

**COUNTY OF COLUMBIA, NEW YORK**  
AUDITED FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION  
As of and for the year ended December 31, 2021

# COUNTY OF COLUMBIA, NEW YORK

## TABLE OF CONTENTS

	<b>Page</b>
<b>Independent Auditor's Report</b>	1
<b>Management's Discussion and Analysis</b>	5
<b>Financial Statements</b>	
Government-Wide Financial Statements	
Statement of Net Position	14
Statement of Activities	16
Fund Financial Statements	
Balance Sheet – Governmental Funds	17
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	18
Statement of Revenue, Expenditures, and Changes in Fund Balances – Governmental Funds	19
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities	20
Proprietary Fund Statements	
Statement of Net Position – Proprietary Funds	21
Statement of Revenue, Expenditures, and Changes in Net Position – Proprietary Funds	22
Statement of Cash Flows – Proprietary Funds	23
Fiduciary Fund Statements	
Statement of Fiduciary Net Position	24
Statement of Changes in Fiduciary Net Position	25
Discretely Presented Component Units	
Statement of Net Position – Component Units	26
Statement of Activities – Component Units	27
Notes to Financial Statements	28
<b>Required Supplemental Information</b>	
Schedule of Revenue, Expenditure, Encumbrances, and Changes in Fund Balance – Budget and Actual – General Fund	64
Schedule of Changes in Total OPEB Liability and Related Ratios	66
Schedule of County's Proportionate Share of Net Pension Liability	67
Schedule of County's Employer Share Pension Contributions	68
<b>Supplemental Information</b>	
Balance Sheet – Non-Major Governmental Funds	70
Statement of Revenue, Expenditures, and Changes in Fund Balances – Non-Major Governmental Funds	71
Statement of Net Position – Non-Major Proprietary Funds	72
Statement of Revenue, Expenditures, and Changes in Net Position – Non-Major Proprietary Funds	73
<b>Other Information</b>	
Letter from Orrick, Herrington & Sutcliffe, LLP Relating to Columbia Tobacco Asset Securitization Corporation	75
<b>Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i></b>	76
<b>Report on Compliance of Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with Uniform Guidance</b>	78
Schedule Expenditures of Federal Awards	81
Notes to Schedule of Expenditures of Federal Awards	84
Schedule of Findings and Questioned Costs	85
Status of Prior Year Audit Findings	88
Corrective Action Plan for the Year Ended December 31, 2021	89

## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Supervisors  
County of Columbia, New York

### **Opinions**

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

### *Summary of Opinions*

<b>Opinion Unit</b>	<b>Type of Opinion</b>
Governmental Activities	Qualified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Qualified
General Fund	Unmodified
Sewer Fund	Unmodified
Solid Waste Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

### ***Unmodified Opinions on the Business-Type Activities, General Fund, Solid Waste Fund, Sewer Fund, Aggregate Discretely Presented Component Units and Aggregate Remaining Fund Information***

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities, General Fund, Solid Waste Fund, Sewer Fund, and the Aggregate Remaining Fund Information for the County as of December 31, 2021, 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.

### ***Qualified Opinions on the Governmental Activities and Aggregate Discretely Presented Component Units***

In our opinion, except for the effects, if any, of the matter described in the Basis for Qualified Opinions on Governmental Activities and Aggregate Discretely Presented Component Units section, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Governmental Activities and the Aggregate Discretely Presented Component Units of the County as of December 31, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in

accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Basis for Qualified Opinions on Governmental Activities and Aggregate Discretely Presented Component Units***

GASB Technical Bulletin No. 2001-1 requires that entities such as the Columbia Tobacco Asset Securitization Corporation (CTASC) be reported as part of the primary government. The County has reflected CTASC as a discretely presented component unit and the effect of this departure in the Governmental Activities is an understatement of assets, liabilities and revenue of \$1,912,052, \$21,106,705 and \$1,013,212, respectively, and an overstatement in net position of \$19,194,653. The effect of this departure in the aggregate discretely presented component units is an overstatement of assets, liabilities, and revenue of \$1,912,052, \$21,106,705, and \$1,013,212, respectively, and an understatement of net position of \$19,194,653.

***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13, budgetary comparison information on pages 64 and 65, and the schedule of changes in total OPEB liability and related ratios on page 66, schedule of the County's proportionate share of net pension liability on page 67, and schedule of the County's employer share of pension contributions on page 68 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual non-major fund financial statements, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information – Letter***

The letter on page 75 from Orrick, Herrington & Sutcliffe, LLP has been presented by the County to address management's assertion that the long-term debt of CTASC is non-recourse debt of the County. The letter has 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 it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2023, on our consideration of the County's internal control over financial reporting and our tests of its compliance with

certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing , and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit conducted in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*UHY LLP*

Hudson, New York  
March 9, 2023

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

As management of the County of Columbia (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2021. We encourage the reader to consider the information contained in this analysis in conjunction with the additional information that we have furnished in the County's financial statements, which follow this narrative.

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

The County has a land area of over 648 square miles and a population of approximately 60,000 and is located in eastern New York State. Its northern and southern boundaries are the Counties of Rensselaer and Dutchess, respectively. Its western and eastern boundaries are the Hudson River and the Commonwealth of Massachusetts, respectively. The County includes eighteen Towns and the City of Hudson. The County is part of the Hudson, NY Metropolitan Statistical Area and is primarily agricultural and residential with some industrial and commercial properties.

**GOVERNMENTAL ORGANIZATION**

The County was founded in 1786 and the County seat is located in the City of Hudson. The legislative body is the County Board of Supervisors which consists of twenty-three members. Each elected Town Supervisor (18) has a seat on the board along with five (5) elected Ward Supervisors from the City of Hudson. The presiding officer is the County Chairman, who is appointed for a one-year term by the Board of Supervisors.

Additional elected County officials are the County Clerk, District Attorney, Treasurer, Sheriff and three Coroners, elected at large to four-year terms, respectively. The County Board of Supervisors appoints the County Controller/Auditor, Commissioner of Social Services, County Attorney, Budget Officer, Compliance Officer, and the Clerk of the Board.

**FINANCIAL HIGHLIGHTS**

- The County's governmental fund balances increased by \$14.1 million as illustrated in the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds (p.19). The general fund increased by \$6.9 million resulting in a total general fund balance of approximately \$27.5 million of which \$27.2 million is cash, both restricted and unrestricted. The non-major funds increased by \$7.2 million.
- The County's governmental net position increased by \$15.6 million as a result of this year's activity, which is illustrated in the Statement of Activities (p.16).
- The County's \$141.9 million in governmental and business-type activity expenses was partially funded with program revenue of \$50.6 million and \$109.0 million funded with general revenue, which is illustrated in the Statement of Activities (p.16).
- The net other postemployment benefit plan (OPEB) obligation for the County as of December 31, 2021 increased \$12.6 million to a total of \$116.0 million. The net pension liability- ERS decreased \$36.7 million to a total of \$.164 million (p.15). See note 2 to the financial statements for more detailed information.

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

**USING THIS ANNUAL REPORT**

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

**REPORTING THE COUNTY AS A WHOLE**

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

These two statements report the County's net position and changes therein. You can think of the County's net position – the difference between assets and deferred inflows and liabilities and deferred outflows – as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating.

You will need to consider other nonfinancial factors, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall health of the County.

In the statement of net position and the statement of activities, we divide the County into three kinds of activities:

- Governmental activities – Most of the County's basic services are reported here, including public safety, public works, economic assistance, health, parks, and general support. Property taxes, sales taxes, franchise fees, and state and federal grants finance most of these activities.
- Business-type activities – The County charges fees to customers to help cover all or most of the costs of certain services it provides. The Water and Sewer Funds beginning January 1, 2017, are reported as business-type activities. The solid waste activities of the County are also reported as business-type activities.
- Component units – The County includes five separate legal entities in its report – the Columbia County Soil and Water Conservation District, the Columbia County Industrial Development Agency, the Columbia Economic Development Corporation, the Columbia Capital Resource Corporation, and the Columbia Tobacco Asset Securitization Corporation (CTASC). Although legally separate, these "component units" are important because the County is financially accountable for them. Information included in the accompanying financial statements regarding the component units has been derived from separately issued audited financial statements which can be obtained from the Columbia County Treasurer's Office.



**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

**REPORTING THE COUNTY'S MOST SIGNIFICANT FUNDS**

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

- Governmental funds – Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for expenditure. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted into cash, as well as liabilities that will be paid using these resources. The governmental funds statements provide a detailed short-term view of the County's general government operation and the basic services it provides. Governmental funds information helps you determine whether there are more or fewer financial resources that can be expended in the near future to finance the County's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in reconciliations to the fund financial statements.
- Fiduciary funds – Used to account for assets held by the County as an agent for individuals, private organizations, other governmental units, and/or other funds.
- Proprietary funds – When the County charges customers for the services it provides – whether to outside customers or to other units of the County – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the County's enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide financial statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

**THE COUNTY AS A WHOLE**

The County's net position increased \$17.7 million during 2021. Over time, net position may serve as one useful indicator of a government's financial condition. A significant portion of the County's net position is represented by capital assets (e.g. land, buildings, infrastructure, machinery, and equipment) less any related outstanding debt used to acquire those assets. The County uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Program expenses in 2021 for the County's Governmental Activities were \$138 million.

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the County's governmental and business-type activities (p. 8 - 9).

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

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

**Table 1**

	Net Position (In Millions)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 74.7	\$ 63.9	\$ 1.1	\$ (0.3)	\$ 75.8	\$ 63.6
Capital and noncurrent assets	81.4	78.0	7.5	2.9	88.9	80.9
Total Assets	<u>156.1</u>	<u>141.9</u>	<u>8.6</u>	<u>2.6</u>	<u>164.7</u>	<u>144.5</u>
Deferred outflows	54.9	38.8	1.4	0.9	56.3	39.7
Current liabilities	34.4	45.8	1.1	0.6	35.5	46.4
Long-term liabilities	170.5	194.8	6.6	4.0	177.1	198.8
Total Liabilities	<u>204.9</u>	<u>240.6</u>	<u>7.7</u>	<u>4.6</u>	<u>212.6</u>	<u>245.2</u>
Deferred inflows	59.8	9.4	1.5	0.2	61.3	9.6
Net position:						
Net investment in capital assets	29.6	28.2	2.4	1.9	32.0	30.1
Restricted	7.5	4.8	-	-	7.5	4.8
Unrestricted	(90.8)	(102.3)	(1.6)	(3.2)	(92.4)	(105.5)
Total net position	<u>\$ (53.7)</u>	<u>\$ (69.3)</u>	<u>\$ 0.8</u>	<u>\$ (1.3)</u>	<u>\$ (52.9)</u>	<u>\$ (70.6)</u>

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

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

**Table 2**

	Changes in Net Assets (In Millions)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Program revenue:						
Charges for services	\$ 10.0	\$ 9.9	\$ 3.1	\$ 3.2	\$ 13.1	\$ 13.1
Operating grants	33.9	31.5	-	-	33.9	31.5
Capital grants	1.3	5.1	2.3	-	3.6	5.1
General revenue:						
Property taxes	45.1	44.2	0.6	0.6	45.7	44.8
Other taxes	60.4	49.2	-	-	60.4	49.2
Other general revenue	2.9	2.8	-	-	2.9	2.8
Total revenue	<u>153.6</u>	<u>142.7</u>	<u>6.0</u>	<u>3.8</u>	<u>159.6</u>	<u>146.5</u>
Program expenses:						
General governmental support	35.5	38.8	-	-	35.5	38.8
Education	5.1	6.3	-	-	5.1	6.3
Public safety	20.9	20.3	-	-	20.9	20.3
Health	16.1	16.9	-	-	16.1	16.9
Transportation	13.7	14.7	-	-	13.7	14.7
Economic assistance and development	40.6	48.8	-	-	40.6	48.8
Culture and recreation	2.7	3.0	-	-	2.7	3.0
Home and community services	1.9	1.9	-	-	1.9	1.9
Debt service - interest	1.5	1.3	-	-	1.5	1.3
Business-type activities:	-	-	3.9	4.2	3.9	4.2
Total expenses	<u>138.0</u>	<u>152.0</u>	<u>3.9</u>	<u>4.2</u>	<u>141.9</u>	<u>156.2</u>
Increase (Decrease) in net position	<u>\$ 15.6</u>	<u>\$ (9.3)</u>	<u>\$ 2.1</u>	<u>\$ (0.4)</u>	<u>\$ 17.7</u>	<u>\$ (9.7)</u>

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

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

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

**Table 3**

	Governmental Activities (In Millions)			
	2021		2020	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government support	\$ 35.5	\$ 32.8	\$ 38.8	\$ 36.6
Public safety	20.9	15.7	20.3	14.2
Health	16.1	3.9	16.9	5.7
Transportation	13.7	7.6	14.7	9.7
Economic assistance and development	40.6	21.7	48.8	26.9
All others	11.2	11.1	12.5	12.3
Totals	<u>\$ 138.0</u>	<u>\$ 92.8</u>	<u>\$ 152.0</u>	<u>\$ 105.4</u>

**THE COUNTY'S FUNDS**

As the County completed the year, its governmental funds (as presented in the balance sheet) reported a combined fund balance of \$35.3 million, which is \$14.1 million more than 2020's total of \$21.2 million. The general fund reported an increase of \$6.9 million in fund balance, and non-major funds reported an increase in fund balance of \$7.2 million (p.19).

An overview of the governmental funds results for 2021 follows. The overview includes more detailed information about sources and uses of funds.

