

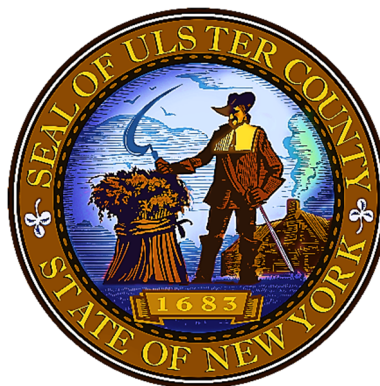
COUNTY OF ULSTER, NEW YORK



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2020

Patrick K. Ryan
County Executive



Burton Gulnick, Jr.
Commissioner of Finance

COUNTY OF ULSTER, NEW YORK

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2020



PREPARED BY:

THE ULSTER COUNTY DEPARTMENT OF FINANCE
Burton Gulnick, Jr., Commissioner

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County of Ulster, New York
Table of Contents
For the Year Ended December 31, 2020

Introductory Section (Unaudited)

	<i>Page</i>
Letter of Transmittal	I
Organizational Chart	VI
List of Principal Officials, Ulster County Legislature	VII
List of County Departments and Department Heads	VIII

Financial Section

	<i>Page</i>
Independent Auditors' Report	1
Management's Discussion and Analysis	4

Basic Financial Statements

Government-wide Financial Statements:

Statement of Net Position	14
Statement of Activities	15

Fund Financial Statements:

Balance Sheet – Governmental Funds and Reconciliation of the Balance Sheet – Governmental Funds to the Government-wide Statement of Net Position	16
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Governmental Funds	17
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Governmental Funds to the Government-wide Statement of Activities	18
Statement of Net Position – Proprietary Funds	19
Statement of Revenues, Expenses, and Change in Net Position – Proprietary Funds	20
Statement of Cash Flows – Proprietary Funds	21
Statement of Fiduciary Net Position – Custodial Fund	22
Statement of Changes in Fiduciary Net Position – Custodial Fund	23

Notes to the Financial Statements	24
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Required Supplementary Information

Schedule of Local Government's Proportionate Share of the Net Pension Liability – Employees' Retirement System	61
Schedule of Local Government's Contributions – Employees' Retirement System	62
Schedule of Local Government's Proportionate Share of the Net Pension Asset/(Liability) – Teachers' Retirement System	63
Schedule of Local Government's Contributions – Teachers' Retirement System	64
Schedule of Local Government's Changes in Total OPEB Liabilities and Related Ratios	65
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	66
Notes to the Required Supplementary Information	67

County of Ulster, New York
Table of Contents (Continued)
For the Year Ended December 31, 2020

Supplementary Information ***Page***

Combining Financial Statements:

Combining Balance Sheet – Nonmajor Governmental Funds	68
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	69
Combining Statement of Net Position – Nonmajor Proprietary Funds	70
Combining Statement of Revenues, Expenses, and Changes in Net Position – Nonmajor Proprietary Funds	71
Combining Statement of Cash Flows – Nonmajor Proprietary Funds	72

Discretely Presented Component Units:

Combining Statement of Net Position – Discretely Presented Component Units	73
Combining Statement of Activities – Discretely Presented Component Units	74

Other Information

Budgetary Comparison Schedules:

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Debt Service Fund	75
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Grant Fund	76
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – County Road Fund	77
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Road Machinery Fund	78

Statistical Section (Unaudited)

	<i>Exhibit</i>	<i>Page</i>
Net Position by Component	Table 1	79
Changes in Net Position	Table 2	80
Fund Balances of Governmental Funds	Table 3	81
Changes in Fund Balances of Governmental Funds	Table 4	82
General Governmental Expenditures by Function	Table 5	83
General Governmental Revenues by Source	Table 6	83
Property Tax Levies and Collections	Table 7	85
Assessed and Estimated Actual Value of Taxable Property	Table 8	85
Property Tax Rates – Direct and Overlapping Governments	Table 9	86
Principal Taxpayers	Table 10	86
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita	Table 11	87
Computation of Legal Debt Margin	Table 12	87
Computation of Direct and Overlapping Bonded Debt General Obligation Bonds and Bond Anticipation Notes	Table 13	88
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures	Table 14	88
Demographic Statistics	Table 15	89
Taxable Property Values and Residential Construction	Table 16	89
Miscellaneous Statistics	Table 17	90

Introductory Section (Unaudited)

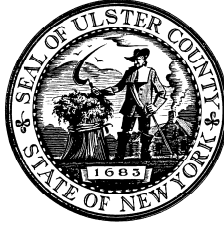
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ULSTER COUNTY DEPARTMENT OF FINANCE

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Burton Gulnick, Jr.
Commissioner of Finance



C. J. Rioux, CPA
Deputy Commissioner of Finance

Lena Serrano
Deputy Commissioner of Finance

Tracey Williams
Deputy Commissioner of Finance
Director of Real Property Tax Service

September 23, 2021

To the Honorable County Executive, Members of the Legislative Board, and Citizens of the County of Ulster:

I am pleased to submit the Comprehensive Annual Financial Report (Annual Report) of the County of Ulster, New York (County) for the fiscal year ended December 31, 2020. The Annual Report is presented in accordance with generally accepted accounting principles (GAAP).

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's net position 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. We believe the data, as presented, is accurate in all material aspects and presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds and the overall entity, and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial activities have been included.

The County's basic financial statements have been audited by independent auditors. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended December 31, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a federally mandated "Single Audit" designed to meet the special needs of federal and New York State grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the 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.

GAAP requires that management provide a narrative introduction, overview, and analysis, as required supplementary information, to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement 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 auditors.

The Annual Report represents the culmination of all budgeting and accounting activities engaged in by management during the year, covering all funds of the County, its component units and its financial transactions. The Annual Report is organized into three sections: introductory, financial, and statistical.

- The *Introductory Section*, which includes this letter of transmittal, is intended to familiarize the reader with the organizational structure of the County, the nature and scope of the services it provides, and the specifics of its legal operating environment.
- The *Financial Section* includes the audited basic financial statements, required supplementary information, supporting statements and schedules necessary to fairly present the financial position and the results of operations of the County in conformity with GAAP, and the independent auditors' report on the basic financial statements.
- The *Statistical Section* contains comprehensive statistical data on the County's financial, physical, economic, social and political characteristics.

Profile of the County

Ulster County is located in the east central portion of the State on the western side of the Hudson River between New York City and Albany. Founded on November 1, 1683, it is one of New York State's original twelve counties. The County currently occupies 1,161 square miles that make up a large part of the Catskill and Shawangunk mountains and serves a population of 181,851. The County is empowered to levy a real property tax on properties within its boundaries.

The communities of the County reflect its variety: Kingston, which was the first capital of New York State, is the County seat and service center, and is located on the Hudson River; Woodstock is an art colony and a cultural center in a deeply wooded area 10 miles northwest of Kingston; New Paltz is the location of a State University of New York liberal arts college and is situated on the Wallkill River 12 miles south of Kingston. The seventeenth century homes and churches along Huguenot Street in New Paltz comprise a national historic site; Saugerties, a Hudson River town, is 8 miles north of Kingston. Originally famous for its brickyards and quarries, it has also become a residential center for people engaged in local industries. Saugerties now is the summer home of Horse Shows in the Sun (HITS). HITS-On-The-Hudson converted a former 200 acre golf course into a world class facility designed to meet the highest standards of equestrian competition. The facility has 14 permanent barns, over 1,100 horse stalls, a permanent food service facility with a dining courtyard and RV sites with full hook up. Located 20 miles southwest in the Rondout Valley, Ellenville is a vacation and recreation center with hiking in the Shawangunk Ridge which is listed by the Nature Conservancy as one of the "75 Last Great Places on Earth". Phoenicia is a hunting and fishing center 24 miles northwest of Kingston in the Catskill Mountains and is a year round resort and residential area; Hurley, one of the oldest communities in the County a few miles to the west, is dotted with rugged, seventeenth century stone homes, and is an agricultural and residential center; Highland, 12 miles south on the banks of the Hudson River, provides access to the Walkway Over the Hudson, the longest elevated pedestrian bridge in the world, and continues to attract on average over 700,000 visitors per year. Highland is the center of the Hudson Valley wine industry and home to many apple, peach, and grape orchards.

The County provides a full range of services including law enforcement; educational assistance; construction and maintenance of highways; public health; public transportation; environmental protection; recreational facilities and programs; economic assistance; economic opportunity and development; and community development. The County also is financially accountable for several separate entities or component units. They include the Ulster Tobacco Asset Securitization Corporation (UTASC), the Ulster County Economic Development Alliance (UCEDA), and the Ulster County Capital Resource Corporation (UCCRC), all blended component units, which are included in the financial statements of the primary government, and the Ulster County Community College (UCCC), the Ulster County Resource Recovery Agency (UCRRA), and the Ulster County Industrial Development Agency (UCIDA), which are reported as discretely presented component units. Additional information on all six of these legally separate entities can be found in Note 1A in the notes to the financial statements.

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the County's governing body. Budgets are adopted on a basis consistent with generally accepted accounting principles. Included in the annual budget are the activities of the General, Special Revenue, and Debt Service Funds. Project-length financial plans are adopted for the Capital Projects Fund. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is exercised at the department and object level within individual funds except for capital projects and fiduciary funds. The County also maintains an encumbrance accounting system under which the dollar values of purchase orders are recorded as reservations against budget appropriations. Encumbrance amounts are not considered expenditures; however, they are reappropriated as part of the following year's budget.

Factors Affecting Financial Condition

Local Economy

The average annual unemployment rate for Ulster County in 2020 was 8.0%, increasing from 3.8% in 2019, however, the more recent unemployment rate from July 2021 is 5.2%. The average labor force was approximately 88,000 between 2014 and 2019, with the annual labor force decreasing from 87,500 in 2019 to 86,200 in 2020. This lower figure in 2020 can be attributed to the COVID-19 pandemic with documented cases of the labor force decreasing across the nation. A smaller labor force in Ulster County going forward would likely reflect structural changes to the economy accelerated by the pandemic.

Figures from the New York State Department of Labor (NYSDOL) show that from 2011-2018, the average number of people employed in private-sector jobs in Ulster County increased steadily from 43,629 to 47,901. While data for 2019 is preliminary, the average annual employment was 47,582 for private-sector jobs and average private-sector employment of 41,995 in 2020. Preliminary data for 2021 indicates that private-sector employment levels have stabilized at around 40,500. Recent data from the U.S. Census Bureau's American Community Survey shows the trend of Ulster County residents finding employment in other areas is reversing. An estimated 69.4% of Ulster County residents remained in the County for employment in 2019, up slightly from 64.8% in 2018.

Per capita personal income data for Ulster County in 2019 was \$53,006, an increase of 4.78% from \$50,590 in 2018. The median family income per the United States of Housing and Urban Development (HUD) in 2020 is \$83,700, increasing from \$83,300 in 2019.

The 2020 Decennial Census reports a total population of 181,151, a 0.35% decrease from 182,493 as reported in the 2010 Census. The 2020 New York State Association of Realtors lists the Ulster County's median sale price for residential properties at \$281,000, an increase from \$249,000 in 2019. The New York State Department of Taxation and Finance reports the median sale price for residential properties to be \$280,000 in 2020, which increased from \$245,000 in 2019. Rental housing data for 2020 collected by the Ulster County Planning Department has a vacancy rate of 1.81%.

For the Year

To stimulate economic recovery, the County stressed expenditure controls and strived for revenue enhancements, including:

- 1) Personnel Attrition - During 2020, the County was aggressive with vacancy budget savings of \$7,516,174.
- 2) Tax Overlay - The County provided \$750,000 of accumulated fund balance in the 2020 tax levy for debt reduction and cash flow purposes.
- 3) Real Property Tax Levy - In 2020, the County Executive delivered a County Operating Budget for 2021 with a 0% tax increase to protect the taxpayers from the increasing cost of government.

For the Future

The 2021 Ulster County budget included \$5.3 million in the operating budget and capital improvement program to support economic activity within the County. The County is also expected to receive approximately \$34.5 million in funds related to the American Rescue Plan Act (ARPA), to support urgent COVID-19 response efforts, replace lost public sector revenue, support immediate economic stabilization, and address the systematic public health and economic challenges that have contributed to the unequal impact of the pandemic.

Debt Administration

Of the County's \$150.4 million of outstanding obligations, \$95.6 million of serial bonds and \$19.3 million of bond anticipation notes were issued for general purposes, \$34.4 million was issued for the Ulster Tobacco Asset Securitization Corporation (UTASC), a blended component unit of the County, and \$1.1 million was issued on behalf of the Ulster County Community College (UCCC). Currently, the County has a Standard and Poor's bond rating of AA on general obligation bond issues. Under current statutes, the County's general obligation bonded debt issuances are subject to a legal limitation based on 7% of the average full valuation of taxable real property. As of December 31, 2020, the County's general obligation bonded debt of \$116.0 million was well below the legal limit of approximately \$1.292 billion.

Cash Management

The County has a formal investment policy that is in conformance with all applicable Federal, State and other legal requirements. The general objectives, as set forth in the policy, are focused to provide for financial security and optimum liquidity of County funds while achieving a reasonable rate of return consistent with prevailing market conditions. State law requires that County funds must be deposited in banks or trust companies located and authorized to do business within New York State. The County is authorized to use demand accounts, savings accounts, and certificates of deposit. Permissible investments include guaranteed obligations of the U.S. Treasury and Federal Agencies, obligations of New York State, or its municipalities.

The County's policy provides that all investments are insured by federal depository insurance or collateralized. All collateral on deposits was held in the County's name by a third party financial institution.

The County is also authorized to contract for the purchases of investments through repurchase agreements. All repurchase agreements entered into are subject to a Master Repurchase Agreement.

Interest income helps to reduce the tax burden to the taxpayers. The County's effective interest rate on investments for 2020 was 0.64%, which led to interest earnings of \$614 thousand, a decrease from the prior year of \$1.5 million.

Risk Management

The County is exposed to various risks of loss related to unemployment, general liability, and workers' compensation. The County uses the proprietary fund to account for and finance, in the case of workers' compensation, its uninsured risks of loss. The County is also exposed to risk of loss for deductibles of varying amounts under several liability insurance policies.

The County maintains a workers' compensation claims-servicing pool to administer the payment of workers' compensation claims of pool participants. The pool is open to participation by any eligible municipality or any public entity. Under local law, participants are responsible for their proportionate share of total pool liabilities.

Acknowledgements

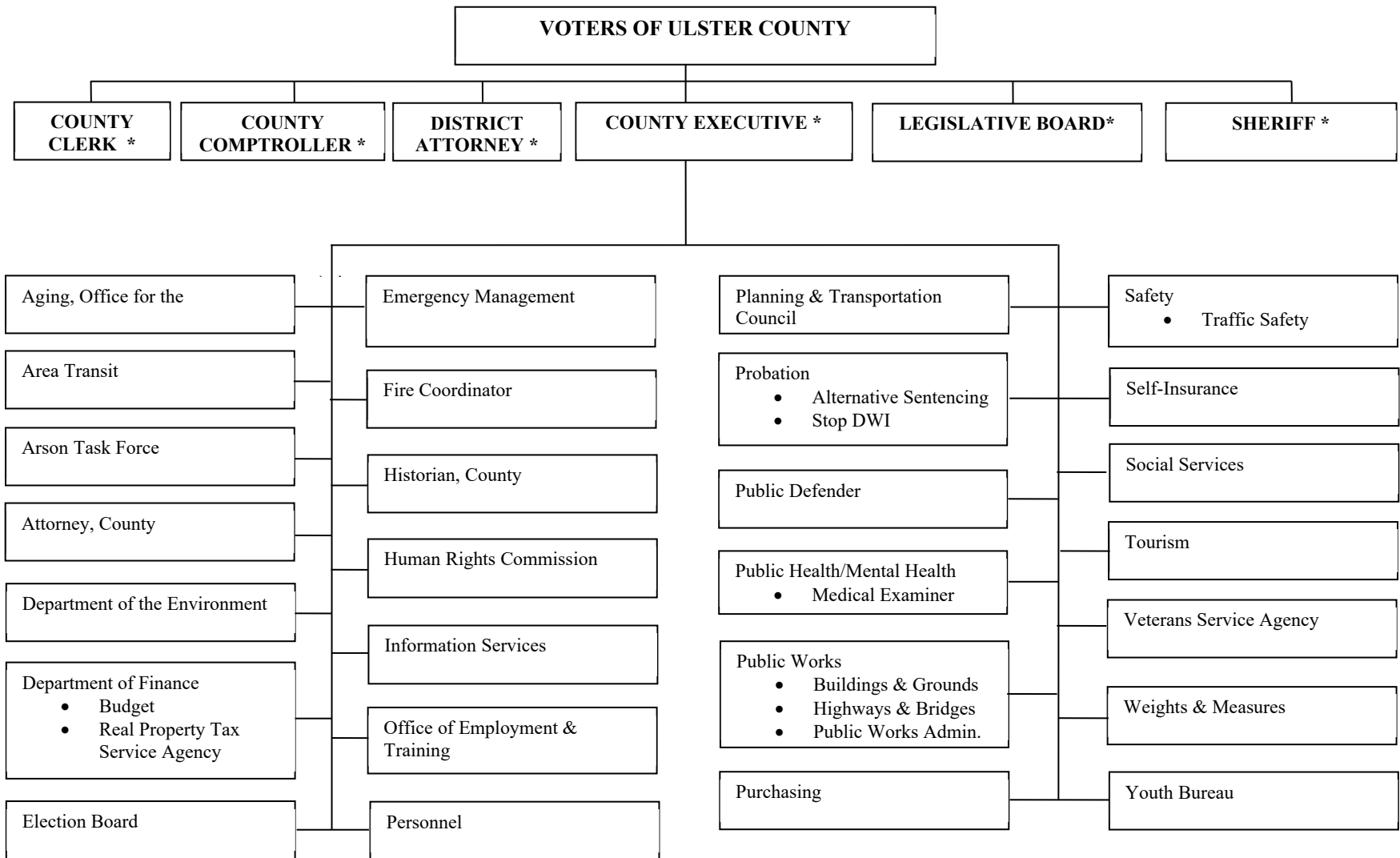
Preparation of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. I would like to express my appreciation to all members of the department and to our independent auditor, Drescher & Malecki LLP, who assisted with its preparation.

In closing, I wish to thank our County Executive, County Legislators, and department heads and their staffs for their contributions to the preparation of this report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "B. Gulnick, Jr.", followed by a period.

Burton Gulnick, Jr.
Commissioner of Finance



* Elected official

COUNTY OF ULSTER, NEW YORK
LIST OF PRINCIPAL OFFICIALS, ULSTER COUNTY LEGISLATURE
AS OF DECEMBER 31, 2020

David B. Donaldson – Chair

Jonathan R. Heppner – Majority Leader

Kenneth J. Ronk, Jr. – Minority Leader

District No. 1 – Town of Saugerties
Mary Wawro

District No. 2 – Town of Saugerties, Village of Saugerties
Albert V. Bruno

District No. 3 – Town of Saugerties, Town of Ulster
Dean Fabiano

District No. 4 – Town of Ulster, Town of Kingston
Brian B. Cahill

District No. 5 – City of Kingston
Abe Uchitelle

District No. 6 – City of Kingston
David B. Donaldson

District No. 7 – City of Kingston
Peter J. Criswell

District No. 8 – Town of Esopus
Laura Petit

District No. 9 – Town of Lloyd, Town of Plattekill
Herbert Litts, III

District No. 10 – Town of Lloyd, Town of Marlborough
Mary Beth Maio

District No. 11 – Town of Marlborough
Thomas Corcoran

District No. 12 – Town of Plattekill
Kevin A. Roberts

District No. 13 – Town of Shawangunk
Kenneth J. Ronk, Jr.

District No. 14 – Town of Shawangunk, Town of Wawarsing
Craig V. Lopez

District No. 15 – Town of Wawarsing,
Village of Ellenville
John Gavaris

District No. 16 – Town of Gardiner,
Town of Shawangunk
Tracey A. Bartels

District No. 17 – Town of Esopus, Town of New Paltz
James H. Delaune

District No. 18 – Town of Hurley, Town of Marbletown
Heidi L. Haynes

District No. 19 – Town of Marbletown,
Town of Rosendale
Manna Jo Greene

District No. 20 – Town of New Paltz,
Village of New Paltz
Eve Walter

District No. 21 – Town of Rochester,
Town of Wawarsing
Lynn M. Archer

District No. 22 – Town of Denning, Town of Hardenburgh,
Town of Olive, Town of Shandaken
John Parete

District No. 23 – Town of Hurley, Town of Woodstock
Jonathan R. Heppner

COUNTY OF ULSTER, NEW YORK
List of County Departments and Department Heads
As of December 31, 2020

Executive Patrick P. Ryan
Aging, Office for the..... Susan C. Koppenhaver
Arson Task Force..... Wayne T. Freer
Attorney Clinton G. Johnson
Budget Office Burton Gulnick, Jr.
Clerk Nina Postupack
Comptroller..... March S. Gallagher
County Court Hon. Bryan Rounds
District Attorney David J Clegg
Economic Development..... Timothy J. Weidemann
Election Board Ashley E. Dittus, Thomas F. Turco
Emergency Management Steven Peterson
Department of the Environment Amanda LaValle
Family Court..... Hon. Marianne O. Mizel,
..... Hon. A. McGinty, Hon. Keri Savona
Finance..... Burton Gulnick, Jr.
Fire Coordinator..... Everett Erichsen
Health Department..... Carol M. Smith, MD
Human Rights Commission Tyrone Wilson
Information Services..... Alan N. Macaluso
Insurance DepartmentDoraine L. Whitney
Office of Employment and Training..... Tomasine J. Oliphant
Legislature (Clerk of the)..... Victoria Fabella
Mental Health Carol M. Smith, MD
Personnel Sheree P. Cross
Planning Dennis Doyle
Probation..... Nancy H. Schmidt
Public Defender Ruth L Boyer
Public Works Thomas H. Jackson
Purchasing Edward M. Jordan
Real Property Tax Service Agency..... Tracey Williams
Safety Diane K. Beitel
Sheriff..... Juan J. Figueroa
Social Services..... Michael A. Iapoce
Soil and Water Conservation District Leonard Tantillo
Stop DWI..... Nancy H. Schmidt
Supreme Court..... Hon. Christopher Cahill,
..... Hon. James Gilpatric, Hon. Julian Schreiber
Surrogate's Court Hon. Sara W. McGinty
Tourism..... Lisa Berger
Traffic Safety Board Diane K. Beitel
Ulster County Community College Dr. Alan P. Roberts
Ulster County Resource Recovery Agency..... Timothy E. DeGraff
Ulster County Area Transportation..... Sajaa S Ahmed
Veterans Service Agency..... Mark A Cozzupoli
Weights and Measures James F DeGasperi
Youth Bureau..... Christina Dawson

Financial Section

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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable County Legislature
County of Ulster, New York:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Ulster County Economic Development Alliance ("UCEDA"), or the Ulster County Capital Resource Corporation ("UCCRC"), which represent 4.84 percent and 1.61 percent, respectively, of the assets, and 3.46 percent and 0.09 percent, respectively, of the revenues of the business-type activities. We also did not audit the financial statements of Ulster County Community College ("UCCC"), the Ulster County Resource Recovery Agency ("UCRRA"), or the Ulster County Industrial Development Agency ("UCIDA"), which represent 62.45 percent, 36.30 percent and 1.25 percent, respectively, of the assets, and 65.73 percent, 33.83 percent and 0.44 percent, respectively, of the revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the UCEDA, UCCRC, UCCC, UCRRA, and UCIDA, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

Emphasis of Matter

As discussed in Note 3L to the financial statements, during the year ended December 31, 2020, the County implemented Governmental Accounting Standards Board ("GASB") Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that 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, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Introductory Section, Supplementary Information, Other Information, and Statistical Section, as listed in the table of contents, are presented for the purpose 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 relates 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 by us and the other auditors. 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.

The Introductory Section, Other Information, and Statistical Section, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Drescher & Malecki LLP
September 23, 2021

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County of Ulster, New York Management's Discussion and Analysis December 31, 2020

This section of the County of Ulster, New York's (County) comprehensive annual financial report presents a discussion and analysis of the County's financial performance during the fiscal year ended December 31, 2020. For comparative purposes, certain data from the prior year has been reclassified to conform with the current year presentation. Please read it in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

Financial Highlights

- The liabilities and deferred inflows of resources of the primary government of the County exceeded assets and deferred outflows of resources at the close of the fiscal year by \$75,455,437 (*net position deficit*). This consists of \$46,508,507 net investment in capital assets, and restricted net position of \$8,833,568, offset by an unrestricted net position deficit of \$130,797,512.
- The primary government's total net position decreased by \$21,693,169.
- At year end, the County governmental funds reported combined fund balances of \$58,603,482, an increase of \$12,115,112 in comparison with the fund balances in the prior year of \$46,488,370.
- At the end of the fiscal year, the General Fund fund balance increased by \$11,131,189 to a total fund balance of \$61,694,347. Unassigned fund balance for the General Fund was \$39,168,114, or 14.58% of total General Fund expenditures and operating transfers out. An assignment from the fund balance of \$5,605,782 was budgeted for appropriation in the next fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) **government-wide** financial statements; 2) **fund** financial statements and 3) **notes** to the basic financial statements. Required and other Supplementary Information are included in addition to the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all County assets, liabilities, and deferred outflows/inflows 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 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 the related cash flows*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these 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 in part a portion, of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, education, public safety, public health, transportation, economic assistance, culture and recreation, home and community, and interest on long-term debt. The business-type activities of the County include the Workers' Compensation Pool, and two blended component units, the Ulster County Economic Development Alliance (UCEDA), and the Ulster County Capital Resource Corporation (UCCRC).

The government-wide financial statements can be found on pages 14-15 of this report.

