

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 17, 2022

**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, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 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 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”)**

**\$14,136,656* PUBLIC IMPROVEMENT SERIAL BONDS – 2022
(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 Bonds maturing on February 1, 2029 and thereafter are subject to redemption prior to maturity, at the option of the County, on February 1, 2028 and thereafter on any date, in accordance with terms described herein. (See “*Optional Redemption of the 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. 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 October 25, 2022, in accordance with the Notices of Sale dated October 17, 2022.

The Bonds are offered subject to the final approving opinion 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 Bonds in book-entry form will be made through the facilities of DTC on or about November 10, 2022 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.

, 2022

*Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. 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 such jurisdiction.

COUNTY OF ORANGE, NEW YORK

\$14,136,656* PUBLIC IMPROVEMENT SERIAL BONDS – 2022

BOND MATURITY SCHEDULE

Principal Due: February 1, 2024-2032 inclusive
Interest Due: February 1, 2023, August 1, 2023
and semi-annually thereafter on
February 1 and August 1 in each
year to maturity

<u>Year</u>	<u>Amount**</u>	<u>Rate</u>	<u>Yield or</u> <u>Price</u>	<u>CUSIP #</u>
February 1, 2024	\$1,366,656			
February 1, 2025	1,410,000			
February 1, 2026	1,460,000			
February 1, 2027	1,510,000			
February 1, 2028	1,565,000			
February 1, 2029	1,620,000***			
February 1, 2030	1,675,000***			
February 1, 2031	1,735,000***			
February 1, 2032	1,795,000***			

*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 Bonds.

***Subject to prior redemption.



COUNTY OF ORANGE, NEW YORK

COUNTY EXECUTIVE

Steven M. Neuhaus

COUNTY LEGISLATORS

Katherine E. Bonelli, Chairwoman of the Legislature

Michael Amo
Mike Anagnostakis
Leigh J. Benton
L. Stephen Brescia
Barry J. Cheney
Glenn R. Ehlers
Thomas J. Faggione
Kevin W. Hines
Kevindaryan Lujan
Joseph J. Minuta

James D. O'Donnell
Michael D. Paduch
Genesis Ramos
Paul Ruszkiewicz
Robert C. Sassi
Joel Sierra
Kathy Stegenga
Janet Sutherland
Laurie R. Tautel
Peter V. Tuohy

Kelly Eskew
Richard Golden, Esq.
Kerry Gallagher

County Clerk
County Attorney
Commissioner of Finance

* * *

Bond Counsel

Hawkins Delafield & Wood LLP
New York, New York

* * *

Prepared with the Assistance of

MUNICIPAL ADVISOR



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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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OFFICIAL STATEMENT

COUNTY OF ORANGE, NEW YORK

\$14,136,656* PUBLIC IMPROVEMENT SERIAL BONDS – 2022

[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 \$14,136,656* Public Improvement Serial Bonds – 2022 (the “Bonds”) of the County.

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 BONDS

Description of the Bonds

The Bonds will be dated November 10, 2022 and will mature on February 1, in each of the years 2024 to 2032, inclusive, in the principal amounts as set forth on the inside cover page hereof.

The 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 Bonds. Individual purchases of the 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 Bonds. (See “*Book-Entry System*”, herein).

Interest on the Bonds will be payable on February 1, 2023, August 1, 2023, and semiannually thereafter on February 1 and August 1 in each year to maturity. 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 Bonds, as described herein. The Bonds may be transferred in the manner described on the 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 Bonds will be the fifteenth day of the calendar month immediately preceding each interest payment date.

The County Clerk will act as Fiscal Agent for the Bonds. Paying agent fees, if any, will be paid by the purchaser. The County’s contact information is as follows: Kerry Gallagher, Commissioner of Finance, County of Orange, 255 Main Street, Goshen, NY 10924, Phone (845) 291-2485 and email: KGallagher@orangecountygov.com.

*Preliminary, subject to change

Optional Redemption of the Bonds

The Bonds maturing on or before February 1, 2028 will not be subject to redemption prior to maturity. The Bonds maturing on February 1, 2029 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 February 1, 2028, 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 of the Bonds

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

<u>Date Authorized</u>	<u>Purpose</u>	<u>Amount to Bonds</u>
03/02/2017	PW-2017 GOV'T CTR FFE&IT/SB	\$ 2,451
05/01/2014	PW-2013 RECON GOVT CTR/SB/C	116,817
06/06/2013	CC-2004 COMP EQUIP/SB/C	36,101
02/01/2018	PW-2018 CONTAMINATED SOIL/SB	234
03/07/2019	PW-2019 CONTAMINATED SOIL/SB	3,030
02/07/2019	PW-2019 BLDG EQUIP/SB	7,717
03/05/2020	PW-20 BUILDING EQUIPMENT/SB	76,230
02/07/2019	PW-2019 BLDG IMPROVEMENTS/SB	7,426
12/02/2021	PW-2021 BLDG IMPROVEMENTS/SB	63,072
03/05/2020	PW-20 BUILDING IMPROVEMENTS/SB	168,681
03/05/2020	PW-20 ASBESTOS/LEAD REMOVAL/SB	5,662
02/07/2021	PW-2019 COMPUTER TECH/SB	12,396
09/05/2019	BE-2019 HARDWARE/SOFTWARE/SB	3,626
03/05/2020	BE-20 VOTING MACHINES/SB	329,405
03/05/2020	PW-20 GROUNDS EQUIPMENT/SB	104,697
11/07/2019	MH-2019 BOILER REPLACEMENT/SB	26,587
06/03/2021	HD-2021 MED EXAM X-RAY MACH/SB	117,460
12/18/2020	PW-HD-2020 MED EXAM FACILTY/SB	555,059
12/20/2018	PW-2018 FUEL SYS UPGRADE/SB	6,387
02/01/2018	IT-2018 TECH UPGRADES/SB	105,675
02/07/2019	IT-2019 TECH UPGRADES/SB	1,558
02/06/2020	IT-2020 TECH UPDATES/SB	83,324
05/06/2021	IT-2021 TECHNOLOGY UPGRADES/SB	2,998,828
02/07/2019	IT-2019 NEXT GEN SVCS/SB	328,975
03/03/2022	IT-22 SEPARATE CNTY NETWRK/SB	371,170
07/02/2018	VE-2018 CEMETARY EXPANSION/SB	6,922
07/06/2017	VE-2011 CEMETERY IMPROV/SB	780
12/18/2020	PW-2020 MAPLE BUILDING RENO/SB	9,921

05/07/2015	OC-2015 ROOF RECON/SB	4,325
07/07/2016	OC-2016 CAMPUS WIDE BLCKTOP/SB	3,683
07/07/2016	OC-2016 MORRISON COOL TOWER/SB	97
07/06/2017	OC-2017 PUMPS & MOTORS/SB	9,788
11/07/2019	OC-2019 BIO-TECH RENOVATION/SB	157,869
11/07/2019	OC-2019 BIO-TECH COOL TOWER/SB	12,428
11/07/2019	OC-2019 NEWBURGH SIDEWALKS/SB	9,750
11/07/2019	OC-2019 RESTROOM RENOVATION/SB	68,267
11/07/2019	OC-2019 ORANGE ENTRANC DOOR/SB	5,000
12/03/2020	OC-2020 SHEPARD CHILLER/SB	212,500
03/03/2022	SH-22 BODY CAMS	567,487
08/01/2019	CF-2019 BUILDING EXPANSION/SB	5,526
04/05/2019	CF-2019 JAIL BLDG IMPROV/SB	2,601
05/03/2018	CF-2018 BUILDING EQUIP/SB	10,880
06/06/2019	ES-2019 GPS DISPATCH/SB	7,530
06/06/2019	ES-2019 PHASE II IMPROV FTC/SB	22,911
02/01/2018	ES-2018 BUILDING IMPROV/SB	293,675
03/02/2017	PW-2017 INTERSECITON IMPR/SB	5,441
09/06/2018	PW-2018 INTERSECTION IMPROV/SB	73,062
03/07/2019	PW-2019 INTERSECTION IMPROV/SB	57,396
02/06/2020	PW-2020 STRENGTH PAVING/SB	1,152,947
02/04/2021	PW-2021 STRENGTH PAVING/SB	905,144
12/03/2015	PW-2015 BRIDGE PAINTING/SB	73,548
12/07/2017	PW-2017 BRIDGE IMPROV/SB	430,696
12/06/2018	PW-2018 BRIDGE IMPROVEMENTS/SB	500,000
12/05/2019	PW-2019 BRIDGE IMPROVEMENTS/SB	500,000
12/18/2020	PW-2020 BRIDGE IMPROVS/SB	139,603
06/06/2019	PW-2019 DRAINAGE IMPROV/SB	2,274
04/08/2016	PW-2016 MAPLE GLEN BRIDGE#1/SB	417,155
04/08/2016	PW-2016 GARDNERVILLE BRIDGE/SB	197
12/05/2019	PW-2018 GRAHAMLINE BRIDGE/SB	41,707
10/03/2019	PW-2018 BOARD BRIDGE/SB	11,877
06/06/2019	PW-2019 PUMPKIN SWAMP BR/SB	396
12/18/2020	CP-2019 LAKE HORTON BRIDGE/SB	91,369
08/06/2020	PW-2020 FLEET REPLACEMENT/SB	60,936
05/06/2021	PW-2021 FLEET RELACEMENT/SB	99,821
06/06/2019	PW-2019 BOWMAN BRIDGE/SB	156
04/09/2021	PW-2019 BANK STREET BRIDGE/SB	432,037
10/01/2020	PW-2020 HIGHLAND MILLS BRIDG/SB	22,779
10/01/2020	PW-2020 MAIN STREET BRIDGE/SB	19,301
12/03/2020	PW-2020 CORNWALL BRIDGE/SB	6,604
12/05/2019	PW-2017 ORANGE SPRING BRIDG/SB	1,439
02/07/2019	PW-2005 GROVE DR BRDG/SB/C	1,181
09/06/2018	PW-2016 OTISVILLE VIADUCT/SB	4,756
12/20/2018	PW-2018 ROADSIDE SAFETY/SB	15,000
12/18/2020	PW-2020 SCOUR PROTECTION/SB	702
12/01/2016	AT-2016 AIRPORT BLDG IMPROV/SB	3,023
08/01/2019	AT-2019 APRON A/SB	1,264

07/01/2021	AT-2019 TRANSIENT APRON/SB	8,234
08/01/2019	AT-2019 MASTER PLAN UPDATE/SB	131
10/25/2017	AT-2009 RUNWAY 3/21/SB/C	1,951
03/05/2020	PR-2020 PARK/ROADWAY IMPRV/SB	107,758
02/02/2017	PR-2017 HERITAGE MNR-HARR/SB	10,983
11/01/2018	PR-2018 HERITAGE PAV SEG 1/SB	11,192
07/02/2019 & 03/05/2020	PR-2012 HERITAGE TRAIL/SB/C	444,921
04/08/2016	PR-2015 PARKS PAVING/SB	20,145
02/06/2020 & 05/04/2021	PR-2020 TBMP EQUIPMENT/SB	76,244
10/03/2019	PR-2015 TBMP WATER SYSTEM/SB	845
03/05/2020	PR-20 PARK IMPROVEMENTS/SB	31,711
10/03/2019	PR-2018 HISTORIC STRUCTURES/SB	23,684
02/06/2020 & 03/04/2021	PR-2020 HICKORY HILL EQUIP/SB	145,930
02/03/2022	PR-2022 HICKORY HILL EQUIP/SB	68,151
07/29/2021 & 03/03/2021	PR-2020 STONY FORD EQUIP/SB	99,823
02/07/2019	PR-2019 STONY FORD IRRIG/SB	3,038
03/05/2020	PR-20 STONY FORD CART PATH/SB	125,000
03/05/2020	PR-2020 HICK HILL CART PATH/S	117,070
02/04/2021	PR-2021 IRRIGATION HICKHILL/SB	161,339
04/09/2021	PR-2021 1/2 TON ROLLER/SB	7,950
10/07/2021	PR-2021 IMP TO PR FAC	59,372
10/07/2021	PR-2021 HICKORY HILL IMPROV/SB	6,515
02/03/2022	PR-2022 PARKS BLDG EQUIP/SB	6,543
06/06/2016	PW-2016 BEAVER DAM IMPROV/SB	1,451
04/05/2014	LF-2013 EXPND NEWB TRAN/SB/C	24,128
12/06/2012	LF-2004 GAS COLLECT SYS/SB/C	1,666
08/04/2016	LF-2015 CHEECHUNCK CANAL/SB	40,517
04/07/2017	LDF-2017 FLEET-EQUIP/SB	4,520
12/05/2019	LF-2019 STATION #1 EQUIP/SB	6,300
07/06/2017	LF-2017 COMPOSTING FACILITY/SB	6,107
07/06/2017	LDF-2017 IMPRVMTS-RPRS/SB	48,440
08/02/2018	LF-2018 NEW HAMPTON PAVING/SB	1,309
08/02/2018	LF-2018 LANDFILL EQUIPMENT/SB	3,125
06/06/2019	LDF-2019 LEACHATE MANAGEMNT/SB	30,256
12/05/2019	LF-2019 ADMIN ADDITION/SB	7,400
03/05/2020	LDF-20 PAVING STATION 1&3/SB	228,086
09/03/2020	LF-2020 TRAILER PARKING PAD/SB	158,403
06/01/2017	VV-2017 TRAY ASSEMBLY LINE/SB	20,099
	Total	<u>\$14,136,656</u>

DESCRIPTION OF BOOK-ENTRY SYSTEM

DTC will act as Securities Depository for the 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 each series 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 facilitates 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 State aid. 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 current outbreak has caused the Federal government to declare a national state of emergency. The State has 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. The outbreak of COVID-19 and the dramatic steps taken by the State to address it are expected to negatively impact the State's economy and financial condition. 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 continued spread of the outbreak 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. (See "State Aid" herein) (See "Impacts of COVID-19" herein).

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 2021 estimate US Census Bureau, had a population of 404,525. 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 2021. 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 17% of employment in the area, while service employment accounted for an additional 39%. Government employment was 20% of the workforce, reflecting the presence of the United States Military at West Point in the County. There are 40 non-governmental employers, which employ 300 or more persons within the County. Orange Regional Medical Center is the largest employer with over 2,524 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 third term of office on January 1, 2022.

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 Acting Commissioner of Finance, Kerry Gallagher, took office in June 2022.

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 (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	1,521	12/31/2023
Corrections Officers Benevolent Association (C.O.B.A.)	272	12/31/2022
Orange County Deputy Sheriffs Police Benevolent Association	87	12/31/2022
Orange County Community College Faculty Association	103	08/31/2024
Orange County District Attorney's Officers Criminal Investigators' Association	11	12/31/2022
Orange County Community College Staff and Chairman	105	08/31/2023
Orange County Local #836, CSEA, Inc., Local #1000 (A.F.S.C.M.E.), College Employees' Unit	169	12/31/2022
Orange County Local #836, CSEA, Inc., Local #1000 (A.F.S.C.M.E.), The Superior Officers' Officers Unit	15	12/31/2022
Total	2,283	

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.

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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 2011 through 2022 are presented below:

<u>Fiscal Year</u> <u>Ending August 31</u>	<u>Amount</u>	<u>Percent of</u> <u>College Budget</u>	<u>Student FTE</u> <u>Enrollments</u>
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	30.3	4,202
2021	19,624,469	31.1	3,857
2022	not available	not available	3,336

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 9,500 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 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 is in process.

The County is working with New York State to obtain the required permit for the State Pollutant Discharge Elimination System.

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. Transfer station one is located in New Hampton, New York, number two is located in Newburgh, New York, and three is in Port Jervis, New York. 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 two in Newburgh, the County has awarded a contract 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 Drop-off Area (for bagged garbage, recyclables, electronics, TV's, monitors, tires, scrap metal, appliances, and paper remains open to Orange County residents. Transfer stations one and three have a Citizen Drop-off Area.

All material brought to Transfer Station two and Transfer Station three is transported by the County to Transfer Station one for hauling and processing of recycling items and disposal of bagged garbage by the County's vendors.

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

A new feature, a Food Scraps Composting Facility, will be added to Transfer Station One. Currently, the County is waiting an approved Permit Modification from NYSDEC Region 3 to convert the site, which is currently a Yard Waste Composting facility, to accept and process food scraps.

The County conducts four Hazardous Waste events each year where businesses can dispose of hazardous waste for a fee. Homeowners can dispose of Household Hazardous Waste at no cost on Saturday of each event without an appointment. A private vendor runs the events along with County staff. The materials collected are processed by the vendor hired by the County.

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, 2021, is available upon request.

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 New York Stewart International Airport located in the northeastern portion of Orange County. Presently, there are two domestic airlines including Allegiant and Frontier providing non-stop and connecting service to numerous destinations in the United States. Additionally, in June of 2022 Play Airline became an international carrier with non-stop daily flights to Reykjavik Iceland. This strategic new route connects New York Stewart International to 22 additional European destinations. In 2022, a \$37 million permanent U.S. Customs inspection area was completed in preparing for the international travel demand into the Hudson Valley Region. New York Stewart International Airport 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 new entrances, one with immediate access to I-84. A state-of-the-art control tower was commissioned by the Federal Aviation Administration in 2006. Open 24 hours a day, the tower is staffed by Federal Aviation Administration certified air-traffic controllers. In 2015, the Port Authority built a \$10 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. Since the Port Authority took over the airport in 2007, it has invested more than \$218 million to make improvements.

New York 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, US Postal Service, Kalitta and DHL. 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. The airport is home to the New York Animal Inspection Center and a USDA inspection center. With its 12,000-foot main runway, New York Stewart International Airport is also home to the 105th Airlift Wing of the New York Air National Guard.

New York Stewart International Airport employs about 1,100 people. Airport activity supports more than \$125 million in annual economic activity as well as more than 600 additional jobs and \$46 million in annual wages. More than half of 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 #37. Goods entering the Foreign Trade Zone 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. The Foreign Trade Zone 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. Foreign Trade Zone status was recently granted by the U.S. Department of Commerce to properties located at the City of Newburgh waterfront, at New York Stewart International Airport, and at the Goshen Westgate Business Park. This status will increase access of domestic businesses to international markets.

In addition to New York Stewart International Airport, residents of the County have access to extensive passenger services at three metropolitan New York/New Jersey 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 in the Town of Montgomery is a reliever to the commercial centric airports in the region. Orange County Airport has over 165 based business and private aircraft, annually supports 100,000+ operations including takeoffs and landings, and has several aviation-based businesses onsite providing dozens of local jobs. Currently, the Federal Aviation Administration in conjunction with New York State and the County, are collaborating and investing in a \$30 million runway realignment project as well as a \$2.5 million commercial hangar project. This project will make the airport one of the few facilities in the area that will be fully compliant with Federal Aviation Administration runway safety requirements as well as host a state-of-the-art instrument landing system 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 pedestrian multi-purpose trail. Presently, about 95 percent of the trail has been completed, running from the Village of Harriman to East Main Street, Middletown, New York. 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, New York. 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 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 connects 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 percent 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 19.5 +/- mile paved/unpaved Heritage Trail currently links communities from eastern Orange County to Middletown for hikers, bicyclists, bird watchers, skaters, joggers, and nature lovers. The Appalachian Trail 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 United States Military 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 Legoland 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 Delaware & Hudson Canal Park, walk the well preserved one 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 approximately 9,000 people in the last decade. 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.

<u>Year</u>	<u>Orange County</u>	<u>State of New York</u>
1990	307,647	17,990,455
2000	341,367	18,976,457
2010	372,813	19,378,102
2020	382,077	19,514,849

Source: U.S. Bureau of the Census.

Income Data

	Per Capita Money Income			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020^a</u>
County of Orange	\$15,198	\$21,597	\$28,944	\$ 35,616
State of New York	16,501	23,389	30,791	40,898
	Median Household Income			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020^a</u>
County of Orange	\$39,198	\$52,058	\$69,523	\$ 80,816
State of New York	32,965	43,393	55,603	71,117
	Median Family Income			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020^a</u>
County of Orange	\$44,039	\$60,355	\$82,480	\$ 97,542
State of New York	39,741	51,691	67,059	87,270

a. Based on American Community Survey 5-Year Estimates (2016-2020)

Source: U.S. Bureau of the Census.

Economic Development

Economic Development continues to be a top priority for Orange County Government under the leadership of County Executive Steve Neuhaus. Orange County has a comprehensive economic development program, comprised of highly regarded and successful partner agencies, which work together to support economic development in Orange County. Our economic development team aggressively attracts new businesses, promotes growth and expansion of current businesses, and works hard to retain existing companies and businesses.

In cooperation and coordination with the Orange County Partnership for Economic Development, the Orange County Industrial Development Agency, Foreign Trade Zone #37, Orange County Chamber, Orange County Tourism and Film and several federal, state, and regional agencies, the Department of Economic Development works to advance strategic economic development efforts, while providing business assistance. Our mutual mission is to advance the prosperity and economic wellbeing of Orange County residents by creating and retaining valuable jobs, promoting commerce and industry, and working to improve the quality of life for all.

The Department of Economic Development manages Orange County's Foreign Trade Zone #37. Established in 1978, the Foreign Trade Zone #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 Department of Economic Development recently revamped its marketing efforts for Foreign Trade Zone #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 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. Orange County 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 is one of the most progressive Industrial Development Authority'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 Industrial Development Authority 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.

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.

Orange County is one of the Northeast's largest office and industrial hubs. Orange County's infrastructure has the 4 R's of economic development: road, rail, river and runway continue to drive business attraction and growth. All the logistical pieces are in place here in Orange County: proximity to New York City, less than 60 miles, a robust highway system, with three 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 percent of the nation's population, and 20 percent of the nation's, gross domestic product 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 entrepreneurs. 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. We are known for craft beer, apple picking, cider at Angry Orchard and local distilleries and farm markets. 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.

The following represent some highlights of recent business attraction and expansion projects Orange County has celebrated:

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, Choice Film/Umbra Stage and Anheuser-Busch.

LEGOLAND New York (Town of Goshen) – Legoland New York is in full operation and has become a major economic generator for Orange County. One-thousand new jobs have been created and Legoland brings 2.5 million visitors to the area. Reservations for their LEGO-themed hotel are surpassing expectations and the summer of 2022 is set to be a banner year.

Amazon (Town of Montgomery) – Amazon's 1 million square foot e-commerce fulfillment center in Montgomery is up and running. The \$75.2 million facility, developed by Bluewater Industrial Partners, employs more than 800 people in the Town of Montgomery. Amazon has another 3,000 square foot building in New Windsor with another 300 employees.

Medline (Town of Montgomery) – Medline has completed its building of a 1.3 million square feet, \$120 million distribution center in Montgomery, adding another 300 new jobs over the next five years.

Wineshipping.com (Town of Wawayanda) – The former Medline facility in Wawayanda has been converted to a distribution center for Wineshipping.com., a major wine distributor. This project represents \$18 million in capital investment with 90 permanent jobs.

Resorts World (Town of Newburgh) – Renovating 90,000 square feet of the former Newburgh Mall, Resorts World will be opening a Casino in the Town of Newburgh in late 2022. This project will create 225 permanent jobs and represents \$36 million in capital investment.

Walgreens Micro Fulfillment Center (Town of Newburgh) – Presently under construction, this high-tech pharmaceutical fulfillment center will create over 100 high paying jobs in the pharmaceutical industry.

Royal Wine – Kedem (Goshen) – Royal Wine/Kedem is one of the largest manufacturers of Kosher wine and juice. They are moving their entire manufacturing, production, and distribution to Orange County. They are presently excavating the site on 17M in Goshen which will house a 560,000 square foot building, with over \$17 million being invested and 150 permanent jobs will be created.

City Winery (Village of Montgomery) – City Winery Hudson Valley successfully opened in the Village of Montgomery in June 2020. The breathtaking \$12 million, 50,000 square foot facility, created in a 207-year-old former wool mill, includes a full-production winery, restaurant and tasting room. This destination hosts weddings, events and live music creating more than 100 new jobs.

Choice Films / Umbra Studios (New Windsor) – Former catering hall, Anthony’s Pier 9, has been converted into a movie production studio and sound stage. This is a great reuse of a 100,000 square foot facility that creates 330 jobs and abundant economic spinoff.

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

County Economic and Social Development Information

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Amount of Retail Sale (In Billions)*</u>	\$7.08	\$7.47	\$7.73	\$8.01	\$7.43	\$9.46
<u>County Residential Sale</u> <u>(Excludes Condo/Townhouse Sales)**</u>						
Units Sold (New & Existing)	3,485	3,483	3,483	3,673	3,998	4,453
Average Days on Market	125	108	98	92	86	55
Annual Median Sales Price	229,000	256,017	258,750	271,000	315,000	367,000
Annual Average Sales Price	246,392	242,700	280,220	288,900	337,996	393,786
<u>Education Attainment (25 Years Old +)***</u>						
High School Graduate (Inc. Equivalency)	71,627	71,246	71,284	71,028	N/A	N/A
Associate Degree	25,651	23,941	28,070	24,870	N/A	N/A
Bachelor's Degree	39,451	44,360	44,179	42,291	N/A	N/A
Graduate or Professional Degree	30,640	31,454	30,659	31,344	N/A	N/A
Percent High School Graduate or Higher	89.30%	89.80%	90.00%	89.70%	N/A	N/A
Percent Bachelor's Degree or Higher	29.00%	31.00%	29.30%	30.30%	N/A	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)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
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)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
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)

	<u>New York State</u>	<u>Orange County</u>
<u>Occupation (%)</u>		
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
<u>Class of Worker (%)</u>		
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.

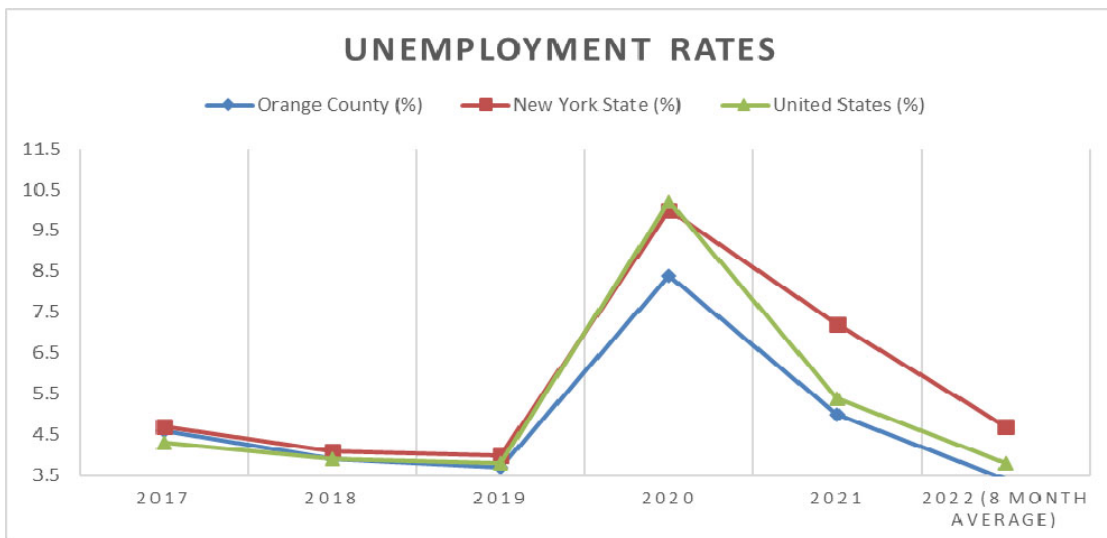
Employment by Industry

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Industry (%)</u>					
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

<u>Annual Averages:</u>	<u>Orange County (%)</u>	<u>New York State (%)</u>	<u>United States (%)</u>
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	5.0	7.2	5.4
2022 (8 Month Average)	3.4	4.7	3.8



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
Crystal Run Health	Healthcare	2050
Orange County Government	Government	1904
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
Amscan, Inc.	Distribution	525
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
SUNY Orange	Education	418
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
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

Source: OC Partnership as of 6/8/22

*SUNY Orange as of 5/31/22

HOUSING DATA

Housing Stock

	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2012</u>	<u>2014</u>	<u>2016</u>	<u>2020</u>
County	110,814	122,754	137,107	138,349	138,441	141,147	144,264
State	7,226,891	7,679,307	8,108,211	8,123,585	8,153,309	8,232,039	8,362,971

Source: 2016-2020 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

	<u>2000</u>		<u>2010</u>		<u>2020</u>	
	<u>County</u>	<u>State</u>	<u>County</u>	<u>State</u>	<u>County</u>	<u>State</u>
Median Value - Owner Occupied Units	\$144,500	\$148,700	\$286,600	\$296,500	\$278,400	\$325,000
Gross Rent - Renter Occupied Units	\$714	\$672	\$1,077	\$1,020	\$ 1,294	\$ 1,376
Occupancy Status						
Owner Occupied	62.7%	48.7%	62.9%	48.1%	65.7%	51.8%
Renter Occupied	30.8%	43.2%	28.0%	40.6%	24.7%	36.9%
Vacant	6.5%	8.1%	9.1%	11.3%	9.6%	11.3%

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.

Computation of Debt Limit and Calculation of Net Debt Contracting Margin
(As of October 17, 2022)

<u>Fiscal Year ending Dec 31:</u>	<u>Assessed Valuation</u>	<u>State Equalization Rate</u>	<u>Full Valuation</u>
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
2021	14,073,436,138	36.02	39,067,611,355
2022	14,375,572,922	31.67	45,386,328,333
Total Five Year Full Valuation			\$184,798,501,906
Average Five Year Full Valuation			36,959,700,381
Debt Limit - 7% of Full Valuation			2,587,179,027
Inclusions:			
Various Purpose Bonds			\$232,864,000
Bond Anticipation Notes			<u>0</u>
Total Indebtedness			<u>232,864,000</u>
Appropriations for Bonds			6,195,000
Appropriations for Notes			<u>-</u>
Total Exclusions			<u>6,195,000</u>
Total Net Indebtedness Before Issuing the Bonds			<u>226,669,000</u>
The Bonds			14,136,656
Less: BANs Being Redeemed by the Bonds			<u>0</u>
Net Effect of the Bonds			<u>14,136,656</u>
Total Net Indebtedness After Issuing the Bonds			<u>240,805,656</u>
Net Debt Contracting Margin			<u><u>\$2,346,373,371</u></u>
Per Cent of Debt Contracting Margin Exhausted			9.31%

Details of Short-Term Indebtedness Outstanding

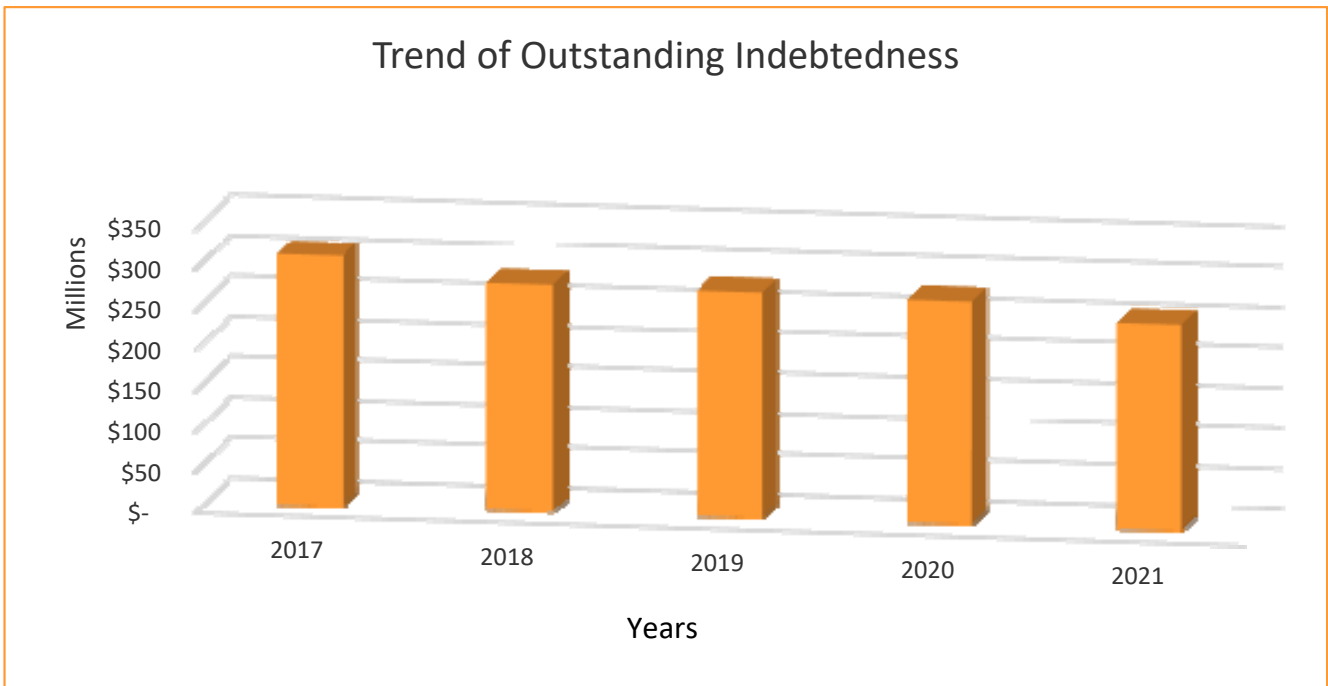
As of the date of this Official Statement, the County has no short-term debt outstanding.

Debt Service Requirements - Outstanding Bonds

Fiscal Year Ending December 31	Principal	Interest	Total
2022	\$ 29,721,000	\$ 9,201,215	\$ 38,922,215
2023	27,925,000	7,639,498	35,564,498
2024	27,914,000	6,367,163	34,281,163
2025	24,573,000	5,222,940	29,795,940
2026	24,907,000	4,211,284	29,118,284
2027	21,555,000	3,246,658	24,801,658
2028	22,240,000	2,530,394	24,770,394
2029	14,315,000	1,998,273	16,313,273
2030	12,230,000	1,589,178	13,819,178
2031	12,585,000	1,252,852	13,837,852
2032	12,955,000	913,850	13,868,850
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	\$ 256,390,000	\$ 45,255,062	\$ 301,645,062

Trend of County Indebtedness

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Outstanding End of Year:					
Bonds	\$308,556,763	\$ 281,155,189	\$279,525,000	\$ 276,472,000	\$ 256,390,000
Bond Anticipation Notes	-	-	-	-	-
Total Outstanding Debt	\$308,556,763	\$ 281,155,189	\$279,525,000	\$ 276,472,000	\$ 256,390,000



Source: Audited financial statements of the County 2017-2020
 Unaudited financial statements of the County 2021

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

<u>Overlapping Units</u>	<u>Applicable Total Indebtedness</u>	<u>Applicable Net Indebtedness</u>
Cities	193,953,764	193,953,764
Towns	138,649,131	138,649,131
Villages	112,118,810	112,118,810
School Districts	528,362,307	528,362,307
Fire Districts	31,855,295	31,855,295
Totals	\$1,004,939,307	\$1,004,939,307

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.

	<u>Amount</u>	<u>Per Capita^a</u>	<u>Percentage of Full Value (%)^b</u>
Total Direct Debt	\$ 232,864,000	\$ 576	0.513
Net Direct Debt	226,669,000	560	0.499
Total Direct & Applicable Total Overlapping Debt	1,237,803,307	3,060	2.727
Net Direct & Applicable Net Overlapping Debt	1,231,608,307	3,045	2.714

a. The current population of the County is 404,525 (U.S. Census - 2021)

b. The County's full value of taxable real property for 2021-22 is \$45,386,328,333.

Long-Term Lease Agreements for County Offices

The County has three long-term lease agreements for County office space in the Cities of Middletown, Newburgh, and Port Jervis, as part of an urban initiative undertaken by the County.

In the City of Newburgh, the County entered a lease with GEMMA Development Company LLC for 45,600 square feet of office space in the old Armory building at 145 Broadway, to consolidate County satellite offices serving the Newburgh and eastern Orange County areas. This was a 20-year lease with two, five-year extensions. The building was renovated, and final occupancy occurred in May 1998. There is some dispute as to the initial starting date of the lease, which appears may be December 1997, which would make the initial ending date December 2017. The 2021 annual lease costs of the premises were approximately \$965,000, including rent of \$727,776. The County has agreed to an assignment of their lease payments to a trustee for \$5,700,000 City of Newburgh Industrial Development Agency, 1996 Taxable Industrial Development Revenue Bonds (GEMMA Development Company LLC Facility), issued to finance the cost of rehabilitating the space. The County has been escrowing rental payments since January 1, 2018, waiting for accounting of payments on Bonds with the Newburgh Industrial Development Agency and Wells Fargo Bank.

Also in Newburgh, the County has a 20-year lease with RAC Development of Newburgh LLC for 25,000 square feet for County offices for the Health Department, County Clerk, and Department of Motor Vehicles in the old Woolworth building at 128 Broadway. This is a fixed rate, triple net lease for \$172,500 per year for 20 years, with a start date of October 4, 2002. 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 2021 was \$223,174, including the rent payments of \$172,500. Current lease expires October 4, 2022, with a five-year renewal at market rent.

In the City of Port Jervis, the County extended their lease with 150 Pike Street Limited Partnership for a total of 10,450 square feet of office space for Orange County Probation, Department of Social Services, Health Department, and Office of Mental Health. The lease was for five years with a five-year option, with rents increasing at consumer price index. The annual rents for 2021 were \$169,511 with additional payments of \$38,911 for cleaning. Current lease expires March 31, 2022, and the County is reducing to 5,450 square feet for Mental Health, with the remaining departments moving to a new space at 17-19 Sussex Street. The County had also leased 5,000 square feet for a SUNY Orange satellite campus for three years at an annual cost of \$48,779 but vacated that space due to lack of attendance.

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

The County has relocated certain offices and additional leased space in the Goshen area into more efficient space at a reduced cost of \$14 per square foot including all heat, electric and common charges, through December 31, 2028. The annual budget cost in 2021 was estimated to be \$615,622, including 43,927 square feet at 30-40 Matthews Street from Goshen Shopping Assoc. This was expanded in April of 2022 when Department of Social Services took over an adjoining suite, adding 816 square feet. The rent goes to \$15.00 per square foot starting in July 2022 for years five through seven of this lease.

The County also leases 5,840 square feet at 14-15 Scotchtown Ave for the Legal Aid Office and the Goshen Court Plaza for a total of \$90,426 in 2021, as well as 10,533 square feet at 1997 Route 17M from Seneco Enterprises for \$136,929 in 2021 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 – rent on a month-to-month basis for \$184,800 per month. Currently working on a new lease.
- Orange County BOCES – 9,000 square feet – annual rent of \$63,500.

The County owns the Middletown Community Campus at 18 Seward Avenue in Middletown. It is a 65,000 square foot office building used by the following County offices: Probation, Social Services, Health, Employment & Training, / NY State Department of Labor, and Community Development. The entire third floor of 21,528 square feet is leased to Cornell Cooperative Extension with an annual rent of \$265,000 for five years through October 1, 2022, with an option for an additional five years, up to October 1, 2027; they have expressed interest in exercising that option. The elimination of the Fulton Plaza lease last year produces a savings of \$425,000 per year.

At 38 Seward Avenue in Middletown, Honor EHG, a Homeless Family Shelter, leases from the County, 45,000 square feet for a 20-year lease at an annual rent of \$316,791. The lease runs to January 1, 2030.

In December of 2013, the County entered a sublease with Orange-Ulster Board of Cooperative Education Services (BOCES) for a 9,182 square foot kitchen (7,870 square feet for County use and 1,312 square feet shared with BOCES) for Senior Dining and similar programs with an upfront payment of \$2,977,735 for equipment and renovations of the leased space. The term began at date of occupancy and will run for ten years from that date. Credit for the upfront payment will be used for rent during the initial ten-year period with two five-year options at \$306,000 per annum and \$318,240 per annum, respectively, potentially extending the lease through 2034.

BOCES, as sublessor to the County, is a tenant of Arden Local Development Corp. (ALDC), which owns the property. BOCES' lease with ALDC ends November 30, 2023. The County's sublease with BOCES is contingent upon BOCES having an extension of their lease with ALDC by November 30, 2023, to ensure completion of the 10-year term of the sublease. If BOCES fails to obtain an interest to enable completion of the 10-year term, BOCES shall refund a pro-rata share of the rent to the County.

Authorized but Unissued Debt

As of the date of this Official Statement, the County has authorized but unissued debt in the aggregate amount of \$89,464,313.75. 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.

Capital Budget Summary 2022-2024

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.

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
Airport	\$ 39,727,789	\$ 2,511,000	\$ 12,910,000	\$ 55,148,789
Beaver Dam	5,439,229	-	-	5,439,229
Buildings	97,519,508	21,850,000	3,400,000	122,769,508
County Roads	36,781,601	32,280,000	33,270,000	102,331,601
County Taxation	163,287,332	30,237,943	1,470,000	194,995,275
Fire	40,000	260,000	260,000	560,000
Landfill Fund	4,875,241	8,525,000	-	13,400,241
Parks	17,176,244	1,013,189	375,000	18,564,433
Sewer	-	55,785,416	55,606,000	111,391,416
Valley View	1,041,991	4,828,072	1,193,072	7,063,135
Total	<u>\$ 365,888,935</u>	<u>\$ 157,290,620</u>	<u>\$ 108,484,072</u>	<u>\$ 631,663,627</u>
Borrowing Amount	<u>\$ 57,329,779</u>	<u>\$ 54,372,002</u>	<u>\$ 23,455,000</u>	<u>\$ 135,156,781</u>

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 2022 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 21.1% of its total 2021 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 2021 and 2022 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 <u>December 31:</u>	<u>Federal Aid</u>	<u>State Aid</u>	<u>Total Federal and State Aid</u>	<u>% of Total Operating Revenue</u>
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
2021	56,443,381	84,800,324	141,243,705	21.1

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 2021 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 5 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 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.

