236 |
| Employee benefits | 1,031,493 | 595,510 |
| Income from Operations | 62,245 | 92,673 |
| **NON-OPERATING REVENUES** | | |
| Interest income | 1,093,738 | 688,183 |
| Income Before Transfers | - | (750,000) |
| Transfers out | 1,093,738 | (61,817) |
| Change in Net Position | 3,405,396 | 3,467,213 |
| **NET POSITION** | | |
| Beginning of Year | $ 4,499,134 | $ 3,405,396 |
| End of Year | | |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Self-Insurance Fund
Comparative Statement of Cash Flows
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash received from customers and users - Internal | $ 61,925,882 | $ 63,682,346 |
| Cash received from customers and users - External | 10,568,150 | 11,769,519 |
| Cash received from miscellaneous items | 5,569,004 | 5,238,087 |
| Cash payments to employees | (77,816,706) | (80,260,110) |
| Net Cash from Operating Activities | 246,330 | 429,842 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | |
| Transfers out | - | (750,000) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Interest income | 62,245 | 92,673 |
| Net Change in Cash and Equivalents | 308,575 | (227,485) |
| **CASH AND EQUIVALENTS** | | |
| Beginning of Year | 841,917 | 1,069,402 |
| End of Year | $ 1,150,492 | $ 841,917 |
| **RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES** | | |
| Income from operations | $ 1,031,493 | $ 595,510 |
| Adjustments to reconcile income from operations to net cash from operating activities | | |
| Changes in assets and liabilities | | |
| Accounts receivable | (761,901) | (64,794) |
| Accounts payable | (23,262) | (100,874) |
| Net Cash from Operating Activities | $ 246,330 | $ 429,842 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Liability and Casualty Fund
Comparative Statement of Net Position
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Cash and equivalents | $ 10,800,731 | $ 8,998,608 |
| **LIABILITIES** | | |
| Current liabilities | | |
| Accounts payable | 581,358 | 1,014 |
| Current portion of claims payable | 2,995,564 | 1,419,160 |
| Total Current Liabilities | 3,576,922 | 1,420,174 |
| Noncurrent liabilities | | |
| Claims payable, less current portion | 2,344,783 | 2,746,000 |
| Total Liabilities | 5,921,705 | 4,166,174 |
| **NET POSITION** | | |
| Unrestricted | $ 4,879,026 | $ 4,832,434 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Liability and Casualty Fund
Comparative Statement of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **OPERATING REVENUES** | | |
| Charges for services - Internal | $ 5,294,706 | $ 5,637,109 |
| Miscellaneous | 52,688 | 339,904 |
| Total Operating Revenues | 5,347,394 | 5,977,013 |
| **OPERATING EXPENSES** | | |
| Judgments and claims | 5,392,926 | 4,560,203 |
| Income (Loss) from Operations | (45,532) | 1,416,810 |
| **NON-OPERATING REVENUES** | | |
| Interest income | 92,124 | 135,594 |
| Income Before Transfers | 46,592 | 1,552,404 |
| Transfers out | - | (750,000) |
| Change in Net Position | 46,592 | 802,404 |
| **NET POSITION** | | |
| Beginning of Year | 4,832,434 | 4,030,030 |
| End of Year | $ 4,879,026 | $ 4,832,434 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Liability and Casualty Fund
Comparative Statement of Cash Flows
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Cash received from customers and users - Internal | $ 5,294,706 | $ 5,644,200 |
| Cash received from miscellaneous items | 52,688 | 339,904 |
| Cash payments to employees | (3,637,395) | (5,211,958) |
| Net Cash from Operating Activities | 1,709,999 | 772,146 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | |
| Transfers out | - | (750,000) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Interest income | 92,124 | 135,594 |
| Net Change in Cash and Equivalents | 1,802,123 | 157,740 |
| **CASH AND EQUIVALENTS** | | |
| Beginning of Year | 8,998,608 | 8,840,868 |
| End of Year | $ 10,800,731 | $ 8,998,608 |
| **RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES** | | |
| Income (loss) from operations | $ (45,532) | $ 1,416,810 |
| Adjustments to reconcile income (loss) from operations to net cash provided by operating activities | | |
| Changes in assets and liabilities | | |
| Accounts receivable | - | 7,091 |
| Accounts payable | 580,344 | (273,431) |
| Claims payable | 1,175,187 | (378,324) |
| Net Cash from Operating Activities | $ 1,709,999 | $ 772,146 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Compensated Absences Fund
Comparative Statement of Net Position
December 31,

| | 2020 | 2019 |
|---|---|---|
| **ASSETS** | | |
| Due from other funds | $ 13,788,966 | $ 11,569,254 |
| **LIABILITIES** | | |
| Current liabilities | | |
| Current portion of compensated absences | $ 578,463 | $ 578,000 |
| Noncurrent liabilities | | |
| Compensated absences, less current portion | 13,210,503 | 10,991,254 |
| Total Liabilities | $ 13,788,966 | $ 11,569,254 |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Compensated Absences Fund
Comparative Statement of Revenues, Expenses and
Changes in Net Position
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **OPERATING REVENUES** | | |
| Charges for services - Internal | $ 2,219,711 | $ 704,025 |
| **OPERATING EXPENSES** | 2,219,711 | 704,025 |
| Employee benefits | - | - |
| Income from Operations | - | - |
| **NET POSITION** | | |
| Beginning of Year | $ - | $ - |
| End of Year | | |

See independent auditors' report.

**County of Orange, New York**

Internal Service Fund - Compensated Absences Fund
Comparative Statement of Cash Flows
Years Ended December 31,

| | 2020 | 2019 |
|---|---|---|
| **CASH AND EQUIVALENTS** | | |
| Beginning of Year | $ - | $ - |
| End of Year | $ - | $ - |
| **RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES** | | |
| Income from operations | $ - | $ - |
| Adjustments to reconcile income from operations to net cash from operating activities | | |
| Changes in assets and liabilities | | |
| Due from other funds | (2,219,712) | (734,340) |
| Compensated absences | 2,219,712 | 734,340 |
| Net Cash from Operating Activities | $ - | $ - |

See independent auditors' report.

# STATISTICAL SECTION
(unaudited)

Page

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements and notes disclosures say about the County's overall financial health.


**Financial Trends**
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. 170

**Revenue Capacity**
These schedules contain information to help the reader assess the County's most significant local revenue sources. 181

**Debt Capacity**
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. 190

**Demographic and Economic Information**
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. 195

**Operating Information**
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. 198


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

**County of Orange, New York**

Net Position By Component
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **GOVERNMENTAL ACTIVITIES** | | | | |
| Net Investment in Capital Assets | $ 82,600,614 | $ 80,713,978 | $ 104,007,750 | $ 121,758,135 |
| Restricted | 38,299,010 | 39,435,117 | 39,874,705 | 40,794,671 |
| Unrestricted | 25,576,085 | (6,360,488) | (77,999,692) | (135,179,323) |
| Total Governmental Activities Net Position | $ 146,475,709 | $ 113,788,607 | $ 65,882,763 | $ 27,373,483 |
| **BUSINESS-TYPE ACTIVITIES** | | | | |
| Net Investment in Capital Assets | $ 7,323,455 | $ 7,345,322 | $ 7,846,736 | $ 8,454,553 |
| Restricted | 6,368,485 | 5,560,891 | 8,185,110 | 11,426,437 |
| Unrestricted | (26,581,976) | (25,740,435) | (28,018,558) | (22,604,301) |
| Total Business-Type Activities Net Position | $ (12,890,036) | $ (12,834,222) | $ (11,986,712) | $ (2,723,311) |
| **PRIMARY GOVERNMENT** | | | | |
| Net Investment in Capital Assets | $ 89,924,069 | $ 88,059,300 | $ 111,854,486 | $ 130,212,688 |
| Restricted | 44,667,495 | 44,996,008 | 48,059,815 | 52,221,108 |
| Unrestricted | (1,005,891) | (32,100,923) | (106,018,250) | (157,783,624) |
| Total Primary Government Net Position | $ 133,585,673 | $ 100,954,385 | $ 53,896,051 | $ 24,650,172 |

(1) Decrease in net position due to implementation of Governmental Accounting Standards Board Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*".

| 2015 | 2016 | 2017 | 2018 (1) | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 141,432,253 | $ 141,252,962 | $ 131,558,161 | $ 172,381,239 | $ 181,472,089 | $ 175,348,501 |
| 40,704,822 | 41,503,507 | 44,475,059 | 28,921,088 | 27,630,134 | 29,262,565 |
| (184,397,200) | (250,774,296) | (315,268,274) | (913,307,242) | (945,493,013) | (1,026,351,470) |
| $ (2,260,125) | $ (68,017,827) | $ (139,235,054) | $ (712,004,915) | $ (736,390,790) | $ (821,740,404) |
| $ 7,906,485 | $ 7,485,015 | $ 7,019,910 | $ 7,327,287 | $ 7,204,767 | $ 7,972,721 |
| 11,079,866 | 10,267,460 | 10,658,353 | 11,169,989 | 11,701,275 | 12,347,145 |
| (25,530,410) | (16,477,042) | (16,475,191) | (117,909,401) | (123,697,727) | (148,028,516) |
| $ (6,544,059) | $ 1,275,433 | $ 1,203,072 | $ (99,412,125) | $ (104,791,685) | $ (127,708,650) |
| $ 149,338,738 | $ 148,737,977 | $ 138,578,071 | $ 179,708,526 | $ 188,676,856 | $ 183,321,222 |
| 51,784,688 | 51,770,967 | 55,133,412 | 40,091,077 | 39,331,409 | 41,609,710 |
| (209,927,610) | (267,251,338) | (331,743,465) | (1,031,216,643) | (1,069,190,740) | (1,174,379,986) |
| $ (8,804,184) | $ (66,742,394) | $ (138,031,982) | $ (811,417,040) | $ (841,182,475) | $ (949,449,054) |