Component units are included in the government-wide financial statements and consist of legally separate entities for which the County is financially accountable or provide services entirely to the County. The aggregate discretely presented component units of the County include the Ulster County Community College (UCCC), the Ulster County Resource Recovery Agency (UCRRA), and the Ulster County Industrial Development Agency (UCIDA). The Ulster Tobacco Asset Securitization Corporation (UTASC), the Ulster County Economic Development Alliance (UCEDA), and the Ulster County Capital Resource Corporation (UCCRC), although legally separate, function solely for the benefit of the County, and therefore have been included, or blended, as an integral part of the primary government.

The combining financial statements of the aggregate discretely presented component units can be found on pages 73-74 of this report.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

A fund is a grouping of related accounts that are 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 finance-related legal compliance. All of the funds of the County can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary 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 funds balance sheet and the governmental funds 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 funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Capital Projects Fund and the Ulster Tobacco Asset Securitization Corporation (UTASC), which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* in the Supplementary Information section of this report.

The County adopts an annual appropriated budget for its governmental funds with the exception of the Capital Projects Fund and UTASC. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with the established budgets.

The governmental fund financial statements can be found on pages 16-18 of this report.

Proprietary funds of the County are enterprise funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise funds to account for the Workers' Compensation Pool, UCEDA, and UCCRC.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Workers' Compensation Pool is considered to be a major fund of the County and is presented separately in the proprietary fund financial statements. Data from the other two proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of *combining statements* in the Supplementary Information section of this report.

The proprietary fund financial statements can be found on pages 19-21 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 22-23 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes can be found on pages 24-60 of this report.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

Required and Other Supplementary Information is presented in addition to the basic financial statements and accompanying notes. This presentation provides information concerning the County's net pension liability, its obligation to provide postemployment benefits, budgetary comparison schedules, and combining and individual fund statements and schedules to provide information for the nonmajor governmental and proprietary funds.

Required supplementary information can be found on pages 61-67 of this report.

Supplementary information can be found on pages 68-72 of this report.

Other information can be found on pages 75-78 of this report.

Finally, the statistical section can be found on pages 79-90 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County primary government, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$74,444,395 at fiscal year-end.

County of Ulster's Net Position – Primary Government

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 149,317,211	\$ 136,445,655	\$ 37,689,394	\$ 36,980,368	\$187,006,605	\$173,426,023
Capital assets	202,034,555	222,442,647	-	-	202,034,555	222,442,647
Total assets	351,351,766	358,888,302	37,689,394	36,980,368	389,041,160	395,868,670
Deferred outflows of resources	91,871,130	31,259,114	-	-	91,871,130	31,259,114
Current and other liabilities	78,999,728	77,830,756	2,158,916	2,065,064	81,158,644	79,895,820
Long-term liabilities	404,658,406	315,489,557	33,288,470	32,589,429	437,946,876	348,078,986
Total liabilities	483,658,134	393,320,313	35,447,386	34,654,493	519,105,520	427,974,806
Deferred inflows of resources	37,262,207	52,915,246	-	-	37,262,207	52,915,246
Net position:						
Net investment in capital assets	46,508,507	61,694,964	-	-	46,508,507	61,694,964
Restricted	8,634,441	14,439,836	199,127	199,015	8,833,568	14,638,851
Unrestricted	(132,840,393)	(132,222,943)	2,042,881	2,126,860	(130,797,512)	(130,096,083)
Total net position	\$(77,697,445)	\$(56,088,143)	\$ 2,242,008	\$ 2,325,875	\$(75,455,437)	\$(53,762,268)

The largest positive portion of the County's net position, \$46,508,507, represents its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position, in the amount of \$8,833,568, represents resources that are subject to external restrictions on how they may be used.

The remaining balance of the County's net position, \$(130,797,512), is considered to be an unrestricted deficit. 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 compensated absences, other post-employment benefits ("OPEB") obligations, claims payable, and net pension liability, are funded annually within the funds.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

The County's primary government net position decreased by \$21,693,169 as a result of operations during the current fiscal year.

The following table presents the changes in net position for governmental and business-type activities for the year ended December 31, 2020 and 2019:

County of Ulster's Changes in Net Position – Primary Government

	Governmental Activities		Business-type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Revenues:						
Program revenues:						
Charges for services	\$17,060,995	\$15,507,236	\$ 8,443,399	\$ 8,294,652	\$25,504,394	\$23,801,888
Operating grants and contributions	83,350,397	76,183,157	352,619	567,532	83,703,016	76,750,689
Capital grants and contributions	8,710,620	15,813,682	-	-	8,710,620	15,813,682
Total program revenues	109,122,012	107,504,075	8,796,018	8,862,184	117,918,030	116,366,259
General revenues:						
Property taxes	75,557,055	74,803,408	-	-	75,557,055	74,803,408
Sales taxes	127,306,183	127,215,937	-	-	127,306,183	127,215,937
Other	7,207,389	7,594,185	188,365	368,238	7,395,754	7,962,423
Total general revenues	210,070,627	209,613,530	188,365	368,238	210,258,992	209,981,768
Total revenues	319,192,639	317,117,605	8,984,383	9,230,422	328,177,022	326,348,027
Transfers	-	19,100	-	(19,100)	-	-
Total revenues and transfers	319,192,639	317,136,705	8,984,383	9,211,322	328,177,022	326,348,027
Expenses:						
General government	83,850,450	66,849,198	-	-	83,850,450	66,849,198
Education	22,973,213	10,960,983	-	-	22,973,213	10,960,983
Public safety	56,977,993	52,573,630	-	-	56,977,993	52,573,630
Public health	19,631,532	18,916,390	-	-	19,631,532	18,916,390
Transportation	29,108,928	29,633,901	-	-	29,108,928	29,633,901
Economic assistance	115,185,382	128,946,802	-	-	115,185,382	128,946,802
Culture and recreation	3,526,663	1,538,563	-	-	3,526,663	1,538,563
Home and community	4,386,062	3,073,357	-	-	4,386,062	3,073,357
Interest on long-term debt	5,161,718	5,410,595	-	-	5,161,718	5,410,595
Workers' Compensation Pool	-	-	8,665,636	8,979,899	8,665,636	8,979,899
UCEDA	-	-	352,297	279,305	352,297	279,305
UCCRC	-	-	50,317	10,086	50,317	10,086
Total expenses	340,801,941	317,903,419	9,068,250	9,269,290	349,870,191	327,172,709
Changes in net position	(21,609,302)	(766,714)	(83,867)	(57,968)	(21,693,169)	(824,682)
Net position – beginning	(56,088,143)	(55,321,429)	2,325,875	2,383,843	(53,762,268)	(52,937,586)
Net position – ending	\$(77,697,445)	\$(56,088,143)	\$ 2,242,008	\$ 2,325,875	\$(75,455,437)	\$(53,762,268)

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

Key elements of the primary government's decrease in net position during the year ended December 31, 2020 of \$21,693,169 are as follows:

Governmental Activities: Governmental activities decreased the County's net position by \$21,609,302 primarily due to increases in allocable employee benefit costs related to the net pension liability and other post-employment benefit liability.

Business-type Activities: Business-type activities decreased the County's net position by \$83,867 primarily due to increased expenses of the Ulster County Economic Development Alliance and Ulster County Capital Resource Corporation.

Financial Analysis of the County's Funds

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

Governmental funds. The general government functions are contained in the General, Special Revenue, Debt Service, Capital Project Funds, and the Ulster Tobacco Asset Securitization Corporation (UTASC). 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 spending at the end of the fiscal year.

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 \$39,168,114, while total fund balance was \$61,694,347. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and operating transfers out. Unassigned fund balance represents 14.58 percent of total fund expenditures and operating transfers out, while total fund balance represents 22.96 percent of that same amount.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

Revenues for governmental funds totaled \$321,945,417 in the current fiscal year, which represents an increase of 0.2 percent from the previous fiscal year.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source
Governmental Funds

Revenues by Source	FY 2020 Amount	FY 2020 % of Total	FY 2019 Amount	FY 2019 % of Total	Increase (Decrease) Amount	Increase (Decrease) % Change
Taxes	\$ 207,920,500	64.6%	\$ 208,362,160	64.8%	\$ (441,660)	(0.2)%
State and federal aid	91,926,206	28.6%	87,440,694	27.2%	4,485,512	5.1%
Departmental income	10,030,575	3.1%	9,240,832	2.9%	789,743	8.5%
Intergovernmental	2,269,312	0.7%	6,325,756	2.0%	(4,056,444)	(64.1)%
Use of money and property	1,260,410	0.4%	1,793,343	0.6%	(532,933)	(29.7)%
Tobacco settlement proceeds	2,360,862	0.7%	2,057,941	0.6%	302,921	14.7%
Miscellaneous local sources	811,144	0.2%	1,402,733	0.4%	(591,589)	(42.2)%
Interfund revenues	1,560,824	0.5%	1,825,075	0.6%	(264,251)	(14.5)%
Other	3,805,584	1.2%	2,966,533	0.9%	839,051	28.3%
Total	\$ 321,945,417	100.0%	\$ 321,415,067	100.0%	\$ 530,350	0.2%

The following provides an explanation of revenues by source that changed significantly over the prior year.

- **State and federal aid** – the significant increase is due to increased state aid for indigent legal services, as well as increased federal aid for transit operations in 2020.
- **Intergovernmental** – the significant decrease is primarily due to funding for the Ashokan Rail Trail project from the New York City Department of Environmental Protection in 2019.
- **Use of money and property** – the significant decrease is primarily due to a decreased interest rate environment in 2020.
- **Miscellaneous local sources** – the significant decrease is primarily due to funds received in 2019 for prior year Committee on Special Education.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

Expenditures for governmental funds totaled \$320,423,391 in the current fiscal year, which represents a decrease of 7.5 percent from the previous year.

The following table presents the amount of expenditures by function as well as increases or decreases from the prior year.

Expenditures by Function	Expenditures by Function Governmental Funds					
	FY 2020		FY 2019		Increase (Decrease) Amount	Increase (Decrease) % Change
	FY 2020 Amount	% of Total	FY 2019 Amount	% of Total		
General government	\$65,563,573	20.5%	\$64,621,124	18.7%	\$ 942,449	1.5%
Education	10,136,550	3.2%	10,194,615	2.9%	(58,065)	(0.6)%
Public safety	46,893,209	14.6%	46,782,728	13.5%	110,481	0.2%
Public health	18,232,031	5.7%	18,388,896	5.3%	(156,865)	(0.9)%
Transportation	22,271,527	6.9%	24,460,097	7.1%	(2,188,570)	(8.9)%
Economic assistance	110,394,054	34.5%	126,979,552	36.7%	(16,585,498)	(13.1)%
Culture and recreation	918,594	0.3%	1,040,629	0.3%	(122,035)	(11.7)%
Home and community	4,052,593	1.3%	2,936,612	0.8%	1,115,981	38.0%
Employee benefits	7,648,771	2.4%	7,617,517	2.2%	31,254	0.4%
Debt (principal, interest, and issuance costs)	17,147,607	5.3%	19,791,397	5.7%	(2,643,790)	(13.4)%
Capital outlay	17,164,882	5.3%	23,700,979	6.8%	(6,536,097)	(27.6)%
Total	\$320,423,391	100.0%	\$346,514,146	100.0%	\$(26,090,755)	(7.5)%

The following provides an explanation of the expenditures by function that changed significantly over the prior year.

- **Transportation** – the significant decrease is primarily due to decreased infrastructure construction in 2020 due to the COVID-19 pandemic.
- **Economic assistance and opportunity** – the significant decrease is due to decreased spending on child care spending due to the COVID-19 pandemic.
- **Home and community** – the significant increase is primarily due to increased environmental spending, as well as increased grant awards in the Special Grant Fund in 2020.
- **Debt (principal, interest, and issuance costs)** – the significant decrease is primarily due to a larger current bond refunding in 2019 compared to 2020.
- **Capital outlay** – the significant decrease is primarily due to decreased infrastructure construction in 2020 due to the COVID-19 pandemic.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

The current year overall deficiency of revenues and other financing sources under expenditures and other financing uses is presented below:

Summary of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

	General Fund	Debt Service Fund	Capital Projects Fund	UTASC	Nonmajor Special Revenue Funds	Total
Revenues	\$279,862,997	\$10,793,534	\$ 8,710,620	\$2,379,016	\$20,199,250	\$321,945,417
Expenditures	268,041,231	14,289,080	17,164,882	2,417,720	18,510,478	320,423,391
Other financing sources (uses), net	(690,577)	2,275,923	9,007,740	-	-	10,593,086
Net change in fund balances (deficit)	11,131,189	(1,219,623)	553,478	(38,704)	1,688,772	12,115,112
Fund balances (deficit) – beginning	50,563,158	4,402,371	(17,685,537)	2,399,077	6,809,301	46,488,370
Fund balances (deficit) – ending	\$ 61,694,347	\$ 3,182,748	(\$17,132,059)	\$ 2,360,373	\$ 8,498,073	\$ 58,603,482

The fund balance of the County's General Fund increased by \$11,131,189 during the fiscal year due to decreased preschool and child care costs, as well as mid-year budget cuts to reduce spending in the wake of the COVID-19 pandemic in 2020.

Proprietary funds. The County's proprietary funds provide the same type of information found in the business-type activities of the government-wide financial statements, but in more detail. Other factors concerning the finances of the County's proprietary funds have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

Differences between the adopted budget and the final amended budget resulted in a \$5.2 million increase in appropriations and transfers out, and a \$2.8 million increase in revenues and can be briefly summarized as follows:

- \$800 thousand to fund increases in sales tax distribution, legal expenses, and medical expenses in the general government.
- \$1.5 million to fund increases in public safety programs related to the COVID-19 pandemic.
- \$1.9 million to fund increases in public health related to the COVID-19 pandemic.
- \$1.2 million to fund increases to planning and conservation studies in home and community services.
- \$200 thousand to fund increases in interest expense.

These increases were to be primarily funded out of decreases in appropriations of economic assistance, culture and recreation, and employee benefits of \$200 thousand, \$100 thousand, and \$100 thousand, respectively, as well as additional state and federal grants of \$2.3 million, additional departmental income of \$400 thousand, and additional intergovernmental charges of \$100 thousand, with the remaining \$2.4 million being funded from available fund balance including prior year encumbrances.

In comparing the final budget to actual, the primary variances were as follows:

- Property tax revenue was \$3.5 million lower than budgeted due to higher uncollectible taxes in 2020.
- Sales tax revenue was \$1.3 million lower than budgeted primarily due to decreased consumer spending in the first half of 2020 due to the COVID-19 pandemic.
- State aid was \$5.8 million lower than budgeted primarily due to decreased social service spending and related reimbursement for early intervention and day care.
- Sale of property and compensation for loss was \$1.7 million higher than budgeted due to increased insurance recoveries in 2020.
- Miscellaneous local sources was higher than budgeted primarily due to a premium on a bond anticipation note in 2020.
- General government expense, as well as public safety, public health, and home and community expense savings resulted primarily from mid-year budget reductions across all county departments in the wake of the COVID-19 pandemic.
- Economic assistance expense savings resulted primarily from general savings in Social Services as well as significant reductions in early intervention and day care spending.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental activities as of fiscal year end amounted to \$202,034,555 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, buildings and improvements, machinery and equipment, infrastructure and construction in progress. For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year.

Capital assets for the governmental activities are presented below to illustrate changes from the prior year:

	<u>Governmental Activities</u>	
	2020	2019
Land and land improvements	\$ 5,163,828	\$ 5,924,130
Buildings and improvements	76,635,211	84,000,961
Machinery and equipment	17,623,317	17,837,715
Infrastructure	83,692,044	79,221,498
Construction in progress	18,920,155	35,458,343
Total	<u>\$202,034,555</u>	<u>\$222,442,647</u>

Additional information on the County's capital assets can be found in Note 2E on pages 36-37 of this report.

County of Ulster, New York
Management's Discussion and Analysis (Continued)
December 31, 2020

Long-term debt. At the end of the current fiscal year, the primary government of the County had total serial bonded debt outstanding of \$137,819,319, net of unamortized bond premiums and accreted interest. Of this amount, \$102,239,046 comprises debt backed by full faith and credit of the County and \$35,580,273 is backed by the tobacco settlement revenues per the Master Settlement Agreement.

	Governmental Activities		Increase
	2020	2019	(Decrease)
General obligation bonds	\$ 101,145,702	\$ 101,892,296	\$ (746,594)
Bonds issued on behalf of UCCC	1,093,344	1,354,908	(261,564)
Tobacco asset backed bonds	35,580,273	35,985,891	(405,618)
Net outstanding bonded debt	\$ 137,819,319	\$ 139,233,095	\$ (1,413,776)

The County maintains a "AA" rating from Standard & Poor's for general obligation debt. State statutes limit the amount of general obligation debt a governmental entity may issue to 7% of its five-year average full valuation of taxable real property. The County has utilized 8.98% of its statutory debt limit at fiscal year end.

Additional information on the County's long-term debt can be found in Note 2I on pages 39-42 of this report.

Economic Factors and Next Year's Budget and Rates

- The property tax levy was not increased in 2021.
- The County budgeted approximately \$225 thousand to ensure the upkeep of Ulster County Enterprise West, formerly the vacant IBM plant known as Tech City.
- The 2021 capital budget includes \$2.9 million over several years to rebirth the vacant IBM facility, taking long vacant buildings and putting them back to work as a hub for artists, designers, manufacturers, and creatives.

All of these factors were considered in preparing the County's budget for fiscal year 2021.

During the current fiscal year, fund balance in the General Fund increased to \$61,694,347. The County elected to appropriate \$5,605,782 of the fund balance in the General Fund for spending in the 2021 fiscal year budget.

Request for Information

The 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 information should be addressed to the Ulster County Department of Finance, P.O. Box 1800, Kingston, New York, 12402.

Basic Financial Statements

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Government-wide
Financial Statements

County of Ulster, New York
Statement of Net Position
December 31, 2020

	Primary Government			Aggregate Discretely Presented Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 30,764,140	\$ 31,994,020	\$ 62,758,160	\$ 12,348,137
Restricted cash and cash equivalents	12,275,050	1,302,089	13,577,139	-
Investments	-	-	-	13,597,344
Receivables	98,755,087	754,942	99,510,029	8,438,930
Internal balances	(910,711)	910,711	-	-
Due from Custodial Fund	1,210	-	1,210	-
Due from component units	565,459	-	565,459	-
Inventories	105,262	-	105,262	-
Prepaid items	7,761,714	-	7,761,714	340,770
Other assets	-	-	-	627,762
Assessment receivables	-	1,527,632	1,527,632	-
Deposit with third party administrator	-	1,200,000	1,200,000	-
Net pension asset - proportionate share	-	-	-	298,108
Capital assets not being depreciated	22,956,498	-	22,956,498	2,428,704
Capital assets, net of accumulated depreciation	179,078,057	-	179,078,057	24,206,345
Total assets	351,351,766	37,689,394	389,041,160	62,286,100
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pensions	57,670,836	-	57,670,836	5,450,209
Deferred outflows of resources - OPEB	30,851,112	-	30,851,112	2,648,038
Deferred charge on refunding	3,349,182	-	3,349,182	-
Total deferred outflows of resources	91,871,130	-	91,871,130	8,098,247
LIABILITIES				
Accounts payable and other accrued liabilities	25,871,705	1,055,954	26,927,659	2,953,462
Intergovernmental payables	33,655,534	-	33,655,534	30
Due to primary government	-	-	-	565,459
Unearned revenue	182,089	1,102,962	1,285,051	4,288,933
Bond anticipation notes payable	19,290,400	-	19,290,400	-
Noncurrent liabilities:				
Due within one year	15,677,478	23,816,917	39,494,395	2,560,304
Due in more than one year	388,980,928	9,471,553	398,452,481	32,590,899
Total liabilities	483,658,134	35,447,386	519,105,520	42,959,087
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - deferred tuition	-	-	-	186,506
Deferred inflows of resources - pensions	1,799,714	-	1,799,714	667,408
Deferred inflows of resources - OPEB	28,249,328	-	28,249,328	5,027,106
Deferred gain on refunding	7,213,165	-	7,213,165	-
Total deferred inflows of resources	37,262,207	-	37,262,207	5,881,020
NET POSITION				
Net investment in capital assets	46,508,507	-	46,508,507	26,334,650
Restricted for:				
Board designated, scholarships, and grants	-	-	-	1,636,447
Nonexpendable	-	-	-	10,772,517
Debt service	2,360,373	-	2,360,373	2,801,250
Other purposes	6,274,068	199,127	6,473,195	576,201
Unrestricted	(132,840,393)	2,042,881	(130,797,512)	(20,576,825)
Total net position	\$ (77,697,445)	\$ 2,242,008	\$ (75,455,437)	\$ 21,544,240

See accompanying notes to the financial statements.

County of Ulster, New York
Statement of Activities
For the Year Ended December 31, 2020

					Net (Expense) Revenue and Changes in Net Position			Aggregate Discretely Presented Component Units
Functions/Programs	Expenses	Program Revenues			Primary Government			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 83,850,450	\$ 7,865,532	\$ 3,604,239	\$ 2,352,229	\$ (70,028,450)	\$ -	\$ (70,028,450)	\$ -
Education	22,973,213	81,273	-	2,633,943	(20,257,997)	-	(20,257,997)	-
Public safety	56,977,993	1,607,095	3,703,594	138,096	(51,529,208)	-	(51,529,208)	-
Public health	19,631,532	921,240	10,665,144	-	(8,045,148)	-	(8,045,148)	-
Transportation	29,108,928	942,312	9,570,730	2,672,284	(15,923,602)	-	(15,923,602)	-
Economic assistance	115,185,382	5,194,598	54,367,896	216,006	(55,406,882)	-	(55,406,882)	-
Culture and recreation	3,526,663	221,075	29,286	698,062	(2,578,240)	-	(2,578,240)	-
Home and community	4,386,062	227,870	1,409,508	-	(2,748,684)	-	(2,748,684)	-
Interest	5,161,718	-	-	-	(5,161,718)	-	(5,161,718)	-
Total governmental activities	340,801,941	17,060,995	83,350,397	8,710,620	(231,679,929)	-	(231,679,929)	-
Business-type activities:								
Workers' Compensation Pool	8,665,636	8,129,590	352,619	-	-	(183,427)	(183,427)	-
Economic Development Alliance	352,297	310,559	-	-	-	(41,738)	(41,738)	-
Capital Resource Corporation	50,317	3,250	-	-	-	(47,067)	(47,067)	-
Total business-type activities	9,068,250	8,443,399	352,619	-	-	(272,232)	(272,232)	-
5 Total primary government	\$ 349,870,191	\$ 25,504,394	\$ 83,703,016	\$ 8,710,620	(231,679,929)	(272,232)	(231,952,161)	-
Component units:								
Community College	\$ 32,502,889	\$ 7,872,433	\$ 7,124,149	\$ -				(17,506,307)
Resource Recovery Agency	15,973,289	16,610,524	272,666	-				909,901
Industrial Development Agency	364,048	216,568	-	-				(147,480)
Total component units	\$ 48,840,226	\$ 24,699,525	\$ 7,396,815	\$ -				(16,743,886)
General revenues:								
Taxes:								
Property and other real property tax items					75,557,055	-	75,557,055	-
Sales					127,306,183	-	127,306,183	-
Tax on hotel room occupancy					1,691,458	-	1,691,458	-
E-911 surcharge					776,317	-	776,317	-
Automobile use tax					1,163,108	-	1,163,108	-
Use of money and property					845,644	188,365	1,034,009	180,156
Tobacco settlement proceeds					2,730,862	-	2,730,862	-
Contribution from other governments					-	-	-	6,260,961
County contribution					-	-	-	6,400,863
Chargeback revenue					-	-	-	990,616
Federal and state nonoperating revenues					-	-	-	4,477,030
Total general revenues					210,070,627	188,365	210,258,992	18,309,626
Change in net position					(21,609,302)	(83,867)	(21,693,169)	1,565,740
Net position - beginning					(56,088,143)	2,325,875	(53,762,268)	19,978,500
Net position - ending					\$ (77,697,445)	\$ 2,242,008	\$ (75,455,437)	\$ 21,544,240

See accompanying notes to the financial statements.