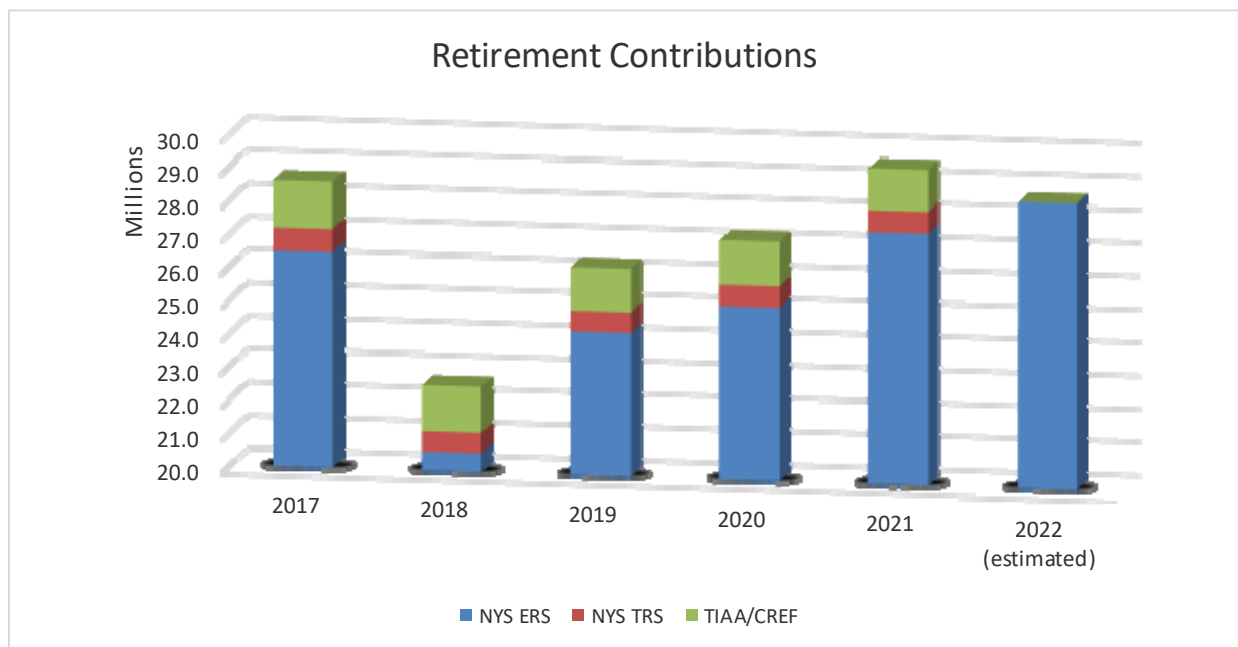
The New York State Retirement System has advised the County that municipalities can elect to make employer contribution payments in the December or the following February, as required. If such payments are made in the December prior to the scheduled payment date in February, such payments may be made 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 2017 through 2021.

Fiscal Year Ending December 31:	<u>NYS ERS</u>	<u>NYS TRS^a</u>	<u>TIAA/CREF^a</u>	<u>Total</u>
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	25,239,539	629,298	1,340,308	27,209,145
2021	27,579,718	676,454	1,263,131	29,519,303
2022 (estimated)	28,624,696	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, 2021 is as follows:

	<u>Primary Government</u>	<u>Community College (Component Unit)</u>
Total OPEB Liability at Dec 31, 2020	\$ 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	<u>73,454,828</u>	<u>16,257,052</u>
Total OPEB Liability at Dec 31, 2021	<u>\$1,464,335,438</u>	<u>\$221,922,017</u>

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 relieved 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, 2018 through 2022.

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Tax Limit	\$ 456,658,624	\$468,565,481	\$ 484,571,185	\$ 507,459,689	\$ 531,556,211
Add Exclusions ^a	25,001,323	37,857,317	37,630,981	41,172,334	36,591,660
Total Taxing Power	481,659,947	506,422,798	522,202,166	548,632,023	568,147,871
Tax Levy ^b	123,466,554	127,117,873	132,042,324	135,481,522	135,171,049
Tax Margin	358,193,393	379,304,925	390,159,842	413,150,501	432,976,822
Percent of Unused Taxing Power	78.44%	74.90%	74.71%	75.31%	76.21%

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 2017 through 2021.

<u>Fiscal Year Ending December 31:</u>	<u>Total Revenue</u>	<u>Real Property Taxes</u>	<u>Real Property Taxes to Revenues (%)</u>
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	584,404,453	84,738,413	14.50
2021	670,863,168	89,591,463	13.35

Source: Audited financial statements 2017 through 2021. Table itself is not audited.

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

Tax Levy and Collection Record

	<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>
County Taxes	120,046,374	\$	122,377,892	\$	126,020,609	\$	130,958,803	\$	134,387,950
Local Special Districts	2,786,058		2,871,173		2,639,216		2,663,963		2,787,222
Relevied Schools	27,657,314		28,867,146		28,402,705		27,721,591		26,031,473
Relevied Villages	2,628,062		2,515,805		2,754,218		2,681,893		2,477,606
Towns	174,943,791		177,453,671		183,323,695		190,113,497		195,043,448
Relevy Penalties	2,119,977		2,196,806		2,180,983		2,128,244		1,995,638
Late Penalties and Fees	1,469,475		1,496,121		1,536,553		1,596,282		1,420,701
Total Tax Levy	331,651,051		337,778,614		346,857,979		357,864,273		364,144,039
Collected End of Year of Levy:									
Amount	318,319,188	\$	323,196,537	\$	334,856,153	\$	345,494,697	\$	354,376,157
Percent	95.98%		95.68%		96.54%		96.54%		97.32%

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

Selected Listing of Large Taxable Properties

2021 Assessment Roll^a

<u>Name</u>	<u>Type</u>	<u>Full Valuation</u>
Orange & Rockland Utilities	Public Utility	\$270,536,473
Central Hudson & Gas	Public Utility	189,585,527
Chelsea GCA Realty	Shopping Center	159,653,700
Roseton Generating LLC	Public Utility	44,691,500
Crystal Run NEWCO LLC	Shopping Center	25,970,540
Frontier Communications	Public Utility	18,779,966
Verizon	Public Utility	18,564,279
Middletown I Resources	Shopping Center	15,750,200
Walmart	Shopping Center	12,004,700
Tuxedo Reserve Owner LLC	Real Estate Developer	3,690,424
	Total ^a	<u>\$759,227,309</u>

a. Assessment Roll established in 2021 for levy and collection of taxes during 2022 Fiscal Year. See “Tax Certiorari Claims” herein.

b. Represents 5.28% of the total Assessed Valuation of \$14,375,572,922.

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 of 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.

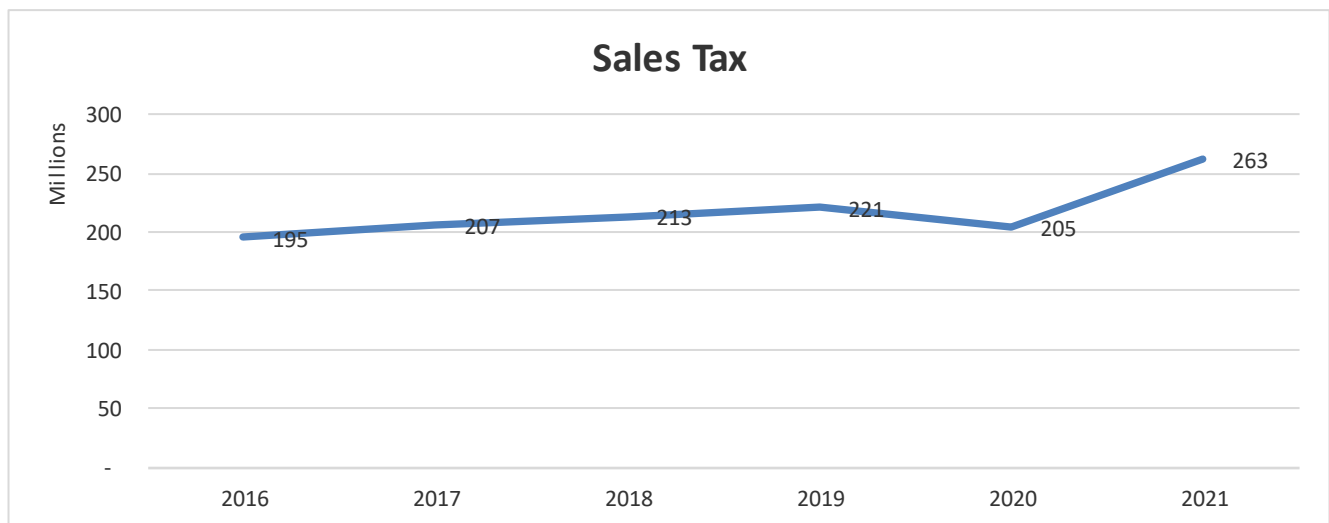
The County presently imposes a sales and use tax of 3.75%, in addition to the 4% tax imposed by the State and 3/8% levied by the Metropolitan Transportation Authority, for a countywide sales tax rate of 8 1/8%. Such sales and use tax collections are administered by the State Tax Commission and paid at 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 2016 through 2021.

<u>Year Ended December 31:</u>	<u>Total General Fund Revenues</u>	<u>Sales Taxes (Net of Distribution to Municipalities)</u>	<u>Sales Taxes to Revenues (%)</u>
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	584,404,453	204,614,605	35.01
2021 ^a	670,863,168	262,824,857	39.18

a. Unaudited.

The County has budgeted \$234,817,027 in sales tax for the fiscal year ending December 31, 2022.



Source: Audited financial statements 2016 through 2020. Unaudited reports of the County for 2021. 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 and the budgeted amounts for the current fiscal year.

<u>Year Ending December 31:</u>	<u>Hotel/Motel Taxes</u>
2017	\$3,590,909
2018	3,934,370
2019	4,116,440
2020	2,492,501
2021	5,273,551
2022 (Budget)	4,256,114

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 AND ARPA FUNDS

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 childcare and an increase in childcare tax credits.

ARPA provided funding in the amount of \$77,770,082. The County of Orange has utilized funds from the American Rescue Plan to decrease the spread of COVID-19 through a vaccination campaign and distribution of testing supplies and personal protective equipment.

Based on the U.S. Department of the Treasury's guidance, the County of Orange calculated a total loss in revenue during the fiscal years ending December 31, 2020, and 2021 of \$82,765,218, due to the COVID-19 public health emergency. In addition to continuing COVID-19 relief efforts, the County of Orange intends to utilize funding from ARPA for a wide range of projects throughout the County, including improvements to vital equipment, infrastructure, and information technology systems.

Community engagement and involvement in the County of Orange is a critical factor in our pandemic response, recovery efforts and use of ARPA funds. Feedback from constituents, community-based organizations and communities is encouraged and solicited through various formal and informal platforms. Since the start of COVID-19 in March of 2020, the County Executive has provided updates via a weekly radio show where constituents may call and discuss any concerns and questions they have, or simply offer feedback or suggestions. The County also has an active Facebook page where the County Executive has been providing daily (or as needed) updates on COVID-19 via pre-recorded video messages. Following the pre-recorded messages, many constituents have submitted comments, questions, or feedback related to the County's response and recovery plan. The County actively monitors this page, collects the feedback provided from both individuals and organizations and responds as appropriate.

The County will continue to monitor closely the economic, environmental, and 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, however for tax years beginning after December 31, 2022, interest on the Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of 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 final approving opinion 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.

MUNICIPAL 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 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 Kerry Gallagher, Acting Commissioner of Finance, County of Orange, 255 Main Street, Goshen, NY 10924, Phone (845) 291-2485 and email: KGallagher@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 **KERRY GALLAGHER**
Acting Commissioner of Finance and Chief Fiscal Officer
County of Orange
Goshen, New York

October , 2022

APPENDIX A

FINANCIAL INFORMATION

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

Fiscal Year Ending December 31:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues:					
Real Property Taxes	\$ 86,682,843	\$ 91,048,284	\$ 79,229,934	\$ 84,738,413	\$ 89,591,463
Other Tax Items	12,657,322	10,759,876	9,592,503	10,013,837	9,408,918
Non-Property Tax Items	285,391,860	295,561,047	306,179,940	282,720,008	361,898,340
Departmental Income	28,559,130	26,916,559	27,929,429	28,344,433	30,749,415
Intergovernmental Charges	9,208,217	9,635,530	11,091,382	9,947,090	9,519,256
Use of Money and Property	5,864,102	6,534,826	6,437,617	5,309,657	5,299,294
Licenses and Permits		1,373,545	2,052,074	1,014,657	2,315,954
Fines and Forfeitures	909,344	715,740	1,072,523	487,392	956,180
Sale of Prop. and Comp. for Loss	360,781	283,552	682,203	1,976,782	1,161,605
Interfund Revenues	8,539,210	9,252,507	10,944,418	11,682,959	12,605,288
State Aid	85,366,243	85,057,095	95,946,441	83,110,255	84,800,324
Federal Aid	61,667,118	64,419,329	63,322,247	60,849,567	56,443,381
Miscellaneous	3,684,440	5,466,512	3,595,432	4,209,403	4,613,750
Total Revenues	588,890,610	607,024,402	618,076,143	584,404,453	669,363,168
Expenditures:					
General Government Support	143,540,342	149,783,881	153,500,930	148,687,861	166,087,524
Education	56,086,709	59,396,108	66,189,645	57,040,836	59,008,797
Public Safety	91,082,474	95,906,793	98,735,578	101,822,889	108,613,090
Health	52,053,434	50,535,201	52,192,260	50,794,574	49,368,475
Transportation	648,250	657,655	662,971	667,597	685,771
Economic Assistance and Opportunity	221,290,051	219,104,590	222,420,070	204,648,530	192,887,632
Culture and Recreation	7,519,661	7,264,862	7,614,528	6,581,967	6,962,355
Home and Community Services	17,465,131	20,958,393	17,808,040	19,333,014	16,968,274
Employee Benefits	836,833	360,320	(119,015)	846,106	(66,391)
Debt Service					
Total Expenditures	590,522,885	603,967,803	619,005,007	590,423,374	600,515,527
Excess (Deficiency) of Revenues over Expenditures	(1,632,275)	3,056,599	(928,864)	(6,018,921)	68,847,641
Other Financing Sources (Uses):					
Operating Transfers In	5,235,423	3,584,171	2,492,692	1,000,000	1,500,000
Operating Transfers Out	(1,439,734)	(2,801,457)	(1,795,313)	(3,624,992)	(4,664,303)
Total Other Financing Sources (Uses)	3,795,689	782,714	697,379	(2,624,992)	(3,164,303)
Excess (Deficiency) of Revs & Other Sources Over Exp. & Other Uses	2,163,414	3,839,313	(231,485)	(8,643,913)	65,683,338
Fund Balance Beginning of Year	82,564,272	84,727,686	88,566,999	87,878,786 *	79,234,873
Fund Balance End of Year	\$ 84,727,686	\$ 88,566,999	\$ 88,335,514	\$ 79,234,873	\$ 144,918,211

*Beginning Balance as Restated

Source: Audited Annual Financial Reports (2017-2020), Unaudited Draft Financial Report (2021)

Balance Sheet - General Fund
Fiscal Year Ending December 31:

ASSETS	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 121,886,483	\$ 91,891,948	\$ 34,666,377	\$ 17,093,690	\$ 138,333,205
Investments			57,800,000	55,000,000	60,183,585
Receivables:					
Taxes Receivable, Net	50,335,903	53,423,980	50,086,001	16,184,857	14,211,787
Accounts, Net	3,755,554	3,864,051	4,215,053	3,022,968	2,996,504
Sales Tax	29,416,389	31,174,115	30,835,131	28,286,056	36,898,879
State and Federal Receivables	41,298,807	51,395,776	63,949,721	91,876,542	84,801,072
Due from Other Governments	820,081	829,365	765,359	572,112	695,679
Due from Component Unit				1,818,081	1,941,284
Due from Other Funds	11,565,687	33,888,115	28,819,108	15,430,621	7,444,134
Prepaid Expenses	4,888,751	4,657,902	4,715,536	4,935,155	5,634,750
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>263,967,655</u>	\$ <u>271,125,252</u>	\$ <u>275,852,286</u>	\$ <u>234,220,082</u>	\$ <u>353,140,879</u>
LIABILITIES					
Accounts Payable	\$ 55,522,456	\$ 51,482,533	\$ 54,131,476	\$ 52,359,780	\$ 62,136,755
Accrued Liabilities	16,314,225	15,353,572	17,943,290	11,030,952	15,157,392
Deposits Payable				8,302,968	8,653,629
Employee Payroll Deductions				939,482	1,257,682
Due to Other Governments	2,514,424	2,849,003	2,746,954		
Due to Other Funds	60,942,677	63,890,211	68,057,473	68,129,603	62,616,968
Due to School Districts	33,751,581	34,154,756	33,347,029		
Unearned Revenue	73,657	58,940	141,585	3,617,400	45,603,748
Due to Fiduciary Funds					2,657,462
Total Liabilities	<u>169,119,020</u>	<u>167,789,015</u>	<u>176,367,807</u>	<u>144,380,185</u>	<u>198,083,636</u>
Deferred Inflows of Revenues -					
Deferred Revenues	<u>10,120,949</u>	<u>14,769,238</u>	<u>11,148,965</u>	<u>10,605,024</u>	<u>10,139,032</u>
Total Liabilities & Deferred Inflows	<u>179,239,969</u>	<u>182,558,253</u>	<u>187,516,772</u>	<u>154,985,209</u>	<u>208,222,668</u>
FUND BALANCE					
Nonspendable Fund Balance	4,888,751	4,657,902	4,715,536	4,935,155	5,634,750
Restricted	4,876,751	4,937,347	5,159,538	4,151,594	5,288,932
Committed	784,482	787,257	790,264	795,193	796,580
Assigned	23,962,784	21,519,970	22,721,838	18,744,933	15,322,104
Unassigned	50,214,918	56,664,523	54,948,338	50,607,998	117,875,845
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	84,727,686	88,566,999	88,335,514	79,234,873	144,918,211
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>263,967,655</u>	\$ <u>271,125,252</u>	\$ <u>275,852,286</u>	\$ <u>234,220,082</u>	\$ <u>353,140,879</u>

Source: Audited Annual Financial Reports (2017-2020), Unaudited Draft Financial Report (2021)

2021 BUDGET SUMMARIES BY FUNDS

	<u>EXPENDITURE</u>		<u>REVENUE</u>		<u>TAXATION</u>		<u>SURPLUS</u>		<u>STATE FEDERAL & OTHER</u>
FUNDS:	TOTAL		TOTAL						
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
	<hr/>		<hr/>		<hr/>		<hr/>		<hr/>
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					<u>434,537,494</u>				
Sales Tax: County Share					220,994,773				
Sales Tax: Municipalities					79,154,771				
Property Tax:					134,387,950				
Total Taxation					<u>434,537,494</u>				

2022 BUDGET SUMMARIES BY FUNDS

	<u>EXPENDITURE</u>		<u>REVENUE</u>			<u>STATE</u>
	<u>TOTAL</u>		<u>TOTAL</u>	<u>TAXATION</u>	<u>SURPLUS</u>	<u>FEDERAL</u>
FUNDS:						& OTHER
Airport	\$ 1,685,989	\$	1,685,989	\$ 17,531	\$ 221,605	\$ 1,446,853
Community Development	3,597,077		3,597,077	143,985		3,453,092
County Road	18,940,070		18,940,070	11,295,996	3,000,000	4,644,074
Debt Service	38,287,913		38,287,913	24,739,772		13,548,141
Employment & Training	8,400,069		8,400,069	106,406		8,293,663
General Fund	448,358,370		448,358,370	(25,795,700)	9,972,371	464,181,699
Landfill	16,166,940		16,166,940	665,534	400,000	15,101,406
Motor Pool	1,585,293		1,585,293		368,574	1,216,719
Road Machinery	2,720,074		2,720,074	288,347		2,431,727
Sewer	11,240,034		11,240,034			11,240,034
Small Watershed Protection	664,447		664,447		75,000	589,447
Social Services	220,267,154		220,267,154	120,675,595		99,591,559
Valley View	57,905,697		57,905,697		6,294,961	51,610,736
Water Authority	293,820		293,820	5,400		288,420
	<hr/>		<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 830,112,947	\$	830,112,947	\$ 132,142,866	\$ 20,332,511	\$ 677,637,570
Reserve for Uncollected Taxes				<u>2,000,000</u>		
Total Taxation Required				<u>134,142,866</u>		
Sales Tax: County Share				234,817,027		
Sales Tax: Municipalities				84,011,085		
Property Tax:				<u>134,142,866</u>		
Total Taxation				<u>452,970,978</u>		

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	<u>701,129,311</u>	42.75%	<u>1,640,068,564</u>
 Total.	 \$ <u>12,579,410,119</u>		 \$ <u>31,035,437,609</u>

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	<u>728,726,537</u>	41.70%	<u>1,747,545,652</u>
 Total.	 \$ <u><u>13,187,370,113</u></u>		 \$ <u><u>31,885,407,714</u></u>

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	<u>733,351,294</u>	38.23%	<u>1,918,261,297</u>
 Total.	 \$ <u>13,275,586,002</u>		 \$ <u>33,406,841,848</u>

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	<u>738,769,604</u>	37.71%	<u>1,959,081,421</u>
 Total.	 \$ <u><u>13,444,107,081</u></u>		 \$ <u><u>35,052,312,655</u></u>

ASSESSED VALUATIONS FOR FISCAL YEAR ENDING DECEMBER 31, 2021

	Assessed Valuation	State Eq. Rate	Full Valuation
City of:			
Middletown	\$ 238,015,467	13.00%	\$ 1,830,888,208
Newburgh	1,303,699,112	100.00%	1,303,699,112
Port Jervis	180,236,930	37.68%	478,335,801
Town of:			
Blooming Grove	287,852,072	14.52%	1,982,452,287
Chester	860,757,834	55.40%	1,553,714,502
Cornwall	1,453,412,696	93.00%	1,562,809,351
Crawford	340,338,430	35.13%	968,797,125
Deer Park	300,382,397	55.60%	540,256,110
Goshen	1,025,182,708	56.00%	1,830,683,407
Greenville	266,590,107	58.10%	458,847,000
Hamptonburgh	672,092,765	93.50%	718,815,791
Highlands	515,909,345	96.00%	537,405,568
Minisink	210,497,814	44.70%	470,912,336
Monroe	398,633,270	17.20%	2,317,635,291
Montgomery	1,454,212,369	56.00%	2,596,807,802
Mount Hope	274,331,067	52.00%	527,559,744
Newburgh	1,063,169,307	28.25%	3,763,431,175
New Windsor	393,765,364	14.49%	2,717,497,336
Palm Tree	173,280,968	17.00%	1,019,299,812
Tuxedo	191,699,159	16.20%	1,183,328,142
Wallkill	614,035,389	18.00%	3,411,307,717
Warwick	539,374,790	12.50%	4,314,998,320
Wawayanda	566,066,850	59.50%	951,372,857
Woodbury	<u>749,899,928</u>	37.00%	<u>2,026,756,562</u>
 Total.	 <u>\$ 14,073,436,138</u>		 <u>\$ 39,067,611,355</u>

COUNTY OF ORANGE

APPENDIX B

**AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

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



Annual Comprehensive Financial Report



Steven M. Neuhaus
County Executive

**Year Ended
December 31, 2021**

Cover Photograph:

LEGOLAND Hotel entrance.

-Photo courtesy of LEGOLAND® New York

COUNTY OF ORANGE, NEW YORK

**Annual Comprehensive Financial Report
Fiscal Year Ended December 31, 2021**

Prepared by

Department of Finance

Kerry Gallagher
Acting Commissioner
255 Main Street
Goshen, New York 10924
(845) 291-2488



County of Orange, New York

Annual Comprehensive Financial Report
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**STATISTICAL SECTION
(Unaudited)**

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

This section includes the following schedules

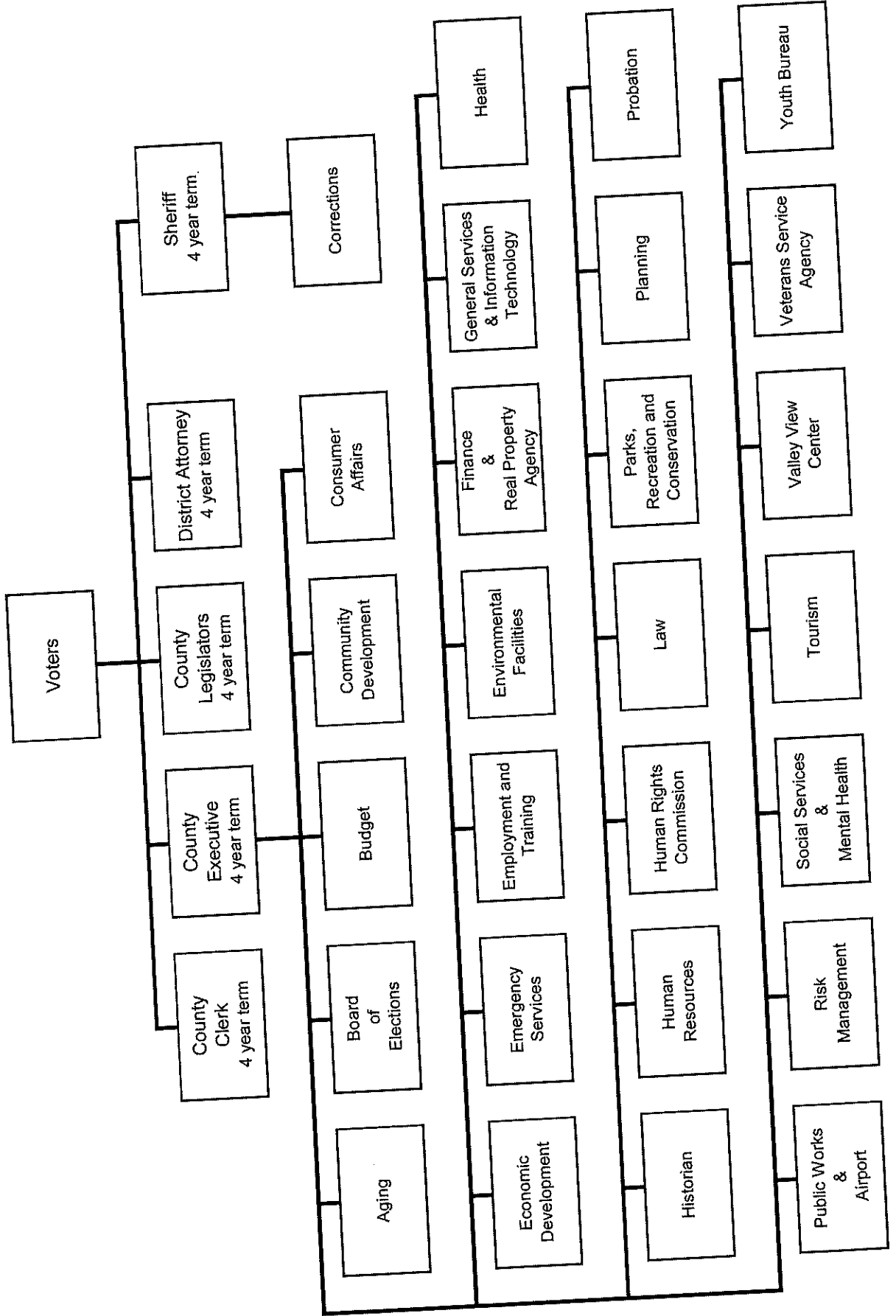
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County of Orange, New York

Principal Officials
December 31, 2021

<u>Office</u>	<u>Name</u>	<u>Term Expires</u>
ELECTED OFFICIALS		
County Executive	Steven M. Neuhaus	12/31/2021
County Legislators		
Chair of the Legislature	Katherine E. Bonelli	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	Katherine E. 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	Robert C. 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	12/31/2021
Sheriff	Carl E. DuBois	12/31/2022
APPOINTED OFFICIALS		
County Attorney	Langdon C. Chapman	Appointed
Commissioner of Finance	Karin E. Hablow	Appointed

**COUNTY OF ORANGE, NEW YORK
TABLE OF ORGANIZATION
DECEMBER 31, 2021**





Steven M. Neuhaus
County Executive

ORANGE COUNTY DEPARTMENT OF FINANCE

Kerry Gallagher
Acting Commissioner

Located at:
255 Main Street
Goshen, New York 10924

Administration:	845-291-2485
Accounts Payable:	845-360-6666
Payroll Office:	845-291-2030
Audit:	845-291-2510
Property Tax:	845-291-2480

Main Fax:	845-378-2372
Payroll Fax:	845-360-9170

July 13, 2022

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

The Annual Comprehensive Financial Report (“ACFR”) for the County of Orange, New York (“County”) for the fiscal year ended December 31, 2021 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, 2021,

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, 2021, 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, 2021 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 404,525 as of July 1, 2021. The County experienced an 8.5% population growth from 2010 to 2021. 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, 2021 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 3,474-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 17% 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, Crystal Run Healthcare, Access: Supports for Living, St. Lukes/Cornwall Hospital, Elant Inc., Amscan Inc., and C&S Wholesale Grocers' Inc. In addition to many other new commercial and industrial development initiatives, Legoland NY opened in July 2021. This \$500 million entertainment resort has generated 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 2021 indicated that wholesale and retail trade accounted for 17% of employment in the area, while service employment accounted for an additional 39%. Government employment was 20% 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 2021 by the various departments and agencies of the Orange County government:

Information Technology Plan: In 2021, the County's Information Technology department continued to transform the County's workforce into a mobile workforce and protect the County from ever increasing Cybersecurity threats.

The major initiatives undertaken in 2021:

- Upgraded automated platforms that are utilized to increase efficiency as well as offer protection from cyberattacks and viruses
- Implemented Multi-Factor Authentication for Microsoft 365 Accounts
- Implemented Multi-Factor Authentication for all inbound remote network connections utilized by employees and vendors
- Implemented Multi-Factor Authentication on the County's network infrastructure devices
- Implemented KnowBe4 anti-phishing and security awareness training
- Applied repeatable measures to evaluate the County's external exposures to security vulnerabilities on a daily basis
- Upgraded firewalls
- Purchased, provisioned, and deployed laptops, iPads, tablets and cell phones
- Installed new Toshiba copiers / printers throughout all County buildings with full technical support and automatic toner ordering saving time and overall cost
- Completed upgrades to servers
- Increased server storage capacity
- Expanded fiber network to increase internet performance, reliability, and bandwidth
- Executed the Legislative Chambers and County Executive video conference platforms
- Completed expansions to handle an increase in VoIP calls
- Ended and replaced end-of-life applications, which eliminated security vulnerabilities while increasing performance and productivity

- Implemented multiple infrastructure improvements to increase reliability, performance, integrity as well as enhance security

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 2021, the County repaved and restriped the main Courthouse parking lot as well as replaced some of the concrete curbs. Over 700 linear feet of concrete curbs and sidewalks at the Government Center parking lot were also replaced. One of the first COVID Vaccine distribution PODS in the Orange County area was set-up. The boiler at the Mental Health building in Goshen was replaced. Design work began for the new Medical Examiner's Office Facility. Contracts were awarded for renovation work of the HONOR EHG Shelter in Middletown. Assisted Emergency Services with bathroom renovation and design of Technical Rescue Garage.

Infrastructure Construction Projects: During 2021, construction was completed on one bridge replacement initiative, six bridge and large culvert repair projects, one large culvert replacement for the Cromline Creek Small Watershed District, along with the paving projects for Orange County Parks facilities including the Stony Ford back nine cart paths, the Arboretum Supplemental Parking Lot, the Plum Point Maintenance Area and the Chester Parking Area for the Heritage Trail. Additionally, 24 miles of County roads were paved and/or surface treated in 2021.

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 current radio equipment with new P-25 (the federal standard for receiving grant money) equipment, as well as increasing tower locations from 8 to 14 sites. This comprehensive upgrade utilizes both County funding and a NYS communications grant. This upgrade will increase the "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 2021:

- Installed interoperability radio equipment at Wurtsboro tower
- Installed new paging equipment at Schunnemunk tower
- Planned the addition of the new Touro College tower site (Middletown)
- Planned the addition of new generators at Heater Hill & Putnam towers
- Planned the addition of new paging equipment at Cronomer & Wurtsboro towers

- Planned the removal of legacy radio equipment from various tower sites

Law Enforcement Records Management System: The Division has been tasked with replacing the current Law Records System which is over 13 years old. Through funding received as part of a Capital Project as well as grant funding received through the District Attorney's Office to the County as part of NYS reform legislation and Homeland Security funding, a new records system (NICHE RMS) has been purchased. This new system will provide all 31 county municipal police agencies, the Sheriff's Office, District Attorney, and Probation Department with a single platform hosted by the county to centralize police record keeping, case reports, investigations, as well as share data which will greatly benefit public safety efforts for the county's law enforcement. A project team is in place along with County IT and NICHE. The following tasks were completed in 2021:

- The software and hardware were successfully installed at Orange County Emergency Services Center
- The project team is working with the RMS vendor to customize Orange County's Build configuration and will continue the Build phase through 2022
- The networking component continues to be a part of the IT's overall 911/Emergency Services Network Segregation project

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 2021, the County continued self-hauling scrap metal and mixed paper to four vendors based on quotes that paid at market rates. Tipping prices for bagged garbage, tires, computer monitors, televisions, and mixed paper remained at pricing that was established in the second half of 2020. The County tipping rate for Municipal Solid Waste was \$113.50/ton through the end of the year. The tipping rate for Single Stream Recycling was \$110.00/ton

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 three Transfer Stations with County staff.

The County DPW EF&S staff completed a draft of 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. The document was submitted for review internally prior to transmittal to NYSDEC

Orange County Sewer District #1 Sewage Treatment: The County worked on regulatory requirements and continued with 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 are being evaluated as part of the process.

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, 2020. This was the 26th 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.

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,



Kerry Gallagher
Acting Commissioner
of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Orange County
New York**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morvill

Executive Director/CEO

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Independent Auditors' Report

The Honorable Legislature of the
County of Orange, New York

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Orange, New York ("County"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof 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.

We did not audit the financial statements of Orange County Community College (a component unit) and the Orange County Water Authority (a component unit) which represent (79.0%, 1.3%) and (96.5%, 0.0%), respectively, of the assets and revenues of the discretely presented component units as of December 31, 2021, and for the year then ended. Those statements were audited by other auditors, whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for these component units are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

PKF O'CONNOR DAVIES, LLP
500 Mamaroneck Avenue, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | www.pkfod.com

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Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of

financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the year ended December 31, 2021 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 for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2021 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 for the year ended December 31, 2021 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2021.

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, 2020 (not presented herein), and have issued our report thereon dated June 15, 2021 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, 2020 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 2020 financial statements. The information was subjected to the audit procedures applied in the audit of the 2020 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 the 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.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2022 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
July 13, 2022

County of Orange, New York

Management's Discussion and Analysis December 31, 2021

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, 2021. 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 2021 are as follows:

- At December 31, 2021, 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 \$779,099,276. However, unrestricted net position, which is available to meet the ongoing obligations of the County, reflects a deficit of \$989,736,814 at December 31, 2021. The unrestricted net position improved by \$36,614,656 from the prior year. This increase results primarily from the change in sales tax offsets by changes in the required accrual of the County's annual other postemployment benefit cost ("OPEB") in accordance with the provisions of GASB Statement No. 75 and net pension liability in accordance with the provisions of GASB Statement No. 68.
- 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 \$145,569,594. However, unrestricted net position, which is available to meet the ongoing obligations of the County, reflects a deficit of \$166,954,428 at December 31, 2021. The unrestricted net position deteriorated by \$18,925,912 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 and net pension liability in accordance with the provisions of GASB Statement No. 68. 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, 2021, the County had liabilities of \$1,488,961,816 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 \$617,620 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 \$144,649,222, which represents an increase of \$65,414,349, from fiscal year 2020. The unassigned portion of this total fund balance was \$117,606,856 an increase of \$66,998,585 from the prior year.

- The County's total outstanding bonds payable for December 31, 2021 were \$256,390,000, a net decrease of \$20,082,000 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 \$924,688,870 for fiscal year 2021. The County's overall net position increased by \$24,780,184 from the prior fiscal year. The reasons for this overall increase are discussed in the sections for governmental and business-type activities immediately after the following table.

Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
	Current Assets	\$ 407,220,871	\$ 264,832,360	\$ 70,435,232	\$ 78,262,995	\$ 477,656,103
Capital Assets, Net	452,976,794	462,481,957	11,011,501	11,408,536	463,988,295	473,890,493
Total Assets	860,197,665	727,314,317	81,446,733	89,671,531	941,644,398	816,985,848
Deferred Outflows of Resources	263,447,515	268,940,693	64,962,590	69,473,776	328,410,105	338,414,469
Current Liabilities	166,075,167	107,840,748	3,990,977	6,073,071	170,066,144	113,913,819
Long-term Liabilities	1,569,702,759	1,702,455,405	260,856,893	279,583,836	1,830,559,652	1,982,039,241
Total Liabilities	1,735,777,926	1,810,296,153	264,847,870	285,656,907	2,000,625,796	2,095,953,060
Deferred Inflows of Resources	166,966,530	7,699,261	27,131,047	1,197,050	194,097,577	8,896,311
Net Position						
Net Investment in Capital Assets	184,564,886	175,348,501	8,143,118	7,972,721	192,708,004	183,321,222
Restricted	26,072,652	29,262,565	13,241,716	12,347,145	39,314,368	41,609,710
Unrestricted	(989,736,814)	(1,026,351,470)	(166,954,428)	(148,028,516)	(1,156,691,242)	(1,174,379,986)
Total Net Position	\$ (779,099,276)	\$ (821,740,404)	\$ (145,569,594)	\$ (127,708,650)	\$ (924,668,870)	\$ (949,449,054)

Current assets increased in governmental activities by \$142.4 million from the prior year due to an increase in cash and equivalents from excess sales tax, hotel tax, and recovery money from both federal and state agencies.

Long-term liabilities, which consists of bonds payable, net pension liability, and other post-employment benefit costs decreased by \$151.48 million from the previous year for governmental and business-type activities combined. This is mainly due to a decrease of \$164.1 million in net pension liability and a decrease of \$20.1 million in general obligation bonds, offset by an increase other postemployment benefit liability of \$24.6 million 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 \$192,708,004. 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 \$26,072,652 at December 31, 2021. This amount represents resources that are subject to external restrictions on how they may be used. For governmental activities, \$26,072,652 is restricted for the following purposes:

	2021	2020
Capital projects	\$ 9,372,793	\$ 8,583,349
Tax stabilization	1,000,132	997,540
Debt service	5,232,183	7,205,731
Community development	332,997	-
Equipment	13,227	13,227
Sanitary landfill improvements	24,544	24,544
Unemployment benefits	2,105,826	1,043,327
Future capital projects	269,781	389,804
Stop-DWI Program	807,979	983,538
Handicapped Parking Education Program	39,615	38,788
Repairs	163,683	163,683
Forfeiture of crime proceeds	1,065,599	698,597
Highway capital projects	9,226	-
Sewer	-	4,117,549
Small watershed	-	372,884
Workers' compensation benefits, self insurance and liability and casualty claims	5,635,067	4,630,004
	<u>\$ 26,072,652</u>	<u>\$ 29,262,565</u>

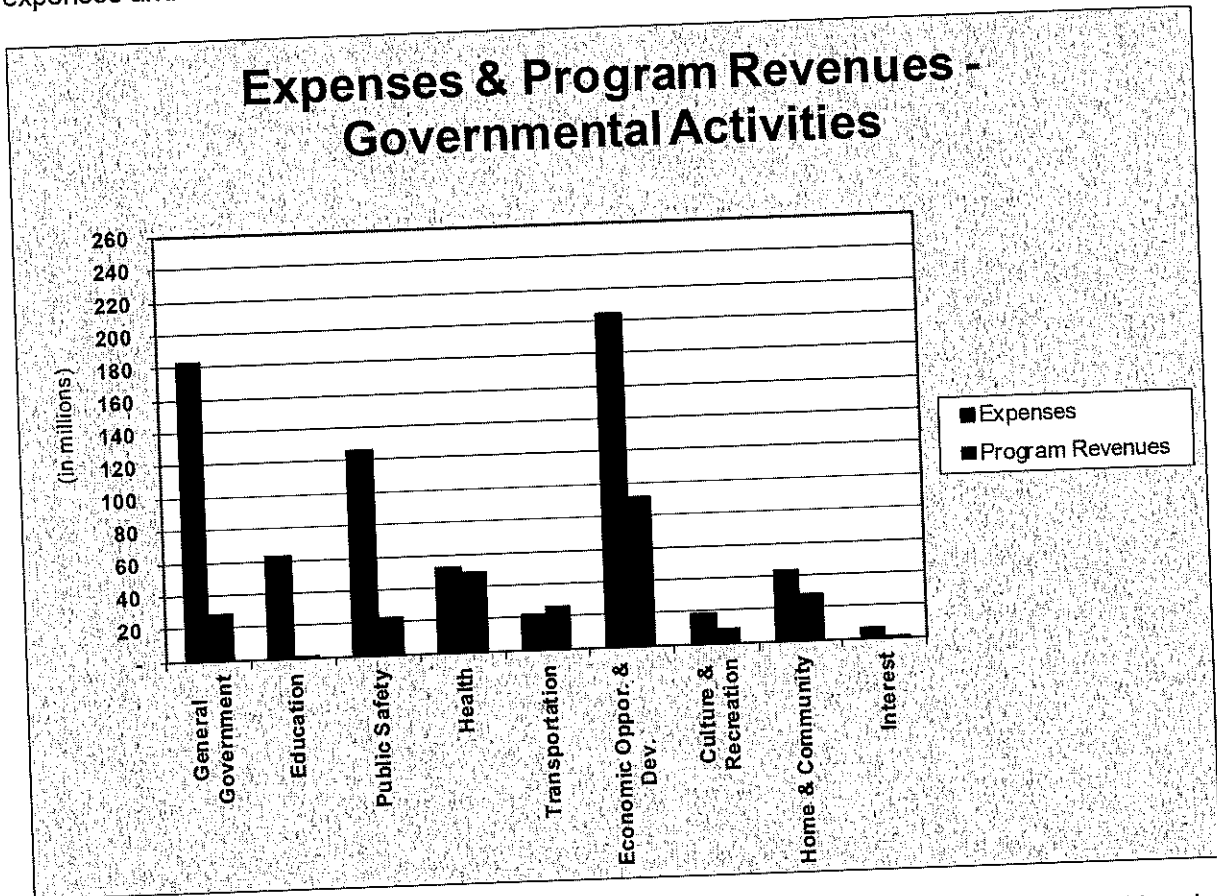
There was a net increase of \$3,189,913 in restricted net position reported in connection with the County's governmental activities compared to the prior year. The change in restricted net position due to lower than expected expenses combined for the majority of the change in the County's restricted net position.