**County of Orange, New York**

Changes In Net Position
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **EXPENSES** | | | | |
| Governmental Activities | | | | |
| General Government | $ 142,278,563 | $ 152,029,583 | $ 149,752,381 | $ 149,232,672 |
| Education | 61,743,306 | 55,787,954 | 56,496,945 | 51,494,460 |
| Public Safety | 85,916,811 | 90,802,220 | 96,751,508 | 93,116,529 |
| Health | 60,302,844 | 60,132,992 | 58,561,531 | 51,355,303 |
| Transportation | 25,727,653 | 18,901,157 | 41,005,814 | 24,073,719 |
| Economic Opportunity and Development | 230,832,752 | 232,229,479 | 247,698,993 | 227,762,127 |
| Culture and Recreation | 8,292,191 | 12,920,145 | 8,470,830 | 8,128,421 |
| Home and Community Services | 39,904,750 | 36,156,100 | 38,316,335 | 34,878,499 |
| Interest | 10,671,434 | 12,455,179 | 8,083,733 | 9,684,515 |
| Total Governmental Activities | 665,670,304 | 671,414,809 | 705,138,070 | 649,726,245 |
| Business-Type Activities | | | | |
| The Valley View Center for Nursing Care and Rehabilitation | 60,426,541 | 58,604,616 | 55,424,609 | 51,214,248 |
| Total Primary Government Expenses | $ 726,096,845 | $ 730,019,425 | $ 760,562,679 | $ 700,940,493 |
| **PROGRAM REVENUES** | | | | |
| Governmental Activities | | | | |
| Charges for Services | | | | |
| General Government | $ 18,758,847 | $ 20,493,828 | $ 20,550,637 | $ 19,808,244 |
| Education | 1,913 | 377,576 | 909,276 | 303,314 |
| Public Safety | 9,583,221 | 10,151,626 | 9,620,590 | 9,530,334 |
| Health | 10,366,776 | 11,701,561 | 8,843,906 | 5,435,903 |
| Transportation | 1,483,733 | 1,458,220 | 1,283,948 | 1,346,981 |
| Economic Opportunity and Development | 12,688,508 | 10,307,730 | 10,160,075 | 9,124,484 |
| Culture and Recreation | 1,717,239 | 1,898,200 | 1,779,164 | 1,768,706 |
| Home and Community Services | 22,188,533 | 22,351,062 | 22,351,909 | 21,512,672 |
| Interest | - | - | - | - |
| Operating Grants and Contributions | 167,293,540 | 163,130,739 | 159,019,780 | 147,568,823 |
| Capital Grants and Contributions | 8,801,950 | 26,864,110 | 39,538,375 | 14,416,903 |
| Total Governmental Activities | 252,884,260 | 268,734,652 | 274,057,660 | 230,816,364 |
| Business-type Activities | | | | |
| The Valley View Center for Nursing Care and Rehabilitation | | | | |
| Charges for Services | 37,924,477 | 34,590,696 | 37,214,236 | 41,606,133 |
| Operating Grants and Contributions | - | - | - | - |
| Total Business-type Activities | 37,924,477 | 34,590,696 | 37,214,236 | 41,606,133 |
| Total Primary Government Program Revenues | $ 290,808,737 | $ 303,325,348 | $ 311,271,896 | $ 272,422,497 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 157,663,085 | $ 167,117,249 | $ 172,318,067 | $ 169,031,096 | $ 172,041,496 | $ 180,198,980 |
| 58,128,777 | 58,296,967 | 60,281,727 | 63,504,644 | 71,894,871 | 60,671,239 |
| 93,388,776 | 115,691,817 | 117,940,939 | 109,043,377 | 119,264,055 | 133,060,222 |
| 52,366,041 | 55,712,429 | 58,062,089 | 52,481,252 | 55,682,990 | 58,972,302 |
| 22,853,368 | 23,380,423 | 23,213,263 | 23,009,766 | 21,193,223 | 20,136,514 |
| 213,857,175 | 229,676,125 | 228,725,287 | 223,910,073 | 231,780,748 | 216,985,819 |
| 8,273,586 | 23,646,922 | 25,277,974 | 13,891,888 | 20,137,541 | 30,860,937 |
| 42,652,263 | 38,803,418 | 46,154,404 | 49,348,943 | 43,580,741 | 44,684,748 |
| 8,703,209 | 8,113,197 | 8,781,628 | 8,980,989 | 7,575,024 | 8,951,684 |
| 657,886,280 | 720,438,547 | 740,755,378 | 713,202,028 | 743,150,689 | 754,522,445 |
| 53,908,396 | 61,264,584 | 62,307,590 | 56,797,819 | 60,077,748 | 71,438,512 |
| $ 711,794,676 | $ 781,703,131 | $ 803,062,968 | $ 769,999,847 | $ 803,228,437 | $ 825,960,957 |
| $ 19,649,654 | $ 21,712,753 | $ 23,628,085 | $ 25,916,824 | $ 28,029,350 | $ 23,340,347 |
| 791,488 | 1,430,517 | - | - | - | - |
| 11,081,963 | 12,585,102 | 11,524,311 | 11,848,376 | 13,619,762 | 12,789,511 |
| 3,661,978 | 4,515,437 | 6,279,069 | 5,667,393 | 6,577,308 | 6,455,566 |
| 1,188,460 | 1,367,895 | 1,528,781 | 1,465,163 | 1,774,230 | 1,732,745 |
| 8,809,552 | 10,159,844 | 9,864,481 | 9,231,420 | 8,280,141 | 10,190,210 |
| 1,744,990 | 1,747,107 | 1,725,708 | 1,488,789 | 1,578,729 | 2,198,476 |
| 21,795,813 | 22,042,091 | 21,655,846 | 23,113,119 | 22,980,917 | 20,133,477 |
| 18,610 | 17,668 | - | - | - | - |
| 158,025,563 | 155,173,703 | 162,525,941 | 165,158,712 | 177,136,937 | 161,673,040 |
| 14,864,438 | 14,751,334 | 9,008,028 | 17,329,065 | 14,890,410 | 9,611,880 |
| 241,632,509 | 245,503,451 | 247,740,250 | 261,218,861 | 274,867,784 | 248,125,252 |
| 48,967,111 | 42,593,695 | 44,576,993 | 46,981,311 | 44,531,191 | 38,682,825 |
| - | - | - | - | - | 2,536,720 |
| 48,967,111 | 42,593,695 | 44,576,993 | 46,981,311 | 44,531,191 | 41,219,545 |
| $ 290,599,620 | $ 288,097,146 | $ 292,317,243 | $ 308,200,172 | $ 319,398,975 | $ 289,344,797 |

(Continued)

**County of Orange, New York**

Changes In Net Position (Continued)
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| Net (Expense)/Revenue | | | | |
| Governmental Activities | $ (412,786,044) | $ (402,680,157) | $ (431,080,410) | $ (418,909,881) |
| Business-Type Activities | (22,502,064) | (24,013,920) | (18,210,373) | (9,608,115) |
| Total Primary Government Net Expense | $ (435,288,108) | $ (426,694,077) | $ (449,290,783) | $ (428,517,996) |
| **GENERAL REVENUES** | | | | |
| Governmental Activities | | | | |
| Taxes | $ 108,056,165 | $ 93,219,443 | $ 101,845,950 | $ 99,834,016 |
| Real Property Taxes | 11,577,351 | 11,726,214 | 13,861,647 | 10,610,181 |
| Other Tax Items | 241,596,368 | 256,880,194 | 261,768,828 | 263,867,043 |
| Non-Property Taxes | 953,393 | 477,582 | 462,194 | 605,991 |
| Unrestricted Use of Money and Property | 3,881,171 | 3,958,085 | 3,955,627 | 4,475,119 |
| Tobacco Settlement Proceeds | 533,569 | 558,364 | 298,001 | 251,209 |
| Off-Track Betting Surcharge | - | - | - | - |
| Donated Land | 1,404,160 | 3,173,173 | 982,319 | 757,042 |
| Other Revenues | - | - | - | - |
| Transfers | 368,002,177 | 369,993,055 | 383,174,566 | 380,400,601 |
| Total Governmental Activities | | | | |
| Business-type Activities | 1,809,013 | 18,295,447 | 8,870,986 | 9,967,637 |
| Real Property Taxes | - | - | - | - |
| Unrestricted Use of Money and Property | 12,563,315 | 5,774,287 | 10,186,897 | 8,903,879 |
| Intergovernmental Charge | - | - | - | - |
| Transfers | 14,372,328 | 24,069,734 | 19,057,883 | 18,871,516 |
| Total Business-type Activities | | | | |
| Total Primary Government General Revenues | $ 382,374,505 | $ 394,062,789 | $ 402,232,449 | $ 399,272,117 |
| Change in Net Position | | | | |
| Governmental Activities | $ (44,783,867) | $ (32,687,102) | $ (47,905,844) | $ (38,509,280) |
| Business-Type Activities | (8,129,736) | 55,814 | 847,510 | 9,263,401 |
| Total Primary Government Change in Net Position | $ (52,913,603) | $ (32,631,288) | $ (47,058,334) | $ (29,245,879) |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ (416,253,771) | $ (474,935,096) | $ (493,015,128) | $ (451,983,167) | $ (468,282,905) | $ (506,397,193) |
| (4,941,285) | (18,670,889) | (17,730,597) | (9,816,508) | (15,546,557) | (30,218,967) |
| $ (421,195,056) | $ (493,605,985) | $ (510,745,725) | $ (461,799,675) | $ (483,829,462) | $ (536,616,160) |
| $ 108,781,110 | $ 119,137,484 | $ 121,344,486 | $ 122,919,419 | $ 125,439,133 | $ 129,102,530 |
| 10,316,594 | 11,544,583 | 12,657,322 | 10,759,876 | 9,592,503 | 10,013,837 |
| 267,427,983 | 268,862,803 | 283,904,249 | 293,796,641 | 304,430,715 | 280,965,831 |
| 1,106,401 | 859,311 | 237,022 | 862,780 | 871,099 | 215,694 |
| 3,829,648 | 7,735,341 | 3,386,989 | 3,399,998 | 3,200,000 | 3,400,000 |
| 236,264 | 224,447 | 206,531 | 50,013 | - | - |
| - | 141,700 | - | - | - | - |
| 575,283 | 671,725 | 61,302 | 1,989,747 | 363,580 | 666,387 |
| - | - | - | - | - | 52,100 |
| 392,273,283 | 409,177,394 | 421,797,901 | 433,778,474 | 443,897,030 | 424,416,379 |
| 2,899,063 | - | - | - | - | - |
| - | - | - | - | 756,491 | 529,894 |
| - | 26,490,381 | 17,658,236 | 10,698,729 | 9,410,506 | 6,824,208 |
| - | - | - | - | - | (52,100) |
| 2,899,063 | 26,490,381 | 17,658,236 | 10,698,729 | 10,166,997 | 7,302,002 |
| $ 395,172,346 | $ 435,667,775 | $ 439,456,137 | $ 444,477,203 | $ 454,064,027 | $ 431,718,381 |
| $ (23,980,488) | $ (65,757,702) | $ (71,217,227) | $ (18,204,693) | $ (24,385,875) | $ (81,980,814) |
| (2,042,222) | 7,819,492 | (72,361) | 882,221 | (5,379,560) | (22,916,965) |
| $ (26,022,710) | $ (57,938,210) | $ (71,289,588) | $ (17,322,472) | $ (29,765,435) | $ (104,897,779) |