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Fund Financial
Statements

County of Ulster, New York
Balance Sheet - Governmental Funds and Reconciliation of the Balance Sheet - Governmental Funds
To the Government-wide Statement of Net Position
December 31, 2020

	General	Debt Service	Capital Projects	UTASC	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash, cash equivalents and investments	\$ 22,152,024	\$ -	\$ -	\$ -	\$ 8,612,116	\$ 30,764,140
Restricted cash, cash equivalents and investments	6,456,157	3,182,748	261,526	2,374,619	-	12,275,050
Receivables	93,610,001	-	2,222,918	-	552,168	96,385,087
Due from other funds	2,015,456	-	-	-	-	2,015,456
Due from component units - UCCC	565,459	-	-	-	-	565,459
Inventories	105,262	-	-	-	-	105,262
Prepaid items	5,855,717	-	1,905,997	-	-	7,761,714
Total assets	<u>\$ 130,760,076</u>	<u>\$ 3,182,748</u>	<u>\$ 4,390,441</u>	<u>\$ 2,374,619</u>	<u>\$ 9,164,284</u>	<u>\$ 149,872,168</u>
LIABILITIES						
Accounts payable and other accrued liabilities	\$ 24,324,215	\$ -	\$ 232,100	\$ -	\$ 666,211	\$ 25,222,526
Intergovernmental payables	33,655,534	-	-	-	-	33,655,534
Due to other funds	168,933	-	2,000,000	14,246	-	2,183,179
Bond anticipation notes payable	-	-	19,290,400	-	-	19,290,400
Unearned revenues	182,089	-	-	-	-	182,089
Total liabilities	<u>58,330,771</u>	<u>-</u>	<u>21,522,500</u>	<u>14,246</u>	<u>666,211</u>	<u>80,533,728</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	10,734,958	-	-	-	-	10,734,958
Total deferred inflows of resources	<u>10,734,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,734,958</u>
FUND BALANCES (DEFICIT)						
Nonspendable:						
Inventories	105,262	-	-	-	-	105,262
Prepaid items	5,855,717	-	1,905,997	-	-	7,761,714
Restricted for:						
Debt service	-	3,182,748	-	2,265,770	-	5,448,518
Future capital projects	2,450,000	-	-	-	-	2,450,000
Risk retention	130,284	-	-	-	-	130,284
Tax stabilization	1,146,795	-	-	-	-	1,146,795
Other purposes	2,546,989	-	-	-	-	2,546,989
Assigned to:						
Encumbrances	4,316,659	-	-	-	83,576	4,400,235
Subsequent years' expenditures	5,605,782	-	-	-	5,000,000	10,605,782
Specific use	-	-	-	94,603	3,414,497	3,509,100
Other purposes	368,745	-	-	-	-	368,745
Unassigned	39,168,114	-	(19,038,056)	-	-	20,130,058
Total fund balances (deficit)	<u>61,694,347</u>	<u>3,182,748</u>	<u>(17,132,059)</u>	<u>2,360,373</u>	<u>8,498,073</u>	<u>58,603,482</u>
Total liabilities, deferred inflows of resources, and fund balances (deficit)	<u>\$ 130,760,076</u>	<u>\$ 3,182,748</u>	<u>\$ 4,390,441</u>	<u>\$ 2,374,619</u>	<u>\$ 9,164,284</u>	

Amounts reported for governmental activities in the statement of net position (page 14) are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	202,034,555
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,370,000
Pension related deferred outflows of resources represent a consumption of net position in the future period and, therefore, are not reported in the funds.	57,670,836
OPEB related deferred outflows represent a consumption of net position in the future period and, therefore, are not reported in the funds.	30,851,112
Deferred charge on bond refunding represents a consumption of net position in the future period and, therefore, are not reported in the funds.	3,349,182
Deferred property tax revenue is not available to pay for current-period expenditures and, therefore, are deferred in the funds.	10,734,958
Retainage payable is not due and payable in the current period and, therefore, is not reported in the funds.	(122,394)
Pension related deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	(1,799,714)
OPEB related deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	(28,249,328)
Tobacco refunding related deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	(7,213,165)
Accrued interest on bonds payable is not due and payable in the current period and, therefore, is not reported in the funds.	(526,785)
Claims and judgments for workers' compensation liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(741,778)
Long-term liabilities, including bonds payable, claims and judgments, retirement, OPEB, net pension liability, and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	(404,658,406)

Net position of governmental activities	<u>\$ (77,697,445)</u>
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See accompanying notes to the financial statements.

County of Ulster, New York
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
Governmental Funds
For the Year Ended December 31, 2020

	General	Debt Service	Capital Projects	UTASC	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property	\$ 47,123,633	\$ 10,754,060	\$ -	\$ -	\$ 14,148,561	\$ 72,026,254
Other real property tax items	4,957,180	-	-	-	-	4,957,180
Sales	127,306,183	-	-	-	-	127,306,183
Tax on Hotel Room Occupancy	1,691,458	-	-	-	-	1,691,458
E-911 emergency telephone surcharge	776,317	-	-	-	-	776,317
Automobile use tax	1,163,108	-	-	-	-	1,163,108
State aid	45,477,129	-	6,190,087	-	3,853,686	55,520,902
Federal aid	32,315,582	-	2,391,361	-	1,698,361	36,405,304
Departmental income	10,030,575	-	-	-	-	10,030,575
Intergovernmental	1,872,637	-	129,172	-	267,503	2,269,312
Use of money and property	1,162,009	37,711	-	18,154	42,536	1,260,410
Licenses and permits	504,052	-	-	-	-	504,052
Fines and forfeitures	337,007	-	-	-	-	337,007
Sale of property and compensation for loss	2,789,595	-	-	-	174,930	2,964,525
Tobacco settlement proceeds	-	-	-	2,360,862	-	2,360,862
Miscellaneous local sources	795,708	1,763	-	-	13,673	811,144
Interfund revenues	1,560,824	-	-	-	-	1,560,824
Total revenues	<u>279,862,997</u>	<u>10,793,534</u>	<u>8,710,620</u>	<u>2,379,016</u>	<u>20,199,250</u>	<u>321,945,417</u>
EXPENDITURES						
Current:						
General government	65,520,198	-	-	43,375	-	65,563,573
Education	10,136,550	-	-	-	-	10,136,550
Public safety	46,893,209	-	-	-	-	46,893,209
Public health	18,232,031	-	-	-	-	18,232,031
Transportation	5,719,330	-	-	-	16,552,197	22,271,527
Economic assistance	109,064,007	-	-	-	1,330,047	110,394,054
Culture and recreation	918,594	-	-	-	-	918,594
Home and community	3,424,359	-	-	-	628,234	4,052,593
Employee benefits	7,648,771	-	-	-	-	7,648,771
Debt service:						
Principal	-	10,943,235	-	635,000	-	11,578,235
Interest and other fiscal charges	484,182	3,345,845	-	1,739,345	-	5,569,372
Capital outlay	-	-	17,164,882	-	-	17,164,882
Total expenditures	<u>268,041,231</u>	<u>14,289,080</u>	<u>17,164,882</u>	<u>2,417,720</u>	<u>18,510,478</u>	<u>320,423,391</u>
Excess (deficiency) of revenues over expenditures	<u>11,821,766</u>	<u>(3,495,546)</u>	<u>(8,454,262)</u>	<u>(38,704)</u>	<u>1,688,772</u>	<u>1,522,026</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	356,491	690,577	-	-	1,047,068
Transfers out	(690,577)	-	(356,491)	-	-	(1,047,068)
Issuance of bonds	-	-	8,673,654	-	-	8,673,654
Issuance of refunding bonds	-	1,650,000	-	-	-	1,650,000
Premium on obligations	-	269,432	-	-	-	269,432
Total other financing sources (uses)	<u>(690,577)</u>	<u>2,275,923</u>	<u>9,007,740</u>	<u>-</u>	<u>-</u>	<u>10,593,086</u>
Net change in fund balances (deficit)	11,131,189	(1,219,623)	553,478	(38,704)	1,688,772	12,115,112
Fund balances (deficit) - beginning	50,563,158	4,402,371	(17,685,537)	2,399,077	6,809,301	46,488,370
Fund balances (deficit) - ending	<u>\$ 61,694,347</u>	<u>\$ 3,182,748</u>	<u>\$ (17,132,059)</u>	<u>\$ 2,360,373</u>	<u>\$ 8,498,073</u>	<u>\$ 58,603,482</u>

See accompanying notes to the financial statements.

County of Ulster, New York
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances (Deficit) - Governmental Funds
To the Government-wide Statement of Activities
For the Year Ended December 31, 2020

Amounts reported for governmental activities in the statement of activities (page 15) are different because:

Net change in fund balances (deficit) - total governmental funds (page 17)	\$	12,115,112
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which disposals and depreciation expense exceed capital outlays in the current period.		(20,408,092)
Net differences between pension contributions recognized on the fund financial statements and the government-wide financial statements are as follows:		
Direct pension contributions	\$ 12,730,183	
Cost of benefits earned, net of employee contributions	<u>(28,169,212)</u>	(15,439,029)
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.		31,223,206
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(1,056,379)
Accrued bond interest is not due and payable in the current period and, therefore, is not reported in the funds.		22,377
The issuance of long-term debt (e.g., bonds, leases) 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(28,900,578)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>834,081</u>
Change in net position of governmental activities	<u>\$</u>	<u>(21,609,302)</u>

See accompanying notes to the financial statements.

County of Ulster, New York
Statement of Net Position
Proprietary Funds
December 31, 2020

	Business-Type Activities		
	Workers'	Total	Total
	Compensation	Nonmajor	Proprietary
	Pool	Proprietary	Proprietary
		Funds	Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 30,690,075	\$ 1,303,945	\$ 31,994,020
Restricted cash	1,101,713	200,376	1,302,089
Receivables	-	102,636	102,636
Due from other funds	741,778	168,933	910,711
Total current assets	32,533,566	1,775,890	34,309,456
Noncurrent assets:			
Receivables	1,527,632	652,306	2,179,938
Deposit with third party administrator	1,200,000	-	1,200,000
Total noncurrent assets	2,727,632	652,306	3,379,938
Total assets	35,261,198	2,428,196	37,689,394
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	871,015	184,939	1,055,954
Workers' compensation claims payable	23,816,917	-	23,816,917
Total current liabilities	24,687,932	184,939	24,872,871
Noncurrent liabilities:			
Unearned revenue	1,101,713	1,249	1,102,962
Workers' compensation claims payable	9,471,553	-	9,471,553
Total noncurrent liabilities	10,573,266	1,249	10,574,515
Total liabilities	35,261,198	186,188	35,447,386
NET POSITION			
Restricted	-	199,127	199,127
Unrestricted	-	2,042,881	2,042,881
Total net position	\$ -	\$ 2,242,008	\$ 2,242,008

See accompanying notes to the financial statements.

County of Ulster, New York
Statement of Revenues, Expenses, and Change in Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Business-Type Activities		
	Workers'	Total	Total
	Compensation	Nonmajor	Proprietary
	Pool	Proprietary	Funds
		Funds	
OPERATING REVENUES			
Charges for services	\$ 8,129,590	\$ 287,958	\$ 8,417,548
Other operating revenue	352,619	25,851	378,470
Total operating revenues	8,482,209	313,809	8,796,018
OPERATING EXPENSES			
Administrative	2,233,160	26,446	2,259,606
Contractual	-	375,214	375,214
Claimants	6,432,476	-	6,432,476
Provision for loan recoveries	-	954	954
Total operating expenses	8,665,636	402,614	9,068,250
Operating income (loss)	(183,427)	(88,805)	(272,232)
NONOPERATING REVENUES			
Interest earnings	183,427	4,938	188,365
Total nonoperating revenues	183,427	4,938	188,365
Change in net position	-	(83,867)	(83,867)
Total net position - beginning	-	2,325,875	2,325,875
Total net position - ending	\$ -	\$ 2,242,008	\$ 2,242,008

See accompanying notes to the financial statements.

County of Ulster, New York
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-Type Activities		
	Workers' Compensation Pool	Total Nonmajor Proprietary Funds	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from services provided	\$ 8,482,209	\$ 130,026	\$ 8,612,235
Payments to suppliers and service providers	(1,959,846)	(408,785)	(2,368,631)
Payments to employees	(273,314)	-	(273,314)
Payments to claimants	(3,799,580)	-	(3,799,580)
Net cash provided by (used for) operating activities	2,449,469	(278,759)	2,170,710
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earnings	183,427	4,938	188,365
Net cash provided by investing activities	183,427	4,938	188,365
Net increase (decrease) in cash and cash equivalents	2,632,896	(273,821)	2,359,075
Total cash and cash equivalents - beginning	29,158,892	1,778,142	30,937,034
Total cash and cash equivalents - ending	\$ 31,791,788	\$ 1,504,321	\$ 33,296,109
Reconciliation of operating (loss) to net cash provided by (used for) operating activities:			
Operating (loss)	\$ (183,427)	\$ (88,805)	\$ (272,232)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:			
Provision for loan recoveries	-	954	954
Decrease (increase) in:			
Receivables	1,279,754	(15,804)	1,263,950
Due from other funds	554,078	(168,933)	385,145
Increase (decrease) in:			
Accounts payable and accrued expenses	97,178	107,462	204,640
Accrued salaries and benefits	2,668	-	2,668
Workers' compensation claims payable	699,041	-	699,041
Unearned revenue	177	(113,633)	(113,456)
Net cash provided by (used for) operating activities	\$ 2,449,469	\$ (278,759)	\$ 2,170,710

See accompanying notes to the financial statements.

County of Ulster, New York
Statement of Fiduciary Net Position
Custodial Fund
December 31, 2020

	<u>Custodial Fund</u>
ASSETS	
Restricted cash and cash equivalents	\$ 4,304,147
Total assets	<u>4,304,147</u>
LIABILITIES	
Due to other funds	1,210
Held in custody for others	<u>2,215,088</u>
Total liabilities	<u>2,216,298</u>
NET POSITION	
Total restricted net position	<u><u>\$ 2,087,849</u></u>

See accompanying notes to the financial statements.

County of Ulster, New York
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended December 31, 2020

	<u>Custodial Fund</u>
ADDITIONS	
Funds received on behalf of individuals	\$ 1,256,500
Total additions	<u>1,256,500</u>
DEDUCTIONS	
Funds distributed on behalf of individuals	<u>770,322</u>
Total deductions	<u>770,322</u>
Change in net position	486,178
Net position - beginning, as restated (See Note 3L)	1,601,671
Net position - ending	<u><u>\$ 2,087,849</u></u>

See accompanying notes to the financial statements.

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Notes to the Financial
Statements

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

The County of Ulster, New York (County) is one of the original twelve counties of New York State, founded on November 1, 1683. In 2009, a charter form of government was formed. The County is governed by a twenty-three member Legislature consisting of members elected from twenty-three legislative districts for two-year terms. The chief executive officer is an elected County Executive who oversees the day to day operations of the County, and is elected for a four-year term. The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units, as prescribed by the Governmental Accounting Standards Board (GASB).

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the County is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the County.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities, are in substance part of the County's operations and so financial results from these units are combined with financial results of the primary government. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the County.

Blended Component Units – The following blended component units are legal separate entities from the County, but are, in substance, part of the County's operations and therefore data from the entities are combined with data of the primary government.

Ulster Tobacco Asset Securitization Corporation (UTASC)

The Ulster Tobacco Asset Securitization Corporation (UTASC) is a special purpose, bankruptcy-remote local development corporation established by the County under the Not-For-Profit Corporation Law of the State of New York on January 12, 2001. UTASC is an instrumentality of, but separate and apart from the County. UTASC has a board of directors comprised of nine directors, all but one of whom shall be one or more of the following: an employee of the County, an elected official of the County or a member of the County Legislature; and one director who shall be independent.

On February 1, 2001, pursuant to a Purchase and Sale Agreement with the County, the County sold to the UTASC all of its future right, title and interest (that the market would allow) in the Tobacco Settlement Revenues (TSRs) under the Master Settlement Agreement (MSA) and the Decree and Final Judgment (the Decree). On November 29, 2005, the County participated in the New York Counties Tobacco Trust V (NYCTT V) whereby the County sold all of its future right, title and interest (that the present market would allow) in the TSRs under the MSA. The MSA resolved cigarette smoking-related litigation between the settling states and the Participating Manufacturers (PMs), released the PMs from past and present smoking-related claims, and provides for a continuing release of future smoking-related claims, in exchange for certain payments to be made to the settling states, as well as certain tobacco advertising and marketing restrictions, among other things. The Decree, which was entered by the Supreme Court of the State, allocated to the County a share of the TSRs under the MSA. The future rights, title and interest of the County's share were sold to UTASC.

The purchase price of the County's future right, title and interest in the TSRs has been financed by the issuance of serial bonds. A Residual Certificate exists which represents the entitlement to receive all amounts required to be distributed after payment of debt service, operating expenses, and certain other costs as set forth in the indenture. Payments on the Residual Certificate from TSR collections are subordinate to payments on the bonds and payment of certain other costs specified in the indenture. Excess TSRs not required by UTASC to pay various expenses, debt service or required reserves with respect to the bonds are transferred to the UTASC Residual Trust (the Trust). The County is the beneficial owner of the Trust and thus the funds received by the Trust will ultimately transfer to the County.

In September 2016, the County and UTASC participated in the New York Counties Tobacco Trust VI (NYCTT VI) whereby the Corporation issued new Series 2016 bonds.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

The UTASC is shown as a major governmental fund. Separate financial statements may be obtained from the Ulster Tobacco Asset Securitization Corporation, P.O. Box 1800, Kingston, N.Y. 12402.

Ulster County Economic Development Alliance (UCEDA)

The Ulster County Economic Development Alliance (UCEDA), formerly known as the Ulster County Development Corporation, promotes job growth, economic development and community revitalization for Ulster County by unified regional and national marketing and provides business financing through a variety of countywide and municipal revolving loan funds. UCEDA's sole Member is the County of Ulster, New York acting by and through the County Executive, ex officio. The number of Directors of the Corporation is seven, established by resolution adopted by the member. UCEDA has a fiscal year that ends December 31. UCEDA is presented as a nonmajor proprietary fund of the County.

Separate financial statements may be obtained from the Ulster County Economic Development Alliance, P.O. Box 1800, Kingston, N.Y. 12402.

Ulster County Capital Resource Corporation (UCCRC)

The Ulster County Capital Resource Corporation (UCCRC) was formed on May 11, 2010 to promote community and economic development and the creation of jobs in the non-profit and for-profit sectors for the citizens of Ulster County by developing and providing programs for not-for-profit institutions, manufacturing and industrial businesses, and other entities to access low interest tax-exempt and non-tax-exempt financing for their eligible projects. The County Legislature appoints the entire governing board and is therefore able to impose its will over the organization. UCCRC has a fiscal year that ends December 31. UCCRC is presented as a nonmajor proprietary fund of the County.

Separate financial statements may be obtained from the Ulster County Capital Resource Corporation, P.O. Box 4265, Kingston, N.Y. 12402.

Discretely Presented Component Units – The following discretely presented component units are reported, in aggregate, in a separate column to emphasize that they are legally separate from the County.

Ulster County Community College (UCCC)

The Ulster County Community College (UCCC) was established in 1963 with the County as the local sponsor under the provisions of Article 126 of the Education Law. A board of trustees consisting of nine voting members administers the UCCC; five are appointed by the County Legislature and four by the governor. The UCCC budget is subject to approval of the County Legislature. The County provides approximately one-half of the capital costs and one-third of the operating costs for UCCC. Real property of UCCC vests with the County. Certain bonds and notes for UCCC capital costs are issued and guaranteed by the County. The County, beginning in 2012, has recorded general obligation bonds issued on behalf of UCCC previously recorded on UCCC's financial statements. (See Note 2I). These bonds are considered to be debt of the County. The County also pays a portion of tuition and capital cost charges for County residents attending other community colleges. The UCCC financial statements include two discretely reported component units; the Ulster Community College Foundation and the Ulster Community College Association, Inc. The UCCC has a fiscal year ending August 31.

Separate financial statements may be obtained from the Ulster County Community College, P.O. Box 557, Stone Ridge, N.Y. 12484-0557.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Ulster County Resource Recovery Agency (UCRRA)

The Ulster County Resource Recovery Agency (UCRRA) was created on December 31, 1986 by State Legislation (Chapter 936, Laws of New York), which amended the Public Authorities Law. The County entered into an agreement on January 26, 1988 with UCRRA to develop a plan and manage solid waste and recovery systems within the County. The County agreed to finance and fund UCRRA until a solid waste management plan was developed and implemented. The County approved a solid waste management plan on December 30, 1991, which was subsequently approved by the NYS Department of Environmental Conservation in April 1993. This plan enabled UCRRA to issue revenue bonds, to repay the County and finance the operating and capital expenditures for a solid waste management system. The County entered into a service agreement with UCRRA; whereby UCRRA will construct, maintain and operate the system. In exchange, the County has guaranteed to fund any operating, capital or debt service deficits with the payment to UCRRA of a net service fee pursuant to the terms set forth in the service agreement. In December of 2012 a countywide Flow Control Law was passed by the Ulster County Legislature and signed into law by the Ulster County Executive. The Flow Control Law mandates that all municipal solid waste generated within the County of Ulster must be brought to the UCRRA. The major financial impacts of this new law resulted in an increase in solid waste service fees, the elimination of County net service fees, and the ability of UCRRA to be self-sustaining. The UCRRA met all of its obligations for fiscal year 2020 without the assistance of a County subsidy.

Separate financial statements may be obtained from the Ulster County Resource Recovery Agency, P.O. Box 6219, 999 Flatbush Road, Kingston, N.Y. 12402.

Ulster County Industrial Development Agency (UCIDA)

The Ulster County Industrial Development Agency (UCIDA) is a quasi-governmental agency which has the authority to issue tax exempt and taxable industrial revenue bonds for eligible projects in Ulster County. UCIDA was formed to promote and develop the economic growth of Ulster County and to assist in attracting industry to the County. The County Legislature appoints the entire governing board and is therefore able to impose its will over the UCIDA. UCIDA has a fiscal year that ends December 31. UCIDA is presented discretely as a component unit of the County.

Separate financial statements may be obtained from the Ulster County Industrial Development Agency, P.O. Box 4265, Kingston, N.Y. 12402.

Excluded from the Financial Reporting Entity – Although the following are related to the County, they are not included in the County reporting entity for the reasons noted.

Ulster County Soil and Water Conservation District (UCSWCD)

The County Legislature has declared the County to be a Soil and Water Conservation District in accordance with the provisions of the Soil and Water Conservation District Law. Members of the Board of Directors have been appointed by the County governing body and the District is allotted County appropriations to administer various projects. However, the County cannot impose its will upon the District, nor is there a financial benefit/burden relationship with the County to require it to be presented as a component unit.

Golden Hill Local Development Corporation (GHLDC)

The Golden Hill Local Development Corporation (GHLDC) was formed on October 7, 2011 with a mission to seek and transfer the land and the facilities of the Golden Hill Health Care Center to the highest qualified bidder. In doing so, the GHLDC shall examine and consider, where applicable, the bidders' competency and character, history of employee relations and practices, quality of care of residents, record of retaining facilities subsequent to acquisition, willingness to agree to build a new facility at the site, willingness to continue to care for all existing residents at the time of acquisition (unless otherwise indicated by the New York State Department of Health criteria), financial stability, and willingness to consider existing staff as potential employees. The GHLDC has a board of directors appointed by the County Executive and the County Legislature. GHLDC has a fiscal year that ends December 31. GHLDC is excluded from the financial reporting entity due to a lack of activity for the year ended December 31, 2020. Had GHLDC had activity, it would be presented as a proprietary fund of the County.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

B. Basis of Presentation

During the year ended December 31, 2020, the County adopted the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowing and Direct Placements*, and GASB Statement No. 90, *Majority Equity Interest – An Amendment of GASB Statements No. 14 and No. 61*. The objective of GASB Statement No. 83 is to address accounting and financial reporting for certain asset retirement obligations (ARO's). The objective of GASB Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The objective of GASB Statement No. 88 is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. The objective of GASB Statement No. 90 is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. Other than the matter discussed in Note 3L, the implementation of GASB Statements No. 83, 84, 88, and 90 did not have a material impact on the County's financial position or results from operations.

Government-wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities.

The effect of interfund activity has been eliminated from the government-wide financial statements. These statements distinguish between the *governmental* and *business-type activities* of the County, and between the County and its discretely presented component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues. When both restricted and unrestricted assets are available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

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

The County reports the following major governmental funds:

- The *General Fund* is the government's primary operating fund. It is used to account for and report all financial resources of the general government, except those required to be accounted for and reported in another fund. For the County, the General Fund includes such activities as public safety, public health, transportation, public assistance, education, and culture and recreation services. The major revenue sources of the General Fund are real property taxes, sales tax, and State and Federal aid.
- The *Debt Service Fund* is used to account for and report the financial resources that are restricted, committed or assigned to expenditures for principal and interest on long-term general obligation debt of governmental funds not accounted for in the General Fund, Capital Projects Fund and the component units. The major revenue source of the Debt Service Fund is real property taxes.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

- The *Capital Projects Fund* is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition, construction or improvement of capital facilities and other capital assets, other than those financed by proprietary funds or assets held in trust. The major revenue sources of the Capital Projects Fund are State and Federal Aid, and proceeds of obligations.
- The *Ulster Tobacco Asset Securitization Corporation* (UTASC) accounts for and reports the tobacco settlement revenues received from the Master Settlement Agreement and the repayment of the tobacco settlement asset-backed bonds whose proceeds were used to defease County debt. The major revenue source of UTASC is tobacco settlement proceeds.

The County reports the following additional governmental funds:

- The *Special Revenue Funds* account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects. Each fund is established on a functional basis and may include one or more grants or other funding sources.

The County utilizes the following nonmajor special revenue funds:

- a. The *Special Grant Fund* accounts for and reports the proceeds received under the Workforce Investment Act and Community Development Block Grant Funds.
- b. The *County Road Fund* and the *Road Machinery Fund* account for and report the acquisition and maintenance of roads, bridges, road machinery and equipment pursuant to Sections 114 and 133 of New York State Highway Laws, respectively.

The County reports the following major proprietary fund:

- The *Workers' Compensation Pool* accounts for and reports a workers' compensation claims-servicing pool, which was created in 1979 under Article 5 of the NYS Workers' Compensation Law. Each of the approximately 63 participants in the pool is responsible for their share of the liabilities of the pool and risk is not shared among the members.

The County reports the following additional nonmajor proprietary funds:

- The *Ulster County Economic Development Alliance* (UCEDA) accounts for and reports on the financial activity related to job growth, economic development, and community revitalization for Ulster County.
- The *Ulster County Capital Resource Corporation* (UCCRC) accounts for and reports on the financial activity related to the promotion of community and economic development and the creation of jobs in the non-profit sector.

The County reports the following additional fund types:

- The *Fiduciary Funds* account for and report assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, 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. Fiduciary Funds include the *Custodial Fund*. Activities reported in the fiduciary funds include monies from outside entities, controlled and administered by the County for the benefit of others.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in the 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 the business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources 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*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from sales tax is recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter, sixty days for property taxes and other revenue, to pay liabilities of the current period. Expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, and net pension liability are recorded only when payment is due and payable. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

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 enterprise fund are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Cash, Cash Equivalents, and Investments

For the purposes of the accompanying statement of cash flows, the proprietary funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the Finance Department's investment pool, to be cash equivalents.

Statutes authorize the County to invest its surplus cash in certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, public authorities, public housing authorities, urban renewal agencies, and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments. The UTASC is authorized to invest its surplus cash in the same manner as the County as well as short-term commercial paper. Investments for the County, as well as for its component units, are reported at fair value.

