



COUNTY OF SULLIVAN

NEW YORK



Jerry Cohen Photography

Lake Views

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
DECEMBER 31, 2022

COUNTY OF SULLIVAN, NEW YORK
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

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

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INTRODUCTORY SECTION

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June 28, 2023

To The Legislature of the
County of Sullivan, New York

The Comprehensive Annual Financial Report ("CAFR") for the County of Sullivan, New York for the fiscal year ended December 31, 2022 is submitted herewith. New York State requires the County to submit an annual report of our financial records and transactions presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This CAFR is issued pursuant to that requirement.

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

The County's basic financial statements have been audited by Drescher and Malecki, LLP, an accounting firm of licensed certified public accountants specializing in governmental and not for profit entities. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the County for the fiscal year ended December 31, 2022 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County of Sullivan's basic financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2022 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). The letter of transmittal was designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditor.

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

GOVERNMENTAL STRUCTURE

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

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

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

GENERAL INFORMATION

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

The year-round population of the County has remained relatively stable for the last four years with the exception of a slight increase in 2021. Data from a study by Pattern for Progress shows that the Hudson Valley gained a net of more than 33,000 residents from New York City in 2020. That included a gain of 762 residents in Sullivan County. Census data reflected that Sullivan is the fastest growing county in New York at 1.5%.

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

ECONOMIC CONDITION AND OUTLOOK

The NYS Comptroller's Office has designated Sullivan County free of fiscal stress, with the County's finances in the best shape since reporting began. The Comptroller's Office released its Fiscal Stress rankings for municipalities Statewide, based on the annual financial reports submitted to the Office. Sullivan County scored extremely well, earning the best rank of "No Designation" (meaning there are no indications of the County being susceptible to fiscal stress at this time). Based on the fiscal score, the system assigns a municipality to one of three categories of stress or to the "No Designation" category if its score doesn't meet the threshold of stress. In 2019, Sullivan earned a Fiscal Stress score of 42.1 points. That improved to 35.8 in 2020 (a lower score indicating better finances) and then to a best-ever score of 13.3 in 2021.

Data provided by the NYS Department of Labor shows that Sullivan County is ahead of the entire State – including New York City – in job growth. The Department of Labor pegged Sullivan's private-sector job growth rate at 9.1 percent year-over-year for September 2022, beating fellow State leader Allegany County's 8.8 percent and New York City's 6.8 percent and far outpacing neighboring mid-Hudson counties.

Local leaders attribute prudent financial management which in turn leads to fiscal stability and creates an environment where companies want to invest. Labor data indicates information services and the leisure and hospitality sectors are leading the local job growth, with year-over-year increases of 100 percent and 32.5 percent respectively. Other top-performing sectors include manufacturing (11.8 percent) and goods-producing (10 percent). The Sullivan County Center for Workforce Development noted that the demand for new products or services in Sullivan County for September was at an all-time high. In addition, the Sullivan County Legislature and County staff, supported by industry partners, have made job growth a priority in the wake of pandemic-related losses.

Sullivan County is actively working to protect and enhance access points all along Sullivan County's portion of the Upper Delaware River. Most recently, the County has invested in the New York State Department of Environmental Conservation (DEC) access site along Route 97 between Barryville and the historic Roebling Bridge. This access site, known as "The Highland Access" has been reconstructed by restoring native plants and installing bio-swales (a combination of a rain garden and a ditch) and pervious pavement that will absorb storm water runoff better than standard asphalt. The access itself will be replaced with a more gently sloping and stabilized path. Signage with educational information about the on-site best management practices will be added in order to encourage visitors to explore similar best practices on their own properties. The County is partnering with the Town of Highland, the NYS Department of Transportation, the NYS Department of Environmental Conservation and the National Park Service. The project received a \$250,000 grant from the National Fish and Wildlife Foundation's Delaware Watershed Conservation Fund, and \$100,000 from New York State.

Sullivan County is the home of SUNY Sullivan, a community college, offering over 50 degree programs, certificates and micro-credentials for learners of all ages. Recognizing that SUNY Sullivan is an asset to the County, the Sullivan County Legislature voted to approve funding for a new tuition-free scholarship program at SUNY Sullivan. The "Sullivan Promise Scholarship" will cover the cost of tuition and fees to Sullivan County 2022 high school graduates for one year of full-time study in a degree program at SUNY Sullivan. The Legislature's intent is to encourage college enrollment after high school and improve the personal, community and economic well-being of Sullivan County residents.

The Legislature acknowledged that tuition is often a barrier that prevents students from enrolling in college; that one in ten people who have student loans continue to owe on those loans for over ten years; prolonged debt can often delay or prevent people from buying a home or starting a business; individuals who complete an associate's degree earn on average one-third more money over their lifetime than individuals with only a high school diploma; and states and counties that have established tuition free community college programs have seen substantial increases in community college enrollment and completion along with decreased student loan debt.

In addition to “Sullivan Promise” SUNY Sullivan has unveiled plans to construct an indoor pool and sports arena. The State of New York will fund half of the cost of the project and the County of Sullivan will bond the other half. SUNY Sullivan has a long history of athletic excellence. This exciting new facility will allow SUNY Sullivan to offer new sports and expand its current track program. Additionally, the state-of-the-art facility will be available to Sullivan County school districts for their athletic needs, will be open to residents to provide much-needed access to year-round fitness opportunities, and will be an anchor athletic facility to drive programming and tourism to Sullivan County. The facility will also be available for public rental. The aquatic and recreation facility - which is planned to feature a 25-meter-long, 8-lane pool and a 200-meter track oval – is anticipated to cost between \$15 and \$30 million.

The Sullivan County Historical Society wrote a grant to produce a concert series showcasing some of the new outdoor stages which are popping up throughout Sullivan County. This project is made possible with funding from a Sullivan County Arts & Heritage Grant, funded by the Sullivan County Legislature and administered by Delaware Valley Arts Alliance.

Delaware Valley Arts Alliance (DVAA) provides artists platforms to share their voice, whether it's in their galleries, on their stages, or at their sponsored festivals. DVAA funds local creatives and cultural organizations through their role as the Arts Council of Sullivan County. DVAA serves the Upper Delaware Valley and Sullivan Catskills Region. DVAA has two venues in Sullivan County:

- Elaine Giguere Arts Center located at 37 Main Street in Narrowsburg. In this venue, you will find, the Alliance Gallery, the Loft Gallery and the Gloria Krause Recital Hall. The Krause Recital Hall is a 50 seat venue which hosts the DVAA “Salon Series” and other intimate performances, readings and concerts by local and visiting artists. A 1913 Mason & Hamlin grand piano anchors the space.
- Tusten Theater located at 210 Bridge Street in Narrowsburg. The 150 seat art deco Tusten Theatre is a destination for high caliber jazz, classical, folk, theater and opera. Managed by Delaware Valley Arts Alliance, it is the home base for Delaware Valley Opera and the Big Eddy Film Festival.

Sullivan Broadband Local Development Corporation (LDC) is a local development corporation created pursuant to the not-for-profit corporation law of the State of New York. The Corporation shall seek to improve access to high-speed broadband internet service to residents, businesses, not-for-profits, and other community members in Sullivan County, NY (“end users”). Through this expanded access, it is the intent of the Corporation to improve the quality of life for the Sullivan County community. The Corporation shall engage strategic partners and establish the necessary relationships to secure access to a broadband signal, and to subsequently market the signal at an affordable rate to prospective end users.

MAJOR INITIATIVES AND THE FUTURE

Sullivan County International Airport is receiving \$18.5 million from New York State to significantly renovate and expand the John “J.J.” McGough Terminal. The State is giving \$230 million in awards to nine airports through the State’s Upstate Airport Economic Development and Revitalization Competition. Sullivan’s \$18.5 million share of that \$230 million will go towards a complete reimagining of the Airport’s 53-year-old terminal, creating additional space for passengers, a new pilot lounge, and better views of the surrounding Catskill Mountains environment. The project will also upgrade the airport’s HVAC systems and outfit the terminal building with improved insulation, along with solar panels that will provide a sustainable source of electricity for the building. Additionally, the project will install electric vehicle charging stations in the parking area.

The Sullivan County Legislature announced a major expansion by of “Move Sullivan” a three-year-old public transportation service. Move Sullivan buses are now providing service to 42 stops and 18 communities, all without cost to residents. The creation of Move Sullivan in 2019 marked the beginning of an effort to assist County residents and make it possible for residents to get to their jobs, their healthcare providers, and local merchants.

Sullivan County has made considerable investments in its six public parks scattered throughout Sullivan County. The County’s goal is to offer inexpensive (often free) and safe places to take the whole family:

- The D&H Interpretive Center, located in Summitville, offers museum-quality exhibits on the history of the Delaware & Hudson (D&H) Canal and sits beside the locks and towpath of the old canal – all at no cost to visitors. Approximately five miles of the flat, easily accessed towpath can be traversed from Summitville to Wurtsboro – part of the County’s D&H Canal Linear Park.
- Lake Superior State Park, located in Bethel, offers picnicking, hiking, swimming and boating opportunities and pavilions available to rent during the summer.
- The Stone Arch Bridge Historical Park in Kenoza Lake features walking trails, picnic facilities, a playground. Its crowning glory is the three-arched bridge itself, one of the most photographed sites in Sullivan County.
- The Livingston Manor Covered Bridge in Livingston Manor. Next to the historic structure (which is still in use) are picnicking spots, a pavilion available to rent and access to the Little Beaverkill.
- The Minisink Battleground Park near Barryville commemorates the only Revolutionary War battle fought in Sullivan County and features well-shaded walking trails with informative kiosks highlighting facts of the fight. A picnic pavilion is also available for rental, conveniently sitting next to indoor bathrooms.

- Now operated by The Delaware Company, Fort Delaware Museum of Colonial History in Narrowsburg remains an iconic and popular attraction, replete with structures, furnishings and re-enactors accurate to the early colonial period in the upper Delaware River region.

The Plans & Progress Program provides grants of up to \$10,000 to assist local municipalities, community groups, and not-for-profit organizations throughout Sullivan County with projects related to tourism, community and economic development, image enhancement, trails development, health improvement, agricultural and farmland protection, and other community goals. A total of \$54,100 has been awarded to six municipalities, non-profits, and community organizations across Sullivan County through the County's Plans & Progress Program. This funding will leverage over \$110,000 in total project costs. Round 1 Plans & Progress awards include:

- \$10,000 to North American Cultural Laboratory (NACL) to winterize its theater in the Town of Highland for year-round performances.
- \$10,000 to The Delaware Company to support the Festival of the Founding Fish: Upper Delaware Shadfest 2022, which will take place at multiple venues throughout the river corridor in Sullivan County.
- \$5,500 to Radio Catskill to install a Microwave Studio to Transmitter Link that will provide reliable delivery for audio to broadcast news and emergency information to Sullivan County residents despite weather or other interruptions.
- \$8,600 to the Town of Fallsburg for the Hometown Heroes Banner project that will honor residents that are active-duty service members or veterans of the United States Armed Forces.
- \$10,000 to the Town of Thompson to create public access to the Neversink River at Bridgeville.
- \$10,000 to Nesin Cultural Arts to host two new free family-oriented events: a professional art show and an immersive family holiday concert.

Sullivan County's newly recognized Medical Reserve Corps (MRC) is one of only three New York-based MRCs to receive Federal funding in 2022. The National Association of County and City Health Officials (NACCHO) announced the 2022 Medical Reserve Corps Operational Readiness Awards, of which Sullivan qualified to receive \$5,000. These awards, made possible through a cooperative agreement with the Office of the Assistant Secretary for Preparedness and Response's Medical Reserve Corps Program Office, are intended to build the operational readiness capabilities of MRC units to meet the emergency preparedness and response needs of local, regional, and statewide stakeholders.

The MRC program was established to provide a way to recruit, train, and activate medical and public health professionals and other volunteers to respond to community health needs during disasters and other public health emergencies. The Sullivan County MRC has been assisting at COVID-19 vaccination clinics, delivering supplies where needed, and providing critical education to the public.

Since January 2022, 51 MRC volunteers with Public Health Services have given 183 volunteer hours at 18 community COVID-19 vaccination clinics. Some handled paperwork, others directed participants to the correct location, and those licensed as LPNs, EMTs, RNs or MDs took on medical duties, including administering vaccines (of which Public Health has delivered 17,477 doses since beginning these clinics in 2021). Nationally, MRC volunteers contributed approximately 840,000 hours of service, resulting in a workforce savings of nearly \$24 million. Currently, the MRC reports approximately 3 million volunteer hours to support COVID-19 local response efforts, and the numbers continue to grow.

New York State approved a \$250,000 grant to rehab Sullivan County's heavily-used fire training tower and to build an adjacent equipment storage facility. The Dormitory Authority of the State of New York's State and Municipal Facilities Assistance Program will reimburse the County for up to \$250,000 of an estimated \$304,000 project, of which there are two parts:

- \$55,000 to address deterioration and make upgrades to the fire training tower at the Emergency Operations Center in Swan Lake, which is used by the Bureau of Fire to teach local firefighters how to properly battle structure fires.
- \$195,000 to build a pole barn on the same property, to be used for storage, as the Emergency Operations Center's existing garage is at capacity

The County will contribute \$54,000 worth of in-kind services (labor and materials) and has allocated such in the 2022 Budget.

Sullivan County has signed a lease with HatzolAir that promises to bring its world headquarters to the County Airport. HatzolAir is a not-for-profit charitable organization also known as the Hatzolah Emergency Air Response Team. The team is based at the Westchester County Airport, and its mission is to provide, arrange, facilitate and fund local, national and worldwide air transportation to those in need due to medical, humanitarian, disaster relief, compassion and/or other charitable reasons.

HatzolAir will partner with the Sullivan County Sheriff's Office and Sullivan County's Division of Emergency Management to make emergency, lifesaving and search-and-rescue equipment available for emergency operations in the County. The County has agreed to work in good faith with HatzolAir to identify funding sources to construct the buildings and infrastructure necessary for the new hangar and headquarters.

FINANCIAL POLICIES

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

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

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

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

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

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

AWARDS

The Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021.

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

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

CONCLUSION

The County, in anticipation of future expenditures, has assigned General Fund fund balance for various projects, encumbrances, subsequent year’s expenditures and to offset potential future financial downturns in excess of \$39 million and has an unassigned General Fund fund balance for 2022 of approximately \$15.8 million.

In the County’s 2023 budget, we have continued to project our revenues at reasonable levels. The County’s financial outlook continues to be optimistic, however, in the present economy we are carefully monitoring expenses and capital commitments in light of revenues that are holding their own. We will continue to monitor as well as cut expenditures in the future as necessary, pending an upswing in the economy locally, statewide and nationally.

ACKNOWLEDGMENTS

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

Respectfully submitted,

Nancy Buck

Nancy Buck
Sullivan County Treasurer

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COUNTY OF SULLIVAN, NEW YORK
List of Elected and Appointed Officials
Year Ended December 31, 2022

Elected Officials:

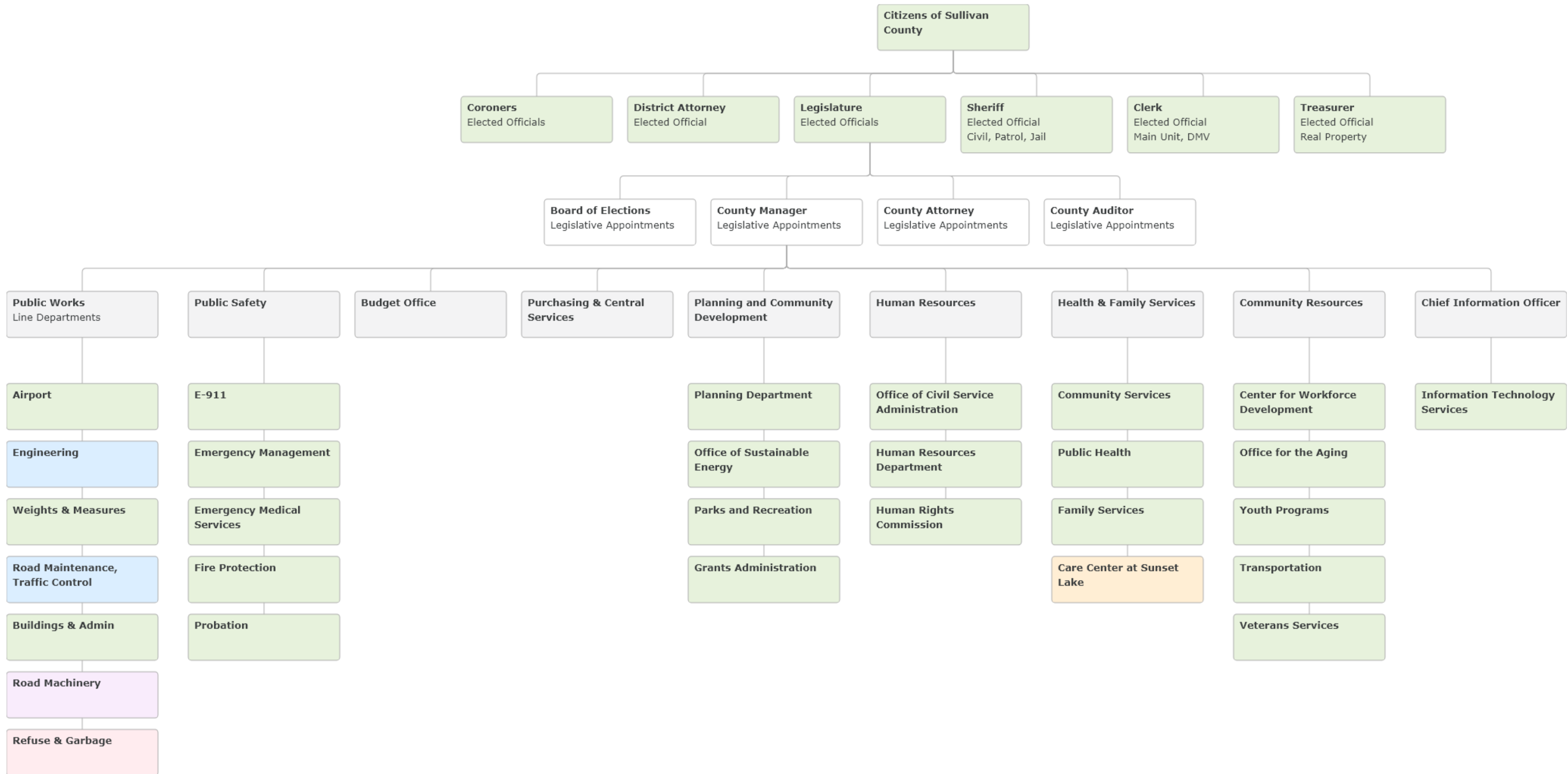
County Treasurer Nancy Buck
County Clerk Russell Reeves
District Attorney Meagan Galligan
Sheriff Michael A. Schiff
Coroner Albee Bockman
Coroner Elton Harris
Coroner Alan Kesten
Coroner Michael J. Speer

Legislature:

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

Appointed Officials:

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





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**County of Sullivan
New York**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

DRESCHER & MALECKI LLP

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INDEPENDENT AUDITORS' REPORT

The Honorable County Legislature of the
County of Sullivan, New York:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Sullivan, New York (the "County"), as of and for the year ended December 31, 2022 (with the Sullivan County Community College for the fiscal year ended August 31, 2022), and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2022 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Sunset Lake Local Development Corporation, the Sullivan Tobacco Asset Securitization Corporation, the Sullivan County Funding Corporation, the Sullivan County Infrastructure Local Development Corporation, or the Sullivan County Broadband Local Development Corporation, which represent 1.9 percent, 2.6 percent, 0.7 percent, 88.9 percent, and 0.0 percent, respectively, of the assets, and 0.0 percent, 7.2 percent, 1.6 percent, 40.1 percent, and 0.1 percent, respectively, of the revenues of the business-type activities. We did not audit the financial statements of the Sullivan County Community College, Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, or the Sullivan County Lank Bank Corporation, which represent 55.8 percent, 34.1 percent, 3.9 percent, and 3.3 percent, respectively, of the assets, and 81.7 percent, 4.6 percent, 0.3 percent, and 2.7 percent, respectively, of the program revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Sunset Lake Local Development Corporation, the Sullivan Tobacco Asset Securitization Corporation, the Sullivan County Funding Corporation, the Sullivan County Infrastructure Local Development Corporation, Sullivan County Community College, Sullivan County Industrial Development Agency, the Emerald Corporate Center Economic Development Corporation, and the Sullivan County Land Bank Corporation, is based solely on the reports of the other auditors.

Basis for Opinions

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

Other Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2022, the County implemented Governmental Accounting Standards Board (“GASB”) Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The County’s 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County’s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

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

Other Information Included in the Annual Report

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

Drescher & Malecki LLP

June 28, 2023

COUNTY OF SULLIVAN, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2022

As management of the County of Sullivan, New York (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative. For comparative purposes, certain items from the prior year have been reclassified to conform with the current year presentation.

Financial Highlights

- The liabilities and deferred inflows of resources of the County's primary government exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$106,649,240 (*net position*). Of this amount \$(37,632,230) represents governmental activities net position and \$(69,017,010) represents business-type activities net position.
- The County's primary government total net position increased \$50,677,711 during the year ended December 31, 2022. Net position increased \$55,903,494 for governmental activities and decreased \$5,225,783 for business-type activities.
- At the end of the current fiscal year, the County's governmental funds reported a combined ending fund balance of \$87,292,928, an increase of \$27,612,007 in comparison with the prior year's fund balance of \$59,680,921. This increase is primarily due to an increase in sales tax collections and federal aid in comparison to the prior year.
- At the end of the current fiscal year, *unassigned fund balance* for the General Fund was \$15,766,681, or 7.2 percent of total General Fund expenditures and transfers out. This amount constitutes approximately 21.3 percent of the General Fund's total fund balance of \$74,158,560 at December 31, 2022, and is available for spending per the County's policy on fund balance.
- The County's governmental activities net bonded indebtedness decreased by \$9,315,000 as a result of scheduled principal payments.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all, or a significant portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services. The business-type activities of the County include the Sullivan County Adult Care Center, a skilled nursing facility, the Sunset Lake Local Development Corporation ("SLLDC"), the Sullivan County Tobacco Asset Securitization Corporation ("STASC"), the Sullivan County Funding Corporation ("SCFC"), the Sullivan County Infrastructure Local Development Corporation ("ILDC"), and the Sullivan Broadband Local Development Corporation ("BLDC").

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

The government-wide financial statements can be found on pages 29-30 of this report.

Fund financial statements—A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and the fiduciary fund.

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

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

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

The basic governmental fund financial statements can be found on pages 31-34 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Adult Care Center, the SLLDC, the STASC, the SCFC, the ILDC, and the BLDC, all of which are considered to be major funds of the County. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 35-38 of this report.

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

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

The Fiduciary Fund financial statements can be found on pages 39-40 of this report.

Component units—As discussed above, component units are legally separate entities for which the County is financially accountable. The component units addressed above are reported in the aggregate in the government-wide financial statements. The combining statements can be found on pages 41-42 of this report.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-96 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the changes in the County's other post-employment benefits obligation, the County's net pension liability/(asset), and the County's budgetary comparisons for the General, County Road, and Refuse and Garbage funds. Required supplementary information and the related notes to the required supplementary information can be found on pages 97-106 of this report.

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

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

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government’s financial position. In the case of the County’s primary government, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$106,649,240 at the close of the most recent fiscal year, as compared to \$157,326,951 (as restated), at the close of the fiscal year ended December 31, 2021.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 185,392,390	\$ 152,380,324	\$ (4,217,346)	\$ (2,504,927)	\$ 181,175,044	\$ 149,875,397
Capital assets	275,652,871	269,074,989	83,459,041	86,478,111	359,111,912	355,553,100
Total assets	461,045,261	421,455,313	79,241,695	83,973,184	540,286,956	505,428,497
Deferred outflows of resources	104,392,868	101,201,485	14,592,364	15,809,986	118,985,232	117,011,471
Current liabilities	56,070,834	65,050,735	2,483,857	1,949,044	58,554,691	66,999,779
Noncurrent liabilities	344,220,993	432,001,018	139,791,866	151,088,871	484,012,859	583,089,889
Total liabilities	400,291,827	497,051,753	142,275,723	153,037,915	542,567,550	650,089,668
Deferred inflows of resources	202,778,532	119,164,542	20,575,346	11,215,626	223,353,878	130,380,168
Net position:						
Net investment in capital assets	154,823,463	136,846,516	(8,518,677)	(15,663,485)	146,304,786	121,183,031
Restricted	4,621,385	1,842,885	-	-	4,621,385	1,842,885
Unrestricted	(197,077,078)	(232,225,125)	(60,498,333)	(48,127,742)	(257,575,411)	(280,352,867)
Total net position	\$ (37,632,230)	\$ (93,535,724)	\$ (69,017,010)	\$ (63,791,227)	\$ (106,649,240)	\$ (157,326,951)

The largest positive portion of the County’s primary government net position, \$146,304,786, reflects its net investment in capital assets (e.g. land, buildings, machinery, equipment, and infrastructure), net of accumulated depreciation, less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position, \$4,621,385, represents resources that are subject to external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining component of the County’s net position, \$(257,575,411), represents unrestricted net position. This deficit does not mean that the County does not have resources available to meet its obligations in the ensuing year. Rather it reflects liabilities not related to the County’s capital assets and are not expected to be repaid from current resources. These long-term liabilities, including landfill post-closure costs, compensated absences, other post-employment benefits (“OPEB”) obligations, claims payable, and net pension liability, are funded annually within the funds.

Table 2, as presented below, shows the changes in net position for the years ended December 31, 2022 and December 31, 2021.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>Year Ended December 31,</u>		<u>Year Ended December 31,</u>		<u>Year Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues:						
Program revenues:						
Charges for services	\$ 35,932,229	\$ 34,419,471	\$ 16,975,673	\$ 17,540,464	\$ 52,907,902	\$ 51,959,935
Operating grants and contributions	48,923,554	41,782,968	-	2,583,898	48,923,554	44,366,866
Capital grants and contributions	12,592,042	8,733,543	-	-	12,592,042	8,733,543
General revenues:						
Property taxes	72,276,595	68,358,963	-	-	72,276,595	68,358,963
Property tax items	11,646,192	7,386,285	-	-	11,646,192	7,386,285
Sales tax	70,552,668	65,069,481	-	-	70,552,668	65,069,481
Other nonproperty tax items	6,640,230	5,898,063	-	-	6,640,230	5,898,063
Use of money and property	738,827	297,941	119,756	62,112	858,583	360,053
Sale of property and compensation for loss	1,339,984	1,322,636	-	-	1,339,984	1,322,636
Miscellaneous	4,192,424	3,925,633	1,626,189	2,194,780	5,818,613	6,120,413
Total revenues	<u>264,834,745</u>	<u>237,194,984</u>	<u>18,721,618</u>	<u>22,381,254</u>	<u>283,556,363</u>	<u>259,576,238</u>
Expenses:						
General government support	45,840,640	36,386,184	-	-	45,840,640	36,386,184
Education	5,347,952	5,720,075	-	-	5,347,952	5,720,075
Public safety	33,570,623	32,379,222	-	-	33,570,623	32,379,222
Health	22,766,590	24,960,512	-	-	22,766,590	24,960,512
Transportation	25,576,272	24,303,352	-	-	25,576,272	24,303,352
Economic assistance and opportunity	55,062,763	53,654,010	-	-	55,062,763	53,654,010
Culture and recreation	3,338,516	3,223,714	-	-	3,338,516	3,223,714
Home and community services	12,101,224	10,783,761	-	-	12,101,224	10,783,761
Interest and other fiscal charges	3,604,911	4,554,329	-	-	3,604,911	4,554,329
Adult Care Center	-	-	15,518,540	17,541,436	15,518,540	17,541,436
SSLDC	-	-	520,639	625,632	520,639	625,632
STASC	-	-	618,019	635,092	618,019	635,092
Funding Corporation	-	-	66,874	85,814	66,874	85,814
ILDC	-	-	8,926,650	9,001,399	8,926,650	9,001,399
BLDC	-	-	18,439	2,162	18,439	2,162
Total expenses	<u>207,209,491</u>	<u>195,965,159</u>	<u>25,669,161</u>	<u>27,891,535</u>	<u>232,878,652</u>	<u>223,856,694</u>
Transfers	<u>(1,721,760)</u>	<u>-</u>	<u>1,721,760</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	55,903,494	41,229,825	(5,225,783)	(5,510,281)	50,677,711	35,719,544
Net position—beginning	(93,535,724)	(134,789,322)	(63,791,227)	(58,960,090)	(157,326,951)	(193,749,412)
Restatements	-	23,773	-	679,144	-	702,917
Net position—ending	<u>\$ (37,632,230)</u>	<u>\$ (93,535,724)</u>	<u>\$ (69,017,010)</u>	<u>\$ (63,791,227)</u>	<u>\$ (106,649,240)</u>	<u>\$ (157,326,951)</u>

Governmental activities—Governmental activities increased the County’s net position by \$55,903,494. The largest funding sources for the County’s governmental activities, as a percent of total revenues, are property taxes which comprised 27.2 percent, sales tax which comprised 26.6 percent, and operating grants and contributions which comprised 18.4 percent.

The largest expense categories as a percent of total expenses for the County’s governmental activities are economic assistance and opportunity which comprised 26.6 percent, general government support which comprised 22.1 percent and public safety which comprised 16.2 percent.

Significant changes from 2021 to 2022 in revenues and expenses for the County include the following:

- Total revenues increased \$28,238,945 primarily due to an approximate increase in sales tax revenue of 8.4 percent due to increased economic activity as a result of online sales and businesses re-opening as the COVID-19 pandemic began slowing down. Additionally, the County realized increases in property tax revenue due to a tax rate increase of 3.83% from the prior year.
- Total expenses increased \$11,244,332 from the prior year, primarily attributed to increases in general government support expenditures which resulted from increases in personnel services, contractual expenditures for various improvements throughout the County and re-distribution of sales tax collections. Additionally, the County incurred expenditures related to the re-distribution of room occupancy taxes.

Business-type activities—Business-type activities decreased the County’s net position by \$5,225,783. The majority of the change can be attributed to the Adult Care Center, in the amount of \$4,076,238. Operating grants and contributions revenues decreased from the prior year primarily due to a decrease in receipt of pandemic relief funding and intergovernmental transfer revenue. Additionally, the continuing impact of personnel and benefits costs to operate the facility presents operating challenges. The SLLDC, SCFC and ILDC net position decreased by \$78,982, \$373,249 and \$1,418,679, respectively. Net position of the STASC and BLDC increased by \$721,286 and \$79, respectively.