**County of Orange, New York**

Fund Balances of Governmental Funds
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **GENERAL FUND** | | | | |
| Nonspendable | $ 31,877,586 | $ 33,263,082 | $ 34,947,013 | $ 34,442,109 |
| Restricted | 4,539,594 | 3,093,134 | 4,209,836 | 4,251,058 |
| Committed | 16,557,929 | 12,125,370 | 10,506,214 | 4,621,108 |
| Assigned | 55,609,475 | 52,852,425 | 51,049,382 | 31,240,582 |
| Unassigned | 67,452,486 | 57,384,932 | 21,151,168 | 25,588,329 |
| Total General Fund | $ 176,037,070 | $ 158,718,943 | $ 121,863,613 | $ 100,143,186 |
| **ALL OTHER GOVERNMENTAL FUNDS** | | | | |
| Nonspendable | $ 2,285,714 | $ 1,978,065 | $ 2,059,301 | $ 1,951,076 |
| Restricted | 1,747,538 | 8,680,845 | 2,928,852 | 4,018,077 |
| Assigned | 42,516,853 | 14,930,351 | 12,115,623 | 12,426,858 |
| Unassigned | (50,386,881) | (68,007) | (4,450,038) | (92,542) |
| Total All Other Governmental Funds | $ (3,836,776) | $ 25,521,254 | $ 12,653,738 | $ 18,303,469 |
| Total Governmental Funds | $ 172,200,294 | $ 184,240,197 | $ 134,517,351 | $ 118,446,655 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 3,017,851 | $ 5,045,409 | $ 4,888,751 | $ 4,657,902 | $ 4,715,536 | $ 4,935,155 |
| 5,062,753 | 5,563,262 | 4,876,751 | 4,937,347 | 5,159,538 | 4,151,594 |
| 3,352,479 | 1,459,240 | 784,482 | 787,257 | 790,264 | 795,193 |
| 25,012,287 | 26,725,327 | 23,962,784 | 21,519,970 | 22,721,838 | 18,744,933 |
| 42,369,130 | 43,771,034 | 50,214,918 | 56,664,523 | 54,491,610 | 50,607,998 |
| $ 78,814,500 | $ 82,564,272 | $ 84,727,686 | $ 88,566,999 | $ 87,878,786 | $ 79,234,873 |
| $ 1,945,730 | $ 2,199,426 | $ 2,609,071 | $ 2,783,419 | $ 191,433 | $ 190,814 |
| (13,840,449) | 9,694,915 | 2,608,151 | 1,905,936 | 5,522,473 | 7,416,411 |
| 10,425,900 | 15,852,396 | 20,156,864 | 9,843,424 | 11,388,538 | 14,822,301 |
| (190,942) | (12,824,243) | (7,339,905) | (33,533,509) | (26,778,679) | (12,468,119) |
| $ (1,659,761) | $ 14,922,494 | $ 18,034,181 | $ (19,000,730) | $ (9,676,235) | $ 9,961,407 |
| $ 77,154,739 | $ 97,486,766 | $ 102,761,867 | $ 69,566,269 | $ 78,202,551 | $ 89,196,280 |

**County of Orange, New York**

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Real Property Taxes | $ 104,118,220 | $ 90,452,607 | $ 103,367,767 | $ 101,476,995 |
| Other Tax Items | 11,577,351 | 11,726,214 | 13,861,647 | 10,610,181 |
| Non-Property Taxes | 243,120,276 | 258,402,937 | 263,309,708 | 265,404,077 |
| Departmental Income | 52,896,859 | 54,242,423 | 51,376,341 | 44,134,280 |
| Intergovernmental Charges | 9,246,196 | 9,890,666 | 9,341,101 | 9,010,651 |
| Use of Money and Property | 6,001,453 | 5,676,925 | 5,640,155 | 6,099,372 |
| Licenses and Permits | 41,233 | 50,757 | 126,276 | 441,483 |
| Fines and Forfeitures | 680,645 | 664,411 | 629,514 | 763,149 |
| Sale of Property and Compensation for Loss | 1,464,779 | 1,585,047 | 1,032,906 | 1,202,741 |
| Interfund Revenues | 15,241,899 | 16,362,140 | 15,189,433 | 13,179,762 |
| State Aid | 87,876,744 | 109,373,425 | 101,640,517 | 89,044,323 |
| Federal Aid | 87,611,216 | 79,807,233 | 95,972,428 | 72,137,268 |
| Miscellaneous | 6,521,306 | 7,917,911 | 5,932,676 | 5,985,005 |
| Total Revenues | 626,398,177 | 646,152,696 | 667,420,469 | 619,489,287 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General Government | 126,626,686 | 132,852,003 | 138,027,892 | 134,262,938 |
| Education | 50,898,228 | 52,019,643 | 53,065,898 | 53,648,849 |
| Public Safety | 78,848,861 | 79,881,755 | 85,142,825 | 82,557,628 |
| Health | 58,265,645 | 57,554,320 | 56,126,820 | 48,979,915 |
| Transportation | 17,213,141 | 16,613,231 | 18,104,127 | 17,056,829 |
| Economic Opportunity and Development | 228,689,116 | 233,842,550 | 243,843,727 | 223,430,750 |
| Culture and Recreation | 7,460,863 | 7,017,497 | 7,359,433 | 6,891,908 |
| Home and Community Services | 36,123,161 | 32,658,863 | 36,348,734 | 32,655,562 |
| Employee Benefits | 470,914 | 389,477 | 1,399,762 | 373,610 |
| Debt Service | | | | |
| Principal | 18,003,927 | 16,860,089 | 21,200,833 | 21,840,234 |
| Interest | 10,549,199 | 10,671,140 | 10,418,000 | 10,059,595 |
| Refunding Bond Issuance Costs | - | 141,145 | - | - |
| Capital Outlay | 42,072,974 | 36,048,215 | 59,415,020 | 38,195,593 |
| Total Expenditures | 675,222,715 | 676,549,928 | 730,453,071 | 669,953,411 |
| Deficiency of Revenues Over Expenditures | (48,824,538) | (30,397,232) | (63,032,602) | (50,464,124) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Bonds Issued | 20,293,790 | 37,781,619 | 9,309,756 | 28,393,428 |
| Issuance Premium | - | 5,539,092 | - | - |
| Transfers In | 16,375,840 | 17,421,936 | 13,884,746 | 13,839,781 |
| Transfers Out | (13,914,840) | (12,921,936) | (9,884,746) | (7,839,781) |
| Refunding Bonds Issued | - | 29,055,948 | - | - |
| Payment to Refunded Bond Escrow Agent | - | (34,439,524) | - | - |
| Total Other Financing Sources | 22,754,790 | 42,437,135 | 13,309,756 | 34,393,428 |
| Net Change in Fund Balances | $ (26,069,748) | $ 12,039,903 | $ (49,722,846) | $ (16,070,696) |
| Debt Service as a Percentage of Non-Capital Expenditures | 4.3% | 4.2% | 4.5% | 5.0% |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 113,447,890 | $ 122,404,475 | $ 121,161,668 | $ 122,494,108 | $ 125,685,971 | $ 128,796,928 |
| 10,316,594 | 11,544,584 | 12,657,322 | 10,759,876 | 9,592,503 | 10,013,837 |
| 269,010,341 | 270,427,092 | 285,391,860 | 295,561,047 | 306,179,940 | 282,720,008 |
| 43,660,876 | 46,139,921 | 48,927,978 | 48,578,420 | 50,140,646 | 47,625,154 |
| 10,343,261 | 12,061,346 | 11,864,315 | 12,430,405 | 13,685,758 | 12,638,739 |
| 6,202,041 | 8,072,270 | 6,099,218 | 6,986,892 | 7,006,840 | 5,717,104 |
| 57,024 | 15,792 | 55,540 | 1,418,752 | 2,095,339 | 1,076,457 |
| 837,694 | 1,081,478 | 909,344 | 715,740 | 1,072,523 | 487,392 |
| 1,005,349 | 863,470 | 736,171 | 629,680 | 2,547,328 | 4,204,328 |
| 13,712,167 | 13,739,251 | 13,930,103 | 14,481,977 | 16,490,268 | 16,660,107 |
| 90,422,077 | 89,986,665 | 94,735,538 | 94,960,244 | 105,665,825 | 91,824,268 |
| 81,443,579 | 79,009,109 | 73,762,419 | 83,764,945 | 78,658,932 | 73,405,801 |
| 5,288,296 | 9,047,999 | 4,556,265 | 6,390,615 | 5,185,059 | 5,013,884 |
| 645,747,189 | 664,393,452 | 674,787,741 | 699,172,701 | 724,006,932 | 680,184,007 |
| 164,585,965 | 139,797,922 | 143,753,760 | 149,834,886 | 153,647,562 | 148,825,976 |
| 52,931,913 | 54,197,450 | 56,086,709 | 59,396,108 | 66,189,645 | 57,040,836 |
| 82,634,512 | 88,230,704 | 91,082,474 | 95,906,793 | 98,735,578 | 101,822,889 |
| 49,504,398 | 49,789,021 | 52,053,434 | 50,535,201 | 52,192,260 | 50,794,574 |
| 17,901,230 | 16,716,478 | 17,648,345 | 17,644,780 | 18,451,683 | 16,987,612 |
| 207,514,364 | 228,410,101 | 227,674,795 | 225,317,730 | 232,511,039 | 214,197,636 |
| 6,935,013 | 7,155,464 | 7,519,661 | 7,264,862 | 7,614,528 | 6,581,967 |
| 40,453,131 | 35,320,492 | 42,500,435 | 46,737,309 | 41,243,719 | 39,872,441 |
| 223,364 | (1,807,150) | 836,833 | 360,320 | (119,015) | 846,106 |
| 21,262,918 | 22,590,177 | 23,253,090 | 26,827,982 | 29,680,013 | 29,012,254 |
| 9,789,015 | 8,639,689 | 9,445,623 | 10,763,609 | 9,554,645 | 9,987,045 |
| 412,718 | 167,902 | 104,285 | - | - | - |
| 39,503,282 | 60,970,810 | 63,930,688 | 44,953,719 | 34,534,349 | 23,178,850 |
| 693,651,823 | 710,179,060 | 735,890,132 | 735,543,299 | 744,236,006 | 699,148,186 |
| (47,904,634) | (45,785,608) | (61,102,391) | (36,370,598) | (20,229,074) | (18,964,179) |
| - | 56,132,845 | 59,306,566 | - | 27,743,169 | 26,257,186 |
| 6,386,368 | 9,113,195 | 3,112,735 | - | 2,490,987 | 2,648,622 |
| 15,714,211 | 12,744,770 | 13,376,157 | 15,543,422 | 13,081,809 | 12,462,525 |
| (9,514,211) | (7,544,770) | (8,176,157) | (12,368,422) | (11,081,809) | (11,410,425) |
| 51,868,337 | 26,553,034 | 11,818,437 | - | - | - |
| (57,841,987) | (30,881,439) | (13,060,246) | - | - | - |
| 6,612,718 | 66,117,635 | 66,377,492 | 3,175,000 | 32,234,156 | 29,957,908 |
| $ (41,291,916) | $ 20,332,027 | $ 5,275,101 | $ (33,195,598) | $ 12,005,082 | $ 10,993,729 |
| 4.6% | 4.7% | 4.8% | 5.3% | 5.4% | 5.7% |