The remaining portion of net position, unrestricted net position, is a negative \$1,156,691,242 with a deficit of \$989,736,814 reported in governmental activities and a \$166,954,428 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 (\$47,846,636), compensated absences (\$16,127,172), landfill closure costs (\$928,000) and OPEB obligations (\$1,488,961,816) 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 \$24,626,378 and the decrease in the net pension liability of \$164,082,134 were the primary reasons for the overall increase 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	
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues						
Charges for Services	\$ 88,267,813	\$ 76,840,332	\$ 38,055,627	\$ 38,682,825	\$ 126,323,440	\$ 115,523,157
Operating Grants and Contributions	159,280,685	161,673,040	86,445	2,536,720	159,367,130	164,209,760
Capital Grants and Contributions	7,661,928	9,611,880	-	-	7,661,928	9,611,880
General Revenues					132,425,203	129,102,530
Real Property Taxes	132,425,203	129,102,530	-	-	9,408,918	10,013,837
Other Tax Items	9,408,918	10,013,837	-	-	360,077,048	280,965,831
Non-property Taxes	360,077,048	280,965,831	-	-		
Unrestricted Use of Money and Property	191,581	215,694	121,872	529,894	313,453	745,588
Tobacco Settlement Proceeds	3,400,000	3,400,000	-	-	3,400,000	3,400,000
Off Track Betting Surcharge	156,273	-	-	-	156,273	-
Intergovernmental Charge	-	-	7,924,998	6,824,208	7,924,996	8,824,208
Donated Land	-	-	-	-	-	-
Other Revenues	989,265	666,387	-	-	989,265	666,387
Total Revenues	<u>761,858,714</u>	<u>672,489,531</u>	<u>46,188,940</u>	<u>48,573,647</u>	<u>808,047,654</u>	<u>721,063,178</u>
PROGRAM EXPENSES						
General Government Support	182,172,191	180,198,980	-	-	182,172,191	180,198,980
Education	63,061,367	60,671,239	-	-	63,061,367	60,671,239
Public Safety	125,915,200	133,060,222	-	-	125,915,200	133,060,222
Health	52,376,627	58,972,302	-	-	52,376,627	58,972,302
Transportation	22,110,404	20,136,514	-	-	22,110,404	20,136,514
Economic Opportunity and Development	203,991,333	216,985,819	-	-	203,991,333	216,985,819
Culture and Recreation	18,117,623	30,860,937	-	-	18,117,623	30,860,937
Home and Community Services	43,719,196	44,684,748	-	-	43,719,196	44,684,748
Interest	6,801,835	8,951,684	-	-	6,801,835	8,951,684
The Valley View Center for Nursing Care and Rehabilitation	-	-	64,049,884	71,438,512	64,049,884	71,438,512
Total Expenses	<u>718,265,776</u>	<u>754,522,445</u>	<u>64,049,884</u>	<u>71,438,512</u>	<u>782,315,660</u>	<u>825,960,957</u>
Change in Net Position Before Transfers	43,592,938	(82,032,914)	(17,860,944)	(22,864,865)	25,731,994	(104,897,779)
Transfers	-	52,100	-	(52,100)	-	-
Change in Net Position	43,592,938	(81,980,814)	(17,860,944)	(22,916,965)	25,731,994	(104,897,779)
NET POSITION						
Beginning, as restated	(822,692,214)	(739,759,590)	(127,708,650)	(104,791,685)	(950,400,864)	(844,551,275)
Ending	<u>\$ (779,099,276)</u>	<u>\$ (821,740,404)</u>	<u>\$ (145,569,594)</u>	<u>\$ (127,708,650)</u>	<u>\$ (924,668,870)</u>	<u>\$ (949,449,054)</u>

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

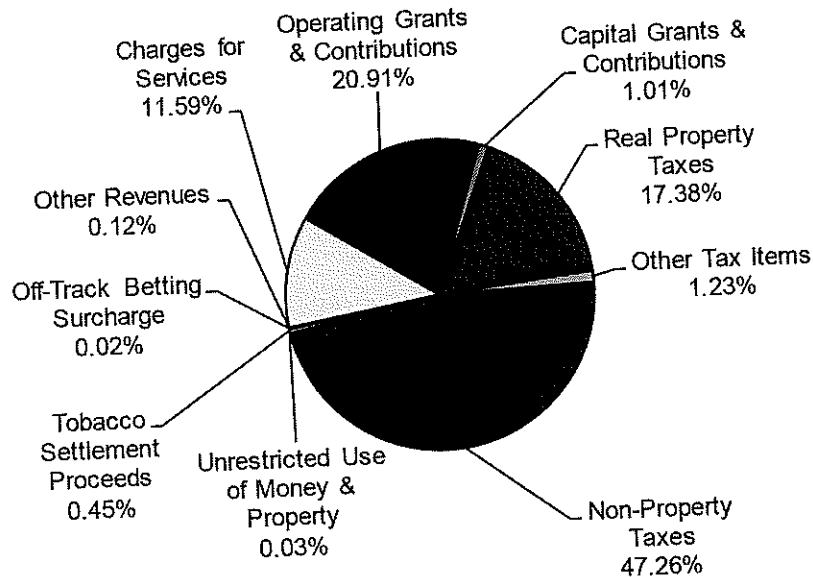


Governmental activities. Governmental activities increased the County's net position by \$43,592,938.

For the fiscal year ended December 31, 2021, revenues from governmental activities totaled \$761.9 million. Tax revenues (\$501.9 million) comprised primarily of real property taxes, other tax items and sales tax, represent the largest revenue source (65.9%). Collection of the current tax levy remains very strong at 97.32%, while averaging 99.35% over the last 10 years. The \$89,369,183 increase 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 \$2,392,355, and capital grants and contributions decreased by \$1,949,952, due to a reduction in sales of County owned properties and a reduction in federal aid due to the closure of the WIC program. A reduction in funding from the Heritage Trail as work reduced due to Covid-19 pandemic.
- Non-property taxes increased by \$79,111,217, primarily from an increase in sales tax revenues resulting from the Covid-19 pandemic restrictions being lifted and stimulus payments given to the constituents.
- Charges for services increased by \$11,427,481 due to an increased volume of services provided.
- Real property taxes allocated to governmental activities increased by \$3,322,673.

Revenues Governmental Activities 2021

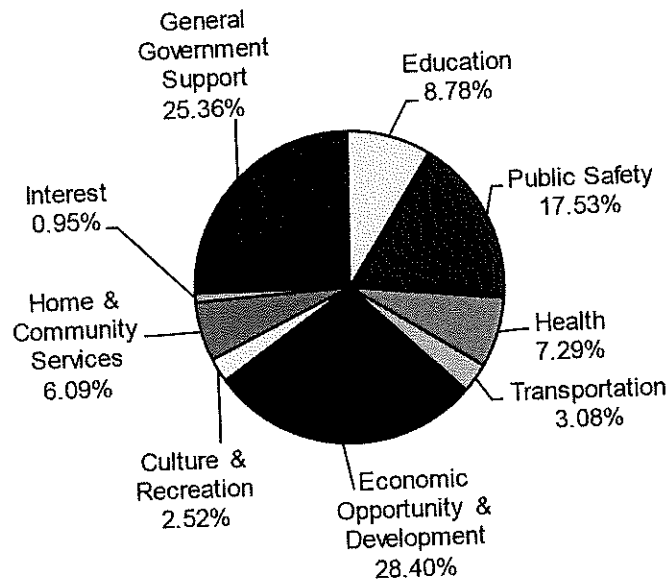


For the fiscal year ended December 31, 2020, expenses from governmental activities totaled \$718.3 million. The largest components of governmental activities expenses are economic opportunity and development (i.e. social services programs) \$203,991,333 (28.4%), general government support (inclusive of sales tax distribution to other municipalities) \$182,172,191 (25.9%), public safety (i.e. sheriff's department and jail) \$125,915,200 (17.5%), education (i.e. community college support and education of handicapped children) \$63,061,367 (8.8%) and health (health and mental health services) \$52,376,627 (7.3%). The \$36,256,669 decrease in total governmental activities expenses from the prior year is the result of a combination of the following factors:

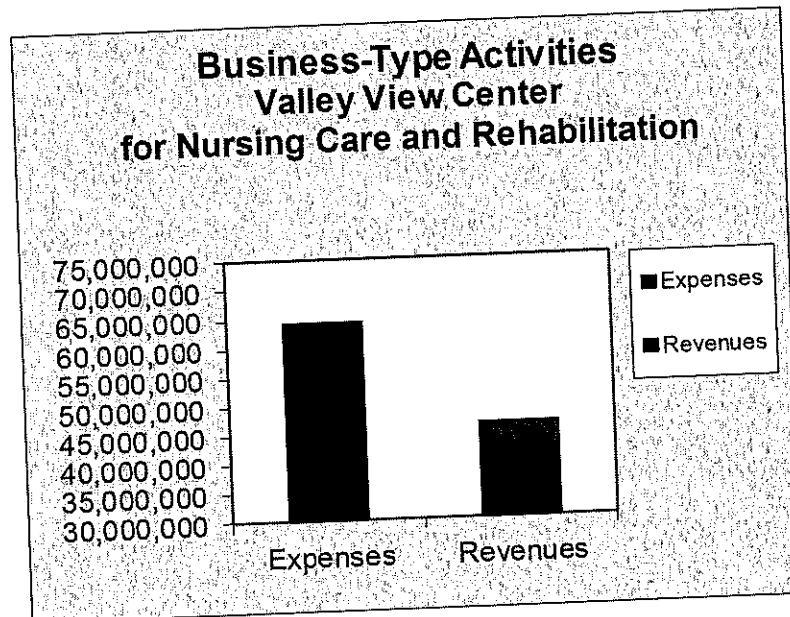
- General government support expenses increased by \$1,973,211 mainly due to an increase in distribution of sales taxes to municipalities offset by the change in OPEB and net pension liability.
- Public Safety – Expenses decreased by \$7,145,022 mainly due to the increase in expenditures incurred within the Jail offset by the change in OPEB and net pension liability.
- Health – Expenses decreased by \$6,595,675 mainly due a change in OPEB and net pension expense liability.
- Culture and Recreation – Expenses decreased by \$12,743,314 mainly due to the change in OPEB and net pension liability.
- Home and community services expenses decreased by \$965,552 mainly due to the change in OPEB and net pension liability.
- Education expenses increased by \$2,390,128 primarily due to increased services in the education of handicapped children due to the lifting of Covid-19 restrictions.

- Economic opportunity and development expenses decreased by \$12,994,486 due to the decrease in use of social services programs and expenses.

Expenses Governmental Activities 2021



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 \$17,860,944.

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 \$163.7 million, an increase of \$74.5 million in comparison with the prior year. Of the total combined fund balance, \$110.8 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 (\$5.8 million), 2) restricted for particular purposes (\$11.1 million), 3) committed for particular purposes (\$796,580), and 4) assigned for particular purposes (\$35.2 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 \$117.6 million, representing 81.3% of the total General Fund balance of \$144.6 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 19.42% unassigned fund balance to total expenditures and other financing uses, while total fund balance represents 23.89% of that same amount.

General Fund revenues and other financing sources were \$607,863,172, an increase of \$85,458,719 compared to the prior year. Expenditures and other financing uses were \$605,448,832, an increase of \$11,400,457 compared to the prior year. Major changes in specific revenues and expenditures in comparison to the prior year were as follows:

- Non-property taxes increased from \$282,720,008 to \$361,898,340 (\$79,178,332 or 28%) and primarily represents an increase on sales taxes revenues and occupancy tax revenues.
- Licenses and permits revenue increased, from \$1,014,657 to \$2,315,954 (\$1,301,297 or 128.25%), reflecting an increase casino revenue due a reduction in Covid-19 restrictions allowing casinos to open back up.
- Departmental Income increased from \$28,344,433 to \$30,735,072 (\$2,390,639 or 8.43%), as a result of increased golf revenues, mental health fees, and other social services aid to dependent children and child care, county clerk fees, and public health charges.
- State Aid increased from \$83,110,255 to \$84,810,571 (\$1,700,316 or 2.05%) due to increases 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 \$11,491,905 (5.62%) due to decreased services in various social services programs.
- General government support expenses increased \$17,399,633 (10.48%), from \$148,687,861 to \$166,087,524 mostly the result of an increase in the distributed sales tax.

- Education expenditures increased \$1,967,961 (3.45%) due to increased services related to the education of handicapped children because of Covid-19 restrictions lessening.

The fund balance of the General Fund increased by \$65,414,349 during the fiscal year ended December 31, 2021.

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 \$6,615,360 for fiscal year 2021. This is an increase of \$5,798,928 to the deficit balance of \$12,414,288 at December 31, 2020, representing a lesser outlay of capital expenses on various sizeable projects throughout the 2021 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, 2021, the combined fund balances of these Special Revenue funds totaled \$20,100,829. This represents an increase of \$4,930,865 for the fiscal year 2021, mainly resulting from lower than anticipated expenditures.

The **Debt Service Fund** reported a fund balance of \$5,232,183 at December 31, 2021, an increase of \$1,973,548 from 2020.

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 \$1,831,843, from \$18,748,011 to \$20,579,845, during the year ended December 31, 2021.

General Fund Budgetary Highlights

During the year, there was a \$169.6 million increase in appropriations between the original and final amended budget. The primary drivers of the increase to the budget were 1) increase in sales tax of \$12.8 million, 2) increases in various State-funded health programs and grants (\$14.1 million), due to public health grants, 3) increases in Economic Opportunity and Development primarily for covid stimulus funding and Emergency Solutions grant public safety, (\$13 million), and 4) increases in general government support (\$42.1 million), mainly due to the legal defense of indigents funding and the American Rescue Plan Act.

Overall, actual General Fund expenditures and other financing uses were \$605.4 million, which was \$211 million less than the final budget. The major areas where spending was less than budget was general public safety (\$11.2 million), primarily as a result of salary, health insurance, and lease agreement saving, general government support (\$54.1) from unspent grant funds, health (\$37.3 million), primarily in unspent grant funds in public health, WIC, and mental health programs, economic opportunity and development (\$47.6 million), primarily as a result of savings in unspent social services programs, home and community services (\$51.1 million), primarily in unspent planning grant funds, and education (\$9.2 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 \$670.9 million, which was \$124.8 million less than the final budget. The revenue category that reflected a positive variance

as compared to the final budget due to non-property taxes (\$43,036,590) due to an increase Sales taxes, licenses and permits (\$1,159,023) due to increased revenue from games of chance. This was offset by shortfalls federal aid (\$113.8 million) mainly due to unspent transportation. American Rescue Plan Act and economic opportunity and development grants funds, and state aid (\$48.4 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, 2021, amounts to \$463,988,295 (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	
	2021	2020	2021	2020	2021	2020
Land	\$ 38,973	\$ 39,241	\$ -	\$ 104	\$ 38,973	\$ 39,345
Buildings and improvements	203,458	214,440	8,865	9,146	212,323	223,586
Machinery and equipment	10,171	9,674	2,147	2,159	12,318	11,833
Infrastructure	18,374	19,928	-	-	18,374	19,928
Construction-in- progress	182,001	179,199	-	-	182,001	179,199
Total (Net of Depreciation)	<u>\$ 452,977</u>	<u>\$ 462,482</u>	<u>\$ 11,012</u>	<u>\$ 11,409</u>	<u>\$ 463,989</u>	<u>\$ 473,891</u>

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, 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 \$256,390,000. The net decrease in the County's total debt was \$20,082,000. This was the result of new money issues of \$28,500,000. The County redeemed \$48,592,000 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	
	2021	2020	2021	2020	2021	2020
General Obligation Bonds	<u>\$ 253,635</u>	<u>\$ 273,153</u>	<u>\$ 2,755</u>	<u>\$ 3,319</u>	<u>\$ 256,390</u>	<u>\$ 276,472</u>

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 July 2021, 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 5.10% in April 2021, down from 17.50% in April 2020. The State-wide unemployment rate in April 2020 was 15.9%.

Most recent Labor Department data indicates that the number of people employed in the County decreased by 13.2%, from 183,700 to 159,400, between May 2019 and May 2020.

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 2020 was \$97,542, while New York State's median family income was \$87,270. The median income for the nation as a whole was \$80,069.

The taxable assessed value of real property in the County increased from \$13,804,145,601 in 2020 to \$14,073,436,138 in 2021, with the median sales price in 2021 being \$355,000.

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 \$9.9 million of the fund balance of the General Fund for spending in the 2022 fiscal year. The 2021 County budget provides for a "County-Wide" tax rate of \$3.558 per \$1,000 of full value. This is a decrease of \$0.17, or 4.74% less than last year's rate of \$3.735.

The following economic factors affect the County and were considered in developing the 2022 fiscal year budget.

- The unemployment rate for the County is currently 3% which is a decrease from the rate of 4.7% a year ago and compares favorably with the rate of 6.9% 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 2022.
- On the expenditure side, increases are expected in health care premiums, as well as pension and other employee benefit costs.
- Departmental budget reductions continued in recognition of the decline in revenues because 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 Kerry Gallagher, Acting Commissioner of Finance, Orange County Government Center, 255 Main St., Goshen, New York, 10924, telephone (845) 291-2489, 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, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS	\$ 227,539,586	\$ 200	\$ 227,539,786	\$ 29,720,956
Cash and equivalents	60,183,585	-	60,183,585	17,819,564
Investments	-	-	14,211,787	-
Receivables	14,211,787	-	10,567,682	7,816,591
Property taxes, net	6,265,677	4,302,005	36,898,879	-
Accounts, net	36,898,879	-	1,287,734	-
Sales taxes	1,287,734	-	18,662,611	107,662
Sewer rents	18,662,611	-	-	-
Loans, net	(61,667,397)	61,667,397	-	81,014
Internal balances	95,352,918	-	95,352,918	-
State and Federal aid, net	1,941,284	-	1,941,284	-
Due from component unit	695,679	2,128,579	2,824,258	-
Due from other governments	-	601,878	601,878	-
Inventories	5,848,528	1,028,807	6,877,335	155,703
Prepaid expenses	-	706,366	706,366	-
Fund held in trust for/by residents	-	-	-	6,181,792
Net pension asset	-	-	-	-
Capital assets	220,974,230	-	220,974,230	743,316
Not being depreciated	232,002,564	11,011,501	243,014,065	1,315,659
Being depreciated, net	860,197,665	81,446,733	941,644,398	63,942,257
Total Assets				
DEFERRED OUTFLOWS OF RESOURCES	2,910,313	97,607	3,007,920	-
Deferred charge on refunding bonds	122,601,542	19,093,744	141,695,286	12,760,054
Pension related	137,935,660	45,771,239	183,706,899	23,481,015
OPEB related	-	-	-	-
Total Deferred Outflows of Resources	263,447,515	64,962,590	328,410,105	36,241,069
LIABILITIES	70,725,486	1,866,346	72,591,832	887,998
Accounts payable	2,343,260	32,662	2,375,922	-
Accrued interest payable	15,298,492	446,875	15,745,367	3,816,790
Accrued liabilities	2,657,462	-	2,657,462	-
Due to fiduciary fund	-	938,728	938,728	-
Due to other governments	65,139,156	-	65,139,156	4,320,084
Unearned revenues	8,653,629	-	8,653,629	228,555
Deposits payable	1,257,682	-	1,257,682	648,955
Employee payroll deductions	-	-	-	15,000
Funds held for student activities	-	-	-	-
Security deposits	-	706,366	706,366	-
Fund held in trust for/by residents	-	-	-	56,603
Non-current liabilities	39,009,189	486,734	39,495,923	229,932,485
Due within one year	1,530,693,570	260,370,159	1,791,063,729	239,906,470
Due in more than one year	1,735,777,926	264,847,870	2,000,625,796	239,906,470
Total Liabilities				
DEFERRED INFLOWS OF RESOURCES	159,539,154	25,547,660	185,086,814	20,379,432
Pension related	7,427,376	1,583,387	9,010,763	1,150,023
OPEB related	-	-	-	856,261
New York State TAP	-	-	-	-
Total Deferred inflows of Resources	166,966,530	27,131,047	194,097,577	22,385,716
NET POSITION	184,564,886	8,143,118	192,708,004	1,983,463
Net investment in capital assets	-	-	9,372,793	-
Restricted for:	9,372,793	-	1,000,132	-
Capital projects	1,000,132	-	5,232,183	-
Tax stabilization	5,232,183	-	332,997	-
Debt service	332,997	-	13,227	-
Community development	13,227	-	24,544	-
Equipment	24,544	-	2,105,826	-
Sanitary landfill improvements	2,105,826	-	269,781	-
Unemployment benefits	269,781	-	807,979	-
Future capital projects	807,979	-	39,615	-
Stop-DWI Program	39,615	-	163,683	-
Handicapped Parking Education Program	163,683	-	1,065,599	-
Repairs	1,065,599	-	9,226	-
Forfeiture of crime proceeds	9,226	-	-	-
Highway capital projects	-	-	18,876,783	-
Workers' compensation benefits, self insurance and liability and casualty claims	5,635,067	13,241,716	-	22,149,511
Scholarships, awards and grants	(989,736,814)	(166,954,428)	(1,156,691,242)	(186,241,834)
Unrestricted	\$ (779,099,276)	\$ (145,569,594)	\$ (924,668,870)	\$ (162,108,860)
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, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities	\$ 182,172,191	\$ 25,307,054	\$ 4,487,494	\$ (1,473,718)
General government support	63,061,367	-	19,160	1,148,178
Education	125,915,200	13,479,689	7,167,639	1,685,928
Public safety	52,376,627	7,019,833	42,102,195	-
Health	22,110,404	2,200,826	19,384,452	4,845,479
Transportation				-
Economic opportunity and development	203,991,333	10,404,615	80,521,339	1,259,707
Culture and recreation	18,117,623	2,203,585	5,352,100	-
Home and community services	43,719,196	27,652,211	246,306	54,891
Interest	6,801,835	-	-	141,463
Total Governmental Activities	718,265,776	88,267,813	159,280,685	7,661,928
Business-type activities				
The Valley View Center For Nursing Care and Rehabilitation	64,049,884	38,055,627	86,445	-
Total Primary Government	\$ 782,315,660	\$ 126,323,440	\$ 159,367,130	\$ 7,661,928
Component units				
Community College	\$ 83,147,944	\$ 24,643,222	\$ 17,915,911	\$ -
Soil and Water Conservation District	645,475	10,002	496,620	-
Industrial Development Agency	1,615,073	2,209,204	-	-
Water Authority	189,683	-	18,489	-
Total Component Units	\$ 85,598,175	\$ 26,862,428	\$ 18,431,020	\$ -
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				
Off-track betting surcharge				
Intergovernmental transfer - Medicaid funding				
Other revenues				
Total General Revenues				
Change in Net Position				
NET POSITION				
Beginning, as reported				
Prior Period Adjustment				
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
\$ (153,851,361)	\$ -	\$ (153,851,361)	\$ -
(61,894,029)	-	(61,894,029)	-
(103,581,944)	-	(103,581,944)	-
(3,254,599)	-	(3,254,599)	-
4,320,353	-	4,320,353	-
(113,065,379)	-	(113,065,379)	-
(9,302,231)	-	(9,302,231)	-
(15,765,788)	-	(15,765,788)	-
(6,660,372)	-	(6,660,372)	-
(463,055,350)	-	(463,055,350)	-
-	(25,907,812)	(25,907,812)	-
(463,055,350)	(25,907,812)	(488,963,162)	-
-	-	-	(40,588,811)
-	-	-	(138,853)
-	-	-	594,131
-	-	-	(171,194)
-	-	-	(40,304,727)
132,425,203	-	132,425,203	-
6,889,140	-	6,889,140	-
1,848,940	-	1,848,940	-
670,838	-	670,838	-
354,803,497	-	354,803,497	-
5,273,551	-	5,273,551	-
191,581	121,872	313,453	4,027,245
-	-	-	19,052,882
-	-	-	12,340,989
3,400,000	-	3,400,000	-
156,273	-	156,273	-
-	7,924,996	7,924,996	-
989,265	-	989,265	560,397
506,648,288	8,046,868	514,695,156	35,981,513
43,592,938	(17,860,944)	25,731,994	(4,323,214)
(821,740,404)	(127,708,650)	(949,449,054)	(157,785,646)
(951,810)	-	(951,810)	-
(822,692,214)	(127,708,650)	(950,400,864)	(157,785,646)
\$ (779,099,276)	\$ (145,569,594)	\$ (924,668,870)	\$ (162,108,860)

County of Orange, New York

Balance Sheet
Governmental Funds
December 31, 2021

	General	Community Development	Capital Projects	Non-Major Governmental	Total Governmental Funds
ASSETS					
Cash and equivalents	\$ 138,333,205	\$ -	\$ -	\$ 21,274,479	\$ 159,607,684
Investments	60,183,585	-	-	-	60,183,585
Taxes receivable, net	14,211,787	-	-	-	14,211,787
Other receivables	2,996,504	-	-	2,339,117	5,335,621
Accounts, net	36,898,879	-	-	-	36,898,879
Sales taxes	-	-	-	1,287,734	1,287,734
Sewer rents, net	-	18,662,611	-	-	18,662,611
Loans, net	85,425,403	1,249,034	2,549,697	6,128,784	95,352,918
State and Federal aid, net	1,941,284	-	-	-	1,941,284
Due from component unit	695,679	-	-	-	695,679
Due from other governments	6,819,807	370,147	-	1,247,806	8,437,760
Due from other funds	134,777,556	20,281,792	2,549,697	11,003,441	168,612,486
Prepaid expenditures	5,634,750	14,416	-	199,362	5,848,528
Total Assets	<u>\$ 353,140,883</u>	<u>\$ 20,296,208</u>	<u>\$ 2,549,697</u>	<u>\$ 32,477,282</u>	<u>\$ 408,464,070</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)					
Liabilities	\$ 61,157,942	\$ 1,239,798	\$ 3,547,081	\$ 4,175,065	\$ 70,119,886
Accounts payable	15,157,392	9,236	-	131,864	15,298,492
Accrued liabilities	8,653,629	-	-	-	8,653,629
Deposits payable	1,257,682	-	-	-	1,257,682
Employee payroll deductions	63,864,774	37,150	5,617,976	1,964,544	71,484,444
Due to other funds	2,657,462	-	-	-	2,657,462
Due to fiduciary funds	45,603,748	18,662,611	-	872,797	65,139,156
Unearned revenues	198,352,629	19,948,795	9,165,057	7,144,270	234,610,751
Total Liabilities	10,139,032	-	-	-	10,139,032
Deferred inflows of resources	10,139,032	-	-	-	10,139,032
Deferred tax revenues	208,491,661	19,948,795	9,165,057	7,144,270	244,749,783
Total Liabilities and Deferred Inflows of Resources	5,634,750	14,416	-	199,362	5,848,528
Fund balances (deficits)	5,288,932	332,997	-	5,442,863	11,064,792
Nonspendable	796,580	-	-	-	796,580
Restricted	15,322,104	-	-	19,895,283	35,217,387
Committed	117,606,856	-	(6,615,360)	(204,496)	110,787,000
Assigned	144,649,222	347,413	(6,615,360)	25,333,012	163,714,287
Unassigned	<u>\$ 353,140,883</u>	<u>\$ 20,296,208</u>	<u>\$ 2,549,697</u>	<u>\$ 32,477,282</u>	<u>\$ 408,464,070</u>
Total Fund Balances (Deficits)					
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits)					

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, 2021

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balances - Governmental Funds:	<u>\$ 163,714,287</u>
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets - non-depreciable	220,974,230
Capital assets - depreciable	618,310,846
Accumulated depreciation	<u>(386,478,405)</u>
	<u>452,806,671</u>
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	122,601,542
Deferred outflows - OPEB related	137,935,660
Deferred inflows - pension related	(159,539,154)
Deferred inflows - OPEB related	<u>(7,427,376)</u>
	<u>93,570,672</u>
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.	
	<u>7,338,129</u>
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	<u>10,139,032</u>
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(2,343,260)
General obligation bonds payable	(253,635,456)
Landfill closure costs	(928,000)
Net pension liability	(532,370)
Total OPEB liability	<u>(1,232,662,332)</u>
	<u>(1,490,101,418)</u>
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	2,910,313
Premium on general obligation bonds	<u>(19,476,962)</u>
	<u>(16,566,649)</u>
	<u>\$ (779,099,276)</u>
Net Position of Governmental Activities	

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, 2021

	General	Community Development	Capital Projects	Non-Major Governmental	Total Governmental Funds
REVENUES					
Real property taxes	\$ 89,591,463	\$ 160,499	\$ -	\$ 43,139,233	\$ 132,891,195
Other tax items	9,408,918	-	-	-	9,408,918
Non-property taxes	361,898,340	-	-	-	361,898,340
Departmental income	30,735,072	370,147	-	25,687,240	56,792,459
Intergovernmental charges	9,519,256	-	-	3,185,631	12,704,887
Use of money and property	5,299,294	-	-	108,239	5,407,533
Licenses and permits	2,315,954	-	-	740,704	3,056,658
Fines and forfeitures	956,180	-	-	-	956,180
Sale of property and compensation for loss	1,161,605	-	11,700	303,814	1,477,119
Interfund revenues	12,605,288	27,116	-	5,113,161	17,745,565
State aid	84,810,571	-	3,372,141	8,151,663	96,334,375
Federal aid	56,447,481	4,859,780	3,465,529	3,084,866	67,857,656
Miscellaneous	4,613,750	-	682,795	(305,688)	4,990,857
Total Revenues	669,363,172	5,417,542	7,532,165	89,208,863	771,521,742
EXPENDITURES					
Current					
General government support	166,087,524	-	-	103,207	166,190,731
Education	59,008,797	-	-	-	59,008,797
Public safety	108,613,090	-	-	-	108,613,090
Health	49,368,475	-	-	-	49,368,475
Transportation	685,771	-	-	16,528,565	17,214,336
Economic opportunity and development	193,156,625	5,070,129	-	6,077,259	204,304,013
Culture and recreation	6,962,355	-	-	-	6,962,355
Home and community services	16,968,274	-	-	24,327,081	41,295,355
Employee benefits	(66,391)	-	-	-	(66,391)
Debt service	-	-	-	32,882,126	32,882,126
Principal	-	-	-	9,774,916	9,774,916
Interest	-	-	-	87,868	87,868
Refunding bond issuance costs	-	-	18,634,667	-	18,634,667
Capital outlay	-	-	-	-	-
Total Expenditures	600,784,520	5,070,129	18,634,667	89,781,022	714,270,338
Excess (Deficiency) of Revenues Over Expenditures	68,578,652	347,413	(11,102,502)	(572,159)	57,251,404
OTHER FINANCING SOURCES (USES)					
General obligation bonds issued	-	-	15,061,785	-	15,061,785
Refunding bonds issued	-	-	-	13,219,113	13,219,113
Issuance premium	-	-	1,166,223	2,261,967	3,428,190
Payment to refunded bond escrow agent	-	-	-	(14,990,675)	(14,990,675)
Transfers in	1,500,000	951,810	683,596	11,075,870	14,211,276
Transfers out	(4,664,303)	-	(10,174)	(8,036,799)	(12,711,276)
Total Other Financing Sources (Uses)	(3,164,303)	951,810	16,901,430	3,529,476	18,218,413
Net Change in Fund Balances	65,414,349	1,299,223	5,798,928	2,957,317	75,469,817
FUND BALANCES (DEFICITS)					
Beginning of Year, as reported	79,234,873	-	(12,414,288)	22,375,695	89,196,280
Prior Period Adjustment	-	(951,810)	-	-	(951,810)
Beginning of Year, as restated	79,234,873	(951,810)	(12,414,288)	22,375,695	88,244,470
End of Year	\$ 144,649,222	\$ 347,413	\$ (6,615,360)	\$ 25,333,012	\$ 163,714,287

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, 2021

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds	<u>\$ 75,469,817</u>
<p>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.</p>	
Capital outlay expenditures	7,862,164
Depreciation expense	<u>(16,303,774)</u>
	<u>(8,441,610)</u>
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
Real property taxes	<u>(465,992)</u>
<p>The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) is to increase net position.</p>	
Gain on sale of assets	<u>(901,378)</u>
<p>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.</p>	
Principal paid on general obligation bonds	32,882,126
General obligation bonds issued	(15,061,785)
Refunding bonds issued	(13,219,113)
Issuance premium	(3,428,190)
Payment to refunded bonds escrow agent	<u>14,990,675</u>
	<u>16,163,713</u>
<p>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.</p>	
Landfill closure cost	220,000
Accrued interest	964,313
Changes in OPEB liabilities and related deferred outflows and inflows of resources	(54,790,115)
Changes in pension liabilities and related deferred outflows and inflows of resources	12,502,173
Amortization of loss on refunding bonds and issuance premium	<u>1,934,754</u>
	<u>(39,168,875)</u>
<p>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</p>	
	<u>937,263</u>
Change in Net Position of Governmental Activities	<u>\$ 43,592,938</u>

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 89,588,218	\$ 89,588,218	\$ 89,591,463	\$ 3,245
Other tax items	10,243,278	10,243,278	9,408,918	(834,360)
Non-property taxes	306,037,907	318,861,750	361,898,340	43,036,590
Departmental income	29,883,231	29,926,543	30,735,072	808,529
Intergovernmental charges	10,657,670	10,657,670	9,519,256	(1,138,414)
Use of money and property	5,632,036	5,632,036	5,299,294	(332,742)
Licenses and permits	1,156,931	1,156,931	2,315,954	1,159,023
Fines and forfeitures	1,016,613	1,016,613	956,180	(60,433)
Sale of property and compensation for loss	1,507,902	1,507,902	1,161,605	(346,297)
Interfund revenues	12,383,558	15,248,101	12,605,288	(2,642,813)
State aid	94,339,574	133,236,921	84,810,571	(48,426,350)
Federal aid	56,368,264	170,211,446	56,447,481	(113,763,965)
Miscellaneous	7,821,001	7,843,401	4,613,750	(3,229,651)
Total Revenues	<u>626,636,183</u>	<u>795,130,810</u>	<u>669,363,172</u>	<u>(125,767,638)</u>
EXPENDITURES				
Current	160,438,390	220,204,073	166,087,524	54,116,549
General government support	68,262,185	68,262,185	59,008,797	9,253,388
Education	111,707,000	119,819,695	108,613,090	11,206,605
Public safety	56,638,814	86,678,639	49,368,475	37,310,164
Health	685,000	686,511	685,771	740
Transportation				
Economic opportunity and development	226,449,000	240,816,899	193,156,625	47,660,274
Culture and recreation	7,032,962	7,250,502	6,962,355	288,147
Home and community services	12,074,477	68,063,951	16,968,274	51,095,677
Employee benefits	-	-	(66,391)	66,391
Total Expenditures	<u>643,287,828</u>	<u>811,782,455</u>	<u>600,784,520</u>	<u>210,997,935</u>
Deficiency of Revenues Over Expenditures	<u>(16,651,645)</u>	<u>(16,651,645)</u>	<u>68,578,652</u>	<u>85,230,297</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,500,000	1,500,000	1,500,000	-
Transfers out	(3,593,288)	(4,666,134)	(4,664,303)	1,831
Total Other Financing Sources (Uses)	<u>(2,093,288)</u>	<u>(3,166,134)</u>	<u>(3,164,303)</u>	<u>1,831</u>
Net Change in Fund Balance	<u>(18,744,933)</u>	<u>(19,817,779)</u>	<u>65,414,349</u>	<u>85,232,128</u>
FUND BALANCE				
Beginning of Year	18,744,933	19,817,779	79,234,873	59,417,094
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,649,222</u>	<u>\$ 144,649,222</u>

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, 2021

	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	\$ 67,931,902
Accounts receivable, net	4,302,005	930,056
Due from other governments	2,128,579	-
Due from other funds	48,425,681	14,621,003
Inventories	601,878	-
Prepaid expenses	1,028,807	-
Funds held for/by residents	706,366	-
Total Current Assets	57,193,516	83,482,961
Noncurrent assets		
Capital assets	32,254,973	-
Buildings and improvements	6,492,122	5,313,851
Equipment	(27,735,594)	(5,143,728)
Less accumulated depreciation	11,011,501	170,123
Total Noncurrent Assets	68,205,017	83,653,084
Total Assets		
DEFERRED OUTFLOWS OF RESOURCES	97,607	-
Deferred charge on refunding bonds	19,093,744	-
Pension related	45,771,239	-
OPEB related	64,962,590	-
Total Deferred Outflows of Resources		
LIABILITIES	1,866,346	605,600
Current liabilities	32,662	-
Accounts payable	446,875	-
Accrued interest payable	938,728	-
Accrued liabilities	706,366	-
Due to other governments	335,734	-
Funds held for/by residents	151,000	730,000
Current maturities on bonds payable	-	8,673,923
Compensated absences	4,477,711	10,009,523
Claims payable		
Total Current Liabilities	2,630,256	-
Noncurrent liabilities	1,355,169	13,891,003
Bonds payable	-	39,172,713
Compensated absences	85,250	-
Claims payable	256,299,484	-
Net pension liability	260,370,159	53,063,716
Other postemployment benefit liability	264,847,870	63,073,239
Total Noncurrent Liabilities		
Total Liabilities	25,547,660	-
DEFERRED INFLOWS OF RESOURCES	1,583,387	-
Pension related	27,131,047	-
OPEB related		
Total Deferred Inflows of Resources		
NET POSITION	8,143,118	170,123
Net investment in capital assets	(166,954,428)	20,409,722
Unrestricted	(158,811,310)	\$ 20,579,845
Total Net Position		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	13,241,716	-
Net Position of Business-type Activities	\$ (145,569,594)	

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, 2021

	Business-Type Activities- Enterprise Fund	Governmental Activities - Internal Service Funds
	The Valley View Center for Nursing Care and Rehabilitation	
OPERATING REVENUES		
Charges for sales and services	\$ -	\$ 74,541,771
Charges for services - Internal	-	11,515,853
Charges for services - External	37,267,150	-
Net resident service revenue	788,477	11,905,287
Miscellaneous	-	-
	<u>38,055,627</u>	<u>97,962,911</u>
Total Operating Revenues		
OPERATING EXPENSES		
Salaries and contractual	-	1,290,124
Judgments and claims	-	6,430,747
Professional care of residents	20,843,275	-
General services	7,559,188	-
Administrative services	2,423,000	-
Employee benefits	28,657,618	87,204,524
New York State cash assessment	1,879,815	-
Depreciation and amortization	1,623,874	162,175
	<u>62,986,770</u>	<u>95,087,570</u>
Total Operating Expenses		
	<u>(24,931,143)</u>	<u>2,875,341</u>
Income (Loss) from Operations		
NON-OPERATING REVENUES (EXPENSES)		
Interest income	121,872	178,082
Intergovernmental transfer - Medicaid funding	7,924,996	-
Provider relief funds	86,445	-
Interest expense	(73,733)	-
County assessment	(1,883,952)	-
Sale of property and compensation for loss	-	278,411
	<u>6,175,628</u>	<u>456,493</u>
Total Non-Operating Revenues		
	<u>(18,755,515)</u>	<u>3,331,834</u>
Income (Loss) before Transfers		
	<u>-</u>	<u>(1,500,000)</u>
Transfers Out		
	<u>(18,755,515)</u>	<u>1,831,834</u>
Change in Net Position		
NET POSITION		
Beginning of Year	<u>\$ (158,811,310)</u>	<u>\$ 20,579,845</u>
End of Year	<u>\$ (18,755,515)</u>	
Change in Net Position		
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds	<u>894,571</u>	
Change in Net Position of Business-type Activities	<u>\$ (17,860,944)</u>	

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, 2021

	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	\$ -	\$ 73,696,452
Cash received from customers and users - External	43,509,002	14,296,665
Cash received from miscellaneous items	788,477	11,900,195
Cash payments to suppliers	(13,518,421)	(1,240,344)
Cash payments to employees	(37,637,335)	(86,116,591)
	<u>(6,858,277)</u>	<u>12,536,377</u>
Net Cash from Operating Activities		
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Intergovernmental transfer - Medicaid Funding	10,414,193	-
Proceeds from provider relief funds	86,445	-
County assessment	(1,883,952)	-
Transfers out	-	(1,500,000)
	<u>8,616,686</u>	<u>(1,500,000)</u>
Net Cash from Non-Capital Financing Activities		
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
General obligation bonds issued	93,215	-
Refunding bonds issues	135,887	-
Premiums issued	28,826	-
Principal paid on general obligation bonds	(639,874)	-
Refunding of bonds payable	(153,339)	-
Interest paid on indebtedness	(118,157)	-
Purchases of capital assets	(1,226,839)	-
Proceeds from sales of capital assets	-	278,411
	<u>(1,880,281)</u>	<u>278,411</u>
Net Cash from Capital and Related Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES	<u>121,872</u>	<u>178,082</u>
Interest income	-	11,492,870
Net Change in Cash and Equivalents		
CASH AND EQUIVALENTS	200	56,439,032
Beginning of Year	\$ 200	\$ 67,931,902
End of Year		
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ (24,931,143)	\$ 2,875,341
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Depreciation and amortization expense	1,623,874	162,175
Bad debt expense	(56,909)	-
Changes in assets and liabilities		
Accounts receivable	1,142,079	2,762,438
Due from other funds	4,367,586	(832,037)
Inventories	(108,856)	-
Prepaid expenses	78,802	-
Due from third party payors	789,096	-
Pension related deferred outflows of resources	(3,703,240)	-
OPEB related deferred outflows of resources	8,201,328	-
Accounts payable	(490,977)	(469,866)
Accrued liabilities	53,584	-
Due to other governments	(1,611,085)	-
Compensated absences	(16,301)	832,037
Claims payable	-	7,206,289
Net pension liability	(22,076,053)	-
Total OPEB liability	3,945,941	-
Pension related deferred inflows of resources	24,350,610	-
OPEB related deferred inflows of resources	1,583,387	-
	<u>\$ (6,858,277)</u>	<u>\$ 12,536,377</u>
Net Cash from Operating Activities		

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, 2021

	<u>Custodial Fund</u>
ASSETS	
Real property taxes receivable for other governments	\$ 30,852,633
Due from other funds	<u>2,657,462</u>
	<u>\$ 33,510,095</u>
 LIABILITIES	
Due to other governments	<u>\$ 33,510,095</u>

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
Year Ended December 31, 2021

	<u>Custodial Fund</u>
ADDITIONS	\$ 29,254,307
Real property collected for other governments	
DEDUCTIONS	<u>29,254,307</u>
Payments of real property taxes to other governments	-
Net Change in Fiduciary Net Position	-
NET POSITION	<u>-</u>
Beginning of Year	\$ -
End of Year	<u>-</u>

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

County of Orange, New York

Statement of Net Position
Component Units
December 31, 2021

	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	\$ 17,950,313	\$ 210,273	\$ 11,505,489	\$ 54,881	\$ 29,720,956
Investments	17,819,564	-	-	-	17,819,564
Receivables			120,615	-	7,816,591
Accounts, net	7,695,976	-	107,662	-	107,662
Loans, net	-	29,730	-	51,284	81,014
State and Federal aid	-	-	-	1,198	155,703
Prepaid expenses	128,937	-	25,568	-	6,181,792
Net pension asset	6,181,792	-	-	-	-
Capital assets (net of accumulated depreciation)				743,316	743,316
Land easements	-	-	-	10,607	1,315,659
Machinery and equipment	756,168	38	548,846	-	-
Total Assets	50,532,750	240,041	12,308,180	861,286	63,942,257
DEFERRED OUTFLOWS OF RESOURCES					
Pension related	12,760,054	-	-	-	12,760,054
OPEB related	23,481,015	-	-	-	23,481,015
Total Deferred Outflows of Resources	36,241,069	-	-	-	36,241,069
LIABILITIES					
Accounts payable	743,599	17,335	124,750	2,314	887,998
Accrued liabilities	3,812,016	-	4,774	-	3,816,790
Unearned revenues	4,204,831	115,253	-	-	4,320,084
Other liabilities	228,555	-	-	-	228,555
Funds held for student activities	648,955	-	-	-	648,955
Security deposits	15,000	-	-	-	15,000
Non-current liabilities					
Due within one year				9,681	23,957
Compensated absences	10,355	3,921	-	-	32,646
Capital lease obligation	32,646	-	-	-	-
Due in more than one year					1,418,422
Compensated absences	1,383,132	35,290	-	-	42,866
Capital lease obligation	42,866	-	-	-	44,991
Net pension liability	44,991	-	-	-	-
Other postemployment benefit liability	228,426,206	-	-	-	228,426,206
Total Liabilities	239,593,152	171,799	129,524	11,995	239,906,470
DEFERRED INFLOWS OF RESOURCES					
Pension related	20,379,432	-	-	-	20,379,432
OPEB related	1,150,023	-	-	-	1,150,023
New York State TAP	856,261	-	-	-	856,261
Total Deferred Inflows of Resources	22,385,716	-	-	-	22,385,716
NET POSITION					
Net investment in capital assets	680,656	38	548,846	753,923	1,983,463
Restricted for					
Scholarships, awards and grants	22,149,511	-	-	-	22,149,511
Unrestricted	(198,035,216)	68,204	11,629,810	95,368	(186,241,834)
Total Net Position	\$ (175,205,049)	\$ 68,242	\$ 12,178,656	\$ 849,291	\$ (162,108,860)

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, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Orange County Community College	\$ 83,147,944	\$ 24,643,222	\$ 17,915,911	\$ -
Orange County Soil and Water Conservation District	645,475	10,002	496,620	-
Orange County Industrial Development Agency	1,615,073	2,209,204	-	-
Orange County Water Authority	189,683	-	18,489	-
Total Component Units	\$ 85,598,175	\$ 26,862,428	\$ 18,431,020	\$ -

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
\$ (40,588,811)	\$ -	\$ -	\$ -	\$ (40,588,811)
-	(138,853)	-	-	(138,853)
-	-	594,131	-	594,131
-	-	-	(171,194)	(171,194)
<u>(40,588,811)</u>	<u>(138,853)</u>	<u>594,131</u>	<u>(171,194)</u>	<u>(40,304,727)</u>
4,002,310	24,935	-	-	4,027,245
19,052,882	-	-	-	19,052,882
12,280,989	60,000	-	-	12,340,989
551,593	8,304	-	500	560,397
<u>35,887,774</u>	<u>93,239</u>	<u>-</u>	<u>500</u>	<u>35,981,513</u>
(4,701,037)	(45,614)	594,131	(170,694)	(4,323,214)
<u>(170,504,012)</u>	<u>113,856</u>	<u>11,584,525</u>	<u>1,019,985</u>	<u>(157,785,646)</u>
<u>\$ (175,205,049)</u>	<u>\$ 68,242</u>	<u>\$ 12,178,656</u>	<u>\$ 849,291</u>	<u>\$ (162,108,860)</u>

County of Orange, New York

Notes to Financial Statements
December 31, 2021

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 States 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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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,

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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 postemployment 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, 2021 was as follows:

Medicaid	\$ 2,925,089
Medicaid managed care	1,315,065
Medicare	582,461
Private	1,035,796
Other third party payors	<u>543,594</u>
	6,402,005
Allowance for doubtful accounts	<u>(2,100,000)</u>
	<u>\$ 4,302,005</u>

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 Measurement 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's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2021.