E. Restricted Cash, Cash Equivalents, and Investments

Restricted cash, cash equivalents, and investments represent amounts to support restricted fund balance, unspent proceeds of debt, unearned revenues, and amounts held on behalf of others.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

F. Receivables, Payables, and Property Taxes

Real property taxes are levied as of January 1 on property values assessed in the prior year. Along with the current year's property taxes, the prior year's unpaid school taxes are levied to make up the total tax warrant. This warrant enables the County to collect taxes based on the full assessed value of the real property within the County. The property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after fiscal year end. Property taxes are recorded as a deferred inflow of resources when not received within sixty days of fiscal year end in the fund financial statements. Taxes are considered past due after January 31, at which time the applicable property is subject to lien, and interest and penalties are assessed. The twenty towns are responsible for collection of the tax warrant until June 1. At that time settlement proceedings take place wherein the County becomes the tax collecting agent and the towns receive full credit for their entire levy. The City of Kingston remits the County tax levy on City property in full by September 1. The legislature has provided for installment payment of real property taxes within the twenty towns. The County becomes the enforcing agent for tax liens on all County real property, except property within the City of Kingston.

Uncollected property taxes assumed by the County as a result of the settlement proceedings are reported as receivables in the General Fund to maintain central control and provide for tax settlement and enforcement proceedings. Real property tax receivables are reported net of an allowance for uncollectible taxes. The County calculates its allowances for uncollectible real property taxes using historical data, specific account analysis and management's judgement.

The portion of the receivable that represents taxes relieved for schools is also reported as a payable in intergovernmental payables in the amount of \$18,020,800. The County settles with the various towns and schools, and pays out the full amount of delinquents to the respective tax jurisdictions. Three years after the lien date, properties with unredeemed taxes are eligible for public auction. The County enforces unpaid real property tax liens pursuant to Article 11 of the New York State Real Property Tax Laws, which is commonly referred to as In Rem Foreclosure, or Judicial Statement.

Other receivables are comprised primarily of sales tax and claims for reimbursement of expenditures in administering various mental health and social service programs in accordance with New York State and Federal laws and regulations. These receivables are reported net of related advances received from the State.

G. Inventories and Prepaid Items

Inventories in the General Fund represent supplies and are stated at the lower of cost, first-in/first-out (FIFO) method, or market. 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.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$25,000 for governmental activities and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value at the date of donation.

Maintenance and repairs are recorded as expenses when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

The County has historical treasures, works of art, and several collections. Acquisitions of these assets are expensed at the time of purchase. These assets are not held for financial gain. They are kept protected, unencumbered, and preserved. Any proceeds from the sale of these assets will be used to acquire other items for the collections.

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

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide statements as follows:

<u>Assets</u>	<u>Years</u>
Land improvements	10-20
Buildings and improvements	20-30
Major machinery and equipment	10-15
Minor machinery and equipment	5
Infrastructure	20

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 area transit bus 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).

I. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has three items that qualify for reporting in this category, and are reported in the government-wide statement of net position. The first item is related to pensions and represents the effect of the net change in the County's proportion of the collective net pension asset or liability, difference between expected and actual experience, net difference between projected and actual investment earnings on pension plan investments, and the County contributions to the pension system subsequent to the measurement date. The second represents the effects of the change in the County's proportion of the collective net 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 represents deferred charges on refunding bonds that are being amortized over the life of the refunded debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has five items, four of which are reported under the accrual basis of accounting and are reported in the government-wide statement of net position, and one of which arises only under the modified accrual basis of accounting, that qualify for reporting in this category. The first item represents the effect of the net 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 system not included in pension expense. The second item represents the effects of the change in the County's proportion of the collective net 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 UTASC reports a deferred inflow of resources related to a deferred gain on refunding which is being amortized over the life of the UTASC bonds. The UCCC reports a deferred inflow of resources for tuition payments which will not be considered available within one year. Accordingly, the item, deferred tuition received, is reported as a deferred inflow of resources in the statement of net position. The governmental funds report unavailable revenue from property taxes that will more than likely not be realized within sixty days. These amounts are deferred and recognized in the period that the amounts become available.

J. 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 be reported 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 to be applied. It is the County's position to consider restricted-net position to have been depleted before unrestricted-net position is applied.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

K. 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 the 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.

L. 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 the specific purposes determined by a formal action of the County'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. The County Legislature ("Legislature") has by resolution authorized the County Commissioner of Finance to assign fund balance. 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.

M. Unearned Revenue

Certain cash receipts have not met the revenue recognition criteria for government-wide or fund financial purposes. At December 31, 2020, the County reported unearned revenues within the General Fund of \$182,089, the Worker's Compensation Fund in the amount of \$1,101,713, and the Ulster County Economic Development Alliance in the amount of \$1,249. The County recorded in the General Fund tax overpayments, and grant money received in advance but has not performed the services, and therefore recognizes a liability. The County recorded in the Worker's Compensation Fund advance payments from participants for future workers' compensation claims in which a liability has not yet been incurred, and in the Ulster County Economic Development Alliance recorded advances for program initiatives in which services have not yet been performed, therefore recognizing liabilities.

N. Pensions

The County and its component units are mandated by New York State law to participate in the New York State Local Employees' Retirement System and New York State Teachers' Retirement System. For purposes of measuring the net pension liability/(asset), deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit pension plans, and changes thereof, have been determined on the same basis as they are reported by the respective defined benefit pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. More information regarding pensions is included in Note 2J.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

O. Long-Term Obligations

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

P. Compensated Absences

It is the County's policy to permit employees to accumulate vacation, sick leave and compensatory absences in varying amounts as services are provided. In the event of termination or upon retirement, an employee is entitled to payment for accumulated vacation and sick leave and unused compensatory absences at various rates subject to certain maximum limitations. The cost of these unused benefits for governmental funds is maintained separately and represents a reconciling item between the government-wide and fund financial statements presentation. The value recorded in the government-wide financial statements for compensated absences at December 31, 2020 is \$18,174,333 classified as a long-term liability in the governmental activities, which includes \$1,782,386 estimated to be due within one year.

Q. Judgments and Claims

As explained further in Note 3B, the County is exposed to various risks of loss related to unemployment, general liability, and workers' compensation. General liability arises when the County is named as a defendant in a personal injury claim occurring in the County, and liabilities are recorded to the extent of the insurance deductibles related to each claim. As of December 31, 2020, Ulster County has recorded \$2,372,000 as a general liability within governmental activities. The County is also exposed to risk related to workers' compensation. The total amount of workers' compensation liability recorded in the Workers' Compensation Pool as of December 31, 2020, was \$33,288,470, of which \$741,778 is considered due and payable from governmental activities for the County's unfunded portion of the liability.

R. 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 discussed in Note 2K.

S. Interfund Transactions

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

T. Fund Balance

In the fund financial statements, governmental funds report classifications of fund balance (see Note 3A) indicating the level of constraints placed upon how those resources can be spent and identifying the sources of those constraints, such as amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

The Capital Projects Fund had a deficit fund balance of \$17,132,059 resultant from expenditures made for the reconstruction of roads and bridges, and various other projects with the financing coming from bond anticipation notes. This deficit is expected to be eliminated in future years through the issuance of serial bonds.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

U. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and disclosure of contingencies. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. Detailed Notes on All Funds

A. Cash, Cash Equivalents and Investments

At year end, the County's primary government and Custodial Fund total carrying amount of deposits and investments was \$80,639,446, which included \$2,374,619 of UTASC cash and cash equivalents, \$899,282 of UCEDA cash and cash equivalents, and \$605,039 of UCCRC cash and cash equivalents, while the total bank balance was \$86,515,181. Of the bank balance, \$3,828,166 was covered by federal depository insurance with the remaining balance, \$82,687,015, collateralized with securities held by the pledging financial institution's trust department or agent in the County's name. At year end all deposits and investments for the component units were covered by federal depository insurance or by collateral held by the component unit's agent in the component unit's name.

Cash equivalents and investments are categorized into these three categories of custodial credit risk:

- (1) Insured or registered, or securities held by the County or its agent in the County's name.
- (2) Uninsured and unregistered, with securities held by the counter-party's trust department or agent in the County's name.
- (3) Uninsured and unregistered, with securities held by the counter-party, or by its trust department or agent, but not in the County's name.

The County reports restricted cash, cash equivalents, and investments for unspent proceeds of debt, unearned revenue, custodial funds, and amounts to support restricted fund balances.

At year end, the County's cash, cash equivalents and investment balances were as follows:

	Category		Reported Amount/ Fair Value
	1	2	
Governmental activities			
Cash and cash equivalents	\$43,039,190	\$ -	\$43,039,190
Total governmental activities	43,039,190	-	43,039,190
Business-type activities			
Cash and cash equivalents	33,296,109	-	33,296,109
Total business-type activities	33,296,109	-	33,296,109
Total primary government	76,335,299	-	76,335,299
Discretely presented component units			
UCCC-Cash and cash equivalents	5,703,061	-	5,703,061
UCCC-Commercial paper	11,054,395	-	11,054,395
UCRRA-Cash and cash equivalents	5,112,984	834,502	5,947,486
UCRRA-U.S. Government securities	-	2,542,949	2,542,949
UCIDA-Cash and cash equivalents	697,590	-	697,590
Total discretely presented component units	22,568,030	3,377,451	25,945,481
Custodial Fund			
Cash and cash equivalents	4,304,147	-	4,304,147
Total custodial fund	4,304,147	-	4,304,147
Total cash, cash equivalents and investments	\$103,207,476	\$3,377,451	\$106,584,927

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

B. Receivables

Receivables and amounts due from other governments at year end of the County's governmental funds, including the applicable allowances for uncollectible accounts, are shown below:

	Major Funds		Nonmajor	Total
	General	Capital Projects	Special Revenue	Governmental Funds
Receivables -				
Taxes	\$ 53,849,276	\$ -	\$ -	\$ 53,849,276
Accounts	1,168,385	-	97,153	1,265,538
State and federal	60,944,834	2,197,421	203,319	63,345,574
Due from other governments	1,192,099	25,497	251,696	1,469,292
Gross receivables	117,154,594	2,222,918	552,168	119,929,680
Less: allowance for uncollectibles*	(23,544,593)	-	-	(23,544,593)
Net receivables	\$ 93,610,001	\$ 2,222,918	\$ 552,168	\$ 96,385,087

* Allowance for uncollectible taxes represents the amount of taxes currently recorded as receivables that are expected to not be collected by the County. This would either be due to erroneous taxes or foreclosed properties that are unable to be sold including hazardous parcels.

C. Deferred Inflows of Resources / Unearned Revenues

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported were as follows:

	Deferred Inflows	Unearned Revenue
Governmental Funds:		
Deferred property taxes receivable	\$10,734,958	\$ -
Other unearned revenues	-	182,089
Total governmental funds	\$10,734,958	\$ 182,089

D. Interfund Transactions

Interfund Receivables/Payables

Interfund receivables/payables exist for cash flow purposes. These are short-term in nature and are repaid within the next fiscal year. The compositions of interfund balances at year end are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects Fund	\$ 2,000,000
	Custodial Fund	1,210
	UTASC	14,246
Nonmajor proprietary funds	General Fund	168,933
Total		\$ 2,184,389

As of December 31, 2020, the Workers' Compensation Fund had a receivable due from the governmental activities of the County in the amount of \$741,778, which represents the actuarially calculated liability of the County for workers' compensation.

In addition, as of December 31, 2020, UCCC had a liability for retirement owed to the County of \$565,459. This receivable is recorded as a receivable on the County's financial statements, and a related expense and payable on UCCC's financial statements.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Interfund Transfers In/Out

Operating transfers among funds are provided as part of the annual budget. The General Fund provides operating support from the property tax levy and other resources to certain special revenue funds, capital projects, enterprise funds, and to the debt service fund in support of the funds' specified purpose. Upon completion of a capital project, any excess funds are transferred back to the fund that generated the original funding of the project.

Transfer Out	Transfer In	Amount
General Fund	Capital Projects Fund	\$ 690,577
Capital Projects Fund	Debt Service Fund	356,491
Total		<u>\$ 1,047,068</u>

E. Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

Primary Government	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 4,036,343	\$ -	\$ -	\$ 4,036,343
Construction in progress	35,458,343	7,191,214	23,729,402	18,920,155
Total capital assets, not being depreciated	<u>39,494,686</u>	<u>7,191,214</u>	<u>23,729,402</u>	<u>22,956,498</u>
Capital assets, being depreciated:				
Land improvements	6,567,367	-	1,176,567	5,390,800
Buildings and improvements	178,345,136	7,988,778	12,903,278	173,430,636
Machinery and equipment	61,169,185	4,021,217	2,570,474	62,619,928
Infrastructure	125,204,932	10,717,805	2,416,291	133,506,446
Total capital assets, being depreciated	<u>371,286,620</u>	<u>22,727,800</u>	<u>19,066,610</u>	<u>374,947,810</u>
Less accumulated depreciation for:				
Land and land improvements	4,679,580	93,580	509,845	4,263,315
Buildings and improvements	94,344,175	4,881,054	2,429,804	96,795,425
Machinery and equipment	43,331,470	4,193,231	2,528,090	44,996,611
Infrastructure	45,983,434	5,744,068	1,913,100	49,814,402
Total accumulated depreciation	<u>188,338,659</u>	<u>14,911,933</u>	<u>7,380,839</u>	<u>195,869,753</u>
Total capital assets, being depreciated, net	<u>182,947,961</u>	<u>7,815,867</u>	<u>11,685,771</u>	<u>179,078,057</u>
Total governmental activities capital assets, net	<u>\$222,442,647</u>	<u>\$ 15,007,081</u>	<u>\$ 35,415,173</u>	<u>\$202,034,555</u>

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

	Amount
Governmental activities:	
General government	\$ 1,329,425
Public safety	4,186,707
Public health	69,434
Transportation	8,290,930
Economic assistance	390,783
Culture and recreation	635,176
Home and community services	9,478
Total governmental activities	<u>\$ 14,911,933</u>

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Component Units	Beginning Balance	Increases	Decreases	Ending Balance
Ulster County Community College (August 31, 2020):				
Capital assets, not being depreciated:				
Land	\$ 744,174	\$ -	\$ -	\$ 744,174
Works of art/historical treasures	90,500	-	-	90,500
Total capital assets, not being depreciated	834,674	-	-	834,674
Capital assets, being depreciated:				
Buildings and improvements	34,217,049	-	-	34,217,049
Machinery and equipment	5,652,100	3,097,221	389,972	8,359,349
Total capital assets, being depreciated	39,869,149	3,097,221	389,972	42,576,398
Less accumulated depreciation	27,762,690	1,205,435	357,284	28,610,841
Total capital assets, being depreciated, net	12,106,459	1,891,786	32,688	13,965,557
Total Ulster County Community College capital assets, net	\$ 12,941,133	\$ 1,891,786	\$ 32,688	\$ 14,800,231
Ulster County Resource Recovery Agency:				
Capital assets, not being depreciated:				
Land	\$ 1,238,172	\$ -	\$ -	\$ 1,238,172
Construction in progress	-	355,858	-	355,858
Total capital assets, not being depreciated	1,238,172	355,858	-	1,594,030
Capital assets, being depreciated:				
Buildings and improvements	10,863,667	649,130	114,031	11,398,766
Machinery and equipment	6,856,588	1,601,944	146,047	8,312,485
Infrastructure	61,764	61,785	-	123,549
Total capital assets, being depreciated	17,782,019	2,312,859	260,078	19,834,800
Less accumulated depreciation and amortization for:				
Buildings and improvements	4,224,576	291,898	107,279	4,409,195
Machinery and equipment	4,809,617	502,358	146,047	5,165,928
Infrastructure	14,258	4,631	-	18,889
Total accumulated depreciation and amortization	9,048,451	798,887	253,326	9,594,012
Total capital assets, being depreciated, net	8,733,568	1,513,972	6,752	10,240,788
Total Ulster County Resource Recovery Agency capital assets, net	\$ 9,971,740	\$ 1,869,830	\$ 6,752	\$ 11,834,818
Total component units	\$ 22,912,873	\$ 3,761,616	\$ 39,440	\$ 26,635,049

F. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are reported on the government-wide financial statements in their entirety. Business-type activities and proprietary fund accounts payable and accrued liabilities are recognized when incurred and payable. Governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred, if measurable, and are shown in the table on the following page.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

	Major Funds		Nonmajor	Total
	General	Capital Projects	Special Revenue	Governmental Funds
Accounts Payable and Accrued Liabilities				
Accounts payable	\$ 12,453,600	\$ 232,100	\$ 527,621	\$ 13,213,321
Accrued salaries and benefits payable	11,842,208	-	138,590	11,980,798
Accrued interest	28,407	-	-	28,407
Total governmental funds	<u>\$ 24,324,215</u>	<u>\$ 232,100</u>	<u>\$ 666,211</u>	<u>\$ 25,222,526</u>

G. Leases

Operating Leases

The County leases building and office facilities and other equipment under noncancelable operating leases. Total costs for such leases were \$1,524,083 during the year ended December 31, 2020. The future minimum lease payments for these leases are as follows:

Year ending December 31:	Amount
2021	\$1,244,261
2022	799,329
2023	570,342
2024	435,425
2025	273,721
Thereafter	60,630
Total	<u>\$3,383,708</u>

H. Short-Term Debt

Short-term debt such as bond anticipation notes (BAN's) are generally accounted for in the Capital Projects Fund. State law requires that BAN's issued for capital purposes are converted to long-term obligations within five years after the original issue date. However, BAN's issued for assessable improvement projects may be renewed for period's equivalent to the maximum useful life of permanent financing, provided that stipulated annual reductions of principal are made.

The County has BAN's outstanding of \$19,290,400, maturing on November 18, 2021 with an interest rate of 1.25%. Short-term obligation activity during the year ended December 31, 2020, was as follows:

	Beginning Balance	Issues	Redemptions	Ending Balance
Governmental Activities:				
South Putt Corners Road	\$ 803,000	\$ -	\$ 803,000	\$ -
HVAC – various county facilities	962,000	1,200,000	962,000	1,200,000
Ashokan Rail Trail	7,000,000	-	7,000,000	-
Road reconstruction	220,000	110,000	220,000	110,000
UCCC technology upgrade	50,000	40,000	50,000	40,000
Public Safety Training Center	6,877,855	6,785,000	6,877,855	6,785,000
Public Safety enterprise software	3,000,000	2,330,000	3,000,000	2,330,000
Road reconstruction	300,000	240,000	300,000	240,000
New Paltz Road realignment	320,000	-	320,000	-
DPW Admin Building renovations	148,000	-	148,000	-
Wolven Bridge replacement	50,000	50,000	50,000	50,000

(continued)

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

	Beginning Balance	Issues	Redemptions	Ending Balance
Governmental Activities: (continued)				
Roof replacements	1,250,000	-	1,250,000	-
Donahue Bridge reconstruction	200,000	-	200,000	-
Mass transit buses	500,000	-	500,000	-
Clean Energy Project – UCLEC	300,000	500,000	300,000	500,000
Highway safety program	400,000	370,000	400,000	370,000
Various road reconstruction	425,000	330,000	425,000	330,000
Various shoulders	288,000	-	288,000	-
Veterans Cemetery renovations	100,000	170,400	100,000	170,400
Mass transit buses	450,000	450,000	450,000	450,000
Stone House Bridge replacement	200,000	-	200,000	-
Stone Arch Bridge replacement	235,000	235,000	235,000	235,000
Enderly Bridge replacement	75,000	-	75,000	-
Maltby Hollow Bridge replacement	100,000	40,000	100,000	40,000
Various road reconstruction	425,000	425,000	425,000	425,000
Body cameras and software	275,000	255,000	275,000	255,000
Fleet vehicles	805,000	805,000	805,000	805,000
Highway & bridge equipment	2,545,000	2,545,000	2,545,000	2,545,000
Shawangunk Kill Bridge replacement	595,000	350,000	595,000	350,000
Old Tongore Road slope stabilization	532,000	-	532,000	-
UCCC Technology Upgrade	-	150,000	-	150,000
HVAC replacement – IS	-	70,000	-	70,000
Fairgrounds improvements	-	45,000	-	45,000
Creekside Drive Road	-	360,000	-	360,000
River Road drainage project	-	560,000	-	560,000
Floyd Ackert Bridge	-	175,000	-	175,000
Various road pavement preserve	-	650,000	-	650,000
Crawford Bridge	-	25,000	-	25,000
Fox Hollow Bridge	-	25,000	-	25,000
Total governmental activities short-term debt	\$29,430,855	\$19,290,400	\$29,430,855	\$19,290,400

I. General Long-Term Obligations

The County generally borrows funds on a long-term basis for the purpose of financing the acquisition of land, equipment, construction of buildings and improvements, and infrastructure. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. The provision to be made in future budgets for capital indebtedness represents the amount, exclusive of interest, authorized by the County Legislature to be collected in future years from taxpayers and others for liquidation of the long-term liabilities. Interest associated with long-term debt is recorded as expenditures when such amounts are due.

Details relating to bonds payable outstanding, net of deferred charges, deferred gains, premiums, and unamortized accretion at fiscal year-end are shown in the table on the following page.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Governmental Activities:	Maturity Date	Interest Rate	Amount
General obligation:			
Public improvements, refunded 2012	11/15/24	2.0 – 5.0%	\$ 7,365,000
Public improvements, refunded 2012	11/15/29	2.0 – 5.0%	25,228,918
Public improvements, 2014	11/15/27	1.5 – 2.8%	2,205,000
Public improvements, refunded 2015	11/15/23	2.0 - 4.5%	1,613,838
Public improvements, 2015	11/15/28	2.0 – 2.5%	3,615,000
Public improvements, 2016	11/1/26	1.0 – 2.0%	574,900
Public improvements, 2016	11/15/31	2.0 – 3.0%	8,895,000
Public improvements, 2017	11/15/28	2.0 – 2.1%	5,910,000
Public improvements, 2018	11/15/33	3.0 – 3.5%	6,230,000
Public improvements, refunded 2019	11/15/27	3.5 – 5.0%	3,750,210
Public improvements, 2019	11/15/37	2.0 – 2.8%	21,920,000
Public improvements, refunded 2020	11/15/28	1.0 – 4.0%	1,815,000
Public improvements, 2020	11/15/34	2.0%	9,023,696
Total general obligation			<u>98,146,562</u>
Debt issued for UCCC:			
Public improvements, refunded 2015	11/15/23	2.0 - 4.5%	317,829
Public improvements, 2016	11/1/26	1.0 – 2.0%	110,100
Public improvements, 2019	11/15/27	3.5 – 5.0%	665,415
Total debt issued for UCCC			<u>1,093,344</u>
UTASC:			
Subordinate capital appreciation bonds	6/1/39	6.00 - 7.85%	4,797,150
Tobacco settlement asset-backed bonds, 2016	6/1/34	2.0 – 6.75%	37,996,288
Total UTASC			<u>42,793,438</u>
Total governmental activities			<u>\$142,033,344</u>
Component Units:	Maturity Date	Interest Rate	Amount
UCRRA:			
Serial bonds	3/1/25	4.96 - 5.29%	\$ 3,876,651
Total UCRRA			<u>\$ 3,876,651</u>

On November 18, 2020, the County issued serial bonds totaling \$8,673,654, for various public improvement projects. These bonds will mature in 2034, bear an interest rate of 2.0%, and yield a premium of \$350,042.

Bond Refunding

On June 7, 2012 the County refunded two outstanding serial bonds from 2005 and 2006 that resulted in a decrease in its total debt service over the next 9 years by approximately \$1.7 million and to obtain an economic gain of approximately \$255 thousand in 2020.

On March 1, 2015 the County issued a refunding bond in the amount of \$5.5 million refunding three outstanding serial bonds from 2006, 2007, and 2008 with outstanding principal totaling \$5.8 million. The refunding obtained a gain of \$260 thousand and a deferred charge of \$756 thousand, resulting in a net deferred charge of \$496 thousand to be amortized over the life of the new bond. The refunding also resulted in a decrease in total debt service over the next 3 years by approximately \$101 thousand and obtained an economic gain of approximately \$61 thousand in 2020.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

On August 20, 2019 the County issued a refunding bond in the amount of \$5.3 million refunding four outstanding serial bonds from 2009, 2010, 2011, and 2012 with outstanding principal totaling \$5.8 million. The refunding obtained a gain of \$475 thousand and a deferred charge of \$630 thousand, resulting in a net deferred charge of \$155 thousand to be amortized over the life of the new bond. The refunding was issued at a premium of \$629,500, resulted in a decrease in total debt service over the next 7 years by approximately \$237 thousand, and obtained an economic gain of approximately \$47 thousand in 2020.

On October 6, 2020 the County issued a refunding bond in the amount of \$1.7 million refunding an outstanding serial bonds from 2013 with outstanding principal totaling \$1.8 million. The refunding obtained a gain of \$170 thousand and a deferred charge of \$269 thousand, resulting in a net deferred charge of \$99 thousand to be amortized over the life of the new bond. The refunding was issued at a premium of \$269,432, resulted in a decrease in total debt service over the next 8 years by approximately \$126 thousand, and obtained an economic gain of approximately \$241 thousand in 2020.

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

A breakdown of the principal defeased by purpose is shown as follows:

Issue	Amount Outstanding
Governmental Activities:	
Public Improvements, 2005	\$ 7,870,000
Public Improvements, 2006	24,530,000
Public Improvements, 2006	410,000
Public Improvements, 2007	765,000
Public Improvements, 2008	765,000
Total governmental activities refunded	<u>\$ 34,340,000</u>

Legal Debt Limit

The County's general obligation bonded debt, inclusive of Bond Anticipation Notes, of \$115,999,054 as of December 31, 2020, was below the legal limit of approximately \$1,291,997,670. This amount represents approximately 8.98% of the constitutional debt limit.