**Table 4**

	Governmental Funds Summary of Revenue (In Millions)			
	2021		2020	
	Revenue	% of total	Revenue	% of total
Real property taxes	\$ 43.6	28.3%	\$ 43.2	30.2%
Real property tax items	1.9	1.2%	1.7	1.2%
Sales and use taxes	60.4	39.2%	49.2	34.4%
Departmental income	9.3	6.0%	8.0	5.6%
Intergovernmental charges	-	0.0%	1.4	1.0%
Use of money and property	2.0	1.3%	2.0	1.4%
Licenses and permits	-	0.0%	-	0.0%
Fines and forfeitures	0.1	0.1%	0.1	0.1%
Sale of property and comp. for loss	0.2	0.1%	0.1	0.1%
Miscellaneous local sources	0.6	0.4%	0.7	0.5%
Interfund revenue	0.6	0.4%	0.4	0.3%
State aid	23.3	15.3%	22.0	15.1%
Federal aid	11.9	7.7%	14.4	10.1%
Total revenue	<u>\$ 153.9</u>	<u>100.0%</u>	<u>\$ 143.2</u>	<u>100.0%</u>

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

**THE COUNTY'S FUNDS (continued)**

	Governmental Funds			
	Summary of Expenditures (In Millions)			
	2021		2020	
	Expenditures	% of total	Expenditures	% of total
General governmental support	\$ 30.7	20.6%	\$ 26.9	18.5%
Education	5.1	3.4%	6.2	4.3%
Public safety	16.2	10.9%	15.0	10.3%
Health	13.9	9.3%	12.1	8.3%
Transportation	12.3	8.3%	9.6	6.6%
Economic assistance and development	37.3	25.0%	34.9	24.0%
Culture and recreation	2.2	1.5%	2.2	1.5%
Home and community services	1.3	0.9%	1.3	0.9%
Employee Benefits	21.9	14.7%	22.7	15.6%
Debt service - principal and interest	4.6	3.1%	4.5	3.1%
Capital outlays	3.5	2.3%	10.0	6.9%
Total expenditures	<u>\$ 149.0</u>	<u>100.0%</u>	<u>\$ 145.4</u>	<u>100.0%</u>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual charges to appropriations (expenditures) were \$1.2 million more than the final budget amounts. The most significant unfavorable variances occurred in General Government Support (\$3.0 million) which was due to sales tax sharing payments to the municipalities and employee benefits (\$2.6 million) which was due primarily to increasing health insurance costs. The most significant favorable variance for appropriations occurred in Health (\$3.0 million) primarily to employee vacancies and reduced spending with providers (p.65).

Resources available for appropriation were approximately \$8.3 million in excess than the final budgeted amount. The most significant favorable variance occurred in sales and use taxes which exceeded budgeted amounts by \$14 million due primarily to an increase in sales tax revenue. The most significant unfavorable variances occurred in federal aid which was \$2.7 million less than budgeted due primarily to DSS programs (offset in expenses) and departmental income which was \$1.1 million less than budgeted due to reduced clinic revenue.

**CAPITAL ASSET, DEBT ADMINISTRATION, AND LONG-TERM LIABILITIES**

**Capital Assets**

At December 31, 2021, the County had \$88.9 million invested in a broad range of capital assets including equipment, buildings, airport facilities, jail, roads, and bridges (see Table 5 on next page).

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

**CAPITAL ASSET, DEBT ADMINISTRATION, AND LONG-TERM LIABILITIES (continued)**

**Table 5**

	Capital Assets at Year End (In Millions)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land and land improvements	\$ 0.6	\$ 0.6	\$ 0.7	\$ 0.7	\$ 1.3	\$ 1.3
Buildings	32.3	32.3	1.2	1.2	33.5	33.5
Machinery and equipment	22.8	22.1	1.9	1.7	24.7	23.8
Infrastructure	64.0	57.8	-	-	64.0	57.8
Construction work in progress	14.2	13.8	5.6	1.0	19.8	14.8
Accumulated depreciation	(52.5)	(48.6)	(1.9)	(1.7)	(54.4)	(50.3)
Totals	\$ 81.4	\$ 78.0	\$ 7.5	\$ 2.9	\$ 88.9	\$ 80.9

At year-end, the County has \$52.7 million in bonds outstanding vs. \$47 million in the prior year. In addition, the County also had short-term capital borrowings of \$4.2 million as of December 31, 2021 compared to \$4.1 million in 2020.

The County's other long-term liabilities consist of \$3.8 million of compensated absences, which represents vacation and sick pay earned by and due to eligible employees upon termination, \$4.2 of EFC financing, which represents interim financing the County is utilizing for a sewer project which was subsequently refinanced into long term financing in 2022, \$118.3 million of other postemployment benefits which represents the accrual for benefits other than pensions due employees upon termination, \$.2 million of net pension liability and \$5.3 million of workers' compensation claims payable (p.50).

**COLUMBIA TOBACCO ASSET SECURITIZATION CORPORATION ACCOUNTING PRESENTATION**

Government Accounting Standards Board Technical Bulletin No. 2004-1 provides authoritative guidance which requires inclusion of the Columbia Tobacco Asset Securitization Corporation (CTASC) as a part of the primary government thereby requiring presentation of the related long-term debt obligations as obligations of the County. The County disagrees with this presentation. It believes that the long-term debt of the CTASC is non-recourse debt of the County and including this debt as debt of the County would be misleading the users of the financial statements. The County has sought and obtained representations from its bond counsel supporting its representation that this debt is non-recourse debt of the County. This representation has been included in the accompanying financial statements following the supplemental information.

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

The County, like most other municipalities in New York State, is normally challenged on a fiscal level by the increases of unpredictable and extraordinary mandated expenses such as retirement costs, fuel and energy costs, Social Services mandates like Medicaid and Welfare programs, snow removal, storm sewer management, and health and liability insurance premium increases. These factors have adversely affected the County, and it is because of these increasing costs and factors that the preparation of the budgets have become increasingly difficult. In addition to the items listed above, in 2011 the New York State Legislature passed legislation limiting the annual growth of local property taxes to 2 percent or the lower of the rate of inflation (Tax Cap).

**COUNTY OF COLUMBIA, NEW YORK  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2021**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND TAX RATES (continued)**

On March 11, 2021, the federal government signed into law The American Rescue Plan (ARP) that addresses issues related to the ongoing pandemic. The ARP Act also created new programs to address continuing pandemic-related crisis and fund recovery efforts. It provided significant funding to local governments and school districts in NYS. The County has been allocated \$11,549,602 of which \$5,774,801 was received on May 19, 2021. The County has formed an ARP Workgroup which meets regularly to allocate how to best spend the funds for the County and its residents. The funds must all be spent by December 31, 2024.

Our overall goal for 2022 continues to be to maintain continuous service to the residents of the County and where possible enhance services while keeping any cost increases to a minimum. The County remains optimistic about its ability to maintain its level of services, minimize property tax increases, and prevent reduction in County personnel.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

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

Columbia County  
County Treasurers Office  
15 North 6<sup>th</sup> Street  
Hudson, NY 12534  
(518) 828-05

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF NET POSITION**  
**December 31, 2021**

Assets	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Total	
Current Assets:				
Cash and equivalents	\$ 34,189,907	\$ 279,920	\$ 34,469,827	\$ 1,629,908
Restricted cash and equivalents	7,668,629	-	7,668,629	1,261,347
Receivables, net of allowance for uncollectibles	14,103,825	144,094	14,247,919	943,363
State and federal receivables	17,479,540	1,356,667	18,836,207	
Due from other governments	446,660	-	446,660	55,352
Internal balances	686,035	(686,035)	-	-
Due from fiduciary and internal service funds	125,122	-	125,122	-
Current portion of notes receivable	-	-	-	527,270
Inventories	48,834	-	48,834	-
Prepaid expenses	-	-	-	14,058
Total current assets	<u>74,748,552</u>	<u>1,094,646</u>	<u>75,843,198</u>	<u>4,431,298</u>
Noncurrent assets:				
Investments held by fiscal agent	-	-	-	997,450
Notes receivable, less current portion	-	-	-	1,140,819
Capital assets:				
Not being depreciated	14,761,888	6,321,740	21,083,628	-
Being depreciated, net	<u>66,614,258</u>	<u>1,172,586</u>	<u>67,786,844</u>	<u>12,740</u>
Total assets	<u>156,124,698</u>	<u>8,588,972</u>	<u>164,713,670</u>	<u>6,582,307</u>
Deferred outflows of resources				
Other postemployment benefits	17,109,927	260,243	17,370,170	-
Pension- ERS	37,777,859	1,118,652	38,896,511	-
Total deferred outflows of resources	<u>54,887,786</u>	<u>1,378,895</u>	<u>56,266,681</u>	<u>-</u>

See notes to financial statements.



**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF NET POSITION**  
**December 31, 2021**

Liabilities	Primary Government			Component Units
	Governmental Activities	Business- Type Activities	Total	
<b>Current liabilities</b>				
Accounts payable	\$ 11,645,434	\$ 427,441	\$ 12,072,875	\$ 28,145
Accrued liabilities	3,543,926	1,409	3,545,335	42,210
Due to other governments	4,597,945	-	4,597,945	-
Due to school districts	7,945,230	-	7,945,230	-
Deposits payable	-	-	-	24,670
EFC financing	-	535,429	535,429	-
Bonds due within one year:				
General obligation bonds	3,747,776	60,080	3,807,856	168,079
Compensated absences	711,297	24,900	736,197	-
Other postemployment benefits liability	2,200,000	20,000	2,220,000	-
<b>Total current liabilities</b>	<b>34,391,608</b>	<b>1,069,259</b>	<b>35,460,867</b>	<b>263,104</b>
<b>Non-current liabilities:</b>				
Bonds due in more than one year:				
General obligation bonds	48,060,179	851,550	48,911,729	745,298
Tobacco settlement bonds	-	-	-	21,061,246
Unearned revenue, long-term portion	-	-	-	54,872
EFC financing	-	3,666,338	3,666,338	-
Workers' compensation claims payable	5,308,000	-	5,308,000	-
Compensated absences	3,032,370	74,700	3,107,070	-
Other postemployment benefits liability	114,042,751	1,991,530	116,034,281	-
Net pension liability - ERS	159,725	4,729	164,454	-
<b>Total liabilities</b>	<b>204,994,633</b>	<b>7,658,106</b>	<b>212,652,739</b>	<b>22,124,520</b>
<b>Deferred inflows of resources</b>				
Unavailable revenues- grants and aid	6,272,054	-	6,272,054	5,237
Pension - ERS	47,918,164	1,418,918	49,337,082	-
Other postemployment benefits	5,625,250	97,342	5,722,592	-
<b>Total deferred inflows of resources</b>	<b>59,815,468</b>	<b>1,516,260</b>	<b>61,331,728</b>	<b>5,237</b>
<b>Net Position</b>				
Net investment in capital assets	29,568,191	2,380,929	31,949,120	12,740
Restricted for:				
Tax stabilization	2,869,027	-	2,869,027	-
Debt service	4,486,257	-	4,486,257	-
Loans and other	122,340	-	122,340	(17,955,344)
Unrestricted (deficit)	(90,843,432)	(1,587,428)	(92,430,860)	2,395,154
<b>Total net deficit</b>	<b>\$ (53,797,617)</b>	<b>\$ 793,501</b>	<b>\$ (53,004,116)</b>	<b>\$ (15,547,450)</b>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF ACTIVITIES**  
**For the year ended December 31, 2021**

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Assets primary Government			
	Expenses	Charges for Services	Operating Grants	Capital Grants	Governmental Activities	Business-Type Activities	Total	Component Units
<b>Governmental activities:</b>								
General government support	\$ 35,524,513	\$ 2,379,898	\$ 345,905	\$ -	\$ (32,798,710)	\$ -	\$ (32,798,710)	\$ -
Education	5,105,569	-	-	-	(5,105,569)	-	(5,105,569)	-
Public safety	20,744,489	1,302,964	3,387,395	484,278	(15,569,852)	-	(15,569,852)	-
Health	16,067,337	4,260,761	7,946,521	-	(3,860,055)	-	(3,860,055)	-
Transportation	13,692,394	752,501	4,537,735	794,030	(7,608,128)	-	(7,608,128)	-
Economic assistance and development	40,632,068	1,318,305	17,592,874	-	(21,720,889)	-	(21,720,889)	-
Culture and recreation	2,740,184	-	55,063	-	(2,685,121)	-	(2,685,121)	-
Home and community services	1,932,464	-	4,634	-	(1,927,830)	-	(1,927,830)	-
Interest	1,492,708	-	-	-	(1,492,708)	-	(1,492,708)	-
Total governmental activities	<u>137,931,726</u>	<u>10,014,429</u>	<u>33,870,127</u>	<u>1,278,308</u>	<u>(92,768,862)</u>	<u>-</u>	<u>(92,768,862)</u>	<u>-</u>
<b>Business-type activities:</b>								
Solid Waste fund	3,670,232	2,749,542	-	66,637	-	(854,053)	(854,053)	-
Sewer fund	110,096	214,771	-	2,275,522	-	2,380,197	2,380,197	-
Non-major funds	106,396	115,275	-	-	-	8,879	8,879	-
Total business-type activities	<u>3,886,724</u>	<u>3,079,588</u>	<u>-</u>	<u>2,342,159</u>	<u>-</u>	<u>1,535,023</u>	<u>1,535,023</u>	<u>-</u>
Total primary government	<u>\$ 141,818,450</u>	<u>\$ 13,094,017</u>	<u>\$ 33,870,127</u>	<u>\$ 3,620,467</u>	<u>(92,768,862)</u>	<u>1,535,023</u>	<u>(91,233,839)</u>	<u>-</u>
<b>Component units:</b>								
Columbia County Soil and Water Conservation District	518,553	12,562	511,031	-	-	-	-	5,040
Columbia Economic Development Corporation	841,851	117,494	589,089	-	-	-	-	(135,268)
Columbia Tobacco Asset Securitization Corporation	1,440,921	13,097	-	-	-	-	-	(1,427,824)
Non-major component units	48,588	42,500	3,774	-	-	-	-	(2,314)
	<u>\$ 2,849,913</u>	<u>\$ 185,653</u>	<u>\$ 1,103,894</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,560,366)</u>
<b>General revenue:</b>								
Real property taxes					43,211,842	488,583	43,700,425	-
Real property tax items					1,903,052	-	1,903,052	-
Sales and use taxes					60,371,082	-	60,371,082	-
Sales of property and compensation for loss					211,987	-	211,987	-
Use of money and property					1,965,277	662	1,965,939	6,292
Other sources					693,801	57,325	751,126	1,167,231
Total general revenue					<u>108,357,041</u>	<u>546,570</u>	<u>108,903,611</u>	<u>1,173,523</u>
Change in net position					15,588,179	2,081,593	17,669,772	(386,843)
Net deficit at beginning of year					(69,385,796)	(1,288,092)	(70,673,888)	(15,160,607)
Net (deficit) at end of year					<u>\$ (53,797,617)</u>	<u>\$ 793,501</u>	<u>\$ (53,004,116)</u>	<u>\$ (15,547,450)</u>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**December 31, 2021**