Financial Analysis of Governmental Funds

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

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

At December 31, 2022, the County’s governmental funds reported combined ending fund balances of \$87,292,928, an increase of \$27,612,007 in comparison with the prior year. Approximately 18.1 percent of this amount, \$15,766,681, constitutes *unassigned fund balance*, which is available for spending per the County’s fund balance policy. The remainder of fund balance is either *nonspendable*, *restricted*, or *assigned* to indicate that it is: (1) not in spendable form, \$17,061,172, (2) restricted for particular purposes, \$5,111,165, or (3) assigned for particular purposes, \$49,353,910.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, *unassigned fund balance* of the General Fund was \$15,766,681, while total fund balance increased to \$74,158,560. Total fund balance in the General Fund increased \$19,636,261 as a result of increases in sales tax and room occupancy taxes due to increased economic activity, as well as increases within property taxes, property tax items and operating grants.

As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to the total General Fund expenditures and transfers out. Unassigned fund balance represents approximately 7.2 percent of the total General Fund expenditures and transfers out, while total fund balance represents approximately 34.0 percent of that same amount.

The fund balance in the County Road Fund increased \$377,945 from the prior year ended December 31, 2021, primarily due to increases in federal aid outpacing transportation and paving costs. The ending fund balance in the County Road Fund was \$3,538,809.

The fund balance in the Refuse and Garbage Fund decreased \$1,119,788 from the prior year ended December 31, 2021, due to charges for services being outpaced by increasing operating and contractual expenditures related to solid waste activities. The ending fund balance in the Refuse and Garbage Fund was \$3,593,172, of which \$3,588,664 represents amounts assigned for specific use and is available for spending towards this fund's activities.

The fund balance in the Capital Projects Fund increased \$7,916,814 from the prior year ended December 31, 2021, due to state and federal aid and other financing sources exceeding capital outlay. The County's Capital Projects Fund ending fund balance was \$2,029,579, restricted for future capital projects.

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

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

The Internal Service Fund is used to account for the County's self-insurance programs, including workers' compensation benefits and dental. The total net position at the end of the fiscal year was \$2,113,670. This represents an increase to net position of \$527,380, primarily due to charges for services exceeding claims expenses.

General Fund Budgetary Highlights

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

A summary of the General Fund results of operations for the year ended December 31, 2022 is presented in Table 3 on the following page.

Table 3—General Fund Budget

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues and other financing sources	\$ 208,169,551	\$ 216,089,669	\$ 237,780,769	\$ 21,691,100
Expenditures and other financing uses	218,838,545	228,160,404	218,144,508	10,015,896
Excess (deficiency) of revenues over expenditures and other financing uses	\$ (10,668,994)	\$ (12,070,735)	\$ 19,636,261	\$ 31,706,996

Original budget compared to final budget—During the year, the County’s budgeted revenues and appropriations were amended to primarily adjust for increases in non-property tax items and transfers out. Additionally, general government support expenditures increased related to the distribution of sales tax collections.

Final budget compared to actual results—The General Fund had transfers out over final budget of \$2,138,709 for capital projects. The General Fund recognized budget savings of \$31,706,996 due primarily to positive variances realized in economic assistance and opportunity and general government support expenditures. This was the result of savings realized within various federal-funded assistance programs as well as personnel and employee benefits costs.

Capital Assets and Debt Administration

Capital assets—The County’s investment in capital assets for its governmental and business-type activities as of December 31, 2022 amounts to \$359,111,912 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, infrastructure, and machinery and equipment. All depreciable capital assets were depreciated from acquisition date to the end of the current year as outlined in the County’s capital asset policy.

Capital assets net of depreciation for the governmental activities and business-type activities at December 31, 2022 and December 31, 2021 are presented in Table 4 below:

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2022	2021 (as restated)	2022	2021	2022	2021
Land	\$ 8,950,181	\$ 8,798,880	\$ 44,800	\$ 364,600	\$ 8,994,981	\$ 9,163,480
Construction in progress	13,833,035	4,667,373	-	38,540	13,833,035	4,705,913
Land improvements	4,473,950	4,869,616	513,193	513,193	4,987,143	5,382,809
Buildings and improvements	107,687,770	109,965,348	580,200	609,164	108,267,970	110,574,512
Machinery and equipment	9,126,257	11,426,039	183,741	261,784	9,309,998	11,687,823
Infrastructure	128,634,745	128,244,505	82,137,107	85,369,974	210,771,852	213,614,479
Right-to-use assets	2,946,933	3,209,417	-	-	2,946,933	3,209,417
Total	\$ 275,652,871	\$ 271,181,178	\$ 83,459,041	\$ 87,157,255	\$ 359,111,912	\$ 358,338,433

Significant changes in capital assets from 2021 to 2022 include:

- At December 31, 2021, governmental activities capital assets were restated to include right-to-use assets for \$3,209,417 as a result of implementation of GASB Statement No. 87, *Leases*.

- Increase in construction in progress of \$9,165,662 related to ongoing building improvement projects throughout the County.

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

Long-term debt—At December 31, 2022, The County has approximately \$237.6 million in net bonded debt for its governmental and business-type activities. This includes general obligation issued by the County itself, tobacco settlement bonds issued by the STASC, and revenue bonds issued by the ILDC.

A summary of the County’s long-term liabilities at December 31, 2022 and December 31, 2021 is presented in Table 8 below:

Table 8—Summary of Long-Term Liabilities

	Governmental Activities		Business-type Activities		Total Primary Government	
	December 31,		December 31,		December 31,	
	2022	2021 (as restated)	2022	2021	2022	2021
General obligation bonds	\$ 115,690,000	\$ 125,005,000	\$ -	\$ -	\$ 115,690,000	\$ 125,005,000
Premium on bonds	2,452,200	2,814,059	-	-	2,452,200	2,814,059
Tobacco settlement bonds	-	-	14,305,000	14,850,000	14,305,000	14,850,000
Premium on bonds - STASC	-	-	1,100,708	1,158,639	1,100,708	1,158,639
Revenue bonds	-	-	104,905,000	106,710,000	104,905,000	106,710,000
Discount on bonds	-	-	(816,783)	(864,953)	(816,783)	(864,953)
Landfill post-closure costs	5,456,734	9,644,042	-	-	5,456,734	9,644,042
Lease liability	2,951,966	3,185,644	-	-	2,951,966	3,185,644
Compensated absences	3,652,885	3,677,090	247,809	293,437	3,900,694	3,970,527
Other postemployment benefits	198,218,850	273,861,836	20,050,132	28,917,102	218,268,982	302,778,938
Claims payable	15,798,358	15,680,775	-	-	15,798,358	15,680,775
Net pension liability	-	214,988	-	24,646	-	239,634
Total	\$ 344,220,993	\$ 434,083,434	\$ 139,791,866	\$ 151,088,871	\$ 484,012,859	\$ 585,172,305

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

The New York State Constitution limits the amount of indebtedness, both long-term and short-term which the County may incur. The State Constitution provides that the County may not contract indebtedness in an amount greater than seven percent of the average full value of taxable real property in the County for the most recent five years. Certain indebtedness is excluded in ascertaining the County’s authority to contract indebtedness with the constitutional limits; accordingly, debt of this kind, commonly referred to as “excluded debt”, may be issued without regard to the constitutional limits and without affecting the County’s authority to issue debt subject to the limit. At December 31, 2022, the County of Sullivan had used \$118,641,966 or 20.3% of the constitutional debt limit leaving \$465,507,985 remaining to be used.

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

Economic Factors and Next Year's Budget

According to the New York State Department of Labor, the unemployment rate for the County of Sullivan was 2.8 percent in December 31, 2022, down from 3.1 percent in 2021. The County's December 2022 unemployment rate was less than the State-wide rate of 4.3 percent.

Labor Department data also indicates that the number of people employed in the County increased by 1.5 percent, from an average of 35,100 to 35,500 between 2021 and 2022, respectively.

The County's 2022 per capita income of \$53,874 is 69.0% of the State's \$78,089. The taxable assessed value of real property in the County increased from \$5,623,050,781 in 2021 to \$5,664,467,254 in 2022, with the median sales price of residential properties increasing from \$200,000 in 2021 to \$260,000 in 2022.

All of these factors were taken into consideration in developing the fiscal 2023 budget.

Requests for Information

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

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COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position
December 31, 2022

	Primary Government			Total
	Governmental Activities	Business-type Activities	Total	Discretely Presented Component Units
ASSETS				
Cash and cash equivalents	\$ 67,240,948	\$ 2,697,814	\$ 69,938,762	\$ 10,629,463
Restricted cash and cash equivalents	7,428,520	365,935	7,794,455	2,509,611
Resident trust cash	-	230,700	230,700	-
Restricted Investments	-	4,810,325	4,810,325	1,499,143
Receivables (net of allowances):				
Taxes	28,274,072	-	28,274,072	-
Accounts receivable	23,958,113	1,579,268	25,537,381	3,275,517
Notes receivable	-	189,147	189,147	216,093
Loans receivable	163,027	-	163,027	419,625
Lease receivable	684,464	-	684,464	1,046,787
Intergovernmental receivables	24,470,289	1,185,000	25,655,289	61,370
Internal balances	17,061,172	(17,061,172)	-	-
Inventories	-	125,166	125,166	-
Prepaid items	100,000	80,040	180,040	241,074
Net pension asset	16,011,785	1,580,431	17,592,216	1,066,202
Capital assets, not being depreciated	22,783,216	44,800	22,828,016	2,352,945
Capital assets, net of accumulated depreciation	252,869,655	83,414,241	336,283,896	14,198,335
Total assets	<u>461,045,261</u>	<u>79,241,695</u>	<u>540,286,956</u>	<u>37,516,165</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	179,369	179,369	-
Deferred outflows—relating to pensions	34,512,814	3,406,561	37,919,375	2,834,274
Deferred outflows—relating to OPEB	69,880,054	11,006,434	80,886,488	2,176,573
Total deferred outflows of resources	<u>104,392,868</u>	<u>14,592,364</u>	<u>118,985,232</u>	<u>5,010,847</u>
LIABILITIES				
Accounts payable	17,953,459	1,118,919	19,072,378	8,307,526
Accrued liabilities	13,596,001	1,134,238	14,730,239	774,082
Intergovernmental payables	16,048,636	-	16,048,636	2,255,408
Due to retirement system	6,001,734	-	6,001,734	-
Unearned revenue	2,471,004	-	2,471,004	2,074,613
Deposits payable	-	230,700	230,700	51,186
Other liabilities	-	-	-	357,190
Noncurrent liabilities:				
Due within one year	11,610,676	2,447,809	14,058,485	790,471
Due in more than one year	332,610,317	137,344,057	469,954,374	43,286,290
Total liabilities	<u>400,291,827</u>	<u>142,275,723</u>	<u>542,567,550</u>	<u>57,896,766</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows—relating to tuition	-	-	-	192,327
Deferred inflows—relating to pensions	58,105,841	5,735,292	63,841,133	3,925,534
Deferred inflows—relating to OPEB	144,007,485	14,840,054	158,847,539	13,479,125
Deferred inflows—relating to leases	665,206	-	665,206	775,426
Total deferred inflows of resources	<u>202,778,532</u>	<u>20,575,346</u>	<u>223,353,878</u>	<u>18,372,412</u>
NET POSITION				
Net investment in capital assets	154,823,463	(8,518,677)	146,304,786	9,296,539
Restricted for:				
Grants and loans	-	-	-	3,539,946
Law enforcement	400,417	-	400,417	-
Opioid settlement funds	930,211	-	930,211	-
Debt service	58,410	-	58,410	-
Dental benefits	570,417	-	570,417	-
Room tax	789,941	-	789,941	-
Capital projects	969,382	-	969,382	-
Community Development	902,607	-	902,607	-
Unrestricted	<u>(197,077,078)</u>	<u>(60,498,333)</u>	<u>(257,575,411)</u>	<u>(46,578,651)</u>
Total net position	<u>\$ (37,632,230)</u>	<u>\$ (69,017,010)</u>	<u>\$ (106,649,240)</u>	<u>\$ (33,742,166)</u>

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Activities
Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Total Discretely Presented Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental activities:								
General government support	\$ 45,840,640	\$ 15,014,677	\$ 1,713,979	\$ -	\$ (29,111,984)	\$ -	\$ (29,111,984)	\$ -
Education	5,347,952	-	-	2,425,264	(2,922,688)	-	(2,922,688)	-
Public safety	33,570,623	1,818,865	1,314,503	14,666	(30,422,589)	-	(30,422,589)	-
Health	22,766,590	5,232,413	11,156,956	-	(6,377,221)	-	(6,377,221)	-
Transportation	25,576,272	1,490,773	396,481	10,152,112	(13,536,906)	-	(13,536,906)	-
Economic assistance and opportunity	55,062,763	2,103,614	22,302,310	-	(30,656,839)	-	(30,656,839)	-
Culture and recreation	3,338,516	67,950	1,901,747	-	(1,368,819)	-	(1,368,819)	-
Home and community services	12,101,224	10,203,937	10,137,578	-	8,240,291	-	8,240,291	-
Interest and other fiscal charges	3,604,911	-	-	-	(3,604,911)	-	(3,604,911)	-
Total governmental activities	207,209,491	35,932,229	48,923,554	12,592,042	(109,761,666)	-	(109,761,666)	-
Business-type activities:								
Adult Care Center	15,518,540	9,561,182	-	-	-	(5,957,358)	(5,957,358)	-
Sunset Lake LDC	520,639	-	-	-	-	(520,639)	(520,639)	-
STASC	618,019	-	-	-	-	(618,019)	(618,019)	-
SCFC	66,874	6,677	-	-	-	(60,197)	(60,197)	-
ILDC	8,926,650	7,407,814	-	-	-	(1,518,836)	(1,518,836)	-
BLDC	18,439	-	-	-	-	(18,439)	(18,439)	-
Total business-type activities	25,669,161	16,975,673	-	-	-	(8,693,488)	(8,693,488)	-
Total primary government	\$ 232,878,652	\$ 52,907,902	\$ 48,923,554	\$ 12,592,042	(109,761,666)	(8,693,488)	(118,455,154)	-
Component units:								
Total discretely presented component units	\$ 25,365,964	\$ 6,181,834	\$ 19,075,712	\$ -				(108,418)
General revenues:								
Property taxes					72,276,595	-	72,276,595	-
Property tax items					11,646,192	-	11,646,192	-
Sales tax					70,552,668	-	70,552,668	-
Other nonproperty tax items					6,640,230	-	6,640,230	-
Use of money and property					738,827	119,756	858,583	(189,512)
Sale of property and compensation for loss					1,339,984	-	1,339,984	-
Miscellaneous					4,192,424	1,626,189	5,818,613	844,993
Transfers					(1,721,760)	1,721,760	-	-
Total general revenues and transfers					165,665,160	3,467,705	169,132,865	655,481
Change in net position					55,903,494	(5,225,783)	50,677,711	547,063
Net position—beginning, as restated					(93,535,724)	(63,791,227)	(157,326,951)	(34,289,229)
Net position—ending					\$ (37,632,230)	\$ (69,017,010)	\$ (106,649,240)	\$ (33,742,166)

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

COUNTY OF SULLIVAN, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2022

	General	Special Revenue		Capital Projects	Total Nonmajor Funds	Total Governmental Funds
		County Road	Refuse and Garbage			
ASSETS						
Cash and cash equivalents	\$ 57,451,742	\$ 7,592,214	\$ 1,500,155	\$ -	\$ 116,864	\$ 66,660,975
Restricted cash and cash equivalents	4,401,505	6,801	4,508	1,706,351	754,679	6,873,844
Receivables (net of allowances):						
Taxes	28,274,072	-	-	-	-	28,274,072
Accounts receivable	16,619,680	10,730	453,865	-	8,757	17,093,032
Loans receivable	-	-	-	-	163,027	163,027
Lease receivable	684,464	-	-	-	-	684,464
Intergovernmental receivables	20,516,896	2,045,751	74,090	1,833,552	-	24,470,289
Due from other funds	21,581,095	539	2,392,757	-	3,195,633	27,170,024
Prepaid items	-	-	-	-	-	-
Total assets	<u>\$ 149,529,454</u>	<u>\$ 9,656,035</u>	<u>\$ 4,425,375</u>	<u>\$ 3,539,903</u>	<u>\$ 4,238,960</u>	<u>\$ 171,389,727</u>
LIABILITIES						
Accounts payable	\$ 14,380,192	\$ 1,905,120	\$ 725,374	\$ 795,439	\$ 147,334	\$ 17,953,459
Accrued liabilities	12,180,209	408,261	106,809	-	118,787	12,814,066
Intergovernmental payables	16,048,636	-	-	-	-	16,048,636
Due to retirement system	6,001,734	-	-	-	-	6,001,734
Due to other funds	15,721,038	3,803,845	20	714,885	31	20,239,819
Unearned revenue	2,246,914	-	-	-	-	2,246,914
Total liabilities	<u>66,578,723</u>	<u>6,117,226</u>	<u>832,203</u>	<u>1,510,324</u>	<u>266,152</u>	<u>75,304,628</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue—property taxes	8,126,965	-	-	-	-	8,126,965
Deferred inflows—relating to leases	665,206	-	-	-	-	665,206
Total deferred inflows of resources	<u>8,792,171</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,792,171</u>
FUND BALANCES (DEFICIT)						
Nonspendable	17,061,172	-	-	-	-	17,061,172
Restricted	2,154,591	6,801	4,508	2,029,579	915,686	5,111,165
Assigned	39,176,116	3,532,008	3,588,664	-	3,057,122	49,353,910
Unassigned	15,766,681	-	-	-	-	15,766,681
Total fund balances (deficit)	<u>74,158,560</u>	<u>3,538,809</u>	<u>3,593,172</u>	<u>2,029,579</u>	<u>3,972,808</u>	<u>87,292,928</u>
Total liabilities, deferred inflows of resources, and fund balances (deficit)	<u>\$ 149,529,454</u>	<u>\$ 9,656,035</u>	<u>\$ 4,425,375</u>	<u>\$ 3,539,903</u>	<u>\$ 4,238,960</u>	<u>\$ 171,389,727</u>

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

COUNTY OF SULLIVAN, NEW YORK
Reconciliation of the Balance Sheet—
Governmental Funds to the Government-wide Statement of Net Position
December 31, 2022

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

Total fund balances (deficit)—governmental funds (page 31)		\$ 87,292,928
Net pension assets are not current financial resources and, therefore, are not reporting in the fund statements.		16,011,785
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. The cost of the assets is \$555,728,891 and the accumulated depreciation is \$280,076,020.		275,652,871
Real property taxes not collected within 60 days of year end are reported as deferred inflows of resources in the fund statements, but are recognized on the accrual basis for government-wide statements.		8,126,965
Internal service funds are used by the County to charge the costs of workers' compensation and dental benefits to individual funds. Assets in excess of liabilities of the internal service funds are included within governmental activities on the statement of net position.		2,113,670
Deferred outflows and inflows of resources related to pensions and other postemployment benefits ("OPEB") are applicable to future periods and, therefore, are not reported in the funds:		
Deferred outflows related to employer contributions	\$ 5,110,640	
Deferred outflows related to experience, changes in assumptions, investment earnings, and changes in proportion	29,402,174	
Deferred inflows of resources related to pensions	(58,105,841)	
Deferred outflows related to OPEB liability	69,880,054	
Deferred inflows related to OPEB liability	<u>(144,007,485)</u>	(97,720,458)
Net accrued interest expense for general obligation bonds is not reported in the funds.		(561,022)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
General obligation bonds	\$ (115,690,000)	
Premiums on bonds	(2,452,200)	
Landfill post-closure costs	(5,456,734)	
Lease liability	(2,951,966)	
Compensated absences	(3,652,885)	
OPEB obligation	(198,218,850)	
Claims payable	<u>(126,334)</u>	<u>(328,548,969)</u>
Net position of governmental activities		<u>\$ (37,632,230)</u>

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—Governmental Funds
Year Ended December 31, 2022

	General	Special Revenue			Total Nonmajor Funds	Total Governmental Funds
		County Road	Refuse and Garbage	Capital Projects		
REVENUES						
Real property taxes	\$ 73,704,140	\$ -	\$ -	\$ -	\$ -	\$ 73,704,140
Other property tax items	11,646,192	-	-	-	-	11,646,192
Non property tax items	77,192,898	-	-	-	-	77,192,898
Departmental income	16,554,913	-	10,136,020	-	989,224	27,680,157
Intergovernmental charges	707,681	100,933	-	-	-	808,614
Licenses and permits	3,261,051	2,300	-	-	-	3,263,351
Fines and forfeitures	277,760	-	-	-	-	277,760
Use of money and property Sale of property and compensation for loss	711,237	2,007	1,396	313	21,641	736,594
Miscellaneous	743,141	-	285,382	-	130,656	1,159,179
State aid	1,760,704	1,000	2,496,660	-	6,418	4,264,782
Federal aid	24,479,638	5,752,494	74,090	2,866,473	-	33,172,695
	25,571,060	3,151,300	-	744,165	632,103	30,098,628
Total revenues	<u>236,610,415</u>	<u>9,010,034</u>	<u>12,993,548</u>	<u>3,610,951</u>	<u>1,780,042</u>	<u>264,004,990</u>
EXPENDITURES						
Current:						
General government support	42,468,682	-	-	-	-	42,468,682
Education	5,475,911	-	-	-	-	5,475,911
Public safety	32,000,675	965,934	-	-	-	32,966,609
Health	23,660,274	-	-	-	-	23,660,274
Transportation	2,728,556	24,163,730	-	-	5,795,199	32,687,485
Economic assistance and opportunity	57,360,827	-	-	-	-	57,360,827
Culture and recreation	3,385,710	-	-	-	-	3,385,710
Home and community services	3,084,760	-	12,028,118	-	412,640	15,525,518
Debt service:						
Principal	655,053	-	-	-	9,315,000	9,970,053
Interest and other fiscal charges	208,488	106,300	-	-	3,871,498	4,186,286
Capital outlay	-	-	-	7,405,243	-	7,405,243
Total expenditures	<u>171,028,936</u>	<u>25,235,964</u>	<u>12,028,118</u>	<u>7,405,243</u>	<u>19,394,337</u>	<u>235,092,598</u>
Excess (deficiency) of revenues over expenditures	65,581,479	(16,225,930)	965,430	(3,794,292)	(17,614,295)	28,912,392
OTHER FINANCING SOURCES (USES)						
Transfers in	748,979	27,390,818	-	11,711,106	19,633,799	59,484,702
Transfers out	(47,115,572)	(10,786,943)	(2,085,218)	-	(1,218,729)	(61,206,462)
Issuance of leases	421,375	-	-	-	-	421,375
Total other financing sources (uses)	<u>(45,945,218)</u>	<u>16,603,875</u>	<u>(2,085,218)</u>	<u>11,711,106</u>	<u>18,415,070</u>	<u>(1,300,385)</u>
Net change in fund balances (deficit)	19,636,261	377,945	(1,119,788)	7,916,814	800,775	27,612,007
Fund balances (deficit)—beginning	54,522,299	3,160,864	4,712,960	(5,887,235)	3,172,033	59,680,921
Fund balances (deficit)—ending	<u>\$ 74,158,560</u>	<u>\$ 3,538,809</u>	<u>\$ 3,593,172</u>	<u>\$ 2,029,579</u>	<u>\$ 3,972,808</u>	<u>\$ 87,292,928</u>

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

COUNTY OF SULLIVAN, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)—
Governmental Funds to the Government-wide Statement of Activities
Year Ended December 31, 2022

Amounts reported for governmental activities in the statement of activities (page 30) are different because:

Net change in fund balances—total governmental funds (page 33) \$ 27,612,007

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

Capital asset additions	\$ 23,247,852	
Depreciation expense	(18,788,714)	
Gain on disposition	<u>12,555</u>	4,471,693

Governmental funds recognize real property taxes only if collected within 60 days after the end of the fiscal year; however, the government-wide statements recognize revenue on a full accrual basis. (3,280,476)

Internal service funds are used by management to charge the costs of workers' compensation and dental benefits to individual funds. The change in net position of the internal service funds is reported within governmental activities. 527,380

For refunding bonds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred charge on the government-wide statements and recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. (50,001)

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

Direct pension contributions	\$ 7,068,751	
Cost of benefits earned net of employee contributions	<u>(110,402)</u>	6,958,349

Deferred outflows and inflows of resources relating to OPEB result from actuarial changes in the census, changes in medical premiums that are different than expected healthcare cost trend rates, and changes in assumptions and other inputs. This amount is shown net of current year amortization. (70,438,976)

In the statement of activities, interest expense is recognized as it accrues, regardless of when it is paid. 269,517

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

Repayment of general obligation bonds	9,315,000	
Amortization of bond premiums	361,859	
Change in landfill post-closure costs	4,187,308	
Leases issued	(421,375)	
Repayment of capital leases	655,053	
Change in compensated absences	24,205	
Change in OPEB obligation	75,642,986	
Change in claims payable	<u>68,965</u>	<u>89,834,001</u>

Change in net position of governmental activities \$ 55,903,494

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Net Position—Proprietary Funds
December 31, 2022

	Business-type Activities						Governmental	
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC	Total Internal Service Funds	
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 1,887,485	\$ 100,090	\$ 218,962	\$ 430,752	\$ 42,385	\$ 18,140	\$ 2,697,814	\$ 579,973
Restricted cash and cash equivalents	-	-	1,498	-	364,437	-	365,935	554,676
Resident trust cash	230,700	-	-	-	-	-	230,700	-
Investments	-	-	1,106,522	-	3,703,803	-	4,810,325	-
Accounts receivable, net of allowances	1,566,042	-	-	526	12,700	-	1,579,268	6,865,081
Notes receivable	-	-	-	189,147	-	-	189,147	-
Intergovernmental receivables	-	-	1,185,000	-	-	-	1,185,000	-
Due from other funds	-	-	-	-	-	-	-	10,132,867
Inventories	125,166	-	-	-	-	-	125,166	-
Prepaid items	63,922	-	4,285	7,056	-	4,777	80,040	100,000
Total current assets	<u>3,873,315</u>	<u>100,090</u>	<u>2,516,267</u>	<u>627,481</u>	<u>4,123,325</u>	<u>22,917</u>	<u>11,263,395</u>	<u>18,232,597</u>
Noncurrent assets:								
Net pension asset	1,580,431	-	-	-	-	-	1,580,431	-
Capital assets, not being depreciated	44,800	-	-	-	-	-	44,800	-
Capital assets, net of accumulated depreciation	<u>183,741</u>	<u>1,772,537</u>	<u>-</u>	<u>-</u>	<u>81,457,963</u>	<u>-</u>	<u>83,414,241</u>	<u>-</u>
Total noncurrent assets	<u>1,808,972</u>	<u>1,772,537</u>	<u>-</u>	<u>-</u>	<u>81,457,963</u>	<u>-</u>	<u>85,039,472</u>	<u>-</u>
Total assets	<u>5,682,287</u>	<u>1,872,627</u>	<u>2,516,267</u>	<u>627,481</u>	<u>85,581,288</u>	<u>22,917</u>	<u>96,302,867</u>	<u>18,232,597</u>
DEFERRED OUTFLOWS OF RESOURCES								
Deferred charge on refunding	-	-	179,369	-	-	-	179,369	-
Deferred outflows—relating to pensions	3,406,561	-	-	-	-	-	3,406,561	-
Deferred outflows—relating to OPEB	<u>11,006,434</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,006,434</u>	<u>-</u>
Total deferred outflows of resources	<u>14,412,995</u>	<u>-</u>	<u>179,369</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,592,364</u>	<u>-</u>
LIABILITIES								
Current liabilities:								
Accounts payable	906,575	189,664	-	19,609	3,071	-	1,118,919	-
Accrued liabilities	164,186	-	51,899	-	918,153	-	1,134,238	220,913
Due to other funds	17,061,172	-	-	-	-	-	17,061,172	1,900
Unearned revenue	-	-	-	-	-	-	-	224,090
Deposits payable	230,700	-	-	-	-	-	230,700	-
Current portion of noncurrent liabilities	<u>247,809</u>	<u>-</u>	<u>310,000</u>	<u>-</u>	<u>1,890,000</u>	<u>-</u>	<u>2,447,809</u>	<u>1,598,786</u>
Total current liabilities	<u>18,610,442</u>	<u>189,664</u>	<u>361,899</u>	<u>19,609</u>	<u>2,811,224</u>	<u>-</u>	<u>21,992,838</u>	<u>2,045,689</u>
Noncurrent liabilities:								
Due in more than one year	<u>20,050,132</u>	<u>-</u>	<u>15,095,708</u>	<u>-</u>	<u>102,198,217</u>	<u>-</u>	<u>137,344,057</u>	<u>14,073,238</u>
Total noncurrent liabilities	<u>20,050,132</u>	<u>-</u>	<u>15,095,708</u>	<u>-</u>	<u>102,198,217</u>	<u>-</u>	<u>137,344,057</u>	<u>14,073,238</u>
Total liabilities	<u>38,660,574</u>	<u>189,664</u>	<u>15,457,607</u>	<u>19,609</u>	<u>105,009,441</u>	<u>-</u>	<u>159,336,895</u>	<u>16,118,927</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows—relating to pensions	5,735,292	-	-	-	-	-	5,735,292	-
Deferred inflows—relating to OPEB	<u>14,840,054</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,840,054</u>	<u>-</u>
Total deferred inflows of resources	<u>20,575,346</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,575,346</u>	<u>-</u>
NET POSITION								
Net investment in capital assets	228,541	1,772,537	-	-	(10,519,755)	-	(8,518,677)	-
Restricted for:								
Dental benefits	-	-	-	-	-	-	-	570,417
Unrestricted	<u>(39,369,179)</u>	<u>(89,574)</u>	<u>(12,761,971)</u>	<u>607,872</u>	<u>(8,908,398)</u>	<u>22,917</u>	<u>(60,498,333)</u>	<u>1,543,253</u>
Total net position	<u>\$ (39,140,638)</u>	<u>\$ 1,682,963</u>	<u>\$ (12,761,971)</u>	<u>\$ 607,872</u>	<u>\$ (19,428,153)</u>	<u>\$ 22,917</u>	<u>\$ (69,017,010)</u>	<u>\$ 2,113,670</u>

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Revenues, Expenses and Changes in Net Position—Proprietary Funds
Year Ended December 31, 2022