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 relieved 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 relieved as part of the County tax bill due on January 1st of the next calendar year and thereafter collected and enforced in the same manner as County real property taxes. The County must satisfy the full amount of the unpaid school taxes no later than April 1st of the year following the levy of such taxes.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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 relieved 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, 2021, 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

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Continued)

be capitalized and used an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year).

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.

<u>Class</u>	<u>Life in Years</u>
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 \$45,603,953 for State and Federal aid received in advance in the General Fund. The County has also reported unearned revenues of \$18,662,611 for State and Federal aid received in advance in the Community Development Fund, \$275,507 for inspections in the Sewer District Fund, \$40,042 for hangar rent in the Airport Fund, \$4,204,831 in the College (component unit) for tuition and other fees, and \$115,253 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 position 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 position 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 \$10,139,032 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 component unit's 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 Postemployment Benefit Liability ("OPEB") - In addition to providing pension benefits, the County and College (component unit) 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

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources 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,

Note 1 - Summary of Significant Accounting Policies (Continued)

except for negative balances, that are not classified as nonspendable and are neither restricted nor committed.

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.

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 July 13, 2022.

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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

- b) Budget hearings are scheduled with each department to occur during August.
- 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 \$ 168,615,663

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 2021 was \$507,459,689, which exceeded the actual levy by \$413,150,501.

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

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 2 - Stewardship, Compliance and Accountability (Continued)

full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

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 Off-Street Parking and Workforce Investment Act funds reflect unassigned deficits of \$5,765 and \$39,997, 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 \$166,954,428 at December 31, 2021. This is primarily a result of the requirement to record its other Postemployment 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. 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 \$951,810 within the Community Development Fund. The County had ineligible costs associated with the grants fund that that related to the prior years.

County of Orange, New York

Notes to Financial Statements (Continued)
 December 31, 2021

Note 3 - Detailed Notes on All Funds

A. Investments

Investments held in the General Fund at December 31, 2021 consisted of the following:

<u>Investment Type</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Certificate of deposit	3/11/2021	3/11/2023	0.30%	\$ 15,173,493
Certificate of deposit	3/12/2021	3/12/2023	0.30%	10,000,000
Certificate of deposit	3/12/2021	9/12/2022	0.55%	20,000,000
Certificate of deposit	3/12/2021	9/12/2022	0.25%	5,010,092
Certificate of deposit	9/22/2021	9/22/2022	0.30%	10,000,000
				<u>\$ 60,183,585</u>

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 \$17,819,564. 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, 2021 consisted of the following:

Taxes receivable, overdue	\$ 20,050,481
City school districts taxes	713,802
Property acquired for taxes	<u>6,042,486</u>
	26,806,769
Allowance for uncollectible taxes	<u>(12,594,982)</u>
	<u>\$ 14,211,787</u>

School and city school district taxes are offset by liabilities to the school districts. Delinquent village taxes will be relieved in the County's subsequent fiscal year. Taxes receivable and tax liens are also partially offset by deferred tax revenues of \$10,139,032 which represents an estimate of the receivable which will not be collected within the first sixty days of the subsequent year.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

C. Interfund Receivables/Payables

The composition of due from/to other funds at December 31, 2021 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 5,617,976
	Community Development Fund	14,416
	Workforce Investment Act Fund	<u>1,187,415</u>
		<u>6,819,807</u>
Community Development Fund	General Fund	<u>370,147</u>
Workforce Investment Act Fund	General Fund	<u>1,247,806</u>
The Valley View Center for Nursing Care and Rehabilitation	General Fund	<u>48,425,681</u>
Internal Service Fund - Compensated Absences Fund	General Fund	13,821,140
	Community Development Fund	22,734
	Road Machinery Fund	239,708
	Sewer District Fund	185,916
	Airport Fund	52,762
	Sanitary Landfill Fund	140,009
	Workforce Investment Act Fund	<u>158,734</u>
		<u>14,621,003</u>
		<u>\$ 71,484,444</u>

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, 2021 were as follows:

<u>Fund</u>	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 2,657,462
Fiduciary	<u>2,657,462</u>	<u>-</u>
	<u>\$ 2,657,462</u>	<u>\$ 2,657,462</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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, 2021	Additions	Deductions	Balance December 31, 2021
Governmental Activities (inclusive of Internal Service Funds):				
Capital Assets, not being depreciated:				
Land	\$ 39,241,089	\$ 118,400	\$ 386,500	\$ 38,972,989
Construction-in-progress	<u>179,198,786</u>	<u>3,892,211</u>	<u>1,089,756</u>	<u>182,001,241</u>
Total Capital Assets, not being Depreciated	<u>\$ 218,439,875</u>	<u>\$ 4,010,611</u>	<u>\$ 1,476,256</u>	<u>\$ 220,974,230</u>
Capital Assets, being depreciated:				
Buildings and improvements	\$ 449,234,113	\$ 1,804,811	\$ 1,402,421	\$ 449,636,503
Machinery and equipment	96,387,987	3,136,498	800,873	98,723,612
Infrastructure	<u>75,264,582</u>	<u>-</u>	<u>-</u>	<u>75,264,582</u>
Total Capital Assets, being Depreciated	<u>620,886,682</u>	<u>4,941,309</u>	<u>2,203,294</u>	<u>623,624,697</u>
Less accumulated depreciation for:				
Buildings and improvements	234,793,735	12,271,637	887,543	246,177,829
Machinery and equipment	86,714,245	2,639,865	800,873	88,553,237
Infrastructure	<u>55,336,620</u>	<u>1,554,447</u>	<u>-</u>	<u>56,891,067</u>
Total Accumulated Depreciation	<u>376,844,600</u>	<u>16,465,949</u>	<u>1,688,416</u>	<u>391,622,133</u>
Total Capital Assets being Depreciated, net	<u>\$ 244,042,082</u>	<u>\$ (11,524,640)</u>	<u>\$ 514,878</u>	<u>\$ 232,002,564</u>
Governmental Activities Capital Assets, net	<u>\$ 462,481,957</u>	<u>\$ (7,514,029)</u>	<u>\$ 1,991,134</u>	<u>\$ 452,976,794</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Class	Balance January 1, 2021	Additions	Deductions	Balance December 31, 2021
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 103,701	\$ -	\$ 103,701	\$ -
Capital Assets, being depreciated:				
Buildings and improvements	\$ 31,517,438	\$ 778,116	\$ 40,581	\$ 32,254,973
Machinery and equipment	6,043,399	448,723	-	6,492,122
Total Capital Assets, being Depreciated	<u>37,560,837</u>	<u>1,226,839</u>	<u>40,581</u>	<u>38,747,095</u>
Less accumulated depreciation for:				
Buildings and improvements	22,371,317	1,163,332	144,282	23,390,367
Machinery and equipment	3,884,685	460,542	-	4,345,227
Total Accumulated Depreciation	<u>26,256,002</u>	<u>1,623,874</u>	<u>144,282</u>	<u>27,735,594</u>
Total Capital Assets being Depreciated, net	<u>\$ 11,304,835</u>	<u>\$ (397,035)</u>	<u>\$ (103,701)</u>	<u>\$ 11,011,501</u>
Business-type Activities Capital Assets, net	<u>\$ 11,408,536</u>	<u>\$ (397,035)</u>	<u>\$ -</u>	<u>\$ 11,011,501</u>

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

Governmental Activities:	\$ 1,926,841
General Government Support	3,627,015
Education	6,229,440
Public Safety	35,298
Health	2,402,808
Transportation	557,247
Culture and Recreation	1,525,125
Home and Community Services	
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	<u>162,175</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 16,465,949</u>
Business-type Activities - The Valley View Center for Nursing Care and Rehabilitation	<u>\$ 1,623,874</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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, 2020	Additions	Deletions	Balance August 31, 2021
Capital Assets, being depreciated - Machinery and equipment	\$ 20,823,636	\$ 21,542	\$ 10,163,379	\$ 10,681,799
Less accumulated depreciation	(19,921,356)	(726,594)	(10,722,319)	(9,925,631)
College Capital Assets, net	<u>\$ 902,280</u>	<u>\$ (705,052)</u>	<u>\$ (558,940)</u>	<u>\$ 756,168</u>

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

Class	Balance January 1, 2021	Additions	Balance December 31, 2021
Capital Assets, being depreciated - Machinery and equipment	\$ 226,942	\$ -	\$ 226,942
Less accumulated depreciation	(226,824)	(80)	(226,904)
District Capital Assets, net	<u>\$ 118</u>	<u>\$ (80)</u>	<u>\$ 38</u>

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

Class	Balance January 1, 2021	Additions	Balance December 31, 2021
Capital Assets, being depreciated - Machinery and equipment	\$ 856,905	\$ -	\$ 856,905
Less accumulated depreciation	(216,225)	(91,834)	(308,059)
Agency Capital Assets, net	<u>\$ 640,680</u>	<u>\$ (91,834)</u>	<u>\$ 548,846</u>

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

Class	Balance January 1, 2021	Additions	Balance December 31, 2021
Capital Assets, not being depreciated - Land Easements	\$ 743,316	\$ -	\$ 743,316
Capital Assets, being depreciated - Machinery and equipment	\$ 219,283	\$ -	\$ 219,283
Less accumulated depreciation	(204,521)	(4,155)	(208,676)
Total Capital Assets, being Depreciated, net	<u>\$ 14,762</u>	<u>\$ (4,155)</u>	<u>\$ 10,607</u>
Authority Capital Assets, net	<u>\$ 758,078</u>	<u>\$ (4,155)</u>	<u>\$ 753,923</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

E. Accrued Liabilities

Accrued liabilities at December 31, 2021 were as follows:

	Fund			Total Governmental
	General	Community Development	Non-Major Governmental	
Payroll and employee benefits	\$ 3,060,615	\$ 9,236	\$ 131,864	\$ 3,201,715
Other	12,096,777	-	-	12,096,777
Total Accrued Liabilities	\$ 15,157,392	\$ 9,236	\$ 131,864	\$ 15,298,492

F. Long-Term Liabilities

The changes in the County's long-term liabilities for the year ended December 31, 2021 are summarized as follows:

	Balance January 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2021	Due Within One Year
Governmental Activities:					
General Obligation Bonds Payable	\$ 273,153,345	\$ 28,280,898	\$ 47,798,787	\$ 253,635,456	\$ 29,385,266
Plus - Unamortized Premium on bonds	19,204,401	3,428,190	3,155,629	19,476,962	-
	<u>292,357,746</u>	<u>31,709,088</u>	<u>50,954,416</u>	<u>273,112,418</u>	<u>29,385,266</u>
Other Non-current Liabilities:					
Compensated Absences	13,788,966	1,410,500	578,463	14,621,003	730,000
Landfill Closure Costs	1,148,000	-	220,000	928,000	220,000
Claims	40,840,347	15,489,819	8,283,530	47,846,636	8,673,923
Net Pension Liability	142,538,451	-	142,006,081	532,370	-
Other Postemployment Benefit Liability	1,211,981,895	41,953,324	21,272,887	1,232,662,332	-
Total Other Non-Current Liabilities	<u>1,410,097,659</u>	<u>58,853,643</u>	<u>172,360,961</u>	<u>1,296,590,341</u>	<u>9,623,923</u>
Governmental Activities Long-term Liabilities	<u>\$ 1,702,455,405</u>	<u>\$ 90,562,731</u>	<u>\$ 223,315,377</u>	<u>\$ 1,569,702,759</u>	<u>\$ 39,009,189</u>
Business-type Activities:					
General Obligation Bonds Payable	\$ 3,318,655	\$ 229,102	\$ 793,213	\$ 2,754,544	\$ 335,734
Plus - Unamortized Premium on bonds	227,865	28,826	45,245	211,446	-
	<u>3,546,520</u>	<u>257,928</u>	<u>838,458</u>	<u>2,965,990</u>	<u>335,734</u>
Other Non-current Liabilities:					
Compensated Absences	1,522,470	135,699	152,000	1,506,169	151,000
Net Pension Liability	22,161,303	-	22,076,053	85,250	-
Other Postemployment Benefit Liability	252,353,543	8,588,561	4,642,620	256,299,484	-
Total Other Non-Current Liabilities	<u>276,037,316</u>	<u>8,724,260</u>	<u>26,870,673</u>	<u>257,890,903</u>	<u>151,000</u>
Business-type Activities Long-term Liabilities	<u>\$ 279,583,836</u>	<u>\$ 8,982,188</u>	<u>\$ 27,709,131</u>	<u>\$ 260,856,893</u>	<u>\$ 486,734</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	Balance January 1, 2021	New Issues/ Additions	Maturities and/or Payments	Balance December 31, 2021	Due Within One Year
Component Units:					
Capital Lease Obligations	\$ 108,289	\$ -	\$ 32,777	\$ 75,512	\$ 32,646
Compensated Absences	1,440,209	9,769	7,599	1,442,379	23,957
Net Pension Liability - ERS	12,969,884	-	12,924,893	44,991	-
Net Pension Liability (Asset) - TRS	988,311	-	7,170,103	(6,181,792)	-
Other Postemployment Benefit Liability	223,578,338	9,557,547	4,709,679	228,426,206	-
Component Units Long-term Liabilities	\$ 239,085,031	\$ 9,567,316	\$ 24,845,051	\$ 223,807,296	\$ 56,603

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 postemployment benefit liability are liquidated by the respective fund, primarily by the General Fund.

General Obligation Bonds Payable

General obligation bonds payable at December 31, 2021 are comprised of the following individual issues:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at December 31, 2021
Refunding Bonds Series B	2012	\$ 29,495,000	July, 2022	5.000 %	\$ 4,055,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2013	9,850,000	August, 2026	3.000	4,565,000
Sewer Facility Refunding Bonds	2014	15,595,000	February, 2034	4.878 - 5.150	11,130,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2014	28,700,000	August, 2029	2.125 - 3.000	17,800,000
Sewer Facility Refunding Bonds	2015	1,676,269	April, 2026	4.671 - 4.769	820,000
Refunding Bonds Series A	2015	45,935,000	March, 2028	3.000 - 5.000	15,985,000
Refunding Bonds Series B	2015	7,185,000	March, 2023	2.940 - 3.100	2,265,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2016	56,291,295	March, 2026	2.000 - 5.000	46,150,000
Refunding Bonds Series B	2016	26,625,000	July, 2026	2.000 - 5.000	17,355,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2017	55,505,189	June, 2035	2.000 - 5.000	47,650,000
Refunding Bonds Series B	2017	12,055,000	March, 2024	5.000	5,625,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2017	4,519,279	December, 2025	2.300 - 3.000	2,375,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2019	28,650,000	February, 2028	2.250 - 5.000	25,625,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2020	26,480,000	February, 2028	3.000 - 5.000	26,480,000
Public Improvements, and Valley View Center for Nursing Care and Rehabilitation	2021	15,155,000	June, 2032	2.000 - 5.000	15,155,000
Refunding Bonds Series B	2021	13,355,000	July, 2026	5.000	13,355,000
					<u>\$ 256,390,000</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Interest expenditures of \$9,774,916 were recorded in the fund financial statements in the Debt Service Fund. Interest expense of \$6,801,835 was recorded in the government-wide financial statements for governmental activities. Interest expense of \$73,733 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, 2021, including interest payments of \$42,317,984 are as follows:

Year Ending December 31,	Governmental Activities		Business-type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 29,385,266	\$ 8,727,639	\$ 335,734	\$ 96,000	\$ 29,721,000	\$ 8,823,639
2023	27,572,183	7,207,156	352,817	80,102	27,925,000	7,287,258
2024	27,545,896	5,974,308	368,104	64,220	27,914,000	6,038,528
2025	24,237,412	4,873,445	335,588	49,213	24,573,000	4,922,658
2026	24,576,144	3,896,899	330,856	36,431	24,907,000	3,933,330
2027-2031	82,138,519	9,544,234	786,481	73,718	82,925,000	9,617,952
2032-2035	38,180,036	1,681,901	244,964	12,718	38,425,000	1,694,619
	<u>\$ 253,635,456</u>	<u>\$ 41,905,582</u>	<u>\$ 2,754,544</u>	<u>\$ 412,402</u>	<u>\$ 256,390,000</u>	<u>\$ 42,317,984</u>

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.

Current Year Refunding

In July 2021, the County issued \$13,355,000 in serial bonds with an interest rate of 5%. The proceeds were used to refund \$15,070,000 of outstanding 2012 various purposes serial bonds, which had an interest rate of 3%.

The net proceeds of \$15,144,802 (including \$1,878,544 premium and after payment of \$88,742 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds.

The net carrying amount of the old debt exceeded the reacquisition price by \$74,802. The current refunding reduced total debt service payments over 5 years by \$1,076,157.

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, 2021, the value of such accumulated leave was reflected in the Compensated Absences Internal Service Fund.

Note 3 - Detailed Notes on All Funds (Continued)

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 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.

The District (component unit) employees may accumulate up to 240 hours of unused annual leave. The liability at December 31, 2021 was \$39,211.

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, 2021 was \$9,861.

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 \$928,000 reported as a landfill closure costs liability in the government-wide financial statements, at December 31, 2021, 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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

An analysis of the activity of unpaid claim liabilities is as follows:

	2021		2020	
	Workers' Compensation Benefits	Liability and Casualty	Workers' Compensation Benefits	Liability and Casualty
Balance - Beginning of Year	\$ 35,300,000	\$ 5,340,347	\$ 35,150,000	\$ 4,165,160
Provision for Claims and Claims Adjustment Expenditures/Expenses	9,059,072	6,430,747	4,980,587	5,392,926
Claims and Claims Adjustment Expenditures/Expenses Paid	(4,659,072)	(3,624,458)	(4,830,587)	(4,217,739)
Balance - End of Year	<u>\$ 39,700,000</u>	<u>\$ 8,146,636</u>	<u>\$ 35,300,000</u>	<u>\$ 5,340,347</u>
Current Portion	<u>\$ 3,970,000</u>	<u>\$ 4,703,923</u>	<u>\$ 3,530,000</u>	<u>\$ 2,995,564</u>

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 2021 are as follows:

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

<u>Tier/Plan</u>	<u>Option</u>	<u>Rate</u>
1 75I	41J	25.2 %
2 75I	41J CC	23.1
2 75I	41J	23.0
3 A14	41J CC	18.3
3 A14	41J	18.2
4 553B	41J	31.8
4 89PAF		22.8
4 A15	41J CC	18.3
4 A15	41J	18.2
5 553B	41J	29.3
5 89PAF		19.8
5 A15	41J CC	15.3
5 A15	41J	15.2
6 553B	41J1	23.6
6 89PAF		14.4
6 A15	41J1 CC	10.7
6 A15	41J1	10.6

At December 31, 2021, the County and the College (component unit) reported liabilities as follows for their proportionate share of the net pension liability:

Primary Government:		
Governmental Activities	\$	532,370
Business-type Activities		85,250
Component Unit - College		44,991

The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2021, the County and the College's (component unit) proportions were as follows:

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Primary Government:			
Governmental Activities	0.5346467 %	0.5382754 %	(0.0036287) %
Business-type Activities	0.0856152	0.0836889	0.0019263
Component Unit - College	0.0451838	0.0489789	(0.0037951)

For the year ended December 31, 2021, the County recognized its proportionate share of pension expense in the government-wide financial statements of \$11,741,282 (\$10,156,296 for governmental activities and \$1,584,986 for business-type activities). Pension expenditures of \$25,672,138 were recorded in the fund financial statements and were charged to the following funds:

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Fund	ERS
General	\$ 21,826,210
Community Development	55,099
Road Machinery	136,291
Sewer District	213,655
Airport	57,925
Sanitary Landfill	210,924
Small Watershed Protection	2,047
Workforce Investment Act	156,318
The Valley View Center for Nursing Care and Rehabilitation	<u>3,013,669</u>
	<u>\$ 25,672,138</u>

For the year ended August 31, 2021, the College (component unit) recognized its proportionate share pension expense of \$599,002.

At December 31, 2021, 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:

	Primary Government			
	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	\$ 6,501,669	\$ -	\$ 1,041,139	\$ -
Changes of assumptions	97,885,497	1,846,149	15,674,807	295,632
Net difference between projected and actual earnings on pension plan investments	-	152,927,740	-	24,488,947
Changes in proportion and differences between County contributions and proportionate share of contributions	93,597	4,765,265	14,988	763,081
County contributions subsequent to the measurement date	<u>18,120,779</u>	<u>-</u>	<u>2,362,810</u>	<u>-</u>
	<u>\$ 122,601,542</u>	<u>\$ 159,539,154</u>	<u>\$ 19,093,744</u>	<u>\$ 25,547,660</u>
	Total Primary Government		Community College (Component Unit)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,542,808	\$ -	\$ 549,465	\$ -
Changes of assumptions	113,560,304	2,141,781	8,272,444	156,021
Net difference between projected and actual earnings on pension plan investments	-	177,416,687	-	12,924,144
Changes in proportion and differences between County contributions and proportionate share of contributions	108,585	5,528,346	7,910	402,719
County contributions subsequent to the measurement date	<u>20,483,589</u>	<u>-</u>	<u>813,583</u>	<u>-</u>
	<u>\$ 141,695,286</u>	<u>\$ 185,086,814</u>	<u>\$ 9,643,402</u>	<u>\$ 13,482,884</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

\$18,120,779, \$2,362,810 and \$813,583 reported as deferred outflows of resources related to ERS governmental activities, business-type activities and component unit, respectively, 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, 2021. 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,	Primary Government		Total Primary Government	College (Component Unit)
	Governmental Activities	Business-Type Activities		
2022	\$ (11,032,437)	\$ (1,766,669)	\$ (12,799,106)	\$ (932,367)
2023	(4,847,416)	(776,237)	(5,623,653)	(409,662)
2024	(9,264,694)	(1,483,593)	(10,748,287)	(782,973)
2025	(29,913,844)	(4,790,227)	(34,704,071)	(2,528,063)
2026	-	-	-	-
Thereafter	-	-	-	-
	<u>\$ (55,058,391)</u>	<u>\$ (8,816,726)</u>	<u>\$ (63,875,117)</u>	<u>\$ (4,653,065)</u>

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, 2021
Actuarial valuation date	April 1, 2020
Investment rate of return	5.9% *
Salary scale	4.4%
Inflation rate	2.7%
Cost of living adjustments	1.4%

*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-2020.

The actuarial assumptions used in the valuation are based on the results of an actuarial experience study for the period April 1, 2015 - March 31, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected 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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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	32 %	4.05 %
International Equity	15	6.30
Private Equity	10	6.75
Real Estate	9	4.95
Opportunistic/ARSPortfolio	3	4.50
Credit	4	3.63
Real Assets	3	5.95
Fixed Income	23	-
Cash	1	0.50
Total	100 %	

The real rate of return is net of the long-term inflation assumption of 2.7%.

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially 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 5.9%, as well as what the County and the College's (component unit) proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Discount Rate (5.9%)	1% Increase (6.9%)
Governmental Activities proportionate share of the net pension liability (asset)	\$ 147,765,056	\$ 532,370	\$ (135,250,626)
Business-type Activities Proportionate share of the net pension liability (asset)	\$ 23,662,225	\$ 85,250	\$ (21,658,238)
Total Primary Government proportionate share of the net pension liability (asset)	\$ 171,427,281	\$ 617,620	\$ (156,908,864)

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The components of the collective net pension liability as of the March 31, 2021 measurement date were as follows:

	<u>ERS</u>
Total pension liability	\$ 220,680,157,000
Fiduciary net position	<u>(220,580,583,000)</u>
Employers' net pension liability	<u>\$ 99,574,000</u>
ERS fiduciary net position as a percentage of total pension liability	<u>99.95%</u>

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, 2021 represent the employer contribution for the period of April 1, 2021 through December 31, 2021 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, 2021 were \$18,120,779 for governmental activities and \$2,362,810 for business-type activities.

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 2021 was 10.62%.

At August 31, 2021, the College reported an asset of \$6,181,792 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The College's proportion of the net pension asset was based on its contributions to the pension plan relative to the contributions of all participating members. At June 30, 2021, the

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

College's proportion was .03567300%, which was a decrease of .00009300% from its proportion measured as of June 30, 2020.

For the year ended August 31, 2021, the College recognized its proportionate share of pension expense of \$344,997. At August 31, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 852,094	\$ 32,117
Changes of assumptions	2,033,321	360,071
Net difference between projected and actual earnings on pension plan investments	-	6,469,884
Changes in proportion and differences between College contributions and proportionate share of contributions	135,066	34,476
College contributions subsequent to the measurement date	<u>96,171</u>	<u>-</u>
	<u>\$ 3,116,652</u>	<u>\$ 6,896,548</u>

\$96,171 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 asset in the plan's year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to TRS will be recognized in pension expense as follows:

<u>Plan's Year Ended June 30,</u>	
2022	\$ (784,555)
2023	(901,529)
2024	(1,150,774)
2025	(1,541,794)
2026	296,150
Thereafter	<u>206,435</u>
	<u>\$ (3,876,067)</u>

The total pension liability for the June 30, 2021 measurement date was determined by using an actuarial valuation as of June 30, 2020, with update procedures used to roll forward the total pension liability to June 30, 2021. These actuarial valuations used the following actuarial assumptions:

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Inflation	2.40%										
Projected salary increases	Rates of increase differ based on service. Rates have been calculated based upon recent NYSTRS member experience.										
	<table> <thead> <tr> <th>Service</th> <th>Rate</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>5.18 %</td> </tr> <tr> <td>15</td> <td>3.64</td> </tr> <tr> <td>25</td> <td>2.50</td> </tr> <tr> <td>35</td> <td>1.95</td> </tr> </tbody> </table>	Service	Rate	5	5.18 %	15	3.64	25	2.50	35	1.95
Service	Rate										
5	5.18 %										
15	3.64										
25	2.50										
35	1.95										
Projected COLAs	1.3% compounded annually										
Investment rate of return	6.95% 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 MP2020, applied on a generational basis. Active member mortality rates are based on plan member experience.

The actuarial assumptions used in the June 30, 2020 valuation was based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2020.

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 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, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.0 %	6.80 %
International Equity	16.0	7.60
Global Equity	4.0	7.10
Real Estate Equity	11.0	6.50
Private Equity	8.0	10.00
Domestic Fixed Income	16.0	1.30
Global Bonds	2.0	0.80
Private Debt	1.0	5.90
Real Estate Debt	7.0	3.30
High-Yield Bonds	1.0	3.80
Cash Equivalents	1.0	(0.20)
Total	100.0 %	

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

The discount rate used to measure the total pension liability was 6.95%. 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 6.95%, 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 (5.95%) or one percentage point higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
College's proportionate share of the net pension asset	<u>\$ (648,689)</u>	<u>\$ (6,181,792)</u>	<u>\$ (10,831,964)</u>

The components of the collective net pension asset of TRS as of the June 30, 2021 measurement date were as follows:

Total pension liability	\$ 130,819,415,417
TRS fiduciary net position	<u>(148,148,457,363)</u>
Employers' net pension asset	<u>\$ (17,329,041,946)</u>
TRS fiduciary net position as a percentage of total pension liability (asset)	<u>113.2%</u>

Employer and employee contributions for the plan's year ended June 30, 2021 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, 2021 represent employee and employer contributions for the fiscal year ended August 31, 2021 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, 2021 were \$663,934.

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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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:

<u>Tier</u>	<u>Dates</u>	<u>Contribution</u>
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

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

For the year ended August 31, 2021, employee contributions totaled \$108,315 and the College recognized pension expense of \$1,263,131.

At August 31, 2021, the College reported payables to the defined contribution pension plan of \$0 for legally required employer contributions and \$0 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 \$9,066, respectively, for the year ended December 31, 2021.

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. 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 Postemployment 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 Postemployment 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, 2021, the following employees were covered by the benefit terms:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Inactive employees currently receiving benefit payments	1,357	331
Active employees	1,738	332
	<u>3,095</u>	<u>663</u>

The County's total OPEB liability of \$1,488,961,816 (\$1,232,662,332 governmental activities and \$256,299,484 business-type activities) was measured as of December 31, 2021, 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:

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

Salary increases	3.00%
Discount rate	2.05%
Healthcare cost trend rates	7.0% for 2021, 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.

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, 2021 is as follows:

	Governmental Activities	Business-Type Activities	Total
Total OPEB Liability - Beginning of Year	\$ 1,211,981,895	\$ 252,353,543	\$ 1,464,335,438
Service cost	25,796,289	5,268,673	31,064,962
Interest	24,627,582	5,125,661	29,753,243
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes in assumptions or other inputs	(8,470,547)	(1,805,773)	(10,276,320)
Benefit payments	(21,272,887)	(4,642,620)	(25,915,507)
Total OPEB Liability - End of Year	\$ 1,232,662,332	\$ 256,299,484	\$ 1,488,961,816

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 (1.05%) or 1 percentage point higher (3.05%) than the current discount rate:

	1% Decrease (1.05%)	Current Discount Rate (2.05%)	1% Increase (3.05%)
Governmental Activities Total OPEB Liability	\$ 1,574,825,531	\$ 1,232,662,332	\$ 984,515,179
Business-Type Activities Total OPEB Liability	\$ 329,783,096	\$ 256,299,484	\$ 203,741,087
Total Primary Government Total OPEB Liability	\$ 1,904,608,627	\$ 1,488,961,816	\$ 1,188,256,266

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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%)	Current Healthcare Cost Trend Rates (7.0% decreasing to 4.5%)	1% Increase (8.0% decreasing to 5.5%)
Governmental Activities Total OPEB Liability	\$ 970,399,478	\$ 1,232,662,332	\$ 1,596,704,559
Business-Type Activities Total OPEB Liability	\$ 200,963,113	\$ 256,299,484	\$ 334,128,402
Total Primary Government Total OPEB Liability	\$ 1,171,362,591	\$ 1,488,961,816	\$ 1,930,832,961

For the year ended December 31, 2021, the County recognized OPEB expense of \$94,436,278 in the government-wide financial statements. At December 31, 2021, the County reported deferred 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	\$ 137,935,660	\$ 7,427,376	\$ 45,771,239	\$ 1,583,387	\$ 183,706,899	\$ 9,010,763
Differences between expected and actual experience	-	-	-	-	-	-
	<u>\$ 137,935,660</u>	<u>\$ 7,427,376</u>	<u>\$ 45,771,239</u>	<u>\$ 1,583,387</u>	<u>\$ 183,706,899</u>	<u>\$ 9,010,763</u>

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
2022	\$ 25,639,131	\$ 7,978,942	\$ 33,618,073
2023	25,639,131	7,978,942	33,618,073
2024	25,639,131	7,978,942	33,618,073
2025	25,639,131	7,978,942	33,618,073
2026	25,639,131	7,978,942	33,618,073
Thereafter	2,312,629	4,293,142	6,605,771
	<u>\$ 130,508,284</u>	<u>\$ 44,187,852</u>	<u>\$ 174,696,136</u>

Other Postemployment 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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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:

<u>Employee Group</u>	<u>Years of Service</u>	<u>Retiree Contribution</u>
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%
Civil Service	10+ (hired before May 6, 2004)	0%
	10 to 14 (hired on/after September 1, 2019)	50%
	15 to 19 (hired on/after September 1, 2019)	25%
	20 to 24 (hired on/after September 1, 2019)	10%
	25 plus (hired on/after September 1, 2019)	0%
Management/ Confidential	10+ (hired before September 1, 2019)	0%
	10 to 14 (hired on/after September 1, 2019)	50%
	15 to 19 (hired on/after September 1, 2019)	25%
	20 to 24 (hired on/after September 1, 2019)	10%
	25 plus (hired on/after September 1, 2019)	0%

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, 2021 was \$4,709,679.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

At September 1, 2020, the number of employees covered by the College's OPEB Plan:

	College (Component Unit)
Inactive employees currently receiving benefit payments	290
Active employees	383
	<u>673</u>

The College's total OPEB liability of \$228,426,206 was measured as of August 31, 2021 and was determined by an actuarial valuation as of January 1, 2020, with update procedures used to roll forward the total OPEB liability to January 1, 2021. The changes in the OPEB liability are as follows:

	College (Component Unit)
Total OPEB Liability - Beginning of Year	\$ 223,578,338
Service cost	5,904,713
Interest	5,028,088
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(1,375,254)
Benefit payments	<u>(4,709,679)</u>
Total OPEB Liability - End of Year	<u>\$ 228,426,206</u>

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

Actuarial Cost Method	Entry age normal as a level of percentage of payroll
Payroll Growth	3.00%
Discount Rate	2.29%
Healthcare Cost Trend Rates	7.0% for 2021, 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.

Pub-2010 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-2019.

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 (1.29%) or 1 percentage point higher (3.29%) than the current discount rate:

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	1% Decrease (1.29%)	Current Discount Rate (2.29%)	1% Increase (3.29%)
Total OPEB Liability	\$ 279,514,024	\$ 228,426,206	\$ 187,142,872

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 (6% decreasing to 3.5%) or 1 percentage point higher (8% decreasing to 5.5%) than the current healthcare cost trend rate (7% decreasing to 4.5%):

	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%)
Total OPEB Liability	\$ 181,625,782	\$ 228,426,206	\$ 287,971,981

At August 31, 2021, 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	\$ 23,481,015	\$ 1,150,023
Differences between expected and actual experience	-	-
	<u>\$ 23,481,015</u>	<u>\$ 1,150,023</u>

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)
2022	\$ 7,037,731
2023	7,037,731
2024	6,960,858
2025	1,522,095
2026	(227,423)
Thereafter	-
	<u>\$ 22,330,992</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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, 2021, were as follows:

<u>Year Ending August 31,</u>	
2022	\$ 32,780
2023	21,432
2024	<u>21,434</u>
Total minimum lease payments	75,646
Less: amount representing interest	<u>(134)</u>
Present value of minimum lease payments	<u>\$ 75,512</u>

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, 2021, the amount of encumbrances expected to be honored upon performance by the vendor in the next year are as follows:

General Fund	\$ 5,349,733
Non-Major Governmental Funds	<u>318,050</u>
	<u>\$ 5,667,783</u>

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.

<u>Transfers Out</u>	<u>Transfers In</u>				<u>Total</u>
	<u>General</u>	<u>Community Development</u>	<u>Capital Projects</u>	<u>Non-Major Govern- mental</u>	
General	\$ -	\$ 951,810	\$ 121,036	\$ 3,591,457	\$ 4,664,303
Capital Projects	-	-	-	10,174	10,174
Non-Major Governmental	-	-	562,560	7,422,139	7,984,699
Internal Service	1,500,000	-	-	-	1,500,000
Enterprise Fund	-	-	-	52,100	52,100
	<u>\$ 1,500,000</u>	<u>\$ 951,810</u>	<u>\$ 683,596</u>	<u>\$ 11,075,870</u>	<u>\$ 14,211,276</u>

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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.

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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

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".

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	2021				Total
	General Fund	Community Development Fund	Capital Projects Fund	Non-Major Governmental Funds	
Nonspendable:					
Prepaid expenditures	\$ 5,634,750	\$ 14,416	\$ -	\$ 199,362	\$ 5,848,528
Restricted:					
Tax stabilization	1,000,132	-	-	-	1,000,132
Community development	-	332,997	-	-	332,997
Debt service	-	-	-	3,432,183	3,432,183
Debt service - for subsequent years expenditures	-	-	-	1,800,000	1,800,000
Equipment	-	-	-	13,227	13,227
Sanitary landfill improvements	-	-	-	24,544	24,544
Unemployment benefits	2,105,828	-	-	-	2,105,828
Future capital projects	289,781	-	-	-	289,781
Stop - DWI Program	807,979	-	-	-	807,979
Highway capital projects	-	-	-	9,226	9,226
Handicapped Parking Education Program	39,615	-	-	-	39,615
Repairs	-	-	-	163,683	163,683
Forfeiture of crime proceeds	1,065,599	-	-	-	1,065,599
Total Restricted	5,288,932	332,997	-	5,442,863	11,064,792
Committed:					
Orange County Water Authority	17,265	-	-	-	17,265
Infrastructure Loan Program	180,000	-	-	-	180,000
Real property update	81,335	-	-	-	81,335
Parks forest management	17,980	-	-	-	17,980
Future Medicaid expenditures	500,000	-	-	-	500,000
Total Committed	796,580	-	-	-	796,580
Assigned:					
Purchases on order:					
General government support	1,077,550	-	-	-	1,077,550
Education	19,494	-	-	-	19,494
Public safety	1,798,946	-	-	-	1,798,946
Health	661,797	-	-	-	661,797
Transportation	-	-	-	12,459	12,459
Economic opportunity and development	1,069,517	-	-	-	1,069,517
Culture and recreation	269,594	-	-	-	269,594
Home and community services	452,835	-	-	305,591	758,428
	5,349,733	-	-	318,050	5,667,783
For subsequent year's expenditures:					
General Fund	9,972,371	-	-	-	9,972,371
County Road Fund	-	-	-	3,000,000	3,000,000
Airport Fund	-	-	-	221,605	221,605
Sanitary Landfill Fund	-	-	-	400,000	400,000
Small Watershed Protection Fund	-	-	-	75,000	75,000
Non-Major funds:					
County Road Fund	-	-	-	8,504,005	8,504,005
Road Machinery Fund	-	-	-	443,589	443,589
Sewer District Fund	-	-	-	4,261,775	4,261,775
Airport Fund	-	-	-	364,731	364,731
Sanitary Landfill Fund	-	-	-	1,888,282	1,888,282
Small Watershed Protection Fund	-	-	-	418,266	418,266
Total Assigned	15,322,104	-	-	19,895,283	35,217,387
Unassigned:					
Major funds	117,606,856	-	(6,615,360)	-	110,991,496
Non-Major funds:					
Off-Street Parking Fund	-	-	-	(5,765)	(5,765)
Workforce Investment Act Fund	-	-	-	(198,731)	(198,731)
Total Unassigned	117,606,856	-	(6,615,360)	(204,496)	110,787,000
Total Fund Balances (Deficits)	\$ 144,649,222	\$ 347,413	\$ (6,615,360)	\$ 25,333,012	\$ 163,714,287

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 3 - Detailed Notes on All Funds (Continued)

	2020				Total
	General Fund	Community Development Fund, as restated	Capital Projects Fund	Non-Major Governmental Funds	
Nonspendable:					
Prepaid expenditures	\$ 4,935,156	\$ 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	-	-	9,226	983,538
Highway capital projects	-	-	-	-	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	-	-	78,805	230,471
Transportation	-	-	-	-	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
Total Assigned	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

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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, 2021, 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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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.