	General	Non-major Funds	Total
<b>Assets :</b>			
Cash and cash equivalents	\$ 26,061,332	\$ 3,655,849	\$ 29,717,181
Restricted cash	2,991,367	4,677,262	7,668,629
Taxes receivable, net of allowance for uncollectibles	3,845,125	-	3,845,125
School and City taxes receivable	7,486,043	-	7,486,043
Accounts receivable, net of allowance for uncollectibles	2,528,575	244,082	2,772,657
Due from other funds	1,510,921	58,542	1,569,463
State and federal receivables	15,503,027	1,976,513	17,479,540
Due from other governments	145,614	-	145,614
Inventory	48,834	-	48,834
Prepaid expenditures	1,405,698	163,122	1,568,820
Total assets	<u>\$ 61,526,536</u>	<u>\$ 10,775,370</u>	<u>\$ 72,301,906</u>
<b>Liabilities:</b>			
Accounts payable	\$ 9,430,159	\$ 2,215,175	\$ 11,645,334
Accrued expenses	3,200,232	-	3,200,232
Due to school districts	7,945,230	-	7,945,230
Due to other funds	-	758,306	758,306
Due to other governments	4,597,945	-	4,597,945
Due to component units	100	-	100
Total liabilities	<u>25,173,666</u>	<u>2,973,481</u>	<u>28,147,147</u>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenues - grants and aid	6,272,054	-	6,272,054
Unavailable revenues - property taxes	2,624,660	-	2,624,660
Total deferred inflows of resources	<u>8,896,714</u>	<u>-</u>	<u>8,896,714</u>
<b>Fund Balances:</b>			
Non-spendable	1,454,532	-	1,454,532
Restricted:			
Tax stabilization reserve	2,869,027	-	2,869,027
Debt proceeds	-	4,486,257	4,486,257
Miscellaneous reserve	122,340	-	122,340
Assigned:			
Encumbrances	287,845	-	287,845
Health care reserve	801,920	-	801,920
Other assigned	-	3,315,632	3,315,632
Unassigned	21,920,492	-	21,920,492
Total fund balances	<u>27,456,156</u>	<u>7,801,889</u>	<u>35,258,045</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 61,526,536</u>	<u>\$ 10,775,370</u>	<u>\$ 72,301,906</u>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF**  
**NET POSITION**  
**For the year ended December 31, 2021**

Fund balance - all governmental funds	\$	35,258,045
Amounts reported for governmental activities in the statement of net position are different due to the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		81,376,146
Long-term liabilities, including bonds payable and other debt, are not due and payable in the current period and are, therefore, not reported in the funds.		(51,807,955)
Deferral of inflows of resources for property taxes earned in the current year is recognized as revenue under the accrual basis of accounting.		2,624,660
Other postemployment benefits are recognized as a liability under full accrual accounting.		(116,242,751)
Compensated absences are recongnized as a liability under full accrual accounting.		(3,743,667)
Net pension liability (ERS) is recognized as a liability under full accrual accounting.		(159,725)
Interest expense is recorded on cash basis in the funds but on the accrual basis of accounting for full accrual accounting.		(343,694)
The worker's compensation fund reports receivables from other participating governments, cash, prepaid expenses and current liabilities in its internal service fund which represents the non-County portion of the liability.		4,773,772
Workers compensation claims payable are recognized as liabilities under full accrual accounting.		(5,308,000)
Prepaid items related to net pension liability are reported in the governmental funds but are not reported in the government-wide net position.		(1,568,820)
Some deferred inflows and outflows are not reported in governmental funds. These consist of the following:		
Deferred outflows of resources - pensions		37,777,859
Deferred outflows of resources - OPEB		17,109,927
Deferred inflows of resources - pensions		(47,918,164)
Deferred inflows of resources - OPEB		(5,625,250)
		<hr/>
Net position of the governmental activities	\$	<u><u>(53,797,617)</u></u>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**For the year ended December 31, 2021**

	General	Non-major Funds	Total
Revenue:			
Real property taxes	\$ 33,396,757	\$ 10,251,014	\$ 43,647,771
Real property tax items	1,903,052	-	1,903,052
Sales and use taxes	60,371,082	-	60,371,082
Departmental income	9,330,772	438	9,331,210
Intergovernmental charges	2,360	-	2,360
Use of money and property	362,250	1,603,027	1,965,277
Licenses and permits	7,948	-	7,948
Fines and forfeitures	72,649	-	72,649
Sales of property and compensation for loss	150,765	61,222	211,987
Miscellaneous local sources	568,500	22,208	590,708
Interfund revenue	-	600,262	600,262
State aid	18,282,248	5,007,741	23,289,989
Federal aid	11,286,323	572,123	11,858,446
Total revenue	<u>135,734,706</u>	<u>18,118,035</u>	<u>153,852,741</u>
Expenditures:			
General government support	30,713,110	-	30,713,110
Education	4,639,461	483,008	5,122,469
Public safety	16,179,823	6,308	16,186,131
Health	13,851,477	6,828	13,858,305
Transportation	552,534	11,789,547	12,342,081
Economic assistance and development	37,348,976	-	37,348,976
Culture and recreation	2,155,927	5,278	2,161,205
Home and community services	1,308,897	-	1,308,897
Employee benefits	19,180,136	2,763,839	21,943,975
Debt service - principal and interest	2,922,030	1,642,006	4,564,036
Capital outlays	-	3,539,785	3,539,785
Total expenditures	<u>128,852,371</u>	<u>20,236,599</u>	<u>149,088,970</u>
Excess (deficiency) of revenue over expenditures	<u>6,882,335</u>	<u>(2,118,564)</u>	<u>4,763,771</u>
Other financing sources:			
Serial bond	-	8,505,000	8,505,000
Premium on bond issuance	-	841,678	841,678
Total other financing sources	<u>-</u>	<u>9,346,678</u>	<u>9,346,678</u>
Net change in fund balances	6,882,335	7,228,114	14,110,449
Fund balances at beginning of year	20,573,821	573,775	21,147,596
Fund balances at end of year	<u>\$ 27,456,156</u>	<u>\$ 7,801,889</u>	<u>\$ 35,258,045</u>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND**  
**BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the year ended December 31, 2021**

Net changes in fund balance - total governmental funds	\$ 14,110,449
Capital outlays, net of dispositions are expenditures in governmental funds, but are capitalized in the statement of net assets.	7,464,599
Depreciation is not recorded as an expenditure in the governmental funds, but is recorded in the statement of activities.	(4,154,950)
Property tax revenue is recorded to the extent it is received within 60 days of year-end for governmental funds, but in the statement of activities, this revenue is recorded as earned upon levy.	(435,929)
Repayments of long-term debt are recorded as expenditures in the governmental funds, but are recorded as payments of liabilities in the statement of net position.	3,164,386
Proceeds of long-term debt are recorded as revenues in the governmental funds, but are recorded as a liability in the statement of net position.	(9,346,978)
Amortization of bond premiums is not recorded in the governmental funds but is in the statement of net position.	103,093
Accrued postemployment benefits, compensated absences, and settlements and claims do not require the expenditure of current resources and are, therefore, not reported as expenditures in the governmental funds.	(12,244,134)
Certain items related to the change in net pension liability are reflected in the statement of net position.	
Net pension liability	42,336,672
Deferred outflows of resources - pensions	12,372,586
Deferred outflows of resources - OPEB	3,685,696
Deferred inflows of resources - pensions	(45,463,853)
Deferred inflows of resources - OPEB	1,361,027
Prepaid expense	(1,568,820)
Expenses for payments to the internal service fund are recognized as expenses in the governmental funds as paid, but are recognized in the statement of activities as incurred.	4,297,104
Interest is accrued on the outstanding bonds on the statement of net assets but is not recorded as an expenditure in the governmental funds.	(92,769)
Change in net position of governmental activities	\$ 15,588,179

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**December 31, 2021**

	Business-type Activities				Internal service fund
	Enterprise funds				
	Solid Waste Fund	Sewer Fund	Non-major funds	Total	
<b>Assets</b>					
Current Assets:					
Cash and equivalents	\$ 54,410	\$ 66,127	\$ 159,383	\$ 279,920	\$ 4,472,726
Accounts receivable, net	74,494	45,384	24,216	144,094	534,228
State and federal receivables	17,012	1,339,655	-	1,356,667	-
Due from other governments	-	-	-	-	280,465
Due from other funds	-	-	214,468	214,468	26,027
Total current assets	<u>145,916</u>	<u>1,451,166</u>	<u>398,067</u>	<u>1,995,149</u>	<u>5,313,446</u>
Noncurrent assets:					
Capital assets:					
Capital assets - not being depreciated	1,098,702	5,223,038	-	6,321,740	-
Capital assets - net of depreciation	1,172,586	-	-	1,172,586	-
Total noncurrent assets	<u>2,271,288</u>	<u>5,223,038</u>	<u>-</u>	<u>7,494,326</u>	<u>-</u>
Total assets	<u>2,417,204</u>	<u>6,674,204</u>	<u>398,067</u>	<u>9,489,475</u>	<u>5,313,446</u>
Deferred outflows of resources - OPEB	260,243	-	-	260,243	-
Deferred outflows of resources - pension - ERS	1,079,117	39,535	-	1,118,652	-
<b>Liabilities</b>					
Current liabilities:					
Bonds payable	60,080	-	-	60,080	-
EFC financing	-	535,429	-	535,429	-
Accounts payable	277,261	134,291	15,889	427,441	5,446
Accrued liabilities	-	1,409	-	1,409	-
Due to other funds	891,441	9,062	-	900,503	-
Compensated absences	24,900	-	-	24,900	-
Other postemployment benefits	20,000	-	-	20,000	-
Total current liabilities	<u>1,273,682</u>	<u>680,191</u>	<u>15,889</u>	<u>1,969,762</u>	<u>5,446</u>
Noncurrent liabilities:					
Bonds payable	851,550	-	-	851,550	-
EFC financing	-	3,666,338	-	3,666,338	-
Other postemployment benefits liability	1,991,530	-	-	1,991,530	-
Compensated absences	74,700	-	-	74,700	-
Net pension liability - ERS	4,562	167	-	4,729	-
Accrued workers' compensation liability	-	-	-	-	5,308,000
Total noncurrent liabilities	<u>2,922,342</u>	<u>3,666,505</u>	<u>-</u>	<u>6,588,847</u>	<u>5,308,000</u>
Total liabilities	<u>4,196,024</u>	<u>4,346,696</u>	<u>15,889</u>	<u>8,558,609</u>	<u>5,313,446</u>
Deferred inflows of resources - OPEB	97,342	-	-	97,342	-
Deferred inflows of resources - pension - ERS	1,368,772	50,146	-	1,418,918	-
<b>Net position (deficit):</b>					
Net investment in capital assets	1,359,658	1,021,271	-	2,380,929	-
Unrestricted	(3,265,232)	1,295,626	382,178	(1,587,428)	-
Total net position (deficit)	<u>\$ (1,905,574)</u>	<u>\$ 2,316,897</u>	<u>\$ 382,178</u>	<u>\$ 793,501</u>	<u>\$ -</u>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET POSITION –**  
**PROPRIETARY FUNDS**  
**For the year ended December 31, 2021**

	Business-type Activities				Internal service fund Self Insured Workers' Compensation Plan
	Enterprise funds				
	Solid Waste Fund	Sewer	Non-major funds	Total	
Operating revenue:					
Charges for services	\$ 2,749,542	214,771	\$ 115,275	\$ 3,079,588	\$ 2,537,737
State grants	31,345	-	-	31,345	-
Federal grants	35,292	897	-	36,189	-
Other operating revenue	-	-	-	-	43,905
Total operating revenue	<u>2,816,179</u>	<u>215,668</u>	<u>115,275</u>	<u>3,147,122</u>	<u>2,581,642</u>
Operating expenses:					
Personnel services	1,168,091	39,391	-	1,207,482	7,395
Employee benefits	484,444	2,011	-	486,455	1,595,276
Administrative and fiscal services	-	-	-	-	993,427
Depreciation and amortization	181,107	-	-	181,107	-
Home and community service	1,812,994	68,694	106,396	1,988,084	-
Total operating expenses	<u>3,646,636</u>	<u>110,096</u>	<u>106,396</u>	<u>3,863,128</u>	<u>2,596,098</u>
Debt service:					
Interest	23,596	-	-	23,596	-
Operating gain/(loss)	<u>(854,053)</u>	<u>105,572</u>	<u>8,879</u>	<u>(739,602)</u>	<u>(14,456)</u>
Non-operating revenue:					
Real property tax	488,583	-	-	488,583	-
State grants for capital expenditures	-	2,274,625	-	2,274,625	-
Interest income	71	466	125	662	14,456
Other non-operating revenue	57,325	-	-	57,325	-
Total non-operating revenue	<u>545,979</u>	<u>2,275,091</u>	<u>125</u>	<u>2,821,195</u>	<u>14,456</u>
Change in net position	(308,074)	2,380,663	9,004	2,081,593	-
Net position (deficit) at beginning of year	(1,597,500)	(63,766)	373,174	(1,288,092)	-
Net position (deficit) at end of year	<u>\$ (1,905,574)</u>	<u>\$ 2,316,897</u>	<u>\$ 382,178</u>	<u>\$ 793,501</u>	<u>\$ -</u>

See notes to financial statements.