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**County of Orange, New York**

Tax Revenues By Source, Governmental Funds
Last Ten Fiscal Years

| Fiscal Year | Real Property Taxes | Non-Property Taxes | | | Total |
|---|---|---|---|---|---|
| | | Sales Taxes | Hotel Occupancy Taxes | 911 Emergency Surcharge | |
| 2011 | $ 104,118,220 | $ 238,849,558 | $ 2,746,810 | $ 1,523,908 | $ 347,238,496 |
| 2012 | 90,452,607 | 253,925,511 | 2,954,683 | 1,522,743 | 348,855,544 |
| 2013 | 103,367,767 | 258,803,242 | 2,965,586 | 1,540,880 | 366,677,475 |
| 2014 | 101,476,995 | 260,763,479 | 3,103,564 | 1,537,034 | 366,881,072 |
| 2015 | 113,447,890 | 264,227,178 | 3,200,805 | 1,582,358 | 382,458,231 |
| 2016 | 122,404,475 | 265,357,072 | 3,505,731 | 1,564,289 | 392,831,567 |
| 2017 | 121,161,668 | 280,313,340 | 3,590,909 | 1,487,611 | 406,553,528 |
| 2018 | 122,494,108 | 289,862,271 | 3,934,370 | 1,764,406 | 418,055,155 |
| 2019 | 125,685,971 | 300,314,275 | 4,116,440 | 1,749,225 | 431,865,911 |
| 2020 | 128,796,928 | 278,473,331 | 2,492,501 | 1,754,177 | 411,516,937 |

**County of Orange, New York**

Sales Tax Rates
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| New York State | 4.000 % | 4.000 % | 4.000 % | 4.000 % |
| MTA (1) | 0.375 | 0.375 | 0.375 | 0.375 |
| County | 3.750 | 3.750 | 3.750 | 3.750 |
| Total | 8.125 % | 8.125 % | 8.125 % | 8.125 % |

(1) Metropolitan Transportation Authority

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| 4.000 % | 4.000 % | 4.000 % | 4.000 % | 4.000 % | 4.000 % |
| 0.375 | 0.375 | 0.375 | 0.375 | 0.375 | 0.375 |
| 3.750 | 3.750 | 3.750 | 3.750 | 3.750 | 3.750 |
| 8.125 % | 8.125 % | 8.125 % | 8.125 % | 8.125 % | 8.125 % |

**County of Orange, New York**

Assessed Value and Estimated Actual Value of Taxable Property
Per $1,000 of Assessed Valuation
Last Ten Fiscal Years

| Fiscal Year Ended December 31, | Real Property | | Less: Tax Exempt Real Property | Total Taxable Assessed Value | Total Direct Tax Rate |
|---|---|---|---|---|---|
| | Residential Property | Commercial Property | | | |
| 2011 | $ 9,990,074 | $ 5,424,810 | $ 2,902,858 | $ 12,512,026 | $ 3.100 |
| 2012 | 9,896,702 | 5,374,107 | 2,825,105 | 12,445,704 | 3.310 |
| 2013 | 10,406,828 | 5,425,920 | 3,155,225 | 12,677,523 | 3.550 |
| 2014 | 9,412,608 | 6,221,812 | 3,224,819 | 12,409,601 | 3.880 |
| 2015 | 9,926,873 | 5,817,797 | 3,347,097 | 12,397,573 | 3.903 |
| 2016 | 9,924,863 | 5,667,850 | 3,146,710 | 12,446,003 | 3.925 |
| 2017 | 10,473,373 | 6,041,020 | 3,935,168 | 12,579,225 | 3.838 |
| 2018 | 10,473,289 | 6,037,013 | 3,322,932 | 13,187,370 | 3.838 |
| 2019 | 10,699,570 | 6,206,037 | 3,461,500 | 13,275,586 | 3.735 |
| 2020 | 10,869,585 | 6,356,064 | 3,752,835 | 13,444,107 | 3.558 |

Source: Orange County Real Property Tax Service Agency

Note: Taxable assessed values are determined by the city and town governments located within the County. The estimated actual taxable values represent the weighted average State equalization rates established for each city and town within the County.

Note: Assessed values and estimated actual taxable values expressed in thousands.

| | Estimated Actual Taxable Value | Assessed Value as a Percentage of Actual Value |
|---|---|---|
| $ | 34,980,010 | 35.77 % |
| | 33,278,092 | 37.40 |
| | 31,609,549 | 40.11 |
| | 29,439,610 | 42.15 |
| | 29,723,206 | 41.71 |
| | 30,135,880 | 41.30 |
| | 31,035,438 | 40.53 |
| | 31,885,408 | 41.36 |
| | 35,052,313 | 37.87 |
| | 37,765,381 | 35.60 |

**County of Orange, New York**

Direct and Underlying Property Tax Rates,
Per $1,000 of Assessed Valuation
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| County Direct Rate (1) | $ 3.100 | $ 3.320 | $ 3.550 | $ 3.880 |
| City Rates | | | | |
| City of Middletown | 75.460 | 77.190 | 78.683 | 75.576 |
| City of Newburgh | 15.840 | 17.890 | 17.843 | 18.470 |
| City of Port Jervis | 24.800 | 25.870 | 22.624 | 23.290 |
| Town Rates | 32.27-1.19 | 32.78-0.82 | 33.55-1.20 | 31.98-1.20 |
| Village Rates | 46.65-1.41 | 48.73-6.26 | 50.00-2.23 | 50.96-2.21 |
| School Districts | 243.20-17.87 | 235.22-19.94 | 224.70-16.88 | 233.00-18.49 |

Source: Orange County Real Property Tax Service Agency

(1) - A single direct property tax rate applies to all classes of real property.