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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.

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 Bill Fioravanti, Chief Executive 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, 2021 is as follows:

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

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	\$ 1,246,950	\$ 26.4387	\$ 32,968	\$ 10,990	\$ 21,978
2016	Equilibrium Brewery	City	Middletown	79,200	26.4387	2,094	671	1,423
2016	Equilibrium Brewery	City	Middletown	127,800	26.4387	3,379	1,458	1,921
2016	Heritage Restoration Properties	City	Middletown	197,300	26.4387	5,216	1,157	4,059
2013	Srni Group Enterprise, LLC	City	Middletown	1,131,900	26.4387	29,926	4,706	25,220
2013	Southeast Towers	City	Middletown	915,944	26.4387	24,216	8,080	16,136
2005	Belvedere/Lake St	City	Newburgh	24,886,000	6.6345	165,106	18,826	146,280
2004	Bourne & Kenney	City	Newburgh	4,782,300	7.1541	34,213	5,723	28,490
2011	Burton Towers	City	Newburgh	8,867,000	6.6155	58,660	8,359	50,301
1985	Hudson Heritage	City	Newburgh	40,701	7.1541	2,912	971	1,941
2017	Independence Square	City	Newburgh	5,618,000	7.1541	40,192	2,198	37,994
2020	Liberty Progress	City	Newburgh	45,000	7.1541	322	1,073	-
2020	Liberty Progress	City	Newburgh	105,000	8.8760	932	3,107	-
2020	Lower Broadway	City	Newburgh	619,800	7.1541	4,434	429	4,005
2004	Safe Harbors/Cornerstone	City	Newburgh	1,388,900	7.1541	9,936	1,680	8,256
2012	Varick Homes	City	Newburgh	6,697,500	7.1541	47,915	9,758	38,157
2012	Voisons	City	Newburgh	4,138,000	7.1541	29,604	11,493	18,111
2011	100 River Road, LLC	City	Port Jervis	765,000	9.9389	7,603	3,738	3,865
2015	3312 Group, LLC	City	Port Jervis	1,371,050	9.7734	13,400	6,519	6,881
Total		19	Cities	\$ 63,023,345		\$ 513,028	\$ 100,936	\$ 415,018
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	\$ 24.1113	\$ 30,930	\$ 7,112	\$ 23,818
2014	Mediacom Realty LLC	Town	Blooming Gr	1,618,500	24.1113	39,024	18,066	20,958
2014	Hudson Transit/Coach	Town	Chester	10,147,000	6.4972	65,927	54,112	-
2013	Satin Realty Assoc., LLC	Town	Chester	4,800,000	6.4972	31,187	27,298	-
2017	Isomedix	Town	Chester	3,574,222	6.4972	23,222	8,249	14,973
2018	Aeilthamattathil Realty LLC	Town	Chester	1,854,243	6.4972	12,047	4,524	-
2021	Dubois Solar, LLC	Town	Crawford	1,029,000	10.1118	10,405	4,800	5,605
2019	Sentinel Realty at PJ, LLC	Town	Deerpark	6,198,000	6.3250	39,202	13,609	25,593
2019	Amy's Kitchen	Town	Goshen	620,000	6.3384	3,930	3,930	-
2019	Amy's Kitchen	Town	Goshen	333,000	6.3384	2,111	2,111	-
1996	Glen Arden	Town	Goshen	245,487	6.3384	1,556	-	1,556
2019	Legoland	Town	Goshen	1,482,500	6.3384	9,397	7,936	-
2019	Legoland	Town	Goshen	226,500	6.3384	1,436	1,436	-
2019	Legoland	Town	Goshen	2,950,500	6.3384	18,701	1,870	16,831
2021	Dana Distribution, Inc. Project	Town	Goshen	5,000	5.9280	30	30	-
1991	NY Power Authority	Town	Greenville	24,150,000	3.7441	90,420	31,450	58,970
2017	Blackhawk Development	Town	Hamptonburg	22,849,400	3.7441	85,550	69,825	15,725
2014	Carlisle Construction	Town	Hamptonburg	153,000	3.7441	573	573	-
1991	NY Power Authority	Town	Hamptonburg	1,171,860	7.8505	9,200	2,137	7,063
2021	Sunsetter XXXIII, LLC Alden & Cindy Lain	Town	Minisink	2,326,222	7.8505	18,262	2,620	15,642
2021	Sunsetter XXXIII, LLC Arcilesi	Town	Minisink	2,491,400	20.2184	50,372	21,079	29,293
2018	CRH Realty III, LLC	Town	Montroe	2,888,600	6.1166	17,668	17,668	-
2010	Bruderhof Communities	Town	Montgomery	1,475,700	6.1166	9,026	4,020	-
2002	Evergreens Senior Housing	Town	Montgomery	5,416,000	6.1166	33,128	18,991	14,137
2014	Goodwill Properties LLC	Town	Montgomery	2,975,000	6.1166	18,197	3,570	14,627
2020	Grabinski Solar- County Only	Town	Montgomery	810,000	6.1166	4,954	4,511	443
2012	Hudson Heritage Federal Credit	Town	Montgomery					

County of Orange, New York

Notes to Financial Statements (Continued)
December 31, 2021

Note 5 - Tax Abatements (Continued)

Start Year	Agreement	Town Or City	Locale	Taxable Assessed Value	Tax Rate	Tax Value	PILOT Received	Taxes Abated
2011	Kadge, LLC	Town	Montgomery	\$ 3,444,000	\$ 6.1166	\$ 21,066	\$ 16,533	\$ 4,533
2006	Montgomery Manor Housing	Town	Montgomery	2,896,500	6.1166	17,717	3,480	14,237
2002	Montgomery Senior Housing	Town	Montgomery	622,900	6.1166	3,810	1,426	2,384
2013	Spruce Properties LLC	Town	Montgomery	1,325,750	6.1166	8,109	4,854	3,255
2014	United Natural Foods	Town	Montgomery	33,938,800	6.1166	207,590	124,157	83,433
1987	NY Power Authority	Town	Mount Hope	28,500	6.8272	195	195	-
2021	Howell Solar LLC	Town	Mount Hope	1,645,100	6.8272	11,231	4,800	6,431
2016	347 Ave. Americas/Acquest	Town	New Windsor	552,300	23.2067	12,817	7,010	5,807
2010	Airport Properties II/Hilton	Town	New Windsor	1,484,300	23.2067	34,446	34,446	-
2010	Airport Properties VIII	Town	New Windsor	50,600	23.2067	1,174	1,174	-
2011	Anheuser Busch	Town	New Windsor	2,891,100	23.2067	67,093	60,827	6,266
2008	Atlantic Marine Corps	Town	New Windsor	36,605	23.2067	849	36,861	-
2018	BDL, LLC	Town	New Windsor	466,000	23.2067	10,814	10,947	-
2016	CRH Realty VIII	Town	New Windsor	5,700	23.2067	132	99	33
2020	Riley Road Solar #1	Town	New Windsor	445,900	23.2067	10,348	6,352	3,996
2020	Riley Road Solar #2	Town	New Windsor	445,900	23.2067	10,348	6,352	3,996
N/A	DOT, Avis Drive & Park	Town	New Windsor	36,900	23.2067	856	856	-
N/A	DOT, Budget Rent-A-Car	Town	New Windsor	13,600	23.2067	316	316	-
N/A	DOT, Enterprise Rent-A-Car	Town	New Windsor	15,600	23.2067	362	362	-
N/A	DOT, Farpost Soccer	Town	New Windsor	29,200	23.2067	678	678	-
N/A	DOT, Hertz Rent-A-Car	Town	New Windsor	18,500	23.2067	429	429	-
N/A	DOT, Hudson Group	Town	New Windsor	43,300	23.2067	1,005	-	1,005
N/A	DOT, VW Trans, LLC	Town	New Windsor	18,246	23.2067	423	423	-
N/A	Air Logistics Inc.	Town	Newburgh	360,000	11.8689	4,273	4,273	-
N/A	Bergy Realty LLC	Town	Newburgh	276,500	11.8689	3,282	2,293	989
N/A	Caleast Properties	Town	Newburgh	2,805,750	11.8689	33,301	33,301	-
2016	Crh Realty VIII, LLC	Town	Newburgh	5,144,000	11.8689	61,054	34,800	-
2017	Crossroads Court	Town	Newburgh	5,338,200	11.8689	63,359	42,139	21,220
1996	E.J. Del Monte Corp	Town	Newburgh	1,600,000	11.8689	18,990	18,990	-
N/A	GRS Enterprise/Newburgh Ind Assoc	Town	Newburgh	5,400,000	11.8689	64,092	64,092	-
2016	Danskammer Energy, LLC	Town	Newburgh	41,501,000	9.9460	412,769	162,359	250,410
N/A	Iron Workers	Town	Newburgh	342,500	11.8689	4,065	320	3,745
2010	Labor Local 17 Training	Town	Newburgh	3,266,000	11.8689	38,764	3,091	35,673
N/A	LKD Realty	Town	Newburgh	1,288,000	11.8689	15,287	15,287	-
2018	Matrix Newburgh I, LLC	Town	Newburgh	12,997,076	11.8689	154,261	74,393	-
2003	Nelco	Town	Newburgh	1,170,600	11.8689	13,894	13,894	-
1998	Newburgh Senior LLC	Town	Newburgh	1,336,300	11.8689	15,860	2,421	13,439
N/A	NY Telephone	Town	Newburgh	101,100	11.8689	1,200	1,200	-
N/A	Omnipoint Comm. Inc.	Town	Newburgh	101,000	11.8689	1,199	1,199	-
N/A	Shortline/Sam Jamison	Town	Newburgh	96,000	11.8689	1,139	1,139	-
N/A	Sky Chefs/Pacific Sintereg Metals	Town	Newburgh	375,000	11.8689	4,451	4,451	-
1999	Tuxedo Place	Town	Tuxedo	192,000	21.9932	4,223	4,223	-
2011	Concrete Properties, LLC/Tetz	Town	Walkkill	175,565	19.7608	3,469	3,469	-
2014	CRH Realty VI, LLC	Town	Walkkill	2,274,400	19.7608	44,944	31,917	13,027
2015	Fairbanks Mfg., LLC	Town	Walkkill	169,700	19.7608	3,353	2,012	1,341
2020	Fogarty Solar County/ Town	Town	Walkkill	387,000	19.7608	7,647	4,269	3,378
2021	13 Ave Fish Market	Town	Walkkill	56,200	19.7608	1,111	1,111	-
2020	Walkkill Living Center	Town	Walkkill	1,920,000	19.7608	37,941	14,660	23,281
N/A	Senior Horizons	Town	Walkkill	70,500	19.7608	1,393	1,393	-
2014	Walkkill Realty Partners LP	Town	Walkkill	3,717,000	19.7608	73,451	44,545	28,906
2017	Retford Investments	Town	Walkkill	633,300	19.7608	12,515	8,965	3,550
1988	Country Village Assoc.	Town	Warwick	177,400	27.3622	4,854	2,459	2,395
1995	Devon Wood Ltd. Partnership	Town	Warwick	693,900	27.3622	18,987	1,380	17,607
1995	Ibm Corp.	Town	Warwick	4,000,000	27.3622	109,449	128,075	-
2017	CPV	Town	Wawayanda	89,670,600	5.7819	518,466	158,815	-
2018	Nowak Properties, Inc.	Town	Wawayanda	3,763,600	5.7819	21,761	7,366	14,395
2021	Wawayanda Solar, LLC NexAmp	Town	Wawayanda	869,500	5.7819	3,871	1,026	2,845
Total		82	Towns	\$ 345,598,926		\$ 2,826,938	\$ 1,549,431	\$ 836,811
Total		102	All	\$ 408,622,271		\$ 3,339,966	\$ 1,846,017	\$ 1,251,829

County of Orange, New York

Notes to Financial Statements (Concluded)
December 31, 2021

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)

	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 31,064,962	\$ 30,449,930	\$ 16,277,416	\$ 13,341,666
Interest	29,753,243	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	(10,276,320) (6)	41,434,027 (5)	241,712,366 (4)	(26,408,794)
Benefit payments	(25,915,507)	(26,259,694)	(24,648,359)	
Net Change in Total OPEB Liability	24,626,378	73,454,828	273,738,948	27,825,133
Total OPEB Liability – Beginning of Year	1,464,335,438	1,390,880,610	1,117,141,662	1,089,316,529 (3)
Total OPEB Liability – End of Year	\$ 1,488,961,816	\$ 1,464,335,438	\$ 1,390,880,610	\$ 1,117,141,662
Covered-employee payroll	\$ 137,993,589	\$ 137,993,589	\$ 132,744,949	\$ 132,744,949
Total OPEB liability as a percentage of covered-employee payroll	1079.01%	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%.
- (6) The increase is attributable to an increase in the discount rate from 2.02% to 2.05%.

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				
	2021	2020	2019	2018	2017
Contractually required contribution	\$ 20,018,378	\$ 19,373,768	\$ 20,181,733	\$ 19,500,064	\$ 20,344,203
Contributions in relation to the contractually required contribution	(20,018,378)	(19,373,768)	(20,181,733)	(19,500,064)	(20,344,203)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 123,788,298	\$ 126,471,967	\$ 121,007,778	\$ 116,416,016	\$ 114,843,621
Contributions as a percentage of covered payroll	16.17%	15.32%	16.68%	16.75%	17.71%
	Business-Type Activities (A)				
	2021	2020	2019	2018	2017
Contractually required contribution	\$ 3,237,489	\$ 3,008,383	\$ 3,164,942	\$ 3,075,104	\$ 2,846,326
Contributions in relation to the contractually required contribution	(3,237,489)	(3,008,383)	(3,164,942)	(3,075,104)	(2,846,326)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 20,016,463	\$ 19,787,214	\$ 19,303,503	\$ 18,563,031	\$ 18,255,275
Contributions as a percentage of covered payroll	16.17%	15.20%	16.40%	16.57%	15.59%
	Total Primary Government				
	2021	2020	2019	2018	2017
Contractually required contribution	\$ 23,255,867	\$ 22,382,151	\$ 23,346,675	\$ 22,575,168	\$ 23,190,529
Contributions in relation to the contractually required contribution	(23,255,867)	(22,382,151)	(23,346,675)	(22,575,168)	(23,190,529)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 143,804,761	\$ 146,259,181	\$ 140,311,281	\$ 134,979,047	\$ 133,098,896
Contributions as a percentage of covered payroll	16.17%	15.30%	16.64%	16.72%	17.42%
	Component Unit (College)				
	2021	2020	2019	2018	2017
Contractually required contribution	\$ 1,907,580	\$ 1,736,394	\$ 1,765,792	\$ 1,830,419	\$ 1,921,938
Contributions in relation to the contractually required contribution	(1,907,580)	(1,736,394)	(1,765,792)	(1,830,419)	(1,921,938)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 12,420,830	\$ 12,706,975	\$ 12,864,010	\$ 12,881,984	\$ 11,616,831
Contributions as a percentage of covered payroll	15.36%	13.66%	13.73%	14.21%	16.54%

(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.

2016	2015
\$ 19,995,375	\$ 19,250,311
(19,995,375)	(19,250,311)
\$ -	\$ -
\$ 130,105,150	\$ 129,116,581
15.37%	14.91%

2016	2015
\$ 2,770,206	\$ 2,478,695
(2,770,206)	(2,478,695)
\$ -	\$ -
\$ 20,567,987	\$ 20,587,981
13.47%	12.04%

2016	2015
\$ 22,765,581	\$ 21,729,006
(22,765,581)	(21,729,006)
\$ -	\$ -
\$ 150,673,137	\$ 149,704,562
15.11%	14.51%

2016	2015
\$ 2,013,841	\$ 2,309,490
(2,013,841)	(2,309,490)
\$ -	\$ -
\$ 13,260,794	\$ 11,380,391
15.19%	20.29%

County of Orange, New York

Required Supplementary 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				
	2021 (5)	2020 (3) (4)	2019	2018	2017
Proportion of the net pension liability	0.5346468%	0.5382754%	0.5441818%	0.5667699%	0.5574669%
Proportionate share of the net pension liability	\$ 532,370	\$ 142,538,451	\$ 38,556,938	\$ 18,314,221	\$ 52,380,761
Covered payroll	\$ 130,593,312	\$ 132,108,200	\$ 127,133,811	\$ 124,426,791	\$ 127,350,886
Proportionate share of the net pension liability as a percentage of covered payroll	0.41%	107.90%	30.33%	14.72%	41.13%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%
	Business-Type Activities (A)				
	2021 (5)	2020 (3) (4)	2019	2018	2017
Proportion of the net pension liability	0.0856152%	0.0836889%	0.0863572%	0.0895109%	0.0882248%
Proportionate share of the net pension liability	\$ 85,250	\$ 22,161,303	\$ 6,118,667	\$ 2,888,915	\$ 8,289,801
Covered payroll	\$ 21,116,828	\$ 20,669,033	\$ 20,280,745	\$ 19,820,309	\$ 20,243,401
Proportionate share of the net pension liability as a percentage of covered payroll	0.40%	107.22%	30.17%	14.58%	40.95%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%
	Total Primary Government				
	2021 (5)	2020 (3) (4)	2019	2018	2017
Proportion of the net pension liability	0.6202620%	0.6219643%	0.6305390%	0.6562808%	0.6456917%
Proportionate share of the net pension liability	\$ 617,620	\$ 164,699,754	\$ 44,675,605	\$ 21,203,136	\$ 60,670,562
Covered payroll	\$ 151,710,140	\$ 152,777,233	\$ 147,414,556	\$ 144,247,100	\$ 147,594,287
Proportionate share of the net pension liability as a percentage of covered payroll	0.41%	107.80%	30.31%	14.70%	41.11%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%
	Component Unit (College)				
	2021 (5)	2020 (3) (4)	2019	2018	2017
Proportion of the net pension liability	0.0451838%	0.0489789%	0.0512722%	0.0532673%	0.0539500%
Proportionate share of the net pension liability	\$ 44,991	\$ 12,969,884	\$ 3,632,791	\$ 1,719,173	\$ 5,069,337
Covered payroll	\$ 12,420,830	\$ 12,706,975	\$ 12,864,010	\$ 12,881,984	\$ 12,847,134
Proportionate share of the net pension liability as a percentage of covered payroll	0.36%	102.07%	28.24%	13.35%	39.46%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%

(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 7.5% to 7.0% effective with the March 31, 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.
 - (5) Decrease in the County's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report.

<u>2016 (2)</u>	<u>2015</u>
<u>0.5235445%</u>	<u>0.5462432%</u>
<u>\$ 84,030,347</u>	<u>\$ 18,453,431</u>
<u>\$ 123,091,786</u>	<u>\$ 111,631,729</u>
<u>68.27%</u>	<u>16.53%</u>
<u>90.70%</u>	<u>97.90%</u>

<u>2016 (2)</u>	<u>2015</u>
<u>0.0830477%</u>	<u>0.0867020%</u>
<u>\$ 13,329,391</u>	<u>\$ 2,929,005</u>
<u>\$ 19,528,094</u>	<u>\$ 17,710,534</u>
<u>68.26%</u>	<u>16.54%</u>
<u>90.70%</u>	<u>97.90%</u>

<u>2016 (2)</u>	<u>2015</u>
<u>0.6065922%</u>	<u>0.6329452%</u>
<u>\$ 97,359,738</u>	<u>\$ 21,382,436</u>
<u>\$ 142,619,880</u>	<u>\$ 129,342,263</u>
<u>68.27%</u>	<u>16.53%</u>
<u>90.70%</u>	<u>97.90%</u>

<u>2016 (2)</u>	<u>2015</u>
<u>0.0546160%</u>	<u>0.0557120%</u>
<u>\$ 8,765,985</u>	<u>\$ 1,882,101</u>
<u>\$ 13,260,794</u>	<u>\$ 11,380,391</u>
<u>66.10%</u>	<u>16.54%</u>
<u>90.70%</u>	<u>97.90%</u>

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						
	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 676,454	\$ 629,298	\$ 636,570	\$ 595,284	\$ 710,705	\$ 908,991	\$ 1,175,470
Contributions in relation to the contractually required contribution	(676,454)	(629,298)	(636,570)	(595,284)	(710,705)	(908,991)	(1,175,470)
Contribution excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,098,153	\$ 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	9.53%	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)

	2021 (6)	2020 (5)	2019	2018 (4)	2017 (3)	2016	2015
Proportion of the net pension liability (asset)	0.035673%	0.035766%	0.035911	0.037291	0.038267	0.038594	0.035559
Proportionate share of the net pension liability (asset)	\$ (6,181,792)	\$ 988,311	\$ (932,961)	\$ (674,324)	\$ (290,866)	\$ 413,360	\$ (3,693,461)
Covered payroll	\$ 7,098,153	\$ 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	-87.09%	13.91%	-15.56%	-11.10%	-4.80%	6.03%	-55.08%
Plan fiduciary net position as a percentage of the total pension liability	113.20%	97.80%	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.
- (5) The discount rate used to calculate the total pension liability was decreased from 7.25% to 7.1% effective with the June 30, 2019 measurement date.
- (6) Increase in the County's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses.

**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,

	2021	2020
ASSETS	\$ 138,333,205	\$ 17,093,690
Cash and equivalents	60,183,585	55,000,000
Investments		
Taxes receivable	20,050,481	21,228,762
Taxes receivable, overdue	713,802	703,922
City school districts taxes	6,042,486	5,309,653
Property acquired for taxes	26,806,769	27,242,337
	(12,594,982)	(11,057,480)
Allowance for uncollectible taxes	14,211,787	16,184,857
Other receivables		
Accounts, net of allowance for uncollectible amounts of \$25,000 in 2021 and 2020	2,996,504	3,022,968
Sales taxes	36,898,879	28,286,056
State and Federal aid, net of allowance for uncollectible amounts of \$1,200,000 in 2021 and 2020	85,425,403	91,876,542
Due from component unit	1,941,284	1,818,081
Due from other governments	695,679	572,112
Due from other funds	6,819,807	15,430,621
	134,777,556	141,006,380
	5,634,750	4,935,155
Prepaid expenditures	\$ 353,140,883	\$ 234,220,082
Total Assets		
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 61,157,942	\$ 52,359,780
Accounts payable	15,157,392	11,030,952
Accrued liabilities	63,864,774	65,758,832
Due to other funds	2,657,462	2,370,771
Due to fiduciary fund	8,653,629	8,302,968
Deposits payable	1,257,682	939,482
Employee payroll deductions	45,603,748	3,617,400
Unearned revenues	198,352,629	144,380,185
Total Liabilities		
Deferred inflows of resources	10,139,032	10,605,024
Deferred tax revenues	208,491,661	154,985,209
Total Liabilities and Deferred Inflows of Resources		
Fund balance	5,634,750	4,935,155
Nonspendable	5,288,932	4,151,594
Restricted	796,580	795,193
Committed	15,322,104	18,744,933
Assigned	117,606,856	50,607,998
Unassigned	144,649,222	79,234,873
Total Fund Balance	\$ 353,140,883	\$ 234,220,082
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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 89,588,218	\$ 89,588,218	\$ 89,591,463	\$ 3,245
Other tax items	10,243,278	10,243,278	9,408,918	(834,360)
Non-property taxes	306,037,907	318,861,750	361,898,340	43,036,590
Departmental income	29,883,231	29,926,543	30,735,072	808,529
Intergovernmental charges	10,657,670	10,657,670	9,519,256	(1,138,414)
Use of money and property	5,632,036	5,632,036	5,299,294	(332,742)
Licenses and permits	1,156,931	1,156,931	2,315,954	1,159,023
Fines and forfeitures	1,016,613	1,016,613	956,180	(60,433)
Sale of property and compensation for loss	1,507,902	1,507,902	1,161,605	(346,297)
Interfund revenues	12,383,558	15,248,101	12,605,288	(2,642,813)
State aid	94,339,574	133,236,921	84,810,571	(48,426,350)
Federal aid	56,368,264	170,211,446	56,447,481	(113,763,965)
Miscellaneous	7,821,001	7,843,401	4,613,750	(3,229,651)
Total Revenues	626,636,183	795,130,810	669,363,172	(125,767,638)
EXPENDITURES				
Current				
General government support	160,438,390	220,204,073	166,087,524	54,116,549
Education	68,262,185	68,262,185	59,008,797	9,253,388
Public safety	111,707,000	119,819,695	108,613,090	11,206,605
Health	56,638,814	86,678,639	49,368,475	37,310,164
Transportation	685,000	686,511	685,771	740
Economic opportunity and development	226,449,000	240,816,899	193,156,625	47,660,274
Culture and recreation	7,032,962	7,250,502	6,962,355	288,147
Home and community services	12,074,477	68,063,951	16,968,274	51,095,677
Employee benefits	-	-	(66,391)	66,391
Total Expenditures	643,287,828	811,782,455	600,784,520	210,997,935
Excess (Deficiency) of Revenues Over Expenditures	(16,651,645)	(16,651,645)	68,578,652	85,230,297
OTHER FINANCING SOURCES (USES)				
Transfers in	1,500,000	1,500,000	1,500,000	-
Transfers out	(3,593,288)	(4,666,134)	(4,664,303)	1,831
Total Other Financing Sources	(2,093,288)	(3,166,134)	(3,164,303)	1,831
Net Change in Fund Balance	(18,744,933)	(19,817,779)	65,414,349	85,232,128
FUND BALANCE				
Beginning of Year	18,744,933	19,817,779	79,234,873	59,417,094
End of Year	\$ -	\$ -	\$ 144,649,222	\$ 144,649,222

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 86,314,518	\$ 86,394,930	\$ 84,738,413	\$ (1,656,517)
10,197,782	10,197,782	10,013,837	(183,945)
306,477,614	306,477,614	282,720,008	(23,757,606)
31,771,201	31,815,052	28,344,433	(3,470,619)
10,701,398	10,708,898	9,947,090	(761,808)
7,154,576	7,154,576	5,309,657	(1,844,919)
2,653,000	2,653,000	1,014,657	(1,638,343)
933,313	933,313	487,392	(445,921)
2,326,902	2,328,998	1,976,782	(352,216)
11,706,541	13,673,070	11,682,959	(1,990,111)
96,996,472	114,994,111	83,110,255	(31,883,856)
57,442,766	132,168,115	60,849,567	(71,318,548)
3,455,601	3,576,736	4,209,403	632,667
<u>628,131,684</u>	<u>723,076,195</u>	<u>584,404,453</u>	<u>(138,671,742)</u>
164,183,426	167,315,414	148,687,861	18,627,553
68,310,637	66,740,732	57,040,836	9,699,896
108,572,051	117,257,310	101,822,889	15,434,421
57,047,259	70,820,274	50,794,574	20,025,700
662,000	675,315	667,597	7,718
230,072,429	231,999,206	204,648,530	27,350,676
7,855,596	7,848,957	6,581,967	1,266,990
15,690,871	81,035,466	19,333,014	61,702,452
(2,800,000)	846,106	846,106	-
<u>649,594,269</u>	<u>744,538,780</u>	<u>590,423,374</u>	<u>154,115,406</u>
<u>(21,462,585)</u>	<u>(21,462,585)</u>	<u>(6,018,921)</u>	<u>15,443,664</u>
1,000,000	1,000,000	1,000,000	-
(3,479,253)	(3,625,001)	(3,624,992)	9
<u>(2,479,253)</u>	<u>(2,625,001)</u>	<u>(2,624,992)</u>	<u>9</u>
(23,941,838)	(24,087,586)	(8,643,913)	15,443,673
<u>23,941,838</u>	<u>24,087,586</u>	<u>87,878,786</u>	<u>63,791,200</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,234,873</u>	<u>\$ 79,234,873</u>

County of Orange, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget
 Year Ended December 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
REAL PROPERTY TAXES	\$ 89,588,218	\$ 89,588,218	\$ 89,591,463	\$ 3,245	\$ 84,738,413
OTHER TAX ITEMS					
Interest and penalties on real property taxes	7,200,000	7,200,000	6,889,140	(310,860)	7,066,443
Payments in lieu of taxes	1,843,278	1,843,278	1,848,940	5,662	1,961,043
Gain on sale of tax acquired property	1,200,000	1,200,000	670,838	(529,162)	986,351
Total Other Tax Items	10,243,278	10,243,278	9,408,918	(834,360)	10,013,837
NON-PROPERTY TAXES					
Sales taxes	300,149,544	312,973,387	354,803,497	41,830,110	278,473,330
Hotel occupancy taxes	3,988,363	3,988,363	5,273,551	1,285,188	2,492,501
911 emergency surcharge	1,900,000	1,900,000	1,821,292	(78,708)	1,754,177
Total Non-Property Taxes	306,037,907	318,861,750	361,898,340	43,036,590	282,720,008
DEPARTMENTAL INCOME					
General					
Clerk fees	6,224,392	6,224,392	7,366,412	1,142,020	5,890,132
Commissioner of Finance fees	349,000	349,000	351,134	2,134	370,482
Charges for tax advertising and expenses	160,000	160,000	128,445	(31,555)	133,926
Medical examiner fees	7,500	7,500	8,079	579	3,168
Attorney fees	1,500,000	1,500,000	1,014,261	(485,739)	1,402,318
Other	434,600	434,600	283,825	(150,775)	320,082
Public Safety					
Sheriff fees	8,675,492	8,675,492	9,152,156	476,664	8,120,108
Restitution surcharge	799,286	799,286	664,622	(134,664)	570,646
Other	37,500	37,500	35,234	(2,266)	33,868
	1,532,831	1,575,003	1,285,712	(289,291)	849,822
Health					
Public health fees	2,369,617	2,411,789	1,985,568	(426,221)	1,454,336
Mental health fees	585,000	585,000	558,874	(26,126)	497,502
Early intervention fees	5,454,802	5,454,802	4,336,697	(1,118,105)	3,976,520
Other public health charges	63,597	63,597	38,039	(25,558)	37,118
	2,788,000	2,788,000	2,086,223	(701,777)	1,938,111
Transportation - Bus subsidies	8,891,399	8,891,399	7,019,833	(1,871,566)	6,449,251
	438,743	438,743	339,462	(99,281)	218,906

Economic Opportunity and Development									
Medical assistance	1,227,536	1,227,536	2,016,451	788,915	1,632,220				
Aid to dependent children	1,183,124	1,183,124	1,409,541	226,417	1,801,434				
Medical incentive	514,000	514,000	834,634	320,634	259,342				
Child care	3,236,073	3,236,073	4,468,120	1,232,047	4,657,892				
Juvenile delinquents	6,336	6,336	31,535	25,199	6,578				
Safety net	1,138,445	1,138,445	918,546	(219,899)	1,203,017				
Repay home energy assistance	191,582	191,582	185,248	(6,334)	167,437				
Repay emergency care adults	582	582	120	(462)	177				
Repay daycare	11,286	11,286	3,028	8,529	11,092				
Repay DSS	102,942	102,942	100,168	(8,258)	17,276				
Sealer weights and measure	51,574	51,574	52,598	(2,774)	71,986				
Programs for the aging	62,000	62,000	5,950	1,024	40,465				
Other	7,725,480	7,725,480	10,034,468	(56,050)	34,440				
Culture and Recreation									
Parks and recreation	200,000	201,140	232,949	31,809	107,926				
Recreation concessions	65,000	65,000	41,071	(23,929)	17,865				
Golf charges	1,500,000	1,500,000	1,901,515	401,515	2,052,484				
Sale cemetery lots	17,500	17,500	28,050	10,550	20,201				
	1,782,500	1,783,640	2,203,585	419,945	2,198,476				
Total Departmental Income	29,883,231	29,926,543	30,735,072	808,529	28,344,433				
INTERGOVERNMENTAL CHARGES									
Participants assessment	36,900	36,900	36,900	-	36,900				
Public safety services	58,000	58,000	101,400	43,400	37,500				
Transportation services	92,443	92,443	73,054	(19,389)	64,688				
Miscellaneous	10,470,327	10,470,327	9,307,902	(1,162,425)	9,808,002				
Total Intergovernmental Charges	10,657,670	10,657,670	9,519,256	(1,138,414)	9,947,090				
USE OF MONEY AND PROPERTY									
Earnings on investments	406,500	406,500	191,581	(214,919)	215,694				
Rental of real property	4,494,953	4,494,953	4,301,382	(193,571)	4,432,683				
Other rentals	160,583	160,583	159,875	(708)	166,059				
Commissions	570,000	570,000	646,456	76,456	495,221				
Total Use of Money and Property	5,632,036	5,632,036	5,299,294	(332,742)	5,309,657				
LICENSES AND PERMITS									
Games of chance	1,000,000	1,000,000	2,158,554	1,158,554	872,539				
Other licenses	156,931	156,931	157,400	469	142,118				
Total Licenses and Permits	1,156,931	1,156,931	2,315,954	1,159,023	1,014,657				
FINES AND FORFEITURES									
Fines and forfeited bail	80,850	80,850	38,986	(41,864)	57,360				
Forfeiture - DWI program	935,763	935,763	549,912	(385,851)	430,032				
Forfeiture - Federal crime proceeds	-	-	367,282	367,282	-				
Total Fines and Forfeitures	1,016,613	1,016,613	956,180	(60,433)	487,392				

(Continued)

County of Orange, New York

General Fund
 Schedule of Revenues and Other Financing Sources Compared to Budget (Continued)
 Year Ended December 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
SALE OF PROPERTY AND COMPENSATION FOR LOSS					
Sale of scrap and excess material	\$ 15,000	\$ 15,000	\$ 100,154	\$ 85,154	\$ 2,778
Minor sales	93,402	93,402	78,092	(15,310)	59,922
Other sales	1,000,000	1,000,000	794,384	(205,616)	1,733,613
Insurance recoveries	399,500	399,500	188,975	(210,525)	180,469
	1,507,902	1,507,902	1,161,605	(346,297)	1,976,782
	12,383,558	15,248,101	12,605,288	(2,642,813)	11,682,959
INTERFUND REVENUES					
STATE AID					
General	1,134,865	1,134,865	926,915	(207,950)	733,080
Court facilities	75,551	75,551	90,661	15,110	60,441
District Attorney	4,500	4,500	4,121	(379)	4,626
Real property tax administration	-	569,065	-	(569,065)	458,351
Other capital	1,462,911	9,944,096	2,433,815	(7,510,281)	2,287,680
Other	2,677,827	11,728,077	3,455,512	(8,272,565)	3,544,178
Public Safety	1,251,889	1,251,889	1,265,432	13,543	1,223,868
Probation services	683,138	2,263,823	1,249,628	(1,014,195)	767,369
Crime victims assistance program	1,935,027	3,515,712	2,515,060	(1,000,652)	1,991,237
Transportation	4,422,877	4,422,877	4,070,866	(352,011)	3,813,652
Bus operations	-	-	-	-	70,644
Other	4,422,877	4,422,877	4,070,866	(352,011)	3,884,296
Health	1,999,656	1,999,656	2,129,883	130,227	2,218,817
Public health	20,893,700	20,893,700	16,720,264	(4,173,436)	14,499,816
Education and care of handicapped children	400,000	400,000	1,045,217	645,217	671,797
Compassionate care act	4,038,007	4,038,007	1,760,387	(2,277,620)	2,659,572
Early intervention	17,349,319	17,349,319	14,003,288	(3,346,031)	16,088,691
Mental health	263,548	28,329,960	3,558,989	(24,770,971)	3,142,195
Special health program	79,837	79,837	59,434	(20,403)	39,697
Other	45,024,067	73,090,479	39,277,462	(33,813,017)	39,320,585

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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, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
Culture and Recreation Programs for the aging	\$ 1,838,170	\$ 2,163,802	\$ 1,694,833	\$ (468,969)	\$ 1,880,479
Emergency disaster assistance	-	-	894,467	894,467	13,535
	<u>1,838,170</u>	<u>2,163,802</u>	<u>2,589,300</u>	<u>425,498</u>	<u>1,894,014</u>
Total Federal Aid	56,368,264	170,211,446	56,447,481	(113,763,965)	60,849,567
MISCELLANEOUS					
Refund of prior year's expenditures	1,200	1,200	51,592	50,392	18,186
Off-track betting surcharge	-	-	156,273	156,273	-
Gifts and donations	31,375	53,775	16,620	(37,155)	124,830
Tobacco settlement	3,400,000	3,400,000	3,400,000	-	3,400,000
Unclassified	4,388,426	4,388,426	989,265	(3,399,161)	666,387
Total Miscellaneous	<u>7,821,001</u>	<u>7,843,401</u>	<u>4,613,750</u>	<u>(3,229,651)</u>	<u>4,209,403</u>
TOTAL REVENUES	<u>626,636,183</u>	<u>795,130,810</u>	<u>669,363,172</u>	<u>(125,767,638)</u>	<u>584,404,453</u>
OTHER FINANCING SOURCES					
Transfers in	1,500,000	1,500,000	1,500,000	-	1,000,000
Workers' Compensation Benefits Fund					
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 628,136,183</u>	<u>\$ 796,630,810</u>	<u>\$ 670,863,172</u>	<u>\$ (125,767,638)</u>	<u>\$ 585,404,453</u>

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, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
GENERAL GOVERNMENT SUPPORT					
Legislative Board	\$ 2,190,612	\$ 2,190,612	\$ 2,020,529	\$ 170,083	\$ 1,909,170
Clerk of Legislative Board	510,511	510,511	505,990	4,521	489,281
Unified Court System	210,120	210,120	160,677	49,443	100,213
District Attorney	11,421,340	11,713,674	11,151,688	561,986	10,721,368
Legal Defense of Indigents	6,309,379	13,373,530	6,116,021	7,257,509	6,640,995
Medical Examiner	1,975,957	2,025,957	1,986,937	39,020	1,900,995
County Executive	752,255	752,255	733,166	19,089	712,735
Commissioner of Finance	3,737,080	3,737,080	3,370,149	366,931	3,435,491
Division of Budget	844,910	844,910	775,961	68,949	900,964
Division of Purchasing	1,416,201	1,423,016	1,167,346	255,670	1,196,763
Property Tax Service Agency	2,830,288	2,830,288	2,464,007	366,281	2,608,311
Tax advertising	274,850	274,850	177,537	97,313	174,614
Refunds of real property taxes	400,000	400,000	218,686	181,314	236,936
County Clerk	6,795,880	6,795,880	6,480,621	315,259	6,412,429
Department of Law	5,582,285	6,607,958	5,593,909	1,014,049	5,549,243
Department of Personnel	2,947,376	2,977,023	2,965,903	11,120	2,640,310
Board of Elections	3,425,206	4,594,824	2,675,828	1,918,996	3,777,619
Board of Ethics	41,331	41,331	25,217	16,114	30,370
Public Information and Services	195,000	195,000	193,651	1,349	191,594
Public Works Administration	4,337,058	4,337,058	4,071,607	265,451	4,104,172
Central Services Administration	759,965	776,138	774,788	1,350	753,988
Buildings	10,833,972	10,833,972	9,782,802	1,051,170	9,488,368
Central printing and mailing	513,799	513,799	90,591	423,208	186,837
Central data processing	9,417,847	9,417,847	8,427,303	990,544	8,382,791
Risk management	1,132,904	1,132,904	1,100,185	32,719	1,158,798
Municipal association dues	72,300	72,300	59,664	12,636	60,914
Taxes and assessments - County property	488,193	488,193	391,606	96,587	423,654
Distribution of sales taxes to municipalities	79,154,771	91,978,614	91,978,614	-	73,858,725
Metropolitan commuter transportation mobility tax	552,000	561,545	561,541	4	575,213
Contingent fund	1,250,000	38,527,884	-	38,527,884	-
Other	65,000	65,000	65,000	-	65,000
Total General Government Support	160,438,390	220,204,073	166,087,524	54,116,549	148,687,861

EDUCATION								
Community Colleges - Non-resident tuition	7,390,000	7,390,000	6,287,122	1,102,878	6,622,141			
Community College	19,052,882	19,052,882	19,052,882	-	19,052,882			
Education of handicapped children	41,819,303	41,819,303	33,668,793	8,150,510	31,365,813			
Total Education	68,262,185	68,262,185	59,008,797	9,253,388	57,040,836			
PUBLIC SAFETY								
Administration	2,403,308	2,403,308	1,655,802	747,506	2,833,620			
Communication systems	9,929,977	9,929,977	8,699,164	1,230,813	8,655,965			
Sheriff	24,657,758	26,590,404	23,552,758	3,037,646	22,878,682			
Probation	10,794,288	11,890,016	9,927,821	1,962,195	10,024,642			
Jail	60,623,949	60,623,949	60,489,365	134,584	53,528,063			
Special traffic - Stop - DWI	935,763	935,763	725,472	210,291	680,620			
Fire prevention	1,033,039	1,033,039	966,421	66,618	956,888			
Civil defense	792,461	5,507,970	2,039,391	3,468,579	1,741,551			
Other	536,457	905,269	556,896	348,373	522,858			
Total Public Safety	111,707,000	119,819,695	108,613,090	11,206,605	101,822,889			
HEALTH								
Public health	12,043,810	40,356,749	14,520,108	25,836,641	15,396,015			
Rabies control	46,550	46,550	38,861	7,689	62,192			
Early Intervention Program	9,061,431	9,020,249	6,092,896	2,927,353	7,308,240			
W.I.C.	1,168,679	2,936,747	483,601	2,453,146	993,578			
Mental health program	14,565,046	14,565,046	11,084,170	3,480,876	10,350,599			
Contracted mental health services	19,753,298	19,753,298	17,148,839	2,604,459	16,683,950			
Total Health	56,638,814	86,678,639	49,368,475	37,310,164	50,794,574			
TRANSPORTATION								
MTA transportation payment	147,000	147,000	146,260	740	139,283			
Railroad station maintenance	538,000	539,511	539,511	-	528,314			
Total Transportation	685,000	686,511	685,771	740	667,597			

(Continued)

County of Orange, New York

General Fund
 Schedule of Expenditures and Other Financing Uses Compared to Budget (Continued)
 Year Ended December 31, 2021
 (With Comparative Actuals for 2020)

	Original Budget	Final Budget	Actual	Variance with Final Budget	2020 Actual
ECONOMIC OPPORTUNITY AND DEVELOPMENT					
Social services - Administration	\$ 60,253,417	\$ 60,259,417	\$ 55,090,063	\$ 5,169,354	\$ 56,911,827
Day care	6,140,226	6,140,226	3,839,505	2,300,721	4,075,133
Services for recipients	14,252,598	14,252,598	12,845,014	1,407,584	12,114,665
Medical assistance	71,391,252	71,391,252	60,874,745	10,516,507	67,420,148
Special needs program	14,869	14,869	7,030	7,839	6,940
Aid to dependent children	18,274,329	18,274,329	13,606,759	4,667,570	15,203,364
Child care	24,629,077	24,629,077	24,048,248	580,829	23,314,203
Juvenile delinquents	2,960,096	2,960,096	972,186	1,987,910	889,477
State training school	2,381,498	2,381,498	890,291	1,491,207	1,893,914
Safety net	14,581,786	14,581,786	10,717,222	3,864,564	12,835,557
Home energy assistance program	550,000	550,000	340,390	209,610	58,922
Emergency aid to adults	229,990	229,990	158,837	71,153	133,664
Economic opportunity	-	14,000,681	140,968	13,859,713	-
Tourism and public information	1,178,527	1,178,527	1,034,174	144,353	1,027,432
Veteran's services	932,634	968,220	967,414	806	942,435
Consumer affairs	789,616	789,616	737,999	51,617	670,295
Aging	7,516,748	7,842,380	6,549,300	1,293,080	6,806,272
Other	372,337	372,337	336,480	35,857	344,282
Total Economic Opportunity and Development	226,449,000	240,816,899	193,156,625	47,660,274	204,648,530
CULTURE AND RECREATION					
Council for the arts	40,000	40,000	40,000	-	3,648,420
Parks	3,838,645	3,838,645	3,785,292	53,353	1,885,885
Special recreational facilities	1,970,546	1,970,546	1,945,784	24,762	861,426
Youth bureau	981,021	1,197,421	993,277	204,144	186,236
Historian	202,750	203,890	198,002	5,888	-
Total Culture and Recreation	7,032,962	7,250,502	6,962,355	288,147	6,581,967

HOME AND COMMUNITY SERVICES						
Planning	8,699,659	64,724,719	14,272,553	50,452,166	16,572,230	
Human rights	163,031	163,031	141,908	21,123	137,554	
Sanitation	1,187,468	1,187,468	1,081,933	105,535	983,277	
Water Authority	113,544	113,544	-	113,544	76,000	
Conservation programs	1,796,941	1,796,941	1,399,383	397,558	1,495,036	
Cemetery	113,834	78,248	72,497	5,751	68,917	
	<u>12,074,477</u>	<u>68,063,951</u>	<u>16,968,274</u>	<u>51,095,677</u>	<u>19,333,014</u>	
Total Home and Community Services						
EMPLOYEE BENEFITS						
Unemployment and retirement benefits	-	-	-	-	803,027	
Workers' compensation benefits	-	-	(66,391)	66,391	43,079	
Total Employee Benefits					846,106	
TOTAL EXPENDITURES						
	<u>643,287,828</u>	<u>811,782,455</u>	<u>600,784,520</u>	<u>210,997,935</u>	<u>590,423,374</u>	
OTHER FINANCING USES						
Transfers out	-	951,810	951,810	-	-	
Community Development Fund	-	121,036	121,036	-	145,748	
Capital Projects Fund	3,593,288	3,593,288	3,591,457	1,831	3,479,244	
Debt Service Fund						
	<u>3,593,288</u>	<u>4,666,134</u>	<u>4,664,303</u>	<u>1,831</u>	<u>3,624,992</u>	
TOTAL OTHER FINANCING USES						
TOTAL EXPENDITURES AND OTHER FINANCING USES						
	<u>\$ 646,881,116</u>	<u>\$ 816,448,589</u>	<u>\$ 605,448,823</u>	<u>\$ 210,999,766</u>	<u>\$ 594,048,366</u>	

See independent auditors' report.