	Business-type Activities						Total	Governmental Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC	Internal Service Funds	
Operating revenues:								
Net patient revenue	\$ 9,426,370	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,426,370	\$ -
Charges for services	134,812	-	-	6,677	7,407,814	-	7,549,303	3,902,346
Tobacco settlement revenues	-	-	1,321,721	-	-	-	1,321,721	-
Insurance recoveries	-	-	-	-	-	18,518	18,518	205,679
Total operating revenues	<u>9,561,182</u>	<u>-</u>	<u>1,321,721</u>	<u>6,677</u>	<u>7,407,814</u>	<u>18,518</u>	<u>18,315,912</u>	<u>4,108,025</u>
Operating expenses:								
Professional care of residents	4,898,209	-	-	-	-	-	4,898,209	-
Administrative and general services	6,651,176	451,235	35,025	66,874	63,744	18,439	7,286,493	-
Employee benefits	3,424,808	-	-	-	-	-	3,424,808	3,582,851
New York State cash assessment	486,788	-	-	-	-	-	486,788	-
Depreciation	57,559	69,404	-	-	3,232,867	-	3,359,830	-
Interest expense	-	-	-	-	-	-	-	-
Total operating expenses	<u>15,518,540</u>	<u>520,639</u>	<u>35,025</u>	<u>66,874</u>	<u>3,296,611</u>	<u>18,439</u>	<u>19,456,128</u>	<u>3,582,851</u>
Operating (loss) income	(5,957,358)	(520,639)	1,286,696	(60,197)	4,111,203	79	(1,140,216)	525,174
Nonoperating revenues (expenses):								
Other nonoperating revenue	-	-	-	285,950	-	-	285,950	-
Interest income	1,803	30	17,584	182	100,157	-	119,756	2,206
Loss on investment	-	-	-	-	-	-	-	-
Interest expense	-	-	(582,994)	-	(5,630,039)	-	(6,213,033)	-
Total nonoperating revenues (expenses)	<u>1,803</u>	<u>30</u>	<u>(565,410)</u>	<u>286,132</u>	<u>(5,529,882)</u>	<u>-</u>	<u>(5,807,327)</u>	<u>2,206</u>
Transfers (out) in	1,879,317	441,627	-	(599,184)	-	-	1,721,760	-
Change in net position	(4,076,238)	(78,982)	721,286	(373,249)	(1,418,679)	79	(5,225,783)	527,380
Net position—beginning, as restated	(35,064,400)	1,761,945	(13,483,257)	981,121	(18,009,474)	22,838	(63,791,227)	1,586,290
Net position—ending	<u>\$ (39,140,638)</u>	<u>\$ 1,682,963</u>	<u>\$ (12,761,971)</u>	<u>\$ 607,872</u>	<u>\$ (19,428,153)</u>	<u>\$ 22,917</u>	<u>\$ (69,017,010)</u>	<u>\$ 2,113,670</u>

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2022

	Business-type Activities						Total	Governmental Activities
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC	Internal Service Funds	
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from services provided	\$ 12,196,400	\$ -	\$ -	\$ 62,305	\$ 7,407,814	\$ -	\$ 19,666,519	\$ 3,845,590
Receipts from tobacco settlement revenues	-	-	1,215,215	-	-	-	1,215,215	-
Receipts from insurance recoveries	-	-	-	-	-	-	-	205,679
Payments to suppliers of contracted services	(1,748,267)	-	(35,204)	(53,571)	(63,178)	(18,622)	(1,918,842)	-
Payments to employees	(13,207,581)	-	-	-	-	-	(13,207,581)	-
Payments to insurance carriers and claimants	-	(439,727)	-	-	-	-	(439,727)	(3,445,383)
Receipts on behalf of other funds	-	-	-	-	-	18,518	18,518	(864,365)
Receipts (payments) from other operating revenue	134,812	-	-	-	-	-	134,812	-
Net cash provided by (used for) operating activities	<u>(2,624,636)</u>	<u>(439,727)</u>	<u>1,180,011</u>	<u>8,734</u>	<u>7,344,636</u>	<u>(104)</u>	<u>5,468,914</u>	<u>(258,479)</u>
CASH FLOWS FROM INVESTING ACTIVITIES								
Loss on investment	-	-	-	-	-	-	-	-
Proceeds from sale of property	-	-	-	625,000	-	-	625,000	-
Interest received	-	-	17,584	182	99,542	-	117,308	2,206
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>17,584</u>	<u>625,182</u>	<u>99,542</u>	<u>-</u>	<u>742,308</u>	<u>2,206</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Payments to/(from) County	1,879,317	441,627	-	(599,184)	-	-	1,721,760	508
Receipts from intergovernmental transfer	467,792	-	-	-	-	-	467,792	-
Receipts from Provider Relief Funds - CARES Act	-	-	-	-	-	-	-	-
Receipts from interest income	1,688	30	-	-	-	-	1,718	-
Principal payments on long-term debt	-	-	(545,000)	-	-	-	(545,000)	-
Interest paid	-	-	(633,225)	-	-	-	(633,225)	-
Net cash provided by (used for) noncapital financing activities	<u>2,348,797</u>	<u>441,657</u>	<u>(1,178,225)</u>	<u>(599,184)</u>	<u>-</u>	<u>-</u>	<u>1,013,045</u>	<u>508</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Capital purchases	(2,067)	(1,900)	-	-	-	-	(3,967)	-
Principal payments on short-term and long-term debt	-	-	-	-	(1,805,000)	-	(1,805,000)	-
Interest paid	-	-	-	-	(5,596,460)	-	(5,596,460)	-
Net cash used for capital and related financing activities	<u>(2,067)</u>	<u>(1,900)</u>	<u>-</u>	<u>-</u>	<u>(7,401,460)</u>	<u>-</u>	<u>(7,405,427)</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	(277,906)	30	19,370	34,732	42,718	(104)	(181,160)	(255,765)
Cash and cash equivalents—beginning (includes restricted cash and cash equivalents and investments)	<u>2,165,391</u>	<u>100,060</u>	<u>1,307,612</u>	<u>396,020</u>	<u>364,104</u>	<u>18,244</u>	<u>4,351,431</u>	<u>1,390,414</u>
Cash and cash equivalents—ending (includes restricted cash and cash equivalents and investments)	<u>\$ 1,887,485</u>	<u>\$ 100,090</u>	<u>\$ 1,326,982</u>	<u>\$ 430,752</u>	<u>\$ 406,822</u>	<u>\$ 18,140</u>	<u>\$ 4,170,271</u>	<u>\$ 1,134,649</u>
Reconciliation to Statement of Net Position:								
Less:								
Restricted cash and cash equivalents	-	-	1,498	-	364,437	-	365,935	554,676
Investments	-	-	1,106,522	-	-	-	1,106,522	-
Total cash and cash equivalents	<u>\$ 1,887,485</u>	<u>\$ 100,090</u>	<u>\$ 218,962</u>	<u>\$ 430,752</u>	<u>\$ 42,385</u>	<u>\$ 18,140</u>	<u>\$ 2,697,814</u>	<u>\$ 579,973</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Statement of Cash Flows—Proprietary Funds
Year Ended December 31, 2022

	Business-type Activities						Governmental Activities	
	Adult Care Center	Sunset Lake LDC	STASC	SCFC	ILDC	BLDC	Total	Internal Service Funds
Reconciliation of operating (loss) income to net cash (used for) provided by operating activities:								
Operating (loss) income	\$ (5,957,358)	\$ (520,639)	\$ 1,286,696	\$ (60,197)	\$ 4,111,203	\$ 79	\$ (1,140,216)	\$ 525,174
Adjustments to reconcile operating (loss) income to net cash (used for) provided by operating activities:								
Depreciation expense	57,559	69,404	-	-	3,232,867	-	3,359,830	-
Bad debt expense	455,000	-	-	-	-	-	455,000	-
(Increase) in receivables	(439,778)	-	-	(526)	-	-	(440,304)	(280,846)
Decrease in due from third-party payers	2,754,808	-	-	-	-	-	2,754,808	-
(Increase) in tobacco settlement receivable	-	-	(106,506)	-	-	-	(106,506)	-
Decrease in notes receivable	-	-	-	76,154	-	-	76,154	-
(Increase) in due from other funds	-	-	-	-	-	-	-	(864,365)
(Increase) in inventories	(60,223)	-	-	-	-	-	(60,223)	-
Decrease (increase) in prepaid items	11,081	-	(179)	(7,056)	-	(183)	3,663	-
(Increase) in net pension asset	(1,580,431)	-	-	-	-	-	(1,580,431)	-
Decrease in deferred outflows of resources/ deferred inflows of resources, net	10,567,902	-	-	-	-	-	10,567,902	-
Increase in accounts payable	732,172	11,508	-	359	566	-	744,605	-
Increase (decrease) in accrued and other liabilities	74,953	-	-	-	-	-	74,953	(49,080)
(Decrease) in due to County General Fund	(303,077)	-	-	-	-	-	-	224,090
Increase in unearned revenue	-	-	-	-	-	-	-	-
(Decrease) in compensated absences	(45,628)	-	-	-	-	-	(45,628)	-
(Decrease) in other postemployment benefits	(8,866,970)	-	-	-	-	-	(8,866,970)	-
Increase in claims payable	-	-	-	-	-	-	-	186,548
(Decrease) in accrued net pension liability	(24,646)	-	-	-	-	-	(24,646)	-
Total adjustments	<u>3,332,722</u>	<u>80,912</u>	<u>(106,685)</u>	<u>68,931</u>	<u>3,233,433</u>	<u>(183)</u>	<u>6,609,130</u>	<u>(783,653)</u>
Net cash provided by (used for) operating activities	<u>\$ (2,624,636)</u>	<u>\$ (439,727)</u>	<u>\$ 1,180,011</u>	<u>\$ 8,734</u>	<u>\$ 7,344,636</u>	<u>\$ (104)</u>	<u>\$ 5,468,914</u>	<u>\$ (258,479)</u>
Noncash investing activities:								
Increase in tobacco settlement bonds payable from amortization of original issue discount	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,931</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Decrease in deferred outflows of resources from amortization of loss on refunding bonds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,440)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(concluded)

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Fiduciary Net Position—Custodial Fund
December 31, 2022

	Custodial Fund
ASSETS	
Restricted cash and equivalents	\$ 3,312,722
Total assets	<u>3,312,722</u>
LIABILITIES	
Accounts payable and other liabilities	<u>2,682,513</u>
Total liabilities	<u>2,682,513</u>
NET POSITION	
Restricted for organizations and other governments	<u>\$ 630,209</u>

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

COUNTY OF SULLIVAN, NEW YORK
Statement of Changes in Fiduciary Net Position—Custodial Fund
Year Ended December 31, 2022

	Custodial Fund
ADDITIONS	
Funds received on behalf of others	\$ 91,144
Total additions	<u>91,144</u>
DEDUCTIONS	
Funds distributed on behalf of others	<u>355,434</u>
Total deductions	<u>355,434</u>
Change in net position	(264,290)
Net position—beginning	<u>894,499</u>
Net position—ending	<u>\$ 630,209</u>

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

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Net Position—Discretely Presented Component Units
December 31, 2022

	Sullivan County Community College (8/31/2022)	Sullivan County Soil and Water Conservation District	Sullivan County Industrial Development Agency	Emerald Corporate Center Economic Development Corporation	Sullivan County Land Bank Corporation	Total Discretely Presented Component Units
ASSETS						
Cash and cash equivalents	\$ 2,840,646	\$ 258,342	\$ 7,004,089	\$ 22,268	\$ 504,118	\$ 10,629,463
Restricted cash and cash equivalents	-	658,231	1,851,380	-	-	2,509,611
Investments	1,499,143	-	-	-	-	1,499,143
Receivables (net of allowance for uncollectibles):						
Accounts receivable	3,235,134	6,000	23,855	10,528	-	3,275,517
Notes receivable	-	-	216,093	-	-	216,093
Loans receivable	419,625	-	-	-	-	419,625
Leases receivable	-	-	1,046,787	-	-	1,046,787
Intergovernmental receivables	61,081	-	-	289	-	61,370
Prepaid items	217,101	10,086	7,814	586	5,487	241,074
Net pension asset	955,876	110,326	-	-	-	1,066,202
Capital assets, not being depreciated	190,000	-	-	1,442,461	720,484	2,352,945
Capital assets, net of accumulated depreciation	<u>11,524,156</u>	<u>43,411</u>	<u>2,630,281</u>	<u>-</u>	<u>487</u>	<u>14,198,335</u>
Total assets	<u>20,942,762</u>	<u>1,086,396</u>	<u>12,780,299</u>	<u>1,476,132</u>	<u>1,230,576</u>	<u>37,516,165</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows—relating to pensions	2,584,141	250,133	-	-	-	2,834,274
Deferred outflows—relating to OPEB	<u>2,176,573</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,176,573</u>
Total deferred outflows of resources	<u>4,760,714</u>	<u>250,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,010,847</u>
LIABILITIES						
Accounts payable	8,252,973	36,703	4,130	58	13,662	8,307,526
Accrued liabilities	600,000	-	72,259	-	101,823	774,082
Intergovernmental payables	1,636,360	-	619,048	-	-	2,255,408
Unearned revenue	993,248	658,231	207,417	-	215,717	2,074,613
Deposits payable	51,186	-	-	-	-	51,186
Other liabilities	23,170	-	244,020	-	90,000	357,190
Noncurrent liabilities:						
Due within one year	762,066	4,600	23,805	-	-	790,471
Due in more than one year	<u>43,026,482</u>	<u>41,711</u>	<u>218,097</u>	<u>-</u>	<u>-</u>	<u>43,286,290</u>
Total liabilities	<u>55,345,485</u>	<u>741,245</u>	<u>1,388,776</u>	<u>58</u>	<u>421,202</u>	<u>57,896,766</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows—relating to tuition	192,327	-	-	-	-	192,327
Deferred inflows—relating to pensions	3,522,451	403,083	-	-	-	3,925,534
Deferred inflows—relating to OPEB	13,479,125	-	-	-	-	13,479,125
Deferred inflows—relating to leases	-	-	775,426	-	-	775,426
Total deferred inflows of resources	<u>17,193,903</u>	<u>403,083</u>	<u>775,426</u>	<u>-</u>	<u>-</u>	<u>18,372,412</u>
NET POSITION						
Net investment in capital assets	5,179,899	43,411	2,630,281	1,442,461	487	9,296,539
Restricted	2,577,443	-	962,503	-	-	3,539,946
Unrestricted	<u>(54,593,254)</u>	<u>148,790</u>	<u>7,023,313</u>	<u>33,613</u>	<u>808,887</u>	<u>(46,578,651)</u>
Total net position	<u>\$ (46,835,912)</u>	<u>\$ 192,201</u>	<u>\$ 10,616,097</u>	<u>\$ 1,476,074</u>	<u>\$ 809,374</u>	<u>\$ (33,742,166)</u>

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

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Activities—Discretely Presented Component Units
Year Ended December 31, 2022

	<u>Sullivan County Community College (8/31/2022)</u>	<u>Sullivan County Soil and Water Conservation District</u>	<u>Sullivan County Industrial Development Agency</u>	<u>Emerald Corporate Center Economic Development Corporation</u>	<u>Sullivan County Land Bank Corporation</u>	<u>Total Discretely Presented Component Units</u>
PROGRAM EXPENSES	\$ 19,734,094	\$ 2,836,622	\$ 574,663	\$ 78,768	\$ 1,751,820	\$ 24,975,967
PROGRAM REVENUES						
Charges for services	4,467,437	37,626	1,162,801	-	513,970	6,181,834
Operating grants and contributions	16,156,403	2,694,314	-	65,000	159,995	19,075,712
Total program revenues	<u>20,623,840</u>	<u>2,731,940</u>	<u>1,162,801</u>	<u>65,000</u>	<u>673,965</u>	<u>25,257,546</u>
Net (expense) program revenues	<u>889,746</u>	<u>(104,682)</u>	<u>588,138</u>	<u>(13,768)</u>	<u>(1,077,855)</u>	<u>281,579</u>
GENERAL REVENUES (EXPENSES)						
Use of money and property	(221,671)	370	31,789	-	-	(189,512)
Interest expense	(370,116)	-	(4,585)	-	(10,046)	(384,747)
Bad debt expense	-	-	(5,250)	-	-	(5,250)
Miscellaneous	557,504	280,604	6,885	-	-	844,993
Total general revenues (expenses)	<u>(34,283)</u>	<u>280,974</u>	<u>28,839</u>	<u>-</u>	<u>(10,046)</u>	<u>265,484</u>
Change in net position	855,463	176,292	616,977	(13,768)	(1,087,901)	547,063
Net position—beginning, as restated	<u>(47,691,375)</u>	<u>15,909</u>	<u>9,999,120</u>	<u>1,489,842</u>	<u>1,897,275</u>	<u>(34,289,229)</u>
Net position—ending	<u>\$ (46,835,912)</u>	<u>\$ 192,201</u>	<u>\$ 10,616,097</u>	<u>\$ 1,476,074</u>	<u>\$ 809,374</u>	<u>\$ (33,742,166)</u>

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

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COUNTY OF SULLIVAN, NEW YORK
Notes to the Financial Statements
Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of Government-wide Financial Statements

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

Reporting Entity

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Basis of Presentation—Government-wide Financial Statements

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

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

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

Basis of Presentation—Fund Financial Statements

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

The County reports the following major governmental funds:

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

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

The County reports the following nonmajor governmental funds:

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

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

The County reports the following major enterprise funds:

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

Additionally, the County reports the following fund types:

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

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

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

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

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

Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

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

Cash, Cash Equivalents and Investments—Cash and cash equivalents include cash on hand, demand deposits, time deposits, and short-term, highly liquid investments which are readily convertible to known amounts of cash and have a maturity date of 90 days or less from the date of acquisition. State statutes and various resolutions of the County Legislature govern the County’s investment policies. Permissible investments include obligations of the U.S. Treasury and U.S. Government agencies, repurchase agreements and obligations of New York State or its localities. Investments are stated at fair value based on quoted market prices. The County’s business-type activities reported restricted investments of \$4,810,325 at December 31, 2022.

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

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

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

Leases Receivables—The County is a lessor for various leases. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

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

Capital Assets—Capital assets, which include property, buildings, equipment, infrastructure assets and right-to-use assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements, as well as within the individual proprietary funds. Capital assets are defined by the County as assets with an individual cost or fair market value of more than \$25,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

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

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

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

Unearned Revenues—Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial statement purposes. At December 31, 2022, the County reported unearned revenues of \$2,246,914 and \$224,090 within the General Fund and Internal Service Funds, respectively. The County received funds related to unspent American Rescue Plan Act funds, other grants, asset seizures, and workers’ compensation contributions in advance but have not performed the associated services and therefore recognizes a liability.

Deferred Outflows/Inflows of Resources—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2022, the County has three items that qualify for reporting in this category. The first item is a deferred charge on refunding which the County reports within its governmental and business-type activities. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to OPEB reported in the government-wide and proprietary fund financial statements and represents the effects of the change in the County’s proportion of the collective OPEB liability and difference during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective net OPEB liability. The third item is related to pensions reported in the government-wide financial statements, as well as within individual proprietary funds. This represents the effect of the net change in the County’s proportion of the collective net pension liability, the difference during the measurement period between the County’s contributions and its proportionate share of the total contribution

to the pension systems not included in the pension expense, and any contributions to the pension system made subsequent to the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. At December 31, 2022, the primary government of the County has four items that qualify for reporting in this category. The first item, reported within the governmental fund financial statements represents unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The second item represents the effect of the net change in the County's proportion of the collective OPEB liability and difference during the measurement period between certain employer's contributions and its proportionate share of the total of certain contributions from employers included in the collective OPEB liability. The third item represents the effects of the change in the County's proportion of the collective net pension liability and the difference during the measurement periods between the County's contributions and its proportionate share of total contributions to the pension systems not included in pension expense and is reported on the government-wide financial statements. The final item relating to leases, reported on the government-wide statements and on the balance sheet of governmental funds, is recognized at the commencement of the County's lease receivable and amortized over the life of the lease.

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

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

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

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

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. Fund balance is assigned through recommendation by the County Manager and County Treasurer, subsequent to review and acceptance

and/or modification by the appropriate committee of the Legislature. The Legislature may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenses/Expenditures

Program Revenues—Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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

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

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

At December 31, 2022, the total real property tax assets relating to the County of \$28,274,072 included an allowance for uncollectible taxes of \$952,320. Included in real property tax assets are current year returned school taxes of \$15,638,421, which are offset by liabilities to the school districts. The remaining portion of tax assets is partially offset by deferred inflows of resources—property taxes of \$8,126,965 in the General Fund and represents tax liens which were not collected within the first sixty (60) days of the subsequent year.

Compensated Absences—The County employees are entitled, with certain limitations, to accrue sick leave and vacation time. Estimated sick leave and vacation time is accumulated by governmental fund type employees and reported as a liability and expense in the government-wide financial statements under governmental activities. The General Fund is primarily used to liquidate compensated absences liabilities. For proprietary fund type employees, the accumulation is recorded as a noncurrent liability of the proprietary fund type. The compensated absences liability for the County’s governmental and business-type activities at December 31, 2022 totaled \$3,652,885 and \$248,153, respectively, and are reported in the government-wide financial statements and proprietary fund financial statements.

Pension Plans—The County is mandated by New York State law to participate in the New York State Local Employees’ Retirement System (“ERS”). For purposes of measuring the net pension (asset)/liability, deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. The General Fund is primarily used to liquidate net pension liability obligations. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 7.

Other Postemployment Benefits—In addition to providing pension benefits, the County provides health insurance coverage and/or payments for fractional values of unused sick leave for certain retired employees at the time of retirement, as disclosed in Note 8. The General Fund is primarily used to liquidate OPEB obligation liabilities for governmental activities.

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

Other

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

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

Adoption of New Accounting Pronouncements—During the year ended December 31, 2022, the County implemented GASB Statement No. 87, *Leases*. GASB Statement No. 87 better meets the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The implementation of GASB Statement No. 87 is discussed in Note 2 to the financial statements.

Future Impacts of Accounting Pronouncements— The County has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; No. 96, *Subscription-Based Information Technology Arrangements*; and portion of No. 99, *Omnibus 2022*, effective for the fiscal year ending December 31, 2023, and the remaining portion of No. 99, *Omnibus 2022*, No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences*, effective for the year ending December 31, 2024. The County is, therefore, unable to disclose the impact

that adopting GASB Statements No. 94, 96, 99, 100, and 101 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

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

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

Deficit Net Position—At December 31, 2022, the County’s primary government reported a net position of \$(106,649,240), largely as a result of the County OPEB obligation, which is not eligible to be funded. The following business-type activities, STASC and the ILDC reported net position deficits of \$(12,761,971) and \$(19,428,153), respectively. These deficits result primarily from the recognition of long-term liabilities related to the tobacco settlement bonds and revenue bonds, respectively. The County anticipates these deficits will be remedied through future operations.

2. RESTATEMENT OF NET POSITION

During the year ended December 31, 2022, the County implemented Governmental Accounting Standards Board (“GASB”) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information related to a government’s leasing activities. The new standard was adopted on a retrospective basis as of the beginning of the earliest period presented. Accordingly, amounts previously reported on the financial statements for the year ended December 31, 2022 were restated to conform to the new standard as shown below:

	Governmental Activities
Net position—December 31, 2021, as previously stated	\$ (93,559,497)
GASB 87 implementation	23,773
Net position—December 31, 2021, as restated	\$ (93,535,724)

During the year ended December 31, 2022, the Sunset Lake Local Development Corporation restated its December 31, 2021 financial statements for over depreciated assets. The Sunset Lake Local Development Corporation's net position has been restated as shown below;

	Sunset Lake LDC	Total Business-Type Activities
Net position—December 31, 2021, as previously stated	\$ 1,082,801	\$ (64,470,371)
Expenses recorded in correct period	<u>679,144</u>	<u>679,144</u>
Net position—December 31, 2021, as restated	<u>\$ 1,761,945</u>	<u>\$ (63,791,227)</u>

During the year ended December 31, 2022, the College, a discretely presented component unit, restated net position at August 31, 2021, representing adjustments to revenues, deferrals, fixed assets and retirement debt. Additionally, during the year ended December 31, 2022, the IDA, a discretely presented component unit, reevaluated amounts related to capital leases and sales tax escrow. Finally, during the year ended December 31, 2022, the Land Bank, a discretely presented component unit, restated net position at December 31 2021, representing expenses recorded in 2022 that were related to 2021. The College, IDA, Land Bank, and total aggregate discretely presented component unit's net position has been restated as follows:

	Sullivan County Community College	Sullivan County Industrial Development Agency	Sullivan County Land Bank Corporation	Total Discretely Presented Component Units
Net position—December 31, 2021 (August 31, 2021, College), as previously stated	\$ (47,886,746)	\$ 9,935,476	\$ 1,903,875	\$ (34,541,644)
College, IDA and Emerald Corporate Center restatements	<u>195,371</u>	<u>63,644</u>	<u>(6,600)</u>	<u>252,415</u>
Net position—December 31, 2021 (August 31, 2021, College), as restated	<u>\$ (47,691,375)</u>	<u>\$ 9,999,120</u>	<u>\$ 1,897,275</u>	<u>\$ (34,289,229)</u>

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

Cash and cash equivalents at December 31, 2022 consisted of:

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Petty cash (uncollateralized)	\$ 5,790	\$ 2,700	\$ -	\$ 8,490
Deposits	<u>74,663,678</u>	<u>3,291,749</u>	<u>3,312,722</u>	<u>81,268,149</u>
Total	<u>\$ 74,669,468</u>	<u>\$ 3,294,449</u>	<u>\$ 3,312,722</u>	<u>\$ 81,276,639</u>

Deposits—All deposits are carried at fair value, and are classified by custodial credit risk at December 31, 2022 as shown on the following page.

	Bank Balance	Carrying Amount
FDIC insured	\$ 2,287,911	\$ 2,287,911
Uninsured:		
Collateral held by pledging bank's agent in the County's name	<u>75,708,502</u>	<u>78,980,238</u>
Total	<u>\$ 77,996,413</u>	<u>\$ 81,268,149</u>

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

Restricted Cash and Cash Equivalents—At December 31, 2022, governmental funds reported restricted cash of \$6,873,844, of which \$2,246,914 is restricted for unearned revenue, \$1,706,351 is restricted for capital projects, and \$2,920,579 is restricted to support restricted fund balances. The internal service fund reports restricted cash of \$554,676. Total business-type activities reported restricted cash of \$365,935 at December 31, 2022, of which \$1,498 is restricted for debt service requirements within the STASC fund, and \$364,437 is restricted for the ILDC.

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

Restricted Investments—Restricted investments are reported at fair value. The County’s governmental activities reports no investments as of December 31, 2022. The County’s business-type activities reported investments totaling \$4,810,325 as of December 31, 2022.

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

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

Fair Value Measurements—Accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy described as shown on the following page.

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Sullivan Tobacco Asset Securitization Corporation

Investments held by STASC represent Level 1 fair value input and consisted of \$1,106,522 at December 31, 2022.

Sullivan County Infrastructure Local Development Corporation

Investments within the County's business-type activities, which are securities held by the counter-party or by its trust department or agent, but not in the Corporation's name are reported at contract value, which represents Level 2 fair value input and consisted of \$4,810,325 at December 31, 2022.

Sullivan County Community College

Cash and Cash Equivalents—Cash and cash equivalents for the College totaled \$2,840,646 at August 31, 2022. As of August 31, 2022, none of the College's bank balance of \$2,460,190 was exposed to custodial credit risk as they were either insured or collateralized.

Investments—Investments for the College totaled \$1,499,143 at August 31, 2022, as reported by the Association, the Foundation, and Dormitory Corporation, component units of the College. The fair value investments of the Association, at August 31, 2022 totaled \$404,352. The College's total investments represent Level 1 fair value input.

Sullivan County Soil and Water Conservation District

Cash and Cash Equivalents—Deposits for the District totaled \$916,573 and were fully collateralized or insured at December 31, 2022.

Sullivan County Industrial Development Agency

Cash and Cash Equivalents—Cash and cash equivalents at the IDA totaled \$7,004,089 at December 31, 2022. At December 31, 2022, the Agency's cash balances were fully collateralized with securities held by the Agency's third party custodian and not subject to custodial credit risk.

Restricted Cash and Cash Equivalents—At December 31, 2022, restricted cash and cash equivalents at the IDA totaled \$1,851,380.

Emerald Corporate Center Economic Development Corporation

Cash and Cash Equivalents—Cash and cash equivalents at the ECCEDC totaled \$22,268 at December 31, 2022. The balance was within FDIC insurance limits at December 31, 2022.

Sullivan County Land Bank Corporation

Cash and Cash Equivalents—Cash and cash equivalents at the Land Bank totaled \$504,118 at December 31, 2022. At December 31, 2022, an amount of \$504,118 was uninsured.

4. RECEIVABLES

Taxes Receivable—Represents amounts due from County taxpayers that remain unpaid. At December 31, 2022 the County recorded \$28,274,072 related to taxes receivable. These amounts are reported net of an allowance for uncollectible taxes provision of \$952,320.

Accounts Receivable—Represents amounts due from various sources. The County’s accounts receivable and related allowances for estimated uncollectible amounts at December 31, 2022 are presented below:

	<u>Gross Receivable</u>	<u>Allowances for Uncollectables</u>	<u>Net Receivable</u>
Governmental funds:			
General Fund	\$ 16,619,680	\$ -	\$ 16,619,680
County Road Fund	10,730	-	10,730
Refuse and Garbage Fund	864,751	(410,886)	453,865
Nonmajor governmental funds	<u>8,757</u>	<u>-</u>	<u>8,757</u>
Total governmental funds	<u>\$ 17,503,918</u>	<u>\$ (410,886)</u>	<u>\$ 17,093,032</u>
Proprietary funds:			
Adult Care Center	\$ 2,450,794	\$ (884,752)	\$ 1,566,042
SCFC	526	-	526
ILDC	12,700	-	12,700
Internal Service Funds	<u>6,865,081</u>	<u>-</u>	<u>6,865,081</u>
Total proprietary funds	<u>\$ 9,329,101</u>	<u>\$ (884,752)</u>	<u>\$ 8,444,349</u>

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

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

At December 31, 2022 the County reported gross loans receivable of \$314,895, an allowance for uncollectable amounts of \$151,868, and restricted cash of \$741,600 related to the home repair program.

Lease Receivables— The County leases their cell tower and heavy equipment to various third parties. The County will receive monthly payments which coincide with each contracted agreement between the lessor and lessee. The County recognized \$74,440 in rental income in the County’s General Fund during the fiscal year related to these leases. As of December 31, 2022, the County’s outstanding receivable for lease payments were \$684,464 within the General Fund. Also, the County reports a deferred inflow of resources associated with these lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balances of the deferred inflow of resources were \$665,206 within the General Fund.