The annual debt service requirements to maturity for bonds are as follows:

Year ending December 31	General Obligations	UCCC	UTASC	UCRRA	Total
Principal:					
2021	\$ 9,736,602	\$ 277,052	\$ 2,715,000	\$ 714,371	\$ 13,443,025
2022	9,737,956	237,044	1,305,000	669,066	11,949,066
2023	9,723,036	116,964	1,400,000	628,129	11,868,129
2024	9,845,005	114,995	1,495,000	593,904	12,048,904
2025	7,832,994	117,006	1,610,000	1,271,181	10,831,181
2026-2030	33,384,717	230,283	9,930,000	-	43,545,000
2031-2035	12,290,000	-	15,496,331	-	27,786,331
2036-2039	3,065,000	-	9,510,256	-	12,575,256
Total principal	95,615,310	1,093,344	43,461,587	3,876,651	144,046,892
Less: unamortized accretion	-	-	(9,044,437)	-	(9,044,437)
Less: net deferred charge	(3,349,182)	-	-	-	(3,349,182)
Plus: deferred gain	-	-	7,213,165	-	7,213,165
Plus: deferred premium	5,880,434	-	1,163,123	-	7,043,557
Total	98,146,562	1,093,344	42,793,438	3,876,651	145,909,995

(continued)

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Year ending December 31	General Obligations	UCCC	UTASC	UCRRA	Total
Interest:					
2021	3,075,185	46,637	1,634,001	1,075,629	5,831,452
2022	2,722,518	35,026	1,500,314	1,120,934	5,378,792
2023	2,369,448	25,234	1,409,020	1,161,871	4,965,573
2024	2,011,790	19,980	1,311,314	1,196,096	4,539,180
2025	1,658,848	16,234	1,206,520	2,773,819	5,655,421
2026-2030	4,601,936	16,366	4,286,348	-	8,904,650
2031-2035	1,216,357	-	1,213,375	-	2,429,732
2036-2037	125,162	-	-	-	125,162
Total interest	17,781,244	159,477	12,560,892	7,328,349	37,829,962
Total requirements	\$ 115,927,806	\$1,252,821	\$55,354,330	\$11,205,000	\$183,739,957

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable	\$130,713,015	\$ 10,636,116	\$ 11,316,671	\$130,032,460	\$12,451,602
Bonds payable – UCCC	1,354,908	-	261,564	1,093,344	277,052
Bond premiums	7,165,172	619,474	741,089	7,043,557	799,771
Claims and judgments*	1,711,000	661,000	-	2,372,000	366,667
OPEB liability	135,503,291	37,960,858	8,982,999	164,481,150	-
Net pension liability*	21,193,291	60,268,271	-	81,461,562	-
Compensated absences*	17,848,880	325,453	-	18,174,333	1,782,386
Total governmental activities	\$315,489,557	\$110,471,172	\$ 21,302,323	\$404,658,406	\$15,677,478
Business-type Activities:					
Workers' compensation pool claims	\$ 32,589,429	\$ 21,947,884	\$ 21,248,843	\$ 33,288,470	\$23,816,917
Total business-type activities	\$ 32,589,429	\$ 21,947,884	\$ 21,248,843	\$ 33,288,470	\$23,816,917
Component Units:					
UCCC (August 31, 2020):					
Capital lease obligations	\$ 869,836	\$ 78,172	\$ 665,812	\$ 282,196	\$ 221,507
OPEB liability	19,876,984	1,620,465	575,149	20,922,300	741,925
Compensated absences*	1,044,117	240,119	-	1,284,236	-
Net pension liability*	996,313	3,102,005	-	4,098,318	-
Promissory note – payroll protection	-	62,500	-	62,500	-
Total UCCC	\$ 22,787,250	\$ 5,103,261	\$ 1,240,961	\$ 26,649,550	\$ 963,432
UCRRA:					
Bonds payable	\$ 4,638,189	\$ -	\$ 761,538	\$ 3,876,651	\$ 714,371
Capital lease obligations	48,437	-	48,437	-	-
Compensated absences*	662,373	-	50,144	612,229	612,229
Landfill post-closure liability	2,347,110	-	184,934	2,162,176	270,272
Net pension liability*	513,562	1,337,035	-	1,850,597	-
Total UCRRA	8,209,671	1,337,035	1,045,053	8,501,653	1,596,872
Total component units	\$30,996,921	\$ 6,440,296	\$ 2,286,014	\$35,151,203	\$ 2,560,304

* Additions and deletions to the claims and judgments liability, net pension liability, and compensated absences are shown net of additions and deletions.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

J. Pension Plans

New York State and Local Employee's Retirement System

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

The ERS is noncontributory, except for employees who joined the New York State and Local Employees' Retirement System after July 27, 1976 and have less than ten years credited service, who contribute 3% of their salary for the first ten years of membership, employees who joined on or after January 1, 2010 who generally contribute 3-3.5% of their salary for the entire length of service, and employees who joined on or after April 1, 2012 who generally contribute 3% of their salary for the first year of service, and a percentage of their salary for the remainder of their service. Under the authority of the NYSRSSL, the Comptroller shall certify annually the rates expressed as proportions of payroll of members, which shall be used in computing the contributions required to be made by employers to the pension accumulation fund.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2020, the County reported a liability of \$81,461,562 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2019. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At December 31, 2020, the County's proportion was 0.3076276%.

For the year ended December 31, 2020, the County recognized pension expense of \$28,169,212. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,794,342	\$ -
Changes of assumptions	1,640,250	1,416,329
Net difference between projected and actual investment earnings on pension plan investments	41,761,156	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	499,050	383,385
County contributions subsequent to the measurement date	8,976,038	-
Total	\$ 57,670,836	\$ 1,799,714

The County reported \$8,976,038 as deferred outflows of resources related to pensions resulting from the County's contributions made subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years ending December 31,</u>	
2021	\$ 7,780,858
2022	11,716,061
2023	15,137,365
2024	12,260,800

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Actuarial Assumptions

The total pension liability at March 31, 2020 was determined by using an actuarial valuation as of April 1, 2019, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuation used the following actuarial assumptions:

Inflation – 2.5%

Salary scale – 4.2%

Cost of living adjustments – 1.3%, annually

Decrement – Developed from the Plan's experience study of the period April 1, 2010 – March 31, 2015

Investment rate of return (including inflation) – 6.8%, compounded annually, net of investment expenses

Annuitant mortality rates are based on April 1, 2010 – March 31, 2015 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2018. The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 – March 31, 2015.

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

Investment Asset Allocation

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2020 are summarized below:

Asset Type	Target Allocation	Long Term Expected Real Rate of Return
Domestic equity	36.0%	4.1%
International equity	14.0	6.2
Private equity	10.0	6.8
Real estate	10.0	5.0
Absolute return strategies	2.0	3.3
Opportunistic portfolio	3.0	4.7
Real assets	3.0	6.0
Bonds and mortgages	17.0	0.8
Cash	1.0	0.0
Inflation-indexed bonds	4.0	0.5
Total	100.0%	

Discount Rate

The discount rate used to calculate the total pension liability was 6.8%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

On the following page presents the County's proportionate share of the net pension liability, calculated using the discount rate of 6.8%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower (5.8%), or 1% point higher (7.8%) than the current rate.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

	1% Decrease (5.8%)	Current Discount (6.8%)	1% Increase (7.8%)
County's proportionate share of the net pension liability	\$149,504,996	\$ 81,461,562	\$ 18,793,299

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the employers as of the valuation date were as follows:

Valuation date	April 1, 2019
Employers' total pension liability	\$ 194,596,261,000
Plan fiduciary net position	168,115,682,000
Employers' net pension liability	<u>\$ 26,480,579,000</u>
System fiduciary net position as a percentage of total pension liability	86.39%

Ulster County Community College

The UCCC participates in the ERS and the Teachers' Retirement System (TRS)

Plan Descriptions and Benefits Provided

Employee's Retirement System – UCCC participates in the ERS. The plan description and disclosures are the same as disclosed previously within this note.

Teachers' Retirement System – UCCC participates in the New York State Teachers' Retirement System (TRS). This is a cost-sharing multiple-employer retirement system. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and Retirement and the New York State Retirement and Social Security Law (NYSRSSL). TRS is governed by a 10 member Board of Trustees. TRS benefits are established under New York State Law. 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 NYSSTR Comprehensive Annual Financial Report which can be found on TRS' website at www.nystsr.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 between 0% and 6% of their annual salary depending on their tier. Pursuant to Article 11 of the Education Law, rates are established annually by the New York State Teachers' Retirement Board.

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At August 31, 2020, the College reported the following liability for its proportionate share of the net pension liability (asset) for each of the Systems. The net pension liability was measured as of March 31, 2020 for ERS and June 30, 2019 for TRS. The total pension liability/(asset) used to calculate the net pension liability/(asset) was determined by actuarial valuations as of April 1, 2019 for ERS, and June 30, 2018 for TRS. The College's proportionate share of the net pension liability was based on a projection of the College's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by the ERS and TRS Systems in reports provided to the College.

	ERS	TRS
Measurement date	March 31, 2020	June 30, 2019
Net proportionate pension liability (asset)	\$ 4,098,318	(\$298,108)
College's proportion of the Plan's net pension liability	0.0154767%	0.0114740%

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

For the year ended August 31, 2020, the College recognized pension expense of \$1,195,353 for ERS and \$428,282 for TRS. At August 31, 2020 the College's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>
Differences between expected and actual experience	\$ 241,203	\$ 202,020	\$ -	\$ 22,168
Changes of assumptions	82,521	563,165	71,255	137,316
Net difference between projected and actual earnings on pension plan investments	2,100,997	-	-	239,067
Changes in proportion and differences between the College's contributions and proportionate share of contributions	25,107	107,792	19,288	51,994
College contributions subsequent to the measurement date	590,039	176,030	-	-
Total	<u>\$ 3,039,867</u>	<u>\$1,049,007</u>	<u>\$ 90,543</u>	<u>\$ 450,545</u>

College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending August 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years ending August 31,</u>	<u>ERS</u>	<u>TRS</u>
2021	\$ 391,454	\$ 138,586
2022	589,433	12,276
2023	761,558	138,097
2024	616,836	99,566
2025	-	27,636
Thereafter	-	6,271

Actuarial Assumptions

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

Significant actuarial assumptions used in the valuations were as shown below:

	<u>ERS</u>	<u>TRS</u>
Measurement date	March 31, 2020	June 30, 2019
Actuarial valuation date	April 1, 2019	June 30, 2018
Interest rate	6.8%	7.1%
Salary scale	4.2% Average	1.90% - 4.72%
Decrement tables	April 1, 2010 – March 31, 2015 System's Experience	July 1, 2009 – June 30, 2014 System's Experience
Inflation rate	2.5%	2.2%
Cost-of-living adjustment	1.3%	1.3%

For ERS, annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2018. For TRS, annuitant mortality rates are based on July 1, 2009 – June 30, 2014 System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2018.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

For ERS, the actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015. For TRS, the actuarial assumptions used in the June 30, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2009 - June 30, 2014.

The long term rate of return on ERS 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. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized below.

The long term expected rate of return on TRS 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 expense and inflation) for each major asset class as well as historical investment data and plan performance.

	ERS		TRS	
	Target Allocation	Long Term Expected Real Rate of Return	Target Allocation	Long Term Expected Real Rate of Return
Measurement date		March 31, 2020		June 30, 2019
Asset type:				
Domestic equity	36.0 %	4.1%	33.0%	7.1%
International equity	14.0	6.2	16.0	7.7
Real estate	10.0	5.0	11.0	6.8
Domestic fixed income securities	-	-	16.0	1.8
Global equity	-	-	4.0	7.4
Private debt	-	-	1.0	5.2
Global fixed income securities	-	-	2.0	1.0
High-yield fixed income securities	-	-	1.0	3.9
Private equity	10.0	6.8	8.0	10.4
Absolute return strategies	2.0	3.3	-	-
Opportunistic portfolio	3.0	4.7	-	-
Real assets	3.0	6.0	-	-
Bonds and mortgages	17.0	0.8	7.0	3.6
Cash/short-term	1.0	0.0	1.0	0.7
Inflation-indexed bonds	4.0	0.5	-	-
Total	100.0%		100.0%	

Discount Rate

The discount rate used to calculate the total pension liability was 6.8% for ERS and 7.1% for TRS. 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 Systems' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate Assumption

On the following page presents the College's proportionate share of the net pension liability/(asset) calculated using the discount rate of 6.8% for ERS and 7.1% for TRS, as well as what the College's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1% lower (5.8% for ERS and 6.1% for TRS) or 1% higher (7.8% for ERS and 8.1% for TRS) than the current rate.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

ERS:	1% Decrease (5.8%)	Current Discount (6.8%)	1% Increase (7.8%)
Employer's proportionate share of the net pension liability/(asset)	\$ 7,521,571	\$ 4,098,318	\$ 945,488

TRS:	1% Decrease (6.1%)	Current Discount (7.1%)	1% Increase (8.1%)
Employer's proportionate share of the net pension liability/(asset)	\$ 1,345,626	\$ (298,108)	\$ (1,677,015)

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability (asset) of the employers, as of the respective valuation dates, were as follows:

	(Dollars in Millions)		
	ERS	TRS	Total
Valuation date	April 1, 2019	June 30, 2018	
Employers' total pension liability	\$ 194,596	\$123,243	\$317,839
Plan fiduciary net position	168,116	120,480	288,596
Employers' net pension liability (asset)	\$ 26,480	\$ 2,763	\$ 29,243
System fiduciary net position as a percentage of total pension liability (asset)	86.39%	97.75%	90.80%

Payables to the Pension Plan

For ERS, employer contributions are paid annually based on the System's fiscal year which ends on March 31st. Accrued retirement contributions as of August 31, 2020 represent the projected employer contribution for the period of April 1, 2020 through August 31, 2020 based on paid ERS wages multiplied by the employer's contribution rate, by tier. Accrued retirement contributions as of August 31, 2020 amounted to \$590,039.

For TRS, employer and employee contributions for the fiscal year ended August 31, 2020 are paid to the System in September, October, and November 2020. Accrued retirement contributions as of August 31, 2020 represent employee and employer contributions for the fiscal year ended August 31, 2020 based on paid TRS wages multiplied by the employer's contribution rate, by tier, and employee contributions for the fiscal year as reported to the TRS System. Accrued retirement contributions as of August 31, 2020 amounted to \$176,030.

Ulster County Resource Recovery Agency

The UCRRA also participates in the ERS. The plan description and disclosures are the same as disclosed previously within this note,

Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2020, the Agency reported a liability of \$1,850,597 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2019. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2020, the Agency's proportion was 0.0069885 percent.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

For the year ended December 31, 2020, the Agency recognized pension expense of \$570,545. At December 31, 2020, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 108,915	\$ -
Changes of assumption	37,262	32,175
Net difference between projected and actual investment earnings on pension plan investments	948,706	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,180	94,145
Agency contributions subsequent to the measurement date	265,272	-
Total	\$ 1,361,335	\$ 126,320

Agency contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years ending December 31,</u>	
2021	\$ 135,848
2022	238,980
2023	327,148
2024	267,767

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

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 6.8 percent, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that 1-percentage point lower (5.8 percent) or 1-percentage point higher (7.8 percent) than the current rate:

	1% Decrease (5.8%)	Current Discount (6.8%)	1% Increase (7.8%)
Employer's proportionate share of the net pension liability (asset)	\$ 3,396,367	\$ 1,850,597	\$ 426,935

K. Other Postemployment Benefits ("OPEB")

In addition to providing retirement benefits, the County provides certain health insurance benefits to retired employees and their families. Substantially all of the County's employees may become eligible for these benefits if they reach normal retirement age while working for the County. The County and employee each pay a percentage of the premium. The County's policy has been to account for and fund these benefits on a pay as you go basis.

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* which requires the accrual of these liabilities. The County implemented this statement during the year ended December 31, 2018.

(a) Plan Description

The County administers the Ulster County Retiree Health Insurance Plan (the Plan) as a single-employer defined benefit OPEB plan, in which the County is a participant. The Plan provides for continuation of medical insurance benefits for certain retirees and their spouses and can be amended by action of the County subject to the applicable collective bargaining and employment agreements. The Plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the Plan.

COUNTY OF ULSTER, NEW YORK
Notes to the Financial Statements
December 31, 2020

(b) Employees Covered by Benefit Terms

As of the January 1, 2019 valuation date, the following employees were covered by the benefit terms:

Active employees	1,233
Retirees of beneficiaries currently receiving benefit payments	<u>912</u>
Total	<u><u>2,145</u></u>

Under GASB Statement No. 75, the total OPEB liability represents the sum of expected future benefit payments, which may be attributed to past service or “earned” discounted to the end of the fiscal year using the current discount rate. The total OPEB liability is analogous to the Unfunded Actuarial Accrued Liability (“UAAL”) under GASB Statement No. 45.

(c) Total OPEB Liability

The County’s total OPEB liability for governmental activities of \$164,481,150 as of December 31, 2020 was measured as of January 1, 2020, and was determined by an actuarial valuation as of January 1, 2019.

(d) 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 employer and the plan members. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility.

The method used to calculate the costs of the Plan is known as the Entry Age Normal, Level Percent of Pay. The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary scale increases	3.0%
Discount rate	2.7%
Inflation	2.4%
Healthcare cost trend rate	SOA Long-Run Medical Cost Getzen Trend Model

The SOA Long-Run Medical Cost Trend Model and its baseline projection are based on an econometric analysis of historical US medical expenditures and the judgments of experts in the field. The long-run baseline projection and input variables have been developed under the guidance of an SOA Project Oversight Group. Pre-65 trend rates are shown on the table below.

<u>Fiscal Year</u>	<u>Medical Cost Trend Rate</u>	<u>Fiscal Year</u>	<u>Medical Cost Trend Rate</u>
2020	6.35%	2030-2034	5.18%
2021	6.10%	2035-2039	5.18%
2022	5.80%	2040-2049	4.98%
2023	5.50%	2050-2059	4.75%
2024	5.45%	2060-2069	4.42%
2025-2029	5.18%	Ultimate	3.94%

Mortality rates for active employees and retirees were based on the RPH-2014 Mortality Table for employees, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2019.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

(e) Changes in the Total OPEB Liability

The following table presents the changes to the total primary government OPEB liability:

Total OPEB liability as of December 31, 2019	\$135,503,291
Changes for the year:	
Service cost	4,040,865
Interest cost	5,622,380
Change in benefit terms	(4,157,148)
Changes of assumptions or other inputs	28,297,613
Benefit payments	(4,825,851)
Net changes	<u>28,977,859</u>
Total OPEB liability as of December 31, 2020	<u>\$164,481,150</u>

(f) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability using the discount rate of 2.74%, as well as what the OPEB liability would be if it were to be calculated using a discount rate that is 1-percentage point lower (1.74%) or 1-percentage point higher (3.74%) than the current discount rate:

	1% Decrease (1.74%)	Current (2.74%)	1% Increase (3.74%)
Total OPEB Liability	<u>\$190,672,841</u>	<u>\$164,481,150</u>	<u>\$143,250,359</u>

(g) Sensitivity of the Total OPEB Liability in the Healthcare Cost Trend Rates

The following presents the total OPEB liability using the healthcare cost trend rate of 6.35%/(ultimate rate of 3.94%), as well as what the OPEB liability would be if it were to be calculated using healthcare cost trend rates that are 1-percentage point lower (5.35%)/(ultimate rate of 2.94%) or 1-percentage point higher (7.35%)/(ultimate rate of 4.94%) than the current healthcare cost trend rates:

	1% Decrease (5.35%/2.94%)	Current (6.35%/3.94%)	1% Increase (7.35%/4.94%)
Total OPEB Liability	<u>\$139,398,049</u>	<u>\$164,481,150</u>	<u>\$196,512,382</u>

(h) Funding Policy

The obligation of the plan members, employers and other entities, are established by action of the County pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members vary depending on the applicable agreement. The employer currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the plan are paid by the County. The County contributed \$4,825,851 for the fiscal year ended December 31, 2020.

(i) OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

The County reports deferred outflows 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 net OPEB liability. The table below presents the County's deferred outflows and inflows of resources at December 31, 2020.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 21,233,452
Changes of assumptions or other inputs	25,785,475	7,015,876
County contributions subsequent to the measurement date	5,065,637	-
Total	<u>\$ 30,851,112</u>	<u>\$ 28,249,328</u>

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

Contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years ending December 31,</u>	
2021	\$(2,685,807)
2022	(2,685,807)
2023	(2,685,807)
2024	5,480,830
2025	112,738

Ulster County Community College

In addition to the County, UCCC provides retirement benefits and certain health insurance benefits to retired employees and their covered dependents. Certain classes of the College's employees may become eligible for those benefits if they reach normal retirement age while working for the College. UCCC's liability for postemployment benefits of \$20,922,300 as of August 31, 2020 was measured as of June 30, 2020 and determined by an actuarial valuation as of that date.

(j) Actuarial Assumptions and Other Inputs

The total OPEB liability in the September 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Discount rate	2.94%
Healthcare cost trend rate	7.0% decreasing to an ultimate rate of 4.2% by 2051.

The discount rate was based on a yield or index rate for 20 years, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the Society of Actuaries' Scale SOA RP-2014 Total Dataset Mortality with Scale MP-2018 (Base Rate 2006).

(k) Employees covered by benefit terms

At August 31, 2020, the following employees were covered by the benefit terms:

Current retirees	176
Active employees	<u>138</u>
Total	<u>314</u>

(l) Changes in the Total OPEB Liability – UCCC

The following table presents the changes to the total primary government OPEB liability:

Total OPEB liability as of August 31, 2019	\$ 19,876,984
Changes for the year:	
Service cost	1,044,536
Interest cost	575,929
Benefit payments	<u>(575,149)</u>
Total OPEB liability as of August 31, 2020	<u>\$ 20,922,300</u>

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

(m) Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – UCCC

The following presents the total OPEB liability of the College using the discount rate of 2.94%, as well as what the OPEB liability would be if it were to be calculated using a discount rate that is 1-percentage point lower (1.94%) or 1-percentage point higher (3.94%) than the current discount rate:

	1% Decrease (1.94%)	Current (2.94%)	1% Increase (3.94%)
Total OPEB Liability	\$23,362,764	\$20,922,300	\$18,970,169

(n) Sensitivity of the Total OPEB Liability in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the College using the healthcare cost trend rate of 7.00% (ultimate rate of 4.20%), as well as what the OPEB liability would be if it were to be calculated using healthcare cost trend rates that are 1-percentage point lower (6.00%)/(ultimate rate of 3.20%) or 1-percentage point higher (8.00%)/(ultimate rate of 5.20%) than the current healthcare cost trend rates:

	1% Decrease (6.00%/3.20%)	Current (7.00%/4.20%)	1% Increase (8.00%/5.20%)
Total OPEB Liability	\$17,745,333	\$20,922,300	\$24,877,255

(o) Funding Policy – UCCC

The obligation of the plan members, employers and other entities, are established by action of the College pursuant to applicable collective bargaining and employment agreements. The required contribution rates of the employer and the members vary depending on the applicable agreement. The employer currently contributes enough money to the plan to satisfy current obligations on a pay-as-you-go basis. The costs of administering the plan are paid by the College. For 2020, the College did not contribute additional funding for current premiums.

(p) OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

The College reports deferred outflows 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 net OPEB liability. The table below presents the College's deferred outflows and deferred inflows of resources at August 31, 2020.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 294,221	\$ 5,027,106
Changes of assumptions or other inputs	2,353,817	-
Total	\$ 2,648,038	\$ 5,027,106

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

<u>Years ending August 31,</u>	
2021	\$ (1,050,809)
2022	(1,328,259)

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

3. Other Information

A. Net Position/Fund Balances

The government-wide and proprietary fund 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. Net investment in capital assets is calculated as follows:

Capital assets (net of accumulated depreciation)	\$ 202,034,555
Less related debt:	
Bond anticipation notes	(19,290,400)
Serial bonds – general obligations, net	(98,146,562)
Tobacco asset backed bonds	(41,533,360)
Plus unspent debt proceeds	<u>3,444,274</u>
Total net investment in capital assets	<u>\$ 46,508,507</u>

- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. “Other purposes” restricted net position include future capital projects reserves of \$2,450,000, risk retention reserves of \$130,284, tax stabilization reserves of \$1,146,795, drug forfeiture reserves of \$119,441, E-911 emergency telephone reserves of \$1,554,607, probation reserves of \$866,964, child safety seat reserves of \$2,379, traffic safety board reserves of \$3,598, and community development of \$199,127.
- *Unrestricted Net Position* – This category represents net position of the County, not restricted for any project or other purpose.

In the fund financial statements, governmental fund equity is classified as fund balance. Beginning with the fiscal year ended December 31, 2011, the County implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement requires local governments to focus on the constraints imposed upon resources when reporting fund balance in governmental funds. The new fund balance classifications indicate the level of constraints placed upon how resources can be spent and identify the sources of those constraints. Constraints are broken down into five different classifications: nonspendable, restricted, committed, assigned and unassigned. The classifications describe the relative strength of the spending constraints on the specific purposes for which resources in a fund can be spent.

Nonspendable – consists of assets that are inherently nonspendable in the current period either because of their form or because they are legally or contractually required to be maintained intact.

- *Inventories* – to reflect the assets, \$105,262, that were committed for the purchase of inventories and supplies.
- *Prepaid items* – to reflect the portion of assets, \$7,761,714, which do not represent available spendable resources.

Restricted – consists of amounts that are subject to externally enforceable legal purpose restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or through constitutional provisions, charter requirements or enabling legislation.

- *Debt service* – to reflect the funds held by trustees or fiscal agents for future payment of bond principal and interest in the amount of \$5,448,518. These funds are not available for general operations. Of note, the County has appropriated \$1,150,000 of Debt Service Fund fund balance for use in the subsequent year’s budget.
- *Future capital projects* – to reflect funds established for future capital projects in the amount of \$2,450,000.

COUNTY OF ULSTER, NEW YORK
Notes to the Financial Statements
December 31, 2020

- *Risk retention* – to reflect funds established to provide for costs of settlement of various claims against the County in excess of amounts appropriated each year for such purpose in the amount of \$130,284.
- *Tax stabilization* – to reflect funds to finance certain unanticipated revenue losses or unanticipated expenditures and to lessen or prevent excessive increases of the real property tax levy in the amount of \$1,146,795.
- *Civil and DA forfeitures* – to reflect unused portions of forfeited crime proceeds that must be spent on law enforcement in the amount of \$119,441.
- *Emergency telephone (E-911)* – to reflect unused portions of telephone surcharges that must be spent on the emergency telephone system in the amount of \$1,554,607.
- *Probation administration fees* – to reflect unused portions of probation fees that must be spent on probation programs in the amount of \$866,964.
- *Child safety seats* – to provide child safety seats to those in need in the amount of \$2,379.
- *Traffic safety board* – to provide funds to promote traffic safety in the amount of \$3,598.