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 3.903 | $ 3.868 | $ 3.838 | $ 3.838 | $ 3.735 | $ 3.558 |
| 76.488 | 76.801 | 76.873 | 78.597 | 79.281 | 80.700 |
| 19.227 | 19.513 | 19.643 | 19.557 | 19.655 | 19.598 |
| 23.418 | 25.404 | 27.350 | 29.574 | 30.451 | 31.071 |
| 37.68-1.21 | 41.82-1.22 | 42.25-1.22 | 42.20-1.10 | 43.24-1.21 | 43.67-1.87 |
| 46.36-2.13 | 48.86-3.32 | 53.74-6.81 | 50.27-6.30 | 50.48-5.56 | 50.84-5.55 |
| 233.00-19.05 | 257.73-19.33 | 248.73-19.89 | 241.30-20.64 | 244.63-21.14 | 231.01-21.66 |

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**County of Orange, New York**

Principal Taxpayers
Current Year and Nine Years Ago

2020

| Taxpayer | Type of Business | Assessed Valuation | Percent of Total Assessed Valuation |
|---|---|---|---|
| Orange & Rockland Utilities | Public Utility | $ 266,462,256 | 1.98 % |
| Central Hudson & Gas | Public Utility | 174,235,082 | 1.29 |
| Chelsea GCA Realty | Shopping Center | 159,653,700 | 1.19 |
| Roseton Generating LLC | Public Utility | 55,891,500 | 0.41 |
| Crystal Run NEWCO LLC | Shopping Center | 26,298,540 | 0.20 |
| Frontier Communications | Public Utility | 18,560,621 | 0.14 |
| Middletown I Resources | Shopping Center | 15,750,200 | 0.12 |
| Walmart | Shopping Center | 12,004,700 | 0.09 |
| East Coast Imperial Gardens LLC | Apartment Complex | 7,700,100 | 0.06 |
| Tuxedo Reserve Owner LLC | Real Estate Developer | 3,690,424 | 0.03 |
| | | $ 740,247,123 | 5.51 % |

Note: Total taxable assessed valuation on the 2020 roll is $13,444,107,081

2011

| Taxpayer | Type of Business | Assessed Valuation | Percent of Total Assessed Valuation |
|---|---|---|---|
| Dynegy | Public Utility | $ 324,632,400 | 2.61 % |
| Orange & Rockland Utilities | Public Utility | 176,907,327 | 1.42 |
| Central Hudson & Gas | Public Utility | 110,260,260 | 0.89 |
| Chelsea GCA Realty | Shopping Center | 69,838,400 | 0.56 |
| Allegiance Healthcare | Healthcare | 31,216,000 | 0.25 |
| Verizon | Public Utility | 21,966,188 | 0.18 |
| Middletown I Resources | Shopping Center | 16,106,200 | 0.13 |
| Manheim Services | Auto Auctions | 15,049,200 | 0.12 |
| Newburgh Mall | Shopping Center | 14,200,000 | 0.11 |
| East Coast Imperial Garden | Apartment Complex | 7,700,100 | 0.06 |
| | | $ 787,876,075 | 6.33 % |

Note: Total taxable assessed valuation on the 2011 roll is $12,512,026,612

Source: Orange County Real Property Tax Service Agency

**County of Orange, New York**

Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year | Total Tax Levy for the Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|---|
| | County | Local Special Districts | Towns | Relevied Schools | Relevied Villages | Relevied Schools and Villages | Relevy Penalties |
| 2011 | $ 108,530,792 | $ 2,608,438 | $ 158,560,363 | $ 29,280,596 | $ 3,226,644 | $ 32,507,240 | $ 2,275,507 |
| 2012 | 110,432,586 | 3,131,058 | 161,902,618 | 29,941,516 | 2,550,255 | 32,491,771 | 2,274,425 |
| 2013 | 112,362,606 | 2,395,741 | 165,918,981 | 47,241,752 | 2,632,011 | 49,873,763 | 3,491,163 |
| 2014 | 114,227,825 | 2,434,978 | 167,474,705 | 30,411,164 | 2,722,115 | 33,133,279 | 2,119,330 |
| 2015 | 116,009,779 | 2,670,901 | 169,561,981 | 28,052,268 | 2,402,503 | 30,454,771 | 2,131,834 |
| 2016 | 118,296,374 | 2,857,955 | 170,921,440 | 28,103,437 | 2,334,710 | 30,438,147 | 2,130,671 |
| 2017 | 120,046,374 | 2,786,058 | 174,943,791 | 27,657,314 | 2,628,062 | 30,285,376 | 2,119,977 |
| 2018 | 122,377,892 | 2,871,173 | 177,453,671 | 28,867,146 | 2,515,805 | 31,382,951 | 2,196,806 |
| 2019 | 126,020,609 | 2,639,216 | 183,323,695 | 28,402,705 | 2,754,218 | 31,156,923 | 2,180,983 |
| 2020 | 130,958,803 | 2,663,963 | 190,113,497 | 27,721,591 | 2,681,893 | 30,403,484 | 2,128,244 |

Note: The various Town tax receivers collect real property taxes for the town and county on a single tax bill. The respective Town tax receivers distribute the collected tax money to the towns prior to distributing the balance collected to the county. The towns, thereby, are assured of full collections. On April 1st of each year, the town receivers turn over uncollected items to the County. The County satisfies the full amount of the unpaid school and village taxes by April 1st. Responsibility for the unpaid taxes rests with the County.

| Late Penalties and fees | Total Late Penalties and fees | Total | Collected within the Fiscal Year of Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|---|---|---|---|---|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| $ 1,703,816 | $ 3,979,323 | $ 306,186,156 | $ 289,381,449 | 94.51 % | $ 15,926,107 | $ 305,307,556 | 99.71 % |
| 1,828,956 | 4,103,381 | 312,061,414 | 289,623,677 | 92.81 | 21,481,117 | 311,104,794 | 99.69 |
| 3,036,700 | 6,527,863 | 337,078,954 | 320,845,041 | 95.18 | 15,406,207 | 336,251,248 | 99.75 |
| 1,603,457 | 3,722,787 | 320,993,574 | 305,780,532 | 95.26 | 14,332,241 | 320,112,773 | 99.73 |
| 1,562,948 | 3,694,782 | 322,392,214 | 307,501,065 | 95.38 | 14,159,088 | 321,660,153 | 99.77 |
| 1,489,911 | 3,620,582 | 326,134,498 | 312,978,446 | 95.97 | 12,348,439 | 325,326,885 | 99.75 |
| 1,469,475 | 3,589,452 | 331,651,051 | 318,319,188 | 95.98 | 12,209,810 | 330,528,998 | 99.66 |
| 1,496,121 | 3,692,928 | 337,778,614 | 323,196,537 | 95.68 | 12,714,120 | 335,910,657 | 99.45 |
| 1,536,553 | 3,717,537 | 346,857,979 | 334,856,153 | 96.54 | 6,690,623 | 341,546,777 | 98.47 |
| 1,596,282 | 3,724,525 | 357,864,272 | 345,494,697 | 96.54 | - | 345,494,697 | 96.54 |

**County of Orange, New York**

Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

| Fiscal Year | Gross General Obligation Bonds (1) | Less: Amounts Available in Debt Service Fund | Net Long Term Debt | Net Percentage of Personal Income (3) | Net Percentage of Estimated Actual Taxable Value of Property (4) | Net Per Capita (3) |
|---|---|---|---|---|---|---|
| Governmental Activities | | | | | | |
| 2011 | $ 254,099,870 | $ 1,927,356 | $ 252,172,514 | 1.68 % | 0.72 % | $ 673.79 |
| 2012 | 278,722,514 | 3,618,949 | 275,103,565 | 1.71 | 0.83 | 735.31 |
| 2013 | 265,866,455 | 3,133,711 | 262,732,744 | 1.60 | 0.83 | 700.76 |
| 2014 | 271,458,345 | 3,734,973 | 267,723,372 | 1.59 | 0.91 | 711.84 |
| 2015 | 251,536,943 | 9,852,418 | 241,684,525 | 1.38 | 0.81 | 639.97 |
| 2016 | 290,091,152 | 14,120,970 | 275,970,182 | 1.39 | 0.93 | 727.75 |
| 2017 | 326,248,496 | 11,333,953 | 314,914,543 | 1.64 | 1.04 | 823.90 |
| 2018 | 297,320,547 | 1,704,482 | 295,616,065 | 1.49 | 0.95 | 773.96 |
| 2019 | 295,197,031 | 5,321,019 | 289,876,012 | 1.40 | 0.91 | 753.04 |
| 2020 | 292,357,746 | 7,205,731 | 285,152,015 | 1.38 (2) | 0.81 | 740.77 (2) |
| Business-Type Activities | | | | | | |
| 2011 | $ 9,453,005 | $ - | $ 9,453,005 | 0.06 % | 0.03 | $ 25.26 |
| 2012 | 7,990,894 | - | 7,990,894 | 0.05 | 0.02 | 21.36 |
| 2013 | 6,643,191 | - | 6,643,191 | 0.04 | 0.02 | 17.72 |
| 2014 | 4,990,553 | - | 4,990,553 | 0.03 | 0.02 | 13.27 |
| 2015 | 4,293,618 | - | 4,293,618 | 0.02 | 0.01 | 11.37 |
| 2016 | 3,937,575 | - | 3,937,575 | 0.02 | 0.01 | 10.38 |
| 2017 | 4,121,969 | - | 4,121,969 | 0.02 | 0.01 | 10.78 |
| 2018 | 3,516,406 | - | 3,516,406 | 0.02 | 0.01 | 9.21 |
| 2019 | 3,863,462 | - | 3,863,462 | 0.02 | 0.01 | 10.04 |
| 2020 | 3,546,520 | - | 3,546,520 | 0.02 (2) | 0.01 | 9.21 (2) |
| Total Primary Government | | | | | | |
| 2011 | $ 263,552,875 | $ 1,927,356 | $ 261,625,519 | 1.74 % | 0.68 % | $ 686.07 |
| 2012 | 286,713,408 | 3,618,949 | 283,094,459 | 1.76 | 0.75 | 699.05 |
| 2013 | 272,509,646 | 3,133,711 | 269,375,935 | 1.64 | 0.85 | 756.66 |
| 2014 | 276,448,898 | 3,734,973 | 272,713,925 | 1.62 | 0.85 | 718.48 |
| 2015 | 255,830,561 | 9,852,418 | 245,978,143 | 1.40 | 0.93 | 725.11 |
| 2016 | 294,028,727 | 14,120,970 | 279,907,757 | 1.41 | 0.83 | 651.34 |
| 2017 | 330,370,465 | 11,333,953 | 319,036,512 | 1.67 | 1.06 | 834.68 |
| 2018 | 300,836,953 | 1,704,482 | 299,132,471 | 1.51 | 0.96 | 783.17 |
| 2019 | 299,060,493 | 5,321,019 | 293,739,474 | 1.42 | 0.92 | 763.08 |
| 2020 | 295,904,266 | 7,205,731 | 288,698,535 | 1.40 (2) | 0.82 | 749.98 (2) |