Intergovernmental Receivables—Represents amounts due from other units of government, such as Federal, New York State or other local governments. Intergovernmental receivables at December 31, 2022 are shown below:

Governmental funds:	
General Fund	\$ 20,516,896
County Road Fund	2,045,751
Refuse and Garbage Fund	74,090
Capital Projects Fund	<u>1,833,552</u>
Total	<u>\$ 24,470,289</u>
Proprietary funds:	
STASC	<u>\$ 1,185,000</u>

Sullivan County Community College

Accounts Receivable—Accounts receivable at the College are shown net of allowance for doubtful accounts and consist of the following at August 31, 2022:

	Gross <u>Receivable</u>	Allowances for <u>Uncollectables</u>	Net <u>Receivable</u>
Primary institution	\$ 4,374,557	\$ (1,140,713)	\$ 3,233,844
Foundation	<u>1,290</u>	<u>-</u>	<u>1,290</u>
Total	<u>\$ 4,375,847</u>	<u>\$ (1,140,713)</u>	<u>\$ 3,235,134</u>

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

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

5. CAPITAL ASSETS

Governmental activities—Capital asset activity for the primary government’s governmental activities for the year ended December 31, 2022 was as follows:

	Balance 1/1/2022 (as restated)	Increases	Decreases	Balance 12/31/2022
Capital assets, not being depreciated:				
Land	\$ 8,798,880	\$ 151,301	\$ -	\$ 8,950,181
Construction in progress	<u>4,667,373</u>	<u>9,545,701</u>	<u>380,039</u>	<u>13,833,035</u>
Total capital assets, not being depreciated	<u>13,466,253</u>	<u>9,697,002</u>	<u>380,039</u>	<u>22,783,216</u>
Capital assets, being depreciated:				
Land improvements	22,341,403	-	-	22,341,403
Buildings and building improvements	137,397,609	706,279	-	138,103,888
Machinery and equipment	39,528,756	18,781	2,543,564	37,003,973
Infrastructure	319,034,828	12,809,564	-	331,844,392
Right-to-use assets	<u>3,230,644</u>	<u>421,375</u>	<u>-</u>	<u>3,652,019</u>
Total capital assets, being depreciated	<u>521,533,240</u>	<u>13,955,999</u>	<u>2,543,564</u>	<u>532,945,675</u>
Less accumulated depreciation for:				
Land improvements	17,471,787	395,666	-	17,867,453
Buildings and building improvements	27,432,261	2,983,857	-	30,416,118
Machinery and equipment	28,102,717	2,306,008	2,531,009	27,877,716
Infrastructure	190,790,323	12,419,324	-	203,209,647
Right-to-use assets	<u>21,227</u>	<u>683,859</u>	<u>-</u>	<u>705,086</u>
Total accumulated depreciation	<u>263,818,315</u>	<u>18,788,714</u>	<u>2,531,009</u>	<u>280,076,020</u>
Total capital assets, being depreciated, net	<u>257,714,925</u>	<u>(4,832,715)</u>	<u>12,555</u>	<u>252,869,655</u>
Governmental activities capital assets, net	<u>\$ 271,181,178</u>	<u>\$ 4,864,287</u>	<u>\$ 392,594</u>	<u>\$ 275,652,871</u>

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

General government support	\$ 4,411,569
Education	92,680
Public safety	451,275
Public health	59,650
Transportation	12,282,587
Economic assistance and opportunity	13,151
Culture and recreation	89,225
Home and community services	<u>1,388,577</u>
Total governmental activities	<u>\$ 18,788,714</u>

Business-type activities—Capital asset activity for the primary government’s business-type activities for the year ended December 31, 2022, was as follows:

	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Capital assets, not being depreciated:				
Land	\$ 364,600	\$ -	\$ 319,800	\$ 44,800
Construction in progress	38,540	1,900	40,440	-
Total capital assets, not being depreciated	<u>403,140</u>	<u>1,900</u>	<u>360,240</u>	<u>44,800</u>
Capital assets, being depreciated:				
Buildings and improvements	12,378,249	40,440	-	12,418,689
Land improvements	513,193	-	-	513,193
Machinery and equipment	1,045,221	2,067	22,551	1,024,737
Infrastructure	<u>97,665,162</u>	<u>-</u>	<u>-</u>	<u>97,665,162</u>
Total capital assets, being depreciated	<u>111,601,825</u>	<u>42,507</u>	<u>22,551</u>	<u>111,621,781</u>
Less accumulated depreciation for:				
Buildings and improvements	11,769,085	69,404	-	11,838,489
Land improvements	-	-	-	-
Machinery and equipment	783,437	57,559	-	840,996
Infrastructure	<u>12,295,188</u>	<u>3,232,867</u>	<u>-</u>	<u>15,528,055</u>
Total accumulated depreciation	<u>24,847,710</u>	<u>3,359,830</u>	<u>-</u>	<u>28,207,540</u>
Total capital assets, being depreciated, net	<u>86,754,115</u>	<u>(3,317,323)</u>	<u>22,551</u>	<u>83,414,241</u>
Business-type activities capital assets, net	<u>\$ 87,157,255</u>	<u>\$ (3,315,423)</u>	<u>\$ 382,791</u>	<u>\$ 83,459,041</u>

Sullivan County Community College

Capital asset activity for the College, for the year ended August 31, 2022, is shown below:

	Balance 9/1/2021	Increases	Decreases	Balance 8/31/2022
Capital assets, not being depreciated:				
Land	\$ 190,000	\$ -	\$ -	\$ 190,000
Total capital assets, not being depreciated	<u>190,000</u>	<u>-</u>	<u>-</u>	<u>190,000</u>
Capital assets, being depreciated:				
Building and improvements	46,621,202	52	-	46,621,254
Furniture and equipment	<u>4,850,552</u>	<u>-</u>	<u>2,064,546</u>	<u>2,786,006</u>
Total capital assets, being depreciated	<u>51,471,754</u>	<u>-</u>	<u>2,064,546</u>	<u>49,407,260</u>
Less accumulated depreciation for:				
Building and improvements	34,767,630	1,068,068	523,473	35,312,225
Furniture and equipment	<u>3,947,776</u>	<u>20,467</u>	<u>1,397,364</u>	<u>2,570,879</u>
Total accumulated depreciation	<u>38,715,406</u>	<u>1,088,535</u>	<u>1,920,837</u>	<u>37,883,104</u>
Total capital assets, being depreciated, net	<u>12,756,348</u>	<u>(1,088,535)</u>	<u>143,709</u>	<u>11,524,156</u>
Total capital assets, net	<u>\$ 12,946,348</u>	<u>\$ (1,088,535)</u>	<u>\$ 143,709</u>	<u>\$ 11,714,156</u>

Sullivan County Soil and Water Conservation District

Capital asset activity for the District, for the year ended December 31, 2022, was as follows:

	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Capital assets, being depreciated:				
Buildings	\$ 55,197	\$ -	\$ -	\$ 55,197
Machinery and equipment	<u>218,039</u>	<u>2,728</u>	<u>-</u>	<u>220,767</u>
Total capital assets, being depreciated	<u>273,236</u>	<u>2,728</u>	<u>-</u>	<u>275,964</u>
Less accumulated depreciation for:				
Buildings	45,540	1,380	-	46,920
Machinery and equipment	<u>172,751</u>	<u>12,882</u>	<u>-</u>	<u>185,633</u>
Total accumulated depreciation	<u>218,291</u>	<u>14,262</u>	<u>-</u>	<u>232,553</u>
Total capital assets, net	<u>\$ 54,945</u>	<u>\$ (11,534)</u>	<u>\$ -</u>	<u>\$ 43,411</u>

Sullivan County Industrial Development Agency

Capital asset activity for the IDA, for the year ended December 31, 2022, was as follows:

	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Capital assets, being depreciated:				
Buildings and improvements	\$ 1,603,585	\$ -	\$ -	\$ 1,603,585
Equipment	1,673,263	4,064	-	1,677,327
Less: accumulated depreciation	<u>(491,317)</u>	<u>(159,314)</u>	<u>-</u>	<u>(650,631)</u>
Total capital assets, net	<u>\$ 2,785,531</u>	<u>\$ (155,250)</u>	<u>\$ -</u>	<u>\$ 2,630,281</u>

Emerald Corporate Center Economic Development Corporation

Capital asset activity for the ECCEDC, for the year ended December 31, 2022, was as follows:

	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Capital assets, not being depreciated:				
Deferred building costs	<u>\$ 1,442,461</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,442,461</u>

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

Sullivan County Land Bank Corporation

In accordance with §2896(3) of the Public Authorities Law for New York State, the Land Bank reports it owns land and property with a recorded value of \$720,484 and \$1,736,180 at December 31, 2022 and 2021, respectively. The land is located within the County. The Land Bank also has net property and equipment of \$487.

6. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at December 31, 2022, were as follows:

	General Fund	County Road Fund	Refuse and Garbage Fund	Nonmajor Funds	Total Governmental Funds
Salaries and employee benefits	<u>\$ 12,180,209</u>	<u>\$ 408,261</u>	<u>\$ 106,809</u>	<u>\$ 118,787</u>	<u>\$ 12,814,066</u>

7. PENSION PLANS

Plan Descriptions and Benefits Provided

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

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

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At December 31, 2022, the County reported the (asset)/liability on the following page for its proportionate share of the net pension (asset)/liability for ERS. The net pension (asset)/liability was measured as of March 31, 2022. The total pension (asset)/liability used to calculate the net pension (asset)/liability were determined by actuarial valuations as of April 1, 2021, with update procedures used to roll forward the total net pension (asset)/liability to the measurement date. The County’s proportion of the net pension (asset)/liabilities were based on projections of the County’s long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the County.

	ERS		
	Governmental	Business-type	Total Primary
	Activities	Activities	Government
Measurement date	March 31, 2022		
Net pension (asset)/liability	\$ (16,011,785)	\$ (1,580,431)	\$ (17,592,216)
County's portion of the Plan's total net pension (asset)/liability	0.1958730%	0.0193335%	0.2152065%

For the year ended December 31, 2022, the County recognized pension expense of (\$68,574 and \$6,768) for governmental activities and business-type activities, respectively). At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown below:

	ERS					
	Deferred Outflows of Resources		Deferred Inflows of Resources		Deferred Outflows	Deferred Inflows
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	Total Primary Government	
Differences between expected and actual experiences	\$ 1,212,595	\$ 119,688	\$ 1,572,804	\$ 155,242	\$ 1,332,283	\$ 1,728,046
Changes of assumptions	26,721,874	2,637,562	450,903	44,506	29,359,436	495,409
Net difference between projected and actual earnings on pension plan investments	-	-	52,431,888	5,175,249	-	57,607,137
Changes in proportion and differences between the County's contributions and proportionate share of contributions	1,467,705	144,869	3,650,246	360,295	1,612,574	4,010,541
County contributions subsequent to the measurement date	5,110,640	504,442	-	-	5,615,082	-
Total	\$ 34,512,814	\$ 3,406,561	\$ 58,105,841	\$ 5,735,292	\$ 37,919,375	\$ 63,841,133

County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as shown below:

Year Ending December 31,	ERS		
	Governmental Activities	Business-type Activities	Total Primary Government
2023	\$ (4,688,189)	\$ (462,744)	\$ (5,150,933)
2024	(6,476,953)	(639,303)	(7,116,256)
2025	(14,061,767)	(1,387,956)	(15,449,723)
2026	(3,476,756)	(343,170)	(3,819,926)

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

	<u>ERS</u>
Measurement date	March 31, 2022
Actuarial valuation date	April 1, 2021
Interest rate	5.9%
Salary scale	4.4%
Decrement tables	April 1, 2015- March 31, 2020
Inflation rate	2.7%
Cost-of-living adjustments	1.4%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 System’s experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP-2020. The actuarial assumptions used in the April 1, 2021 valuation are based on the results of an actuarial experience study for the period April 1, 2015 – March 31, 2020.

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

	<u>ERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Measurement date	<u>March 31, 2022</u>	
Asset class:		
Domestic equities	32.0 %	3.3 %
International equities	15.0	5.9
Private equity	10.0	6.5
Real estate	9.0	5.0
Opportunistic portfolio	3.0	4.1
Credit	4.0	3.8
Real assets	3.0	5.8
Fixed income	23.0	0.0
Cash	1.0	(1.0)
Total	<u>100.0 %</u>	

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

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

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Governmental activities:			
Employer's proportionate share of the net pension liability	\$ 41,214,160	\$ (16,011,785)	\$ (63,878,527)
Business-type activities:			
Employer's proportionate share of the net pension liability	\$ 4,068,012	\$ (1,580,431)	\$ (6,305,081)
Total primary government	\$ 45,282,172	\$ (17,592,216)	\$ (70,183,608)

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

	(Dollars in Thousands)
	ERS
Valuation date	April 1, 2021
Employers' total pension liability	\$ 223,874,888
Plan fiduciary net position	232,049,473
Employers' net pension liability	<u>\$ (8,174,585)</u>
System fiduciary net position as a percentage of total pension liability	103.7%

Sullivan County Community College

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

Plan Description and Benefits Provided

Teachers’ Retirement System—The College participates in the New York State Teachers’ Retirement System (“TRS”). This is a cost-sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and the New York State Retirement and Social Security Law (“NYSRSSL”). TRS is governed by a 10 member Board of Trustees. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York State Public Schools and BOCES who elect to participate in TRS. Once a public employer elects to participate in TRS,

the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Additional information regarding TRS may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSTRS Annual Comprehensive Financial Report, which can be found on TRS' website at www.nystrs.org.

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

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

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions—At August 31, 2021, the College reported the following (asset)/liability for its proportionate share of the net pension (asset)/liability for each of the Systems. The net pension (asset)/liability was measured as of June 30, 2022 for TRS and March 31, 2022 for ERS. The total pension (asset)/liability used to calculate the net pension (asset)/liability was determined by actuarial valuations as of June 30, 2021 for TRS and April 1, 2021 for ERS. The College's proportion of the net pension (asset)/liability was based on a projection of the College's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by TRS and ERS in reports provided to the College.

	TRS	ERS
Measurement date	June 30, 2022	March 31, 2022
Net pension (asset)/liability	\$ 117,076	\$ (955,876)
College's portion of the Plan's total net pension liability	0.0061010%	0.0116930%

For the year ended August 31, 2022, the College recognized pension expense of \$167,146 for the TRS and \$(390) for ERS. At August 31, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources presented below:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	TRS	ERS	TRS	ERS
Differences between expected and actual experiences	\$ 122,681	\$ 72,390	\$ 2,346	\$ 93,894
Changes of assumptions	227,109	1,594,250	47,162	26,918
Net difference between projected and actual earnings on pension plan investments	151,274	-	-	3,130,095
Changes in proportion and differences between the College's contributions and proportionate share of contributions	64,621	87,620	4,123	217,913
College contributions subsequent to the measurement date	<u>105,924</u>	<u>158,272</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 671,609</u>	<u>\$ 1,912,532</u>	<u>\$ 53,631</u>	<u>\$ 3,468,820</u>

The College’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2023. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending August 31,</u>	<u>TRS</u>	<u>ERS</u>
2023	\$ 108,631	\$ (279,877)
2024	58,427	(386,663)
2025	(8,752)	(839,464)
2026	307,633	(208,556)
2027	42,077	-
Thereafter	4,038	-

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

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2022	March 31, 2022
Actuarial valuation date	June 30, 2021	April 1, 2021
Interest rate	6.95%	5.90%
Salary scale	1.95%-5.18%	4.40%
Decrement tables	July 1, 2015 - June 30, 2020	April 1, 2015 - March 31, 2020
Inflation rate	2.40%	2.70%
Cost-of-living adjustment	1.30%	1.40%

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

For TRS, annuitant mortality rates are based on July 1, 2015 – June 30, 2020 System experience with adjustments for mortality improvements based on Society of Actuaries Scale MP2021, applied on a generational basis. The actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

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

Measurement date	Target Allocation		Long-Term Expected Real Rate of Return	
	TRS	ERS	TRS	ERS
			June 30, 2022	March 31, 2022
Asset class:				
Domestic equities	33.0 %	32.0 %	6.5 %	3.3 %
International equities	16.0	15.0	7.2	5.9
Global equities	4.0	0.0	6.9	0.0
Private equity	8.0	10.0	9.0	6.5
Real estate	11.0	9.0	6.2	5.0
Domestic fixed income securities	16.0	0.0	1.1	0.0
Global fixed income securities	2.0	23.0	0.6	0.0
High-yield fixed income securities	1.0	0.0	3.3	0.0
Opportunistic portfolio	0.0	3.0	0.0	4.1
Private debt	2.0	0.0	5.3	0.0
Real assets	0.0	3.0	0.0	5.8
Bonds and mortgages	6.0	0.0	2.4	0.0
Cash	1.0	1.0	(0.3)	(1.0)
Inflation-indexed bonds	0.0	4.0	0.0	3.8
Total	<u>100.0 %</u>	<u>100.0 %</u>		

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

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

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
TRS			
Employer's proportionate share of the net pension liability/(asset)	\$ 1,079,500	\$ 117,076	\$ (692,315)
	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
ERS			
Employer's proportionate share of the net pension liability	\$ 2,460,415	\$ (955,876)	\$ (3,813,439)

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

	(Dollars in Thousands)		
	TRS	ERS	Total
Valuation date	June 30, 2021	April 1, 2021	
Employers' total pension liability	\$ 133,883,474	\$ 223,874,888	\$ 357,758,362
Plan fiduciary net position	131,964,582	232,049,473	364,014,055
Employers' net pension liability	<u>\$ 1,918,892</u>	<u>\$ (8,174,585)</u>	<u>\$ (6,255,693)</u>
System fiduciary net position as a percentage of total pension (asset)/liability	98.6%	103.7%	101.7%

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

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

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

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

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

For the year ended August 31, 2021, employee contributions totaled approximately \$25,000 and the College recognized pension expense of \$304,139.

Sullivan County Soil and Water Conservation District

Plan Descriptions and Benefits Provided

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

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2022, the District reported the following liability/(asset) for its proportionate share of the net pension liability/(asset) for ERS. The net pension liability/(asset) was measured as of March 31, 2022. The total pension liability/(asset) used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of April 1, 2021, with update procedures used to roll forward the total pension liability/(asset) to the measurement date. The District’s proportion of the net pension liability/(asset) was based on a projection of the District’s long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the District.

	<u>ERS</u>
Measurement date	March 31, 2022
Net pension liability/(asset)	\$ (110,326)
District's portion of the Plan's total	
Net pension liability	0.0013496%

For the year ended December 31, 2022, the District recognized pension expense of \$5,981. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources presented on the following page.

	ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 8,355	\$ 10,837
Changes of assumptions	184,122	3,107
Net difference between projected and actual earnings on pension plan investments	-	361,272
Changes in proportion and differences between the District's contributions and proportionate share of contributions	27,397	27,867
District contributions subsequent to the measurement date	30,259	-
Total	\$ 250,133	\$ 403,083

The District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	ERS
2023	\$ (29,189)
2024	(42,405)
2025	(94,580)
2026	(17,036)

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

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

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

ERS	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability	\$ 283,979	\$ (110,326)	\$ (440,144)

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

8. OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) OBLIGATION

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

Employees Covered by Benefit Terms—At December 31, 2022, the following employees were covered by the benefit terms:

Active employees	757
Retired employees	<u>718</u>
Total	<u><u>1,475</u></u>

Total OPEB Liability

The County’s total OPEB liability for governmental and business-type activities of \$198,218,850 and \$20,050,132, respectively, was measured as of December 31, 2022, and was determined by an actuarial valuation as of January 1, 2022.

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

In the January 1, 2022 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate increased from 2.25% effective December 31, 2021 to 4.31% effective December 31, 2022. The salary scale was assumed to increase at 3.00% per year. The PUB-2010 mortality table with MP-2021 projections were used for the mortality rates. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 8.0%, while the ultimate healthcare cost trend rate is 5.0% for years after 2023. An inflation rate of 3.00% was assumed for developing the rate of increase in healthcare costs.

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2022 through December 31, 2022.

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

	Total OPEB Liability		
	Governmental Activities	Business-type Activities	Total Primary Government
Balances at December 31, 2021:	\$ 273,861,836	\$ 28,917,102	\$ 302,778,938
Changes for the year:			
Service cost	11,030,705	1,501,549	12,532,254
Interest	6,082,631	643,512	6,726,143
Changes of assumptions	(120,970,170)	(14,142,690)	(135,112,860)
Differences between expected and actual experience	35,259,165	3,763,822	39,022,987
Contributions—employer	<u>(7,045,317)</u>	<u>(633,163)</u>	<u>(7,678,480)</u>
Net changes	<u>(75,642,986)</u>	<u>(8,866,970)</u>	<u>(84,509,956)</u>
Balances at December 31, 2022	<u>\$ 198,218,850</u>	<u>\$ 20,050,132</u>	<u>\$ 218,268,982</u>

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

	1% Decrease (3.31%)	Current Discount Rate (4.31%)	1% Increase (5.31%)
Governmental activities:			
Total OPEB liability	\$ 256,939,162	\$ 198,218,850	\$ 139,498,539
Business-type activities:			
Total OPEB liability	\$ 26,916,125	\$ 20,050,132	\$ 13,184,140
Total primary government	\$ 283,855,287	\$ 218,268,982	\$ 152,682,679

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

	1% Decrease (7.0% / 4.0%)	Healthcare Cost Trend Rates (8.0% / 5.0%)	1% Increase (9.0% / 6.0%)
Governmental activities:			
Total OPEB liability	\$ 165,189,622	\$ 198,218,850	\$ 241,547,585
Business-type activities:			
Total OPEB liability	\$ 16,528,589	\$ 20,050,132	\$ 24,711,284
Total primary government	\$ 181,718,211	\$ 218,268,982	\$ 266,258,869

Funding Policy—Contributions by the primary government may vary according to length of service. The cost of providing post-employment health care benefits is shared between the County and the retired employee. Substantially all employees may become eligible for those benefits if they reach normal retirement age and length of service requirement while working for these entities. The cost of retiree health care benefits is recognized as an expenditure as premiums are paid within the governmental funds. For the year ended December 31, 2022, the County recognized OPEB expense of \$3,488,821 (\$1,841,307 and \$1,647,514 for governmental and business-type activities, respectively).

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources shown on the following page.

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Governmental Activities	Business-type Activities	Total Primary Government	Governmental Activities	Business-type Activities	Total Primary Government
Differences between expected and actual experience	\$ 35,927,523	\$ 7,648,817	\$ 43,576,340	\$ 21,484,238	\$ 1,246,657	\$ 22,730,895
Changes of assumptions	33,952,531	3,357,617	37,310,148	122,523,247	13,593,397	136,116,644
Total	<u>\$ 69,880,054</u>	<u>\$ 11,006,434</u>	<u>\$ 80,886,488</u>	<u>\$ 144,007,485</u>	<u>\$ 14,840,054</u>	<u>\$ 158,847,539</u>

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

Year Ending December 31,	Governmental Activities	Business-type Activities	Total Primary Government
2023	\$ (15,272,029)	\$ (497,547)	\$ (15,769,576)
2024	(15,272,029)	(497,547)	(15,769,576)
2025	(15,272,026)	(497,552)	(15,769,578)
2026	(14,026,182)	(611,161)	(14,637,343)
2027	(14,285,165)	(1,729,813)	(16,014,978)

Sullivan County Community College

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

Employees Covered by Benefit Terms—At August 31, 2022, the following employees were covered by the benefit terms:

Active employees	117
Retired employees	<u>107</u>
Total	<u>224</u>

Total OPEB Liability

The College's total OPEB liability of \$35,915,129 was measured as of August 31, 2022, and was determined by an actuarial valuation as of the same date.

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

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

In the August 31, 2022 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate is 4.29% effective August 31, 2022. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 7.5%, while the ultimate healthcare cost trend rate is 4.5% for years after 2031.

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

	Total OPEB Liability
Balance at August 31, 2021	\$ 44,809,319
Changes for the year:	
Service cost	1,582,239
Interest	1,096,774
Changes of assumptions	(10,259,580)
Differences between expected and actual experience	79,947
Contributions—employer	(1,393,570)
Net changes	(8,894,190)
Balance at August 31, 2022	\$ 35,915,129

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

	1% Decrease (3.29%)	Current Discount Rate (4.29%)	1% Increase (5.29%)
Total OPEB liability	\$ 41,180,098	\$ 35,915,129	\$ 31,640,589

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

	1% Decrease (6.5% / 3.5%)	Healthcare Cost Trend Rates (7.5% / 4.5%)	1% Increase (8.5% / 5.5%)
Total OPEB liability	\$ 31,339,115	\$ 35,915,129	\$ 41,576,355

Funding Policy—Authority to establish and amend the benefit terms and financing requirements rests with the College Board of Trustees through negotiations with its employee groups. Contributions by the College may vary according to length of services. The cost of providing post-employment health care benefits is shared between the College and the retired employee. Substantially all of the College’s employees may become eligible for those benefits if they reach normal retirement age while working for the College. For the year ended August 31, 2022, the College recognized OPEB expense of \$(1,727,941).

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The College reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer’s contributions and its proportionate

share of the total of certain contributions from employers included in the collective total OPEB liability. At August 31, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the sources are shown below:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 59,960	\$ 5,539,246
Changes of assumptions	<u>2,116,613</u>	<u>7,939,879</u>
Total	<u>\$ 2,176,573</u>	<u>\$ 13,479,125</u>

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

<u>Year Ending August 31,</u>	
2023	\$ (4,016,299)
2024	(474,144)
2025	(2,544,909)
2026	(4,267,200)

9. RISK MANAGEMENT

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

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

The County is exposed to various risks of loss related to property damage and destruction of assets, vehicle liability, injuries to employees, and unemployment insurance. The County purchases commercial insurance to cover such potential risks. The County holds various insurance policies including package, excess property, excess liability, boiler and machinery, excess employers, accidental death and dismemberment ("AD&A") volunteers, and AD&D workforce development. In addition, the County held builders risk and pollution liability policies related to the County's jail project. The County's package policy provides coverage for property, general liability, automobile liability, employee benefits liability, public officials liability, and law enforcement liability. Liability coverage under the package policy contains a \$75,000 self-insured retention and property coverage under the package policy contains a \$100,000 self-insured retention. The excess property policy provides flood, earthquake, business income, vehicle, and mobile equipment coverage ranging from \$1,000,000 to \$3,659,658 with blanket coverage of \$139,466,060 per occurrence. The general liability policy provides coverage up to \$9,000,000 per claim and in the aggregate. The County has not incurred claims over the respective coverage limits in any of the last three fiscal years.

The County adopted a self-insured workers' compensation program under the provisions of Local Law No. 1 of 1967. 15 towns and 5 villages located within the geographical boundaries of the County have elected to become participants in the self-insurance plan. As provided by Local Law No. 5-1979, the plan is operated on an accrued liability basis whereby the amounts charged to participants are based on the

estimated total liability of participants actuarially computed, arising each year. The apportionment of costs among participants is determined on the basis of two elements: (1) claims incurred within the preceding three-year period and (2) total assessed valuation, in the manner provided in §67 of the Workers' Compensation Law.

The County reports workers' compensation and dental benefits liabilities within the Internal Service Fund and governmental activities. Additionally, the County reports general liability and assessment claim liabilities within the General Fund and governmental activities. These liabilities are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. As actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience. The changes in reported workers' compensation, dental benefits, and general liability claims since January 1, 2021 are presented below:

	Balance 1/1/2022	Claims and Adjustments	Claim Payments	Balance 12/31/2022	Due Within One Year
Workers' compensation	\$ 15,485,476	\$ 2,800,137	\$ 2,613,589	\$ 15,672,024	\$ 1,567,202
Dental benefits	3,537	42,076	45,613	-	-
General liability	191,762	25,725	91,153	126,334	31,584
Total	<u>\$ 15,680,775</u>	<u>\$ 2,867,938</u>	<u>\$ 2,750,355</u>	<u>\$ 15,798,358</u>	<u>\$ 1,598,786</u>

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

Sullivan County Community College

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

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

10. LEASE OBLIGATIONS

Lease Liability—The County is a lessee for various noncancellable leases. The County recognizes a lease liability in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$100,000 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rates charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease terms include the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The County entered into various long-term lease agreements. As of December 31, 2022, the value of the lease liability was \$2,951,966. The County is required to make monthly lease payments on all of the agreements. The Town uses their estimated incremental borrowing rate of 3.00% to determine the value of their principal and interest payments.

The future principal and interest payments as of December 31, 2022, are shown below:

Fiscal Year Ending December 31	Principal	Interest	Total
2023	\$ 724,266	\$ 79,217	\$ 803,483
2024	746,279	57,205	803,484
2025	744,417	34,677	779,094
2026	697,127	12,576	709,703
2027	39,877	450	40,327
Totals	<u>\$ 2,951,966</u>	<u>\$ 184,125</u>	<u>\$ 3,136,091</u>

11. SHORT-TERM DEBT

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

The following is a summary of the County’s short-term capital debt for the year ended December 31, 2022:

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

Tax Anticipation Notes—Tax anticipation notes (“TANs”) are short term non-capital borrowings issued in anticipation of the collection of future real property taxes and assessments. The TANs were issued in anticipation of the collection of real property taxes levied for County purposes for the fiscal year of the County which commenced January 1, 2021.

The following is a summary of the County’s short-term non-capital debt for the year ended December 31, 2022:

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

12. LONG-TERM DEBT

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

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

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

	Balance 1/1/2022 (as restated)	Additions	Reductions	Balance 12/31/2022	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 125,005,000	\$ -	\$ 9,315,000	\$ 115,690,000	\$ 8,260,000
Premiums on bonds	2,814,059	-	361,859	2,452,200	219,160
Net bonds payable	127,819,059	-	9,676,859	118,142,200	8,479,160
Landfill post-closure costs	9,644,042	-	4,187,308	5,456,734	443,175
Lease liability	3,185,644	421,375	655,053	2,951,966	724,266
Compensated absences	3,677,090	156,897	181,102	3,652,885	365,289
OPEB obligation	273,861,836	52,372,501	128,015,487	198,218,850	-
Claims payable	15,680,775	2,867,938	2,750,355	15,798,358	1,598,786
Net pension liability*	214,988	-	214,988	-	-
Total governmental activities	<u>\$ 434,083,434</u>	<u>\$ 55,818,711</u>	<u>\$ 145,681,152</u>	<u>\$ 344,220,993</u>	<u>\$ 11,610,676</u>
Business-type activities:					
Bonds payable:					
Tobacco settlement bonds	\$ 14,850,000	\$ -	\$ 545,000	\$ 14,305,000	\$ 310,000
Premiums on bonds	1,158,639	-	57,931	1,100,708	-
Revenue bonds	106,710,000	-	1,805,000	104,905,000	1,890,000
Discount on revenue bonds	(864,953)	-	(48,170)	(816,783)	-
Total bonds payable	121,853,686	-	2,359,761	119,493,925	2,200,000
Compensated absences*	293,437	938,467	984,095	247,809	247,809
OPEB obligation	28,917,102	5,908,883	14,775,853	20,050,132	-
Net pension liability*	24,646	-	24,646	-	-
Total business-type activities	<u>\$ 151,088,871</u>	<u>\$ 6,847,350</u>	<u>\$ 18,144,355</u>	<u>\$ 139,791,866</u>	<u>\$ 2,447,809</u>

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

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

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

A summary of additions and payments of general obligation bonds for the year ended December 31, 2022 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Governmental activities:							
Build America Bonds	\$ 7,600,000	2010/2024	4.93-5.93	\$ 3,725,000	\$ -	\$ 1,455,000	\$ 2,270,000
Recovery zone	810,000	2010/2024	5.93	810,000	-	-	810,000
Refunding	17,880,000	2013/2022	4.00-5.00	1,320,000	-	1,320,000	-
Public improvements	11,315,000	2014/2024	2.00-2.25	3,730,000	-	1,215,000	2,515,000
Public improvements	23,822,000	2016/2030	2.00-5.00	16,335,000	-	1,655,000	14,680,000
Public improvements	85,000,000	2016/2046	3.00-3.25	76,850,000	-	2,180,000	74,670,000
Jail construction	10,000,000	2018/2038	3.00-3.50	8,890,000	-	370,000	8,520,000
Public improvements	4,000,000	2018/2038	2.00-5.00	3,565,000	-	145,000	3,420,000
Public improvements	1,140,000	2018/2038	3.00-3.25	1,005,000	-	45,000	960,000
Public improvements	6,000,000	2019/2036	3.00	5,425,000	-	295,000	5,130,000
Refunding	3,355,000	2021/2026	1.00-4.00	3,350,000	-	635,000	2,715,000
Total governmental activities				<u>\$ 125,005,000</u>	<u>\$ -</u>	<u>\$ 9,315,000</u>	<u>\$ 115,690,000</u>

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

A summary of additions and payments of revenue bonds for the year ended December 31, 2022 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Series 2016A	\$ 64,170,000	2016/2049	4.85-5.35	\$ 62,210,000	\$ -	\$ 1,050,000	\$ 61,160,000
Series 2016B	9,170,000	2016/2049	4.85-5.35	8,890,000	-	150,000	8,740,000
Series 2016C	9,035,000	2017/2049	4.85-5.35	8,760,000	-	150,000	8,610,000
Series 2016D	5,935,000	2017/2049	4.85-5.35	5,750,000	-	100,000	5,650,000
Series 2016E	21,765,000	2017/2049	4.85-5.35	21,100,000	-	355,000	20,745,000
Total				<u>\$ 106,710,000</u>	<u>\$ -</u>	<u>\$ 1,805,000</u>	<u>\$ 104,905,000</u>

Amortization of Bond Premiums—In past years, the County issued public improvement serial bonds and received bond premiums. There premiums are being amortized on a straight-line annual basis over the life of the respective bonds. Total unamortized bond premiums at December 31, 2022 are \$2,452,200 and \$1,100,708 for governmental and business-type activities, respectively.