County of Orange, New York

Community Development Fund
 Comparative Balance Sheet
 December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Receivable	\$ 18,662,611	\$ 18,444,002
Loans, net	1,249,034	1,158,138
State and Federal aid receivable	370,147	-
Due from other funds	<u>20,281,792</u>	<u>19,602,140</u>
Prepaid expenditures	<u>14,416</u>	<u>11,850</u>
Total Assets	<u><u>\$ 20,296,208</u></u>	<u><u>\$ 19,613,990</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities	\$ 1,239,798	\$ 537,615
Accounts payable	9,236	7,783
Accrued liabilities	37,150	545,738
Due to other funds	18,662,611	18,522,854
Unearned revenues	<u>19,948,795</u>	<u>19,613,990</u>
Total Liabilities	<u>19,948,795</u>	<u>19,613,990</u>
Fund balance (deficit)	14,416	11,850
Nonspendable	332,997	-
Restricted	-	(11,850)
Unassigned	<u>347,413</u>	<u>-</u>
Total Fund Balance	<u>347,413</u>	<u>-</u>
Total Liabilities and Fund Balance	<u><u>\$ 20,296,208</u></u>	<u><u>\$ 19,613,990</u></u>

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,

	2021	2020
REVENUES		
Real property taxes	\$ 160,499	\$ 178,732
Departmental income	370,147	286,854
Interfund revenues	27,116	-
Federal aid	4,859,780	3,465,706
Total Revenues	5,417,542	3,931,292
EXPENDITURES		
Current	5,070,129	3,931,292
Economic opportunity and development	347,413	-
Excess of Revenues Over Expenditures	347,413	-
OTHER FINANCING SOURCES		
Transfers in	951,810	-
Net Change in Fund Balance	1,299,223	-
FUND BALANCE		
Beginning of Year, as reported	-	-
Prior Period Adjustment	(951,810)	-
Beginning of Year, as restated	(951,810)	-
End of Year	\$ 347,413	\$ -

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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,

	<u>2021</u>	<u>2020</u>
ASSETS		
State and Federal aid receivable	\$ 2,549,697	\$ 3,057,539
Due from other funds	-	767,311
Total Assets	<u>\$ 2,549,697</u>	<u>\$ 3,824,850</u>
LIABILITIES AND FUND DEFICIT		
Liabilities		
Accounts payable	\$ 3,547,081	\$ 2,383,256
Due to other funds	<u>5,617,976</u>	<u>13,855,882</u>
Total Liabilities	9,165,057	16,239,138
Fund deficit		
Unassigned	<u>(6,615,360)</u>	<u>(12,414,288)</u>
Total Liabilities and Fund Deficit	<u>\$ 2,549,697</u>	<u>\$ 3,824,850</u>

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,

	<u>2021</u>	<u>2020</u>
REVENUES		
Sale of property and compensation for loss	\$ 11,700	\$ -
State aid	3,372,141	1,971,828
Federal aid	3,465,529	6,559,787
Miscellaneous	<u>682,795</u>	<u>803,581</u>
Total Revenues	7,532,165	9,335,196
EXPENDITURES		
Capital outlay	<u>18,634,667</u>	<u>23,178,850</u>
Deficiency of Revenues Over Expenditures	<u>(11,102,502)</u>	<u>(13,843,654)</u>
OTHER FINANCING SOURCES (USES)		
Bonds issued	15,061,785	26,257,186
Issuance premium	1,166,223	1,686,025
Transfers in	683,596	874,748
Transfers out	<u>(10,174)</u>	<u>(665,856)</u>
Total Other Financing Sources	<u>16,901,430</u>	<u>28,152,103</u>
Net Change in Fund Balance	5,798,928	14,308,449
FUND DEFICIT		
Beginning of Year	<u>(12,414,288)</u>	<u>(26,722,737)</u>
End of Year	<u><u>\$ (6,615,360)</u></u>	<u><u>\$ (12,414,288)</u></u>

See independent auditors' report.

County of Orange, New York

Capital Projects Fund
 Project-Length Schedule
 Inception of Project Through December 31, 2021

Project	Authorization	Expenditures and Transfers	Unexpended
General Government Support			
2013 Reconstruction of Government Center	\$ 73,825,000	\$ 72,461,594	\$ 1,363,406
Government Center FFE	7,487,209	7,097,207	390,002
County Clerk Computer Equipment	3,230,142	2,714,957	515,185
Tax Map - G.I. System	250,000	244,381	5,619
Tax Map GIS System	226,113	129,152	96,961
Real Property Tax Computer Equipment	84,119	62,949	21,170
Tax Collection Software	350,000	207,610	142,390
2011 New CAD System	3,058,811	2,466,079	592,732
2012 Reconstruction Various Buildings	11,907,135	11,570,783	336,352
Purchase Buildings - Newburgh	2,500,000	-	2,500,000
Improve Various Buildings	400,000	397,696	2,304
2013 Aging Senior Dining Center	3,500,000	3,310,726	189,274
County Wide Petroleum Storage	671,025	660,528	10,497
County Wide Petroleum Bulk Storage	150,000	-	150,000
2016 Contaminated Soil Removal	229,526	225,000	4,526
2017 Contaminated Soil Removal	101,766	100,000	1,766
2018 Contaminated Soil Removal	100,348	36,055	64,293
2019 Contaminated Soil Removal	100,000	24,508	75,492
2020 Contaminated Soil Removal	100,000	-	100,000
2021 Contaminated Soil Removal	50,000	-	50,000
2017 Building Equipment Replacement	102,005	100,000	2,005
2018 Building Equipment Replacement	153,633	150,000	3,633
2019 Building Equipment Replacement	150,000	149,941	59
2020 Building Equipment Replacement	150,000	86,254	63,746
2021 Building Equipment Replacement	150,000	-	150,000
2014 Reconstruction Garage Floor	1,575,000	826,510	748,490
Improvements to Former Psychiatric Center	413,270	400,055	13,215
Furniture, Fixtures and Equipment for Board of Education and Information Technology	302,524	266,871	35,653
2017 Building Improvements	357,436	350,000	7,436
2018 Building Improvements	501,351	447,824	53,527
2019 Building Improvements	350,000	330,392	19,608
2020 Building Improvements	350,000	250,992	99,008
2021 Building Improvements	350,000	-	350,000
2016 Preservation Studies	25,985	24,102	1,883
2017 Document Preservation	125,000	-	125,000
2019 Asbestos / Lead Removal	50,000	49,814	186
2020 Asbestos / Lead Removal	50,000	22,329	27,671
2021 Asbestos / Lead Removal	50,000	-	50,000
Computer Technology	300,000	1,199	298,801
RPTS Computer Equipment	125,000	104,784	20,216
BOE Voting Machines	807,252	729,363	77,889
BOE Hardware/Software	888,980	866,336	22,644
Voting Machine	329,405	329,405	-
Voting Machine	1,014,855	-	1,014,855
Grounds Equipment	170,000	167,921	2,079
2020 Grounds Equipment	150,000	-	150,000
M.E. Needs Assessment	26,500	28,099	(1,599)
Department of Social Services Homeless Housing	2,660,000	-	2,660,000
Boiler Replacement	250,000	22,380	227,620
Building and Grounds Motor Replacement	140,000	-	140,000
Medical Examiners X-Ray Machine	133,000	-	133,000
Medical Examiners Facility	3,000,000	367,406	2,632,594
Upper Delaware Scenic Byway	668,142	328,649	339,493
Energy Efficiency Grant	5,571,528	5,571,528	-
Handicap Access	723,470	622,822	100,648
2015 CCN Building Management System	401,435	400,000	1,435
Fuel System Upgrade	300,000	9,995	290,005
2011 Government Center Move	8,400,000	3,509,909	4,890,091
2011 Storm Damage	11,005,752	7,673,692	3,332,060
2016 IT Upgrades	2,358,673	2,300,000	58,673
2017 IT Upgrades	3,081,089	2,870,180	210,909
2018 IT Upgrades	1,123,376	1,122,000	1,376
2019 IT Upgrades	1,250,000	1,250,000	-
2020 IT Upgrades	1,765,000	1,743,313	21,687
2021 IT Upgrades	4,507,658	2,490,843	2,016,815
Next Gen Services	850,000	237,775	612,225
IT Records Center Equipment	532,000	1,082	530,918
Veterans Cemetery Improvements	756,294	740,889	15,405
Cemetery Expansion	500,000	40,811	459,189
2011 Tax Collection Hardware	492,000	492,000	-
ADA Improvements	50,000	-	50,000
ADA Improvements	50,000	-	50,000
DPW Technology Upgrades	200,000	-	200,000
Maple Building Renovations	375,000	-	375,000
	168,483,807	139,186,690	29,297,117

Revenues and Other Financing Sources	Fund Balance (Deficit) at December 31, 2021
\$ 72,360,988	\$ (100,606)
7,094,757	(2,450)
2,698,748	(16,209)
244,381	-
172,353	43,201
82,096	19,147
207,610	-
2,466,079	-
11,570,783	-
-	-
397,443	(253)
3,310,726	-
660,528	-
-	-
225,000	-
100,000	-
35,822	(233)
21,478	(3,030)
-	-
-	-
100,000	-
150,000	-
142,225	(7,716)
27,372	(58,882)
-	-
826,511	1
413,270	13,215
-	-
266,871	-
350,000	-
446,767	(1,057)
312,680	(17,712)
116,993	(133,999)
-	-
24,102	-
-	-
49,814	-
19,962	(2,367)
-	-
1,199	-
125,000	20,216
729,363	-
862,314	(4,022)
-	(329,405)
-	-
167,921	-
-	-
26,500	(1,599)
-	-
22,380	-
-	-
-	(367,406)
328,649	-
5,569,770	(1,758)
622,822	-
400,000	-
6,346	(3,649)
4,824,672	1,314,763
8,787,916	1,114,224
2,300,000	-
2,870,180	-
1,016,325	(105,675)
1,233,046	(16,954)
1,656,107	(87,206)
-	(2,490,843)
237,775	-
1,082	-
740,109	(780)
-	(40,811)
492,000	-
-	-
-	-
-	-
-	-
137,916,835	(1,269,855)

(Continued)

County of Orange, New York

Capital Projects Fund
 Project-Length Schedule (Continued)
 Inception of Project Through December 31, 2021

Project	Authorization	Expenditures and Transfers	Unexpended
Education			
Orange County Community College			
2017 Various Improvements	\$ 1,240,000	\$ -	\$ 1,240,000
Banner Administration Software	2,433,618	597,846	1,835,772
Newburgh Campus	86,809,000	86,081,239	727,761
2008 Various Improvements	1,540,647	1,454,849	85,798
2009 Various Improvements	2,104,415	1,937,288	167,127
2010 Improvements Middletown Campus	1,600,000	1,506,417	93,583
Middletown Campus Lab School	58,767,080	50,469,598	8,297,482
2011 Various Improvements	1,551,616	903,308	648,308
2012 Various Improvements	1,212,452	1,175,409	37,043
2013 Various Improvements	1,280,335	1,272,687	7,648
2013 Purchase Newburgh Land and Building	3,500,000	3,027,948	472,052
2014 Various Improvements	1,387,451	1,363,696	23,755
2013 Purchase Newburgh Land	1,307,007	1,161,293	145,714
2016 Data Center	2,837,541	2,545,031	292,510
2015 Various Improvements	1,341,440	1,294,848	46,592
2017 Various Improvements	1,320,152	820,508	499,644
2019 Various Improvements	1,435,000	1,317,151	117,849
Various Improvements	1,425,000	618,619	806,381
Shepard Chiller	425,000	366,862	58,138
	<u>173,517,754</u>	<u>157,914,597</u>	<u>15,603,157</u>
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	100,742	49,258
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	291,870	8,130
CRAC Unit Replacement	252,000	-	-
Auditorium Upgrade	460,000	-	-
2013 Public Safety Communications	35,046,809	31,193,469	3,853,340
Arden Tower	-	-	-
2015 Contoller and Recorder	1,503,470	1,379,330	124,140
2015 Telephone System Improvement	240,000	171,070	68,930
Building Renovations	818,254	737,607	80,647
FTC Phase II	40,000	3,675	36,325
Hazmat Truck	700,000	698,701	1,299
Law Data Sharing	2,435,928	523,704	1,912,224
	<u>61,194,331</u>	<u>45,221,688</u>	<u>15,260,643</u>
Transportation - Highway			
Taylor Bridge	1,996,770	1,904,875	91,895
2012 Non-Highway Paving	355,332	232,803	122,529
2020 Non-Highway Paving	100,000	-	100,000
2021 Non-Highway Paving	100,000	-	100,000
2017 Intersection Improvements	101,719	99,252	2,467
2018 Intersection Improvements	100,000	56,648	43,352
2019 Intersection Improvements	100,000	33,059	66,941
2020 Intersection Improvements	250,000	-	250,000
2021 Intersection Improvements	100,000	-	100,000
2012 Site Distance Improvement	152,409	74,367	78,042
2015 Bridge Painting	150,074	3,893	146,181
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, 2021
\$ -	\$ -
2,425,435	1,827,589
84,786,492	(1,294,747)
1,519,315	64,468
1,742,329	(194,959)
1,266,701	(239,716)
50,451,945	(17,653)
819,985	(83,323)
1,109,438	(65,971)
921,399	(351,288)
3,027,948	-
1,383,152	(544)
1,162,736	1443
2,550,438	5,407
1,285,386	(9,462)
803,018	(17,490)
1,326,844	9,693
463,779	(154,840)
183,431	(183,431)
<u>157,209,771</u>	<u>(704,826)</u>
-	-
6,119	-
100,000	-
126,365	-
-	-
100,000	-
89,863	(10,879)
22,406	1
176,172	1
117,353	38,936
-	-
763,484	1
20,000	-
702,886	222,421
-	-
208,610	-
3,350,266	1
1,831,114	-
2,858,106	-
284,340	(7,530)
-	-
-	-
31,733,202	539,733
-	-
1,379,330	-
171,070	-
443,933	(293,674)
-	(3,675)
698,701	-
<u>1,685,928</u>	<u>1,162,224</u>
<u>46,869,248</u>	<u>1,647,560</u>
2,064,210	159,335
289,590	56,787
-	-
-	-
94,095	(5,157)
-	(56,648)
-	(33,059)
-	-
-	-
74,367	-
3,893	-
50,000	-
749,999	-

(Continued)

County of Orange, New York

Capital Projects Fund
 Project-Length Schedule (Continued)
 Inception of Project Through December 31, 2021

Project	Authorization	Expenditures and Transfers	Unexpended
Transportation - Highway (Continued)			
Forge Hill Bridge	\$ 3,729,733	\$ 3,717,883	\$ 11,850
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	811,238	43,440
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	1,289,192	10,808
2021 Reconstruction Various Roads	1,300,000	905,143	394,857
2015 FEMA Fleet Replacement	2,132,301	2,131,284	1,017
2016 Bridge Improvements	512,044	499,944	12,100
2017 Bridge Improvements	500,000	491,813	8,187
2018 Bridge Improvements	500,000	500,000	-
2019 Bridge Improvements	500,000	500,000	-
2020 Bridge Improvements	500,000	131,102	368,898
Drainage Improvement 2017	202,969	116,036	86,933
Drainage Improvement 2018	242,033	225,620	16,413
Drainage Improvement 2019	150,000	12,838	137,162
Drainage Improvement 2021	150,000	-	150,000
2019 Site Distance Improvement	150,000	-	150,000
2021 Site Distance Improvement	150,000	-	150,000
Maple Glen Bridge	751,773	727,358	24,415
Gardnerville Bridge	125,037	28,179	96,858
Camp Maples Bridge	2,201,942	1,484,644	717,298
Denton Bridge	1,992,746	1,882,753	-
Grahamline Bridge	2,025,000	108,664	1,916,336
Main Street Bridge #2	1,800,000	61,969	1,738,031
Board Bridge	800,000	35,689	764,311
Fleet Replacement	125,000	-	125,000
Fleet Replacement	1,475,000	21,108	1,453,892
Fleet Replacement 2017	1,019,265	741,445	277,820
Fleet Replacement 2019	700,000	698,038	1,962
Fleet Replacement 2020	800,000	795,322	4,678
Fleet Replacement 2021	800,000	476,410	323,590
Bowman Bridge	75,000	5,822	69,178
Bank Street Bridge	900,000	222,300	677,700
Highland Mill Bridge	1,000,000	5,458	994,542
Main Street Bridge	100,000	9,560	90,440
Cornwall Bridge	100,000	5,026	94,974
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	691,208	59,120
Replacement Dial-a-bus and Operating Assistance	128,758	128,758	-
Bus Purchases	19,170,600	546,338	18,624,262
Planning Buses	334,765	334,765	-
Replace Grove Drive Bridge	5,115,825	5,057,711	58,114
Long Range Transportation Plan	2,750,000	2,571,263	178,737
Buses	1,790,380	1,780,079	10,301
2013 New Transit Vehicles	8,724,895	1,028,846	7,696,049
2019 New Transit Vehicles	3,845,571	-	3,845,571
Pedestrian Safety	530,000	323,339	206,661
Multimodal Trans Center	2,592,943	-	2,592,943
Park and Ride Rehab	663,288	-	663,288
Schunemunk Trail	18,000,000	-	18,000,000
Newburgh Area Local Transit Service Expansions	821,562	1,148	820,414
Otisville Viaduct	3,769,863	407,161	3,362,702
Roadside Safety Improvements	350,000	65,657	284,343
Wallkill River Culvert	612,750	-	612,750
Scour Protection	100,000	-	100,000
CR105 and NYS 208 Study	750,000	501,472	248,528
Gardnertown Bridge	35,000	-	35,000
Railroad Avenue Transit Facility	136,758	135,000	1,758
Bus Equipment	766,078	129,644	636,434
	<u>130,261,688</u>	<u>57,438,076</u>	<u>72,713,619</u>

Revenues and Other Financing Sources	Fund Balance (Deficit) at December 31, 2021
\$ 3,781,994	\$ 64,111
549,986	-
3,111,340	4,391
3,572,446	63,000
2,242,446	-
37,200	-
854,678	43,440
3,297,729	-
1,298,139	1
1,299,021	-
136,246	(1,152,946)
-	(905,143)
2,131,284	-
426,396	(73,548)
64,393	(427,420)
-	(500,000)
-	(500,000)
2,181	(128,921)
116,037	1
235,001	9,381
10,565	(2,273)
-	-
-	-
310,204	(417,154)
28,024	(155)
1,485,996	1,352
1,882,753	-
67,216	(41,448)
1,076	(60,893)
29,268	(6,421)
-	-
14,245	(6,863)
734,947	(6,498)
698,038	-
735,232	(60,090)
385,000	(91,410)
5,666	(156)
32,714	(189,586)
-	(5,458)
5,485	(4,075)
-	(5,026)
-	-
-	-
6,409,455	(138,583)
689,769	(1,439)
12,876	(115,882)
485,635	(60,703)
33,477	(301,288)
4,717,501	(340,210)
2,543,830	(27,433)
1,752,981	(27,098)
960,077	(68,769)
-	-
323,339	-
-	-
-	-
-	-
-	(1,148)
353,322	(53,839)
61,908	(3,749)
-	-
-	-
379,588	(121,884)
-	-
136,758	1,758
591,638	461,994
<u>52,361,254</u>	<u>(5,076,822)</u>

(Continued)

County of Orange, New York

Capital Projects Fund
 Project-Length Schedule (Continued)
 Inception of Project Through December 31, 2021

Project	Authorization	Expenditures and Transfers	Unexpended
	\$ 218,991	\$ -	\$ 218,991
Transportation - Airport	160,000	155,485	4,515
2012 Various Airport Repairs	87,005	87,005	-
2012 Various Airport Repairs	16,720	16,720	-
2014 Wildlife Hazard Management Plan	50,070	23,184	26,886
2015 Taxiway Marking	980,000	-	980,000
Airport Building Improvements	50,000	-	50,000
2017 Bulk Hanger	50,000	-	50,000
Roof Replacement	134,750	130,709	4,041
Roof Replacement 2019	250,000	-	250,000
Apron A	786,986	98,456	688,530
Roof Replacement	50,000	-	50,000
Transient Apron	1,452,940	-	1,452,940
Runway Rehab	543,192	282,152	261,040
Bulk Hangar	1,051,398	100,930	950,468
Master Plan	65,790	60,143	5,647
Snow Removal Equipment	50,000	-	50,000
Rotating Beacon	50,000	-	45,000
Slurry Seal/Paving	45,000	-	50,000
Taxiway Improvements	50,000	-	50,000
Airport Coronavirus Response Grant Program	50,000	-	50,000
Airport Infrastructure Improvements	233,230	198,792	34,438
Airport Building and Maintenance	1,388,889	138,009	1,250,880
Obstruction Study	31,925,698	31,701,500	224,198
Airport Water and Sewer	2,400,000	-	2,400,000
Airport Runway 3/21 Realignment			
AT - Town of Montgomery Water	42,140,659	32,993,085	9,147,574
	\$ 150,000	\$ 107,758	\$ 42,242
Recreation	10,861,857	7,738,767	3,123,090
Parking/Roadway	384,767	374,783	9,984
2012 Heritage Trail Improvements	2,200,000	-	2,200,000
2017 Heritage Trail MNR-HARR	183,000	149,457	33,543
2018 Heritage Trail MIDD-WALKILL	50,000	11,152	38,848
2018 Heritage Trail Paving	20,000	10,840	9,160
2019 Heritage Trail Bridge/Paving	285,000	265,000	20,000
2021 Heritage Trail Bridge/Paving	150,000	11,423	138,577
Ottaway Arboretum	40,500	40,117	383
2013 Improve Hill Hold	275,048	235,592	39,456
2013 Improvements To Plum Point	375,000	372,289	2,711
2014 Sally's Dream	150,000	-	150,000
2015 Parks Department Paving	78,000	76,243	1,757
Parks Paving	565,000	81,168	483,832
TBMP Equipment	445,079	442,642	2,437
2015 TBMP Water System	100,000	81,016	18,984
Park Improvements	302,000	138,690	163,310
2020 Park Improvements	150,000	-	150,000
Historic Structure	156,000	153,948	2,052
Historic Structure	110,000	109,892	108
2020 Hickory Hill Equipment	150,000	10,015	139,985
2020 Stony Ford Equipment	136,090	136,090	-
Improvements to Blackburne Park	90,000	15,500	74,500
2011 Recreational Improvements Thomas Bull Park	90,000	90,000	-
Hickory Hill Deck Replacement	150,000	143,278	6,722
Hickory Hill Irrigation	50,000	50,000	-
Stony Ford Irrigation	125,000	125,000	-
HVAC & Boilers	157,500	141,377	16,123
2020 Stony Ford Cart Path	125,000	117,069	7,931
Hickory Hill Cart Path	20,000	17,157	2,843
2020 Hickory Hill Cart Path	165,000	154,971	10,029
Invasive Species	8,000	7,950	50
Irrigation at Hickory Hill	100,000	-	100,000
1/2 Ton Roller	25,000	6,515	18,485
Improvements to Park Facilities			
Hickory Hill Improvements	18,422,841	11,415,699	7,007,142

Revenues and Other Financing Sources	Fund Balance (Deficit) at December 31, 2021
\$ -	\$ -
155,485	-
87,005	(16,720)
20,161	(3,023)
-	-
-	-
105,427	(25,282)
81,872	(16,584)
-	-
108,006	(174,146)
80,425	(20,505)
58,793	(1,350)
-	-
-	-
-	-
193,724	(5,068)
130,111	(7,898)
28,931,543	(2,769,957)
-	-
<u>29,952,552</u>	<u>(3,040,533)</u>
\$ -	\$ (107,758)
7,325,646	(413,121)
383,800	(10,983)
-	-
138,265	(11,192)
11,153	1
10,840	-
278,871	13,871
11,423	-
40,113	(4)
235,592	-
352,145	(20,144)
-	-
-	(76,243)
-	(845)
80,323	2,437
445,079	(22,017)
58,999	(14,284)
124,406	-
-	-
10,070	(143,878)
10,070	(99,822)
10,015	-
136,090	-
15,500	-
90,000	-
140,240	(3,038)
50,000	-
-	(125,000)
141,378	1
-	(117,069)
-	(17,157)
-	(154,971)
-	(7,950)
-	-
-	(6,515)
<u>10,080,018</u>	<u>(1,335,681)</u>

(Continued)

County of Orange, New York

Capital Projects Fund
 Project-Length Schedule (Continued)
 Inception of Project Through December 31, 2021

Project	Authorization	Expenditures and Transfers	Unexpended
	\$ 56,000	\$ 56,000	\$ -
	25,307,153	25,307,153	-
Sewer	575,020	575,020	118,501
Sewer Equipment	474,500	355,999	350,000
Plan Improvement Harriman Plant	350,000	-	440,500
2015 Equipment Replacement	500,000	59,500	121,036
2018 Equipment Replacement	363,109	242,073	-
2021 Equipment Replacement	3,840,000	3,840,000	-
Design Meter System	925,000	614,654	310,346
2 Roll Off Trucks	280,000	-	280,000
Sewer Plant Enhancements	280,000	-	192,950
2012 Harriman Waste Water Treatment Facility	2,465,000	2,272,050	500,000
Petroleum Bulk Storage	500,000	-	183,830
2009 Sewer Equipment Replacement	690,000	506,170	110,569
Sewer Main Extension	161,500	50,931	59,500
2017 Sewer Fleet and Equipment	70,000	10,500	100,000
2019 Sewer Fleet and Equipment	100,000	-	750,000
2020 Sewer Fleet and Equipment	750,000	-	200,000
Concrete Work	200,000	-	-
Carriage Rail	-	-	-
Air Supply Line	-	-	-
	<u>37,607,282</u>	<u>33,890,050</u>	<u>3,717,232</u>
	100,000	48,435	51,565
	5,439,229	5,420,044	19,185
	100,000	-	100,000
Sanitation	17,897,633	17,744,959	152,674
Beaver Dam Lake Maintenance	8,013,101	1,919,283	6,093,818
Beaver Dam Lake	250,176	139,901	110,275
Beaver Dam Lake Invasive Species	313,022	305,976	7,046
Landfill Closure	76,946	76,945	1
2013 Expand Newburgh Transfer Station	146,535	131,990	14,545
Landfill Gas Collection System	1,402,207	569,282	832,925
2013 Equipment Replacement at Transfer Station #1	436,696	348,644	88,052
2014 Equipment Replacement for Transfer Stations	125,793	58,115	67,678
2012 Landfill Various Vehicles	185,800	6,300	179,500
2015 Cheechunck Canal	627,142	106,188	520,954
Fleet Equipment Replacement	116,000	59,604	56,396
2017 Fleet Equipment Replacement	50,000	-	50,000
2019 Fleet Equipment Replacement	250,427	197,386	53,041
Composting Facility	181,000	33,689	147,311
Landfill Improvements / Repairs	290,000	145,550	144,450
Retrofit Design	200,000	-	200,000
New Hampton Paving	30,000	29,888	112
Landfill Equipment	550,000	227,860	322,140
Leachate Management	180,000	158,403	21,597
EF&S Admin Addition	-	-	-
Station Renovations	-	-	-
Paving Station #1,3	-	-	-
Trailer Parking Pad	-	-	-
	<u>36,961,707</u>	<u>27,728,442</u>	<u>9,233,265</u>
	<u>\$ 668,590,069</u>	<u>\$ 505,788,327</u>	<u>\$ 161,979,749</u>

Totals

Revenues and Other Financing Sources	Fund Balance (Deficit) at December 31, 2021
\$ 56,000	\$ -
25,639,688	332,535
575,020	-
474,500	118,501
350,000	350,000
500,000	440,500
242,073	-
3,840,000	-
925,000	310,346
20,000	20,000
2,465,000	192,950
500,000	500,000
690,000	183,830
161,500	110,569
70,000	59,500
100,000	100,000
750,000	750,000
200,000	200,000
<u>37,558,781</u>	<u>3,668,731</u>
100,000	51,565
5,181,087	(238,957)
-	-
17,744,959	-
1,900,597	(18,686)
138,234	(1,667)
302,792	(3,184)
76,945	-
135,389	3,409
531,302	(37,980)
348,644	-
55,730	(2,385)
-	(6,300)
266,920	160,732
59,604	-
-	-
196,077	(1,309)
33,689	-
122,641	(22,909)
-	-
29,888	-
-	(227,860)
-	(158,403)
<u>27,224,508</u>	<u>(503,934)</u>
<u>\$ 499,172,967</u>	<u>\$ (6,615,360)</u>

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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, 2021
 (With Comparative Actuals for 2020)

	Special Revenue	Debt Service	Total Non-Major Governmental Funds	
			2021	2020
ASSETS				
Cash and equivalents	\$ 16,138,496	\$ 5,135,983	\$ 21,274,479	\$ 18,685,446
Receivables				
Accounts, net	2,239,117	100,000	2,339,117	2,598,476
Sewer rents	1,287,734	-	1,287,734	1,294,715
State and Federal aid	6,128,784	-	6,128,784	5,538,867
Due from other funds	1,247,806	-	1,247,806	-
	<u>10,903,441</u>	<u>100,000</u>	<u>11,003,441</u>	<u>9,432,058</u>
Prepaid expenditures	199,362	-	199,362	178,964
Total Assets	<u>\$ 27,241,299</u>	<u>\$ 5,235,983</u>	<u>\$ 32,477,282</u>	<u>\$ 28,296,468</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 4,171,265	\$ 3,800	\$ 4,175,065	\$ 2,738,414
Accrued liabilities	131,864	-	131,864	98,064
Due to other funds	1,964,544	-	1,964,544	2,535,925
Unearned revenues	872,797	-	872,797	548,370
Total Liabilities	<u>7,140,470</u>	<u>3,800</u>	<u>7,144,270</u>	<u>5,920,773</u>
Fund balances (deficits)				
Nonspendable	199,362	-	199,362	178,964
Restricted	210,680	5,232,183	5,442,863	7,416,411
Assigned	19,895,283	-	19,895,283	14,822,301
Unassigned	(204,496)	-	(204,496)	(41,981)
Total Fund Balances	<u>20,100,829</u>	<u>5,232,183</u>	<u>25,333,012</u>	<u>22,375,695</u>
Total Liabilities and Fund Balances	<u>\$ 27,241,299</u>	<u>\$ 5,235,983</u>	<u>\$ 32,477,282</u>	<u>\$ 28,296,468</u>

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, 2021
(With Comparative Actuals for 2020)

	Special Revenue	Debt Service	Total Non-Major Governmental Funds	
			2021	2020
REVENUES				
Real property taxes	\$ 13,964,690	\$ 29,174,543	\$ 43,139,233	\$ 43,879,783
Departmental income	25,687,240	-	25,687,240	18,993,867
Intergovernmental charges	3,085,631	100,000	3,185,631	2,691,649
Use of money and property	66,776	41,463	108,239	407,447
Licenses and permits	740,704	-	740,704	61,800
Sale of property and compensation for loss	303,814	-	303,814	2,227,546
Interfund revenues	5,113,161	-	5,113,161	4,977,148
State aid	8,151,663	-	8,151,663	6,742,185
Federal aid	3,084,866	-	3,084,866	2,530,741
Miscellaneous	(305,688)	-	(305,688)	900
Total Revenues	<u>59,892,857</u>	<u>29,316,006</u>	<u>89,208,863</u>	<u>82,513,066</u>
EXPENDITURES				
Current	-	103,207	103,207	138,115
General government support	16,528,565	-	16,528,565	16,320,015
Transportation	-	-	-	-
Economic opportunity and development	6,077,259	-	6,077,259	5,617,814
Home and community services	24,327,081	-	24,327,081	20,539,427
Debt service	-	32,882,126	32,882,126	29,012,254
Principal	-	9,774,916	9,774,916	9,987,045
Interest	-	87,868	87,868	-
Refunding bond issuance costs	-	-	-	-
Total Expenditures	<u>46,932,905</u>	<u>42,848,117</u>	<u>89,781,022</u>	<u>81,614,670</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>12,959,952</u>	<u>(13,532,111)</u>	<u>(572,159)</u>	<u>898,396</u>
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued	-	13,219,113	13,219,113	-
Issuance premium	-	2,261,967	2,261,967	962,597
Payment to refunded bond escrow agent	-	(14,990,675)	(14,990,675)	-
Transfers in	7,712	11,068,158	11,075,870	10,587,777
Transfers out	(8,036,799)	-	(8,036,799)	(7,119,577)
Total Other Financing Sources (Uses)	<u>(8,029,087)</u>	<u>11,558,563</u>	<u>3,529,476</u>	<u>4,430,797</u>
Net Change in Fund Balances	<u>4,930,865</u>	<u>(1,973,548)</u>	<u>2,957,317</u>	<u>5,329,193</u>
FUND BALANCES				
Beginning of Year	15,169,964	7,205,731	22,375,695	17,046,502
End of Year	<u>\$ 20,100,829</u>	<u>\$ 5,232,183</u>	<u>\$ 25,333,012</u>	<u>\$ 22,375,695</u>

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	\$ 6,817,405	\$ 840,718	\$ 4,230,356	\$ 736,050
Receivables				50,251
Accounts	800	592	266,585	-
Sewer rents, net	-	-	1,287,734	-
State and Federal aid	4,756,134	-	-	-
Due from other funds	-	-	-	-
	<u>4,756,934</u>	<u>592</u>	<u>1,554,319</u>	<u>50,251</u>
Prepaid expenditures		34,423	54,963	14,977
	<u>-</u>	<u>34,423</u>	<u>54,963</u>	<u>14,977</u>
Total Assets	<u>\$ 11,574,339</u>	<u>\$ 875,733</u>	<u>\$ 5,839,638</u>	<u>\$ 801,278</u>
LIABILITIES AND FUND BALANCES				
Liabilities	\$ 53,514	\$ 131,491	\$ 810,357	\$ 92,291
Accounts payable	-	26,343	35,213	10,204
Accrued liabilities	-	239,708	185,916	52,762
Due to other funds	-	-	275,507	40,042
Unearned revenues	<u>-</u>	<u>-</u>	<u>1,306,993</u>	<u>195,299</u>
Total Liabilities	<u>53,514</u>	<u>397,542</u>	<u>1,306,993</u>	<u>195,299</u>
Fund balances (deficits)		34,423	54,963	14,977
Nonspendable	-	-	-	-
Restricted	9,226	-	-	591,002
Assigned	11,511,599	443,768	4,477,682	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>11,520,825</u>	<u>478,191</u>	<u>4,532,645</u>	<u>605,979</u>
Total Liabilities and Fund Balances	<u>\$ 11,574,339</u>	<u>\$ 875,733</u>	<u>\$ 5,839,638</u>	<u>\$ 801,278</u>

See independent auditors' report.

Sanitary Landfill	Off-Street Parking	Workforce Investment Act	Small Watershed Protection Fund	Totals	
				2021	2020
\$ 2,839,498	\$ 87,896	\$ -	\$ 586,573	\$ 16,138,496	\$ 12,150,077
1,920,889	-	-	-	2,239,117	1,923,914
-	-	-	-	1,287,734	1,294,715
-	-	1,372,650	-	6,128,784	5,538,867
-	-	1,247,806	-	1,247,806	-
1,920,889	-	2,620,456	-	10,903,441	8,757,496
54,488	-	39,997	514	199,362	178,964
<u>\$ 4,814,875</u>	<u>\$ 87,896</u>	<u>\$ 2,660,453</u>	<u>\$ 587,087</u>	<u>\$ 27,241,299</u>	<u>\$ 21,086,537</u>
\$ 2,170,911	\$ -	\$ 889,416	\$ 23,285	\$ 4,171,265	\$ 2,734,214
33,730	-	26,374	-	131,864	98,064
140,009	-	1,346,149	-	1,964,544	2,535,925
-	-	557,248	-	872,797	548,370
2,344,650	-	2,819,187	23,285	7,140,470	5,916,573
54,488	-	39,997	514	199,362	178,964
37,771	93,661	-	70,022	210,680	210,680
2,377,966	-	-	493,266	19,895,283	14,822,301
-	(5,765)	(198,731)	-	(204,496)	(41,981)
2,470,225	87,896	(158,734)	563,802	20,100,829	15,169,964
<u>\$ 4,814,875</u>	<u>\$ 87,896</u>	<u>\$ 2,660,453</u>	<u>\$ 587,087</u>	<u>\$ 27,241,299</u>	<u>\$ 21,086,537</u>

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	\$ 12,001,895	\$ 312,659	\$ -	\$ 31,362
Departmental income	228,036	-	7,238,130	1,633,328
Intergovernmental charges	-	-	3,078,162	-
Use of money and property	34,702	2,129	17,010	2,089
Licenses and permits	-	-	737,714	-
Sale of property and compensation for loss	8,759	76,284	4,500	-
Interfund revenues	8,561	2,345,747	-	1,250
State aid	8,151,663	-	-	-
Federal aid	25,174	-	(310,263)	-
Miscellaneous	-	-	-	-
Total Revenues	<u>20,458,790</u>	<u>2,736,819</u>	<u>10,765,253</u>	<u>1,668,029</u>
EXPENDITURES				
Current	12,642,868	2,508,891	-	1,376,806
Transportation	-	-	-	-
Economic opportunity and development	-	-	8,735,470	-
Home and community services	-	-	8,735,470	-
Total Expenditures	<u>12,642,868</u>	<u>2,508,891</u>	<u>8,735,470</u>	<u>1,376,806</u>
Excess of Revenues Over Expenditures	<u>7,815,922</u>	<u>227,928</u>	<u>2,029,783</u>	<u>291,223</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	7,712	-
Transfers out	(4,824,428)	-	(1,622,399)	(287,301)
Total Other Financing Uses	<u>(4,824,428)</u>	<u>-</u>	<u>(1,614,687)</u>	<u>(287,301)</u>
Net Change in Fund Balances	<u>2,991,494</u>	<u>227,928</u>	<u>415,096</u>	<u>3,922</u>
FUND BALANCES (DEFICITS)				
Beginning of Year	8,529,331	250,263	4,117,549	602,057
End of Year	<u>\$ 11,520,825</u>	<u>\$ 478,191</u>	<u>\$ 4,532,645</u>	<u>\$ 605,979</u>

See independent auditors' report.