(1) - Presented net of original issuance discounts and premiums
(2) - 2019 percentage calculated using 2018 personal income and population data, which is the most recent available
(3) - Population and personal income data can be found in the schedule of demographic and economic statistics
(4) - Based on values presented in the schedule of assessed value and estimated actual value of taxable property

| Gross Percentage of Estimated Actual Taxable Value of Property (4) | | Per Capita (3) | |
|---|---|---|---|
| Percentage of Personal Income (3) | | | |
| 1.69 | 0.73 % | $ 678.94 | |
| 1.73 | 0.84 | 744.98 | |
| 1.62 | 0.84 | 709.12 | |
| 1.61 | 0.92 | 721.77 | |
| 1.43 | 0.85 | 666.06 | |
| 1.46 | 0.96 | 764.99 | |
| 1.70 | 1.05 | 853.55 | |
| 1.50 | 0.93 | 778.43 | |
| 1.43 | 0.84 | 766.87 | |
| 1.42 (2) | 0.77 | 759.49 | (2) |
| 0.06 % | 0.03 % | $ 25.26 | |
| 0.05 | 0.02 | 21.36 | |
| 0.04 | 0.02 | 17.72 | |
| 0.03 | 0.02 | 13.27 | |
| 0.02 | 0.01 | 11.37 | |
| 0.02 | 0.01 | 10.38 | |
| 0.02 | 0.01 | 10.78 | |
| 0.02 | 0.01 | 9.21 | |
| 0.02 | 0.01 | 10.04 | |
| 0.02 (2) | 0.01 | 9.21 | (2) |
| 1.75 % | 0.75 % | $ 704.20 | |
| 1.78 | 0.86 | 766.34 | |
| 1.66 | 0.86 | 726.84 | |
| 1.64 | 0.94 | 735.04 | |
| 1.46 | 0.86 | 677.43 | |
| 1.48 | 0.98 | 775.37 | |
| 1.72 | 1.06 | 864.33 | |
| 1.52 | 0.94 | 787.63 | |
| 1.45 | 0.85 | 776.90 | |
| 1.43 (2) | 0.78 | 768.70 | (2) |

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**County of Orange, New York**

Direct and Underlying Governmental Activities Debt
December 31, 2020

| Governmental Unit | Gross Long-Term Debt (1) |
|---|---|
| Cities (three) | $ 168,850,824 |
| Towns (twenty) | 130,751,251 |
| Villages (seventeen) | 107,133,373 |
| School Districts (eighteen) | 544,660,500 |
| Fire Districts (thirty-eight) | 34,748,011 |
| Subtotal, Underlying Debt | 986,143,959 |
| Direct Bonded Debt of the County | 292,357,746 |
| Direct and Underlying Debt | $ 1,278,501,705 |

Sources - Most recent reports made available by the New York State Comptroller's Office for local municipalities.

(1) Excludes enterprise fund bonds.

Note: County percentage is 100% since all of the above municipalities and School Districts fall within the boundaries of the County.

**County of Orange, New York**

Legal Debt Margin Information
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| Debt Limit | $ 2,688,183 | $ 2,625,052 | $ 2,493,725 | $ 2,341,500 |
| Total Net Debt Applicable to Limit | 247,318 | 256,216 | 244,106 | 249,055 |
| Legal Debt Margin | $ 2,440,865 | $ 2,368,836 | $ 2,249,619 | $ 2,092,445 |
| Total Net Debt Applicable to the Limit As a Percentage of Debt Limit | 9.20% | 9.76% | 9.79% | 10.64% |

Legal Debt Margin Calculation for Fiscal Year 2020

| | | |
|---|---|---|
| Five Year Average Full Valuation of Taxable Real Property | | $ 32,304,746 |
| Debt Limit - 7% of Average Full Valuation | | 2,261,332 |
| Outstanding Indebtedness: | | |
| Serial bonds | $ 276,472 | |
| Bond Anticipation Notes | - | 276,472 |
| Less Exclusions: | | |
| Amount set aside for repayment of general obligation debt | $ 7,205 | |
| Exempt Sewer District Debt | 11,820 | 19,025 |
| Net Debt Contracting Margin | | $ 2,003,885 |
| Percentage of Debt Contracting Margin Available as of December 31, 2020 | | 88.62% |
| Percentage of Debt Contracting Power Exhausted as of December 31, 2020 | | 11.38% |

Note - All amounts in this table expressed in thousands

State Finance Law limits the County's outstanding net general obligation long-term debt to no more than 7% of the five year average full valuation of taxable real property. The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 2,226,427 | $ 2,158,609 | $ 2,127,212 | $ 2,131,074 | $ 2,181,575 | $ 2,261,332 |
| 217,729 | 247,433 | 283,443 | 265,041 | 238,010 | 257,447 |
| $ 2,008,697 | $ 1,911,175 | $ 1,843,769 | $ 1,866,033 | $ 1,943,565 | $ 2,003,885 |
| 9.78% | 11.46% | 13.32% | 12.44% | 10.91% | 11.38% |

**County of Orange, New York**

Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year | Population (1) | Personal Income (amounts expressed in thousands) (2) | Per Capita Personal Income (2) | Median Age (3) | Percent High School Graduate or Higher (3) |
|---|---|---|---|---|---|
| 2011 | 374,259 | $ 15,019,466 | $ 40,066 | 37.1 | 87.1 % |
| 2012 | 374,135 | 16,105,820 | 43,005 | 37.3 | 88.5 |
| 2013 | 374,926 | 16,446,266 | 43,788 | 36.7 | 89.9 |
| 2014 | 376,099 | 16,875,542 | 44,870 | 36.8 | 89.3 |
| 2015 | 377,647 | 17,565,599 | 46,513 | 36.7 | 89.9 |
| 2016 | 379,210 | 19,830,625 | 47,284 | 37.2 | 89.3 |
| 2017 | 382,226 | 19,154,653 | 50,113 | 37.0 | 89.8 |
| 2018 | 381,951 | 19,803,237 | 51,848 | 36.9 | 89.7 |
| 2019 | 384,940 | 20,654,198 | 53,656 | 37 | 89.7 |
| 2020 | n/a | n/a | n/a | n/a | n/a |

(1) U.S. Census Bureau, Population Division.
(2) U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System Table CA1-3.
(3) U.S. Census Bureau, 2018: American Community Survey 5-year Estimates.
(4) New York State Department of Education.
(5) New York State Department of Labor, Local Area Unemployment Statistics Program.
n/a - Information not currently available.

| School Enrollment (4) | Unemployment Rate (5) |
|---|---|
| 62,568 | 8.0 % |
| 61,697 | 8.3 |
| 60,599 | 6.8 |
| 59,867 | 5.5 |
| 58,989 | 4.7 |
| 58,130 | 4.3 |
| 57,572 | 4.6 |
| 57,373 | 3.9 |
| 57,019 | 3.8 |
| 56,970 | 8.4 |

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COUNTY OF ORANGE, NEW YORK

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2020

| EMPLOYER | EMPLOYEES | PERCENTAGE OF TOTAL COUNTY EMPLOYMENT |
|---|---|---|
| United States Military Academy at West Point | 4,000 | 2.26 % |
| Orange Regional Medical Center | 2,524 | 1.42 |
| Orange County Government | 2,087 | 1.18 |
| Crystal Run Health | 2,050 | 1.16 |
| Access: Supports for Living | 1,400 | 0.79 |
| St Luke's Cornwall Hospital*1 | 1,247 | 0.70 |
| Elant, Inc. | 1,200 | 0.68 |
| Amscan, Inc. | 800 | 0.45 |
| C & S Wholesale Grocers, Inc. | 800 | 0.45 |
| SUNY Orange*2 | 386 | 0.22 |
| | 16,494 | 9.30 % |

2011

| EMPLOYER | EMPLOYEES | PERCENTAGE OF TOTAL COUNTY EMPLOYMENT |
|---|---|---|
| U.S. Military Academy at West Point | 3,120 | 1.87 % |
| Orange Regional Medical Center | 2,524 | 1.52 |
| Orange County Government | 2,147 | 1.29 |
| St. Lukes/Cornwall Hospital | 1,400 | 0.84 |
| Crystal Run Healthcare | 1,300 | 0.78 |
| Elant, Inc | 1,200 | 0.72 |
| SUNY Orange | 900 | 0.54 |
| C & S Grocery Wholesale | 850 | 0.51 |
| AHRC | 750 | 0.45 |
| Empire Blue Cross/Blue Shield | 650 | 0.39 |
| | 14,841 | 8.91 % |

Source: 2020 and 2011 Directory of Major Employers, Orange County Partnership
*1 Formerly named St. Luke's Hospital
*2 Source: SUNY Orange