Amortization of Bond Discounts—As noted above, the ILDC issued revenue bonds totaling \$110,075,000 and received a bond discount of \$1,115,750. The discount is being amortized using the effective interest method over the life of the bonds, which mature in 2049. Total unamortized bond discounts at December 31, 2022 are \$816,783.

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

On September 22, 2016, STASC issued \$16,685,000 of Tobacco Settlement Asset Backed Refunding Bonds, Series 2016, pursuant to an indenture dated as of September 1, 2016. The \$16,685,000 bond issuance was comprised of \$8,100,000 Tobacco Settlement Pass-Through Bonds, Series 2016B Term Bonds and \$8,585,000 Tobacco Settlement Pass-Through Bonds, Series 2016C Turbo Term Bonds. The proceeds of the Series 2016 Bonds and the release of certain reserve funds were used to defease \$10,810,000 of the outstanding Series 2001 Bonds, make a payment to the County, fund the Series 2016B and Series 2016C Liquidity Reserve Accounts, fund the Operating Expense Reserve Account, pay a portion Series 2016B and Series 2016C interest due June 1, 2016, and pay the costs of issuance. The tobacco settlement bonds were issued at a premium of \$1,448,294 with interest rates ranging from 2.45%-5.00%. The County’s liability balance for tobacco settlement bonds amounts to \$14,305,000 at December 31, 2022 for business-type activities.

A summary of tobacco settlement bonds additions and payments for the year ended December 31, 2022 is shown below:

Description	Original Issue	Year of Issue/ Maturity	Interest Rate (%)	Balance 1/1/2022	Increases	Decreases	Balance 12/31/2022
Business-type activities:							
Tobacco settlement bonds:							
Series 2016B	\$ 8,100,000	2016/2041	5.00	\$ 7,200,000	\$ -	\$ 295,000	\$ 6,905,000
Series 2016C	8,585,000	2016/2051	2.45-4.00	<u>7,650,000</u>	<u>-</u>	<u>250,000</u>	<u>7,400,000</u>
Total				<u>\$ 14,850,000</u>	<u>\$ -</u>	<u>\$ 545,000</u>	<u>\$ 14,305,000</u>

Landfill Post-Closure—State and federal laws and regulations require the County to place a final cover on a section of the landfill site when it reaches final elevation and to perform certain maintenance and monitoring functions at the site for a minimum of thirty years after closure. The \$5,456,734 landfill post-closure liability reported at December 31, 2022 represents the estimated cost of post-closure based on the use of 100 percent of the landfill capacity, less closure expenditures of \$31,947,451. These expenditures have been charged to the Capital Projects Fund, which had a total project budget of \$32,061,004. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Lease Liability—The County entered into long-term leases for various agreements. The outstanding balance at December 31, 2022 was \$2,951,966. Refer to Note 10 for additional information related to the County’s leases.

Compensated Absences—As explained in Note 1, the County records the value of governmental fund type compensated absences in the government-wide and proprietary fund financial statements. The payment of compensated absences is dependent on many factors and, therefore, cannot be reasonable estimated as to future timing of payment. The General Fund is used to liquidate compensated absences liabilities. Under the terms of existing collective bargaining agreements, County employees are granted vacation and sick leave in varying amounts. Upon retirement or separation of service, employees may be compensated for unused vacation time to a maximum of 30 days at the current daily rate of pay. Employees represented by

the Brotherhood of Teamsters can accumulate up to 200 days of sick leave. Upon retirement, those employees who have accumulated more than 165 sick leave days shall receive a sum equal to 25% of the employees' daily rate of pay for sick leave accumulations in excess of 165 days up to a maximum of 200 days. The other collective bargaining agreements provide that employees can accumulate up to 200 days of sick leave. Upon retirement, those employees can apply 50% for each unused sick leave day in excess of 120 days to their share of retiree medical premiums. The compensated absences liability for the County's governmental and business-type activities at December 31, 2022 totaled \$3,652,885 and \$247,809, respectively, and are reported in the government-wide and proprietary fund financial statements. The County estimates \$365,289 of governmental activities is due within one year. The County has determined that due to the nature and timing of the business-type activities compensated absences, that the entire liability, \$247,809, should be recorded as due within one year as it is anticipated that all sick and vacation time will be utilized.

OPEB Obligation—As explained in Note 8, the County provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The General Fund is used to liquidate OPEB obligation liabilities. The County's annual OPEB cost is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The County's long-term OPEB obligation is estimated to be \$198,218,850 and \$20,050,132 at December 31, 2022, for governmental and business-type activities, respectively.

Claims Payable—As discussed in Note 9, the County reports workers' compensation and dental benefits liabilities within the Internal Service Fund and governmental activities. Additionally, the County reports general liability claims liabilities within the General Fund and governmental activities. The total claims payable liability for workers' compensation, dental benefits, general liabilities, and assessments at December 31, 2021 is \$15,798,358, of this amount, the County estimates \$1,598,786 is due within a year.

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

Year Ending December 31,	Governmental Activities				
	Serial Bonds	Premiums on Serial Bonds	Landfill Post-Closure	Lease Liability	Compensated Absences
2023	\$ 8,260,000	\$ 219,160	\$ 443,175	\$ 724,266	\$ 365,289
2024	8,490,000	195,670	208,898	746,279	-
2025	5,955,000	180,428	208,898	744,417	-
2026	6,090,000	163,787	208,898	697,127	-
2027	5,525,000	113,856	208,898	39,877	-
2028-2032	25,385,000	500,193	1,044,490	-	-
2033-2037	21,350,000	421,158	1,044,490	-	-
2038-2042	18,590,000	370,673	1,044,490	-	-
2043-2047	16,045,000	287,275	1,044,497	-	3,287,596
Total	<u>\$ 115,690,000</u>	<u>\$ 2,452,200</u>	<u>\$ 5,456,734</u>	<u>\$ 2,951,966</u>	<u>\$ 3,652,885</u>

(continued)

(concluded)

Year Ending December 31,	OPEB Obligation	Claims Payable	Total
2023	\$ -	\$ 1,598,786	\$ 11,610,676
2024	-	-	9,640,847
2025	-	-	7,088,743
2026	-	-	7,159,812
2027	-	-	5,887,631
2028-2032	-	-	26,929,683
2033-2037	-	-	22,815,648
2038-2042	-	-	20,005,163
2043-2047	<u>198,218,850</u>	<u>14,199,572</u>	<u>233,082,790</u>
Total	<u>\$ 198,218,850</u>	<u>\$ 15,798,358</u>	<u>\$ 344,220,993</u>

Year Ending December 31,	Business-type Activities						
	Tobacco Settlement Bonds	Premiums on Bonds	Revenue Bonds	Discount on Revenue Bonds	Compensated Absences	OPEB Obligation	Total
2023	\$ 310,000	\$ -	\$ 1,890,000	\$ -	\$ 247,809	\$ -	\$ 2,447,809
2024	325,000	-	1,975,000	-	-	-	2,300,000
2025	340,000	-	2,080,000	-	-	-	2,420,000
2026	360,000	-	2,180,000	-	-	-	2,540,000
2027	335,000	-	2,280,000	-	-	-	2,615,000
2028-2032	-	-	13,195,000	-	-	-	13,195,000
2033-2037	-	-	16,995,000	-	-	-	16,995,000
2038-2042	-	-	22,035,000	-	-	-	22,035,000
2043-2047	-	-	28,585,000	-	-	-	28,585,000
2048 and thereafter	<u>12,635,000</u>	<u>1,100,708</u>	<u>13,690,000</u>	<u>(816,783)</u>	<u>-</u>	<u>20,050,132</u>	<u>46,659,057</u>
Total	<u>\$ 14,305,000</u>	<u>\$ 1,100,708</u>	<u>\$ 104,905,000</u>	<u>\$ (816,783)</u>	<u>\$ 247,809</u>	<u>\$ 20,050,132</u>	<u>\$ 139,791,866</u>

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

Year Ending December 31,	Governmental Activities	Business-type Activities
2023	\$ 3,399,939	\$ 6,269,681
2024	3,110,541	5,970,522
2025	2,880,350	5,842,453
2026	2,721,700	5,707,760
2027	2,577,499	5,566,842
2028-2032	10,657,868	25,705,156
2033-2037	7,376,355	20,024,782
2038-2042	4,312,257	14,967,695
2042-2047	1,321,289	8,409,665
2048 and thereafter	-	1,108,252
Total	<u>\$ 38,357,798</u>	<u>\$ 99,572,808</u>

Sullivan County Community College

Changes in the College's long-term liabilities for the year ended August 31, 2022 were as follows:

	Balance 9/1/2021	Additions	Reductions	Balance 8/31/2022	Due Within One Year
Lease liability	\$ 786,730	\$ 12,761	\$ 255,945	543,546	\$ 270,577
Perkins loan fund liability	706,348	-	219,392	486,956	-
Mortgage payable	6,411,474	198,784	270,763	6,339,495	491,489
Compensated absences*	453,955	-	67,609	386,346	-
Retirement incentives	336,333	-	336,333	-	-
OPEB obligation	44,809,319	2,758,960	11,653,150	35,915,129	-
Net pension liability*	12,939	117,076	12,939	117,076	-
Total	<u>\$ 53,517,098</u>	<u>\$ 3,087,581</u>	<u>\$ 12,816,131</u>	<u>\$ 43,788,548</u>	<u>\$ 762,066</u>

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

Perkins Loans Fund Liability—Funds provided by the U.S. Department of Education under the Federal Perkins Loan Program are loaned to qualified students and may be reloaned after collection. These funds are ultimately refundable to the U.S. Department of Education and are therefore reported as liabilities. At December 31, 2022, the College reported \$486,956 as a liability related to Perkin Loans.

Mortgage Payable—Mortgage payable consists of the issuance of \$7,442,000 Sullivan County Community College Dormitory Corporation Project Series 2014A Tax-Exempt Revenue Bonds with interest at 4.30% payable in 300 monthly installments of \$40,791 with the final maturity on July 1, 2039 and \$558,000 Sullivan County Community College Dormitory Corporation Project Series 2014B Taxable Revenue Bonds with interest at 5.34% payable in 120 monthly installments of \$6,033 with the final maturity on July 1, 2024. The balances on these mortgages are \$6,140,711 and \$198,784 at August 31, 2022. The Corporation has granted a first priority mortgage lien on and security interest in the Mortgaged Property consisting of the two buildings of dormitory housing to Sterling National Bank, as agent of the Issuer, Sullivan County Funding Corporation.

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

OPEB Obligation—As explained in Note 8, the College provides medical, dental, and life insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. The College's annual OPEB cost is calculated based on the annual required contributions of the employer, an amount actuarially determined in accordance with GASB. The College's long-term OPEB obligation is estimated to be \$35,915,129 at August 31, 2022.

Net Pension Liability—The College reports a liability for its proportionate share of the net pension liability for the Teachers’ Retirement System. The net pension liability is estimated to be \$117,076 at August 31, 2022. Refer to Note 7 for additional information related to the College’s net pension liability.

Sullivan County Soil and Water Conservation District

A summary of the District’s long-term debt at December 31, 2022 follows:

	Balance 1/1/2022	Additions	Reductions	Balance 12/31/2022	Due Within One Year
Compensated absences	\$ 39,817	\$ 51,855	\$ 45,361	\$ 46,311	\$ 4,600
Net pension liability*	1,112	-	1,112	-	-
Total	<u>\$ 40,929</u>	<u>\$ 51,855</u>	<u>\$ 46,473</u>	<u>\$ 46,311</u>	<u>\$ 4,600</u>

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

Compensated Absences—At December 31, 2022 the liability for the District’s compensated absences is \$46,311, of which \$4,600 is estimated to be due within one year.

Sullivan County Industrial Development Agency

A summary of the IDA’s long-term debt at December 31, 2022 follows:

	Balance 1/1/2022	Additions	Reductions	Balance 12/31/2022	Due Within One Year
RMAP note payable	\$ 265,762	\$ -	\$ 23,860	\$ 241,902	\$ 23,805

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

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

Year Ending December 31,	Principal	Interest
2023	\$ 23,805	\$ 4,618
2024	24,285	4,138
2025	24,776	3,648
2026	25,276	3,148
2027	25,786	2,637
2028-2032	117,974	5,282
Total	<u>\$ 241,902</u>	<u>\$ 23,471</u>

13. NET POSITION AND FUND BALANCE

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

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

Governmental activities:

Capital assets, net of accumulated depreciation		\$ 275,652,871
Less related debt:		
General obligation bonds	\$ (115,690,000)	
Unamortized bond premiums	(2,452,200)	
Lease liability	(2,951,966)	
Capital projects fund accounts payable	(795,439)	
Unspent debt proceeds	<u>1,060,197</u>	<u>(120,829,408)</u>
Net investment in capital assets		<u>\$ 154,823,463</u>

Business-type activities:

Capital assets, net of accumulated depreciation		\$ 83,459,041
Less related debt:		
Revenue bonds	\$ (104,905,000)	
Unamortized bond discount	816,783	
Unspent debt proceeds	<u>12,110,499</u>	<u>(91,977,718)</u>
Net investment in capital assets		<u>\$ (8,518,677)</u>

- **Restricted Net Position**—This category represents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The total restricted component of net position for governmental activities was \$4,621,385 at December 31, 2022, of which \$400,417 is restricted for law enforcement, \$930,211 is restricted for opioid settlement funds, \$58,410 for debt service, \$570,417 for dental benefits, \$789,941 for room occupancy taxes, \$969,382 for capital projects and \$902,607 for community development.
- **Unrestricted Net Position**—This category represents net position of the County not restricted for any project or other purpose.

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable fund balance maintained by the County at December 31, 2022 is presented below:

- **Long-term Due from Other Funds**—Represents the long-term portion of funds, \$17,061,172, reported within the County’s General Fund as receivable from the Adult Care Center not expected to be received within one year of the financial statement date.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grants, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. As of December 31, 2022, the County reported restricted fund balances as shown below:

	General Fund	County Road Fund	Refuse and Garbage Fund	Capital Projects Fund	Total Nonmajor Funds	Total
Law enforcement	\$ 400,417	\$ -	\$ -	\$ -	\$ -	\$ 400,417
Debt service	34,022	6,801	4,508	-	13,079	58,410
Opioid settlement funds	930,211	-	-	-	-	930,211
Room tax	789,941	-	-	-	-	789,941
Capital projects	-	-	-	2,029,579	-	2,029,579
Community development	-	-	-	-	902,607	902,607
Total	<u>\$ 2,154,591</u>	<u>\$ 6,801</u>	<u>\$ 4,508</u>	<u>\$ 2,029,579</u>	<u>\$ 915,686</u>	<u>\$ 5,111,165</u>

- **Restricted for Law Enforcement**—Represents the proceeds of seized funds which are restricted by New York State Law for use in law enforcement activities.
- **Restricted for Debt Service**—Represents reserves which will be used for the reduction of future debt service requirements.
- **Restricted for Opioid Settlement Funds**—Represents direct payments of opioid settlement funds to support future treatment and recovery requirements.
- **Restricted for Room Tax**—Represents proceeds of room occupancy taxes to be used for future tourism activities.
- **Restricted for Capital Projects**—Represents amounts restricted to fund future capital projects within the County.
- **Restricted for Community Development**—Represents representing amounts related to the rehabilitation loan program with constraints placed on their use by the United States Department of Housing and Urban Development.

In the fund financial statements, commitments are amounts that are subject to a purpose constraint imposed by a formal action of the County’s highest level of decision-making authority. As of December 31, 2022, the County does not record any commitments.

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

As of December 31, 2022, the County reported the following fund balances assignments:

	General Fund	County Road Fund	Refuse and Garbage Fund	Total Nonmajor Funds	Total
Encumbrances	\$ 1,766,901	\$ 504,769	\$ 552,405	\$ 2,083,360	\$ 4,907,435
Health insurance contributions	1,000,000	-	-	-	1,000,000
Subsequent year's expenditures	1,000,000	1,784,561	1,787,501	407,892	4,979,954
Debt	2,500,000	-	-	-	2,500,000
Fund balance policy	31,500,000	-	-	-	31,500,000
Other purposes	1,409,215	-	-	-	1,409,215
Specific use	-	1,242,678	1,248,758	565,870	3,057,306
Total	<u>\$ 39,176,116</u>	<u>\$ 3,532,008</u>	<u>\$ 3,588,664</u>	<u>\$ 3,057,122</u>	<u>\$ 49,353,910</u>

- **Assigned to Encumbrances**—Represents commitments related to unperformed contracts or purchase orders for goods or services.
- **Assigned to Health Insurance Contributions**—Represents funds set aside for future health insurance contributions.
- **Assigned to Subsequent Year's Expenditures**—Represents available fund balance being appropriated to meet expenditure requirements in the 2023 fiscal year.
- **Assigned to Debt**—Represents funds to be used for the reduction of future debt service requirements.
- **Assigned to Fund Balance Policy**—Represents two months of expenditures set aside to offset potential future financial downturns.
- **Assigned to Other Purposes**—Represents funds set aside for building construction (\$621,540), equipment (\$460,000), a Planning Department program (\$195,020), economic development (\$60,000), and soil and water (\$72,655).
- **Assigned to Specific Use**—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignments' purpose relates to each fund's operations and represent the remaining amounts within funds that are not restricted or committed.

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

14. INTERFUND BALANCES AND ACTIVITY

Interfund receivables and payables are short-term in nature and exist because of temporary advances or payments made on behalf of other funds. With the exception of loans with business-type activities interfund balances are expected to be collected/paid within the subsequent year. Interfund transfers are routine annual events for both the budget and accounting process and are necessary to present funds in their proper fund classification. The composition of interfund balances as of December 31, 2022 is shown on the following page.

Fund	Interfund	
	Receivable	Payable
Governmental funds:		
General Fund	\$ 21,581,095	\$ 15,721,038
County Road Fund	539	3,803,845
Refuse and Garbage Fund	2,392,757	20
Capital Projects Fund	-	714,885
Nonmajor governmental funds	3,195,633	31
Enterprise funds:		
Sullivan County Adult Care Center	-	17,061,172
Internal service funds:		
Workers' Compensation Benefits Fund	10,132,867	1,900
Total	<u>\$ 37,302,891</u>	<u>\$ 37,302,891</u>

During the current year end, transfers were utilized for the General Fund to cover the annual operating expenditures for the County Road and Road Machinery Funds. Additionally, the General Fund transferred funds to the Debt Service Fund and Capital Projects Fund to cover debt service requirements and American Rescue Plan Act (“ARPA”) expenditures, respectively. Finally, the General Fund transferred funding to the proprietary funds to help support daily operations.

The County made transfers during the year ended December 31, 2022, as shown below:

Transfers out:	Transfers in:					
	Governmental funds					
	General Fund	County Road Fund	Capital Projects Fund	Total Nonmajor Funds	Proprietary Funds	Total
Governmental funds:						
General Fund	\$ -	\$ 27,390,279	\$ 4,197,440	\$ 13,206,909	\$ 2,320,944	\$ 47,115,572
County Road Fund	-	-	7,111,666	3,675,277	-	10,786,943
Refuse and Garbage Fund	-	-	-	2,085,218	-	2,085,218
Nonmajor funds	149,795	539	402,000	666,395	-	1,218,729
Proprietary Funds	599,184	-	-	-	-	599,184
Total	<u>\$ 748,979</u>	<u>\$ 27,390,818</u>	<u>\$ 11,711,106</u>	<u>\$ 19,633,799</u>	<u>\$ 2,320,944</u>	<u>\$ 61,805,646</u>

15. LABOR CONTRACTS

The County’s employees operate under six collective bargaining units: The DPW Supervisory Unit Teamsters Local 445, International Brotherhood of Teamsters is settled through December 31, 2023. The New York State Nurses Association is settled through December 31, 2024. The CSEA Sheriff Corrections contract; the Sullivan County Patrolmen’s Benevolent Association contract; the Teamster Local 445, Probation contract; and the DPW Laborers’ International Union of North America is settled through December 31, 2025.

16. TAX ABATEMENTS

The County is subject to tax abatements granted by the Sullivan County Industrial Development Agency (“SCIDA”). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the SCIDA and include the abatement of state, county, local and school district taxes, in addition to other assistance. In the case of the County, the abatements have resulted in reductions of property taxes, which the County administers as a temporary reduction in the assessed value of the property involved. The abatement agreements stipulate a percentage reduction of property taxes, which can be as much as 100 percent. Under the agreements entered into by SCIDA, the County collected \$1,780,920 during 2022 in payments in lieu of taxes (“PILOT”), these collections were made in lieu of \$4,622,015 in property taxes.

17. COMMITMENTS AND CONTINGENCIES

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

The County considers encumbrances to be significant for amounts that are encumbered in excess of \$100,000 for all funds. As of December 31, 2022, the County reported significant encumbrances as shown below:

Fund	Description	Amount
General	Building improvement	\$ 675,000
County Road	Supplies	206,590
Refuse & Garbage	Heavy equipment	189,684
Refuse & Garbage	Heavy equipment	104,376
Road Machinery	Vehicles	713,012
Road Machinery	Vehicles	343,190
Road Machinery	Vehicles	306,562
Road Machinery	Heavy equipment	288,412
Road Machinery	Vehicles	219,627

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

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

Adult Care Center—The Center participates in a premium based general and professional liability insurance plan. The plan assumes liability for most risks included, but not limited to, personal injury, malpractice, vehicle, and general liability. At December 31, 2022, no claims or outstanding premiums exist that meet the liability criteria.

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

The Center's operations have been affected by the recent and ongoing outbreak of the coronavirus disease (COVID-19), which was declared a pandemic by the World Health Organization in March 2020. Many countries around the world, including the United States, have significant governmental measures being implemented to control the spread of COVID-19, including temporary closures of businesses, severe restrictions on travel and the movement of people and other material limitation on the conduct of business. As a result of the COVID-19 pandemic, the Center is experiencing a reduction in patient census that is having a direct negative effect on the Center's operations. The rise in demand for health care supplies and potential staffing shortages will likely increase costs incurred by the Center as well. The Center has taken steps to strengthen its financial position and balance sheet to maintain financial liquidity and flexibility including the receipt of government awards. The full duration and extent of the COVID-19 pandemic, related business and travel restrictions and changes to behavior intended to reduce its spread are uncertain as of the date these financial statements were available for issuance, as the pandemic continues to evolve globally. Therefore, the full extent of any adverse impact on the results of operations, financial position and cash flows in 2022 cannot be reasonably estimated at this time.

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

Effective October 1, 2021, the County entered into a consulting agreement with Infinite Care whereby Infinite Care will provide a more extensive level of services to the Center and the County remains the licensed operator of the facility. On March 16, 2023, the County and Infinite Care filed a Certificate of Need ("CON") application with the New York State Department of Health and is awaiting approval for Infinite Care to be established as the licensed operator of the Center.

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

Sullivan County Community College

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

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

Sullivan County Soil and Water Conservation District

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

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

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 28, 2023, and have determined, except as described in Note 17, that there are no subsequent events that require disclosure under generally accepted accounting principles.

* * * * *

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Governmental activities:						
Total OPEB Liability						
Service cost	\$ 11,030,705	\$ 7,499,034	\$ 5,740,016	\$ 4,108,250	\$ 5,023,750	\$ 4,993,306
Interest	6,082,631	5,364,967	7,560,063	8,516,890	8,111,525	7,906,838
Changes in assumptions	(120,970,170)	(20,359,454)	49,008,851	(22,598,294)	(18,319,064)	-
Differences between expected and actual experience	35,259,165	6,870,759	(9,753,783)	13,877,437	(14,007,747)	4,419,853
Benefit payments	(7,045,317)	(6,982,100)	(5,980,586)	(5,981,394)	(5,949,623)	(5,424,068)
Net changes in total OPEB liability	(75,642,986)	(7,606,794)	46,574,561	(2,077,111)	(25,141,159)	11,895,929
Total OPEB liability—beginning	273,861,836	281,468,630	234,894,069	236,971,180	262,112,339	250,216,410
Total OPEB liability—ending	\$ 198,218,850	\$ 273,861,836	\$ 281,468,630	\$ 234,894,069	\$ 236,971,180	\$ 262,112,339
Covered-employee payroll	\$ 50,819,499	\$ 49,899,457	\$ 50,465,779	\$ 53,787,933	\$ 51,819,981	\$ 46,092,209
County's net OPEB liability as a percentage of covered-employee payroll	390.0%	548.8%	557.7%	436.7%	457.3%	568.7%
Business-type activities:						
Total OPEB Liability						
Service cost	\$ 1,501,549	\$ 1,248,738	\$ 955,824	\$ 724,986	\$ 945,949	\$ 940,216
Interest	643,512	437,931	572,437	576,534	526,096	512,821
Changes in assumptions	(14,142,690)	(1,919,641)	4,869,543	1,341,716	(1,188,136)	-
Differences between expected and actual experience	3,763,822	6,768,449	(767,215)	(546,415)	(908,512)	(383,147)
Benefit payments	(633,163)	(618,218)	(380,322)	(372,214)	(350,478)	(298,346)
Net changes in total OPEB liability	(8,866,970)	5,917,259	5,250,267	1,724,607	(975,081)	771,544
Total OPEB liability—beginning	28,917,102	22,999,843	17,749,576	16,024,969	17,000,050	16,228,506
Total OPEB liability—ending	\$ 20,050,132	\$ 28,917,102	\$ 22,999,843	\$ 17,749,576	\$ 16,024,969	\$ 17,000,050
Covered-employee payroll	\$ 5,140,468	\$ 5,268,889	\$ 4,123,745	\$ 4,064,441	\$ 3,504,281	\$ 6,829,079
County's net OPEB liability as a percentage of covered-employee payroll	390.0%	548.8%	557.7%	436.7%	457.3%	248.9%
Total Primary Government:						
Total OPEB Liability						
Service cost	\$ 12,532,254	\$ 1,248,738	\$ 955,824	\$ 724,986	\$ 945,949	\$ 940,216
Interest	6,726,143	437,931	572,437	576,534	526,096	512,821
Changes in assumptions	(135,112,860)	(1,919,641)	4,869,543	1,341,716	(1,188,136)	-
Differences between expected and actual experience	39,022,987	6,768,449	(767,215)	(546,415)	(908,512)	(383,147)
Benefit payments	(7,678,480)	(618,218)	(380,322)	(372,214)	(350,478)	(298,346)
Net changes in total OPEB liability	(84,509,956)	5,917,259	5,250,267	1,724,607	(975,081)	771,544
Total OPEB liability—beginning	302,778,938	22,999,843	17,749,576	16,024,969	17,000,050	16,228,506
Total OPEB liability—ending	\$ 218,268,982	\$ 28,917,102	\$ 22,999,843	\$ 17,749,576	\$ 16,024,969	\$ 17,000,050
Covered-employee payroll	\$ 55,959,967	\$ 5,268,889	\$ 4,123,745	\$ 4,064,441	\$ 3,504,281	\$ 6,829,079
County's net OPEB liability as a percentage of covered-employee payroll	390.0%	548.8%	557.7%	436.7%	457.3%	248.9%

(continued)

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

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
					(concluded)	
Sullivan County Community College:						
Total OPEB Liability						
Service cost	\$ 1,582,239	\$ 1,842,883	\$ 1,714,435	\$ 1,982,185	\$ 1,825,162	
Interest	1,096,774	1,237,345	1,722,528	2,185,731	1,937,827	
Changes in benefit terms	-	-	-	(8,133,017)		
Changes in assumptions	(10,259,580)	(490,386)	8,466,455	3,096,439	(1,714,796)	
Differences between expected and actual experience	79,947	(8,295,358)	(5,566,269)	(4,659,061)	4,548	
Benefit payments	<u>(1,393,570)</u>	<u>(1,485,854)</u>	<u>(1,461,781)</u>	<u>(1,664,296)</u>	<u>(1,598,483)</u>	
Net changes in total OPEB liability	<u>(8,894,190)</u>	<u>(7,191,370)</u>	<u>4,875,368</u>	<u>(7,192,019)</u>	<u>454,258</u>	
Total OPEB liability—beginning	<u>44,809,319</u>	<u>52,000,689</u>	<u>47,125,321</u>	<u>54,317,340</u>	<u>53,863,082</u>	
Total OPEB liability—ending	<u>\$ 35,915,129</u>	<u>\$ 44,809,319</u>	<u>\$ 52,000,689</u>	<u>\$ 47,125,321</u>	<u>\$ 54,317,340</u>	n/a
Covered-employee payroll	\$ 6,100,557	\$ 7,511,479	\$ 6,312,494	\$ 8,130,479	\$ 6,613,824	n/a
College's net OPEB liability as a percentage of covered-employee payroll	588.7%	596.5%	823.8%	579.6%	821.3%	n/a

*Information prior to the year ended December 31, 2017 (August 31, 2018 as to the College) is not available.
The notes to the required supplementary information are an integral part of this schedule.