Sanitary Landfill	Off-Street Parking	Workforce Investment Act	Small Watershed Protection Fund	Totals	
				2021	2020
\$ 1,524,329	\$ -	\$ 94,445	\$ 462,090	\$ 13,964,690	\$ 14,695,317
16,125,656	-	-	7,469	25,687,240	18,993,867
-	-	-	1,936	3,085,631	2,591,649
8,910	-	-	-	66,776	220,161
2,990	-	-	-	740,704	61,800
-	-	-	-	-	-
212,061	-	2,210	-	303,814	2,227,546
-	-	2,757,603	-	5,113,161	4,977,148
-	-	-	-	8,151,663	6,742,185
-	-	3,059,692	-	3,084,866	2,530,741
-	-	4,575	-	(305,688)	900
<u>17,873,946</u>	<u>-</u>	<u>5,918,525</u>	<u>471,495</u>	<u>59,892,857</u>	<u>53,041,314</u>
-	-	-	-	16,528,565	16,320,015
-	-	6,077,259	-	6,077,259	5,617,814
<u>15,377,465</u>	<u>-</u>	<u>-</u>	<u>214,146</u>	<u>24,327,081</u>	<u>20,539,427</u>
<u>15,377,465</u>	<u>-</u>	<u>6,077,259</u>	<u>214,146</u>	<u>46,932,905</u>	<u>42,477,256</u>
-	-	-	-	-	-
<u>2,496,481</u>	<u>-</u>	<u>(158,734)</u>	<u>257,349</u>	<u>12,959,952</u>	<u>10,564,058</u>
-	-	-	-	7,712	-
<u>(1,166,218)</u>	<u>-</u>	<u>-</u>	<u>(136,453)</u>	<u>(8,036,799)</u>	<u>(7,119,577)</u>
<u>(1,166,218)</u>	<u>-</u>	<u>-</u>	<u>(136,453)</u>	<u>(8,029,087)</u>	<u>(7,119,577)</u>
1,330,263	-	(158,734)	120,896	4,930,865	3,444,481
-	-	-	-	-	-
<u>1,139,962</u>	<u>87,896</u>	<u>-</u>	<u>442,906</u>	<u>15,169,964</u>	<u>11,725,483</u>
<u>\$ 2,470,225</u>	<u>\$ 87,896</u>	<u>\$ (158,734)</u>	<u>\$ 563,802</u>	<u>\$ 20,100,829</u>	<u>\$ 15,169,964</u>

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County of Orange, New York

County Road Fund
Comparative Balance Sheet
December 31,

	2021	2020
ASSETS		
Cash and equivalents	\$ 6,817,405	\$ 5,926,589
Receivables	800	350
Accounts	4,756,134	3,392,239
State and Federal aid	4,756,934	3,392,589
Total Assets	\$ 11,574,339	\$ 9,319,178
LIABILITIES AND FUND BALANCE		
Liabilities	\$ 53,514	\$ 22,536
Accounts payable	-	767,311
Due to other funds	53,514	789,847
Total Liabilities		
Fund balance	9,226	9,226
Restricted	11,511,599	8,520,105
Assigned	11,520,825	8,529,331
Total Fund Balance	\$ 11,574,339	\$ 9,319,178
Total Liabilities and Fund Balance		

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,

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES	\$ 12,001,895	\$ 12,001,895	\$ 12,001,895	\$ -
Real property taxes	110,000	110,000	228,036	118,036
Departmental income	100,000	100,000	34,702	(65,298)
Use of money and property				5,759
Sale of property and compensation for loss	3,000	3,000	8,759	(21,439)
Interfund revenues	30,000	30,000	8,561	4,214,995
State aid	3,936,668	3,936,668	8,151,663	25,174
Federal aid	-	-	25,174	(34,500)
Miscellaneous	34,500	34,500	-	
Total Revenues	<u>16,216,063</u>	<u>16,216,063</u>	<u>20,458,790</u>	<u>4,242,727</u>
EXPENDITURES				
Current				1
Transportation	144,849	146,189	146,188	
Engineering fees				148,499
Maintenance of roads and bridges	10,516,960	10,515,620	10,367,121	812,827
Snow removal	2,942,386	2,942,386	2,129,559	
Total Expenditures	<u>13,604,195</u>	<u>13,604,195</u>	<u>12,642,868</u>	<u>961,327</u>
Excess of Revenues Over Expenditures	2,611,868	2,611,868	7,815,922	5,204,054
OTHER FINANCING USES				
Transfers out	(4,611,868)	(4,824,428)	(4,824,428)	-
Net Change in Fund Balance	(2,000,000)	(2,212,560)	2,991,494	5,204,054
FUND BALANCE				
Beginning of Year	2,000,000	2,212,560	8,529,331	6,316,771
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,520,825</u>	<u>\$ 11,520,825</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 12,463,221	\$ 12,463,221	\$ 12,463,221	\$ -
110,000	110,000	112,049	2,049
-	-	115,754	115,754
3,000	3,000	34,154	31,154
30,000	30,000	14,885	(15,115)
3,936,668	3,936,668	6,649,088	2,712,420
-	-	-	-
34,500	34,500	-	(34,500)
<u>16,577,389</u>	<u>16,577,389</u>	<u>19,389,151</u>	<u>2,811,762</u>

178,241	178,241	135,693	42,548
11,281,323	11,281,323	10,882,671	398,652
2,935,823	2,935,823	1,859,924	1,075,899
<u>14,395,387</u>	<u>14,395,387</u>	<u>12,878,288</u>	<u>1,517,099</u>
2,182,002	2,182,002	6,510,863	4,328,861
<u>(3,820,327)</u>	<u>(3,820,327)</u>	<u>(3,820,324)</u>	<u>3</u>
(1,638,325)	(1,638,325)	2,690,539	4,328,864
<u>1,638,325</u>	<u>1,638,325</u>	<u>5,838,792</u>	<u>4,200,467</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,529,331</u>	<u>\$ 8,529,331</u>

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County of Orange, New York

Road Machinery Fund
Comparative Balance Sheet
December 31,

	2021	2020
ASSETS		
Cash and equivalents	\$ 840,718	\$ 493,394
Accounts receivable	592	18
Prepaid expenditures	34,423	33,023
Total Assets	<u>\$ 875,733</u>	<u>\$ 526,435</u>
LIABILITIES AND FUND BALANCE		
Liabilities	\$ 131,491	\$ 50,898
Accounts payable	26,343	16,017
Accrued liabilities	239,708	209,257
Due to other funds	397,542	276,172
Total Liabilities	<u>34,423</u>	<u>33,023</u>
Fund balance	443,768	217,240
Nonspendable		
Assigned	478,191	250,263
Total Fund Balance	<u>\$ 875,733</u>	<u>\$ 526,435</u>
Total Liabilities and Fund Balance		

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,**

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 312,659	\$ 312,659	\$ 312,659	\$ -
Use of money and property	-	-	2,129	2,129
Sale of property and compensation for loss	85,000	85,000	76,284	(8,716)
Interfund revenues	2,329,711	2,329,711	2,345,747	16,036
Miscellaneous	1,000	1,000	-	(1,000)
Total Revenues	<u>2,728,370</u>	<u>2,728,370</u>	<u>2,736,819</u>	<u>8,449</u>
EXPENDITURES				
Current				
Transportation				
Maintenance of roads and bridges	<u>2,881,470</u>	<u>2,881,470</u>	<u>2,508,891</u>	<u>372,579</u>
Excess (Deficiency) of Revenues Over Expenditures	(153,100)	(153,100)	227,928	381,028
FUND BALANCE				
Beginning of Year	<u>153,100</u>	<u>153,100</u>	<u>250,263</u>	<u>97,163</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 478,191</u>	<u>\$ 478,191</u>

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2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 385,758	\$ 362,092	\$ 362,092	\$ -
-	-	6,156	6,156
85,000	85,000	54,701	(30,299)
2,329,711	2,329,711	1,916,971	(412,740)
1,000	1,000	-	(1,000)
<u>2,801,469</u>	<u>2,777,803</u>	<u>2,339,920</u>	<u>(437,883)</u>
<u>2,806,743</u>	<u>2,783,077</u>	<u>2,278,912</u>	<u>504,165</u>
(5,274)	(5,274)	61,008	66,282
<u>5,274</u>	<u>5,274</u>	<u>189,255</u>	<u>183,981</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,263</u>	<u>\$ 250,263</u>

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County of Orange, New York

Sewer District Fund
Comparative Balance Sheet
December 31,

	2021	2020
ASSETS	<u>\$ 4,230,356</u>	<u>\$ 3,907,810</u>
Cash and equivalents		
Receivables	266,585	713,306
Accounts, net	<u>1,287,734</u>	<u>1,294,715</u>
Sewer rents		
	<u>1,554,319</u>	<u>2,008,021</u>
	54,963	48,767
Prepaid expenditures		
	<u>\$ 5,839,638</u>	<u>\$ 5,964,598</u>
Total Assets		
LIABILITIES AND FUND BALANCE		
Liabilities	\$ 810,357	\$ 1,102,125
Accounts payable	35,213	31,180
Accrued liabilities	185,916	190,045
Due to other funds	275,507	523,699
Unearned revenues		
	<u>1,306,993</u>	<u>1,847,049</u>
Total Liabilities		
Fund balance	54,963	48,767
Nonspendable	<u>4,477,682</u>	<u>4,068,782</u>
Assigned		
	<u>4,532,645</u>	<u>4,117,549</u>
Total Fund Balance		
Total Liabilities and Fund Balance	<u>\$ 5,839,638</u>	<u>\$ 5,964,598</u>

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,

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Departmental income	\$ 7,292,250	\$ 7,292,250	\$ 7,238,130	\$ (54,120)
Intergovernmental charges	2,933,296	2,933,296	3,078,162	144,866
Use of money and property	-	-	17,010	17,010
Licenses and permits	50,000	50,000	737,714	687,714
Sale of property and compensation for loss	-	-	4,500	4,500
Miscellaneous	137,460	137,460	(310,263)	(447,723)
Total Revenues	<u>10,413,006</u>	<u>10,413,006</u>	<u>10,765,253</u>	<u>352,247</u>
EXPENDITURES				
Current				
Home and community services				726,810
Administration	3,301,907	3,301,907	2,575,097	268,533
Operation and maintenance	6,428,906	6,428,906	6,160,373	
Total Expenditures	<u>9,730,813</u>	<u>9,730,813</u>	<u>8,735,470</u>	<u>995,343</u>
Excess of Revenues Over Expenditures	<u>682,193</u>	<u>682,193</u>	<u>2,029,783</u>	<u>1,347,590</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	7,712	7,712
Transfers out	(1,272,400)	(1,622,400)	(1,622,399)	1
Total Other Financing Uses	<u>(1,272,400)</u>	<u>(1,622,400)</u>	<u>(1,614,687)</u>	<u>7,713</u>
Net Change in Fund Balance	<u>(590,207)</u>	<u>(940,207)</u>	<u>415,096</u>	<u>1,355,303</u>
FUND BALANCE				
Beginning of Year	<u>590,207</u>	<u>940,207</u>	<u>4,117,549</u>	<u>3,177,342</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,532,645</u>	<u>\$ 4,532,645</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 7,139,190	\$ 7,139,190	\$ 7,211,617	\$ 72,427
2,647,220	2,647,220	2,569,499	(77,721)
-	-	61,949	61,949
50,000	50,000	50,480	480
-	-	-	-
133,560	133,560	-	(133,560)
9,969,970	9,969,970	9,893,545	(76,425)
2,964,807	2,964,807	2,654,889	309,918
5,924,903	5,924,903	5,413,217	511,686
8,889,710	8,889,710	8,068,106	821,604
1,080,260	1,080,260	1,825,439	745,179
(1,268,319)	(1,338,319)	(1,338,317)	-
(1,268,319)	(1,338,319)	(1,338,317)	2
(188,059)	(258,059)	487,122	745,181
188,059	258,059	3,630,427	3,372,368
\$ -	\$ -	\$ 4,117,549	\$ 4,117,549

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County of Orange, New York

Airport Fund
 Comparative Balance Sheet
 December 31,

	2021	2020
ASSETS		
Cash and equivalents	\$ 736,050	\$ 684,680
Accounts receivable, net	50,251	23,519
Prepaid expenditures	14,977	12,993
Total Assets	\$ 801,278	\$ 721,192
LIABILITIES AND FUND BALANCE		
Liabilities	\$ 92,291	\$ 35,005
Accounts payable	10,204	7,792
Accrued liabilities	52,762	51,667
Due to other funds	40,042	24,671
Unearned revenues	195,299	119,135
Total Liabilities		
Fund balance	14,977	12,993
Nonspendable	591,002	589,064
Assigned	605,979	602,057
Total Fund Balance	\$ 801,278	\$ 721,192
Total Liabilities and Fund Balance		

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,

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				\$ -
Real property taxes	\$ 31,362	\$ 31,362	\$ 31,362	\$ 111,494
Departmental income	1,356,834	1,521,834	1,633,328	(2,911)
Use of money and property	5,000	5,000	2,089	1,250
Interfund revenues	-	-	1,250	-
Federal aid	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>1,393,196</u>	<u>1,558,196</u>	<u>1,668,029</u>	<u>109,833</u>
EXPENDITURES				
Current	<u>1,250,204</u>	<u>1,415,204</u>	<u>1,376,806</u>	<u>38,398</u>
Transportation				
Excess of Revenues Over Expenditures	142,992	142,992	291,223	148,231
OTHER FINANCING USES				
Transfers out	<u>(287,302)</u>	<u>(287,302)</u>	<u>(287,301)</u>	<u>1</u>
Net Change in Fund Balance	<u>(144,310)</u>	<u>(144,310)</u>	<u>3,922</u>	<u>148,232</u>
FUND BALANCE				
Beginning of Year	<u>144,310</u>	<u>144,310</u>	<u>602,057</u>	<u>457,747</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 605,979</u>	<u>\$ 605,979</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 112,743	\$ 100,872	\$ 100,872	\$ -
1,335,956	1,335,956	1,401,790	65,834
-	-	6,880	6,880
-	-	50,328	50,328
5,000	74,000	-	(74,000)
1,000	1,000	-	(1,000)
<u>1,454,699</u>	<u>1,511,828</u>	<u>1,559,870</u>	<u>48,042</u>
<u>1,359,589</u>	<u>1,416,718</u>	<u>1,162,815</u>	<u>253,903</u>
95,110	95,110	397,055	301,945
<u>(220,780)</u>	<u>(220,780)</u>	<u>(220,780)</u>	<u>-</u>
(125,670)	(125,670)	176,275	301,945
<u>125,670</u>	<u>125,670</u>	<u>425,782</u>	<u>300,112</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 602,057</u>	<u>\$ 602,057</u>

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County of Orange, New York

Sanitary Landfill Fund
Comparative Balance Sheet
December 31,

	2021	2020
ASSETS		
Cash and equivalents	\$ 2,839,498	\$ 589,668
Receivables	1,920,889	1,186,721
Accounts, net	-	436,749
State and Federal aid	1,920,889	1,623,470
Prepaid expenditures	54,488	47,461
Total Assets	<u>\$ 4,814,875</u>	<u>\$ 2,260,599</u>
LIABILITIES AND FUND BALANCE		
Liabilities	\$ 2,170,911	\$ 967,182
Accounts payable	33,730	26,371
Accrued liabilities	140,009	127,084
Due to other funds	2,344,650	1,120,637
Total Liabilities		
Fund balance	54,488	47,461
Nonspendable	37,771	37,771
Restricted	2,377,966	1,054,730
Assigned	2,470,225	1,139,962
Total Fund Balance	<u>\$ 4,814,875</u>	<u>\$ 2,260,599</u>
Total Liabilities and Fund Balance		

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,

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 1,524,329	\$ 1,524,329	\$ 1,524,329	\$ -
Departmental income	10,214,999	13,514,999	16,125,656	2,610,657
Use of money and property	20,000	20,000	8,910	(11,090)
Licenses and permits	10,000	10,000	2,990	(7,010)
Sale of property and compensation for loss	2,185,250	2,185,250	212,061	(1,973,189)
State aid	63,565	63,565	-	(63,565)
Miscellaneous	-	-	-	-
Total Revenues	14,018,143	17,318,143	17,873,946	555,803
EXPENDITURES				
Current				
Home and community services	12,925,681	16,225,681	15,377,465	848,216
Excess of Revenues Over Expenditures	1,092,462	1,092,462	2,496,481	1,404,019
OTHER FINANCING USES				
Transfers out	(1,166,218)	(1,166,218)	(1,166,218)	-
Net Change in Fund Balance	(73,756)	(73,756)	1,330,263	1,404,019
FUND BALANCE				
Beginning of Year	73,756	73,756	1,139,962	1,066,206
End of Year	\$ -	\$ -	\$ 2,470,225	\$ 2,470,225

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 1,722,499	\$ 1,677,623	\$ 1,677,623	\$ -
12,137,000	12,137,000	9,975,282	(2,161,718)
35,000	35,000	18,879	(16,121)
10,000	10,000	11,320	1,320
1,970,945	1,970,945	2,138,691	167,746
100,460	100,460	93,097	(7,363)
-	-	300	300
15,975,904	15,931,028	13,915,192	(2,015,836)
15,320,464	15,275,588	12,292,612	2,982,976
655,440	655,440	1,622,580	967,140
(1,056,579)	(1,056,579)	(1,056,578)	1
(401,139)	(401,139)	566,002	967,141
401,139	401,139	573,960	172,821
\$ -	\$ -	\$ 1,139,962	\$ 1,139,962

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County of Orange, New York

Off-Street Parking Fund
Comparative Balance Sheet
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS	<u>\$ 87,896</u>	<u>\$ 87,896</u>
Cash and equivalents		
FUND BALANCE	<u>\$ 93,661</u>	<u>\$ 93,661</u>
Restricted	<u>(5,765)</u>	<u>(5,765)</u>
Unassigned	<u>\$ 87,896</u>	<u>\$ 87,896</u>
Total Fund Balance		

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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
Excess of Revenues Over Expenditures	-	-	-	-
FUND BALANCE	-	-	87,896	87,896
Beginning of Year	-	-	-	-
End of Year	\$ -	\$ -	\$ 87,896	\$ 87,896

See independent auditors' report.

2020

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	87,896	87,896
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,896</u>	<u>\$ 87,896</u>

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County of Orange, New York

Workforce Investment Act Fund
Comparative Balance Sheet
December 31,

	2021	2020
ASSETS		
State and Federal aid receivable	\$ 1,372,650	\$ 1,709,879
Due from other funds	1,247,806	-
Prepaid expenditures	39,997	36,216
Total Assets	\$ 2,660,453	\$ 1,746,095
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities	\$ 889,416	\$ 538,830
Accounts payable	26,374	16,704
Accrued liabilities	1,346,149	1,190,561
Due to other funds	557,248	-
Unearned revenues		
Total Liabilities	2,819,187	1,746,095
Fund balance (deficit)	39,997	36,216
Nonspendable	(198,731)	(36,216)
Unassigned	(158,734)	-
Total Fund Balance (Deficit)	\$ 2,660,453	\$ 1,746,095
Total Liabilities and Fund Balance (Deficit)		

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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Real property taxes	\$ 94,445	\$ 94,445	\$ 94,445	\$ -
Sale of property and compensation for loss	-	-	2,210	2,210
Interfund revenues	3,525,930	3,525,930	2,757,603	(768,327)
Federal aid	4,793,385	4,793,385	3,059,692	(1,733,693)
Miscellaneous	-	-	4,575	4,575
Total Revenues	8,413,760	8,413,760	5,918,525	(2,495,235)
EXPENDITURES				
Current				
Economic opportunity and development	8,413,760	8,413,760	6,077,259	2,336,501
Excess (Deficiency) of Revenues Over Expenditures	-	-	(158,734)	(158,734)
FUND BALANCE (DEFICIT)				
Beginning of Year	-	-	-	-
End of Year	\$ -	\$ -	\$ (158,734)	\$ (158,734)

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 91,509	\$ 91,509	\$ 91,509	\$ -
-	-	-	-
3,711,335	3,711,335	2,994,964	(716,371)
4,767,185	4,767,185	2,530,741	(2,236,444)
-	-	600	600
<u>8,570,029</u>	<u>8,570,029</u>	<u>5,617,814</u>	<u>(2,952,215)</u>
 <u>8,570,029</u>	 <u>8,570,029</u>	 <u>5,617,814</u>	 <u>2,952,215</u>
-	-	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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County of Orange, New York

Small Watershed Protection Fund
 Comparative Balance Sheet
 December 31,

	2021	2020
ASSETS		
Cash and equivalents	\$ 586,573	\$ 460,040
Prepaid expenditures	514	504
Total Assets	<u>\$ 587,087</u>	<u>\$ 460,544</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 23,285	\$ 17,638
Fund balance		
Nonspendable	514	504
Restricted	70,022	70,022
Assigned	493,266	372,380
Total Fund Balance	<u>563,802</u>	<u>442,906</u>
Total Liabilities and Fund Balance	<u>\$ 587,087</u>	<u>\$ 460,544</u>

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,

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Departmental income	\$ 462,090	\$ 462,090	\$ 462,090	\$ -
Intergovernmental charges	60,000	60,000	7,469	(52,531)
Use of money and property	-	-	1,936	1,936
Total Revenues	522,090	522,090	471,495	(50,595)
EXPENDITURES				
Current				
Home and community services	391,987	411,775	214,146	197,629
Excess (Deficiency) of Revenues Over Expenditures	130,103	110,315	257,349	147,034
OTHER FINANCING USES				
Transfers out	(136,453)	(136,453)	(136,453)	-
Net Change in Fund Balance	(6,350)	(26,138)	120,896	147,034
FUND BALANCE				
Beginning of Year	6,350	26,138	442,906	416,768
End of Year	\$ -	\$ -	\$ 563,802	\$ 563,802

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 293,129	\$ 293,129	\$ 293,129	\$ -
60,000	60,000	22,150	(37,850)
-	-	10,543	10,543
353,129	353,129	325,822	(27,307)
399,970	399,970	178,709	221,261
(46,841)	(46,841)	147,113	193,954
(24,578)	(683,578)	(683,578)	-
(71,419)	(730,419)	(536,465)	193,954
71,419	730,419	979,371	248,952
\$ -	\$ -	\$ 442,906	\$ 442,906

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County of Orange, New York

Debt Service Fund
 Comparative Balance Sheet
 December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 5,135,983	\$ 6,535,369
Accounts receivable	<u>100,000</u>	<u>674,562</u>
Total Assets	<u>\$ 5,235,983</u>	<u>\$ 7,209,931</u>
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 3,800	\$ 4,200
Fund balance		
Restricted	<u>5,232,183</u>	<u>7,205,731</u>
Total Liabilities and Fund Balance	<u>\$ 5,235,983</u>	<u>\$ 7,209,931</u>

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,

	2021			Variance with Final Budget
	Original Budget	Final Budget	Actual	
REVENUES				
Real property taxes	\$ 29,174,543	\$ 29,174,543	\$ 29,174,543	\$ -
Intergovernmental charges	100,000	100,000	100,000	-
Use of money and property	-	-	41,463	41,463
Total Revenues	<u>29,274,543</u>	<u>29,274,543</u>	<u>29,316,006</u>	<u>41,463</u>
EXPENDITURES				
Current				
General government support	<u>185,000</u>	<u>185,000</u>	<u>103,207</u>	<u>81,793</u>
Debt service				
Serial bonds				
Principal	32,882,128	32,882,128	32,882,126	2
Interest	9,774,941	9,774,941	9,774,916	25
Refunding bond issuance costs	-	87,868	87,868	-
	<u>42,657,069</u>	<u>42,744,937</u>	<u>42,744,910</u>	<u>27</u>
Total Expenditures	<u>42,842,069</u>	<u>42,929,937</u>	<u>42,848,117</u>	<u>81,820</u>
Deficiency of Revenues Over Expenditures	<u>(13,567,526)</u>	<u>(13,655,394)</u>	<u>(13,532,111)</u>	<u>123,283</u>
OTHER FINANCING SOURCES				
Refunding bonds issued	-	13,219,113	13,219,113	-
Issuance premium	-	1,859,430	2,261,967	402,537
Payment to refunded bond escrow agent	-	(14,990,675)	(14,990,675)	-
Transfers in	11,067,526	11,067,526	11,068,158	632
Total Other Financing Sources	<u>11,067,526</u>	<u>11,155,394</u>	<u>11,558,563</u>	<u>403,169</u>
Net Change in Fund Balance	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>(1,973,548)</u>	<u>526,452</u>
FUND BALANCE				
Beginning of Year	<u>2,500,000</u>	<u>2,500,000</u>	<u>7,205,731</u>	<u>4,705,731</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,232,183</u>	<u>\$ 5,232,183</u>

See independent auditors' report.

2020

Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 29,184,466	\$ 29,184,466	\$ 29,184,466	\$ -
100,000	100,000	100,000	-
-	-	187,286	187,286
<u>29,284,466</u>	<u>29,284,466</u>	<u>29,471,752</u>	<u>187,286</u>
155,000	155,000	138,115	16,885
29,012,254	29,012,254	29,012,254	-
9,987,046	9,987,046	9,987,045	1
-	-	-	-
<u>38,999,300</u>	<u>38,999,300</u>	<u>38,999,299</u>	<u>1</u>
<u>39,154,300</u>	<u>39,154,300</u>	<u>39,137,414</u>	<u>16,886</u>
<u>(9,869,834)</u>	<u>(9,869,834)</u>	<u>(9,665,662)</u>	<u>204,172</u>
-	-	-	-
-	-	962,597	962,597
-	-	-	-
<u>9,869,834</u>	<u>9,869,834</u>	<u>10,587,777</u>	<u>717,943</u>
<u>9,869,834</u>	<u>9,869,834</u>	<u>11,550,374</u>	<u>1,680,540</u>
-	-	1,884,712	1,884,712
-	-	5,321,019	5,321,019
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,205,731</u>	<u>\$ 7,205,731</u>

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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, 2021
 (With Comparative Totals for 2020)

	Motor Pool	Workers' Compensation Benefits	Self- Insurance
ASSETS			
Current assets	\$ 1,598,300	\$ 49,883,119	\$ 4,973,263
Cash and equivalents			
Receivables	12,605	6,026	911,425
Accounts	-	-	-
Due from other funds	12,605	6,026	911,425
Total Current Assets	<u>1,610,905</u>	<u>49,889,145</u>	<u>5,884,688</u>
Noncurrent assets			
Capital assets	5,313,851	-	-
Equipment	<u>(5,143,728)</u>	<u>-</u>	<u>-</u>
Less - accumulated depreciation	170,123	-	-
Total Noncurrent Assets	<u>1,781,028</u>	<u>49,889,145</u>	<u>5,884,688</u>
Total Assets			
LIABILITIES			
Current liabilities	77,966	158,852	361,151
Accounts payable	-	-	-
Current portion of compensated absences	-	3,970,000	-
Current portion of claims payable	<u>77,966</u>	<u>4,128,852</u>	<u>361,151</u>
Total Current Liabilities			
Noncurrent liabilities	-	-	-
Compensated absences, less current portion	-	35,730,000	-
Claims payable, less current portion	-	<u>35,730,000</u>	<u>-</u>
Total Noncurrent Liabilities	<u>77,966</u>	<u>39,858,852</u>	<u>361,151</u>
Total Liabilities			
NET POSITION			
Net investment in capital assets	170,123	-	-
Unrestricted	<u>1,532,939</u>	<u>10,030,293</u>	<u>5,523,537</u>
Total Net Position	<u>\$ 1,703,062</u>	<u>\$ 10,030,293</u>	<u>\$ 5,523,537</u>

See independent auditors' report.

Liability and Casualty	Compensated Absences	Totals	
		2021	2020
\$ 11,477,220	\$ -	\$ 67,931,902	\$ 56,439,032
-	-	930,056	3,692,494
-	14,621,003	14,621,003	13,788,966
-	14,621,003	15,551,059	17,481,460
11,477,220	14,621,003	83,482,961	73,920,492
-	-	5,313,851	6,109,562
-	-	(5,143,728)	(5,777,264)
-	-	170,123	332,298
11,477,220	14,621,003	83,653,084	74,252,790
7,631	-	605,600	1,075,466
-	730,000	730,000	578,463
4,703,923	-	8,673,923	6,525,564
4,711,554	730,000	10,009,523	8,179,493
-	13,891,003	13,891,003	13,210,503
3,442,713	-	39,172,713	34,114,783
3,442,713	13,891,003	53,063,716	47,325,286
8,154,267	14,621,003	63,073,239	55,504,779
-	-	170,123	332,298
3,322,953	-	20,409,722	18,415,713
\$ 3,322,953	\$ -	\$ 20,579,845	\$ 18,748,011

County of Orange, New York

Internal Service Funds
 Combining Statement of Revenues, Expenses and
 Changes in Net Position
 Year Ended December 31, 2021
 (With Comparative Totals for 2020)

	Motor Pool	Workers' Compensation Benefits	Self- Insurance
OPERATING REVENUES			
Charges for services - Internal	\$ 1,096,708	\$ 5,840,580	\$ 61,438,817
Charges for services - External	-	325,000	11,190,853
Miscellaneous	5,092	6,192,058	5,695,357
Total Operating Revenues	<u>1,101,800</u>	<u>12,357,638</u>	<u>78,325,027</u>
OPERATING EXPENSES			
Salaries and contractual	1,290,124	-	-
Judgments and claims	-	9,059,072	77,313,415
Employee benefits	162,175	-	-
Depreciation	-	-	-
Total Operating Expenses	<u>1,452,299</u>	<u>9,059,072</u>	<u>77,313,415</u>
Income (Loss) from Operations	<u>(350,499)</u>	<u>3,298,566</u>	<u>1,011,612</u>
NON-OPERATING REVENUES			
Interest income	4,288	132,738	12,791
Insurance recoveries	-	-	-
Sale of property and compensation for loss	278,411	-	-
Total Non-Operating Revenues	<u>282,699</u>	<u>132,738</u>	<u>12,791</u>
Income (Loss) Before Transfers	<u>(67,800)</u>	<u>3,431,304</u>	<u>1,024,403</u>
Transfers out	-	(1,000,000)	-
Change in Net Position	<u>(67,800)</u>	<u>2,431,304</u>	<u>1,024,403</u>
NET POSITION			
Beginning of Year	<u>1,770,862</u>	<u>7,598,989</u>	<u>4,499,134</u>
End of Year	<u>\$ 1,703,062</u>	<u>\$ 10,030,293</u>	<u>\$ 5,523,537</u>

See independent auditors' report.

Liability and Casualty	Compensated Absences	Totals	
		2021	2020
\$ 5,333,629	\$ 832,037	\$ 74,541,771	\$ 77,494,131
-	-	11,515,853	11,680,051
12,780	-	11,905,287	5,631,341
<u>5,346,409</u>	<u>832,037</u>	<u>97,962,911</u>	<u>94,805,523</u>
-	-	1,290,124	1,172,292
6,430,747	-	6,430,747	5,392,926
-	832,037	87,204,524	84,993,742
-	-	162,175	279,543
<u>6,430,747</u>	<u>832,037</u>	<u>95,087,570</u>	<u>91,838,503</u>
<u>(1,084,338)</u>	<u>-</u>	<u>2,875,341</u>	<u>2,967,020</u>
28,265	-	178,082	627,765
-	-	-	28,286
-	-	278,411	113,442
<u>28,265</u>	<u>-</u>	<u>456,493</u>	<u>769,493</u>
(1,056,073)	-	3,331,834	3,736,513
<u>(500,000)</u>	<u>-</u>	<u>(1,500,000)</u>	<u>(1,000,000)</u>
(1,556,073)	-	1,831,834	2,736,513
<u>4,879,026</u>	<u>-</u>	<u>18,748,011</u>	<u>16,011,498</u>
<u>\$ 3,322,953</u>	<u>\$ -</u>	<u>\$ 20,579,845</u>	<u>\$ 18,748,011</u>

County of Orange, New York

Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended December 31, 2021
 (With Comparative Totals for 2020)

	Motor Pool	Workers' Compensation Benefits	Self- Insurance
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers and users - Internal	\$ 1,089,452	\$ 5,834,554	\$ 61,438,817
Cash received from customers and users - External	-	325,000	13,971,665
Cash received from miscellaneous items	-	6,192,058	5,695,357
Cash payments to suppliers	(1,240,344)	-	-
Cash payments to employees	-	(4,622,547)	(77,295,859)
Net Cash from Operating Activities	<u>(150,892)</u>	<u>7,729,065</u>	<u>3,809,980</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers out	-	(1,000,000)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Insurance recoveries	-	-	-
Proceeds from sales of capital assets	278,411	-	-
Net Cash from Capital and Related Financing Activities	<u>278,411</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	4,288	132,738	12,791
Net Change in Cash and Equivalents	<u>131,807</u>	<u>6,861,803</u>	<u>3,822,771</u>
CASH AND EQUIVALENTS			
Beginning of Year	1,466,493	43,021,316	1,150,492
End of Year	<u>\$ 1,598,300</u>	<u>\$ 49,883,119</u>	<u>\$ 4,973,263</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES			
Income (loss) from operations	\$ (350,499)	\$ 3,298,566	\$ 1,011,612
Adjustments to reconcile income (loss) from operations to net cash from operating activities			
Depreciation expense	162,175	-	-
Changes in assets and liabilities			
Accounts receivable	(12,348)	(6,026)	2,780,812
Due from other funds	-	-	-
Accounts payable	49,780	36,525	17,556
Compensated absences	-	-	-
Claims payable	-	4,400,000	-
Net Cash from Operating Activities	<u>\$ (150,892)</u>	<u>\$ 7,729,065</u>	<u>\$ 3,809,980</u>

See independent auditors' report.

Liability and Casualty	Compensated Absences	Totals	
		2021	2020
\$ 5,333,629	\$ -	\$ 73,696,452	\$ 75,276,934
-	-	14,296,665	10,918,150
12,780	-	11,900,195	5,631,341
-	-	(1,240,344)	(1,181,684)
(4,198,185)	-	(86,116,591)	(86,402,968)
<u>1,148,224</u>	<u>-</u>	<u>12,536,377</u>	<u>4,241,773</u>
(500,000)	-	(1,500,000)	(1,000,000)
-	-	-	28,286
-	-	278,411	113,442
-	-	278,411	141,728
28,265	-	178,082	627,765
676,489	-	11,492,870	4,011,266
10,800,731	-	56,439,032	52,427,766
<u>\$ 11,477,220</u>	<u>\$ -</u>	<u>\$ 67,931,902</u>	<u>\$ 56,439,032</u>
\$ (1,084,338)	\$ -	\$ 2,875,341	\$ 2,967,020
-	-	162,175	279,543
-	-	2,762,438	(759,387)
-	(832,037)	(832,037)	(2,219,711)
(573,727)	-	(469,866)	429,410
-	832,037	832,037	2,219,711
2,806,289	-	7,206,289	1,325,187
<u>\$ 1,148,224</u>	<u>\$ -</u>	<u>\$ 12,536,377</u>	<u>\$ 4,241,773</u>

County of Orange, New York

Internal Service Fund - Motor Pool Fund
 Comparative Statement of Net Position
 December 31,

	2021	2020
ASSETS		
Current assets	\$ 1,598,300	\$ 1,466,493
Cash and equivalents	12,605	257
Accounts receivable		
Total Current Assets	<u>1,610,905</u>	<u>1,466,750</u>
Noncurrent assets		
Capital Assets	5,313,851	6,109,562
Equipment	<u>(5,143,728)</u>	<u>(5,777,264)</u>
Less - accumulated depreciation		
Total Capital Assets, net	<u>170,123</u>	<u>332,298</u>
Total Assets	<u>1,781,028</u>	<u>1,799,048</u>
LIABILITIES		
Current liabilities		
Accounts payable	<u>77,966</u>	<u>28,186</u>
NET POSITION		
Net investment in capital assets	170,123	332,298
Unrestricted	<u>1,532,939</u>	<u>1,438,564</u>
Total Net Position	<u>\$ 1,703,062</u>	<u>\$ 1,770,862</u>

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,

	2021	2020
OPERATING REVENUES		
Charges for services - Internal	\$ 1,096,708	\$ 1,523,638
Miscellaneous	5,092	-
Total Operating Revenues	1,101,800	1,523,638
OPERATING EXPENSES		
Salaries and contractual	1,290,124	1,172,292
Depreciation	162,175	279,543
Total Operating Expenses	1,452,299	1,451,835
Income (Loss) from Operations	(350,499)	71,803
NON-OPERATING REVENUES		
Interest income	4,288	12,348
Sale of property and compensation for loss	278,411	113,442
Total Non-Operating Revenues	282,699	125,790
Change in Net Position	(67,800)	197,593
NET POSITION		
Beginning of Year	1,770,862	1,573,269
End of Year	\$ 1,703,062	\$ 1,770,862

See independent auditors' report.

County of Orange, New York

Internal Service Fund - Motor Pool Fund
 Comparative Statement of Cash Flows
 Years Ended December 31,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users - Internal	\$ 1,089,452	\$ 1,526,152
Cash payments to suppliers	<u>(1,240,344)</u>	<u>(1,181,684)</u>
Net Cash from Operating Activities	<u>(150,892)</u>	<u>344,468</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sales of capital assets	<u>278,411</u>	<u>113,442</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>4,288</u>	<u>12,348</u>
Net Change in Cash and Equivalents	131,807	470,258
CASH AND EQUIVALENTS		
Beginning of Year	<u>1,466,493</u>	<u>996,235</u>
End of Year	<u>\$ 1,598,300</u>	<u>\$ 1,466,493</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from operations	\$ (350,499)	\$ 71,803
Adjustments to reconcile income (loss) from operations to net cash from operating activities		
Depreciation expense	162,175	279,543
Changes in assets and liabilities	(12,348)	2,514
Accounts receivable	<u>49,780</u>	<u>(9,392)</u>
Accounts payable		
Net Cash from Operating Activities	<u>\$ (150,892)</u>	<u>\$ 344,468</u>

See independent auditors' report.

County of Orange, New York

Internal Service Fund - Workers' Compensation Benefits Fund
Comparative Statement of Net Position
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 49,883,119	\$ 43,021,316
Accounts receivable	6,026	-
Total Assets	<u>49,889,145</u>	<u>43,021,316</u>
LIABILITIES		
Current liabilities		
Accounts payable	158,852	122,327
Current portion of claims payable	<u>3,970,000</u>	<u>3,530,000</u>
Total Current Liabilities	4,128,852	3,652,327
Noncurrent Liabilities		
Claims payable, less current portion	<u>35,730,000</u>	<u>31,770,000</u>
Total Liabilities	<u>39,858,852</u>	<u>35,422,327</u>
NET POSITION		
Unrestricted	<u>\$ 10,030,293</u>	<u>\$ 7,598,989</u>

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,

	2021	2020
OPERATING REVENUES		
Charges for services - Internal	\$ 5,840,580	\$ 6,530,194
Charges for services - External	325,000	350,000
Miscellaneous	6,192,058	9,649
Total Operating Revenues	<u>12,357,638</u>	<u>6,889,843</u>
OPERATING EXPENSES		
Employee benefits	<u>9,059,072</u>	<u>4,980,587</u>
Income from Operations	<u>3,298,566</u>	<u>1,909,256</u>
NON-OPERATING REVENUES		
Interest income	132,738	461,048
Insurance recoveries	-	28,286
Total Non-Operating Revenues	<u>132,738</u>	<u>489,334</u>
Income Before Transfers	3,431,304	2,398,590
Transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Change in Net Position	2,431,304	1,398,590
NET POSITION		
Beginning of Year	<u>7,598,989</u>	<u>6,200,399</u>
End of Year	<u>\$ 10,030,293</u>	<u>\$ 7,598,989</u>

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,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users - Internal	\$ 5,834,554	\$ 6,530,194
Cash received from customers and users - External	325,000	350,000
Cash received from miscellaneous items	6,192,058	9,649
Cash payments to employees	<u>(4,622,547)</u>	<u>(4,948,867)</u>
Net Cash from Operating Activities	<u>7,729,065</u>	<u>1,940,976</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Insurance recoveries	<u>-</u>	<u>28,286</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>132,738</u>	<u>461,048</u>
Net Change in Cash and Equivalents	6,861,803	1,430,310
CASH AND EQUIVALENTS		
Beginning of Year	<u>43,021,316</u>	<u>41,591,006</u>
End of Year	<u>\$ 49,883,119</u>	<u>\$ 43,021,316</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 3,298,566	\$ 1,909,256
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities	(6,026)	-
Accounts receivable	36,525	(118,280)
Accounts payable	4,400,000	150,000
Claims payable	<u>-</u>	<u>-</u>
Net Cash from Operating Activities	<u>\$ 7,729,065</u>	<u>\$ 1,940,976</u>

See independent auditors' report.

County of Orange, New York

Internal Service Fund - Self-Insurance Fund
Comparative Statement of Net Position
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash and equivalents	\$ 4,973,263	\$ 1,150,492
Accounts receivable	<u>911,425</u>	<u>3,692,237</u>
Total Assets	<u>5,884,688</u>	<u>4,842,729</u>
LIABILITIES		
Accounts payable	<u>361,151</u>	<u>343,595</u>
NET POSITION		
Unrestricted	<u>\$ 5,523,537</u>	<u>\$ 4,499,134</u>

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,

	2021	2020
OPERATING REVENUES		
Charges for services - Internal	\$ 61,438,817	\$ 61,925,882
Charges for services - External	11,190,853	11,330,051
Miscellaneous	5,695,357	5,569,004
	<u>78,325,027</u>	<u>78,824,937</u>
Total Operating Revenues		
OPERATING EXPENSES	<u>77,313,415</u>	<u>77,793,444</u>
Employee benefits	1,011,612	1,031,493
Income from Operations		
NON-OPERATING REVENUES	<u>12,791</u>	<u>62,245</u>
Interest income	1,024,403	1,093,738
Change in Net Position		
NET POSITION	<u>4,499,134</u>	<u>3,405,396</u>
Beginning of Year		
End of Year	<u>\$ 5,523,537</u>	<u>\$ 4,499,134</u>

See independent auditors' report.

County of Orange, New York

Internal Service Fund - Self-Insurance Fund
 Comparative Statement of Cash Flows
 Years Ended December 31,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users - Internal	\$ 61,438,817	\$ 61,925,882
Cash received from customers and users - External	13,971,665	10,568,150
Cash received from miscellaneous items	5,695,357	5,569,004
Cash payments to employees	<u>(77,295,859)</u>	<u>(77,816,706)</u>
Net Cash from Operating Activities	<u>3,809,980</u>	<u>246,330</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>12,791</u>	<u>62,245</u>
Net Change in Cash and Equivalents	3,822,771	308,575
CASH AND EQUIVALENTS		
Beginning of Year	<u>1,150,492</u>	<u>841,917</u>
End of Year	<u>\$ 4,973,263</u>	<u>\$ 1,150,492</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income from operations	\$ 1,011,612	\$ 1,031,493
Adjustments to reconcile income from operations to net cash from operating activities		
Changes in assets and liabilities		
Accounts receivable	2,780,812	(761,901)
Accounts payable	<u>17,556</u>	<u>(23,262)</u>
Net Cash from Operating Activities	<u>\$ 3,809,980</u>	<u>\$ 246,330</u>

See independent auditors' report.