**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS**  
**For the year ended December 31, 2021**

	Business-type Activities				
	Enterprise Funds				Internal service fund
	Solid Waste Fund	Sewer	Non-major funds	Total	Workers' Compensation Plan
Cash flows from operating activities:					
Cash received from providing services	\$ 2,753,458	\$ 223,636	\$ 119,577	\$ 3,096,671	\$ 2,534,617
Cash received for state grant	49,625	-	-	49,625	-
Cash payments to suppliers	(1,453,328)	(721,280)	(114,852)	(2,289,460)	(837,087)
Cash payments to employees and contractual services	(1,868,383)	(54,931)	-	(1,923,314)	(1,602,671)
Other operating revenue (expense)	(23,596)	-	-	(23,596)	43,905
Net cash provided by (used in) operating services	(542,224)	(552,575)	4,725	(1,090,074)	138,764
Cash flows from non-capital financing activities:					
Subsidy from County	488,583	-	-	488,583	-
Interest and finance charges	71	466	125	662	14,456
Net cash provided by non-capital financing activities	488,654	466	125	489,245	14,456
Cash flows from capital and related financing activities:					
EFC financing issuance	-	4,201,767	-	4,201,767	-
Principal payments on bonds	(55,617)	-	-	(55,617)	-
Unamortized Bond Premiums	(2,463)	-	-	(2,463)	-
Purchase of property, plant, and equipment	(198,496)	(4,586,536)	-	(4,785,032)	-
State grants	-	934,970	-	934,970	-
Other income	57,325	-	-	57,325	-
Net cash used in capital and related financing activities	(199,251)	550,201	-	350,950	-
Net change in cash and equivalents	(252,821)	(1,908)	4,850	(249,879)	153,220
Cash and equivalents at beginning of year	307,231	68,035	154,533	529,799	4,319,506
Cash and equivalents at end of year	\$ 54,410	\$ 66,127	\$ 159,383	\$ 279,920	\$ 4,472,726
Reconciliation of operating loss to net cash provided by (use in) operating activities:					
Operating (loss) income	\$ (854,053)	\$ 105,572	\$ 8,879	\$ (739,602)	\$ (14,456)
Depreciation and amortization expense	181,107	-	-	181,107	-
Changes in:					
Accounts receivable	3,916	7,968	4,302	16,186	4,297,104
State and federal receivables	(17,012)	-	-	(17,012)	-
Due from other governments	-	-	-	-	2,146,278
Deferred outflows of resources - pensions	(28,529)	(13,750)	-	(42,279)	-
Deferred outflows of resources - OPEB	(427,836)	-	-	(427,836)	-
Accounts payable	(2,524)	101,928	(8,456)	90,948	(42,667)
Accrued liabilities	(61,093)	(1,458)	-	(62,551)	(6,221,468)
Due to/from other funds	423,283	(753,056)	-	(329,773)	(26,027)
Due to employees' retirement system	(112,865)	(4,469)	-	(117,334)	-
Net pension liability	(1,084,860)	(42,965)	-	(1,127,825)	-
Net other post employment liability	152,590	-	-	152,590	-
Deferred inflows of resources - pensions	1,305,854	47,655	-	1,353,509	-
Deferred inflows of resources - OPEB	(27,951)	-	-	(27,951)	-
Compensated absences	7,749	-	-	7,749	-
Net cash provided by (used in) operating activities	\$ (542,224)	\$ (552,575)	\$ 4,725	\$ (1,090,074)	\$ 138,764

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS**  
**December 31, 2021**

	Custodial Fund
Assets	
Cash and cash equivalents	\$ 908,717
Accounts receivable	<u>13,397</u>
Total assets	<u>\$ 922,114</u>
Liabilities	
Accounts payable and other liabilities	<u>-</u>
Total liabilities	<u>\$ -</u>
Fiduciary net position-held for others:	
Bail, court and trust	488,716
Group insurance	74,460
Social services trust	347,773
Other	<u>11,165</u>
Total net position	<u>\$ 922,114</u>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS**  
**For the year ended December 31, 2021**

	Custodial Funds
Additions	
Contributions	
Plan members	\$ 264,991
Total contributions	<u>264,991</u>
Investment earnings:	
Interest	<u>683</u>
Total investment earnings	683
Other additions:	
Bail	100,500
Court and trust	186,219
SSI benefits	970,988
Other	<u>2,279</u>
Total additions	<u><u>1,525,660</u></u>
Deductions	
Benefits paid to participants or beneficiaries	452,318
Benefits paid to individuals	914,876
Payments to County	<u>35,410</u>
Total deductions	<u>1,402,604</u>
Net increase (decrease) in fiduciary net position	123,056
Net Position- beginning	<u>799,058</u>
Net Position- ending	<u><u>\$ 922,114</u></u>

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF NET POSITION – COMPONENT UNITS**  
**December 31, 2021**

	Columbia County Soil and Water Conservation District	Columbia County Economic Development Corporation	Columbia County Tobacco Asset Securitization Corporation	Nonmajor Component Units	Total
<b>Assets</b>					
Current Assets:					
Cash and equivalents	\$ 41,908	\$ 1,507,154	\$ 36,609	\$ 44,237	\$ 1,629,908
Restricted cash and equivalents	808,034	14,670	-	-	822,704
Receivables:					
Receivables	-	50,675	876,711	-	927,386
Due from other governments	-	55,352	-	-	55,352
Land sale receivable	-	9,918	-	6,059	15,977
Notes	-	527,270	-	-	527,270
Prepaid expenses	10,108	-	1,282	2,668	14,058
Total current assets	860,050	2,165,039	914,602	52,964	3,992,655
Noncurrent assets:					
Investments held by fiscal agent	-	-	997,450	-	997,450
Restricted escrow account	-	413,825	-	21,618	435,443
Security deposit	-	3,200	-	-	3,200
Land sale receivable, net, less current portion	-	-	-	-	-
Notes receivable, net, less current portion	-	1,140,819	-	-	1,140,819
Capital assets being depreciated, net	-	12,740	-	-	12,740
Total noncurrent assets	-	1,570,584	997,450	21,618	2,589,652
Total assets	\$ 860,050	\$ 3,735,623	\$ 1,912,052	\$ 74,582	\$ 6,582,307
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 16,222	\$ 11,923	\$ -	\$ 28,145
Accrued liabilities	-	8,674	33,536	-	42,210
Deposits payable	-	14,670	-	-	14,670
Loans due within one year	-	150,020	-	18,059	168,079
Debt reserve deposit	-	10,000	-	-	10,000
Total current liabilities	-	199,586	45,459	18,059	263,104
Noncurrent liabilities:					
Loans due in more than one year	-	723,680	21,116,857	21,618	21,862,155
Unamortized discount	-	-	(55,611)	-	(55,611)
Unearned revenue, long-term portion	-	54,872	-	-	54,872
Debt reserve deposit	-	-	-	-	-
Total noncurrent liabilities	-	778,552	21,061,246	21,618	21,861,416
Total liabilities	-	978,138	21,106,705	39,677	22,124,520
Deferred inflows of resources	-	5,237	-	-	5,237
<b>Net position (deficit):</b>					
Net investment in capital assets	-	12,740	-	-	12,740
Restricted	808,034	467,884	(19,231,262)	-	(17,955,344)
Unrestricted	52,016	2,271,624	36,609	34,905	2,395,154
Total net position (deficit)	860,050	2,752,248	(19,194,653)	34,905	(15,547,450)
Total liabilities and net position	\$ 860,050	\$ 3,735,623	\$ 1,912,052	\$ 74,582	\$ 6,582,307

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF ACTIVITIES – COMPONENT UNITS**  
**For the year ended December 31, 2021**

Functions/Programs	Expenses	Program Revenue			Net Revenue (Expenses) and Changes in Net Position				
	General	Charges for Services	Operating Grants and Contributions	Appropriations	Columbia County Soil and Water Conservation District	Columbia County Economic Development Corporation	Columbia County Tobacco Asset Securitization Corporation	Nonmajor Component Units	Total
Soil and Water Conservation District	\$ 518,553	\$ 12,562	\$ 215,011	\$ 296,020	\$ 5,040	\$ -	\$ -	\$ -	\$ 5,040
Columbia Economic Development Corporation	841,851	117,494	221,089	368,000	-	(135,268)	-	-	(135,268)
Columbia Tobacco Asset Securitization Corporation	1,440,921	13,097	-	-	-	-	(1,427,824)	-	(1,427,824)
Nonmajor Component Units	48,588	42,500	3,774	-	-	-	-	(2,314)	(2,314)
<b>Total Component Units</b>	<b>\$ 2,849,913</b>	<b>\$ 185,653</b>	<b>\$ 439,874</b>	<b>\$ 664,020</b>	<b>5,040</b>	<b>(135,268)</b>	<b>(1,427,824)</b>	<b>(2,314)</b>	<b>(1,560,366)</b>
General Revenue									
Unrestricted use of money and property					1,178	4,623	487	4	6,292
Forgiveness paycheck protection loan					-	132,814	-	-	132,814
Miscellaneous					1,251	32,992	999,628	546	1,034,417
Total general revenue					2,429	170,429	1,000,115	550	1,173,523
Change in net position					7,469	35,161	(427,709)	(1,764)	(386,843)
Net position (deficit) at beginning of year					852,581	2,717,087	(18,766,944)	36,669	(15,160,607)
Net position (deficit) at end of year					\$ 860,050	\$ 2,752,248	\$ (19,194,653)	\$ 34,905	\$ (15,547,450)

See notes to financial statements.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the County of Columbia, New York (the “County”) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The following is a summary of significant accounting policies and reporting practices of the County.

The County, which was established in 1786, is governed by County law and other general laws of the State of New York. The governing body consists of 23 supervisors. The Chairman of the Board of Supervisors, elected by the Board each year, is the Chief Executive Officer of the County, the County Treasurer, elected for a four-year term, is the Chief Fiscal Officer of the County, the County Clerk, Sheriff, District Attorney and three coroners are constitutional officials and are elected in accordance with Constitutional provisions.

The County provides the following basic services: general governmental support, education, public safety, health, transportation, highways and streets, economic assistance and development, culture and recreation, and home and community services.

**A. Financial Reporting Entity**

The financial reporting entity consists of (a) the primary government which is the County of Columbia, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete as set forth in GASB Statement No. 14 – “The Financial Reporting Entity” as amended by GASB Statement No. 39 – “Determining Whether Certain Organizations are Component Units”, and GASB Statement No. 61 – “The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34”.

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit as a part of the County’s reporting entity is generally based on criteria set forth in GASB Statement No. 14 as amended by GASB Statements No. 39 and No. 61, including legal standing, fiscal dependency, and financial accountability. Despite the guidance provided in Statement No. 39, the County has elected to treat the Columbia Tobacco Asset Securitization Corporation as a discretely presented component unit instead of as a blended component unit. Based on the application of these criteria, the following are included as discretely presented component units:

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

Columbia Economic Development Corporation (CEDC)(Major Component Unit) – The CEDC is a public benefit corporation created by State legislation to promote and develop industry and employment within the County. CEDC is fiscally dependent and financially accountable to the County. The County is represented by one ex-officio (nonvoting) member of the CEDC Board of Directors.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

A. Financial Reporting Entity (Continued)

Columbia County Industrial Development Agency (IDA)(Non-major Component Unit) – The IDA is a public benefit corporation created by State legislation to promote the economic welfare, recreational opportunities and prosperity of the County and its inhabitants. The IDA's 7 member board is appointed by the County's Board of Supervisors.

Columbia Tobacco Asset Securitization Corporation (CTASC)(Major Component Unit) – This entity was incorporated October 28, 2000 as a local development corporation by the County under the provisions of Section 1411 of the New York State Not-for-Profit Corporation Law. Its purpose is to issue bonds securitized solely from County Tobacco Settlement Revenues under the Master Settlement agreement dated November 23, 1998, purchased from the County under the Purchase and Sale Agreement dated October 15, 2000 and November 15, 2005, and to forward to the County the net proceeds from the bond issuances. GASB Technical Bulletin No. 2004-1 requires that CTASC be treated as a blended component unit of the County and reported as a part of the primary government. Despite this guidance, the County has elected to treat CTASC as a discretely presented component unit.

Columbia County Capital Resource Corporation (CRC)(Non-major Component Unit) – This component unit of the County was established in October 2009 by the Columbia County Board of Supervisors under the laws of the State of New York to promote economic growth in the County of Columbia, New York. This is done primarily through the administration of tax exempt bonds. The CRC's 7 member board is appointed by the County's Board of Supervisors.

The financial statements of each discretely presented component unit may be obtained from the Columbia County Treasurer at 15 North 6<sup>th</sup> Street, Hudson, New York, 12534.

A joint venture entered into between the County and another local governmental entity is excluded from the reporting entity (see Note 4).

B. Basic Financial Statements

The County's basic financial statements include both Government-wide (reporting the County as a whole) and Governmental Funds financial statements (reporting the County's governmental funds). Both the Government-wide and Governmental Funds financial statements categorize primary activities as either Governmental or Business-type. The County's general governmental support, education, public safety, health, transportation, highways and streets, economic assistance and development, culture and recreation, and home and community services are classified as Governmental Activities.

1. Government-Wide Financial Statements

The Government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of activities for the primary government and for the County's discretely presented component units. Government-wide financial statements do not include the activities reported in the Fiduciary Funds. This government-wide presentation is focused on the sustainability of the County as an entity and the change in the County's net position resulting from its current year's activities.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Basic Financial Statements (Continued)

1. Government-Wide Financial Statements (Continued)

The Government-wide statements of net position and activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

The statement of activities reports both the gross and net cost for each of the County's functions or programs. Gross expenses are direct expenses, including depreciation, that are specifically associated with a service, program or department and, therefore, are clearly identifiable to a particular function. These expenses are offset by program revenues – charges paid by the recipients of the goods or services offered by the program, grants, and contributions that are restricted to meeting the program or capital requirements of a particular program. Revenue which is not classified as program revenue is presented as general revenue of the County, with certain limited exceptions. Net cost represents the extent to which each function or program is self-financing or draws from the general revenue of the County.

2. Governmental Fund Financial Statements

The financial transactions of the County are reported in individual funds in the Governmental Funds financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, reserves, fund equity, revenue, and expenditures or expenses. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government function or activities. The County records its transactions using the following fund types and account groups:

Governmental Funds – Governmental Funds are those through which most governmental functions are financed. The acquisition, use and balances of expendable financial resources, and the related liabilities are accounted for through Governmental Funds. The measurement focus of the Governmental Funds is based upon determination of financial position and changes in financial position.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB Statements No. 34 sets forth criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The County's Governmental Funds are as follows:

Major Funds:

General Fund – Principal operating fund of the County: includes all operations not required to be accounted for in other funds.



**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Basic Financial Statements (Continued)

2. Governmental Fund Financial Statements (Continued)

Capital Projects Non-Major Fund – Established to account for financial resources used for the acquisition or construction of major capital projects (other than those reported in the proprietary funds).

Special Revenue Non-Major Funds:

County Road Fund – Established to account for revenue and expenditures related to the construction and maintenance of County roads in accordance with New York State laws.