**County of Orange, New York**

Full-Time Equivalent County Government Employees By Function
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **FUNCTION** | | | | |
| General Government | 560 | 557 | 554 | 521 |
| Public Safety | 548 | 559 | 554 | 533 |
| Health | 623 | 606 | 584 | 517 |
| Economic Opportunity and Development | 522 | 513 | 523 | 490 |
| Culture and Recreation | 42 | 40 | 38 | 35 |
| Home and Community Services | 19 | 19 | 18 | 17 |
| Total | 2,314 | 2,294 | 2,271 | 2,113 |

Source - County Finance Department

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| 523 | 525 | 525 | 580 | 594 | 536 |
| 542 | 554 | 555 | 562 | 546 | 546 |
| 532 | 529 | 518 | 531 | 531 | 511 |
| 471 | 471 | 491 | 519 | 524 | 491 |
| 36 | 36 | 36 | 45 | 43 | 43 |
| 17 | 22 | 23 | 25 | 21 | 20 |
| 2,121 | 2,137 | 2,148 | 2,262 | 2,259 | 2,147 |

**County of Orange, New York**

Operating Indicators By Function
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **FUNCTION** | | | | |
| General Government | | | | |
| Motor Vehicles | | | | |
| Number of drivers' licenses issued | 82,478 | 74,618 | 58,529 | 54,863 |
| Public Safety | | | | |
| Emergency Services | | | | |
| Number of calls at 911 center | 288,763 | 279,566 | 258,917 | 262,856 |
| Corrections | | | | |
| Number of inmates | 6,270 | 6,144 | 6,310 | 6,074 |
| Transportation | | | | |
| Public Works | | | | |
| Street resurfacing (miles) | | | | |
| Asphalt (Number of miles) | 27.42 | 16.17 | 11.47 | 13.10 |
| Surface treatment (Number of miles) | 5.15 | 4.60 | 4.64 | 4.50 |
| Culture and Recreation | | | | |
| Number of rounds of golf played | 38,789 | 46,128 | 41,494 | 39,889 |
| Home and Community Services | | | | |
| Landfill | | | | |
| Tonnage of garbage | 149,376 | 153,598 | 152,548 | 123,575 |
| Wastewater | | | | |
| Average daily sewage treatment (thousands of gallons) | 6,163,417 | 4,495,000 | 4,549,750 | 4,375,167 |
| Transportation | | | | |
| Ridership on public buses | 925,968 | 929,219 | 941,580 | 981,115 |
| Valley View Center for Nursing Care and Rehabilitation | | | | |
| Number of beds occupied | 337 | 325 | 333 | 340 |

Source: Orange County Budget and individual County departments

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| 53,862 | 53,937 | 64,557 | 95,246 | 122,712 | 42,653 |
| 270,188 | 278,322 | 314,480 | 242,782 | 258,561 | 262,080 |
| 5,968 | 5,988 | 6,175 | 5,555 | 4,441 | 1,448 |
| 14.20<br>6.30 | 16.88<br>6.56 | 16.74<br>7.39 | 13.45<br>- | 15.00<br>5.00 | 7.45<br>- |
| 39,365 | 41,717 | 38,897 | 34,790 | 41,387 | 56,723 |
| 129,594 | 130,494 | 130,735 | 139,911 | 122,550 | 89,525 |
| 4,146,417 | 4,375,833 | 4,552,667 | 4,485,333 | 5,504,033 | 4,662,000 |
| 995,762 | 1,008,428 | 983,462 | 987,302 | 959,708 | 696,172 |
| 334 | 332 | 336 | 336 | 336 | 303 |

**County of Orange, New York**

Capital Asset Statistics By Function
Last Ten Fiscal Years

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **FUNCTION** | | | | |
| General Government | | | | |
| Public Works | | | | |
| Driveway permits issued | 13 | 21 | 16 | 17 |
| Subdivision permits issued | 4 | 2 | 2 | 1 |
| Culture and Recreation | | | | |
| Parks acreage | 3,415 | 3,415 | 3,415 | 3,415 |
| Home and Community Services | | | | |
| Sanitary sewers (miles) | 82 | 83 | 83 | 84 |

Source - Various County departments

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| 30 | 36 | 45 | 37 | 44 | 51 |
| - | 3 | 4 | 12 | - | 5 |
| 3,415 | 3,415 | 3,415 | 3,415 | 3,415 | 3,415 |
| 84 | 85 | 85 | 85 | 86 | 86 |

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PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

## 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*

### Independent Auditors' Report

**The Honorable Legislature**
**of the County of Orange, New York**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Orange, New York ("County") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 15, 2021. Our report includes a reference to other auditors who audited the financial statements of the Orange County Community College (component unit), the Orange County Industrial Development Agency (component unit) and the Orange County Water Authority (component unit), 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.



PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

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.

**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.

PKF O'Connor Davies, LLP

**PKF O'Connor Davies, LLP**
Harrison, New York
June 15, 2021

# APPENDIX C

# FORM OF BOND COUNEL OPINIONS

Hawkins Delafield & Wood LLP
7 World Trade Center, 250 Greenwich Street
New York, New York 10007

July 29, 2021

The County Legislature of the
County of Orange, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the County of Orange (the "County"), New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $16,328,444 Public Improvement Serial Bonds-2021 Series A (the "Bonds"), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

On the date hereof, the County expects to issue its $13,205,000 Public Improvement Refunding Serial Bonds-2021 Series B (the "Refunding Bonds"). The Refunding Bonds are treated, together with the Bonds, as a single issue for federal tax purposes. We serve as bond counsel with respect to the issuance of the Refunding Bonds and, on the date hereof, we expect to render our opinion with respect to the exclusion of interest on the Refunding Bonds from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on both the Bonds and the Refunding Bonds to become subject to federal income taxation retroactive to the respective dates of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds are valid and legally binding general obligations of the County for which the County has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the County is subject to the levy of ad valorem real estate taxes to pay the Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Bonds in order that the interest on the Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Bonds, restrictions on the investment of proceeds of the Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Bonds, the County will execute a Tax Certificate relating to the Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the County represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the County's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Bonds, and (ii) compliance by the County with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

We express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds, or the ownership or disposition thereof, except as stated in paragraphs 2 and 3 above. We render our opinion under existing statutes and court decisions as of the date hereof, and assume no obligation to update, revise or supplement our opinion to reflect any action hereafter taken or not taken, any fact or circumstance that may hereafter come to our attention, any change in law or interpretation thereof that may hereafter occur, or for any other reason. We express no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, we express no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding federal, state or local tax matters, including, without limitation, exclusion from gross income for federal income tax purposes of interest on the Bonds.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement related to the Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the County, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Bonds.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

Hawkins Delafield & Wood LLP
7 World Trade Center, 250 Greenwich Street
New York, New York 10005

July 29, 2021

The County Legislature of the
County of Orange, New York

Ladies and Gentlemen:

We have acted as Bond Counsel to the County of Orange (the "County"), New York, a municipal corporation of the State of New York, and have examined a record of proceedings relating to the authorization, sale and issuance of the $14,030,000 Public Improvement Refunding Serial Bonds-2021 Series B (the "Bonds"), dated and delivered on the date hereof.

In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals and the conformity with originals of all documents submitted to us as copies thereof.

On the date hereof, the County expects to issue its $16,328,444 Public Improvement Serial Bonds-2021 Series A (the "Series A Bonds"). The Series A Bonds are treated, together with the Bonds, as a single issue for federal tax purposes. We serve as bond counsel with respect to the issuance of the Series A Bonds and, on the date hereof, we expect to render our opinion with respect to the exclusion of interest on the Series A Bonds from gross income for federal income tax purposes in substantially the form of paragraph 2 below and subject to the same conditions and limitations set forth herein. Noncompliance with such conditions and limitations may cause interest on both the Bonds and the Series A Bonds to become subject to federal income taxation retroactive to the respective dates of issue, irrespective of the date on which such noncompliance occurs or is ascertained.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds are valid and legally binding general obligations of the County for which the County has validly pledged its faith and credit and, unless paid from other sources, all the taxable real property within the County is subject to the levy of ad valorem real estate taxes to pay the Bonds and interest thereon, subject to certain statutory limitations imposed by Chapter 97 of the New York Laws of 2011, as amended. The enforceability of rights or remedies with respect to such Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted.

2. Under existing statutes and court decisions and assuming continuing compliance with certain tax certifications described herein, (i) interest on the Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue

Code of 1986, as amended (the "Code"), and (ii) interest on the Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals and corporations under the Code.

The Code establishes certain requirements which must be met subsequent to the issuance of the Bonds in order that the interest on the Bonds be and remain excluded from gross income for federal income tax purposes under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to the use and expenditure of proceeds of the Bonds, restrictions on the investment of proceeds of the Bonds prior to expenditure and the requirement that certain earnings be rebated to the federal government. Noncompliance with such requirements may cause the interest on the Bonds to become subject to federal income taxation retroactive to the date of issuance thereof, irrespective of the date on which such noncompliance occurs or is ascertained.

On the date of issuance of the Bonds, the County will execute a Tax Certificate relating to the Bonds containing provisions and procedures pursuant to which such requirements can be satisfied. In executing the Tax Certificate, the County represents that it will comply with the provisions and procedures set forth therein and that it will do and perform all acts and things necessary or desirable to assure that the interest on the Bonds will, for federal income tax purposes, be excluded from gross income.

In rendering the opinion in this paragraph 2, we have relied upon and assumed (i) the material accuracy of the County's representations, statements of intention and reasonable expectations, and certifications of fact contained in the Tax Certificate with respect to matters affecting the status of the interest on the Bonds, and (ii) compliance by the County with the procedures and representations set forth in the Tax Certificate as to such tax matters.

3. Under existing statutes, interest on the Bonds is exempt from personal income taxes of New York State and its political subdivisions, including The City of New York.