Committed – consists of amounts that are subject to a purpose constraint imposed by a formal action of the County Legislature before the end of the fiscal year. The County Legislature is the highest level of decision making authority for the County.

Commitments may be established, modified, or rescinded only through resolutions approved by the County Legislature. The County reported no committed fund balances as of December 31, 2020.

Assigned – consists of amounts that are subject to a purpose constraint that represents an intended use established by the Legislature, or by their 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.

- *Encumbrances* – to reflect the outstanding contractual obligations for which goods and services have not been received in the amounts of \$4,316,659 in the General Fund, \$923 in the Special Grant Fund, \$43,696 in the County Road Fund, and \$38,957 in the Road Machinery Fund.
- *Subsequent years' expenditures* – to reflect the portion of fund balance designated for resource utilization in a future period, such as for general contingencies, reduction of tax levy, or capital projects. Such plans or intent are subject to change and have not been legally authorized or may not result in expenditures. The County elected to designate \$5,605,782 of the General Fund fund balance, \$2,250,000 of the County Road Fund fund balance, and \$2,750,000 of the Road Machinery Fund fund balance.
- *Specific use* – to reflect the residual amount of fund balance not already restricted, committed or assigned in the special revenue funds in the amounts of \$323,514 in the Special Grant Fund, \$2,588,734 in the County Road Fund, \$502,249 in the Road Machinery Fund, and \$94,603 in UTASC.
- *Jail telephone commissions* – to reflect the unused portions of jail telephone commissions that will be spent on inmate programs in the amount of \$218,745.
- *Tourism* – to promote tourism in Ulster County in the amount of \$150,000.

Unassigned – represents the residual classification for the County's General Fund, and includes all other General Fund assets that do not meet the definition of the above four classifications and are deemed to be available for general use by the County. In funds other than the General Fund, the unassigned classification is used to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted, committed or assigned.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

When fund balance resources are available for a specific purpose in multiple classifications, the County would use the most restrictive funds first in the following order: nonspendable, restricted, committed, assigned and unassigned as they are needed. However, the County reserves the right to selectively spend unassigned resources first and to defer the use of the other classified funds.

B. Risk Management

The County is exposed to various risks of loss related to unemployment, general liability, and workers' compensation. The County uses the General Fund to account for and finance, in the case of workers' compensation, its uninsured risks of loss. The County is also exposed to risk of loss for deductibles of varying amounts under several liability insurance policies.

The County established a workers' compensation claims-processing pool (Pool) under Local Law No. 1 in 1979, pursuant to Article 5 of the Workers' Compensation Law to administer the payment of worker compensation claims of pool participants. The pool is open to participation by any eligible municipality or any public entity. Under local law participants are responsible for their share of total pool liabilities. All funds of the County, and sixty two other public entities, participate in the program and make payments to the Pool based on a computation of the necessary funds to cover the participants' annual claims.

The County's claims liability of \$33,288,470 is recorded in the Workers' Compensation Pool at fiscal year end and is based on the requirements of GASB, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This total liability is offset by cash on hand previously collected from participants' premiums and assessment receivables recorded in accordance with Article 5 in the amount of \$2,269,410, of which \$741,778 is due and payable by the County's governmental activities to the workers' compensation claims-processing pool.

Changes in the County's workers' compensation claims liability for the last three years were:

Year	Balance at January 1	Current Year Claims & Changes in Estimates	Claims Payments	Balance at December 31
2020	\$32,589,429	\$ 21,947,884	(\$21,248,843)	\$33,288,470
2019	32,488,811	20,707,809	(20,607,191)	32,589,429
2018	35,167,661	16,611,237	(19,290,087)	32,488,811

The County has been named as a defendant in several personal injury claims resulting from incidents occurring in the County. Although the ultimate outcome of these claims is not certain, County officials believe that none of these claims will expose the County to amounts to exceed the insurance coverage applicable to the date of such incidents. The County has recorded liabilities related to the deductibles for these claims in the amount of \$2,372,000. The County has not had significant reductions in insurance coverage from the provider in all categories of risk. Settled claims have not exceeded insurance coverage in the past three fiscal years.

Changes in the County's claims and judgments liability for the last three years were:

Year	Balance at January 1	Current Year Claims & Changes in Estimates	Balance at December 31
2020	\$1,711,000	\$ 661,000	\$2,372,000
2019	1,238,000	473,000	1,711,000
2018	1,272,000	(34,000)	1,238,000

C. Deferred Compensation Plan

Employees of the County may elect to participate in the New York State Deferred Compensation Plan created in accordance with Internal Revenue Service Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until the age of 59 and 1/2 years, without penalty, or at termination, retirement, death, or unforeseeable emergency.

COUNTY OF ULSTER, NEW YORK
Notes to the Financial Statements
December 31, 2020

Effective October 1, 1997, the New York State Deferred Compensation Board (Board) created a Trust and Custody agreement making Chase Manhattan Bank the Trustee and Custodian of the Plan in accordance with GASB Statement No. 32 "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans". Since the Board is no longer the trustee of the plan, the County no longer is required to record the value of the plan assets.

D. Commitments

The County had active construction projects at year end. The projects include roads and bridges, roof reconstructions, upgrades to campus facilities, and repairs to infrastructure. At year end, the County had \$32,571,137 in construction commitments with contractors. These commitments are being financed by serial bonds, state and federal aid, donations and current appropriations.

E. Contingencies

The County has received grants in excess of \$91.9 million, which are subject to audit by agencies of the State and Federal governments. Such audits may result in a request for a return of funds to the State and Federal governments. Based on past audits, the County management believes any disallowance will be immaterial.

F. Federal Grant-Revolving Loan Fund

During 2020, the County participated with RUPCO as a sub-recipient in implementing two Community Development Block Grants financed by the United States Department of Housing and Urban Development and administered through the New York State Housing Trust Fund Corporation totaling \$1,190,000.

Ulster County was awarded a \$600,000 grant focused on assisting low to moderate income Ulster County residents rehabilitate owner-occupied housing. A rental assistance component was incorporated in 2020 because of the COVID-19 pandemic with rehabilitation monies allocated to fund it. Direct assistance for the *2019 Ulster County Housing Rehabilitation Program* began in 2020 with \$371,677 in total monies received for 2020.

Ulster County was awarded a \$590,000 grant for a program that assists households with home buyer activities. Direct assistance for the *2019 Ulster County Homeownership Program* began in 2020 with \$256,556 in total monies received for 2020.

A copy of RUPCO's certified financial report may be obtained from RUPCO at 289 Fair Street Kingston, NY 12401.

The activity for this loan fund is accounted for in the Special Grant Fund, reported in the Special Revenue Fund in the County's financial statements.

G. Resource Recovery Agency

Under the terms of a solid waste service agreement dated January 1, 1992, between the County and the Ulster County Resource Recovery Agency (UCRRA), the County is liable for a service fee payable to the UCRRA. The intent of the net service fee agreement is to provide assurance that the UCRRA has the financial resources to meet all debt service obligations and debt service requirements. In December 2012, a county-wide Flow Control Law was passed by the Ulster County Legislature and signed into law by the Ulster County Executive. The Flow Control Law mandates that all Municipal Solid Waste generated within the County of Ulster must be brought to the UCRRA. The major financial impacts of this new law resulted in an increase in solid waste service fees, the elimination of County net service fees, and the ability of UCRRA to be self-sustaining. UCRRA met all of its obligations for fiscal year 2020 without the assistance of a County subsidy.

State and Federal laws required UCRRA to place a final cover on its landfill sites when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. UCRRA is currently in the post closure phase at each of the landfills. The post closure period goes throughout the year 2028. Current projections prepared by UCRRA of annual post closure monitoring and maintenance costs for the two remaining landfills are \$270,272 for each of the remaining 8 years.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

H. Tobacco Settlement

In January 1997, the State of New York filed a lawsuit against the tobacco industry, seeking to recover the costs that the State and its local governments had incurred under the Medicaid program in treating smoking related illnesses. As part of a comprehensive settlement reached in November 1998 among 46 states and U.S. territories and all major tobacco companies, the State of New York and its counties will share in an estimated \$25 billion over the next 25 years. As discussed in Note 1, in February 2001, the County sold to UTASC all of its future right, title and interest in the tobacco revenues under the agreement.

I. Tax Abatements

The County is subject to tax abatements granted by the Ulster County Industrial Development Agency (UCIDA). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the UCIDA 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 UCIDA, the County collected \$346,987 during 2020 in payments in lieu of taxes ("PILOT"); these collections were made in lieu of \$773,741 in property taxes.

J. Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 87 – Leases

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Due to the implementation of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the requirements of this Statement are now effective for reporting periods beginning after December 15, 2021, which is the fiscal year beginning January 1, 2022. The net effect of this Statement has not yet been determined.

GASB Statement No. 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period

The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. Due to the implementation of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the requirements of this Statement are now effective for reporting periods beginning after December 15, 2020, which is the fiscal year beginning January 1, 2021. This Statement is not expected to have a material effect on the future financial statements of the County.

GASB Statement No. 91 – Conduit Debt Obligations

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Due to the implementation of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the requirements of this Statement are now effective for reporting periods beginning after December 15, 2021, which is the fiscal year beginning January 1, 2022. This Statement is not expected to have a material effect on the future financial statements of the County.

COUNTY OF ULSTER, NEW YORK

Notes to the Financial Statements

December 31, 2020

GASB Statement No. 92 – *Omnibus 2020*

The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Due to the implementation of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the requirements of this Statement are now effective for reporting periods beginning after June 15, 2021, which is the fiscal year beginning January 1, 2022. This Statement is not expected to have a material effect on the future financial statements of the County.

GASB Statement No. 93 – *Replacement of Interbank Offered Rates*

The primary objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR). Due to the implementation of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the requirements of this Statement are now effective for reporting periods beginning after June 15, 2021, which is the fiscal year beginning January 1, 2022. This Statement is not expected to have a material effect on the future financial statements of the County.

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022, which is the fiscal year beginning January 1, 2023. This Statement is not expected to have a material effect on the future financial statements of the County.

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*

The primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022, which is the fiscal year beginning January 1, 2023. This Statement is not expected to have a material effect on the future financial statements of the County.

GASB Statement No. 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32.*

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021, which is the fiscal year beginning January 1, 2022. This Statement is not expected to have a material effect on the future financial statements of the County.

COUNTY OF ULSTER, NEW YORK
Notes to the Financial Statements
December 31, 2020

K. Subsequent Events

Management has evaluated subsequent events through September 23, 2021, which is the date the financial statements are available for issuance, and have determined that there are no subsequent events, except as noted below, that require disclosure under generally accepted accounting principles.

On July 20, 2021, the County was authorized to enter into an agreement with the County's Civil Service Employees Association providing increases of 3.5% for 2020 and 2021 on base salaries at April 2021, thereby providing no retroactive liability to 2020, and 2% increases for 2021, 2023, and 2024, along with other compensation arrangements. The financial impact of this settlement is approximately \$3.4 million in 2021.

On August 24, 2021, the County issued a refunding bond in the amount of \$26.1 million refunding two outstanding serial bonds from 2012 and 2014 with outstanding principal totaling \$29.1 million. These bonds will mature in 2029, bear an interest rate of 2.0 – 4.0%, and yield a premium of \$3.9 million. The refunding obtained a gain of \$3.1 million and a deferred charge of \$3.9 million, resulting in a net deferred charge of \$800 thousand to be amortized over the life of the new bond.

L. Restatement of Net Position

During the year ended December 31, 2020, the County implemented GASB Statement No. 84, *Fiduciary Activities*. The implementation of GASB Statement No. 84 establishes criteria for identifying fiduciary activities of state and local governments. This Statement also provides for the recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.

The effect of this restatement to the County's fiduciary funds is summarized as follows:

	Custodial Fund
Net position – December 31, 2019, as previously stated	\$ -
GASB Statement No. 84 implementation	<u>1,601,671</u>
Net position – December 31, 2019, as restated	<u><u>\$ 1,601,671</u></u>

Required Supplementary
Information

County of Ulster, New York
Schedule of Local Government's Proportionate Share of the Net Pension Liability
Employees' Retirement System
Last Seven Fiscal Years*

Governmental Activities:	Fiscal Year Ended						
	2020	2019	2018	2017	2016	2015	2014
Measurement date	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
County's proportion of net pension liability	0.3076276%	0.2991162%	0.3044966%	0.3097205%	0.3109345%	0.3104617%	N/A
County's proportionate share of the net pension liability	\$ 81,461,562	\$ 21,193,291	\$ 9,827,462	\$ 29,102,033	\$ 49,905,861	\$ 10,488,153	\$ 14,029,326
County's covered payroll	\$ 84,247,469	\$ 82,220,860	\$ 79,294,326	\$ 77,391,077	\$ 76,671,755	\$ 75,178,528	\$ 79,956,063
County's proportionate share of the net pension liability as a percentage of its covered payroll	96.69%	25.78%	12.39%	37.60%	65.09%	13.95%	17.55%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%	97.20%

Component Units:	Fiscal Year Ended						
	2020	2019	2018	2017	2016	2015	2014
UCCC - ERS System (August 31)							
Measurement date	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
UCCC's proportion of net pension liability	0.0154767%	0.0140617%	0.0139479%	0.0151725%	0.0154374%	0.0161338%	N/A
UCCC's proportionate share of the net pension liability	\$ 4,098,318	\$ 996,313	\$ 450,160	\$ 1,425,642	\$ 2,477,745	\$ 545,040	\$ 729,065
UCCC's covered payroll	\$ 4,599,053	\$ 3,896,979	\$ 4,018,654	\$ 4,055,915	\$ 3,926,685	\$ 4,029,055	\$ 3,668,663
UCCC's proportionate share of the net pension liability as a percentage of its covered payroll	89.11%	25.57%	11.20%	35.15%	63.10%	13.53%	19.87%
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%	97.20%

UCRRA							
Measurement date	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
UCRRA's proportion of net pension liability	0.0069885%	0.0072483%	0.0072122%	0.0074789%	0.0080119%	0.0079561%	N/A
UCRRA's proportionate share of the net pension liability	\$ 1,850,597	\$ 513,562	\$ 232,770	\$ 702,730	\$ 1,285,934	\$ 268,777	\$ 359,526
UCRRA's covered payroll	\$ 1,814,628	\$ 1,710,627	\$ 1,656,723	\$ 1,530,091	\$ 1,553,441	\$ 1,512,837	N/A
UCRRA's proportionate share of the net pension liability as a percentage of its covered payroll	101.98%	30.02%	14.05%	45.93%	82.78%	17.77%	N/A
Plan fiduciary net position as a percentage of the total pension liability	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%	97.20%

* Information prior to the year ended December 31, 2014, (August 31, 2014 with respect to UCCC) is not available.

See accompanying notes to the required supplementary information.

County of Ulster, New York
Schedule of Local Government's Contributions
Employees' Retirement System
Last Ten Fiscal Years

Year Ended December 31,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities:										
Contractually required contribution	\$ 12,730,183	\$ 12,551,263	\$ 12,304,270	\$ 12,534,454	\$ 12,866,091	\$ 13,733,997	\$ 14,740,535	\$ 17,132,581	\$ 16,940,612	\$ 13,494,253
Contribution in relation to the contractually required contribution	(12,730,183)	(12,551,263)	(12,304,270)	(12,534,454)	(12,866,091)	(13,733,997)	(14,740,535)	(17,132,581)	(16,940,612)	(13,494,253)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County covered payroll	\$ 84,204,231	\$ 84,261,882	\$ 81,540,519	\$ 78,545,595	\$ 77,006,238	\$ 76,560,260	\$ 74,717,951	\$ 81,702,100	\$ 89,720,808	\$ 90,999,885
Contributions as a percentage of covered payroll	15.12%	14.90%	15.09%	15.96%	16.71%	17.94%	19.73%	20.97%	18.88%	14.83%
Component Units:										
UCCC - ERS System (August 31):										
Contractually required contribution	\$ 560,304	\$ 540,785	\$ 587,186	\$ 600,941	\$ 695,269	\$ 765,058	\$ 739,188	\$ 655,866	\$ 518,256	\$ 405,890
Contribution in relation to the contractually required contribution	(560,304)	(540,785)	(587,186)	(600,941)	(695,269)	(765,058)	(739,188)	(655,866)	(518,256)	(405,890)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
UCCC covered payroll	\$ 4,599,053	\$ 3,896,979	\$ 4,018,654	\$ 4,055,915	\$ 3,926,685	\$ 4,029,055	\$ 3,668,663	\$ 3,666,104	\$ 3,320,026	\$ 3,614,337
Contributions as a percentage of covered payroll	12.18%	13.88%	14.61%	14.82%	17.71%	18.99%	20.15%	17.89%	15.61%	11.23%
UCRRA:										
Contractually required contribution	\$ 265,272	\$ 249,347	\$ 245,094	\$ 238,269	\$ 242,378	\$ 288,993	N/A	N/A	N/A	N/A
Contribution in relation to the contractually required contribution	(265,272)	(249,347)	(245,094)	(238,269)	(242,378)	(288,993)	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
UCRRA covered payroll	\$ 1,814,628	\$ 1,710,627	\$ 1,656,723	\$ 1,530,091	\$ 1,553,441	\$ 1,512,837	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	14.62%	14.58%	14.79%	15.57%	15.60%	19.10%	N/A	N/A	N/A	N/A

See accompanying notes to the required supplementary information.

County of Ulster, New York
Schedule of Local Government's Proportionate Share of the Net Pension Asset/(Liability)
Teachers' Retirement System
Last Seven Fiscal Years*

Component Units:	Fiscal Year Ended						
	2020	2019	2018	2017	2016	2015	2014
UCCC - TRS System (August 31)							
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
UCCC's proportion of net pension asset/(liability)	0.0114740%	0.0128730%	0.0132870%	0.0129310%	0.0121190%	0.0115010%	0.0104130%
UCCC's proportionate share of the net pension asset/(liability)	<u>\$ 298,108</u>	<u>\$ 232,778</u>	<u>\$ 100,998</u>	<u>\$ (138,493)</u>	<u>\$ 1,258,757</u>	<u>\$ 1,281,129</u>	<u>\$ 1,281,129</u>
UCCC's covered payroll	<u>\$ 1,986,791</u>	<u>\$ 1,915,276</u>	<u>\$ 2,096,871</u>	<u>\$ 2,105,776</u>	<u>\$ 1,995,340</u>	<u>\$ 1,820,408</u>	<u>\$ 1,698,862</u>
UCCC's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	15.00%	12.15%	4.82%	(6.58%)	63.08%	70.38%	75.41%
Plan fiduciary net position as a percentage of the total pension asset/(liability)	97.76%	102.17%	101.53%	100.66%	99.01%	110.46%	111.48%

* Information prior to the year ended August 31, 2014 is not available.

See accompanying notes to the required supplementary information.

County of Ulster, New York
Schedule of Local Government's Contributions
Teachers' Retirement System
Last Ten Fiscal Years

Year Ended August 31,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Component Units:										
UCCC - TRS System (August 31):										
Contractually required contribution	\$ 176,030	\$ 203,402	\$ 205,493	\$ 246,797	\$ 264,582	\$ 319,118	\$ 276,065	\$ 180,595	\$ 140,854	\$ 109,819
Contribution in relation to the contractually required contribution	(176,030)	(203,402)	(205,493)	(246,797)	(264,582)	(319,118)	(276,065)	(180,595)	(140,854)	(109,819)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
UCCC covered payroll	\$ 1,986,791	\$ 1,915,276	\$ 2,096,871	\$ 2,105,776	\$ 1,995,340	\$ 1,820,408	\$ 1,698,862	\$ 1,525,296	\$ 1,267,813	\$ 1,274,002
Contributions as a percentage of covered payroll	8.86%	10.62%	9.80%	11.72%	13.26%	17.53%	16.25%	11.84%	11.11%	8.62%

See accompanying notes to the required supplementary information.

County of Ulster, New York
Schedule of Local Government's Changes in Total OPEB Liabilities and Related Ratios
Last Three Fiscal Years *

Governmental Activities:	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 4,040,865	\$ 5,564,559	\$ 5,271,940
Interest cost	5,622,380	6,156,773	6,278,693
Changes in benefit terms	(4,157,148)	-	-
Differences between expected and actual experience	-	(35,295,340)	-
Changes of assumptions or other inputs	28,297,613	(11,662,152)	6,218,737
Benefit payments	(4,825,851)	(5,343,888)	(5,034,144)
Net changes in total OPEB liability	28,977,859	(40,580,048)	12,735,226
Total OPEB liability - beginning	135,503,291	176,083,339	163,348,113
Total OPEB liability - ending	<u>\$ 164,481,150</u>	<u>\$ 135,503,291</u>	<u>\$ 176,083,339</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 4,825,851	\$ 5,343,888	\$ 5,034,144
Benefit payments	(4,825,851)	(5,343,888)	(5,034,144)
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability - Ending	<u>\$ 164,481,150</u>	<u>\$ 135,503,291</u>	<u>\$ 176,083,339</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Annual covered-employee payroll	\$ 84,204,231	\$ 84,261,882	\$ 81,540,519
Net OPEB liability as a percentage of annual covered-employee payroll	195.34%	160.81%	215.95%
	Year Ended August 31, 2020	Year Ended August 31, 2019	Year Ended August 31, 2018
Component Units - UCCC:			
Total OPEB Liability			
Service cost	\$ 1,044,536	\$ 1,014,703	\$ 1,030,867
Interest cost	575,929	546,692	782,789
Changes in benefit terms	-	-	311,228
Differences between expected and actual experience	-	(10,432,596)	-
Changes of assumptions or other inputs	-	4,470,870	-
Benefit payments	(575,149)	(558,723)	-
Net changes in total OPEB liability	1,045,316	(4,959,054)	2,124,884
Total OPEB liability - beginning	19,876,984	24,836,038	22,711,154
Total OPEB liability - ending	<u>\$ 20,922,300</u>	<u>\$ 19,876,984</u>	<u>\$ 24,836,038</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 575,149	\$ 558,723	\$ -
Benefit payments	(575,149)	(558,723)	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability - Ending	<u>\$ 20,922,300</u>	<u>\$ 19,876,984</u>	<u>\$ 24,836,038</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%
Annual covered-employee payroll	\$ 10,591,633	\$ 10,383,954	\$ 9,832,256
Net OPEB liability as a percentage of annual covered-employee payroll	197.54%	191.42%	252.60%

* Information prior to the year ended December 31, 2018 (August 31, 2018 with respect to UCCC) is not available.

See accompanying notes to the required supplementary information.

County of Ulster, New York
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
General Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance
	Adopted	Final	Amounts	with Final Budget
REVENUES				
Taxes:				
Property	\$ 50,665,137	\$ 50,665,137	\$ 47,123,633	\$ (3,541,504)
Other real property tax items	5,435,000	5,435,000	4,957,180	(477,820)
Sales	128,561,423	128,596,423	127,306,183	(1,290,240)
Tax on Hotel Room Occupancy	2,185,000	2,185,000	1,691,458	(493,542)
E-911 emergency telephone surcharge	805,000	805,000	776,317	(28,683)
Automobile use tax	1,200,000	1,200,000	1,163,108	(36,892)
State aid	50,144,942	51,238,570	45,477,129	(5,761,441)
Federal aid	31,263,312	32,420,129	32,315,582	(104,547)
Departmental income	9,923,745	10,333,815	10,030,575	(303,240)
Intergovernmental	1,492,368	1,605,240	1,872,637	267,397
Use of money and property	1,700,789	1,700,789	1,162,009	(538,780)
Licenses and permits	489,000	489,000	504,052	15,052
Fines and forfeitures	531,894	531,994	337,007	(194,987)
Sale of property and compensation for loss	1,130,250	1,130,250	2,789,595	1,659,345
Miscellaneous local sources	419,400	419,400	795,708	376,308
Interfund revenues	2,021,432	2,021,432	1,560,824	(460,608)
Total revenues	287,968,692	290,777,179	279,862,997	(10,914,182)
EXPENDITURES				
Current:				
General government	71,490,371	72,288,670	65,520,198	6,768,472
Education	10,360,863	10,362,863	10,136,550	226,313
Public safety	49,583,664	51,089,264	46,893,209	4,196,055
Public health	20,173,159	22,040,853	18,232,031	3,808,822
Transportation	6,930,507	6,934,032	5,719,330	1,214,702
Economic assistance	125,853,415	125,661,964	109,064,007	16,597,957
Culture and recreation	1,303,435	1,214,029	918,594	295,435
Home and community	3,725,823	4,935,199	3,424,359	1,510,840
Employee benefits	7,893,932	7,704,432	7,648,771	55,661
Debt service:				
Interest and other fiscal charges	300,000	525,000	484,182	40,818
Total expenditures	297,615,169	302,756,306	268,041,231	34,715,075
Excess (deficiency) of revenues over expenditures	(9,646,477)	(11,979,127)	11,821,766	23,800,893
OTHER FINANCING SOURCES (USES)				
Transfers out	(650,000)	(705,000)	(690,577)	14,423
Total other financing sources (uses)	(650,000)	(705,000)	(690,577)	14,423
Net change in fund balances *	(10,296,477)	(12,684,127)	11,131,189	23,815,316
Fund balances - beginning	50,563,158	50,563,158	50,563,158	-
Fund balances - ending	\$ 40,266,681	\$ 37,879,031	\$ 61,694,347	\$ 23,815,316

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance and appropriated reserves.

See accompanying notes to the required supplementary information.

COUNTY OF ULSTER, NEW YORK
Notes to the Required Supplementary Information
December 31, 2020

Pension Liability

The schedules of local government's proportionate share of the net pension liability/(asset) and local government's contributions present trend information of the components of the net pension liability/(asset) and related ratios for each retirement system the County participates in, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the contributions as a percentage of covered payroll.