Road Machinery Fund – Established to account for revenues and expenditures related to the purchase, repair, maintenance, and storage of highway machinery, tools, and equipment in accordance with New York State laws.

Special Revenue Fund – Established to account for those revenues that are legally restricted to expenditures for specific purposes. The fund is also used to account for trusts that benefit the local government where principal and interest may be expended.

Special Grant Fund – Established to account for the expenditures relating to the promotion of economic development and the prosperity of the County and its inhabitants through the use of Community Development Block Grants.

Proprietary Funds – Established to account for activities which are similar to those often found in the private sector. The costs of providing goods or services to the general public are accounted for in these funds and are financed or recovered primarily through user fees. The measurement focus is the full accrual, economic resource basis for purposes of determination of operating income, changes in net position, financial position, and cash flows. The following Proprietary Funds are utilized:

Solid Waste Fund – Established to account for revenue and expenditures associated with recycling and waste management programs.

Sewer Fund – Established to account for revenues and expenditures related to operation of the industrial park sewer district. The County is in the construction phase of a new sewer line that will serve new customers and generate additional revenue. The new sewer line will be funded by a New York State grant and debt proceeds from the Environmental Facilities Corporation.

Water Fund (Non-major) – Established to account for water operations for the industrial park water district.

Internal Service Fund – Used to account for special activities or services provided by one department to other departments or to other governments on a cost reimbursement basis. The Internal Service fund is used to account for the County's self-insured workers' compensation plan.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

B. Basic Financial Statements (Continued)

2. Governmental Fund Financial Statements (Continued)

Fiduciary Funds – Fiduciary funds are used to account for assets held by the County as an agent for individuals, private organizations, other governmental units, and/or other funds. The County maintains one fiduciary fund, the Custodial Fund.

C. Basis of Accounting/Measurement Focus

Basis of accounting refers to when revenue and expenditures/expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus. Measurement focus is the determination of what is measured, i.e. expenditures or expenses.

1. Accrual Basis – The Government-wide financial statements and the Proprietary and Fiduciary Funds financial statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the County’s assets, deferred outflows, liabilities and deferred inflows, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenue is recognized when earned and expenses are recognized when incurred.
2. Modified Accrual Basis – The governmental fund financial statements are presented using the modified accrual basis. Under this basis of accounting, revenue is recorded when measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Material revenue that is accrued includes: real property taxes, State and Federal aid, sales tax, and certain user charges. The County considers property tax receivables collected within 60 days after year-end to be available and recognizes them as revenue of the current year. All other revenue deemed collectible within one year after year-end is recognized as revenue in the current year. Because expenditures are the prime factor for determining eligibility, revenue from Federal and State grants is accrued when the related expenditures are made.

Expenditures are recorded when incurred. The costs of capital assets are recognized as expenditures when funds are expended. Exceptions to this general rule are that (1) principal and interest on indebtedness are not recognized as expenditures until due, (2) compensated absences, such as vacation and sick leave which vests or accumulates, are recognized as expenditures when paid, and (3) other post-employment benefits, such as retiree health insurance, is recognized as an expenditure when paid.

D. Cash and Equivalents/Investments

For financial statement purposes, the County considers all highly-liquid investments with original maturities of three months or less to be cash equivalents. Investments consist of certificates of deposit with original maturities greater than three months and are valued at cost, which approximates fair value.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Cash and Equivalents/Investments (Continued)

*Restricted Cash and Cash Equivalents*

Restricted cash and cash equivalents represent amounts to support fund balance restrictions, unearned revenue and debt proceeds set aside for a specific purpose.

E. Budget Policies

Budgets are adopted annually on a basis of accounting consistent with GAAP for the General, County Road, Road Machinery, Solid Waste, Sewer, Water, and Capital Funds. Appropriations authorized for the current year are increased by the amount of any encumbrances carried forward from the prior year. Encumbrances are not considered as disbursements in the financial plan or as expenditures in the GAAP-based financial statements, but reserve a portion of the applicable appropriation, thereby ensuring that the appropriations are not exceeded.

No later than November 15<sup>th</sup>, the budget officer submits a tentative budget to the Clerk of the Board of Supervisors for the fiscal year commencing the following January 1<sup>st</sup>. The tentative budget includes proposed expenditures and the proposed means of financing for all funds, except Special Grant and Special Revenue Funds.

After public hearings are conducted to obtain taxpayer comments, no later than December 20<sup>th</sup>, the County Board of Supervisors adopts the budget.

Budget modifications to the budgets so adopted are authorized by resolution of the County Board of Supervisors.

Budgetary controls are established for the Capital Projects Fund through resolutions authorizing individual projects and remain in effect for the lives of the projects. Budgetary controls for the Self-Insurance Fund are established through separate annual resolutions.

F. Real Property Taxes

Unpaid school district taxes are turned over to the County for collection. All such taxes are paid to the various jurisdictions and the County obtains ultimate collection responsibility for the unpaid taxes. Any such taxes remaining unpaid at year-end are re-levied as County taxes in the following year.

All properties for which County taxes remain unpaid are subject to lien by the County. Such properties are held for a mandatory two-year period after which the properties are subject to a tax sale.

In the Government-wide financial statement, real property taxes levied are recognized as revenue in the current period, net of an allowance for uncollectible accounts. The Governmental Fund financial statements recognize as revenue only those amounts collected within 60 days following the end of the fiscal year. The remaining balance is recognized as deferred inflows of financial resources.

G. Receivables

Accounts receivable are stated net of an allowance for uncollectible accounts. The County evaluates outstanding receivables based on their age, payment history and availability of collateral. As of December 31, 2021, a provision for taxes receivable was \$3,471,702 and other receivable of \$15,277, respectively.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

H. Capital Assets

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

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

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	\$ 5,000	N/A	N/A
Buildings and improvements	5,000	Straight-line	15-40
Vehicles and equipment	5,000	Straight-line	5-25
Land improvements	5,000	Straight-line	5-40
Infrastructure	5,000	Straight-line	20-100

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

I. Self-Insurance

The County sponsors and participates in a self-insurance plan for workers' compensation under Local Law No. 1 and 2 of 1956, pursuant to Article 5 of the Workers' Compensation Law. The plan is open to any eligible municipality, school district, or public entity within the County. At December 31, 2021, there were 23 participating municipalities, including the County. Effective August 1, 2021, the County contracts with the Public Employer Management Association Workers' Compensation & Association ("PERMA"). PERMA collects an annual contribution and is then responsible for all claims of the self-insurance plan. The County is only liable for additional costs in the event PERMA becomes insolvent.

The County is responsible for administration of the plan and its reserves for the tail coverage period through July 31, 2021. Participant contributions, which are financed on a pay-as-you-go basis, are assessed on an estimated claim basis with excess contributions transferred to the reserve at the end of the fiscal year. Liabilities are recorded when it is probable that a loss has been incurred and the amount of loss can be reasonably estimated. The total liability is recorded at its present value of \$5,308,000 in the Government-wide statement of net position which represents the portion to be liquidated with expendable and available financial resources of the County and other plan participants as of December 31, 2021. This liability is offset by cash reserves and assessment receivables from non-County participants of \$4,773,772 at December 31, 2021. Benefits and awards expenditures for the year ended December 31, 2021 were \$1,181,587 while \$697,547 was paid to PERMA for the August 1, 2021 through December 31, 2021 period.

The County has established an administrative only self-insurance medical plan as of January 1, 2015. The County is also a Pharmaceutical Benefit Manager (PBM) for prescribed medications.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

J. Compensated Absences

Under the terms of various union contracts and pursuant to resolutions authorized by the Board of Supervisors, employees are allowed to accrue sick leave at the rate of one day per month (12 days per year). Sick leave credits may be accumulated to a maximum of 220 days or more if approved by the department head. Upon retirement and with 10 years of service, an employee is entitled to convert the cash value of sick days toward future contributions to the group health insurance plan at the rate of \$100 per day for UPSEU and management exempt entitled to benefits, \$115 per day for Sheriff Benevolent Association employees, \$75 per day for the 911 Dispatchers Benevolent Association, and \$115 per day for Correction Officer's Benevolent Association employees. No cash payments are made for accrued sick time.

Based upon the number of years of service, employees are entitled to carryover vacation which vests on January 1<sup>st</sup> of each year for the following year's employment. A maximum of one year's earned vacation plus 15 days of vacation can be carried over for UPSEU and management exempt employees entitled to benefits, 10 days for Sheriff Benevolent Association employees, and 240 hours for Correction Officer's Benevolent Association and E911 employees for use in the following year. Upon termination of employment, UPSEU, 911 Dispatchers Benevolent Association, and Correction Officer's Benevolent Association are paid for all accrued vacation. Management exempt entitled to benefits is paid to a maximum of 240 hours. Sheriff Benevolent Association employees are entitled to a cash payout of all unused vacation time accrued up to a one-year entitlement.

In addition to accrued vacation and sick time, certain employees are entitled to accumulated comp time. This time can be paid out at any time during the employee's employment or at termination.

K. Other Post-employment 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 2(B)(2).

L. Equity and Fund Balance Classifications

In the Government-wide statements, equity is classified as net position and displayed in three components:

1. Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – consists of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position – consists of net position without constraints.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

L. Equity and Fund Balance Classifications (Continued)

In governmental statements, fund balance is reported in five different classifications; non-spendable, restricted, committed, assigned, and unassigned.

1. Non-spendable consists of amounts that are inherently non-spendable in the current period either because of their form or because they must be maintained intact, including prepaid items, inventories, long-term portions of loans receivable, financial assets held for resale, and principal of endowments.
2. 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 or enabling legislation.
3. Committed consists of amounts that are subject to a purpose constraint imposed by a formal action of the government's highest level of decision-making authority before the end of the fiscal year, and that require the same level of formal action to remove the constraint. The County Board of Supervisors is the decision-making authority that can, by Board resolution, commit fund balance.
4. Assigned consists of amounts that are subject to purpose constraints that represent an intended use established by the government's highest level of decision-making authority, 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.
5. Unassigned represents the residual classification for the government's general fund, and could report a surplus or deficit. In funds other than the general fund, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The County approved a fund balance policy to maintain an unassigned fund balance in the general fund at fiscal year end of two months of annual general fund appropriations.

When resources are available from multiple classifications, the County spends funds in the following order: restricted, committed, assigned, unassigned.

M. Revenue

Substantially all Governmental Fund revenue is accrued. Property tax receivables expected to be received later than 60 days after year-end are recognized as deferred inflows. In applying GASB Statement No. 33 to grant revenue, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred inflows by the recipient. Subsidies and grants to Proprietary Funds which finance either capital or current operations are reported as non-operating revenue based on GASB Statement No. 33.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

N. Proprietary Funds Operating and Non-operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues of enterprise funds consist of charges for services and operating grants. Operating expenses of enterprise funds consists of salaries, wages and benefits, contractual services and depreciation. Transactions related to capital and financing activities, non-capital financing activities, investing activities and interfund transfers from other funds and State appropriations are components of non-operating income. Subsidies and grants to proprietary funds which finance capital activities are reported as non-operating revenue.

O. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, it is the County's policy to apply restricted funds before unrestricted funds, unless otherwise prohibited by any applicable legal requirements.

P. Interfund Activity

Interfund activity is generally reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenue and expenditures/expenses. Reimbursements arise when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between Governmental and/or Proprietary Funds are netted as part of the reconciliation to the Government-wide financial statements.

Q. Expenditures in Excess of Budget

Certain individual budgetary expenditures exceeded their budgetary authorizations in the general fund.

R. Use of Estimates

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

S. Deferred Outflows and Inflows of Resources

In the Statement of Net Position, in addition to assets, the County will sometimes report a separate section of 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 and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has four items that qualify for reporting in this category. The first item is related to pensions reported in the County-wide Statement on Net Position. This represents the effect of the net change in the County's proportion of the collective net pension asset or liability and difference during the measurement period between the County's contributions and its proportion share of total contributions to the pension systems not included in pension expense. The second item is the County contributions to the pension system subsequent to the measurement date. The third item is related to other post-employment benefits (OPEB) reported in the County-wide Statement on Net Position.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

S. Deferred Outflows and Inflows of Resources (Continued)

This represents the effect of the net change in the County's proportion of the collective net OPEB asset or liability and difference during the measurement period between the County's contributions and its proportion share of total contributions to the OPEB systems not included in OPEB expense. The fourth item is the County contributions to the OPEB system subsequent to the measurement date.

The County's Statement of Net Position and governmental funds report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net assets that applies to future periods. The County will not recognize the related revenues until a future event occurs. The County has three types of items that qualify for reporting in this category. The first item, unavailable revenues, occurs because governmental fund property tax revenues are not recognized until available (collected not later than 60 days after the end of the fiscal year) under the modified accrual basis of accounting that qualifies for reporting in this category. Unavailable revenues also include grants and aid that have not met the requirements necessary for revenue to be recognized (See Note 1(M)). Accordingly, deferred property taxes and grants are reported in the governmental funds balance sheet. The second item is related to pensions reported in the County's Statement of Net Position, and represents the change in the proportion between the County's contributions and proportionate share of contributions. The third item is related to other post-employment benefits (OPEB) reported in the County's Statement of Net Position and represents the change in net OPEB liability that is not immediately recognized in OPEB expense. These changes include differences between expected and actual experience, changes in assumptions, and differences between expected and actual earnings on plan investments.

T. Subsequent Events

Management has evaluated subsequent events through the date of the report which is the date the financial statements were available to be issued. Additional information regarding subsequent events to year end can be found in Note 7.

**NOTE 2 – DETAILED NOTES**

A. Assets

1. Cash and Investments

The County's investment policies are governed by State statutes. In addition, the County has its own written investment policy. County monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The County Treasurer is authorized to use demand accounts and certificates of deposit. Permissible investments include obligations of the U.S. Treasury and U.S. Agencies, repurchase agreements, and obligations of New York State or its municipalities.

Collateral is required for demand and time deposits and certificates of deposit not covered by Federal Deposit Insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its municipalities and school districts.

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. While the County does not have a specific policy for custodial credit risk, State statutes govern the County's investment policies, as discussed previously in these notes.



**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES**

A. Assets (Continued)

1. Cash and Investments (Continued)

GASB Statement No. 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the County's name.

The County's aggregate bank balances of \$22,929,139 (exclusive of component units) are either insured or collateralized with securities held by the pledging financial institution in the County's name.