County of Orange, New York

Internal Service Fund - Liability and Casualty Fund
Comparative Statement of Net Position
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS	<u>\$ 11,477,220</u>	<u>\$ 10,800,731</u>
Cash and equivalents		
LIABILITIES		
Current liabilities	7,631	581,358
Accounts payable	<u>4,703,923</u>	<u>2,995,564</u>
Current portion of claims payable	4,711,554	3,576,922
Total Current Liabilities		
Noncurrent liabilities	<u>3,442,713</u>	<u>2,344,783</u>
Claims payable, less current portion	<u>8,154,267</u>	<u>5,921,705</u>
Total Liabilities		
NET POSITION	<u>\$ 3,322,953</u>	<u>\$ 4,879,026</u>
Unrestricted		

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,

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Charges for services - Internal	\$ 5,333,629	\$ 5,294,706
Miscellaneous	<u>12,780</u>	<u>52,688</u>
Total Operating Revenues	5,346,409	5,347,394
OPERATING EXPENSES		
Judgments and claims	<u>6,430,747</u>	<u>5,392,926</u>
Loss from Operations	(1,084,338)	(45,532)
NON-OPERATING REVENUES		
Interest income	<u>28,265</u>	<u>92,124</u>
Income (Loss) Before Transfers	(1,056,073)	46,592
Transfers out	<u>(500,000)</u>	<u>-</u>
Change in Net Position	(1,556,073)	46,592
NET POSITION		
Beginning of Year	<u>4,879,026</u>	<u>4,832,434</u>
End of Year	<u>\$ 3,322,953</u>	<u>\$ 4,879,026</u>

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,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers and users - Internal	\$ 5,333,629	\$ 5,294,706
Cash received from miscellaneous items	12,780	52,688
Cash payments to employees	<u>(4,198,185)</u>	<u>(3,637,395)</u>
Net Cash from Operating Activities	<u>1,148,224</u>	<u>1,709,999</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfers out	<u>(500,000)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>28,265</u>	<u>92,124</u>
Net Change in Cash and Equivalents	676,489	1,802,123
CASH AND EQUIVALENTS		
Beginning of Year	<u>10,800,731</u>	<u>8,998,608</u>
End of Year	<u>\$ 11,477,220</u>	<u>\$ 10,800,731</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from operations	\$ (1,084,338)	\$ (45,532)
Adjustments to reconcile loss from operations to net cash provided by operating activities		
Changes in assets and liabilities	(573,727)	580,344
Accounts payable	<u>2,806,289</u>	<u>1,175,187</u>
Claims payable		
Net Cash from Operating Activities	<u>\$ 1,148,224</u>	<u>\$ 1,709,999</u>

See independent auditors' report.

County of Orange, New York

Internal Service Fund - Compensated Absences Fund
Comparative Statement of Net Position
December 31,

	<u>2021</u>	<u>2020</u>
ASSETS		
Due from other funds	<u>\$ 14,621,003</u>	<u>\$ 13,788,966</u>
LIABILITIES		
Current liabilities		
Current portion of compensated absences	730,000	578,463
Noncurrent liabilities		
Compensated absences, less current portion	<u>13,891,003</u>	<u>13,210,503</u>
Total Liabilities	<u>\$ 14,621,003</u>	<u>\$ 13,788,966</u>

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,

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Charges for services - Internal	\$ 832,037	\$ 2,219,711
OPERATING EXPENSES		
Employee benefits	<u>832,037</u>	<u>2,219,711</u>
	-	-
Income from Operations		
	-	-
NET POSITION		
Beginning of Year	<u>-</u>	<u>-</u>
End of Year	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

County of Orange, New York

Internal Service Fund - Compensated Absences Fund
 Comparative Statement of Cash Flows
 Years Ended December 31,

	2021	2020
CASH AND EQUIVALENTS		
Beginning of Year	\$ -	\$ -
End of Year	<u>\$ -</u>	<u>\$ -</u>
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	(832,037)	(2,219,711)
Due from other funds	<u>832,037</u>	<u>2,219,711</u>
Compensated absences		
Net Cash from Operating Activities	<u>\$ -</u>	<u>\$ -</u>

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.

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Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue sources.

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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.

193

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.

198

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.

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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

	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 80,713,978	\$ 104,007,750	\$ 121,758,135	\$ 141,432,253
Restricted	39,435,117	39,874,705	40,794,671	40,704,822
Unrestricted	(6,360,488)	(77,999,692)	(135,179,323)	(184,397,200)
Total Governmental Activities Net Position	\$ 113,788,607	\$ 65,882,763	\$ 27,373,483	\$ (2,260,125)
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 7,345,322	\$ 7,846,736	\$ 8,454,553	\$ 7,906,485
Restricted	5,560,891	8,185,110	11,426,437	11,079,866
Unrestricted	(25,740,435)	(28,018,558)	(22,604,301)	(25,530,410)
Total Business-Type Activities Net Position	\$ (12,834,222)	\$ (11,986,712)	\$ (2,723,311)	\$ (6,544,059)
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 88,059,300	\$ 111,854,486	\$ 130,212,688	\$ 149,338,738
Restricted	44,996,008	48,059,815	52,221,108	51,784,688
Unrestricted	(32,100,923)	(106,018,250)	(157,783,624)	(209,927,610)
Total Primary Government Net Position	\$ 100,954,385	\$ 53,896,051	\$ 24,650,172	\$ (8,804,184)

Source: County of Orange Audited Financial Statements.

(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".

See independent auditors' report.

2016	2017	2018 (1)	2019	2020	2021
\$ 141,252,962 41,503,507 (250,774,296)	\$ 131,558,161 44,475,059 (315,268,274)	\$ 172,381,239 28,921,088 (913,307,242)	\$ 181,472,089 27,630,134 (945,493,013)	\$ 175,348,501 24,772,132 (1,021,861,037)	\$ 184,564,886 26,072,652 (989,736,814)
<u>\$ (68,017,827)</u>	<u>\$ (139,235,054)</u>	<u>\$ (712,004,915)</u>	<u>\$ (736,390,790)</u>	<u>\$ (821,740,404)</u>	<u>\$ (779,099,276)</u>
\$ 7,485,015 10,267,460 (16,477,042)	\$ 7,019,910 10,658,353 (16,475,191)	\$ 7,327,287 11,169,989 (117,909,401)	\$ 7,204,767 11,701,275 (123,697,727)	\$ 7,972,721 12,347,145 (148,028,516)	\$ 8,143,118 13,241,716 (166,954,428)
<u>\$ 1,275,433</u>	<u>\$ 1,203,072</u>	<u>\$ (99,412,125)</u>	<u>\$ (104,791,685)</u>	<u>\$ (127,708,650)</u>	<u>\$ (145,569,594)</u>
\$ 148,737,977 51,770,967 (267,251,338)	\$ 138,578,071 55,133,412 (331,743,465)	\$ 179,708,526 40,091,077 (1,031,216,643)	\$ 188,676,856 39,331,409 (1,069,190,740)	\$ 183,321,222 37,119,277 (1,169,889,553)	\$ 192,708,004 39,314,368 (1,156,691,242)
<u>\$ (66,742,394)</u>	<u>\$ (138,031,982)</u>	<u>\$ (811,417,040)</u>	<u>\$ (841,182,475)</u>	<u>\$ (949,449,054)</u>	<u>\$ (924,668,870)</u>

County of Orange, New York

Changes In Net Position
Last Ten Fiscal Years

	2012	2013	2014	2015
EXPENSES				
Governmental Activities	\$ 152,029,583	\$ 149,752,381	\$ 149,232,672	\$ 157,663,085
General Government	55,787,954	56,496,945	51,494,460	58,128,777
Education	90,802,220	96,751,508	93,116,529	93,388,776
Public Safety	60,132,992	58,561,531	51,355,303	52,366,041
Health	18,901,157	41,005,814	24,073,719	22,853,368
Transportation				
Economic Opportunity and Development	232,229,479	247,698,993	227,762,127	213,857,175
Culture and Recreation	12,920,145	8,470,830	8,128,421	8,273,586
Home and Community Services	36,156,100	38,316,335	34,878,499	42,652,263
Interest	12,455,179	8,083,733	9,684,515	8,703,209
Total Governmental Activities	671,414,809	705,138,070	649,726,245	657,886,280
Business-Type Activities				
The Valley View Center for Nursing Care and Rehabilitation	58,604,616	55,424,609	51,214,248	53,908,396
Total Primary Government Expenses	\$ 730,019,425	\$ 760,562,679	\$ 700,940,493	\$ 711,794,676
PROGRAM REVENUES				
Governmental Activities				
Charges for Services	\$ 20,493,828	\$ 20,550,637	\$ 19,808,244	\$ 19,649,654
General Government	377,576	909,276	303,314	791,488
Education	10,151,626	9,620,590	9,530,334	11,081,963
Public Safety	11,701,561	8,843,906	5,435,903	3,661,978
Health	1,458,220	1,283,948	1,346,981	1,188,460
Transportation				
Economic Opportunity and Development	10,307,730	10,160,075	9,124,484	8,809,552
Culture and Recreation	1,898,200	1,779,164	1,768,706	1,744,990
Home and Community Services	22,351,062	22,351,909	21,512,672	21,795,813
Interest	-	-	-	18,610
Operating Grants and Contributions	163,130,739	159,019,780	147,568,823	158,025,563
Capital Grants and Contributions	26,864,110	39,538,375	14,416,903	14,864,438
Total Governmental Activities	268,734,652	274,057,660	230,816,364	241,632,509
Business-type Activities				
The Valley View Center for Nursing Care and Rehabilitation	34,590,696	37,214,236	41,606,133	48,967,111
Charges for Services	-	-	-	-
Operating Grants and Contributions	-	-	-	-
Total Business-type Activities	34,590,696	37,214,236	41,606,133	48,967,111
Total Primary Government Program Revenues	\$ 303,325,348	\$ 311,271,896	\$ 272,422,497	\$ 290,599,620

	2016	2017	2018	2019	2020	2021
\$	167,117,249	\$ 172,318,067	\$ 169,031,096	\$ 172,041,496	\$ 180,198,980	\$ 182,172,191
	58,296,967	60,281,727	63,504,644	71,894,871	60,671,239	63,061,367
	115,691,817	117,940,939	109,043,377	119,264,055	133,060,222	125,915,200
	55,712,429	58,062,089	52,481,252	55,682,990	58,972,302	52,376,627
	23,380,423	23,213,263	23,009,766	21,193,223	20,136,514	22,110,404
	229,676,125	228,725,287	223,910,073	231,780,748	216,985,819	203,991,333
	23,646,922	25,277,974	13,891,888	20,137,541	30,860,937	18,117,623
	38,803,418	46,154,404	49,348,943	43,580,741	44,684,748	43,719,196
	8,113,197	8,781,628	8,980,989	7,575,024	8,951,684	6,801,835
	720,438,547	740,755,378	713,202,028	743,150,689	754,522,445	718,265,776
	61,264,584	62,307,590	56,797,819	60,077,748	71,438,512	64,049,884
\$	781,703,131	\$ 803,062,968	\$ 769,999,847	\$ 803,228,437	\$ 825,960,957	\$ 782,315,660
\$	21,712,753	\$ 23,628,085	\$ 25,916,824	\$ 28,029,350	\$ 23,340,347	\$ 25,307,054
	1,430,517	-	-	-	-	-
	12,585,102	11,524,311	11,848,376	13,619,762	12,789,511	13,479,689
	4,515,437	6,279,069	5,667,393	6,577,308	6,455,566	7,019,833
	1,367,895	1,528,781	1,465,163	1,774,230	1,732,745	2,200,826
	10,159,844	9,864,481	9,231,420	8,280,141	10,190,210	10,404,615
	1,747,107	1,725,708	1,488,789	1,578,729	2,198,476	2,203,585
	22,042,091	21,655,846	23,113,119	22,980,917	20,133,477	27,652,211
	17,668	-	-	-	-	-
	155,173,703	162,525,941	165,158,712	177,136,937	161,673,040	159,280,685
	14,751,334	9,008,028	17,329,065	14,890,410	9,611,880	7,661,928
	245,503,451	247,740,250	261,218,861	274,867,784	248,125,252	255,210,426
	42,593,695	44,576,993	46,981,311	44,531,191	38,682,825	38,055,627
	-	-	-	-	2,536,720	86,445
	42,593,695	44,576,993	46,981,311	44,531,191	41,219,545	38,142,072
\$	288,097,146	\$ 292,317,243	\$ 308,200,172	\$ 319,398,975	\$ 289,344,797	\$ 293,352,498

(Continued)

County of Orange, New York

Changes in Net Position (Continued)
Last Ten Fiscal Years

	2012	2013	2014	2015
Net (Expense)/Revenue				
Governmental Activities	\$ (402,680,157)	\$ (431,080,410)	\$ (418,909,881)	\$ (416,253,771)
Business-Type Activities	(24,013,920)	(18,210,373)	(9,608,115)	(4,941,285)
Total Primary Government Net Expense	<u>\$ (426,694,077)</u>	<u>\$ (449,290,783)</u>	<u>\$ (428,517,996)</u>	<u>\$ (421,195,056)</u>
GENERAL REVENUES				
Governmental Activities				
Taxes				
Real Property Taxes	\$ 93,219,443	\$ 101,845,950	\$ 99,834,016	\$ 108,781,110
Other Tax Items	11,726,214	13,861,647	10,610,181	10,316,594
Non-Property Taxes	256,880,194	261,768,828	263,867,043	267,427,983
Unrestricted Use of Money and Property	477,582	462,194	605,991	1,106,401
Tobacco Settlement Proceeds	3,958,085	3,955,627	4,475,119	3,829,648
Off-Track Betting Surcharge	558,364	298,001	251,209	236,264
Donated Land	-	-	-	-
Other Revenues	3,173,173	982,319	757,042	575,283
Transfers	-	-	-	-
Total Governmental Activities	<u>369,993,055</u>	<u>383,174,566</u>	<u>380,400,601</u>	<u>392,273,283</u>
Business-type Activities				
Real Property Taxes	18,295,447	8,870,986	9,967,637	2,899,063
Unrestricted Use of Money and Property	-	-	-	-
Intergovernmental Charge	5,774,287	10,186,897	8,903,879	-
Transfers	-	-	-	-
Total Business-type Activities	<u>24,069,734</u>	<u>19,057,883</u>	<u>18,871,516</u>	<u>2,899,063</u>
Total Primary Government General Revenues	<u>\$ 394,062,789</u>	<u>\$ 402,232,449</u>	<u>\$ 399,272,117</u>	<u>\$ 395,172,346</u>
Change in Net Position				
Governmental Activities	\$ (32,687,102)	\$ (47,905,844)	\$ (38,509,280)	\$ (23,980,488)
Business-Type Activities	55,814	847,510	9,263,401	(2,042,222)
Total Primary Government Change in Net Position	<u>\$ (32,631,288)</u>	<u>\$ (47,058,334)</u>	<u>\$ (29,245,879)</u>	<u>\$ (26,022,710)</u>

Source: County of Orange Audited Financial Statements.

See independent auditors' report.

	2016	2017	2018	2019	2020	2021
\$	(474,935,096)	(493,015,128)	(451,983,167)	(468,282,905)	(506,397,193)	(463,055,350)
	(18,670,889)	(17,730,597)	(9,816,508)	(15,546,557)	(30,218,967)	(25,907,812)
\$	<u>(493,605,985)</u>	<u>(510,745,725)</u>	<u>(461,799,675)</u>	<u>(483,829,462)</u>	<u>(536,616,160)</u>	<u>(488,963,162)</u>
\$	119,137,484	121,344,486	122,919,419	125,439,133	129,102,530	132,425,203
	11,544,583	12,657,322	10,759,876	9,592,503	10,013,837	9,408,918
	268,862,803	283,904,249	293,796,641	304,430,715	280,965,831	360,077,048
	859,311	237,022	862,780	871,099	215,694	191,581
	7,735,341	3,386,989	3,399,998	3,200,000	3,400,000	3,400,000
	224,447	206,531	50,013	-	-	156,273
	141,700	-	-	-	-	-
	671,725	61,302	1,989,747	363,580	666,387	989,265
	-	-	-	-	52,100	-
	<u>409,177,394</u>	<u>421,797,901</u>	<u>433,778,474</u>	<u>443,897,030</u>	<u>424,416,379</u>	<u>506,648,288</u>
	-	-	-	-	-	-
	-	-	-	756,491	529,894	121,872
	26,490,381	17,658,236	10,698,729	9,410,506	6,824,208	7,924,996
	-	-	-	-	(52,100)	-
	<u>26,490,381</u>	<u>17,658,236</u>	<u>10,698,729</u>	<u>10,166,997</u>	<u>7,302,002</u>	<u>8,046,868</u>
\$	<u>435,667,775</u>	<u>439,456,137</u>	<u>444,477,203</u>	<u>454,064,027</u>	<u>431,718,381</u>	<u>514,695,156</u>
\$	(65,757,702)	(71,217,227)	(18,204,693)	(24,385,875)	(81,980,814)	43,592,938
	7,819,492	(72,361)	882,221	(5,379,560)	(22,916,965)	(17,860,944)
\$	<u>(57,938,210)</u>	<u>(71,289,588)</u>	<u>(17,322,472)</u>	<u>(29,765,435)</u>	<u>(104,897,779)</u>	<u>25,731,994</u>

County of Orange, New York

Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2012	2013	2014	2015
GENERAL FUND				
Nonspendable	\$ 33,263,082	\$ 34,947,013	\$ 34,442,109	\$ 3,017,851
Restricted	3,093,134	4,209,836	4,251,058	5,062,753
Committed	12,125,370	10,506,214	4,621,108	3,352,479
Assigned	52,852,425	51,049,382	31,240,582	25,012,287
Unassigned	57,384,932	21,151,168	25,588,329	42,369,130
Total General Fund	<u>\$ 158,718,943</u>	<u>\$ 121,863,613</u>	<u>\$ 100,143,186</u>	<u>\$ 78,814,500</u>
 ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 1,978,065	\$ 2,059,301	\$ 1,951,076	\$ 1,945,730
Restricted	8,680,845	2,928,852	4,018,077	(13,840,449)
Assigned	14,930,351	12,115,623	12,426,858	10,425,900
Unassigned	(68,007)	(4,450,038)	(92,542)	(190,942)
Total All Other Governmental Funds	<u>\$ 25,521,254</u>	<u>\$ 12,653,738</u>	<u>\$ 18,303,469</u>	<u>\$ (1,659,761)</u>
Total Governmental Funds	<u>\$ 184,240,197</u>	<u>\$ 134,517,351</u>	<u>\$ 118,446,655</u>	<u>\$ 77,154,739</u>

Source: County of Orange Audited Financial Statements.

	2016	2017	2018	2019	2020	2021
\$	5,045,409	\$ 4,888,751	\$ 4,657,902	\$ 4,715,536	\$ 4,935,155	\$ 5,634,750
	5,563,262	4,876,751	4,937,347	5,159,538	4,151,594	5,288,932
	1,459,240	784,482	787,257	790,264	795,193	796,580
	26,725,327	23,962,784	21,519,970	22,721,838	18,744,933	15,322,104
	43,771,034	50,214,918	56,664,523	54,491,610	50,607,998	117,606,856
	<u>82,564,272</u>	<u>84,727,686</u>	<u>88,566,999</u>	<u>87,878,786</u>	<u>79,234,873</u>	<u>144,649,222</u>
\$	2,199,426	\$ 2,609,071	\$ 2,783,419	\$ 191,433	\$ 190,814	\$ 213,778
	9,694,915	2,608,151	1,905,936	5,522,473	7,416,411	5,775,860
	15,852,396	20,156,864	9,843,424	11,388,538	14,822,301	19,895,283
	(12,824,243)	(7,339,905)	(33,533,509)	(26,778,679)	(12,468,119)	(6,819,856)
	<u>14,922,494</u>	<u>18,034,181</u>	<u>(19,000,730)</u>	<u>(9,676,235)</u>	<u>9,961,407</u>	<u>19,065,065</u>
\$	<u>97,486,766</u>	<u>102,761,867</u>	<u>69,566,269</u>	<u>78,202,551</u>	<u>89,196,280</u>	<u>163,714,287</u>

County of Orange, New York

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2012	2013	2014	2015
REVENUES				
Real Property Taxes	\$ 90,452,607	\$ 103,367,767	\$ 101,476,995	\$ 113,447,890
Other Tax Items	11,726,214	13,861,647	10,610,181	10,316,594
Non-Property Taxes	258,402,937	263,309,708	265,404,077	269,010,341
Departmental Income	54,242,423	51,376,341	44,134,280	43,660,876
Intergovernmental Charges	9,890,666	9,341,101	9,010,651	10,343,261
Use of Money and Property	5,676,925	5,640,155	6,099,372	6,202,041
Licenses and Permits	50,757	126,276	441,483	57,024
Fines and Forfeitures	664,411	629,514	763,149	837,694
Sale of Property and Compensation for Loss	1,585,047	1,032,906	1,202,741	1,005,349
Interfund Revenues	16,362,140	15,189,433	13,179,762	13,712,167
State Aid	109,373,425	101,640,517	89,044,323	90,422,077
Federal Aid	79,807,233	95,972,428	72,137,268	81,443,579
Miscellaneous	7,917,911	5,932,676	5,985,005	5,288,296
Total Revenues	646,152,696	667,420,469	619,489,287	645,747,189
EXPENDITURES				
Current	132,852,003	138,027,892	134,262,938	164,585,965
General Government	52,019,643	53,065,898	53,648,849	52,931,913
Education	79,881,755	85,142,825	82,557,628	82,634,512
Public Safety	57,554,320	56,126,820	48,979,915	49,504,398
Health	16,613,231	18,104,127	17,056,829	17,901,230
Transportation	233,842,550	243,843,727	223,430,750	207,514,364
Economic Opportunity and Development	7,017,497	7,359,433	6,891,908	6,935,013
Culture and Recreation	32,658,863	36,348,734	32,655,562	40,453,131
Home and Community Services	389,477	1,399,762	373,610	223,364
Employee Benefits				
Debt Service	16,860,089	21,200,833	21,840,234	21,262,918
Principal	10,671,140	10,418,000	10,059,595	9,789,015
Interest	141,145	-	-	412,718
Refunding Bond Issuance Costs	36,048,215	59,415,020	38,195,593	39,503,282
Capital Outlay				
Total Expenditures	676,549,928	730,453,071	669,953,411	693,651,823
Deficiency of Revenues Over Expenditures	(30,397,232)	(63,032,602)	(50,464,124)	(47,904,634)
OTHER FINANCING SOURCES (USES)				
General Obligation Bonds Issued	37,781,619	9,309,756	28,393,428	-
Issuance Premium	5,539,092	-	-	6,386,368
Transfers In	17,421,936	13,884,746	13,839,781	15,714,211
Transfers Out	(12,921,936)	(9,884,746)	(7,839,781)	(9,514,211)
Refunding Bonds Issued	29,055,948	-	-	51,868,337
Payment to Refunded Bond Escrow Agent	(34,439,524)	-	-	(57,841,987)
Total Other Financing Sources	42,437,135	13,309,756	34,393,428	6,612,718
Net Change in Fund Balances	\$ 12,039,903	\$ (49,722,846)	\$ (16,070,696)	\$ (41,291,916)
Debt Service as a Percentage of Non-Capital Expenditures	4.2%	4.5%	5.0%	4.6%

Source: County of Orange Audited Financial Statements.

See independent auditors' report.

	2016	2017	2018	2019	2020	2021
\$	122,404,475	\$ 121,161,668	\$ 122,494,108	\$ 125,685,971	\$ 128,796,928	\$ 132,891,195
	11,544,584	12,657,322	10,759,876	9,592,503	10,013,837	9,408,918
	270,427,092	285,391,860	295,561,047	306,179,940	282,720,008	361,898,340
	46,139,921	48,927,978	48,578,420	50,140,646	47,625,154	56,792,459
	12,061,346	11,864,315	12,430,405	13,685,758	12,638,739	12,704,887
	8,072,270	6,099,218	6,986,892	7,006,840	5,717,104	5,407,533
	15,792	55,540	1,418,752	2,095,339	1,076,457	3,056,658
	1,081,478	909,344	715,740	1,072,523	487,392	956,180
	863,470	736,171	629,680	2,547,328	4,204,328	1,477,119
	13,739,251	13,930,103	14,481,977	16,490,268	16,660,107	17,745,565
	89,986,665	94,735,538	94,960,244	105,665,825	91,824,268	96,334,375
	79,009,109	73,762,419	83,764,945	78,658,932	73,405,801	67,857,656
	9,047,999	4,556,265	6,390,615	5,185,059	5,013,884	4,990,857
	<u>664,393,452</u>	<u>674,787,741</u>	<u>699,172,701</u>	<u>724,006,932</u>	<u>680,184,007</u>	<u>771,521,742</u>
	139,797,922	143,753,760	149,834,886	153,647,562	148,825,976	166,190,731
	54,197,450	56,086,709	59,396,108	66,189,645	57,040,836	59,008,797
	88,230,704	91,082,474	95,906,793	98,735,578	101,822,889	108,613,090
	49,789,021	52,053,434	50,535,201	52,192,260	50,794,574	49,368,475
	16,716,478	17,648,345	17,644,780	18,451,683	16,987,612	17,214,336
	228,410,101	227,674,795	225,317,730	232,511,039	214,197,636	204,304,013
	7,155,464	7,519,661	7,264,862	7,614,528	6,581,967	6,962,355
	35,320,492	42,500,435	46,737,309	41,243,719	39,872,441	41,295,355
	(1,807,150)	836,833	360,320	(119,015)	846,106	(66,391)
	22,590,177	23,253,090	26,827,982	29,680,013	29,012,254	32,882,126
	8,639,689	9,445,623	10,763,609	9,554,645	9,987,045	9,774,916
	167,902	104,285	-	-	-	87,868
	60,970,810	63,930,688	44,953,719	34,534,349	23,178,850	18,634,667
	<u>710,179,060</u>	<u>735,890,132</u>	<u>735,543,299</u>	<u>744,236,006</u>	<u>699,148,186</u>	<u>714,270,338</u>
	<u>(45,785,608)</u>	<u>(61,102,391)</u>	<u>(36,370,598)</u>	<u>(20,229,074)</u>	<u>(18,964,179)</u>	<u>57,251,404</u>
	56,132,845	59,306,566	-	27,743,169	26,257,186	15,061,785
	9,113,195	3,112,735	-	2,490,987	2,648,622	3,428,190
	12,744,770	13,376,157	15,543,422	13,081,809	12,462,525	14,211,276
	(7,544,770)	(8,176,157)	(12,368,422)	(11,081,809)	(11,410,425)	(12,711,276)
	26,553,034	11,818,437	-	-	-	13,219,113
	(30,881,439)	(13,060,246)	-	-	-	(14,990,675)
	<u>66,117,635</u>	<u>66,377,492</u>	<u>3,175,000</u>	<u>32,234,156</u>	<u>29,957,908</u>	<u>18,218,413</u>
\$	<u>20,332,027</u>	<u>\$ 5,275,101</u>	<u>\$ (33,195,598)</u>	<u>\$ 12,005,082</u>	<u>\$ 10,993,729</u>	<u>\$ 75,469,817</u>
	4.7%	4.8%	5.3%	5.4%	5.7%	6.0%

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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	
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
2021	132,891,195	354,803,497	5,273,551	1,821,293	494,789,536

See independent auditors' report.

County of Orange, New York

Sales Tax Rates
Last Ten Fiscal Years

	2012	2013	2014	2015
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	<u>8.125 %</u>	<u>8.125 %</u>	<u>8.125 %</u>	<u>8.125 %</u>

(1) Metropolitan Transportation Authority

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
4.000 %	4.000 %	4.000 %	4.000 %	4.000 %	4.000 %
0.375	0.375	0.375	0.375	0.375	0.375
<u>3.750</u>	<u>3.750</u>	<u>3.750</u>	<u>3.750</u>	<u>3.750</u>	<u>3.750</u>
<u><u>8.125 %</u></u>	<u><u>8.125 %</u></u>	<u><u>8.125 %</u></u>	<u><u>8.125 %</u></u>	<u><u>8.125 %</u></u>	<u><u>8.125 %</u></u>

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			
2012	\$ 9,896,702	\$ 5,374,107	\$ 2,825,105	\$ 12,445,704	\$ 3.100
2013	10,406,828	5,425,920	3,155,225	12,677,523	3.310
2014	9,412,608	6,221,812	3,224,819	12,409,601	3.550
2015	9,926,873	5,817,797	3,347,097	12,397,573	3.880
2016	9,924,863	5,667,850	3,146,710	12,446,003	3.903
2017	10,473,373	6,041,020	3,935,168	12,579,225	3.925
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	13,444,107	3.838
2020	10,869,585	6,356,064	3,752,835	13,472,814	3.735
2021	11,049,123	6,548,395	3,595,210	14,002,308	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.

See independent auditors' report.

Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 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	38.35
37,765,381	35.68
39,067,611	35.84

County of Orange, New York

Direct and Underlying Property Tax Rates,
Per \$1,000 of Assessed Valuation
Last Ten Fiscal Years

	2012	2013	2014	2015	2016
County Direct Rate (1)	\$ 3.320	\$ 3.550	\$ 3.880	\$ 3.903	\$ 3.868
City Rates					
City of Middletown	77.190	78.683	75.576	76.488	76.801
City of Newburgh	17.890	17.843	18.470	19.227	19.513
City of Port Jervis	25.870	22.624	23.290	23.418	25.404
Town Rates	32.78-0.82	33.55-1.20	31.98-1.20	37.68-1.21	41.82-1.22
Village Rates	48.73-6.26	50.00-2.23	50.96-2.21	46.36-2.13	48.86-3.32
School Districts	235.22-19.94	224.70-16.88	233.00-18.49	233.00-19.05	257.73-19.33

Source: Orange County Real Property Tax Service Agency

(1) - A single direct property tax rate applies to all classes of real property.

	2017	2018	2019	2020	2021
\$	3.838	\$ 3.838	\$ 3.735	\$ 3.558	\$ 3.436
	76.873	78.597	79.281	80.700	83.453
	19.643	19.557	19.655	19.598	15.678
	27.350	29.574	30.451	31.071	31.949
	42.25-1.22	42.20-1.10	43.24-1.21	43.67-1.87	39.31-1.87
	53.74-6.81	50.27-6.30	50.48-5.56	50.84-5.55	51.67-5.44
	248.73-19.89	241.30-20.64	244.63-21.14	231.01-21.66	227.00-22.01

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County of Orange, New York

Principal Taxpayers
Current Year and Nine Years Ago

2021			
Taxpayer	Type of Business	Assessed Valuation	Percent of Total Assessed Valuation
Orange & Rockland Utilities	Public Utility	\$ 270,536,473	1.92 %
Central Hudson & Gas	Public Utility	189,585,527	1.35
Chelsea GCA Realty	Shopping Center	159,653,700	1.13
Roseton Generating LLC	Public Utility	44,691,500	0.32
Crystal Run NEWCO LLC	Shopping Center	25,970,540	0.18
Frontier Communications	Public Utility	18,779,966	0.13
Verizon	Public Utility	18,564,279	0.13
Middletown I Resources	Shopping Center	15,750,200	0.11
Walmart	Shopping Center	12,004,700	0.09
Tuxedo Reserve Owner LLC	Real Estate Developer	3,690,424	0.03
		<u>\$ 759,227,309</u>	<u>5.39 %</u>

Note: Total taxable assessed valuation on the 2021 roll is \$14,073,436,138

2012			
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
		<u>\$ 787,876,075</u>	<u>6.33 %</u>

Note: Total taxable assessed valuation on the 2012 roll is \$12,445,703,945

Source: Orange County Real Property Tax Service Agency

See independent auditors' report.

County of Orange, New York

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for the Fiscal Year						Relevy Penalties
	County	Local Special Districts	Towns	Relevied Schools	Relevied Villages	Relevied Schools and Villages	
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
2021	134,387,950	2,787,222	195,043,448	26,031,473	2,477,606	28,509,079	1,995,638

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.

See independent auditors' report.

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
\$ 1,828,956	\$ 4,103,381	\$ 312,061,414	\$ 289,623,677	92.81 %	\$ 21,497,789	\$ 311,121,466	99.70 %
3,036,700	6,527,863	337,078,954	320,845,041	95.18	15,438,360	336,283,401	99.76
1,603,457	3,722,787	320,993,574	305,780,532	95.26	14,381,480	320,162,012	99.74
1,562,948	3,694,782	322,392,214	307,501,065	95.38	14,218,087	321,719,152	99.79
1,489,911	3,620,582	326,134,498	312,978,446	95.97	12,451,830	325,430,276	99.78
1,469,475	3,589,452	331,651,051	318,319,188	95.98	12,511,909	330,831,097	99.75
1,496,121	3,692,928	337,778,614	323,196,537	95.68	13,213,754	336,410,291	99.59
1,536,553	3,717,537	346,857,979	334,856,153	96.54	9,909,609	344,765,763	99.40
1,596,282	3,724,525	357,864,272	345,494,697	96.54	7,435,000	352,929,697	98.62
1,420,701	3,416,338	364,144,039	354,376,157	97.32	-	354,376,157	97.32

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)	Percentage of Estimated Actual Taxable Value of Property (4)	Per Capita (3)
<u>Governmental Activities</u>						
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)
2021	273,112,418	5,232,183	267,880,235	1.21	0.71	667.49
<u>Business-Type Activities</u>						
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)
2021	2,965,990	-	2,965,990	0.01	0.01	7.39
<u>Total Primary Government</u>						
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)
2021	276,078,408	5,232,183	270,846,225	1.22	0.72	674.89

(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

See independent auditors' report.

Percentage of Personal Income (3)	Gross	
	Percentage of Actual Taxable Value of Property (4)	Per Capita (3)

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)
1.23	0.70	680.53

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)
0.01	0.01	7.39

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)
1.24	0.71	687.92

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County of Orange, New York

Direct and Underlying Governmental Activities Debt
December 31, 2021

<u>Governmental Unit</u>	<u>Gross Long-Term Debt (1)</u>
Cities (three)	\$ 193,953,764
Towns (twenty)	138,649,131
Villages (seventeen)	112,118,810
School Districts (eighteen)	528,362,307
Fire Districts (thirty-eight)	<u>31,855,295</u>
Subtotal, Underlying Debt	1,004,939,307
Direct Bonded Debt of the County	<u>273,112,418</u>
Direct and Underlying Debt	<u>\$ 1,278,051,725</u>

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

	2012	2013	2014	2015
Debt Limit	\$ 2,625,052	\$ 2,493,725	\$ 2,341,500	\$ 2,226,427
Total Net Debt Applicable to Limit	256,216	244,106	249,055	217,729
Legal Debt Margin	<u>\$ 2,368,836</u>	<u>\$ 2,249,619</u>	<u>\$ 2,092,445</u>	<u>\$ 2,008,697</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	9.76%	9.79%	10.64%	9.78%

Legal Debt Margin Calculation for Fiscal Year 2021

Five Year Average Full Valuation of Taxable Real Property		<u>\$ 33,830,646</u>
Debt Limit - 7% of Average Full Valuation		<u>2,368,145</u>
Outstanding Indebtedness:		
Serial bonds	\$ 256,390	
Bond Anticipation Notes	<u>-</u>	256,390
Less Exclusions:		
Amount set aside for repayment of general obligation debt	\$ 5,232	
Exempt Sewer District Debt	<u>11,950</u>	<u>17,182</u>
Net Debt Contracting Margin		<u>\$ 2,128,937</u>
Percentage of Debt Contracting Margin Available as of December 31, 2021		89.90%
Percentage of Debt Contracting Power Exhausted as of December 31, 2021		10.10%

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.

See independent auditors' report.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 2,158,609	\$ 2,127,212	\$ 2,131,074	\$ 2,181,575	\$ 2,261,332	\$ 2,368,145
<u>247,433</u>	<u>283,443</u>	<u>265,041</u>	<u>238,010</u>	<u>257,447</u>	<u>239,208</u>
<u>\$ 1,911,175</u>	<u>\$ 1,843,769</u>	<u>\$ 1,866,033</u>	<u>\$ 1,943,565</u>	<u>\$ 2,003,885</u>	<u>\$ 2,128,937</u>
11.46%	13.32%	12.44%	10.91%	11.38%	10.10%

County of Orange, New York

Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (amounts expressed in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (3)</u>	<u>Percent High School Graduate or Higher (3)</u>
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	401,322	22,223,462	57,688	37	90
2021	404,525	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.

See independent auditors' report.

<u>School Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
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
55,643	4.7

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COUNTY OF ORANGE, NEW YORK

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2021		
<u>EMPLOYER</u>	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u>
United States Military Academy at West Point	4,000	2.35 %
Orange Regional Medical Center	2,524	1.48
Orange County Government	2,084	1.22
Crystal Run Health	2,050	1.20
Access: Supports for Living	1,400	0.82
St Luke's Cornwall Hospital ^{*1}	1,247	0.73
Elant, Inc.	1,200	0.70
SUNY Orange ^{*2}	968	0.57
Amscan, Inc.	800	0.47
C & S Wholesale Grocers, Inc.	800	0.47
	<u>17,073</u>	<u>10.02 %</u>

2012		
<u>EMPLOYER</u>	<u>EMPLOYEES</u>	<u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u>
U.S. Military Academy at West Point	3,120	1.82 %
Orange Regional Medical Center	2,524	1.47
Orange County Government	2,294	1.34
Crystal Run Healthcare	1,600	0.93
St. Lukes/Cornwall Hospital	1,500	0.87
Elant, Inc	1,200	0.70
C & S Grocery Wholesale	1,000	0.58
SUNY Orange	919	0.54
Empire Blue Cross/Blue Shield	790	0.46
AHRC	750	0.44
	<u>15,697</u>	<u>9.14 %</u>

Source: 2021 and 2012 Directory of Major Employers, Orange County Partnership

*¹ Formerly named St. Luke's Hospital

*² Source: SUNY Orange

See independent auditors' report.

County of Orange, New York

**Full-Time Equivalent County Government Employees By Function
Last Ten Fiscal Years**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
FUNCTION				
General Government	557	554	521	523
Public Safety	559	554	533	542
Health	606	584	517	532
Economic Opportunity and Development	513	523	490	471
Culture and Recreation	40	38	35	36
Home and Community Services	<u>19</u>	<u>18</u>	<u>17</u>	<u>17</u>
Total	<u><u>2,294</u></u>	<u><u>2,271</u></u>	<u><u>2,113</u></u>	<u><u>2,121</u></u>

Source - County Finance Department

See independent auditors' report.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
525	525	580	594	536	529
554	555	562	546	546	535
529	518	531	531	511	479
471	491	519	524	491	482
36	36	45	43	43	42
22	23	25	21	20	17
<u>2,137</u>	<u>2,148</u>	<u>2,262</u>	<u>2,259</u>	<u>2,147</u>	<u>2,084</u>

County of Orange, New York

Operating Indicators By Function
Last Ten Fiscal Years

FUNCTION	2012	2013	2014	2015
General Government				
Motor Vehicles				
Number of drivers' licenses issued	74,618	58,529	54,863	53,862
Public Safety				
Emergency Services				
Number of calls at 911 center	279,566	258,917	262,856	270,188
Corrections				
Number of inmates	6,144	6,310	6,074	5,968
Transportation				
Public Works				
Street resurfacing (miles)				
Asphalt (Number of miles)	16.17	11.47	13.10	14.20
Surface treatment (Number of miles)	4.60	4.64	4.50	6.30
Culture and Recreation				
Number of rounds of golf played	46,128	41,494	39,889	39,365
Home and Community Services				
Landfill				
Tonnage of garbage	153,598	152,548	123,575	129,594
Wastewater				
Average daily sewage treatment (thousands of gallons)	4,495,000	4,549,750	4,375,167	4,146,417
Transportation				
Ridership on public buses	929,219	941,580	981,115	995,762
Valley View Center for Nursing Care and Rehabilitation				
Number of beds occupied	325	333	340	334

Source: Orange County Budget and individual County departments

See independent auditors' report.

2016	2017	2018	2019	2020	2021
53,937	64,557	95,246	122,712	42,653	52,785
278,322	314,480	242,782	258,561	262,080	223,974
5,988	6,175	5,555	4,441	1,448	1,138
16.88	16.74	13.45	15.00	7.45	19.08
6.56	7.39	-	5.00	-	5.21
41,717	38,897	34,790	41,387	56,723	51,925
130,494	130,735	139,911	122,550	89,525	121,837
4,375,833	4,552,667	4,485,333	5,504,033	4,662,000	4,728,500
1,008,428	983,462	987,302	959,708	696,172	946,053
332	336	336	336	303	269

County of Orange, New York

**Capital Asset Statistics By Function
Last Ten Fiscal Years**

FUNCTION	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government				
Public Works				
Driveway permits issued	21	16	17	30
Subdivision permits issued	2	2	1	-
Culture and Recreation				
Parks acreage	3,415	3,415	3,415	3,415
Home and Community Services				
Sanitary sewers (miles)	83	83	84	84

Source - Various County departments

See independent auditors' report.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
36 3	45 4	37 12	44 -	51 5	45 7
3,415	3,415	3,415	3,415	3,415	3,474
85	85	85	86	86	87

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**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, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 13, 2022. Our report includes a reference to other auditors who audited the financial statements of the Orange County Community College (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.

Report on Internal Control Over Financial Reporting

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

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

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

PKF O'CONNOR DAVIES, LLP
500 Mamaroneck Avenue, Harrison, NY 10528 | Tel: 914.381.8900 | Fax: 914.381.8910 | www.pkfod.com

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Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County'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

July 13, 2022

APPENDIX C

FORM OF BOND COUNEL OPINION

Hawkins Delafield & Wood LLP
7 World Trade Center, 250 Greenwich Street
New York, New York 10007

November 10, 2022

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 \$14,136,656 Public Improvement Serial Bonds-2022 (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.

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, however for tax years beginning after December 31, 2022, interest on the Note is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of 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,

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 October 25, 2022.

“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 **\$14,136,656 Public Improvement Serial Bonds-2022**, dated November 10, 2022, maturing in various principal amounts on February 1 in each of the years 2024 to 2032, 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 (6th) month after the end of each fiscal year, commencing with the fiscal year ending December 31, 2022, 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, 2022, 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 November 10, 2022.

COUNTY OF ORANGE

By _____
Commissioner of Finance and Chief Fiscal Officer