OPEB Liability

Changes of Assumptions – Changes of assumptions reflect the effects of changes in the discount rate and the medical healthcare cost trend rate. The following summarizes the changes of assumptions for the governmental activities:

The discount rate was 2.74% as of December 31, 2020, as compared to 4.10% as of December 31, 2019. The salary scale assumed to increase at 3.00% per year. The RPH-2014 Mortality Tables, sex-distinct, with generational mortality adjusted back to 2006 using scale MP-2014, and then projected forward using scale MP-2019, were used for mortality rates. In order to estimate the change in the cost of healthcare, the valuation assumes healthcare cost trends as follows: pre-65 medical, 6.35% and post-65 medical, 7.1%. Healthcare trends are reduced by decrements to reach a rate of 3.94% in 2089. An inflation rate of 2.4% was assumed for developing the rate of increase in healthcare costs.

Budgetary Information

Budgetary Basis of Accounting – Annual budgets are legally required and adopted for the General Fund, Special Revenue Funds and the Debt Service Fund on a basis consistent with generally accepted accounting principles. Project-length financial plans are adopted for the Capital Projects Fund. All annual appropriations lapse at year end.

On or before the first Friday of October, the County Executive submits to the County Legislature a proposed budget for the fiscal year commencing the following January 1. The Legislature holds public hearings and a final budget is prepared and adopted no later than the second Thursday of December.

The appropriated budget is prepared by fund, function, department, and division. The County Executive is authorized to make transfers of appropriations within and across departments. Transfers of appropriations that alter the total appropriation of any department or agency must be approved by the Legislature. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the department and object of expense level within the fund. The supplementary budgetary appropriations made were not material.

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

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as assignments of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and assigned fund balance as expenditures until the period in which actual goods and services are received and a liability is incurred.

The County considers encumbrances to be significant for amounts in excess of \$500,000. The County has a total of \$5,426,323 of encumbrances outstanding at December 31, 2020. In the General Fund and Special Revenue Funds, encumbrances of \$4,316,659, and \$83,576, respectively, are supported by assigned fund balance. The Capital Projects Fund has \$1,026,089 of outstanding encumbrances. As of December 31, 2020, the County had the following significant encumbrances:

Description	General Fund
Economic Assistance	\$ 1,029,825
Total	\$ 1,029,825

Supplementary
Information

Combining Financial
Statements and Discretely
Presented Component Units

Nonmajor Governmental **Funds**

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

A) **Special Grant Fund** - accounts for and reports the proceeds received under the Workforce Investment Act and Community Development Block Grant programs.

B) **County Road Fund** - required by Sec 114 of the Highway Law. Its purpose is for maintenance of county roads and bridges, snow removal and construction and reconstruction of county roads.

C) **Road Machinery Fund** - required by Sec 133 of the Highway Law. It's used for the purchase, repair and maintenance of highway machinery, tools and equipment; for the construction, purchase and maintenance of buildings for the storage and repair of highway machinery and equipment; for the purchase of materials and supplies to provide an adequate central stockpile for highway, snow removal and bridge purposes.

County of Ulster, New York
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	<u>Special Revenue Funds</u>			
	Special Grant	County Road	Road Machinery	Total Nonmajor Funds
ASSETS				
Cash, cash equivalents and investments	\$ 291,396	\$ 4,839,179	\$ 3,481,541	\$ 8,612,116
Receivables	140,415	411,753	-	552,168
Due from other funds	-	-	-	-
Total assets	<u>\$ 431,811</u>	<u>\$ 5,250,932</u>	<u>\$ 3,481,541</u>	<u>\$ 9,164,284</u>
LIABILITIES				
Accounts payable and other current liabilities	\$ 107,374	\$ 368,502	\$ 190,335	\$ 666,211
Total liabilities	<u>107,374</u>	<u>368,502</u>	<u>190,335</u>	<u>666,211</u>
FUND BALANCES				
Assigned to:				
Encumbrances	923	43,696	38,957	83,576
Subsequent years' expenditures	-	2,250,000	2,750,000	5,000,000
Specific use	323,514	2,588,734	502,249	3,414,497
Total fund balances	<u>324,437</u>	<u>4,882,430</u>	<u>3,291,206</u>	<u>8,498,073</u>
Total liabilities and fund balances	<u>\$ 431,811</u>	<u>\$ 5,250,932</u>	<u>\$ 3,481,541</u>	<u>\$ 9,164,284</u>

County of Ulster, New York
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

	Special Revenue Funds			
	Special Grant	County Road	Road Machinery	Total Nonmajor Funds
REVENUES				
Real property taxes	\$ -	\$ 11,052,325	\$ 3,096,236	\$ 14,148,561
State aid	350,268	3,503,418	-	3,853,686
Federal aid	1,698,361	-	-	1,698,361
Intergovernmental	-	267,503	-	267,503
Use of money and property	2,295	19,888	20,353	42,536
Sale of property and compensation for loss	-	25,204	149,726	174,930
Miscellaneous local sources	-	13,673	-	13,673
Total revenues	2,050,924	14,882,011	3,266,315	20,199,250
EXPENDITURES				
Current:				
Transportation	-	13,371,550	3,180,647	16,552,197
Economic assistance	1,330,047	-	-	1,330,047
Home and community	628,234	-	-	628,234
Total expenditures	1,958,281	13,371,550	3,180,647	18,510,478
Net change in fund balances	92,643	1,510,461	85,668	1,688,772
Fund balances - beginning	231,794	3,371,969	3,205,538	6,809,301
Fund balances - ending	\$ 324,437	\$ 4,882,430	\$ 3,291,206	\$ 8,498,073

County of Ulster, New York
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2020

	Ulster County Economic Development Alliance	Ulster County Capital Resource Corporation	Total Nonmajor Proprietary Funds
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 698,906	\$ 605,039	\$ 1,303,945
Restricted cash and cash equivalents	200,376	-	200,376
Receivables	102,636	-	102,636
Due from other funds	168,933	-	168,933
Total current assets	<u>1,170,851</u>	<u>605,039</u>	<u>1,775,890</u>
Noncurrent assets:			
Receivables	652,306	-	652,306
Total noncurrent assets	<u>652,306</u>	<u>-</u>	<u>652,306</u>
Total assets	<u>1,823,157</u>	<u>605,039</u>	<u>2,428,196</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	184,089	850	184,939
Total current liabilities	<u>184,089</u>	<u>850</u>	<u>184,939</u>
Noncurrent liabilities:			
Unearned revenue	1,249	-	1,249
Total noncurrent liabilities	<u>1,249</u>	<u>-</u>	<u>1,249</u>
Total liabilities	<u>185,338</u>	<u>850</u>	<u>186,188</u>
NET POSITION			
Restricted	199,127	-	199,127
Unrestricted	1,438,692	604,189	2,042,881
Total net position	<u>\$ 1,637,819</u>	<u>\$ 604,189</u>	<u>\$ 2,242,008</u>

County of Ulster, New York
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Proprietary Funds
For the Year Ended December 31, 2020

	Ulster County Economic Development Alliance	Ulster County Capital Resource Corporation	Total Nonmajor Proprietary Funds
OPERATING REVENUES			
Charges for services	\$ 284,708	\$ 3,250	\$ 287,958
Other operating revenues	25,851	-	25,851
Total operating revenues	<u>310,559</u>	<u>3,250</u>	<u>313,809</u>
OPERATING EXPENSES			
Administrative	17,996	8,450	26,446
Contractual	333,347	41,867	375,214
Provision for loan recoveries	954	-	954
Total operating expenses	<u>352,297</u>	<u>50,317</u>	<u>402,614</u>
Operating income (loss)	(41,738)	(47,067)	(88,805)
NONOPERATING REVENUES			
Interest earnings	480	4,458	4,938
Total nonoperating revenues	<u>480</u>	<u>4,458</u>	<u>4,938</u>
Change in net position	(41,258)	(42,609)	(83,867)
Net position - beginning	1,679,077	646,798	2,325,875
Net position - ending	<u>\$ 1,637,819</u>	<u>\$ 604,189</u>	<u>\$ 2,242,008</u>

County of Ulster, New York
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended December 31, 2020

	Ulster County Economic Development Alliance	Ulster County Capital Resource Corporation	Total Nonmajor Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from services provided	\$ 126,776	\$ 3,250	\$ 130,026
Payments to suppliers and service providers	(359,318)	(49,467)	(408,785)
Net cash (used) by operating activities	(232,542)	(46,217)	(278,759)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earnings	480	4,458	4,938
Net cash provided by investing activities	480	4,458	4,938
Net (decrease) in cash and cash equivalents	(232,062)	(41,759)	(273,821)
Total cash and cash equivalents - beginning	1,131,344	646,798	1,778,142
Total cash and cash equivalents - ending	\$ 899,282	\$ 605,039	\$ 1,504,321
Reconciliation of operating (loss) to net cash (used) by operating activities:			
Operating (loss)	\$ (41,738)	\$ (47,067)	\$ (88,805)
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:			
Provision for loan recoveries	954	-	954
(Increase) decrease in:			
Receivables	(15,804)	-	(15,804)
Due from other funds	(168,933)	-	(168,933)
Increase (decrease) in:			
Accounts payable and accrued expenses	106,612	850	107,462
Unearned revenue	(113,633)	-	(113,633)
Net cash (used) by operating activities	\$ (232,542)	\$ (46,217)	\$ (278,759)

County of Ulster, New York
Combining Statement of Net Position
Discretely Presented Component Units
December 31, 2020

	Component Units			Aggregate
	Community College (August 31, 2020)	Resource Recovery Agency	Industrial Development Agency	Discretely Presented Component Units
ASSETS				
Cash and cash equivalents	\$ 5,703,061	\$ 5,947,486	\$ 697,590	\$ 12,348,137
Investments	11,054,395	2,542,949	-	13,597,344
Receivables	6,454,125	1,905,899	78,906	8,438,930
Prepaid items	-	340,770	-	340,770
Other assets	589,182	38,580	-	627,762
Net pension asset - proportionate share	298,108	-	-	298,108
Capital assets not being depreciated	834,674	1,594,030	-	2,428,704
Capital assets, net of accumulated depreciation	13,965,557	10,240,788	-	24,206,345
Total assets	38,899,102	22,610,502	776,496	62,286,100
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pensions	4,088,874	1,361,335	-	5,450,209
Deferred outflows of resources - OPEB	2,648,038	-	-	2,648,038
Total deferred outflows of resources	6,736,912	1,361,335	-	8,098,247
LIABILITIES				
Accounts payable and other accrued liabilities	1,515,932	1,421,559	15,971	2,953,462
Intergovernmental payables	30	-	-	30
Due to primary government	565,459	-	-	565,459
Unearned revenue	4,282,033	6,900	-	4,288,933
Noncurrent liabilities:				
Due within one year	963,432	1,596,872	-	2,560,304
Due in more than one year	25,686,118	6,904,781	-	32,590,899
Total liabilities	33,013,004	9,930,112	15,971	42,959,087
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - deferred tuition	186,506	-	-	186,506
Deferred inflows of resources - pensions	541,088	126,320	-	667,408
Deferred inflows of resources - OPEB	5,027,106	-	-	5,027,106
Total deferred inflows of resources	5,754,700	126,320	-	5,881,020
NET POSITION				
Net investment in capital assets	14,499,832	11,834,818	-	26,334,650
Restricted for:				
Scholarships and grants	1,636,447	-	-	1,636,447
Nonexpendable	10,772,517	-	-	10,772,517
Debt service	-	2,801,250	-	2,801,250
Landfill post closure	-	576,201	-	576,201
Unrestricted	(20,040,486)	(1,296,864)	760,525	(20,576,825)
Total net position	\$ 6,868,310	\$ 13,915,405	\$ 760,525	\$ 21,544,240

County of Ulster, New York
Combining Statement of Activities
Discretely Presented Component Units
For the Year Ended December 31, 2020

	Component Units			Total
	Community College (August 31, 2020)	Resource Recovery Agency	Industrial Development Agency	Discretely Presented Component Units
OPERATING EXPENSES				
Instruction	\$ 14,462,410	\$ -	\$ -	\$ 14,462,410
Public service	701,467	-	-	701,467
Academic support	738,450	-	-	738,450
Student services	3,385,252	-	-	3,385,252
General administration	2,813,517	694,927	148,791	3,657,235
General institution	2,250,492	-	-	2,250,492
Operation and maintenance of plant	1,755,755	-	-	1,755,755
Student aid	2,906,786	-	-	2,906,786
Auxiliary	317,021	-	-	317,021
Day care	395,174	-	-	395,174
Costs of sales and services	-	10,021,995	-	10,021,995
Salaries and wages	-	1,935,941	-	1,935,941
Benefits	-	1,375,089	-	1,375,089
Professional fees	-	-	209,190	209,190
Landfill post closure care	-	85,338	-	85,338
Depreciation	1,205,435	798,887	-	2,004,322
Interest expense	-	1,061,112	-	1,061,112
Other operating expenses	1,571,130	-	6,067	1,577,197
Total operating expenses	32,502,889	15,973,289	364,048	48,840,226
PROGRAM REVENUES				
Student tuition and fees	6,429,008	-	-	6,429,008
Auxiliary	306,750	-	-	306,750
Sale of recyclable materials	-	678,513	-	678,513
Solid waste service fees	-	15,874,337	-	15,874,337
Fees	-	-	216,568	216,568
Operating grants and contributions	7,124,149	272,666	-	7,396,815
Other operating revenue	1,136,675	57,674	-	1,194,349
Total program revenues	14,996,582	16,883,190	216,568	32,096,340
Net program revenue (expense)	(17,506,307)	909,901	(147,480)	(16,743,886)
GENERAL REVENUES				
Contribution from other governments	6,260,961	-	-	6,260,961
County contribution	6,400,863	-	-	6,400,863
Chargeback revenue	990,616	-	-	990,616
Federal and state nonoperating grants	4,477,030	-	-	4,477,030
Investment income	4,846	170,340	4,970	180,156
Total general revenues	18,134,316	170,340	4,970	18,309,626
Net change in net position	628,009	1,080,241	(142,510)	1,565,740
Net position - beginning	6,240,301	12,835,164	903,035	19,978,500
Net position - ending	\$ 6,868,310	\$ 13,915,405	\$ 760,525	\$ 21,544,240

Other
Information

Budgetary Comparison
Schedules

County of Ulster, New York
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Adopted</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 10,754,060	\$ 10,754,060	\$ 10,754,060	\$ -
Use of money and property	65,000	65,000	37,711	(27,289)
Miscellaneous local sources	-	-	1,763	1,763
Total revenues	10,819,060	10,819,060	10,793,534	(25,526)
EXPENDITURES				
Debt service:				
Principal	9,215,000	11,035,000	10,943,235	91,765
Interest and other fiscal charges	3,312,961	3,412,394	3,345,845	66,549
Total expenditures	12,527,961	14,447,394	14,289,080	158,314
Excess (deficiency) of revenues over expenditures	(1,708,901)	(3,628,334)	(3,495,546)	132,788
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	356,491	356,491
Issuance of refunding bonds	-	1,650,000	1,650,000	-
Premium on obligations	-	269,433	269,432	(1)
Total other financing sources (uses)	-	1,919,433	2,275,923	356,490
Net change in fund balances*	(1,708,901)	(1,708,901)	(1,219,623)	489,278
Fund balances - beginning	4,402,371	4,402,371	4,402,371	-
Fund balances - ending	\$ 2,693,470	\$ 2,693,470	\$ 3,182,748	\$ 489,278

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

County of Ulster, New York
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Special Grant Fund
For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Adopted</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u>
				<u>Budget</u>
REVENUES				
State aid	\$ 335,664	\$ 343,792	\$ 350,268	\$ 6,476
Federal aid	1,831,747	2,161,047	1,698,361	(462,686)
Use of money and property	2,700	2,700	2,295	(405)
Interfund revenues	7,500	7,500	-	(7,500)
Total revenues	2,177,611	2,515,039	2,050,924	(464,115)
EXPENDITURES				
Current:				
Economic assistance	1,877,611	1,885,774	1,330,047	555,727
Home and community	300,000	629,300	628,234	1,066
Total expenditures	2,177,611	2,515,074	1,958,281	556,793
Net change in fund balances	-	(35)	92,643	92,678
Fund balances - beginning	231,794	231,794	231,794	-
Fund balances - ending	\$ 231,794	\$ 231,759	\$ 324,437	\$ 92,678

County of Ulster, New York
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
County Road Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Adopted	Final		
REVENUES				
Real property taxes	\$ 11,052,325	\$ 11,052,325	\$ 11,052,325	\$ -
State aid	3,684,561	4,439,316	3,503,418	(935,898)
Intergovernmental	110,000	110,000	267,503	157,503
Use of money and property	27,000	27,000	19,888	(7,112)
Sale of property and compensation for loss	30,000	30,000	25,204	(4,796)
Miscellaneous local sources	15,000	15,000	13,673	(1,327)
Total revenues	14,918,886	15,673,641	14,882,011	(791,630)
EXPENDITURES				
Current:				
Transportation	15,423,750	16,213,203	13,371,550	2,841,653
Total expenditures	15,423,750	16,213,203	13,371,550	2,841,653
Net change in fund balances*	(504,864)	(539,562)	1,510,461	2,050,023
Fund balances - beginning	3,371,969	3,371,969	3,371,969	-
Fund balances - ending	\$ 2,867,105	\$ 2,832,407	\$ 4,882,430	\$ 2,050,023

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

County of Ulster, New York
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Road Machinery Fund
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance
	Adopted	Final	Amounts	with Final Budget
REVENUES				
Real property taxes	\$ 3,096,236	\$ 3,096,236	\$ 3,096,236	\$ -
Use of money and property	37,500	37,500	20,353	(17,147)
Sale of property and compensation for loss	28,500	28,500	149,726	121,226
Total revenues	3,162,236	3,162,236	3,266,315	104,079
EXPENDITURES				
Current:				
Transportation	3,812,236	3,833,643	3,180,647	652,996
Total expenditures	3,812,236	3,833,643	3,180,647	652,996
Net change in fund balances *	(650,000)	(671,407)	85,668	757,075
Fund balances - beginning	3,205,538	3,205,538	3,205,538	-
Fund balances - ending	\$ 2,555,538	\$ 2,534,131	\$ 3,291,206	\$ 757,075

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

Statistical Section (Unaudited)

COUNTY OF ULSTER, NEW YORK
Net Position by Component
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016*	2017**	2018	2019	2020
Governmental Activities:										
Net investment in capital assets	\$ 20,864,249	\$ 65,377,760	\$ 67,892,165	\$ 82,086,962	\$ 53,684,436	\$ 41,545,997	\$ 48,855,391	\$ 57,245,671	\$ 61,694,964	\$ 46,508,507
Restricted	9,009,628	10,016,115	6,978,332	6,397,859	11,163,006	11,870,195	11,004,588	9,955,686	14,439,836	8,634,441
Unrestricted	(11,261,448)	(65,430,305)	(64,672,740)	(94,196,105)	(75,226,163)	(66,678,251)	(121,674,287)	(122,522,786)	(132,222,943)	(132,840,393)
Total governmental activities net position	\$ 18,612,429	\$ 9,963,570	\$ 10,197,757	\$ (5,711,284)	\$ (10,378,721)	\$ (13,262,059)	\$ (61,814,308)	\$ (55,321,429)	\$ (56,088,143)	\$ (77,697,445)
Business-type Activities:										
Net investment in capital assets	\$ 3,024,756	\$ 2,586,359	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	39,030	39,030	-	-	-	198,969	199,656	198,915	199,015	199,127
Unrestricted	(4,934,896)	(5,427,967)	-	-	-	1,447,634	2,292,751	2,184,928	2,126,860	2,042,881
Total business-type activities net position	\$ (1,871,110)	\$ (2,802,578)	\$ -	\$ -	\$ -	\$ 1,646,603	\$ 2,492,407	\$ 2,383,843	\$ 2,325,875	\$ 2,242,008
Total Primary Government:										
Net investment in capital assets	\$ 23,889,005	\$ 67,964,119	\$ 67,892,165	\$ 82,086,962	\$ 53,684,436	\$ 41,545,997	\$ 48,855,391	\$ 57,245,671	\$ 61,694,964	\$ 46,508,507
Restricted	9,048,658	10,055,145	6,978,332	6,397,859	11,163,006	12,069,164	11,204,244	10,154,601	14,638,851	8,833,568
Unrestricted	(16,196,344)	(70,858,272)	(64,672,740)	(94,196,105)	(75,226,163)	(65,230,617)	(119,381,536)	(120,337,858)	(130,096,083)	(130,797,512)
Total primary government net position	\$ 16,741,319	\$ 7,160,992	\$ 10,197,757	\$ (5,711,284)	\$ (10,378,721)	\$ (11,615,456)	\$ (59,321,901)	\$ (52,937,586)	\$ (53,762,268)	\$ (75,455,437)

Source: Ulster County Annual Financial Reports

* The County implemented GASB Statement No. 80, *Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*. As a result, net position has been restated at December 31, 2016.

** The County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions - An Amendment of GASB Statement No. 45*. As a result, net position has been restated at December 31, 2017.

Table 2

COUNTY OF ULSTER, NEW YORK

Changes in Net Position
Last Eight Fiscal Years

	2013	2014	2015	2016	2017*	2018	2019	2020
Expenses								
Governmental activities:								
General government	\$ 58,018,900	\$ 69,544,611	\$ 58,892,138	\$ 66,427,340	\$ 65,270,653	\$ 64,380,838	\$ 66,849,198	\$ 83,850,450
Education	10,127,951	8,533,495	9,823,272	10,082,920	11,376,376	10,774,993	10,960,983	22,973,213
Public safety	51,988,875	50,016,317	49,239,187	52,982,354	53,384,200	49,661,770	52,573,630	56,977,993
Public health	20,982,356	19,262,838	18,967,235	19,705,379	19,555,576	18,773,270	18,916,390	19,631,532
Transportation	24,670,675	25,423,875	28,915,480	28,852,350	29,398,429	26,465,766	29,633,901	29,108,928
Economic assistance	133,857,675	128,723,809	124,925,171	130,053,823	126,979,436	124,214,173	128,946,802	115,185,382
Culture and recreation	962,783	1,127,564	1,271,955	1,362,615	1,324,144	2,973,672	1,538,563	3,526,663
Home and community	2,878,042	2,793,990	3,096,083	3,474,579	4,013,375	2,976,740	3,073,357	4,386,062
Interest on long-term debt	6,575,763	6,431,867	6,236,915	6,635,851	4,872,295	4,720,161	5,410,595	5,161,718
Total governmental activities expenses	310,063,020	311,858,366	301,367,436	319,577,211	316,174,484	304,941,383	317,903,419	340,801,941
Business-type activities:								
Long-Term Care	13,047,766	-	-	-	-	-	-	-
Workers' Compensation Pool	9,508,560	9,333,330	9,603,353	10,058,153	10,007,661	10,219,727	8,979,899	8,665,636
Blended Component Units (UCEDA, UCCRC, GHLDC)	-	-	-	-	309,057	495,078	289,391	402,614
Total business-type activities expenses	22,556,326	9,333,330	9,603,353	10,058,153	10,316,718	10,714,805	9,269,290	9,068,250
Total primary government expenses	332,619,346	321,191,696	310,970,789	329,635,364	326,491,202	315,656,188	327,172,709	349,870,191
Program Revenues								
Governmental activities:								
Charges for services:								
General government	20,681,114	5,964,237	6,034,364	7,969,859	6,390,684	6,451,107	6,651,151	7,865,532
Education	78,916	90,158	180,326	217,740	70,898	81,518	81,595	81,273
Public safety	3,512,981	3,306,178	2,440,549	1,751,699	1,783,591	2,707,737	1,669,701	1,607,095
Public health	3,061,771	618,318	481,024	476,736	509,169	572,909	550,120	921,240
Transportation	1,037,490	861,642	820,054	750,115	834,542	1,032,547	1,022,653	942,312
Economic assistance	9,294,951	7,531,266	4,694,142	5,873,659	6,357,893	5,274,861	5,139,346	5,194,598
Culture and recreation	109,553	113,547	118,588	170,686	628,620	190,153	197,002	221,075
Home and community	4,228	6,019	169,734	137,571	201,960	137,457	195,668	227,870
Operating grants and contributions	76,283,382	74,399,760	76,303,293	84,679,415	77,044,272	78,071,951	76,183,157	83,350,397
Capital grants and contributions	1,450,701	7,420,320	9,640,072	13,118,913	9,777,416	14,453,570	15,813,682	8,710,620
Total governmental activities program revenues	115,515,087	100,311,445	100,882,146	115,146,393	103,599,045	108,973,810	107,504,075	109,122,012
Business-type activities:								
Charges for services:								
Long-Term Care	9,032,186	-	-	-	-	-	-	-
Workers' Compensation Pool	8,785,686	8,631,330	8,917,057	9,306,239	9,344,917	9,621,224	8,070,573	8,129,590
Blended Component Units (UCEDA, UCCRC, GHLDC)	-	-	-	-	1,151,782	380,147	224,079	313,809
Operating grants and contributions	10,506,554	655,347	646,916	707,260	567,380	335,960	567,532	352,619
Total business-type activities program revenues	28,324,426	9,286,677	9,563,973	10,013,499	11,064,079	10,337,331	8,862,184	8,796,018
Total primary government program revenues	143,839,513	109,598,122	110,446,119	125,159,892	114,663,124	119,311,141	116,366,259	117,918,030
Net revenues (expenses)								
Governmental activities	(194,547,933)	(211,546,921)	(200,485,290)	(204,430,818)	(212,575,439)	(195,967,573)	(210,399,344)	(231,679,929)
Business-type activities	5,768,100	(46,653)	(39,380)	(44,654)	747,361	(377,474)	(407,106)	(272,232)
Total net revenues (expenses)	(188,779,833)	(211,593,574)	(200,524,670)	(204,475,472)	(211,828,078)	(196,345,047)	(210,806,450)	(231,952,161)
General revenues and other changes in net position								
Governmental activities:								
Real property taxes and tax items	83,438,006	82,839,933	79,898,277	83,532,726	81,509,742	74,232,712	74,803,408	75,557,055
Sales tax	102,010,008	104,667,661	107,996,028	112,184,274	115,339,913	120,322,069	127,215,937	127,306,183
Other nonproperty tax items	2,868,519	2,969,834	3,220,565	3,319,055	3,489,031	3,669,232	3,999,647	3,630,883
Use of money and property	303,376	271,701	272,410	324,541	372,598	1,189,899	1,721,597	845,644
Tobacco settlement proceeds	2,342,517	2,991,903	4,113,420	2,329,361	1,970,014	2,157,027	1,872,941	2,730,862
Premium on sale of obligations	265,025	253,771	317,153	490,683	378,192	-	-	-
Gain (loss) on dispositions of assets	(1,678,114)	-	-	-	(380,992)	-	-	-
Transfers	(2,954,856)	-	-	-	-	889,513	19,100	-
Residual equity transfer	8,187,639	-	-	-	-	-	-	-
Exchange fee	-	-	-	53,955	-	-	-	-
Liquidity reserve termination payment	-	-	-	950,000	-	-	-	-
Total governmental activities general revenues	194,782,120	193,994,803	195,817,853	203,184,595	202,678,498	202,460,452	209,632,630	210,070,627
Business-type activities:								
Interest and earnings	36,799	19,099	14,041	18,100	77,436	236,710	349,138	188,365
Gain (loss) on dispositions of assets	(696,757)	-	-	-	-	-	-	-
Sale of property	-	-	-	-	-	889,513	19,100	-
Transfers	-	-	-	-	-	(889,513)	(19,100)	-
County contribution	5,882,075	27,554	25,339	26,554	21,007	32,200	-	-
Residual equity transfer	(8,187,639)	-	-	-	-	-	-	-
Total business-type activities general revenues	(2,965,522)	46,653	39,380	44,654	98,443	268,910	349,138	188,365
Total primary government general revenues	191,816,598	194,041,456	195,857,233	203,229,249	202,776,941	202,729,362	209,981,768	210,258,992
Change in Net Position								
Governmental activities	234,187	(17,552,118)	(4,667,437)	(1,246,223)	(9,896,941)	6,492,879	(766,714)	(21,609,302)
Business-type activities	2,802,578	-	-	-	845,804	(108,564)	(57,968)	(83,867)
Total primary government change in net position	\$ 3,036,765	\$ (17,552,118)	\$ (4,667,437)	\$ (1,246,223)	\$ (9,051,137)	\$ 6,384,315	\$ (824,682)	\$ (21,693,169)

Note: The County has opted to present only eight years of data for this supplementary schedule.