*Restricted Cash and Cash Equivalents* – Restricted cash of the County consists of unexpended debt proceeds restricted for capital projects in the amount of \$4,677,262. Also, included in restricted cash are General Fund balances subject to externally enforceable legal purpose restrictions, totaling \$122,340 and tax stabilization reserves of \$2,869,027.

2. Property Taxes

County real property taxes are levied annually no later than December 31 and become a lien on January 1. Taxes are collected during the period January 1 to December 31. On March 1 interest is accrued on all unpaid taxes in accordance with real property law. Taxes for County purposes apportioned to the area of the County outside the City of Hudson are levied together with taxes for town and special district purposes as a single bill. The towns and special districts receive the full amount of their levies annually out of the first amounts collected on the combined bills. The County assumes enforcement responsibility for all taxes levied in the towns. The collection of County taxes levied on properties within the City of Hudson is enforced by the City; the County receives the full amount of such taxes within the year of levy. Unpaid City school district taxes are turned over to the County for enforcement. Any such taxes remaining unpaid at year end are re-levied as County taxes in the subsequent year. The portion of the receivable (\$5,320,570) that represents taxes re-levied for the city, the village, and school districts and taxes levied for the special assessment district is included in due to other governments.

Another portion of the receivable \$2,624,660 is not considered available under the modified accrual basis of accounting and is included in deferred inflows of resources.

3. Sales Tax

A 4% sales tax is levied in and for the County under the general authority of Article 29 of the Tax Law and specific authority of local law. The County shares this amount with 70% being retained by the County and the remaining 30% distributed to the Towns, Villages, and City of Hudson. The City of Hudson also receives an additional .84% from the County share. This tax is administered and collected by the State Sales Tax Commission in the same manner that relates to State imposed 4% sales and compensating use tax. Net collections, meaning monies collected after deducting expenses of administration and collection and amounts refunded or to be refunded, but inclusive of any applicable penalties and interest, are paid by the State to the County on a monthly basis.



**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

A. Assets (Continued)

4. Capital Asset Activity

Construction in progress in the Governmental Fund includes work on a 911 system and new fire training center, estimated to be placed in service in 2022. In the Enterprise Fund construction in progress includes work on a new pole barn at the Greenport transfer station and construction on a sewer project, estimated to be placed in service 2022.

Depreciation expense of \$4,336,057 is allocated to specific functions as follows:

	Governmental Activities	Business-type Activities	Total
General Government Support	\$ 904,259	\$ -	\$ 904,259
Education	50,000	-	50,000
Public Safety	612,303	-	612,303
Health	43,149	-	43,149
Transportation	2,386,803	-	2,386,803
Economic Assistance and Opportunity	86,403	-	86,403
Culture and Recreation	24,762	-	24,762
Home and Community	47,271	181,107	228,378
	<u>\$ 4,154,950</u>	<u>\$ 181,107</u>	<u>\$ 4,336,057</u>

B. Liabilities

1. Pension Plans

Employees' Retirement System (ERS) – The County participates in the New York State and Local Employees' Retirement System (ERS). The System is a cost-sharing multiple employer deferred benefit pension plan that provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provision of the New York State Retirement and Social Security Law (RSSL).

Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The County also participates in the Public Employees' Group Life Insurance Plan (GLIP), which provides death benefits in the form of life insurance. The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php) or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

1. Pension Plans (Continued)

Employees who joined prior to July 26, 1976 do not have to contribute. Employees who joined after July 27, 1976 contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 and before April 1, 2012 generally contribute 3 percent of their salary for their entire length of service. Those joining on or after April 21, 2012 are required to contribute between 3 and 6 percent, dependent on salary, throughout their working careers. In addition, employee contribution rates ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems fiscal year ending March 31.

Contributions for the current year and two preceding years were equal to 100 percent of the contributions required, and were as follows:

	Governmental			
	Solid Waste	Sewer	Activities	County-Wide
2021	\$ 179,252	\$ 6,567	\$ 6,275,281	\$ 6,461,100
2020	150,486	5,958	5,870,183	6,026,627
2019	119,787	7,214	5,688,735	5,815,736

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At December 31, 2021, the County reported the following liability for its proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2021.

The total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The County's proportionate share of the net pension liability was based on a projection of the County's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS in reports provided to the County.

	Governmental			
	Solid Waste	Sewer	Activities	County-Wide
Actuarial valuation date	4/1/2020	4/1/2020	4/1/2020	4/1/2020
Measurement date	3/31/2021	3/31/2021	3/31/2021	3/31/2021
Net pension liability	\$ 4,562	\$ 167	\$ 159,725	\$ 164,454
County's allocated portion of the Plan's net pension liability	0.0045844%	0.0001680%	0.1604907%	0.1652431%

For the year ended December 31, 2021, the County recognized pension expense of \$2,985,112 in the statement of activities for governmental activities for ERS. At December 31, 2021, the County's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

1. Pension Plans (Continued)

	Deferred Outflows of Resources			
	Solid Waste	Sewer	Governmental Activities	County-Wide
Difference between expected and actual experience	\$ 55,721	\$ 2,041	\$ 1,950,679	\$ 2,008,441
Change of assumptions	838,900	30,734	29,368,336	30,237,970
Net difference between projected and actual investment earning on pension plan investments	-	-	-	-
Changes in proportion and differences between the County's contribution and proportionate share of contributions	5,244	193	183,563	189,000
County contributions subsequent to the measurement date	<u>179,252</u>	<u>6,567</u>	<u>6,275,281</u>	<u>6,461,100</u>
	<u>\$ 1,079,117</u>	<u>\$ 39,535</u>	<u>\$ 37,777,859</u>	<u>\$ 38,896,511</u>

	Deferred Inflows of Resources			
	Solid Waste	Sewer	Governmental Activities	County-Wide
Change of assumptions	\$ 15,822	\$ 579	\$ 553,895	\$ 570,296
Net difference between projected and actual investment earning on pension plan investments	1,310,625	\$ 48,016	45,882,520	47,241,161
Changes in proportion and differences between the County's contribution and proportionate share of contributions	<u>42,326</u>	<u>1,550</u>	<u>1,481,749</u>	<u>1,525,625</u>
	<u>\$ 1,368,773</u>	<u>\$ 50,145</u>	<u>\$ 47,918,164</u>	<u>\$ 49,337,082</u>

County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

**COUNTY OF COLUMBIA, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

1. Pension Plans (Continued)

Year Ending December 31,	Governmental			
	Solid Waste	Sewer	Activities	County-Wide
2022	\$ (96,353)	\$ (3,530)	\$ (3,373,148)	\$ (3,473,031)
2023	(37,238)	(1,364)	(1,303,620)	(1,342,222)
2024	(78,634)	(2,881)	(2,752,825)	(2,834,340)
2025	(256,683)	(9,404)	(8,985,991)	(9,252,078)
2026	-	-	-	-
Thereafter	-	-	-	-

Actuarial Assumptions – The total pension liability at March 31, 2021 was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liability to March 31, 2021. The actuarial valuation used the following actuarial assumptions:

Significant actuarial assumptions used in the valuations as follows:

Investment rate of return (net investment expense, including inflation)	5.9%
Salary increases	4.4%
Cost-of-living adjustments	1.4%
Inflation Rate	2.7%

Annuitant mortality rates are based on April 1, 2015 – March 31, 2020 system experience with adjustments for mortality improvements based on Society of Actuaries’ Scale MP – 2020.

The previous actuarial valuation as of April 1, 2019 used April 1, 2010 – March 31, 2015 System experience, mortality improvements based on the Society of Actuaries Scale MP-2018, inflation of 2.5%, cost-of-living adjustments of 1.3%, salary increases of 4.5%, and investment rate of return of 6.8%.

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.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 are summarized in the following table:

**COUNTY OF COLUMBIA, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

1. Pension Plans (Continued)

Asset Class:	Target Allocation	Long-term expected real rate of return
Domestic equity	32.00%	4.05%
International equity	15.00%	6.30%
Private equity	10.00%	6.75%
Real estate	9.00%	4.95%
Opportunistic/ARS portfolio	3.00%	4.50%
Credit	4.00%	3.63%
Real assets	3.00%	5.95%
Fixed income	23.00%	0.00%
Cash	1.00%	0.50%

The real rate of return is net of the long-term inflation assumption of 2 percent.

Discount Rate – The discount rate used to measure the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the 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 the Discount Rate – The following presents the County’s proportionate share of the current-period discount rate assumption of 5.9%, as well as what the County’s proportionate share of net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease (4.90%)	Current Assumption (5.90%)	1% Increase (6.90%)
Employer’s Proportionate Share of the Net Pension (Asset) Liability:			
Solid Waste	\$ 1,266,379	\$ 4,563	\$ (1,159,128)
Sewer	46,395	167	(42,466)
Governmental Activities	44,333,573	159,725	(40,578,901)
	<u>\$ 45,646,347</u>	<u>\$ 164,455</u>	<u>\$ (41,780,495)</u>

Pension Plan Fiduciary Net Position – The components of the current-year net pension liability of all participating employers as of the respective valuation dates, were as follows:

**COUNTY OF COLUMBIA, NEW YORK  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

2. Pension Plans (Continued)

	(Dollars in thousands)
Valuation Date - 3/31/2021	
Employers' total pension liability	\$ 220,680,157
Fiduciary net position	<u>(220,580,583)</u>
Employers' net pension liability	<u>\$ 99,574</u>
Ratio of fiduciary net position to the employers' total pension liability	99.95%

College Portion – The County pays and is billed for the retirement bill for Columbia-Greene Community College. Because they are billed for the retirement, a percentage of the retirement liability is allocated to the college and not reflected in these financial statements.

3. Postemployment Benefits Other Than Pensions

Plan Description – The County provides certain health care benefits for retired employees of the County. The County administers the retirement benefits plan (the Retirement Plan) as a single-employer defined benefit other postemployment benefit plan (OPEB).

In general, the County pays a percent of the premium for medical coverage for the retiree and spouse for the lifetime of the retiree based on the retiree's years of service at retirement. Substantially all the County's employees may become eligible for this benefit if they retire with 10 years of credited service to the County.

The Retirement Plan can be amended by action of the County, subject to applicable collective bargaining and employment agreements. The number of employees currently eligible to receive benefits at the January 1, 2021 valuation date, was 1,183. This includes 697 active, 471 retirees and spouses, and 15 spouses of deceased retirees. The Retirement 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. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no inactive employees entitled to future benefits who are not currently receiving benefits. There are no assets accumulated in a trust to pay benefits.

Actuarial Assumptions and Methods- The total Retirement Plan OPEB liability was based on an actuarial valuation date of January 1, 2021. The County selected the economic, demographic, benefit, and health assumptions. The actuary provided guidance with respect to these assumptions.



**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

3. Postemployment Benefits Other Than Pensions (Continued)

Valuation Date	January 1, 2021
Measurement Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal
Discount Rate	2.12%
Payroll Growth	3.00%
Inflation	2.30%
Mortality	Pub-2010 General Employees/Retirees Amount-Weighted Mortality Tables with projection Scale MP-2020.

The discount rate assumption is based on the 20-Bond GO Bond Buyer municipal bond index as of the measurement date December 31, 2021.

*Changes of Assumptions:*

The following changes from the assumptions in the prior measurement date of December 31, 2020, were made:

- The discount rate changed from 2.74% to 2.12%. This change increased the liability by approximately \$11.3 million.
- Medical trend was updated to reflect current medical provisions and premiums and expected future experience. This change decreased the liability by approximately \$3.7 million.
- The mortality assumption was updated from MP-2019 to MP-2020. This change decreased the liability by approximately \$1.4 million.

Changes in Total OPEB Liability

	Increase (Decrease) Total OPEB Liability		
	Solid Waste	Governmental Activities	County-Wide
Balance as of December 31, 2020	\$ 1,858,940	\$ 103,653,571	\$ 105,512,511
Measured as of December 31, 2019			
Changes for the year:			
Service cost	97,940	5,290,055	5,387,995
Interest on total OPEB liability	53,605	2,948,944	3,002,549
Effect of economic/demographic gains or losses	(152,857)	880,847	727,990
Effect of assumptions changes or inputs	199,060	6,078,952	6,278,012
Benefit payments	(45,158)	(2,609,618)	(2,654,776)
Balance as of December 31, 2021	<u>\$ 2,011,530</u>	<u>\$ 116,242,751</u>	<u>\$ 118,254,281</u>
Measured as of December 31, 2020			

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

3. Postemployment Benefits Other Than Pensions (Continued)

Sensitivity of the Liability- The following presents the total OPEB liability of the County, calculated using the discount rate of 2.12%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.12%) or 1 percentage point higher (3.12%) than the current rate.

Total OPEB Liability	1% Decrease 1.12%	Discount Rate 2.12%	1% Increase 3.12%
Governmental	\$ 138,077,667	\$ 116,242,751	\$ 99,021,033
Solid Waste	2,389,374	2,011,530	1,713,516
	<u>\$ 140,467,041</u>	<u>\$ 118,254,281</u>	<u>\$ 100,734,549</u>

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

Total OPEB Liability	1% Decrease	Current Trend Rate	1% Increase
Governmental	\$ 96,480,965	\$ 116,242,751	\$ 142,250,031
Solid Waste	1,669,561	2,011,530	2,561,575
	<u>\$ 98,150,526</u>	<u>\$ 118,254,281</u>	<u>\$ 144,811,606</u>

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB.