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

	Year Ended August 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Sullivan County Community College:								
Measurement date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Plan fiduciary net position as a percentage of the total pension liability	98.6%	113.3%	97.8%	102.2%	101.5%	100.7%	99.0%	110.5%
College's proportion of the net pension liability (asset)	0610100%	0.650200%	0.006370%	0.0072050%	0.0072170%	0.0074050%	0.0084310%	0.0080760%
College's proportionate share of the net pension liability (asset)	<u>\$ 117,076</u>	<u>\$ (1,126,778)</u>	<u>\$ 176,038</u>	<u>\$ (187,192)</u>	<u>\$ (130,550)</u>	<u>\$ (56,285)</u>	<u>\$ 90,296</u>	<u>\$ (838,829)</u>
College's covered payroll	\$ 1,080,854	\$ 1,103,641	\$ 1,117,336	\$ 1,202,674	\$ 1,175,550	\$ 1,222,471	\$ 1,300,935	\$ 1,213,110
College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	10.1%	(102.1)%	15.8%	(15.6)%	(11.1)%	(4.6)%	6.9%	(69.2)%

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

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

	Year Ended August 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Sullivan County Community College:								
Contractually required contributions	\$ 124,793	\$ 105,177	\$ 95,803	\$ 127,724	\$ 115,204	\$ 137,528	\$ 172,504	\$ 212,658
Contributions in relation to the contractually required contribution	<u>(124,793)</u>	<u>(105,177)</u>	<u>(95,803)</u>	<u>(127,724)</u>	<u>(115,204)</u>	<u>(137,528)</u>	<u>(172,504)</u>	<u>(212,658)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
College's covered payroll	1,128,830	1,103,641	1,117,336	1,202,674	1,175,550	1,222,471	1,300,935	1,213,110
Contributions as a percentage of covered payroll	11.1%	9.5%	8.6%	10.6%	9.8%	11.3%	13.3%	17.5%

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

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

	Year Ended December 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Plan fiduciary net position as a percentage of the total pension liability	103.7%	100%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%
Governmental activities:								
County's proportion of the net pension liability/(asset)	0.1958730%	0.2159072%	0.2191124%	0.1928306%	0.1828922%	0.1851387%	0.1899655%	0.1857220%
County's proportionate share of the net pension liability/(asset)	\$ (16,011,785)	\$ 214,988	\$ 51,246,179	\$ 13,662,643	\$ 5,902,738	\$ 17,396,061	\$ 30,490,042	\$ 6,274,132
County's covered payroll	\$ 46,963,836	\$ 47,184,985	\$ 62,852,518	\$ 48,460,129	\$ 46,409,406	\$ 44,100,576	\$ 52,288,877	\$ 51,515,316
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	(34.1)%	0.5%	81.5%	28.2%	12.7%	39.4%	58.3%	12.2%
Business-type activities:								
County's proportion of the net pension liability	0.193335%	0.0247511%	0.0255888%	0.0248519%	0.0240865%	0.0257297%	0.0261291%	0.0262174%
County's proportionate share of the net pension liability/(asset)	\$ (1,580,431)	\$ 24,646	\$ 6,776,067	\$ 1,760,832	\$ 777,379	\$ 2,417,622	\$ 4,193,799	\$ 885,687
County's covered payroll	\$ 5,322,629	\$ 6,359,134	\$ 9,363,057	\$ 7,052,583	\$ 6,872,926	\$ 6,676,520	\$ 8,063,774	\$ 7,844,031
County's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	(29.7)%	0.4%	72.4%	25.0%	11.3%	36.2%	52.0%	11.3%
Soil and Water Conservation District:								
District's proportion of the net pension liability	0.0013496%	0.0011164%	0.0013788%	0.0014610%	0.0013698%	0.0011771%	0.0011839%	0.0013466%
District's proportionate share of the net pension liability/(asset)	\$ (110,326)	\$ 1,112	\$ 365,119	\$ 103,514	\$ 44,208	\$ 110,602	\$ 190,018	\$ 45,492
District's covered payroll	\$ 413,839	\$ 403,703	\$ 445,184	\$ 381,403	\$ 392,135	\$ 372,042	\$ 373,268	\$ 317,882
District's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	(26.7)%	0.3%	82.0%	27.1%	11.3%	29.7%	50.9%	14.3%
	Year Ended August 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Measurement date	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Plan fiduciary net position as a percentage of the total pension liability	103.70%	100.0%	86.4%	96.2%	98.2%	94.7%	90.7%	97.9%
Sullivan County Community College:								
College's proportion of the net pension liability	0.0116930%	0.0129950%	0.0116940%	0.0119330%	0.0111630%	0.0113090%	0.0124080%	0.0120940%
College's proportionate share of the net pension liability/(asset)	\$ (955,876)	\$ 12,939	\$ 3,096,521	\$ 845,482	\$ 360,287	\$ 1,062,603	\$ 1,991,469	\$ 408,579
College's covered payroll	\$ 2,887,204	\$ 3,128,688	\$ 3,403,276	\$ 3,067,362	\$ 2,866,780	\$ 2,673,112	\$ 2,763,108	\$ 3,027,884
College's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	(33.1)%	0.4%	91.0%	27.6%	12.6%	39.8%	72.1%	13.5%

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

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

	Year Ended December 31,							
	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities:								
Contractually required contributions	\$ 7,068,751	\$ 7,769,566	\$ 7,389,125	\$ 6,764,327	\$ 6,593,679	\$ 6,569,798	\$ 7,341,500	\$ 7,837,849
Contributions in relation to the contractually required contribution	(7,068,751)	(7,769,566)	(7,389,125)	(6,764,327)	(6,593,679)	(6,569,798)	(7,341,500)	(7,837,849)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 54,491,011	\$ 49,304,844	\$ 50,026,454	\$ 53,622,816	\$ 48,231,045	\$ 46,070,276	\$ 43,988,174	\$ 44,018,400
Contributions as a percentage of covered payroll	13.0%	15.8%	14.8%	12.6%	13.7%	14.3%	16.7%	17.8%
Business-type activities:								
Contractually required contributions	\$ 728,920	\$ 924,033	\$ 971,332	\$ 876,444	\$ 880,248	\$ 910,645	\$ 1,009,798	\$ 1,106,428
Contributions in relation to the contractually required contribution	(728,920)	(924,033)	(971,332)	(876,444)	(880,248)	(910,645)	(1,009,798)	(1,106,428)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 5,942,036	\$ 5,857,720	\$ 7,071,004	\$ 7,981,865	\$ 7,062,896	\$ 6,829,079	\$ 6,683,257	\$ 6,772,279
Contributions as a percentage of covered payroll	12.3%	15.8%	13.7%	11.0%	12.5%	13.3%	15.1%	16.3%
Soil and Water Conservation District:								
Contractually required contributions	\$ 43,254	\$ 53,918	\$ 58,200	\$ 53,664	\$ 53,692	\$ 51,260	\$ 44,656	\$ 65,969
Contributions in relation to the contractually required contribution	(43,254)	(53,918)	(58,200)	(53,664)	(53,692)	(51,260)	(44,656)	(65,969)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 448,315	\$ 418,666	\$ 433,543	\$ 418,513	\$ 385,726	\$ 388,023	\$ 346,261	\$ 311,684
Contributions as a percentage of covered payroll	9.6%	12.9%	13.4%	12.8%	13.9%	13.2%	12.9%	21.2%
Year Ended August 31,								
	2022	2021	2020	2019	2018	2017	2016	2015
Sullivan County Community College:								
Contractually required contributions	\$ 474,366	\$ 463,483	\$ 411,109	\$ 410,304	\$ 392,290	\$ 381,778	\$ 479,513	\$ 510,410
Contributions in relation to the contractually required contribution	(474,366)	(463,483)	(411,109)	(410,304)	(392,290)	(381,778)	(479,513)	(510,410)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
College's covered payroll	\$ 2,887,204	\$ 3,128,688	\$ 3,403,276	\$ 3,067,362	\$ 2,866,780	\$ 2,673,112	\$ 2,763,108	\$ 3,027,884
Contributions as a percentage of covered payroll	16.4%	14.8%	12.1%	13.4%	13.7%	14.3%	17.4%	16.9%

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

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 69,399,722	\$ 69,399,722	\$ 73,704,140	\$ 4,304,418
Other property tax items	8,270,047	8,270,047	11,646,192	3,376,145
Non property tax items	57,360,000	63,289,936	77,192,898	13,902,962
Departmental income	19,514,936	20,229,213	16,554,913	(3,674,300)
Intergovernmental charges	400,350	550,057	707,681	157,624
Licenses and permits	2,301,500	2,801,500	3,261,051	459,551
Fines and forfeitures	209,400	209,400	277,760	68,360
Use of money and property	320,130	320,130	711,237	391,107
Sale of property and compensation for loss	586,550	781,746	743,141	(38,605)
Miscellaneous	2,609,609	1,609,609	1,760,704	151,095
State aid	24,592,396	24,839,136	24,479,638	(359,498)
Federal aid	22,604,911	23,789,173	25,571,060	1,781,887
Total revenues	<u>208,169,551</u>	<u>216,089,669</u>	<u>236,610,415</u>	<u>20,520,746</u>
EXPENDITURES				
Current:				
General government support	41,325,060	45,414,973	42,468,682	2,946,291
Education	5,675,000	5,675,000	5,475,911	199,089
Public safety	31,802,653	34,316,074	32,000,675	2,315,399
Health	26,733,286	24,832,314	23,660,274	1,172,040
Transportation	2,726,537	2,988,447	2,728,556	259,891
Economic assistance and opportunity	64,005,684	61,103,049	57,360,827	3,742,222
Culture and recreation	3,579,764	3,806,279	3,385,710	420,569
Home and community services	2,342,135	3,187,250	3,084,760	102,490
Debt service:				
Principal	1,651,667	1,651,667	655,053	996,614
Interest and other fiscal charges	124,775	208,488	208,488	-
Total expenditures	<u>179,966,561</u>	<u>183,183,541</u>	<u>171,028,936</u>	<u>12,154,605</u>
Excess (deficiency) of revenues over expenditures	28,202,990	32,906,128	65,581,479	32,675,351
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	748,979	748,979
Transfers out	(38,871,984)	(44,976,863)	(47,115,572)	(2,138,709)
Leases issued	-	-	421,375	421,375
Total other financing sources (uses)	<u>(38,871,984)</u>	<u>(44,976,863)</u>	<u>(45,945,218)</u>	<u>(968,355)</u>
Net change in fund balance*	(10,668,994)	(12,070,735)	19,636,261	31,706,996
Fund balances—beginning	54,522,299	54,522,299	54,522,299	-
Fund balances—ending	<u>\$ 43,853,305</u>	<u>\$ 42,451,564</u>	<u>\$ 74,158,560</u>	<u>\$ 31,706,996</u>

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

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

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficit)—
Budget and Actual—County Road Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental charges	\$ 155,000	\$ 155,000	\$ 100,933	\$ (54,067)
Licenses and permits	5,000	5,000	2,300	(2,700)
Use of money and property	-	-	2,007	2,007
Sale of property and compensation for loss	50	50	-	(50)
Miscellaneous	1,000	1,000	1,000	-
State aid	3,100,000	5,973,334	5,752,494	(220,840)
Federal aid	<u>2,248,500</u>	<u>2,248,500</u>	<u>3,151,300</u>	<u>902,800</u>
Total revenues	<u>5,509,550</u>	<u>8,382,884</u>	<u>9,010,034</u>	<u>627,150</u>
EXPENDITURES				
Current:				
Public safety	1,007,610	1,062,244	965,934	96,310
Transportation	20,430,356	25,251,798	24,163,730	1,088,068
Debt service:				
Interest and other fiscal charges	<u>106,300</u>	<u>106,301</u>	<u>106,300</u>	<u>1</u>
Total expenditures	<u>21,544,266</u>	<u>26,420,343</u>	<u>25,235,964</u>	<u>1,184,379</u>
Excess (deficiency) of revenues over expenditures	(16,034,716)	(18,037,459)	(16,225,930)	1,811,529
OTHER FINANCING SOURCES (USES)				
Transfers in	25,476,610	27,390,279	27,390,818	539
Transfers out	<u>(10,811,395)</u>	<u>(10,811,395)</u>	<u>(10,786,943)</u>	<u>24,452</u>
Total other financing sources (uses)	<u>14,665,215</u>	<u>16,578,884</u>	<u>16,603,875</u>	<u>24,991</u>
Net change in fund balance*	(1,369,501)	(1,458,575)	377,945	1,836,520
Fund balances (deficit)—beginning	<u>3,160,864</u>	<u>3,160,864</u>	<u>3,160,864</u>	<u>-</u>
Fund balances (deficit)—ending	<u>\$ 1,791,363</u>	<u>\$ 1,702,289</u>	<u>\$ 3,538,809</u>	<u>\$ 1,836,520</u>

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

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

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Departmental income	\$ 8,860,500	\$ 10,135,020	\$ 10,136,020	\$ 1,000
Use of money and property	-	-	1,396	1,396
Sale of property and compensation for loss	230,000	230,000	285,382	55,382
Miscellaneous	2,530,000	2,530,000	2,496,660	(33,340)
State aid	10,000	65,974	74,090	8,116
Total revenues	<u>11,630,500</u>	<u>12,960,994</u>	<u>12,993,548</u>	<u>32,554</u>
EXPENDITURES				
Current:				
Home and community services	<u>11,468,645</u>	<u>13,004,769</u>	<u>12,028,118</u>	<u>765,318</u>
Total expenditures	<u>11,468,645</u>	<u>13,004,769</u>	<u>12,028,118</u>	<u>765,318</u>
Excess of revenues over expenditures	161,855	(43,775)	965,430	797,872
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(2,090,398)</u>	<u>(2,090,398)</u>	<u>(2,085,218)</u>	<u>5,180</u>
Total other financing sources (uses)	<u>(2,090,398)</u>	<u>(2,090,398)</u>	<u>(2,085,218)</u>	<u>5,180</u>
Net change in fund balance*	(1,928,543)	(2,134,173)	(1,119,788)	803,052
Fund balances—beginning	<u>4,712,960</u>	<u>4,712,960</u>	<u>4,712,960</u>	-
Fund balances—ending	<u>\$ 2,784,417</u>	<u>\$ 2,578,787</u>	<u>\$ 3,593,172</u>	<u>\$ 803,052</u>

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

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

COUNTY OF SULLIVAN, NEW YORK
Notes to the Required Supplementary Information
Year Ended December 31, 2022

1. OPEB LIABILITY

Changes of Assumptions—The rate used to discount future plan cash flows was updated from 2.25% to 4.31% as of December 31, 2022 based on a review of the S&P Municipal Bond 20-Year High Grade Municipal Bond Index.

Sullivan County Community College:

Changes of Assumptions—The rate used to discount future plan cash flows was updated from 2.40% to 4.29% as of August 31, 2022 based on a review of the Bond Buyer 20-Year Bond GO Index.

2. BUDGETARY INFORMATION

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

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

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

Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods and services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed, or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements. The General Fund, County Road Fund, and Refuse and Garbage Fund original budgets for the year ended December 31, 2022 include encumbrances from the prior year of \$1,391,556, \$251,250 and \$241,402, respectively.

Excess of Expenditures over Appropriations—For the year ended December 31, 2022, the County had budgetary expenditures in the General Fund in excess of the final budget amount within transfers out of \$2,138,709 as a result of greater than anticipated maintenance costs and capital projects.

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SUPPLEMENTARY INFORMATION—
INDIVIDUAL SCHEDULES AND
COMBINING STATEMENTS

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

COUNTY ROAD FUND

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

REFUSE AND GARBAGE FUND

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

CAPITAL PROJECTS FUND

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

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 69,399,722	\$ 69,399,722	\$ 73,704,140	\$ 4,304,418
Other property tax items:				
Gain from sale of tax acquired property	1,500,000	1,500,000	4,690,810	3,190,810
Other payments in lieu of taxes	1,770,047	1,770,047	1,780,920	10,873
Interest and penalties on real property taxes	5,000,000	5,000,000	5,174,462	174,462
Total property tax items	<u>8,270,047</u>	<u>8,270,047</u>	<u>11,646,192</u>	<u>3,376,145</u>
Non property tax items:				
Sales and use tax	53,500,000	58,929,936	70,552,668	11,622,732
Tax on hotel room occupancy	2,000,000	2,000,000	3,756,788	1,756,788
Automobile use tax	500,000	500,000	508,658	8,658
Emergency telephone system surcharge	305,000	305,000	353,116	48,116
OTB surtax	50,000	50,000	50,497	497
Other non property tax	1,005,000	1,505,000	1,971,171	466,171
Total non property tax items	<u>57,360,000</u>	<u>63,289,936</u>	<u>77,192,898</u>	<u>13,902,962</u>
Departmental income:				
General government support:				
Treasurer's fees	1,100	1,100	15,952	14,852
Tax collector's fees	485,749	868,849	1,041,370	172,521
Charges for tax advertising and redemption	750,000	784,877	472,106	(312,771)
Clerk's fees	1,718,600	1,718,600	1,873,695	155,095
Personnel fees	16,030	28,430	34,365	5,935
Attorney's fees	658,720	658,720	837,923	179,203
Other general governmental income	2,562,243	2,622,823	1,200,958	(1,421,865)
Public safety:				
Sheriff's fees	1,696,000	1,696,000	1,409,619	(286,381)
Probation fees	99,600	99,600	100,166	566
Other public safety departmental income	30,000	13,000	9,770	(3,230)
Health:				
Nursing home care	2,544,502	2,764,502	3,109,246	344,744
Mental health fees	2,089,267	2,089,267	1,222,474	(866,793)
Early intervention fees for services	400,331	400,331	416,668	16,337
Alcoholism clinic fees	227,625	227,625	80,061	(147,564)
Other health department income	213,549	213,549	48,112	(165,437)

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Departmental income (continued):				
Transportation:				
Public works charges	2,150,183	2,150,183	2,044,631	(105,552)
Airport fees and rentals	101,200	121,520	136,085	14,565
Other transportation income	465,175	465,175	323,445	(141,730)
Economic assistance and opportunity:				
Repayment of medical assistance	250,000	250,000	150,901	(99,099)
Repayment of family assistance	550,000	550,000	307,163	(242,837)
Repayment of child care	1,353,220	1,353,220	898,371	(454,849)
Repayment of juvenile delinquent care	15,000	15,000	22,019	7,019
Repayment of safety net assistance	400,000	400,000	295,450	(104,550)
Repayment of home energy assistance (HEAP)	150,000	150,000	103,689	(46,311)
Repayment of emergency care for adults	25,000	25,000	26,962	1,962
Repayment of day care	2,500	2,500	2,054	(446)
Social services recovery charges	55,500	55,500	6,285	(49,215)
Social services charges	135,000	135,000	69,145	(65,855)
Charges, programs for the aging	39,500	39,500	15,946	(23,554)
Other economic assistance and opportunity income	269,192	269,192	221,575	(47,617)
Culture and recreation:				
Parks and recreation charges	59,900	59,900	51,717	(8,183)
Recreation concessions	250	250	287	37
Home and community services:				
Other home and community services income	-	-	6,703	6,703
Total departmental income	<u>19,514,936</u>	<u>20,229,213</u>	<u>16,554,913</u>	<u>(3,674,300)</u>
Intergovernmental charges:				
General government support:				
General services, other governments	239,350	382,732	351,318	(31,414)
Election service charges	-	-	17,007	17,007
Education:				
Jail facilities, other governments	20,000	20,000	36,873	16,873
Health:				
Health services, other governments	<u>141,000</u>	<u>147,325</u>	<u>302,483</u>	<u>155,158</u>
Total intergovernmental charges	<u>400,350</u>	<u>550,057</u>	<u>707,681</u>	<u>157,624</u>
Licenses and permits:				
Business and occupational license	50,000	50,000	56,680	6,680
Games of chance	2,250,000	2,750,000	3,202,871	452,871
Permits, other	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>-</u>
Total licenses and permits	<u>2,301,500</u>	<u>2,801,500</u>	<u>3,261,051</u>	<u>459,551</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Fines and forfeitures:				
Fines and forfeited bail	11,500	11,500	72,003	60,503
Stop DWI fines	197,900	197,900	205,757	7,857
Total fines and forfeitures	<u>209,400</u>	<u>209,400</u>	<u>277,760</u>	<u>68,360</u>
Use of money and property:				
Interest and earnings	50,270	50,270	482,774	432,504
Rental of real property	81,460	81,460	96,628	15,168
Commissions	188,400	188,400	131,835	(56,565)
Total use of money and property	<u>320,130</u>	<u>320,130</u>	<u>711,237</u>	<u>391,107</u>
Sale of property and compensation for loss:				
Sales, other	6,550	6,550	43,735	37,185
Insurance recoveries	100,000	100,000	21,699	(78,301)
Fuel sales	480,000	675,196	677,707	2,511
Total sale of property and compensation for loss	<u>586,550</u>	<u>781,746</u>	<u>743,141</u>	<u>(38,605)</u>
Miscellaneous:				
Gifts and donations	65,150	65,150	100,650	35,500
VLT/Tribal compact monies	308,570	308,570	308,570	-
Other unclassified revenues	2,235,889	1,235,889	1,351,484	115,595
Total miscellaneous	<u>2,609,609</u>	<u>1,609,609</u>	<u>1,760,704</u>	<u>151,095</u>
State aid:				
General government support:				
State revenue sharing	50,000	50,000	46,680	(3,320)
Court facilities	376,671	376,671	130,908	(245,763)
Indigent legal services fund	1,646,766	1,646,766	1,338,678	(308,088)
District attorney salary	76,176	76,176	76,176	-
Medical examiner	3,000	3,000	5,899	2,899
Other general government state aid	45,580	45,580	180,374	134,794
Education:				
Education of handicapped children	3,299,398	3,295,138	3,085,518	(209,620)
Public safety:				
Probation services	228,831	228,831	232,186	3,355
Navigation law enforcement	8,000	8,000	14,453	6,453
Other public safety state aid	670,250	687,250	815,732	128,482

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
State aid (continued):				
Health:				
Public health	1,083,917	1,148,367	1,136,692	(11,675)
Veterans services	45,000	45,000	42,352	(2,648)
Early intervention	181,962	181,962	115,039	(66,923)
Narcotics addiction control	334,056	334,056	465,441	131,385
Mental health	3,343,063	3,343,063	3,670,419	327,356
Other public health state aid	2,558,215	2,580,426	2,259,368	(321,058)
Transportation:				
Buses and other mass transportation projects	188,263	188,263	332,662	144,399
Economic assistance and opportunity:				
Medical assistance	(80,000)	(80,000)	(71,431)	8,569
Family assistance	1,500,000	1,500,000	2,202,293	702,293
Social services administration	4,413,071	4,473,310	4,378,892	(94,418)
Child care	2,360,600	2,360,600	1,729,439	(631,161)
Juvenile delinquent	429,000	429,000	145,081	(283,919)
Safety net	855,500	855,500	816,489	(39,011)
Emergency assistance for adults	15,000	15,000	88,595	73,595
Day care	150,000	150,000	28,772	(121,228)
Services for recipients	10,000	10,000	131,890	121,890
Program for aging	726,095	726,095	916,658	190,563
Other economic assistance and opportunity state aid	1,000	1,000	4,301	3,301
Culture and recreation:				
Youth programs	72,982	72,982	72,982	-
Home and community services:				
Home and community assistance	-	87,100	87,100	-
Total state aid	<u>24,592,396</u>	<u>24,839,136</u>	<u>24,479,638</u>	<u>(359,498)</u>
Federal aid:				
General government support:				
American Rescue Plan Act program	-	3,338,382	9,214,737	5,876,355
Public safety:				
Crime control	186,750	186,750	35,035	(151,715)
Other public safety federal aid	-	229,240	406,034	176,794

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Federal aid (continued):				
Health:				
Public health departmental aid	3,002,087	897,831	1,081,681	183,850
Other health federal aid	578,853	578,853	145,715	(433,138)
Economic assistance and opportunity:				
Medicaid assistance	(30,000)	(30,000)	(43,711)	(13,711)
Family assistance	6,387,920	6,387,920	6,396,144	8,224
Social services administration	6,514,693	6,514,693	5,298,844	(1,215,849)
Flexible funding for family services (FFFS)	3,851,632	3,652,022	1,008,520	(2,643,502)
Safety net	10,000	10,000	1,577	(8,423)
Programs for the aging	721,616	721,616	912,107	190,491
Other economic assistance and opportunity	548,841	560,947	470,721	(90,226)
Workforce investment act	717,519	717,519	579,837	(137,682)
Home and community services:				
Other home and community services federal aid	15,000	23,400	63,819	40,419
Total federal aid	<u>22,504,911</u>	<u>23,789,173</u>	<u>25,571,060</u>	<u>1,781,887</u>
 Total revenues	 <u>\$ 208,069,551</u>	 <u>\$ 216,089,669</u>	 <u>\$ 236,610,415</u>	 <u>\$ 20,520,746</u>
 OTHER FINANCING SOURCES				
Transfers in:				
Transfer from Debt Service Fund	\$ -	\$ -	\$ 4,467	\$ 4,467
Transfer from Refuse and Garbage Fund	-	-	145,328	145,328
Transfer from Proprietary Fund	-	-	599,184	599,184
Issuance of leases	-	-	421,375	421,375
Total other financing sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,170,354</u>	<u>\$ 1,170,354</u>

(concluded)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
General government support:				
Legislative board	\$ 619,367	\$ 683,242	\$ 660,308	\$ 22,934
Municipal court	5,500	5,500	6,745	(1,245)
District attorney	2,494,096	2,496,796	2,121,193	375,603
Public defender	3,070,329	3,070,329	2,841,595	228,734
Medical examiner and coroner	492,548	497,548	481,120	16,428
Municipal executive	927,310	1,320,310	1,254,756	65,554
Auditor	821,313	821,033	800,387	20,646
Treasurer	589,853	592,548	604,360	(11,812)
Tax collector	1,082,719	1,477,221	1,511,594	(34,373)
Budget	1,754,011	1,686,761	1,650,444	36,317
Purchasing	395,679	505,529	531,209	(25,680)
Assessment	373,984	373,984	324,226	49,758
Clerk	2,583,787	2,665,859	2,283,651	382,208
Law	1,626,400	1,583,619	1,472,712	110,907
Personnel	681,927	723,876	642,130	81,746
Elections	1,015,163	1,081,939	1,125,698	(43,759)
Records management	62,157	61,907	66,325	(4,418)
Public works administration	897,315	894,801	914,729	(19,928)
Central services administration	248,553	248,553	243,628	4,925
Operation of plant	9,364,700	15,189,846	13,673,120	1,516,726
Central data processing	6,246,446	6,340,980	6,050,480	290,500
Unallocated insurance	1,261,174	1,397,456	1,449,911	(52,455)
Municipal association dues	46,895	57,803	49,053	8,750
Judgments and claims	200,000	200,000	(8,699)	208,699
Other general government support	4,463,834	1,437,533	1,718,007	(280,474)
Total general government support	<u>41,325,060</u>	<u>45,414,973</u>	<u>42,468,682</u>	<u>2,946,291</u>
Education:				
Community college tuition	1,375,000	1,375,000	1,175,911	199,089
Contribution to community college	4,300,000	4,300,000	4,300,000	-
Total education	<u>5,675,000</u>	<u>5,675,000</u>	<u>5,475,911</u>	<u>199,089</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Public safety:				
Public safety administration	234,875	463,859	414,965	48,894
Public safety communication system (911)	2,820,576	4,343,021	2,208,524	2,134,497
Sheriff	11,353,130	11,598,885	11,477,688	121,197
Probation	2,534,945	2,519,858	2,564,273	(44,415)
Jail	13,541,389	13,996,050	14,029,475	(33,425)
Stop DWI	225,900	225,900	126,473	99,427
Fire protection	101,219	103,782	131,965	(28,183)
Other animal controls	60,000	60,000	45,000	15,000
Safety inspection	6,750	6,850	1,248	5,602
Other public safety	923,869	997,869	1,001,064	(3,195)
Total public safety	<u>31,802,653</u>	<u>34,316,074</u>	<u>32,000,675</u>	<u>2,315,399</u>
Health:				
Public health	5,991,600	6,176,366	6,045,258	131,108
Physically handicapped	235	235	-	235
Public health, other	3,667,564	1,531,956	1,035,801	496,155
Early intervention program	6,443,952	6,516,011	5,378,386	1,137,625
WIC program	-	-	7,187	(7,187)
Narcotics addiction control	284,630	276,630	272,699	3,931
Narcotics addiction control services	2,150,045	2,150,045	2,193,293	(43,248)
Alcohol addiction control	15,690	15,190	11,679	3,511
Mental health administration	1,703,533	1,677,327	1,439,253	238,074
Mental health programs	3,519,359	3,443,376	4,027,309	(583,933)
Contracted mental health services	2,490,362	2,490,362	2,694,547	(204,185)
Other health	466,316	554,816	554,862	(46)
Total health	<u>26,733,286</u>	<u>24,832,314</u>	<u>23,660,274</u>	<u>1,172,040</u>
Transportation:				
Airport	1,063,822	1,409,484	1,336,489	72,995
Other airport	1,580,199	1,515,446	1,328,589	186,857
Other transportation	82,516	63,517	63,478	39
Total transportation	<u>2,726,537</u>	<u>2,988,447</u>	<u>2,728,556</u>	<u>259,891</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Economic assistance and opportunity:				
Social services administration	17,954,713	17,748,904	16,747,024	1,001,880
Day care	1,588,350	1,580,350	1,071,911	508,439
Services for recipients	1,507,750	1,507,750	1,161,696	346,054
Medicaid	20,308,758	17,696,131	16,095,692	1,600,439
Family assistance	4,750,000	4,790,000	3,934,204	855,796
Child care	9,396,475	9,396,475	9,106,537	289,938
Juvenile delinquent	505,000	505,000	69,446	435,554
State training school	75,000	75,000	556,532	(481,532)
Safety net (formerly home relief)	2,950,000	2,950,000	3,157,413	(207,413)
Home energy assistance	60,000	60,000	14,054	45,946
Emergency aid for adults	60,000	60,000	187,668	(127,668)
Workforce investment act	1,705,612	1,622,000	1,323,909	298,091
Publicity	1,100,000	1,100,000	1,920,859	(820,859)
Veterans service	551,771	562,371	585,051	(22,680)
Consumer affairs	102,892	106,405	53,264	53,141
Other economic development	<u>1,389,363</u>	<u>1,342,663</u>	<u>1,375,567</u>	<u>(32,904)</u>
Total economic assistance and opportunity	<u>64,005,684</u>	<u>61,103,049</u>	<u>57,360,827</u>	<u>3,742,222</u>
Culture and recreation:				
Parks	500,069	455,912	545,150	(89,238)
Youth programs	267,707	378,928	247,679	131,249
Museum	54,268	53,684	38,642	15,042
Historical property	368	200	194	6
Program for the aging	2,618,001	2,791,205	2,418,341	372,864
Other culture and recreation	<u>139,350</u>	<u>126,350</u>	<u>135,704</u>	<u>(9,354)</u>
Total culture and recreation	<u>3,579,763</u>	<u>3,806,279</u>	<u>3,385,710</u>	<u>420,569</u>
Home and community services:				
Planning	945,699	1,888,421	1,795,624	92,797
Human rights commission	56,919	55,612	47,147	8,465
Fish and game	235,495	238,745	231,504	7,241
Flood and erosion control	357,068	357,068	357,068	-
Cemeteries	-	-	6,021	(6,021)
Other home and community services	<u>646,954</u>	<u>647,404</u>	<u>647,396</u>	<u>8</u>
Total home and community services	<u>2,242,135</u>	<u>3,187,250</u>	<u>3,084,760</u>	<u>102,490</u>