Except as stated above, we express no opinion as to any other federal, state or local tax consequences arising with respect to the Bonds or the ownership or disposition thereof. We render our opinion under existing statutes and court decisions as of the date hereof, and we assume no obligation to update, revise or supplement this opinion to reflect any action hereafter taken or not taken, for any facts or circumstances or for any other reason. We express no opinion as to the consequence of any change in law or interpretation thereof, or otherwise, that may hereafter be enacted, arise or occur, and we note that such changes may take place or be proposed from time to time. We express no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel as to the exclusion from gross income for federal income tax purposes of interest on the Bonds, or under state and local tax laws.

We give no assurances as to the adequacy, sufficiency or completeness of the Preliminary Official Statement and/or Official Statement relating to the Bonds or any proceedings, reports, correspondence, financial statements or other documents, containing financial or other information relative to the County, which have been or may hereafter be furnished or disclosed to purchasers of ownership interests in the Bonds.

Very truly yours,

/s/ Hawkins Delafield & Wood LLP

# APPENDIX D

# FORM OF CONTINUING DISCLOSURE UNDERTAKING

**UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE**

Section 1. Definitions

"Annual Information" shall mean the information specified in Section 3 hereof.

"EMMA" shall mean the Electronic Municipal Market Access System implemented by the MSRB.

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States.

"Holder" shall mean any registered owner of the Securities and any beneficial owner of Securities within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934.

"Issuer" shall mean the **County of Orange,** a municipal corporation of the State of New York.

"MSRB" shall mean the Municipal Securities Rulemaking Board established in accordance with the provisions of Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Agreement.

"Purchaser" shall mean the financial institution referred to in the Certificate of Award, executed by the Commissioner of Finance as of July 15, 2021.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as amended, as in effect on the date of this Undertaking, including any official interpretations thereof issued either before or after the effective date of this Undertaking which are applicable to this Undertaking.

"Securities" shall mean the Issuer's **$16,328,444 Public Improvement Serial Bonds-2021 Series A**, dated July 29, 2021, maturing in various principal amounts on June 15 in each of the years 2023 to 2032, inclusive, and delivered on the date hereof, and the Issuer's **$14,030,000 Public Improvement Refunding Serial Bonds-2021 Series B**, dated July 29, 2021, maturing in various principal amounts on July 1 in each of the years 2022 to 2026, inclusive, and delivered on the date hereof.

Section 2. Obligation to Provide Continuing Disclosure. (a) The Issuer hereby undertakes, for the benefit of Holders of the Securities, to provide or cause to be provided either directly or through Munistat Services, Inc., 12 Roosevelt Avenue, Port Jefferson Station, New York, to the EMMA System:

(i) (A) no later than the last day of the sixth ($6^{th}$) month after the end of each fiscal year, commencing with the fiscal year ending December 31, 2021, the Annual Information relating to such fiscal year, and (B) no later than six (6) months after the end of each fiscal year, commencing with the fiscal year ending December 31, 2021, the audited financial statements of the Issuer for each fiscal year, if audited financial statements are prepared by the Issuer

and then available; provided, however, that if audited financial statements are not prepared or are not then available, unaudited financial statements shall be provided and audited financial statements, if any, shall be delivered to the EMMA System within sixty (60) days after they become available and in no event later than one (1) year after the end of each fiscal year; provided further, however, that the unaudited financial statement shall be provided for any fiscal year only if the Issuer has made a determination that providing such unaudited financial statement would be compliant with federal securities laws, including Rule 10b-5 of the Securities Exchange Act of 1934 and Rule 17 (a)(2) of the Securities Act of 1933; and

(ii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of any of the following events with respect to the Securities:

(1) principal and interest payment delinquencies;

(2) non-payment related defaults, if material;

(3) unscheduled draws on debt service reserves reflecting financial difficulties;

(4) unscheduled draws on credit enhancements reflecting financial difficulties;

(5) substitution of credit or liquidity providers, or their failure to perform;

(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Securities, or other events affecting the tax status of the Securities;

(7) modifications to rights of Securities holders, if material;

(8) Bond calls, if material, and tender offers;

(9) defeasances;

(10) release, substitution, or sale of property securing repayment of the Securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer;

Note to clause (12): For the purposes of the event identified in clause (12) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material; and

(15) incurrence of a financial obligation, as defined in Rule 15c2-12, of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

(iii) in a timely manner, not in excess of ten (10) business days after the occurrence of such event, notice of a failure to provide by the date set forth in Section 2(a)(i) hereof any Annual Information required by Section 3 hereof.

(b) Nothing herein shall be deemed to prevent the Issuer from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the Issuer disseminates any such additional information, the Issuer shall have no obligation to update such information or include it in any future materials disseminated hereunder.

(c) Nothing herein shall be deemed to prevent the Issuer from providing notice of the occurrence of certain other events, in addition to those listed above, if the Issuer determines that any such other event is material with respect to the Securities; but the Issuer does not undertake to commit to provide any such notice of the occurrence of any event except those events listed above.

Section 3. Annual Information. (a) The required Annual Information shall consist of the financial information and operating data for the preceding fiscal year, in a form generally consistent with the information contained or cross-referenced in the Issuer's final official statement relating to the Securities under the headings "THE COUNTY," "ECONOMIC AND DEMOGRAPHIC INFORMATION," "INDEBTEDNESS OF THE COUNTY," "DISCUSSION OF CERTAIN FINANCIAL MATTERS," "TAX INFORMATION", "LITIGATION" AND APPENDIX A.

(b) All or any portion of the Annual Information may be incorporated in the Annual Information by cross reference to any other documents which are (i) available to the public on the EMMA System or (ii) filed with the SEC. If such a document is a final official statement, it also must be available from the EMMA System.

(c) Annual Information for any fiscal year containing any modified operating data or financial information (as contemplated by Section 7(e) hereof) for such fiscal year shall explain, in narrative form, the reasons for such modification and the effect of such modification on the Annual Information being provided for such fiscal year. If a change in accounting principles is included in any such modification, such Annual Information shall present a comparison between the financial statements or information prepared on the basis of the modified accounting principles and those prepared on the basis of the former accounting principles.

Section 4. Financial Statements. The Issuer's annual financial statements for each fiscal year, if prepared, shall be prepared in accordance with GAAP or New York State regulatory requirements as in effect from time to time. Such financial statements, if prepared, shall be audited by an independent accounting firm. The Issuer's Annual Financial Report Update Document prepared by the Issuer and filed annually with New York State in accordance with applicable law, shall not be subject to the foregoing requirements.

Section 5. Remedies. If the Issuer shall fail to comply with any provision of this Undertaking, then any Holder of Securities may enforce, for the equal benefit and protection of all Holders similarly situated, by mandamus or other suit or proceeding at law or in equity, this Undertaking against the Issuer and any of the officers, agents and employees of the Issuer, and may compel the Issuer or any such officers, agents or employees to perform and carry out their duties under this Undertaking; provided that the sole and exclusive remedy for breach of this Undertaking shall be an action to compel specific performance of the obligations of the Issuer hereunder and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances. Failure to comply with any provision of this Undertaking shall not constitute an event of default on the Securities.

Section 6. Parties in Interest. This Undertaking is executed to assist the Purchaser to comply with paragraph (b)(5) of the Rule and is delivered for the benefit of the Holders. No other person shall have any right to enforce the provisions hereof or any other rights hereunder.

Section 7. Amendments. Without the consent of any holders of Securities, the Issuer at any time and from time to time may enter into any amendments or changes to this Undertaking for any of the following purposes:

(a) to comply with or conform to any changes in Rule 15c2-12 (whether required or optional);

(b) to add a dissemination agent for the information required to be provided hereby and to make any necessary or desirable provisions with respect thereto;

(c) to evidence the succession of another person to the Issuer and the assumption of any such successor of the duties of the Issuer hereunder;

(d) to add to the duties of the Issuer for the benefit of the Holders, or to surrender any right or power herein conferred upon the Issuer;

(e) to modify the contents, presentation and format of the Annual Information from time to time to conform to changes in accounting or disclosure principles or practices and legal requirements followed by or applicable to the Issuer or to reflect changes in the identity, nature or status of the Issuer or in the business, structure or operations of the Issuer or any mergers, consolidations, acquisitions or dispositions made by or affecting any such person; provided that any such modifications shall comply with the requirements of Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such modification; or

(f) to cure any ambiguity, to correct or supplement any provision hereof which may be inconsistent with any other provision hereof, or to make any other provisions with respect to matters or questions arising under this Undertaking which, in each case, comply with Rule 15c2-12 or Rule 15c2-12 as in effect at the time of such amendment or change;

provided that no such action pursuant to this Section 7 shall adversely affect the interests of the Holders in any material respect. In making such determination, the Issuer shall rely upon an opinion of nationally recognized bond counsel.

Section 8. Termination. This Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Securities shall have been paid in full or the Securities shall have otherwise been paid or legally defeased pursuant to their terms. Upon any such legal defeasance, the Issuer shall provide notice of such defeasance to the EMMA System. Such notice shall state whether the Securities have been defeased to maturity or to redemption and the timing of such maturity or redemption.

In addition, this Agreement, or any provision hereof, shall be null and void in the event that those portions of the Rule which require this Agreement, or such provision, as the case may be, do not or no longer apply to the Securities, whether because such portions of the Rule are invalid, have been repealed, or otherwise.

Section 9. Undertaking to Constitute Written Agreement or Contract. This Undertaking shall constitute the written agreement or contract for the benefit of Holders of Securities, as contemplated under Rule 15c2-12.

Section 10. Governing Law. This Undertaking shall be governed by the laws of the State of New York determined without regard to principles of conflict of law.

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Undertaking as of July 29, 2021.

COUNTY OF ORANGE

By_____
Commissioner of Finance and Chief Fiscal Officer