Summary of OPEB expense:

	January 1, 2021 to December 31, 2021		
	Solid Waste	Governmental Activities	County- Wide
Service cost	\$ 97,940	\$ 5,290,055	\$ 5,387,995
Interest on total OPEB liability	53,605	2,948,944	3,002,549
Recognition of Deferred Inflows/Outflows of Resources			
Recognition of economic/demographic gains or losses	(40,546)	233,649	193,103
Recognition of assumption changes or inputs	31,975	1,807,543	1,839,518
OPEB Expense	<u>\$ 142,974</u>	<u>\$ 10,280,191</u>	<u>\$ 10,423,165</u>

Sewer Fund – The sewer fund does not have a significant allocable portion of OPEB. Any liability derived from Sewer Fund activities is included in the Governmental Activities total.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

3. Postemployment Benefits Other Than Pensions (Continued)

As of December 31, 2021, the deferred outflows of resources are as follows:

	Deferred Outflows of Resources		
	Solid Waste	Governmental Activities	County-Wide
Difference between expected and actual experience	\$ 16,754	\$ 968,190	\$ 984,944
Changes in assumptions	243,489	14,070,803	14,314,292
County's contributions subsequent to the December 31, 2020 measurement date	-	2,070,934	2,070,934
	<u>\$ 260,243</u>	<u>\$ 17,109,927</u>	<u>\$ 17,370,170</u>

As of December 31, 2021, deferred inflows of resources are as follows:

	Deferred Inflows of Resources		
	Solid Waste	Governmental Activities	County-Wide
Difference between expected and actual experience	\$ -	\$ -	\$ -
Changes in assumptions	(97,342)	(5,625,250)	(5,722,592)
	<u>\$ (97,342)</u>	<u>\$ (5,625,250)</u>	<u>\$ (5,722,592)</u>

County contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ending December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in health benefits as follows:

Year ended December 31:	Governmental		
	Solid Waste	Activities	County-Wide
2022	\$ 34,575	\$ 1,998,046	\$ 2,032,621
2023	34,575	1,998,046	2,032,621
2024	28,254	1,632,760	1,661,014
2025	21,933	1,267,476	1,289,409
2026	27,719	1,601,828	1,629,547
Thereafter*	15,844	915,589	931,433

\* Additional future deferred inflows and outflows of resources may impact these numbers

**COUNTY OF COLUMBIA, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

**B. Liabilities (Continued)**

**4. Long-Term Debt**

	Balance at January 1, 2021	Increase	Decrease	Balance at December 31, 2021	Current	Long-Term
<b>Governmental Activity</b>						
Serial bonds	\$ 44,662,923	\$ 8,505,000	\$ (3,164,383)	\$ 50,003,540	\$ 3,602,752	\$ 46,400,788
Bond premiums	1,065,830	841,678	(103,093)	1,804,415	145,024	1,659,391
Other postemployment benefits	103,653,571	15,198,798	(2,609,618)	116,242,751	2,200,000	114,042,751
Claims payable	11,529,534	-	(6,221,534)	5,308,000	-	5,308,000
Compensated absences	4,088,713	-	(345,046)	3,743,667	711,297	3,032,370
Net pension liability (ERS)	42,496,397	-	(42,336,672)	159,725	-	159,725
<b>Total Governmental Long-Term Debt</b>	<b>\$ 207,496,968</b>	<b>\$ 24,545,476</b>	<b>\$ (54,780,346)</b>	<b>\$ 177,262,098</b>	<b>\$ 6,659,073</b>	<b>\$ 170,603,025</b>
<b>Business-Type Activity</b>						
Serial Bonds	\$ 937,077	\$ -	\$ (55,617)	\$ 881,460	\$ 57,773	\$ 823,687
Bond premiums	32,633	-	(2,463)	30,170	2,307	27,863
Other postemployment benefits	1,858,940	197,748	(45,158)	2,011,530	20,000	1,991,530
Compensated absences	91,851	7,749	-	99,600	24,900	74,700
Net pension liability (ERS)	1,132,555	-	(1,127,826)	4,729	-	4,729
<b>Total Proprietary Fund Long-Term Debt</b>	<b>\$ 4,053,056</b>	<b>\$ 205,497</b>	<b>\$ (1,231,064)</b>	<b>\$ 3,027,489</b>	<b>\$ 104,980</b>	<b>\$ 2,922,509</b>

Interest on governmental fund debt for the year was composed of:

Interest expense reported in Statement of Activities	\$ 1,492,708
Amortization of bond premium	(103,093)
Accrued interest 12/31/2020	250,628
Accrued interest 12/31/2021	(343,686)
<b>Total Expense reported in Statement of Revenue, Expenditures, and Changes in Fund Balance - Governmental Funds</b>	<b>\$ 1,296,557</b>

During 2013, the County deposited \$4,895,000 of proceeds from the sale of refunding bonds to advance refund \$5,464,000 of County serial bonds. The difference is accounted for as a premium which will be amortized over the life on the refunding bonds. The refunding resulted in a book gain of \$569,000 after debt issuance cost of \$45,506. These amounts are recorded as bond premium and will be recognized as reductions to interest expense over the remaining life of the replacement debt.

During 2016, the County deposited \$3,467,417 of proceeds from the sale of refunding bonds to advance refund \$3,425,000 of County serial bonds. The difference is accounted for as a premium which will be amortized over the life of the refunding bonds. The refunding resulted in a book gain of \$73,967 after debt issuance costs of \$66,846. These amounts are recorded as bond premium and will be recognized as reductions to interest expenses over the remaining life of the replacement debt.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

4. Long-Term Debt (Continued)

During 2019, the County deposited \$16,683,562 of proceeds from the sale of BANs redeemed by issuance of bond for \$15,897,400. The difference is accounted for as a premium which will be amortized over the life of the refunding bonds. The redemption resulted in a book gain of \$948,209 after debt issuance costs of \$10,455. These amounts are recorded as bond premium and will be recognized as reductions to interest expenses over the remaining life of the replacement debt.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

4. Long-Term Debt (Continued)

Description	Date Issued	Original Amount	Interest Rate	Maturity	Balance at 12/31/2021
<b>Governmental Activity</b>					
<b>Serial Bonds</b>					
General Fund	5/13	\$ 4,895,000	2.00%	2025	\$ 1,375,000
General Fund	5/14	9,805,000	2.00-3.75%	2037	7,590,000
Refunding Bonds	3/16	3,440,000	1.50-4.00%	2032	1,255,000
General & Road Funds	2/16	13,900,213	2.00-3.00%	2031	9,915,000
General, Road & Machinery	12/16	8,472,969	3.125-3.625%	2033	6,862,000
General Fund	5/17	1,165,000	2.00%	2024	515,000
General & Road Funds	1/19	1,616,600	2.00-3.00%	2030	1,346,005
General & Road Funds	6/19	8,375,000	2.25%-5.00%	2041	7,890,000
General & Road Funds	11/19	5,094,000	2.125%-5.00%	2039	4,750,535
General & Road Funds	12/21	8,505,000	2.00%-5.00%	2037	8,505,000
		<u>65,268,782</u>			<u>50,003,540</u>
Bond Premium	5/13	614,506	N/A	2025	104,055
Bond Premium	5/14	3,465	N/A	2037	2,401
Bond Premium	3/16	73,967	N/A	2032	48,912
Bond Premium	5/17	12,670	N/A	2024	4,248
Bond Premium	1/19	51,024	N/A	2030	37,109
Bond Premium	6/19	521,129	N/A	2041	461,911
Bond Premium	11/19	339,464	N/A	2039	304,104
Bond Premium	12/21	841,678	N/A	2037	841,678
		<u>67,726,685</u>			<u>51,807,958</u>
<b>Business-Type Activity</b>					
Enterprise	12/16	200,000	3.125-3.625%	2033	158,000
Enterprise	1/19	490,800	2.00-3.00%	2030	423,995
Enterprise	11/19	321,000	2.125%-5.00%	2039	299,465
		<u>1,011,800</u>			<u>881,460</u>
Bond Premium	1/19	15,491	N/A	2030	11,267
Bond Premium	11/19	21,101	N/A	2039	18,903
		<u>1,048,392</u>			<u>911,630</u>
Total		<u>\$ 68,775,077</u>			<u>\$ 52,719,588</u>

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

4. Long-Term Debt (Continued)

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

	Principal	Interest	Total Debt Service
2022	\$ 3,807,331	\$ 1,545,406	\$ 5,352,737
2023	3,647,331	1,437,054	5,084,385
2024	3,750,207	1,320,966	5,071,173
2025	3,645,522	1,200,081	4,845,603
2026	3,400,522	1,084,909	4,485,431
2027-2031	18,160,514	3,692,113	21,852,627
2032-2036	11,402,915	1,460,881	12,863,796
2037-2041	4,905,246	268,169	5,173,415
Total	<u>\$ 52,719,588</u>	<u>\$ 12,009,579</u>	<u>\$ 64,729,167</u>

Columbia Tobacco Asset Securitization Corporation (CTASC) – The CTASC bonds are not general obligation debt of the County. Their repayment is entirely dependent on the adequacy of the anticipated future stream of Master Settlement Agreement (MSA) proceeds assigned to CTASC from the County in prior years.

Description	Date Issued	Original Amount	Interest Rate	Maturity	Balance at 12/31/2021
Tobacco settlement bonds - 2000 series	2000	\$ 12,510,000	5.0-6.0%	2005-2042	\$ 5,570,000
Tobacco settlement bonds - 2005 series	2005*	5,644,277	6.0-7.15%	2016-2060	15,546,857
		<u>\$ 18,154,277</u>			<u>\$ 21,116,857</u>

\* Net of bond discount

The balance at December 31, 2021 of \$21,116,857 does not include the unamortized discount of \$55,611.

The CTASC's future debt service requirements, assuming sufficient MSA proceeds to permit payments pursuant to the optional repayment schedule, as has been the case in the last several years, are as presented on the next page:

**COUNTY OF COLUMBIA, NEW YORK  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

4. Long-Term Debt (Continued)

Required Schedule

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ -	\$ 367,006
2023	-	367,006
2024	-	367,006
2025	-	367,006
2026	-	367,006
2027-2031	-	1,835,031
2032-2036	2,115,000	1,534,900
2037-2041	2,805,000	697,116
2042	650,000	21,531
	<u>5,570,000</u>	<u>5,923,608</u>
Series 2005 (see note)	15,546,857	-
Payable at December 31, 2021	<u>\$ 21,116,857</u>	<u>\$ 5,923,608</u>

It is mandatory for CTASC to make payments according to the required schedule to meet its obligations to the bond holders; however an optional flexible amortization payment schedule for the 2000 series allows for the bonds to be paid off in the year 2025. This accelerated payment schedule would reduce total interest expense over the remaining life of the bonds and will be utilized by CTASC as funding allows. A principal payment of \$545,000 and interest payment of \$384,719 based upon the accelerated schedule were made during the year ended December 31, 2021. It appears that CTASC will continue to follow the accelerated schedule as long as there are sufficient proceeds to cover the principal and interest; however, there is no official commitment to do so at the present time.

Optional Schedule

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,820,000	\$ 274,597
2023	910,000	152,044
2024	970,000	89,769
2025	870,000	28,819
	<u>5,570,000</u>	<u>545,229</u>
Series 2005 (see note)	15,546,857	-
Payable at December 31, 2021	<u>\$ 21,116,857</u>	<u>\$ 545,229</u>



**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

B. Liabilities (Continued)

4. Long-Term Debt (Continued)

Bond principal and interest are not payable on the series 2005 until the original TASC Senior Bonds – Series 2000 have been paid in full. The project start date for payment on these bonds is anticipated to commence in 2026 with maturity dates ranging from 2038 to 2060.

5. EFC Financing

The County entered into a project finance agreement for a sewer project that consisted of planning, design and construction of new pump stations and a transmission system to the Town of Greenport, replacing two existing wastewater treatment facilities. The County received short term financing from the New York State Environmental Facilities Corporation (“NYSEFC”) that consisted of a short-term interest-free financing (“STIFF”) for \$3,448,875 and a short-term market rate (“SMRF”) financing loan for \$3,448,875. As of December 31, 2021, the County drew down \$3,448,875 of the STIFF loan and \$662,991 of the SMRF loan. Both obligations mature January 9, 2025 and were subsequently refinanced into long term financing on November 22, 2022 with a bond issuance for \$3,666,338. The bond matures March 1, 2052 and carries interest at 3.047% to 4.886%.

C. Interfund Activity

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

Individual interfund receivable and payable balances arising from these transactions as of December 31, 2021, were as follows:

Purpose	Interfund Receivables	Interfund Payables	Interfund Transfers In	Interfund Transfers Out
General Fund	\$ 1,510,921	\$ -	\$ -	\$ -
Country Road Fund	-	756,977	-	-
Road Machinery Fund	1,848	252	-	-
Capital Projects Fund	56,694	-	-	-
Other Non-major Funds	-	1,271	-	-
Internal Service Fund	26,027	-	-	-
Enterprise Funds	214,468	900,503	-	-
Fiduciary Fund	-	150,955	-	-
	<u>\$ 1,809,958</u>	<u>\$ 1,809,958</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

**D. Net Position and Fund Balance**

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

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

	<u>Governmental activities</u>	<u>Business-type activities</u>
Capital assets, net of accumulated depreciation	\$ 81,376,146	\$ 7,494,326
Less related debt:		
Serial bonds issued for capital improvements	(50,003,540)	(881,460)
Premium on serial bonds	<u>(1,804,415)</u>	<u>(30,170)</u>
Net investment in capital assets	<u>\$ 29,568,191</u>	<u>\$ 6,582,696</u>

- a. Restricted Net Position – The total restricted component of net position \$7,668,629 is restricted for tax stabilization, \$2,869,027, debt service of \$4,677,262, and miscellaneous special reserves, \$122,340.
- b. Unrestricted Net Position (Deficit) – This category represents net position of the County not restricted for any project or purpose.

In the fund financial statements, restricted fund balances are amounts constrained to specific purposes (such as creditors, grants, contributors, or laws and regulations of other governments) through constitutional provisions or enabling legislation. As of December 31, 2021, the County had the following restricted fund balances:

	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>
Restricted for:			
Tax stabilization reserve	\$ 2,869,027	\$ -	\$ 2,869,027
Debt proceeds	-	4,486,257	4,486,257
Miscellaneous reserve	<u>122,340</u>	<u>-</u>	<u>122,340</u>
Total restricted fund balance	<u>\$ 2,991,367</u>	<u>\$ 4,486,257</u>	<u>\$ 7,477,624</u>

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

D. Net Position and Fund Balance (Continued)

- Restricted for tax stabilization reserve – Represents reserves established within the General Fund to finance unanticipated revenue losses or unanticipated expenditures and to lessen or prevent projected increases in excess of 2 ½ percent of the amount of the real property tax levy needed to finance the general fund portion of the annual budget. Use of the tax stabilization reserve is restricted by New York State and any release of funds must be recommended by the chief executive office and resolution adopted by at least two-thirds of vote of the governing board. Additions to the fund may come from budgetary appropriations, unappropriated unreserved fund balance, and such revenues not required by law to be paid into any other fund or account. The fund is not to exceed 10 percent of the general fund portion of the annual budget for the fiscal year for which the appropriation would be made.
- Debt proceeds – represents debt funding to be used for specific authorized purposes. If unspent, proceeds are to be used for debt service.
- Restricted for miscellaneous reserves – Represents reserves established within the General Fund which will be used to support special purposes.