(continued)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—Budget and Actual—General Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Debt service:				
Principal	1,651,667	1,651,667	655,053	996,614
Interest and other fiscal charges	<u>124,775</u>	<u>208,488</u>	<u>208,488</u>	<u>-</u>
Total debt service	<u>1,776,442</u>	<u>1,860,155</u>	<u>863,541</u>	<u>996,614</u>
Total expenditures	<u>\$ 179,966,560</u>	<u>\$ 183,183,541</u>	<u>\$ 171,028,936</u>	<u>\$ 12,154,605</u>
OTHER FINANCING USES				
Transfers out:				
Transfer to Capital Projects Fund	\$ -	\$ 2,495,264	\$ 4,639,066	\$ (2,143,802)
Transfer to County Road Fund	25,476,610	27,390,279	27,390,279	-
Transfer to Road Machinery Fund	4,834,787	6,530,733	6,530,733	-
Transfer to Debt Service Fund	6,681,270	6,681,270	6,676,177	5,093
Transfer to Adult Care Center	<u>1,879,317</u>	<u>1,879,317</u>	<u>1,879,317</u>	<u>-</u>
Total other financing uses	<u>\$ 38,871,984</u>	<u>\$ 44,976,863</u>	<u>\$ 47,115,572</u>	<u>\$ (2,138,709)</u>
Total expenditures and other financing uses	<u>\$ 218,838,544</u>	<u>\$ 228,160,404</u>	<u>\$ 218,144,508</u>	<u>\$ 10,015,896</u>

(concluded)

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—Budget and Actual—County Road Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental charges:				
Transportation:				
Transportation services, other governments	\$ 20,000	\$ 20,000	\$ 33,236	\$ 13,236
Snow removal, other governments	135,000	135,000	67,697	(67,303)
Total intergovernmental charges	<u>155,000</u>	<u>155,000</u>	<u>100,933</u>	<u>(54,067)</u>
Licenses and permits:				
Permits, other	5,000	5,000	2,300	(2,700)
Total licenses and permits	<u>5,000</u>	<u>5,000</u>	<u>2,300</u>	<u>(2,700)</u>
Use of money and property:				
Interest and earnings	-	-	2,007	2,007
Total use of money and property	<u>-</u>	<u>-</u>	<u>2,007</u>	<u>2,007</u>
Sale of property and compensation for loss:				
Sales, other	50	50	-	(50)
Total sale of property and compensation for loss	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>
Miscellaneous:				
Other unclassified revenues	1,000	1,000	1,000	-
Total miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
State aid:				
Transportation:				
Consolidated highway improvement program ("CHIPS")	2,600,000	5,473,334	5,473,333	(1)
Other transportation	500,000	500,000	279,161	(220,839)
Total state aid	<u>3,100,000</u>	<u>5,973,334</u>	<u>5,752,494</u>	<u>(220,840)</u>
Federal aid:				
Transportation:				
Other transportation	2,248,500	2,248,500	3,151,300	902,800
Total federal aid	<u>2,248,500</u>	<u>2,248,500</u>	<u>3,151,300</u>	<u>902,800</u>
Total revenues	<u>\$ 5,509,550</u>	<u>\$ 8,382,884</u>	<u>\$ 9,010,034</u>	<u>\$ 627,150</u>
OTHER FINANCING SOURCES				
Transfers in:				
Transfer from Debt Service Fund	\$ -	\$ -	\$ 539	\$ 539
Transfer from General Fund	25,476,610	27,390,279	27,390,279	-
Total other financing sources	<u>\$ 25,476,610</u>	<u>\$ 27,390,279</u>	<u>\$ 27,390,818</u>	<u>\$ 539</u>
Total revenues and other financing sources	<u>\$ 30,986,160</u>	<u>\$ 35,773,163</u>	<u>\$ 36,400,852</u>	<u>\$ 627,689</u>

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditure and Other Financing Uses—Budget and Actual—County Road Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Public safety:				
Traffic control	\$ 856,224	\$ 920,858	\$ 821,574	\$ 99,284
Other public safety	151,386	141,386	144,360	(2,974)
Total public safety	<u>1,007,610</u>	<u>1,062,244</u>	<u>965,934</u>	<u>96,310</u>
Transportation:				
Engineering	1,167,674	1,488,786	1,360,509	128,277
Maintenance of roads	15,825,069	20,557,422	19,607,263	950,159
Snow removal	2,477,117	2,364,094	2,473,451	(109,357)
Other transportation	842,464	723,464	722,507	957
Total transportation	<u>20,312,324</u>	<u>25,133,766</u>	<u>24,163,730</u>	<u>970,036</u>
Debt service:				
Interest and other fiscal charges	106,300	106,301	106,300	1
Total debt service	<u>106,300</u>	<u>106,301</u>	<u>106,300</u>	<u>1</u>
Total expenditures	<u>\$ 21,426,234</u>	<u>\$ 26,302,311</u>	<u>\$ 25,235,964</u>	<u>\$ 1,066,347</u>
OTHER FINANCING USES				
Transfers out:				
Transfer to Capital Projects Fund	\$ 7,086,666	\$ 7,086,666	\$ 7,111,666	\$ (25,000)
Transfer to Debt Service Fund	3,724,729	3,724,729	3,675,277	49,452
Total other financing uses	<u>\$ 10,811,395</u>	<u>\$ 10,811,395</u>	<u>\$ 10,786,943</u>	<u>\$ 24,452</u>
Total expenditures and other financing uses	<u>\$ 32,237,629</u>	<u>\$ 37,113,706</u>	<u>\$ 36,022,907</u>	<u>\$ 1,090,799</u>

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Revenues and Other Financing Sources—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Departmental income:				
Home and community services:				
Refuse and garbage charges	\$ 8,860,500	\$ 10,135,020	\$ 10,136,020	\$ 1,000
Total departmental income	<u>8,860,500</u>	<u>10,135,020</u>	<u>10,136,020</u>	<u>1,000</u>
Use of money and property:				
Interest and earnings	-	-	1,396	1,396
Total use of money and property	<u>-</u>	<u>-</u>	<u>1,396</u>	<u>1,396</u>
Sale of property and compensation for loss:				
Sales of refuse for recycling	230,000	230,000	285,382	55,382
Total sale of property and compensation for loss	<u>230,000</u>	<u>230,000</u>	<u>285,382</u>	<u>55,382</u>
Miscellaneous:				
Miscellaneous fee reimbursement	2,530,000	2,530,000	2,496,660	(33,340)
Total miscellaneous	<u>2,530,000</u>	<u>2,530,000</u>	<u>2,496,660</u>	<u>(33,340)</u>
State aid:				
Home and community services:				
Other home and community service	10,000	65,974	74,090	8,116
Total state aid	<u>10,000</u>	<u>65,974</u>	<u>74,090</u>	<u>8,116</u>
Total revenues	<u>\$ 11,630,500</u>	<u>\$ 12,960,994</u>	<u>\$ 12,993,548</u>	<u>\$ 32,554</u>
Total revenues and other financing sources	<u>\$ 11,630,500</u>	<u>\$ 12,960,994</u>	<u>\$ 12,993,548</u>	<u>\$ 32,554</u>

COUNTY OF SULLIVAN, NEW YORK
Detail Schedule of Expenditures and Other Financing Uses—
Budget and Actual—Refuse and Garbage Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Home and community services:				
Refuse and garbage	\$ 11,163,762	\$ 12,699,886	\$ 11,923,735	\$ 776,151
Other home and community services	<u>93,550</u>	<u>93,550</u>	<u>104,383</u>	<u>(10,833)</u>
Total home and community services	<u>11,257,312</u>	<u>12,793,436</u>	<u>12,028,118</u>	<u>765,318</u>
 Total expenditures	 <u>\$ 11,257,312</u>	 <u>\$ 12,793,436</u>	 <u>\$ 12,028,118</u>	 <u>\$ 765,318</u>
OTHER FINANCING USES				
Transfers out:				
Transfer to Debt Service Fund	<u>2,090,398</u>	<u>2,090,398</u>	<u>2,085,218</u>	<u>5,180</u>
Total other financing uses	<u>\$ 2,090,398</u>	<u>\$ 2,090,398</u>	<u>\$ 2,085,218</u>	<u>\$ 5,180</u>
 Total expenditures and other financing uses	 <u>\$ 13,347,710</u>	 <u>\$ 14,883,834</u>	 <u>\$ 14,113,336</u>	 <u>\$ 770,498</u>

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NONMAJOR GOVERNMENTAL FUNDS

ROAD MACHINEY FUND

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

SPECIAL GRANT FUND

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

DEBT SERVICE FUND

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

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COUNTY OF SULLIVAN, NEW YORK
Combining Balance Sheet—Nonmajor Governmental Funds
December 31, 2022

	<u>Special Grant</u>	<u>Road Machinery</u>	<u>Debt Service</u>	<u>Total Nonmajor Funds</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 116,864	\$ -	\$ 116,864
Restricted cash and cash equivalents	741,600	13,079	-	754,679
Receivables (net of allowances):				
Accounts receivable	-	8,757	-	8,757
Loans receivable	163,027	-	-	163,027
Due from other funds	-	3,195,633	-	3,195,633
Total assets	<u>\$ 904,627</u>	<u>\$ 3,334,333</u>	<u>\$ -</u>	<u>\$ 4,238,960</u>
LIABILITIES				
Accounts payable	\$ 2,000	\$ 145,334	\$ -	\$ 147,334
Accrued liabilities	-	118,787	-	118,787
Due to other funds	20	11	-	31
Total liabilities	<u>2,020</u>	<u>264,132</u>	<u>-</u>	<u>266,152</u>
FUND BALANCES				
Restricted	902,607	13,079	-	915,686
Assigned	-	3,057,122	-	3,057,122
Total fund balances	<u>902,607</u>	<u>3,070,201</u>	<u>-</u>	<u>3,972,808</u>
Total liabilities and fund balances	<u>\$ 904,627</u>	<u>\$ 3,334,333</u>	<u>\$ -</u>	<u>\$ 4,238,960</u>

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances—
Nonmajor Governmental Funds
Year Ended December 31, 2022

	<u>Special Grant</u>	<u>Road Machinery</u>	<u>Debt Service</u>	<u>Total Nonmajor Funds</u>
REVENUES				
Departmental income	\$ 61,214	\$ 928,010	\$ -	\$ 989,224
Use of money and property	16,400	27	5,214	21,641
Sale of property and compensation for loss	-	130,656	-	130,656
Miscellaneous	-	6,418	-	6,418
Federal aid	554,493	-	77,610	632,103
Total revenues	<u>632,107</u>	<u>1,065,111</u>	<u>82,824</u>	<u>1,780,042</u>
EXPENDITURES				
Current:				
Transportation	-	5,795,199	-	5,795,199
Home and community services	412,640	-	-	412,640
Debt service:				
Principal	-	-	9,315,000	9,315,000
Interest and other fiscal charges	-	6,030	3,865,468	3,871,498
Total expenditures	<u>412,640</u>	<u>5,801,229</u>	<u>13,180,468</u>	<u>19,394,337</u>
Excess (deficiency) of revenues over expenditures	219,467	(4,736,118)	(13,097,644)	(17,614,295)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	6,530,941	13,102,858	19,633,799
Transfers out	(145,329)	(1,068,186)	(5,214)	(1,218,729)
Total other financing sources (uses)	<u>(145,329)</u>	<u>5,462,755</u>	<u>13,097,644</u>	<u>18,415,070</u>
Net change in fund balances	74,138	726,637	-	800,775
Fund balances—beginning	828,469	2,343,564	-	3,172,033
Fund balances—ending	<u>\$ 902,607</u>	<u>\$ 3,070,201</u>	<u>\$ -</u>	<u>\$ 3,972,808</u>

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Road Machinery Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Departmental income	\$ 750,000	\$ 845,687	\$ 928,010	\$ 82,323
Use of money and property	-	-	27	27
Sale of property and compensation for loss	-	108,788	130,656	21,868
Miscellaneous	2,000	2,000	6,418	4,418
Total revenues	<u>752,000</u>	<u>956,475</u>	<u>1,065,111</u>	<u>108,636</u>
EXPENDITURES				
Current:				
Transportation	6,417,275	8,081,575	5,795,199	2,286,376
Debt service:				
Principal	402,000	402,000	-	402,000
Interest and other fiscal charges	6,030	6,030	6,030	-
Total expenditures	<u>6,825,305</u>	<u>8,489,605</u>	<u>5,801,229</u>	<u>2,688,376</u>
Excess (deficiency) of revenues over expenditures	(6,073,305)	(7,533,130)	(4,736,118)	2,797,012
OTHER FINANCING SOURCES (USES)				
Transfers in	4,834,787	6,530,733	6,530,941	208
Transfers out	(684,073)	(684,073)	(1,068,186)	(384,113)
Total other financing sources (uses)	<u>4,150,714</u>	<u>5,846,660</u>	<u>5,462,755</u>	<u>(383,905)</u>
Net change in fund balance*	(1,922,591)	(1,686,470)	726,637	2,413,107
Fund balances—beginning	<u>2,343,564</u>	<u>2,343,564</u>	<u>2,343,564</u>	<u>-</u>
Fund balances—ending	<u>\$ 420,973</u>	<u>\$ 657,094</u>	<u>\$ 3,070,201</u>	<u>\$ 2,413,107</u>

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

COUNTY OF SULLIVAN, NEW YORK
Schedule of Revenues, Expenditures, and Changes in Fund Balances—
Budget and Actual—Debt Service Fund
Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 5,214	\$ 5,214
Federal aid	-	-	77,610	77,610
Total revenues	<u>-</u>	<u>-</u>	<u>82,824</u>	<u>82,824</u>
EXPENDITURES				
Debt service:				
Principal	9,315,000	9,315,000	9,315,000	-
Interest and other fiscal charges	<u>3,865,470</u>	<u>3,865,470</u>	<u>3,865,468</u>	<u>2</u>
Total expenditures	<u>13,180,470</u>	<u>13,180,470</u>	<u>13,180,468</u>	<u>2</u>
Excess (deficiency) of revenues over expenditures	(13,180,470)	(13,180,470)	(13,097,644)	82,826
OTHER FINANCING SOURCES (USES)				
Transfers in	13,180,470	13,180,470	13,102,858	(77,612)
Transfers out	<u>-</u>	<u>-</u>	<u>(5,214)</u>	<u>(5,214)</u>
Total other financing sources (uses)	<u>13,180,470</u>	<u>13,180,470</u>	<u>13,097,644</u>	<u>(82,826)</u>
Net change in fund balances	-	-	-	-
Fund balances—beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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INTERNAL SERVICE FUNDS

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

WORKERS' COMPENSATION BENEFITS FUND

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

SELF-INSURED DENTAL FUND

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

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Net Position—Internal Service Funds
December 31, 2022

	Workers' Compensation Benefits	Self-Insured Dental	Total Internal Service Funds
ASSETS			
Cash and cash equivalents	\$ 579,973	\$ -	\$ 579,973
Restricted cash and cash equivalents	-	554,676	554,676
Accounts receivable	6,849,340	15,741	6,865,081
Due from other funds	10,132,867	-	10,132,867
Prepaid items	100,000	-	100,000
Total assets	<u>17,662,180</u>	<u>570,417</u>	<u>18,232,597</u>
LIABILITIES			
Accrued liabilities	220,913	-	220,913
Due to other funds	1,900	-	1,900
Unearned revenue	224,090	-	224,090
Noncurrent liabilities:			
Due within one year	1,598,786	-	1,598,786
Due in more than one year	14,073,238	-	14,073,238
Total liabilities	<u>16,118,927</u>	<u>-</u>	<u>16,118,927</u>
NET POSITION			
Restricted for:			
Dental benefits	-	570,417	570,417
Unrestricted	1,543,253	-	1,543,253
Total net position	<u>\$ 1,543,253</u>	<u>\$ 570,417</u>	<u>\$ 2,113,670</u>

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Revenues, Expenses, and Changes in Net Position—
Internal Service Funds
Year Ended December 31, 2022

	Workers' Compensation Benefits	Self-Insured Dental	Total Internal Service Funds
Operating revenues:			
Charges for services	3,477,028	425,318	\$ 3,902,346
Insurance recoveries	205,679	-	205,679
Total operating revenues	<u>3,682,707</u>	<u>425,318</u>	<u>4,108,025</u>
Operating expenses:			
Employee benefits	<u>3,155,196</u>	<u>427,655</u>	<u>3,582,851</u>
Total operating expenses	<u>3,155,196</u>	<u>427,655</u>	<u>3,582,851</u>
Operating income	<u>527,511</u>	<u>(2,337)</u>	<u>525,174</u>
Nonoperating revenues:			
Interest income	<u>932</u>	<u>1,274</u>	<u>2,206</u>
Total nonoperating revenues	<u>932</u>	<u>1,274</u>	<u>2,206</u>
Change in net position	528,443	(1,063)	527,380
Net position—beginning	<u>1,014,810</u>	<u>571,480</u>	<u>1,586,290</u>
Net position—ending	<u>\$ 1,543,253</u>	<u>\$ 570,417</u>	<u>\$ 2,113,670</u>

COUNTY OF SULLIVAN, NEW YORK
Combining Statement of Cash Flows—Internal Service Funds
Year Ended December 31, 2022

	Workers' Compensation Benefits	Self-Insured Dental	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from services provided	\$ 3,436,013	\$ 409,577	\$ 3,845,590
Receipts from insurance recoveries	205,679	-	205,679
Payments to insurance carriers and claimants	(3,014,191)	(431,192)	(3,445,383)
Payments on behalf of other funds	(864,365)	-	(864,365)
Net cash provided by (used for) operating activities	<u>(236,864)</u>	<u>(21,615)</u>	<u>(258,479)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	932	1,274	2,206
Net cash provided by investing activities	<u>932</u>	<u>1,274</u>	<u>2,206</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Payments from other funds	508	-	508
Net cash provided by noncapital financing activities	<u>508</u>	<u>-</u>	<u>508</u>
Increase (decrease) in cash and cash equivalents	(235,424)	(20,341)	(255,765)
Cash and cash equivalents—beginning	815,397	575,017	1,390,414
Cash and cash equivalents—ending	<u>\$ 579,973</u>	<u>\$ 554,676</u>	<u>\$ 1,134,649</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 527,511	\$ (2,337)	\$ 525,174
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
(Increase) in receivables	(265,105)	(15,741)	(280,846)
(Increase) in due from other funds	(864,365)	-	(864,365)
(Decrease) in accrued liabilities	(45,543)	(3,537)	(49,080)
(Increase) in unearned revenue	224,090	-	224,090
Increase in claims payable	186,548	-	186,548
Total adjustments	<u>(764,375)</u>	<u>(19,278)</u>	<u>(783,653)</u>
Net cash provided by (used for) operating activities	<u>\$ (236,864)</u>	<u>\$ (21,615)</u>	<u>\$ (258,479)</u>

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STATISTICAL SECTION

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

Contents:	<u>Page</u>
Financial Trends	12 □
<i>These schedules contain trend information to help the reader understand how the County’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	13 □
<i>These schedules contain information to help the reader assess the County’s most significant local revenue source, the property tax.</i>	
Debt Capacity	13 □
<i>These schedules present information to help the reader assess the affordability of the County’s current level of outstanding debt and the County’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information	14 □
<i>These schedules offer demographic and economic indications to help the reader understand the environment within which the County’s financial activities take place.</i>	
Operating Information	14 □
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County’s financial report relates to the services the County provides and the activities it performs.</i>	

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

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

	2013	2014	2015	2016	2017 ¹	2018	2019	2020	2021 ²	2022
Governmental activities:										
Net investment in capital assets	\$ 85,262,582	\$ 88,651,807	\$ 101,642,615	\$ 115,374,686	\$ 128,836,832	\$ 130,242,152	\$ 140,876,073	\$ 129,259,214	\$ 136,846,516	\$ 154,823,463
Restricted	1,758,414	4,887,153	5,931,828	2,220,351	2,115,629	2,288,884	2,442,518	2,013,233	1,842,885	4,621,385
Unrestricted	<u>(38,231,820)</u>	<u>(46,016,248)</u>	<u>(62,333,657)</u>	<u>(70,062,234)</u>	<u>(254,002,129)</u>	<u>(251,536,534)</u>	<u>(265,820,644)</u>	<u>(266,061,769)</u>	<u>(232,225,125)</u>	<u>(197,077,078)</u>
Total net position—governmental activities	<u>\$ 48,789,176</u>	<u>\$ 47,522,712</u>	<u>\$ 45,240,786</u>	<u>\$ 47,532,803</u>	<u>\$ (123,049,668)</u>	<u>\$ (119,005,498)</u>	<u>\$ (122,502,053)</u>	<u>\$ (134,789,322)</u>	<u>\$ (93,535,724)</u>	<u>\$ (37,632,230)</u>
Business-type activities:										
Net investment in capital assets	\$ 1,298,706	\$ 1,613,933	\$ 2,696,176	\$ 2,011,150	\$ 8,998,212	\$ 6,372,769	\$ (11,840,765)	\$ (13,912,777)	\$ (15,663,485)	\$ (8,518,677)
Restricted	850,579	715,891	-	202,718	203,094	203,016	203,704	203,112	-	-
Unrestricted	<u>(25,885,338)</u>	<u>(21,264,110)</u>	<u>(25,788,417)</u>	<u>(29,698,669)</u>	<u>(38,661,588)</u>	<u>(46,876,931)</u>	<u>(38,615,828)</u>	<u>(45,242,925)</u>	<u>(48,806,886)</u>	<u>(60,498,333)</u>
Total net position—business-type activities	<u>\$ (23,736,053)</u>	<u>\$ (18,934,286)</u>	<u>\$ (23,092,241)</u>	<u>\$ (27,484,801)</u>	<u>\$ (29,460,282)</u>	<u>\$ (40,301,146)</u>	<u>\$ (50,252,889)</u>	<u>\$ (58,952,590)</u>	<u>\$ (64,470,371)</u>	<u>\$ (69,017,010)</u>
Primary government:										
Net investment in capital assets	\$ 86,861,288	\$ 90,265,740	\$ 104,338,791	\$ 117,385,836	\$ 137,835,044	\$ 136,614,921	\$ 129,035,308	\$ 115,346,437	\$ 121,183,031	\$ 146,304,786
Restricted	2,608,993	5,603,044	5,931,828	2,423,069	2,318,723	2,491,900	2,646,222	2,216,345	1,842,885	4,621,385
Unrestricted	<u>(64,117,158)</u>	<u>(67,280,358)</u>	<u>(88,122,074)</u>	<u>(99,760,903)</u>	<u>(292,663,717)</u>	<u>(298,413,465)</u>	<u>(304,436,472)</u>	<u>(311,304,694)</u>	<u>(280,352,867)</u>	<u>(257,575,411)</u>
Total net position—primary government	<u>\$ 25,353,123</u>	<u>\$ 28,588,426</u>	<u>\$ 22,148,545</u>	<u>\$ 20,048,002</u>	<u>\$ (152,509,950)</u>	<u>\$ (159,306,644)</u>	<u>\$ (172,754,942)</u>	<u>\$ (193,741,912)</u>	<u>\$ (157,326,951)</u>	<u>\$ (106,649,240)</u>

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

² Governmental Accounting Standards Board Statement No. 87 "Leases" required a restatement of net position for the year ending December 31, 2021.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Primary government:										
Expenses:										
Governmental activities:										
General government support	\$ 22,299,150	\$ 22,867,189	\$ 25,299,974	\$ 29,873,350	\$ 29,115,461	\$ 30,139,092	\$ 28,413,693	\$ 39,158,085	\$ 36,386,184	\$ 45,840,640
Education	6,499,480	6,272,866	5,885,213	5,975,783	5,936,169	6,021,019	5,878,828	5,703,608	5,720,075	5,347,952
Public safety	26,924,495	26,718,049	26,658,920	29,407,686	31,261,509	29,511,914	33,757,361	37,762,123	32,379,222	33,570,623
Health	24,293,812	23,145,341	23,707,230	24,825,500	24,935,401	25,103,386	24,447,844	26,155,263	24,960,512	22,766,590
Transportation	20,593,635	22,164,720	25,323,854	22,258,819	25,778,147	27,724,623	26,599,958	40,503,345	24,303,352	25,576,272
Economic assistance and opportunity	56,813,202	60,484,322	52,313,394	65,156,303	63,261,879	62,440,445	65,549,246	62,485,095	53,654,010	55,062,763
Culture and recreation	3,463,248	3,355,192	3,162,612	3,909,500	3,831,391	3,420,293	3,538,998	3,710,605	3,223,714	3,338,516
Home and community services	13,221,737	7,309,555	10,431,878	12,723,655	12,381,033	9,726,977	21,452,276	5,788,849	10,783,761	12,101,224
Interest and other fiscal charges	2,096,007	1,895,292	1,870,859	2,732,282	4,962,053	4,554,786	4,594,955	4,681,276	4,554,329	3,604,911
Total governmental activities	176,204,766	174,212,526	174,653,934	196,862,878	201,463,043	198,642,535	214,233,159	225,948,249	195,965,159	207,209,491
Business-type activities:										
Adult Care Center	16,165,086	16,886,860	17,935,927	19,012,834	18,456,483	18,862,205	18,920,719	20,548,864	17,541,436	15,518,540
Sunset Lake LDC	-	-	-	-	-	-	-	25,349	625,632	520,639
Sullivan County TASC	782,343	754,869	729,676	9,184,711	695,551	676,604	667,283	657,806	635,092	618,019
SCFC	-	-	-	-	198,759	640,440	319,027	122,244	85,814	66,874
ILDC	-	-	-	-	81,111	7,480,240	9,101,036	9,089,250	9,001,399	8,926,650
BLDC	-	-	-	-	-	-	-	-	2,162	18,439
Total business-type activities	16,947,429	17,641,729	18,665,603	28,197,545	19,431,904	27,659,489	29,008,065	30,443,513	27,891,535	25,669,161
Total expenses	193,152,195	191,854,255	193,319,537	225,060,423	220,894,947	226,302,024	243,241,224	256,391,762	223,856,694	232,878,652
Program revenues:										
Governmental activities:										
Charges for services:										
General government support	8,440,597	8,538,626	3,788,188	6,588,102	8,682,448	8,342,601	7,753,744	7,622,169	14,045,509	15,014,677
Education	-	-	257,293	-	-	-	-	-	-	-
Public safety	1,298,078	1,399,463	2,125,579	3,611,717	1,515,057	2,095,264	2,187,090	1,606,395	1,709,450	1,818,865
Health	7,525,923	6,572,292	6,303,080	7,444,976	3,644,505	4,889,871	4,067,333	3,913,713	4,407,170	5,232,413
Transportation	1,272,124	1,242,440	5,538,814	6,032,541	5,642,509	3,962,107	3,338,634	3,296,340	1,352,167	1,490,773
Economic assistance and opportunity	3,175,957	2,963,563	2,395,739	4,323,812	2,473,064	2,162,368	2,280,770	2,533,592	2,919,292	2,103,614
Culture and recreation	213,173	189,508	91,864	618,995	125,490	1,435,142	3,440,060	1,188,172	74,677	67,950
Home and community services	11,715,220	11,179,889	11,478,802	12,138,306	12,088,922	12,944,255	11,894,485	11,793,390	9,911,206	10,203,937
Operating grants and contributions	37,409,612	38,906,382	37,865,882	35,877,893	38,487,037	37,316,230	40,413,261	40,646,663	41,782,968	48,923,554
Capital grants and contributions	2,210,020	1,807,953	2,934,391	5,487,781	5,590,759	4,168,943	7,343,927	7,646,373	8,733,543	12,592,042
Total governmental activities	73,260,704	72,800,116	72,779,632	82,124,123	78,249,791	77,316,781	82,719,304	80,246,807	84,935,982	97,447,825

(continued)

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Business-type activities:										
Adult Care Center:										
Charges for services	9,241,119	9,856,047	12,966,995	10,632,154	11,542,085	10,886,587	9,903,623	8,304,766	10,036,379	9,561,182
Operating grants and contributions	2,555,973	10,064,732	-	10,804,326	6,804,913	4,414,457	5,501,316	4,860,162	2,285,023	-
Sunset Lake LDC	-	-	-	-	-	-	-	-	373,875	-
Funding Corporation	-	-	-	-	323,903	213,776	11,178	8,415	8,582	6,677
ILDC	-	-	-	-	-	-	2,009,028	7,326,991	7,395,503	7,407,814
Total program revenues	<u>11,797,092</u>	<u>19,920,779</u>	<u>12,966,995</u>	<u>21,436,480</u>	<u>18,670,901</u>	<u>15,514,820</u>	<u>17,425,145</u>	<u>20,500,334</u>	<u>20,099,362</u>	<u>16,975,673</u>
	<u>85,057,796</u>	<u>92,720,895</u>	<u>85,746,627</u>	<u>103,560,603</u>	<u>96,920,692</u>	<u>92,831,601</u>	<u>100,144,449</u>	<u>100,747,141</u>	<u>105,035,344</u>	<u>114,423,498</u>
Net revenue (expense):										
Governmental activities	(102,944,062)	(101,412,410)	(101,874,302)	(114,738,755)	(123,213,252)	(121,325,754)	(131,513,855)	(145,701,442)	(111,029,177)	(109,761,666)
Business-type activities	(5,150,337)	2,279,050	(5,698,608)	(6,761,065)	(761,003)	(12,144,669)	(11,582,920)	(9,917,830)	(7,792,173)	(8,693,488)
Total net (expense) revenue	<u>(108,094,399)</u>	<u>(99,133,360)</u>	<u>(107,572,910)</u>	<u>(121,499,820)</u>	<u>(123,974,255)</u>	<u>(133,470,423)</u>	<u>(143,096,775)</u>	<u>(155,619,272)</u>	<u>(118,821,350)</u>	<u>(118,455,154)</u>
General revenues and transfers:										
Governmental activities:										
Property taxes	53,982,110	54,940,465	55,805,788	56,874,718	60,879,911	62,865,543	64,409,687	66,236,154	68,358,963	72,276,595
Other property tax items	9,313,959	7,522,050	8,431,127	8,403,849	8,138,632	7,705,974	9,418,795	11,452,202	7,386,285	11,646,192
Non-property taxes	36,206,602	38,064,659	38,813,293	41,659,523	42,510,038	49,628,569	47,193,801	52,560,318	70,967,544	77,192,898
Use of money and property	74,090	69,755	44,922	220,060	677,800	565,422	3,950,446	377,362	297,941	738,827
Sale of property and compensation for loss	589,724	293,579	402,891	1,212,261	1,566,166	487,364	771,543	1,220,135	1,322,636	1,□□□□□□
Miscellaneous	48,241	105,205	82,760	8,660,361	3,253,317	4,137,449	823,383	1,568,002	3,925,633	4,192,424
Transfers	(553,762)	(1,149,767)	(74,405)	-	(573,750)	(20,397)	1,449,645	-	-	(□□□□□□)
Total governmental activities	<u>99,660,964</u>	<u>99,845,946</u>	<u>103,506,376</u>	<u>117,030,772</u>	<u>116,452,114</u>	<u>125,369,924</u>	<u>128,017,300</u>	<u>133,414,173</u>	<u>152,259,002</u>	<u>165,665,160</u>
Business-type activities:										
Use of money and property	91,838	87,427	86,706	1,019,048	16,203	296,115	199,506	73,126	62,112	119,756
Miscellaneous	2,139,985	1,285,523	1,898,647	1,349,457	851,806	987,293	854,779	1,170,352	2,219,780	1,626,189
Transfers	553,762	1,149,767	74,405	-	573,750	20,397	-	-	-	1,721,760
Total business-type activities	<u>2,785,585</u>	<u>2,522,717</u>	<u>2,059,758</u>	<u>2,368,505</u>	<u>1,441,759</u>	<u>1,303,805</u>	<u>1,054,285</u>	<u>1,243,478</u>	<u>2,281,892</u>	<u>3,467,705</u>
Total primary government	<u>102,446,549</u>	<u>102,368,663</u>	<u>105,566,134</u>	<u>119,399,277</u>	<u>117,893,873</u>	<u>126,673,729</u>	<u>129,071,585</u>	<u>134,657,651</u>	<u>154,540,894</u>	<u>169,132,865</u>
Change in net position:										
Governmental activities	(3,283,098)	(1,566,464)	1,632,074	2,292,017	(6,761,138)	4,044,170	(3,496,555)	(12,287,269)	41,229,825	55,903,494
Business-type activities	(2,364,752)	4,801,767	(3,638,850)	(4,392,560)	680,756	(10,840,864)	(10,528,635)	(8,699,701)	(5,510,281)	(5,225,783)
Total change in net position	<u>\$ (5,647,850)</u>	<u>\$ 3,235,303</u>	<u>\$ (2,006,776)</u>	<u>\$ (2,100,543)</u>	<u>\$ (6,080,382)</u>	<u>\$ (6,796,694)</u>	<u>\$ (14,025,190)</u>	<u>\$ (20,986,970)</u>	<u>\$ 35,719,544</u>	<u>\$ 50,677,711</u>