* The County implemented GASB Statement No. 80, *Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14* during the year ended December 31, 2017.

Source: Ulster County Annual Financial Reports

Table 3

COUNTY OF ULSTER, NEW YORK
Fund Balances of Governmental Funds
Last Five Fiscal Years

	<u>2016*</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund					
Nonspendable	\$ 5,941,493	\$ 5,942,611	\$ 5,910,604	\$ 6,051,109	\$ 5,960,979
Restricted	7,296,312	7,271,880	7,558,995	7,638,388	6,274,068
Assigned	20,436,691	15,584,890	10,066,374	12,819,744	10,291,186
Unassigned	25,500,073	27,001,859	34,454,035	24,053,917	39,168,114
Total General Fund	<u>\$ 59,174,569</u>	<u>\$ 55,801,240</u>	<u>\$ 57,990,008</u>	<u>\$ 50,563,158</u>	<u>\$ 61,694,347</u>
 All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ 114,696	\$ 2,443,581	\$ 1,905,997
Restricted	4,573,883	3,732,708	6,864,652	6,801,448	5,448,518
Assigned	7,438,161	6,324,268	6,525,365	6,809,301	8,592,676
Unassigned	(10,527,886)	(10,920,708)	(28,809,107)	(20,129,118)	(19,038,056)
Total all Other Governmental Funds	<u>\$ 1,484,158</u>	<u>\$ (863,732)</u>	<u>\$ (15,304,394)</u>	<u>\$ (4,074,788)</u>	<u>\$ (3,090,865)</u>
 Total Fund Balances	 <u>\$ 60,658,727</u>	 <u>\$ 54,937,508</u>	 <u>\$ 42,685,614</u>	 <u>\$ 46,488,370</u>	 <u>\$ 58,603,482</u>

Note: The County has opted to present only five years of data for this supplementary schedule.

Source: Ulster County Annual Financial Reports

* The County implemented GASB Statement No. 80, *Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*. As a result, fund balance has been restated at December 31, 2016.

Table 4

COUNTY OF ULSTER, NEW YORK
Changes in Fund Balances of Governmental Funds
Last Eight Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:								
Real property taxes	\$ 76,543,789	\$ 76,324,942	\$ 76,834,769	\$ 75,151,112	\$ 74,977,057	\$ 75,082,199	\$ 72,067,714	\$ 72,026,254
Real property tax items	5,472,943	6,333,802	5,877,276	6,048,264	5,282,724	5,624,634	5,078,862	4,957,180
Non-property taxes	104,878,527	107,637,495	111,216,593	115,503,329	118,828,944	123,991,301	131,215,584	130,937,066
State aid	37,183,391	44,533,486	44,183,793	57,016,650	46,228,956	53,772,166	53,028,515	55,520,902
Federal aid	40,530,616	37,210,280	41,717,649	40,776,057	40,395,780	37,286,906	34,412,179	36,405,304
Departmental income	14,818,894	10,904,121	9,347,446	10,386,132	10,038,653	9,688,696	9,240,832	10,030,575
Intergovernmental revenue	7,835,410	4,280,472	2,666,666	1,944,375	2,003,130	3,926,621	6,325,756	2,269,312
Use of money and property	1,985,925	1,488,067	853,208	1,063,901	1,073,943	1,542,283	1,793,343	1,260,410
Licenses and permits	43,314	25,607	122,283	460,267	464,984	463,119	470,167	504,052
Fines and forfeitures	477,741	455,829	502,427	471,617	418,646	469,645	403,147	337,007
Sale of property and compensation for loss	12,014,790	935,428	1,148,569	2,934,634	2,142,670	2,083,384	2,093,219	2,964,525
Tobacco settlement proceeds	2,342,517	2,650,159	2,267,912	4,580,857	2,005,770	2,172,027	2,057,941	2,360,862
Miscellaneous local sources	928,382	749,856	612,515	711,401	1,514,070	762,745	1,402,733	811,144
Interfund revenues	15,018,861	8,779,374	7,271,741	5,936,246	1,525,191	1,471,659	1,825,075	1,560,824
Total revenues	320,075,100	302,308,918	304,622,847	322,984,842	306,900,518	318,337,385	321,415,067	321,945,417
Expenditures:								
Current:								
General government	46,705,234	57,228,476	57,867,723	59,771,958	60,713,941	62,737,612	64,621,124	65,563,573
Education	9,830,905	9,795,066	9,485,726	9,556,194	9,942,883	10,116,863	10,194,615	10,136,550
Public safety	29,127,814	41,832,133	41,663,640	42,525,224	42,769,080	44,280,976	46,782,728	46,893,209
Public health	14,744,280	17,551,254	17,714,972	17,841,740	17,836,415	18,151,961	18,388,896	18,232,031
Transportation	21,656,690	27,588,082	28,912,405	29,039,645	25,020,587	23,610,117	24,460,097	22,271,527
Economic assistance	125,254,103	124,724,630	121,141,435	121,335,216	118,542,971	121,840,980	126,979,552	110,394,054
Culture and recreation	750,097	777,611	873,728	973,225	971,737	1,105,000	1,040,629	918,594
Home and community	2,121,429	2,851,490	2,910,671	3,155,312	3,671,222	2,910,415	2,936,612	4,052,593
Employee benefits	49,251,747	8,894,445	8,905,861	9,647,270	9,512,926	7,831,406	7,617,517	7,648,771
Debt service:								
Principal	7,019,392	7,753,500	6,491,300	8,758,290	8,398,750	7,686,552	13,984,000	11,578,235
Interest and fiscal charges	5,506,138	5,236,401	4,953,537	5,349,984	5,239,916	5,077,335	5,807,397	5,569,372
Capital outlay	7,930,651	7,894,983	20,425,980	20,343,360	17,862,861	33,123,575	23,700,979	17,164,882
Total expenditures	319,898,480	312,128,071	321,346,978	328,297,418	320,483,289	338,472,792	346,514,146	320,423,391
Excess (deficiency) of revenues over expenditures	176,620	(9,819,153)	(16,724,131)	(5,312,576)	(13,582,771)	(20,135,407)	(25,099,079)	1,522,026
Other financing sources (uses):								
Transfers in	7,703,535	98,483	311,300	1,178,000	2,110,045	4,405,359	1,002,656	1,047,068
Transfers out	(10,658,391)	(98,483)	(311,300)	(1,178,000)	(2,110,045)	(3,515,846)	(983,556)	(1,047,068)
Payments to refunded bond escrow agent	-	-	(6,260,627)	(32,384,291)	-	-	-	-
Issuance of obligations	3,318,500	3,851,300	11,053,290	43,813,750	7,861,552	6,994,000	28,253,235	10,323,654
Premium on obligations	89,998	78,310	868,120	1,495,444	-	-	629,500	269,432
Residual equity transfer	14,702,185	-	-	-	-	-	-	-
Exchange fee	-	-	-	53,955	-	-	-	-
Liquidity reserve termination payment	-	-	-	950,000	-	-	-	-
Total other financing sources (uses)	15,155,827	3,929,610	5,660,783	13,928,858	7,861,552	7,883,513	28,901,835	10,593,086
Net change in fund balance	\$ 15,332,447	\$ (5,889,543)	\$ (11,063,348)	\$ 8,616,282	\$ (5,721,219)	\$ (12,251,894)	\$ 3,802,756	\$ 12,115,112
Debt Service as a percentage of noncapital expenditures								
	4.02%	4.27%	3.80%	4.58%	4.51%	4.18%	6.13%	5.65%

Note: The County has opted to present only eight years of data for this supplementary schedule.

Source: Ulster County Annual Financial Reports

COUNTY OF ULSTER, NEW YORK
General Governmental Expenditures by Function (1)
Last Ten Fiscal Years

Year	General Government	Education	Public Safety	Public Health	Transportation	Economic Assistance	Culture and Recreation
2011	\$ 49,143,957	\$ 9,151,931	\$ 27,420,300	\$ 19,923,701	\$ 22,358,390	\$ 109,343,898	\$ 752,001
2012	51,086,825	9,490,787	27,712,159	18,217,111	22,499,919	119,435,033	685,188
2013	46,705,234	9,830,905	29,127,814	14,744,280	21,656,690	125,254,103	750,097
2014	57,228,476	9,795,066	41,832,133	17,551,254	27,588,082	124,724,630	777,611
2015	57,867,723	9,485,726	41,663,640	17,714,972	28,912,405	121,141,435	873,728
2016	59,771,958	9,556,194	42,525,224	17,841,740	29,039,645	121,335,216	973,225
2017	60,713,941	9,942,883	42,769,080	17,836,415	25,020,587	118,542,971	971,737
2018	62,737,612	10,116,863	44,280,976	18,151,961	23,610,117	121,840,980	1,105,000
2019	64,621,124	10,194,615	46,782,728	18,388,896	24,460,097	126,979,552	1,040,629
2020	65,563,573	10,136,550	46,893,209	18,232,031	22,271,527	110,394,054	918,594

(1) Includes General, Special Revenue, Debt Service, UTASC, and Capital Projects Funds.

Source: Ulster County Annual Financial Reports

COUNTY OF ULSTER, NEW YORK
General Governmental Revenues by Source (1)
Last Ten Fiscal Years

Year	Real Property Taxes	Other Tax Items	Non-Property Tax Items	State Aid	Federal Aid	Departmental Income	Inter-Governmental
2011	\$ 73,478,690	\$ 5,369,653	\$ 102,888,138	\$ 39,964,640	\$ 40,264,625	\$ 17,685,371	\$ 4,903,658
2012	78,922,796	5,834,255	105,650,411	44,799,731	48,566,682	17,169,138	9,304,585
2013	76,543,789	5,472,943	104,878,527	37,183,391	40,530,616	14,818,894	7,835,410
2014	76,324,942	6,333,802	107,637,495	44,533,486	37,210,280	10,904,121	4,280,472
2015	76,834,769	5,877,276	111,216,593	44,183,793	41,717,649	9,347,446	2,666,666
2016	75,151,112	6,048,264	115,503,329	57,016,650	40,776,057	10,386,132	1,944,375
2017	74,977,057	5,282,724	118,828,944	46,228,956	40,395,780	10,038,653	2,003,130
2018	75,082,199	5,624,634	123,991,301	53,772,166	37,286,906	9,688,696	3,926,621
2019	72,067,714	5,078,862	131,215,584	53,028,515	34,412,179	9,240,832	6,325,756
2020	72,026,254	4,957,180	130,937,066	55,520,902	36,405,304	10,030,575	2,269,312

(1) Includes General, Special Revenue, Debt Service, UTASC, and Capital Projects Funds.

Source: Ulster County Annual Financial Reports

Table 5

	Home and Community Services	Employee Benefits	Debt Service (Principal & Interest)	Capital Outlay	Total
\$	3,452,833	\$ 40,102,026	\$ 14,768,593	\$ 11,500,515	\$ 307,918,145
	4,722,410	45,749,685	15,247,718	4,986,037	319,832,872
	2,121,429	49,251,747	12,525,530	7,930,651	319,898,480
	2,851,490	8,894,445	12,989,901	7,894,983	312,128,071
	2,910,671	8,905,861	11,444,837	20,425,980	321,346,978
	3,155,312	9,647,270	14,108,274	20,343,360	328,297,418
	3,671,222	9,512,926	13,638,666	17,862,861	320,483,289
	2,910,415	7,831,406	12,763,887	33,123,575	338,472,792
	2,936,612	7,617,517	19,791,397	23,700,979	346,514,146
	4,052,593	7,648,771	17,147,607	17,164,882	320,423,391

Table 6

	Use of Money and Property	Licenses and Permits	Fines and Forfeitures	Sale of Property and Compensation for Loss	Tobacco Settlement	Miscel- laneous	Interfund Revenues	Total
\$	1,429,721	\$ 1,569	\$ 812,708	\$ 1,137,137	\$ 2,298,424	\$ 253,340	\$ 12,569,586	\$ 303,057,260
	1,519,776	29,320	783,664	1,208,745	2,343,973	814,418	14,465,749	331,413,243
	1,985,925	43,314	477,741	12,014,790	2,342,517	928,382	15,018,861	320,075,100
	1,488,067	25,607	455,829	935,428	2,650,159	749,856	8,779,374	302,308,918
	853,208	122,283	502,427	1,148,569	2,267,912	612,515	7,271,741	304,622,847
	1,063,901	460,267	471,617	2,934,634	4,580,857	711,401	5,936,246	322,984,842
	1,073,943	464,984	418,646	2,142,670	2,005,770	1,514,070	1,525,191	306,900,518
	1,542,283	463,119	469,645	2,083,384	2,172,027	762,745	1,471,659	318,337,385
	1,793,343	470,167	403,147	2,093,219	2,057,941	1,402,733	1,825,075	321,415,067
	1,260,410	504,052	337,007	2,964,525	2,360,862	811,144	1,560,824	321,945,417

Table 7

COUNTY OF ULSTER, NEW YORK
Property Tax Levies and Collections
Last Ten Fiscal Years

Year	Taxes on Roll (2)	Home Relief (2)	Other Adjustments (2)	Net Taxes	Collections During Year	Uncollected Taxes (1)	Percent of Levy Collected (1)
2011	\$ 193,884,236	\$ (1,360,336)	\$ (58,059)	\$ 192,465,841	\$ 184,571,901	\$ 9,312,335	95.20%
2012	198,801,463	(1,569,819)	(126,960)	197,104,684	190,384,670	8,416,793	95.77%
2013	201,070,446	(2,154,871)	(113,934)	198,801,641	191,841,338	9,229,108	95.41%
2014	200,809,358	(1,440,684)	144,000	199,512,674	191,615,198	9,194,160	95.42%
2015	201,629,920	(913,403)	104,008	200,820,525	192,854,252	8,775,668	95.65%
2016	201,809,150	-	171,885	201,981,035	193,173,257	8,635,893	95.72%
2017	203,286,944	-	109,525	203,396,469	195,229,130	8,057,814	96.04%
2018	206,036,494	-	129,614	206,166,108	198,722,934	7,313,560	96.45%
2019	209,375,419	-	112,233	209,487,652	202,068,855	7,306,564	96.51%
2020	212,532,053	-	105,201	212,637,254	205,360,839	7,171,214	96.63%

Note: Taxes on Roll includes relieved school taxes.

Source: (1) Ulster County Annual Update Document Supplemental Section
(2) Ulster County Real Property Tax Service Agency Tax Warrant Calculation

Table 8

COUNTY OF ULSTER, NEW YORK
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year	County Taxable Value	Equalized Apportionment Value	Ratio of Total County Taxable Value to Total Equalized Apportionment Value
2011	\$ 16,335,383,709	\$ 19,938,963,280	81.93%
2012	15,755,567,732	18,857,224,609	83.55%
2013	15,522,809,385	18,509,048,159	83.87%
2014	15,097,755,694	17,974,374,613	84.00%
2015	15,034,766,917	17,879,387,278	84.09%
2016	16,210,513,184	17,919,334,296	90.46%
2017	16,268,511,109	18,015,386,964	90.30%
2018	16,412,833,597	18,187,934,573	90.24%
2019	16,659,640,727	18,686,763,166	89.15%
2020	17,067,767,240	19,476,128,883	87.63%

Source: Ulster County Real Property Tax Service Agency Annual Reports

Table 9

COUNTY OF ULSTER, NEW YORK
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	County Millage	Town Millage	School District Millage	Total
2011	\$ 17.60	\$ 22.54	\$ 77.94	\$ 118.08
2012	18.90	23.02	82.09	124.01
2013	18.78	23.78	84.56	127.12
2014	18.78	24.77	87.92	131.47
2015	18.65	24.76	90.59	134.00
2016	6.80	7.73	30.68	45.21
2017	6.82	7.90	31.08	45.80
2018	6.77	8.15	31.49	46.41
2019	6.72	8.33	32.42	47.47
2020	6.58	8.51	32.74	47.83

Rates are per thousand dollars of assessed valuation.

Source: Ulster County Real Property Tax Service Agency Annual Report

Table 10

COUNTY OF ULSTER, NEW YORK
Principal Taxpayers
December 31, 2020

Taxpayer	Type of Business	Equalized Taxable Value	Percentage of Total Equalized Taxable Value
City of New York	Water Supply Facilities	\$ 1,239,388,185	6.4%
Central Hudson Gas & Electric	Public Utility	409,009,859	2.1%
New York State	State Properties	363,439,335	1.9%
Hudson Valley 2011, LLC	Retail	58,041,836	0.3%
Tech City	Business Park	49,032,263	0.3%
Verizon	Public Utility	35,780,316	0.2%
Smiley Brothers, Inc.	Hotel Resort Complex	31,269,474	0.2%
CSX Transportation, Inc.	Railroad	22,488,631	0.1%
Kingston Mall, LLC	Retail	18,724,795	0.1%
Stony Run Co., LLC	Apartment Complex	17,970,000	0.1%
		<u>\$ 2,245,144,694</u>	<u>11.5%</u>

Equalized 2020 Full Valuation = \$ 19,476,128,883

Source: Ulster County Real Property Tax Service Agency Annual Report

Table 11

COUNTY OF ULSTER, NEW YORK
Ratio of Net General Obligation Bonded Debt to Assessed Value and
Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

Year	Population (1)	Equalized Apportionment Value (2)	Net Bonded Debt (3)	Ratio of Net Bonded Debt to Equalized Apportionment Value	Net Bonded Debt Per Capita
2011	182,493	\$ 19,938,963,280	\$ 112,820,199	0.5658%	\$ 618.22
2012	182,493	18,857,224,609	100,523,573	0.5331%	550.84
2013	182,493	18,509,048,159	93,464,059	0.5050%	512.15
2014	182,493	17,974,374,613	91,537,122	0.5093%	501.59
2015	182,493	17,879,387,278	95,030,074	0.5315%	520.73
2016	182,493	17,919,334,296	96,467,206	0.5383%	528.61
2017	182,493	18,015,386,964	93,656,517	0.5199%	513.21
2018	182,493	18,187,934,573	114,852,976	0.6315%	629.36
2019	182,493	18,686,763,166	126,759,090	0.6783%	694.60
2020	181,851	19,476,128,883	115,999,054	0.5956%	637.88

Source: (1) Ulster County Planning Board Data Book - Schedule of Persons by Age and Sex

Accumulated from the Bureau of Census STF-1

(2) Ulster County Real Property Tax Service Agency Annual Reports

(3) Ulster County Annual Financial Reports

Table 12

COUNTY OF ULSTER, NEW YORK
Computation of Legal Debt Margin
December 31, 2020

Year	Equalized Value of Real Property
2016	\$ 17,919,334,296
2017	18,015,386,964
2018	18,187,934,573
2019	18,686,763,166
2020	19,476,128,883
Total	<u><u>\$ 92,285,547,882</u></u>

Average equalized value of taxable real property \$ 18,457,109,576

Debt Limit - 7% thereof \$ 1,291,997,670

Net Bonded Debt \$ 115,999,054

Percentage of debt - contracting power exhausted 8.98%

Note: New York State imposes a limit on a municipality's authority to incur debt. This limit is derived by taking the average full valuation of taxable real property multiplied by 7%.

Source: Ulster County Real Property Tax Service Agency Annual Reports

Table 13

COUNTY OF ULSTER, NEW YORK
Computation of Direct and Overlapping Bonded Debt
General Obligation Bonds and Bond Anticipation Notes
December 31, 2020

Jurisdiction	Outstanding Indebtedness	Exclusions (1)	Net Indebtedness
Direct:			
County of Ulster	\$ 150,416,204	\$ 34,417,150	\$ 115,999,054
Overlapping:			
Towns	48,988,820	18,706,780	30,282,040
Villages	16,491,548	11,203,232	5,288,316
City	40,507,667	15,934,116	24,573,551
School Districts	236,528,006	165,364,437	71,163,569
Fire Districts	9,817,220	34,154	9,783,066
Total Overlapping	352,333,261	211,242,719	141,090,542
Total	<u>\$ 502,749,465</u>	<u>\$ 245,659,869</u>	<u>\$ 257,089,596</u>

(1) County exclusions include the obligations of UTASC. Overlapping exclusions include water and/or sewer debt and estimated State Building aid.

Source: Fiscal Advisors & Marketing, Inc. (Bond & BAN issuance statement 11/18/20)
and Latest New York State Comptroller's Report on Municipal Affairs.

Table 14

COUNTY OF ULSTER, NEW YORK
Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt to Total General Governmental Expenditures
Last Ten Fiscal Years

Year	Debt Service (Principal & Interest)	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
2011	14,768,593	307,918,145	4.80%
2012	15,247,718	319,832,872	4.77%
2013	12,525,530	319,898,480	3.92%
2014	12,989,901	312,128,071	4.16%
2015	11,444,837	321,346,978	3.56%
2016	14,108,274	328,297,418	4.30%
2017	13,638,666	320,483,289	4.26%
2018	12,763,887	338,472,792	3.77%
2019	19,791,397	346,514,146	5.71%
2020	17,147,607	320,423,391	5.35%

*Total general governmental expenditures does not include transfers out.

Source: Ulster County Annual Financial Reports

Table 15

COUNTY OF ULSTER, NEW YORK
Demographic Statistics
Last Ten Fiscal Years

Year	Population (1)	Per Capita Income (2)	School Enrollment (3)	Unemployment Rate (4)
2011	182,493	\$ 39,654	24,901	7.9%
2012	182,493	40,179	24,332	8.4%
2013	182,493	39,623	23,878	7.3%
2014	182,493	40,113	23,372	5.7%
2015	182,493	41,554	22,871	4.8%
2016	182,493	43,154	22,577	4.5%
2017	182,493	44,987	22,363	4.5%
2018	182,493	45,930	22,129	3.9%
2019	182,493	47,425	21,948	3.6%
2020	181,851	N/A	21,768	8.0%

Source: (1) US Census Bureau - 2020 Decennial US Census
 (2) US Bureau of Economic Analysis. Regional Economic Accounts
 (3) NYS Education Department - Student Repository Information System
 (4) NYS Department of Labor - Local Area Unemployment Statistics Program

N/A - Information not available at time of printing.

Table 16

COUNTY OF ULSTER, NEW YORK
Taxable Property Values and Residential Construction
Last Ten Fiscal Years

Year	County Taxable Value (1)	Exemptions (1)	Total	Units of Construction (2)	Average Value	Construction Value (2)
2011	\$ 16,335,383,709	\$ 225,560,778	\$ 16,560,944,487	230	\$ 202,504	\$ 46,576,000
2012	15,755,567,732	222,764,397	15,978,332,129	214	163,215	34,928,000
2013	15,522,809,385	216,961,169	15,739,770,554	151	250,967	37,896,000
2014	15,097,755,694	245,043,338	15,342,799,032	285	238,740	68,041,000
2015	15,034,766,917	238,129,112	15,272,896,029	307	235,046	72,159,000
2016	16,210,513,184	242,326,827	16,452,840,011	252	213,492	53,800,000
2017	16,268,511,109	240,270,180	16,508,781,289	336	243,533	81,827,000
2018	16,412,833,597	247,199,300	16,660,032,897	252	280,794	70,760,000
2019	16,659,640,727	245,186,724	16,904,827,451	389	207,059	80,546,000
2020	17,067,767,240	243,237,508	17,311,004,748	265	263,136	69,731,000

Note: County Taxable Values includes all classifications of taxable real property

Source: (1) Ulster County Real Property Tax Service Agency Annual Reports
 (2) US Census Bureau - Building Permits Survey, Permits by Metropolitan Area (Kingston, NY MSA)

Table 17

COUNTY OF ULSTER, NEW YORK
Miscellaneous Statistics
December 31, 2020

Date Founded	November 1, 1683
Form of Government	Charter
Area in Square Miles	1,161
Miles of County Roads	425
Taxable Parcels of Property	85,053

Facilities and Services Not Included in the Reporting Entity:

Number of Cities	1
Number of School Districts	15
Number of Towns	20
Number of Villages	3
Number of Fire Districts	56
Number of Hospitals	3

Source: Ulster County Real Property Tax Service Agency Annual Reports

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