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

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Nonspendable	\$ 4,865,391	\$ 397,864	\$ 3,119,167	\$ -	\$ -	\$ -	\$ 16,789	\$ -	\$ 18,393,712	\$ 17,061,172
Restricted	773,434	1,914,665	596,633	636,878	522,901	750,528	727,132	547,258	418,548	2,154,591
Committed	13,503,770	14,250,044	7,604,102	6,718,564	6,098,969	4,084,579	3,720,418	3,778,410	26,985	-
Assigned	1,349,150	236,404	7,370,106	19,123,085	12,868,232	10,976,878	6,471,176	3,189,539	13,850,119	39,176,116
Unassigned	7,017,360	7,389,166	8,211,445	11,862,438	13,507,895	14,917,926	12,754,275	18,690,533	21,832,935	15,766,681
Total General Fund	<u>\$ 27,509,105</u>	<u>\$ 24,188,143</u>	<u>\$ 26,901,453</u>	<u>\$ 38,340,965</u>	<u>\$ 32,997,997</u>	<u>\$ 30,729,911</u>	<u>\$ 23,689,790</u>	<u>\$ 26,205,740</u>	<u>\$ 54,522,299</u>	<u>\$ 74,158,560</u>
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,629	\$ -
Restricted	849,658	2,815,531	740,454	87,503,330	35,965,308	9,006,421	1,217,376	872,209	852,857	2,956,574
Assigned	3,569,924	5,084,728	3,385,393	5,532,960	4,764,106	4,973,130	5,126,288	7,737,442	9,960,371	10,177,794
Unassigned	(4,258,647)	-	(3,262,553)	-	-	-	(3,619,790)	(6,035,394)	(5,887,235)	-
Total all other governmental funds	<u>\$ 160,935</u>	<u>\$ 7,900,259</u>	<u>\$ 863,294</u>	<u>\$ 93,036,290</u>	<u>\$ 40,729,414</u>	<u>\$ 13,979,551</u>	<u>\$ 2,723,874</u>	<u>\$ 2,574,257</u>	<u>\$ 5,158,622</u>	<u>\$ 13,134,368</u>

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Real property taxes	\$ 53,786,165	\$ 55,763,769	\$ 55,328,648	\$ 57,546,461	\$ 62,000,021	\$ 62,522,849	\$ 64,073,474	\$ 63,936,357	\$ 69,786,508	\$ 73,704,140
Other property tax items	9,313,959	7,522,050	8,431,127	8,403,849	8,138,632	7,705,974	9,418,795	11,452,202	7,386,285	11,646,192
Non property tax items	36,206,602	38,064,659	38,813,293	41,659,523	42,510,038	49,628,569	51,144,247	52,568,003	70,967,544	77,192,898
Departmental income	31,608,948	29,951,852	29,612,294	30,740,210	28,623,104	29,587,334	27,151,449	26,769,737	26,863,600	27,680,157
Intergovernmental charges	1,948,855	2,167,520	1,984,646	711,042	1,266,050	1,248,680	960,173	765,049	888,956	808,614
Licenses and permit	25,467	62,900	56,420	63,920	64,832	1,391,343	3,391,001	1,257,710	2,903,117	3,263,351
Fines and forfeitures	322,034	283,928	258,877	345,342	193,011	450,167	272,268	182,814	114,822	277,760
Use of money and property	180,743	156,672	157,513	219,709	677,375	539,583	707,550	375,896	297,790	736,594
Sale of property and compensation for loss	610,247	315,710	638,062	1,078,866	1,372,488	487,364	651,600	1,116,809	1,313,652	1,758,363
Miscellaneous	18,420,941	18,284,784	3,657,270	11,951,802	3,708,080	4,520,710	1,449,645	1,616,759	3,925,633	4,264,782
Interfund revenues	2,810	-	-	-	-	-	-	-	-	-
State aid	3,505,962	3,641,418	23,266,268	24,480,445	23,500,054	23,439,564	28,484,017	24,426,579	28,439,994	33,172,695
Federal aid	20,360,548	21,455,917	16,672,007	16,493,632	20,159,355	17,657,400	19,270,171	23,861,782	22,076,517	30,098,628
Total revenues	<u>176,293,281</u>	<u>177,671,179</u>	<u>178,876,425</u>	<u>193,694,801</u>	<u>192,213,040</u>	<u>199,179,537</u>	<u>206,974,390</u>	<u>208,329,697</u>	<u>234,964,418</u>	<u>264,604,174</u>
Expenditures:										
Current:										
General government support	23,002,054	23,398,007	24,139,888	25,812,349	27,036,128	30,560,187	30,268,536	31,502,585	31,781,240	42,468,682
Education	5,547,733	5,457,556	5,314,383	5,654,545	5,604,562	5,694,596	5,552,405	5,377,185	5,446,351	5,475,911
Public safety	23,788,104	24,785,241	25,528,334	25,713,246	26,411,869	28,459,071	31,684,622	29,757,124	30,736,331	32,966,609
Health	23,063,706	21,926,234	23,849,742	22,800,971	23,325,203	24,355,241	23,680,551	23,961,690	24,873,824	23,660,274
Transportation	16,132,885	18,288,145	19,700,202	19,731,940	24,138,202	20,972,839	24,128,284	17,780,750	23,710,753	32,687,485
Economic assistance and opportunity	55,052,400	58,931,619	51,877,834	60,597,993	60,227,151	60,941,593	64,244,497	58,573,564	53,175,154	57,360,827
Culture and recreation	3,129,855	3,171,942	3,317,680	3,397,302	3,367,706	3,301,287	3,292,914	3,107,125	3,099,787	3,385,710
Home and community services	8,828,785	8,509,310	8,398,457	8,562,276	10,444,056	11,172,990	13,462,167	11,167,602	12,788,049	15,525,518
Debt service:										
Principal	9,332,285	9,417,516	6,728,109	7,018,541	7,840,779	9,832,854	9,765,149	9,292,982	13,087,454	9,970,053
Interest	2,179,008	2,080,666	2,190,079	1,913,945	5,501,801	4,878,078	4,931,441	4,820,902	4,871,071	4,186,286
Capital outlay	6,297,006	9,957,018	12,080,967	22,265,807	56,415,915	43,179,803	20,807,572	11,564,541	4,622,205	7,405,243
Total expenditures	<u>176,353,821</u>	<u>185,923,254</u>	<u>183,125,675</u>	<u>203,468,915</u>	<u>250,313,372</u>	<u>243,348,539</u>	<u>231,818,138</u>	<u>206,906,050</u>	<u>208,192,219</u>	<u>235,092,598</u>

(continued)

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other financing sources (uses)										
Transfers in	24,558,828	25,030,396	29,675,955	32,084,354	39,601,829	34,839,669	38,208,878	37,423,229	42,843,469	58,885,518
Transfers out	(25,112,590)	(26,180,163)	(29,750,360)	(32,084,354)	(40,175,579)	(34,860,066)	(38,208,878)	(37,423,229)	(42,843,469)	(61,206,462)
Other financing sources ¹	22,719,088	13,820,204	-	111,387,420	1,024,238	15,171,450	6,547,950	942,686	4,128,725	421,375
Other financing uses	(20,330,062)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,835,264	12,670,437	(74,405)	111,387,420	450,488	15,151,053	6,547,950	942,686	4,128,725	(1,899,569)
Net change in fund balances	<u>\$ 1,774,724</u>	<u>\$ 4,418,362</u>	<u>\$ (4,323,655)</u>	<u>\$ 101,613,306</u>	<u>\$ (57,649,844)</u>	<u>\$ (29,017,949)</u>	<u>\$ (18,295,798)</u>	<u>\$ 2,366,333</u>	<u>\$ 30,900,924</u>	<u>\$ 27,612,007</u>
Debt service as a percentage of noncapital expenditures	6.77%	6.53%	5.21%	5.19%	7.25%	7.69%	7.46%	7.23%	9.27%	6.68%

¹ Includes debt issuance proceeds and premiums.

(concluded)

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

Year	Non-Property Taxes								Total
	General Property Taxes	General Sales Taxes	Room Occupancy Taxes	E-911 Taxes	Off-Track Betting Taxes	Mortgage Taxes	Automobile Use Taxes	Stumpage Taxes	
2013	53,786,165	33,793,427	619,352	286,122	265,550	689,150	548,403	4,599	89,992,768
2014	55,763,769	35,960,305	538,021	277,083	207,963	569,181	507,281	4,825	93,828,428
2015	55,328,648	36,463,665	700,401	284,418	199,444	641,039	519,858	4,469	94,141,942
2016	57,546,461	39,296,629	809,462	283,076	167,899	584,996	512,916	4,575	99,206,014
2017	62,000,021	39,990,156	916,761	266,238	108,797	690,853	533,607	3,626	104,510,059
2018	62,522,849	46,583,305	1,328,714	341,277	80,557	791,187	497,421	6,108	112,151,418
2019	64,073,474	47,193,801	2,184,020	322,941	78,468	803,761	554,619	6,637	115,217,721
2020	63,936,357	48,943,642	1,676,542	352,702	32,398	1,060,928	498,523	3,268	116,504,360
2021	69,786,508	65,069,481	3,159,765	370,706	64,485	1,706,851	543,406	4,419	140,705,621
2022	73,704,140	70,552,668	3,756,788	353,117	50,497	1,957,352	508,658	13,818	150,897,038

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

Real Property

Year ¹	Residential/ Commercial	State Lands	Special Franchises	Utilities	Railroad Property	Less Exempt Property	Total Taxable Assessed Value ²	Estimated Actual Value ³	Ratio of Assessed Value to Estimated Actual Value	Total Effective Rate ⁴
2013	\$ 6,642,143,138	\$ 25,557,665	\$ 74,964,935	\$ 112,393,145	\$ -	\$ 1,419,105,652	\$ 5,435,953,231	\$ 8,120,649,757	66.94%	\$ 25.27
2014	6,628,056,033	25,541,375	79,082,515	110,948,188	-	1,416,147,732	5,427,480,379	7,693,733,110	70.54%	26.66
2015	6,255,700,726	25,503,795	73,691,087	109,454,436	-	1,111,587,549	5,352,762,495	7,571,719,348	70.69%	27.33
2016	6,639,053,293	25,753,365	86,390,807	108,947,813	15,643,730	1,403,594,994	5,472,194,014	7,661,276,567	71.43%	28.37
2017	6,792,060,647	25,533,245	91,227,929	107,750,039	17,625,430	1,460,919,507	5,573,277,783	7,769,422,629	71.73%	30.29
2018	6,799,515,570	25,519,475	89,736,987	109,961,655	17,625,430	1,452,112,742	5,590,246,375	7,807,141,187	71.60%	30.97
2019	7,402,110,351	34,545,275	91,230,782	119,385,920	15,594,216	1,833,099,415	5,829,767,129	7,846,771,200	74.30%	24.64
2020	7,606,668,851	34,670,460	92,318,218	117,776,171	15,595,810	1,932,387,402	5,572,548,557	8,199,831,017	67.96%	24.96
2021	7,665,513,780	34,626,195	97,568,730	115,359,454	17,625,430	1,970,551,971	5,623,050,781	8,735,393,400	64.37%	25.50
2022	7,014,390,602	34,590,145	96,518,075	174,919,606	17,625,430	1,322,912,118	5,664,467,254	9,135,859,715	62.00%	26.04

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

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

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

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

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

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

Year	County Effective Rates ¹	County Direct Rates ²	Overlapping Rates ³				
			Cities, Towns & Villages	School Districts	Fire Districts	Sewer Districts	Other Special Districts
2013	\$ 25.27	\$6.83-179.40	\$ 16.51	\$13.77-743.28	\$0.30-41.69	\$0.35-1,311.48	\$0.04-267.68
2014	26.66	7.37-186.98	16.81	14.02-787.65	0.30-36.47	0.35-1,213.28	0.04-8.20
2015	27.33	7.60-198.50	17.10	14.36-777.92	0.52-33.24	0.71-1,213.84	0.06-414.58
2016	28.37	7.60-199.03	17.38	14.85-722.60	0.31-33.29	1.04-1,214.30	0.06-414.84
2017	30.29	8.00-209.38	17.73	15.00-723.67	0.53-30.90	0.75-1,990.52	0.04-422.74
2018	30.97	8.17-214.22	17.98	14.90-710.47	0.53-34.26	0.76-6,333.95	0.08-458.42
2019	24.64	8.15-214.30	15.09	13.89-735.67	0.53-34.63	0.76-15,771.86	0.23-445.26
2020	24.96	7.99-219.00	15.37	14.49-741.33	0.24-35.76	0.87-1,376,237	0.05-2,400.692
2021	25.50	7.72-223.82	15.54	14.55-742.91	0.24-37.48	0.64-1,289,106	0.0008-2,423.140
2022	26.04	7.55-228.88	15.81	14.87-718.57	0.24-38.86	0.64-941,614	0.0009-2,427,173

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

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

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

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

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

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

Taxpayer	Type of Business	2022			2013		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
EPT Concord II, LLC	Resort Casino	\$ 168,156,900	1	2.99%	\$ -	-	n/a
EPR Concord II LP	Resort Casino	98,994,500	2	1.76%	-	-	n/a
Millennium Pipeline Co	Development	62,000,000	3	1.10%	-	-	n/a
NYSEG	Utility Company	36,463,396	4	0.65%	94,550,587	1	1.86%
City of New York	Local Government	20,751,446	5	0.37%	18,326,350	6	0.36%
Monticello Raceway Mgmt. Inc	Entertainment	20,449,200	6	0.36%	-	-	n/a
Villa Roma Country Club Inc.	Development	9,040,000	7	0.16%	-	-	n/a
Sunset Lake LDC	Local Government	6,454,399	8	0.12%	-	-	n/a
Thousand Oaks LLC	Real Estate	3,940,100	9	0.07%	-	-	n/a
NVS Land, LLC	Real Estate	202,100	10	0.00%	-	-	n/a
Orange & Rockland	Utility Company	-	-	n/a	29,212,894	2	0.57%
State of New York	State Government	-	-	n/a	24,553,835	3	0.48%
Verizon	Mobile	-	-	n/a	23,038,428	4	0.45%
Catskill Development	Housing Development	-	-	n/a	20,449,200	5	0.40%
Kutsher's	Hotel	-	-	n/a	11,000,000	7	0.22%
Thompson Sanitation	Refuse and Garbage	-	-	n/a	10,567,700	8	0.21%
Wal-Mart	Commercial	-	-	n/a	10,000,000	9	0.20%
Eagle Creek	Water Company	-	-	n/a	9,526,694	10	0.19%
Total		<u>\$ 426,452,041</u>		7.58%	<u>\$ 251,225,688</u>		4.94%

Source: Sullivan County Treasurer's Office

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

Fiscal Year Ended December 31,	County Taxes Levied for the Fiscal Year ¹	Collected within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Periods	Total Collections to Date	
		Amount	Percentage of Total Levy		Amount	Percentage of Levy
2013	\$ 138,206,973	\$ 114,812,766	83.07%	\$ 22,791,770	\$ 137,604,536	99.56%
2014	140,067,028	117,745,523	84.06%	21,529,725	139,275,248	99.43%
2015	143,146,268	121,508,141	84.88%	19,956,494	141,464,635	98.83%
2016	145,006,335	123,298,082	85.03%	20,849,171	144,147,253	99.41%
2017	149,103,138	128,771,216	86.36%	18,798,271	147,569,487	98.97%
2018	151,324,662	130,455,434	86.21%	18,118,772	148,574,206	98.18%
2019	155,351,402	133,096,207	85.67%	16,389,650	149,485,857	96.22%
2020	165,030,380	139,776,922	84.70%	13,545,902	153,322,824	92.91%
2021	167,630,607	146,948,513	87.66%	11,334,713	158,283,226	94.42%
2022	171,678,535	152,361,416	88.75%	18,038,080	170,399,496	99.25%

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

Source: County of Sullivan Treasurer's Office

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

Fiscal Year	Governmental Activities		Business-type Activities			Total Primary Government	Percentage of Personal Income ³	Debt per Capita ³
	General Obligation Bonds ¹	Lease Liability ⁴	Adult Care Center Bonds	Sullivan County Infrastructure LDC	Sullivan County TASC Bonds ²			
2013	\$ 52,094,158	\$ -	\$ 66,973	\$ -	\$ 12,841,774	\$ 65,002,905	0.06%	\$ 847.88
2014	56,137,663	-	49,489	-	12,294,366	68,481,518	0.06%	893.26
2015	49,082,581	-	32,598	-	11,906,958	61,022,137	0.06%	803.53
2016	153,097,743	-	16,139	73,340,000	18,133,294	244,587,176	0.02%	3,266.52
2017	145,059,234	799,320	-	110,075,000	18,078,162	274,011,716	0.02%	3,630.02
2018	150,156,722	617,916	-	110,075,000	17,691,874	278,541,512	0.02%	3,673.82
2019	146,463,810	660,115	-	110,075,000	17,355,586	274,554,511	0.03%	3,636.58
2020	137,215,825	1,119,819	-	108,435,000	16,869,298	263,639,942	0.02%	3,495.07
2021	127,819,059	3,185,644	-	106,710,000	16,302,325	254,017,028	0.02%	3,367.50
2022	115,690,000	2,951,966	-	104,905,000	14,588,925	238,135,891	0.02%	2,989.48

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

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

³ See Schedule XIV for personal income and population data.

⁴ During the year ended December 31, 2022, the County implemented Governmental Accounting Standards Board Statement No. 87, "Leases". As a result, the amount reported for Lease Liability for 2021 has been restated to conform to the new standards.

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

Year	Population	General Bonded Debt Outstanding				Percentage of	
		Estimated Actual Value of Property	Gross Bonded Debt ¹	Less: Debt Service Funds ²	Net Bonded Debt	Net Bonded Debt to Estimated Actual Value ³	Net Bonded Debt per Capita ⁴
2013	\$ 76,665	\$ 8,120,649,757	\$ 52,161,131	\$ 3,580	\$ 52,157,551	0.64%	\$ 680.33
2014	76,665	7,693,733,110	56,187,152	2,731	56,184,421	0.73%	732.86
2015	75,943	7,571,719,348	49,115,179	3,481	49,111,698	0.65%	646.69
2016	74,877	7,661,276,567	153,113,882	8,015	153,105,867	2.00%	2,044.76
2017	75,485	7,769,422,629	145,059,234	29,717	145,029,517	1.87%	1,921.30
2018	75,818	7,807,141,187	150,156,722	40,823	150,115,899	1.92%	1,979.95
2019	75,498	7,846,771,200	146,463,810	64,828	146,398,982	1.87%	1,939.11
2020	75,432	8,199,831,017	137,215,825	17,982	137,197,843	1.67%	1,818.83
2021	79,806	8,735,393,400	127,819,059	2,905	127,816,154	1.46%	1,601.59
2022	79,658	9,135,859,715	115,690,000	5,214	115,684,786	1.27%	1,452.27

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

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

² Amount restricted for debt service principal payments.

³ See Schedule VI for property value data.

⁴ See Schedule XIV for personal income and population data.

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

COUNTY OF SULLIVAN, NEW YORK
Schedule XII—Computation of Estimated Direct and Overlapping Debt
As of December 31, 2022
(Unaudited)

Governmental Unit	Gross Indebtedness ¹	Estimated Exclusions ²	Net Indebtedness	Percentage Applicable ³	County of Sullivan Portion
Estimated direct debt:					
County of Sullivan	\$ 115,690,000	\$ -	\$ 115,690,000	32.83%	\$ 37,978,009
Estimated overlapping debt:					
Towns:					
Bethel	3,872,280	-	3,872,280	1.10%	42,548
Callicoon	600,000	24,442	575,558	0.17%	980
Cochecton	-	-	-	0.00%	-
Delaware	873,280	873,280	-	0.25%	-
Fallsburg	29,362,807	2,788,772	26,574,035	8.33%	2,214,092
Forestburgh	110,000	-	110,000	0.03%	34
Liberty	3,152,212	406,000	2,746,212	0.89%	24,563
Mamakating	440,000	-	440,000	0.12%	549
Rockland	5,251,412	5,251,412	-	1.49%	-
Thompson	6,924,883	262,349	6,662,534	1.96%	130,916
Tusten	144,000	-	144,000	0.04%	59
Villages:					
Bloomington	237,994	-	237,994	0.07%	161
Jeffersonville	-	-	-	0.00%	-
Liberty	4,319,100	4,319,100	-	1.23%	-
Monticello	11,649,470	11,393,409	256,061	3.31%	8,464
Woodridge	10,787,545	10,787,545	-	3.06%	-
Wurtsboro	824,800	-	824,800	0.23%	1,930
School districts:					
Eldred	3,246,335	-	3,246,335	0.92%	29,904
Fallsburg	135,767,176	-	135,767,176	38.52%	52,303,424
Liberty	2,374,040	-	2,374,040	0.67%	15,993
Monticello	4,819,769	-	4,819,769	1.37%	65,916
Roscoe	1,822,003	-	1,822,003	0.52%	9,420
Sullivan West	6,250,000	-	6,250,000	1.77%	110,841
Tri-Valley	3,900,000	-	3,900,000	1.11%	43,159
Total estimated overlapping debt	<u>236,729,106</u>	<u>36,106,309</u>	<u>200,622,797</u>		<u>52,589,212</u>
Total estimated direct and overlapping debt	<u>\$ 352,419,106</u>	<u>\$ 36,106,309</u>	<u>\$ 316,312,797</u>		<u>\$ 92,980,963</u>

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

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

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

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

COUNTY OF SULLIVAN, NEW YORK
Schedule XIII—Legal Debt Margin Information
As of December 31, 2022
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2022	
Estimated Actual Value of Real Property (After Exemptions):	
2018	\$ 7,807,141,187
2019	7,846,771,200
2020	8,199,831,017
2021	8,735,393,400
2022	<u>9,135,859,715</u>
Total five-year valuation	<u>41,724,996,519</u>
Average full valuation	<u>8,344,999,304</u>
Debt limit - 7% of average full valuation ¹	<u>\$ 584,149,951</u>
Debt applicable to limit:	
Governmental activities - general obligation bonds	\$ 115,690,000
Governmental activities - bond anticipation notes	-
Governmental activities - lease liabilities	<u>2,951,966</u>
Total amount of net indebtedness applicable to debt limit	<u>118,641,966</u>
Legal debt margin ³	<u>\$ 465,507,985</u>
Percentage of debt contracting power exhausted	20.31%

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt limit	\$ 592,419,257	\$ 592,419,257	\$ 563,964,754	\$ 552,590,799	\$ 543,435,220	\$ 539,046,100	\$ 541,188,633	\$ 549,982,196	\$ 560,164,896	\$ 584,149,951
Total net debt applicable to limit	<u>57,496,420</u>	<u>60,127,269</u>	<u>66,551,519</u>	<u>151,900,500</u>	<u>141,889,320</u>	<u>151,097,916</u>	<u>152,430,115</u>	<u>147,612,319</u>	<u>136,108,228</u>	<u>118,641,966</u>
Legal debt margin	<u>\$ 534,922,837</u>	<u>\$ 532,291,988</u>	<u>\$ 497,413,235</u>	<u>\$ 400,690,299</u>	<u>\$ 401,545,900</u>	<u>\$ 387,948,184</u>	<u>\$ 388,758,518</u>	<u>\$ 402,369,877</u>	<u>\$ 424,056,668</u>	<u>\$ 465,507,985</u>
Total net debt applicable to the limit as a percentage of debt l	9.71%	10.15%	11.80%	27.49%	26.11%	28.03%	28.17%	26.84%	24.30%	20.31%

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

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

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

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

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

Calendar Year	Population	Per Capita Personal Income ¹	Personal Income ²	Unemployment Rate ³
2013	76,665	\$ 41,197	\$ 3,158,368	8.8%
2014	76,665	41,197	3,158,368	6.8%
2015	75,943	39,368	2,989,724	5.2%
2016	74,877	42,053	3,148,802	4.8%
2017	75,485	42,528	3,210,226	5.2%
2018	75,818	44,707	3,389,595	3.9%
2019	75,498	46,303	3,495,810	3.7%
2020	75,432	48,753	3,677,559	6.2%
2021	79,806	52,249	3,960,582	3.1%
2022	79,658	53,874	4,299,492	2.8%

¹ Data represents per capita income for Sullivan County.

² Estimated, in thousands.

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

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

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

Employer	Type	2022			2013		
		Approx. No. of Employees	Rank	Percentage of Labor Force ¹	Approx. No. of Employees	Rank	Percentage of Total County Employment
SDTC the Center for Discovery	Non-profit	1,660	1	5.08%	1,508	1	4.28%
Resorts World Catskills	Hotel/Gaming	1,206	2	3.69%	-	-	0.00%
Sullivan County Government	Local Government	943	3	2.88%	1,008	2	2.86%
Monticello Central School District	Public Schools	717	4	2.19%	665	4	1.89%
Catskill Regional Medical Center	Medical Center	569	5	1.74%	922	3	2.62%
New Hope Community Inc.	Non-profit	562	6	1.72%	596	5	1.69%
NYSARC Inc	Non-profit	544	7	1.66%	540	6	1.53%
Frito Lay (FKA Ideal Snacks)	Food production	520	8	1.59%	445	8	1.26%
Bethel Woods	Entertainment	434	9	1.33%	-	-	0.00%
Sullivan Correctional Facility	Correctional Facility	406	10	1.24%	439	9	1.25%
Woodbourne Correctional Facility	Correctional Facility	-	-	0.00%	462	7	1.31%
Villa Roma Resort	Hotel/Gaming	-	-	0.00%	271	10	0.77%

¹ Estimated.

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

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

Function/Program:	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General government support	175	182	182	181	187	192	192	190	196	193
Public safety	216	215	215	218	228	235	235	230	231	236
Health/Adult Care Center	279	284	289	283	278	271	271	233	208	197
Transportation	94	922	92	84	94	95	95	80	76	84
Economic assistance and opportunity	175	171	184	196	195	192	192	174	168	172
Culture and recreation	34	34	33	33	34	34	34	29	33	34
Home and community services	22	24	23	26	28	29	29	23	25	27
Total	<u>995</u>	<u>1,832</u>	<u>1,018</u>	<u>1,021</u>	<u>1,044</u>	<u>1,048</u>	<u>1,048</u>	<u>959</u>	<u>937</u>	<u>943</u>

Source: Annual Sullivan County Budgets.

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Sheriff:										
Arrests	1,163	1,139	1,146	1,290	1,171	1,317	1,218	770	801	945
Traffic summons	1,224	1,187	1,213	2,249	2,003	1,878	1,774	1,340	1,356	1,911
DWI summons	54	70	73	44	65	63	38	34	22	33
Jail:										
Inmates	1,475	1,387	1,251	1,249	1,152	1,245	1,061	310	489	585
Public Works:										
Road paving (miles)	14.70	25.50	30.70	31.90	25.40	35.20	32.20	28.90	33.50	32.40
Road chip seal (miles)	-	-	-	45.00	24.80	35.60	26.20	24.70	19.00	35.70
Bridge replacement	1	1	4	4	3	4	6	2	3	2
Bridge rehabilitation	8	5	2	-	-	-	-	-	2	1
Parks and Recreation:										
Park and pavilion permits	36	73	81	32	56	50	37	-	28	41
Lake Superior attendance	12,266	11,225	12,653	14,183	10,037	10,955	12,088	-	10,821	9,234
Fort Delaware attendance	2,843	2,848	2,870	2,708	3,529	2,507	2,348	-	-	-
Refuse Collection:										
Refuse collected (tons per day)	150.00	149.00	147.00	173.00	206.00	231.00	244.00	199.00	239.00	252.00
Recyclables collected (tons per day)	15.00	16.00	17.00	17.50	20.30	18.95	14.62	16.62	15.57	14.90

Source: Various County Departments.

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

Function/Program:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Sheriff:										
Jail	1	1	1	1	1	1	1	1	1	1
Vans	3	2	2	5	5	6	7	5	5	5
Cars	27	26	29	32	32	30	36	36	39	42
SUVs	6	11	11	12	12	14	17	14	13	13
Pickups	2	2	2	2	2	3	3	3	3	3
Electric cars	3	3	3	3	3	3	3	3	3	3
ATVs	3	5	5	5	5	5	5	5	5	5
Boats	2	2	2	2	2	2	2	3	3	3
Tactical vehicle	1	1	1	1	1	1	1	1	1	1
Humvee	1	1	1	1	1	1	1	1	1	1
Jet ski	-	-	1	1	1	1	1	1	1	1
Transportation:										
Roads (miles)	385.20	385.20	385.20	385.20	385.20	385.20	385.2	385.2	385.2	385.2
Traffic signals	10	10	10	10	10	10	11	11	11	11
Flashing beacons	25	25	26	26	26	26	26	26	26	26
Bridges	401	401	400	400	398	398	396	396	396	396
Culture and Recreation:										
Parks acreage	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,572	1,624
Playgrounds	2	2	2	2	2	2	2	2	2	2
Home and Community Services:										
Landfill acres	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8	45.8
Transfer stations	6	6	6	6	6	6	6	6	6	6
Haul trucks	6	6	6	6	6	6	9	9	9	9

Source: Various County Departments.