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

As of December 31, 2021, the County reported the following fund balance assignments:

	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Total</u>
Assigned for:			
Encumbrances	\$ 287,845	\$ -	\$ 287,845
Subsequent year's expenditures	-	850,000	850,000
Health care reserve	801,920	-	801,920
Road fund	-	2,284,831	2,284,831
Other	-	180,801	180,801
Total assigned fund balance	<u>\$ 1,089,765</u>	<u>\$ 3,315,632</u>	<u>\$ 4,405,397</u>

- Assigned to encumbrances – Represents commitments related to unperformed contracts or purchase orders for goods or services.
- Assigned to subsequent year’s expenditures – Represents available fund balance being appropriated to meet expenditure requirements in the 2022 fiscal year.
- Assigned for health care reserve – Represents reserves established within the General Fund which will be used to pay future health insurance expenditures.
- Assigned for federal salary share – Represents reserves established within the General Fund which will be used to pay future Mental Health services allowable costs.
- Assigned to other use – Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignments’ purpose relates to each fund’s operations and represent the remaining amounts within funds that are not restricted or committed.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 2 – DETAILED NOTES (Continued)**

E. Commitments and Contingencies

The County and/or its agencies are named in several lawsuits arising in the ordinary course of the County’s operations. These claims and lawsuits, in the opinion of management, are either adequately covered by insurance or will not result in a material impact on the financial position of the County and, therefore, are not reflected in the accompanying financial statements.

1. Grants

The County participates in a number of Federal and State assisted programs which are subject to periodic program compliance audits by the grantors or their representatives. Accordingly, any noncompliance by the County with the applicable programs could be established at some future date and have a material effect on the financial condition of the County. There were no material questioned or disallowed costs which have been communicated by grantors as a result of audits for the year ended December 31, 2021.

2. Self-Insured Health Care

Beginning January 1, 2015, the County implemented a self-insured health care plan, which is partially insured with stop-gap coverage. The County recorded an estimated liability of \$653,579 for claims incurred in 2021 paid in 2022.

3. Litigation

The County is a defendant in a number of lawsuits. In the opinion of the County Attorney, after considering all relevant facts, such litigation in the aggregate will not have a material adverse effect on the financial position or results of operations of the County.

**NOTE 3 – TRANSACTIONS WITH COMPONENT UNITS**

The following schedule presents significant transactions between the primary government and its component units during the year ended December 31, 2021.

<u>Component Unit</u>	<u>Amount</u>	<u>Nature of Transaction</u>
Columbia Economic Development Corp.	\$ 368,000	Operating Support
Columbia County Soil & water	\$ 314,521	Operating Support

The County paid economic support to the CEDC based on contractual obligations between the parties. In addition, the County provided operating support to Columbia-Greene Community College during 2021 (note 4).

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 4 – JOINT VENTURE – COLUMBIA-GREENE COMMUNITY COLLEGE**

Columbia County has entered into a joint venture with Greene County in the operation of Columbia-Greene Community College in accordance with the provisions of Article 126 of the Education Law. Columbia-Greene is not a component unit, so it is not included in the financial statements.

Columbia County’s share of operating costs for this joint venture totaled \$3,474,911 for the year ended December 31, 2021.

In May of 2018, a resolution was passed by the County Board to commit up to \$5,000,000 to Columbia Greene Community College for capital improvements. In June of 2018 the County issued Bond Anticipation Note B for \$5,350,000 of which \$1,600,000 was for the college to cover this commitment.

As of December 31, 2019, Bond Anticipation Note B for \$5,350,000 was redeemed with the proceeds of long-term Bond, 2019 Series B for \$8,375,000 of which \$4,955,141 is for the college to cover the above commitment.

As of the date of this report, the college has spent \$4,575,888.

**NOTE 5 – TAX ABATEMENTS**

As of December 31, 2021, the County provides and is subject to tax abatements issued by industrial development agencies (IDAs). IDAs are established under New York State General Municipal law and the Public Authorities Law to foster economic development in specific localities. Tax abatements in Columbia County are issued through the Columbia County Industrial Development Agency (CCIDA), the Hudson IDA, and other local governments.

The IDAs enter into agreements that provide a payment in lieu of taxes (PILOT) to activities that will provide an economic benefit to the locality.

Real property tax exemptions are also available to other entities and are not disclosed here since they do not meet the definition of a tax abatement program in accordance with GASB 77, *Tax Abatement Disclosures*. These exemptions are available to not for profit organizations, veterans, and through other government approved laws and regulations.

The following are the PILOT agreements and the percentage of real property tax that has been abated for the year ended December 31, 2021:

Agreement Purpose	Assessment	Tax Rate	Tax Value	PILOT Received	Amount of Tax Abated
Cross Street	\$ 4,900,000	5.087791	24,930	8,568	\$ 16,362
2990 Realty Corp	1,025,032	7.107338	7,285	7,818	\$ (533)
BAC	1,278,000	5.930210	7,579	9,600	\$ (2,021)
Premier	3,400,000	5.216073	17,734	23,367	\$ (5,633)

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 6 – RISKS AND UNCERTAINTIES**

In March 2020, the World Health Organization declared COVID-19 a pandemic.

On March 11, 2021, the federal government signed into law The American Rescue Plan (ARP) that addresses issues related to the ongoing pandemic. The ARP Act also creates new programs to address continuing pandemic-related crisis and recovery efforts. It provides significant funding to local governments and school districts in NYS. The County has been allocated \$11,549,602 of which \$5,774,801 was received on May 19, 2021. The second payment of \$5,774,801 was received in July 2022. In 2021, the County spent \$584,594 on premium pay benefits for the employees who worked through the pandemic. \$5,190,207 remains to be spent and is posted to Unavailable revenues – grant and aid on the Balance Sheet – Governmental Funds. The County has formed an ARPA Subcommittee that meets regularly to review potential allocations for the funding. The County has identified several projects and is moving forward to spend the ARP Act funds within the time frame allowed by the law.

**NOTE 7 – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through March 9, 2023, which is the date the financial statements were available to be issued.

On November 22, 2022, EFC financing was converted to long term financing (see Note 2(B)(5)).

**NOTE 8 – ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED**

GASB Statement No. 87 – “Leases.” This Statement requires that government lessees recognize the following: (a) a lease liability and (b) an intangible asset representing the lessee’s right to use the leased asset; and report in its financial statements: (a) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (b) interest expense on the lease liability and (c) note disclosures about the lease. This Statement is effective for fiscal years beginning after June 15, 2021, which is the fiscal year beginning January 1, 2022 for the County. Management is in the process of evaluating the potential impact due to the implementation of this Statement on the 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.

This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021, which is the fiscal year beginning January 1, 2022 for the County.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 8 – ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED (Continued)**

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). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, which is the fiscal year beginning January 1, 2023 for the County.

GASB Statement No. 96- “*Subscription-Based Information Technology Arrangements*” This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, which is the fiscal year beginning January 1, 2023 for 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*” 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 statement is effective immediately under certain circumstances which are not applicable to the County. The requirements of this Statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021, which is the fiscal year beginning January 1, 2022 for the County.

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE 8 – ACCOUNTING STANDARDS ISSUED BUT NOT YET IMPLEMENTED (Continued)**

GASB Statement No. 99 – “Omnibus 2022”. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100 – “*Accounting Changes and Error Corrections*” prescribes accounting and financial reporting for (1) each category of accounting change and (2) error corrections. Statement 100 also addresses how accounting changes and error corrections should be displayed in financial statements, disclosed in notes, and presented in required supplementary information and supplementary information. The requirements of this Statement are effective for periods ending after June 15, 2023.

GASB Statement No. 101 – “*Compensated Absences*” aligns recognition and measurement guidance for all types of compensated absences under a unified model which will result in governments recognizing a liability that more appropriately reflects when they incur an obligation for compensated absences. The model also will lead to greater consistency in application and improved comparability across governments. Generally, a liability for leave that has not been used would be recognized if the leave: Is attributable to services already rendered; accumulates; and Is more likely than not to be used for time off or otherwise paid or settled. The requirements of this Statement are effective for the periods ending after December 15, 2023.



**REQUIRED SUPPLEMENTAL INFORMATION**

**COUNTY OF COLUMBIA, NEW YORK**  
**SCHEDULE OF REVENUE, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCES**  
**– BUDGET AND ACTUAL – GENERAL FUND**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**For the year ended December 31, 2021**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenue</b>				
Real property taxes	\$ 33,793,875	\$ 33,793,875	\$ 33,396,757	\$ (397,118)
Real property tax items	2,095,000	2,095,000	1,903,052	(191,948)
Sales and use taxes	44,391,000	46,368,038	60,371,082	14,003,044
Departmental income	10,006,495	10,465,787	9,330,772	(1,135,015)
Intergovernmental changes	150,000	150,000	2,360	(147,640)
Use of money and property	500,930	500,930	362,250	(138,680)
Licenses and permits	10,000	10,000	7,948	(2,052)
Fines and forfeitures	77,000	77,000	72,649	(4,351)
Sale of property and compensation for loss	85,000	85,000	150,765	65,765
Miscellaneous local sources	618,448	618,448	568,500	(49,948)
State aid	18,545,979	19,202,243	18,282,248	(919,995)
Federal aid	11,481,349	14,008,059	11,286,323	(2,721,736)
<b>Total Revenue</b>	<b>121,755,076</b>	<b>127,374,380</b>	<b>135,734,706</b>	<b>8,360,326</b>
<b>Expenditures</b>				
General government support	26,796,897	27,684,194	30,713,110	(3,028,916)
Education	4,474,911	4,474,911	4,639,461	(164,550)
Public safety	15,731,772	16,518,533	16,179,823	338,710
Health	13,927,793	16,845,538	13,851,477	2,994,061
Transportation	527,165	527,165	552,534	(25,369)
Economic assistance and development	37,099,801	37,843,644	37,348,976	494,668
Culture and recreation	2,275,132	2,971,143	2,155,927	815,216
Home and community services	1,292,745	1,298,717	1,308,897	(10,180)
Employee benefits	16,451,390	16,555,172	19,180,136	(2,624,964)
Debt service - principal and interest	2,922,970	2,922,971	2,922,030	941
<b>Total Expenditures</b>	<b>121,500,576</b>	<b>127,641,988</b>	<b>128,852,371</b>	<b>(1,210,383)</b>
<b>Excess (deficiency) of revenue over expenditures</b>	<b>254,500</b>	<b>(267,608)</b>	<b>6,882,335</b>	<b>7,149,943</b>
Appropriated Fund Balance	-	180,000	-	(180,000)
Prior Year Encumbrances	-	342,108	-	(342,108)
Other uses- interfund transfers	(254,500)	(254,500)	-	254,500
<b>Revenue over (under) expenditures and other uses</b>	<b>-</b>	<b>-</b>	<b>6,882,335</b>	<b>6,882,335</b>
Fund balances, beginning of year	20,573,821	20,573,821	20,573,821	20,573,821
<b>Fund balances, end of year</b>	<b>\$ 20,573,821</b>	<b>\$ 20,573,821</b>	<b>\$ 27,456,156</b>	<b>\$ 27,456,156</b>

**COUNTY OF COLUMBIA, NEW YORK**  
**Notes to the Required Supplementary Information**  
**For the year ended December 31, 2021**

1. BUDGETARY INFORMATION

Budgetary Basis of Accounting – See Notes to the Financial Statements, note 1(E) for a description of the County’s budget policies.

*Actual Revenue Under Budgeted* – The County’s General Fund revenues for the year ended December 31, 2021, were under budget as follows:

- Sales and use taxes – Sales Tax, specifically from online purchases, and Mortgage Tax revenue were stronger than expected.

*Actual Revenue Over Budgeted* – The County’s General Fund revenues for the year ended December 31, 2021, were over budget as follows:

- Departmental income – Mental Health Fees were lower due to clinic vacancies, NYS moratorium on the collection of Social Services Repayments during COVID-19 pandemic

*Actual Expenditures Under Appropriations* – The County’s General Fund appropriations for the year ended December 31, 2021, were under budget as follows:

- Health – Personnel Services were under due to high vacancy rate. In addition, program payments to providers were lower than expected

*Actual Expenditures Over Appropriations* – The County’s General Fund appropriations for the year ended December 31, 2021, were over budget as follows:

- General government support – Payments made to municipalities as a share of the sales tax revenue increased with the gross increase in sales tax revenue
- Employee benefits – Increases in health insurance costs and retirement

See independent auditor’s report.

**COUNTY OF COLUMBIA, NEW YORK**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**For the year ended December 31, 2021**

	in (1000s)			
	Year Ended December 31			
	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 5,388	\$ 4,169	\$ 4,649	\$ 3,828
Interest in total OPEB liability	3,003	3,800	3,276	3,200
Effect of plan changes	-	-	1,564	-
Effect of economic/demographic gains or (losses)	728	-	626	-
Effect of assumption changes or inputs	6,278	10,242	(9,890)	4,831
Benefit payments	(2,655)	(2,410)	(2,191)	(1,984)
Net change in total OPEB liability	<u>12,742</u>	<u>15,801</u>	<u>(1,966)</u>	<u>9,875</u>
Total OPEB liability, beginning	<u>105,512</u>	<u>89,711</u>	<u>91,677</u>	<u>81,802</u>
Total OPEB liability, ending	<u><u>\$ 118,254</u></u>	<u><u>\$ 105,512</u></u>	<u><u>\$ 89,711</u></u>	<u><u>\$ 91,677</u></u>
Covered payroll	N/A	N/A	N/A	N/A
Total OPEB liability as a % of covered payroll	N/A	N/A	N/A	N/A

See independent auditor's report.

**COUNTY OF COLUMBIA, NEW YORK**  
**SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**For the year ended December 31, 2021**

	Year Ended December 31,				
	2021	2020	2019	2018	2017
Measurement date	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Ratio of fiduciary net position to total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%
<b>Governmental Activities:</b>					
County's proportion of the net pension liability	0.1604907%	0.1604814%	0.1590900%	0.1543298%	0.1760672%
County's proportionate share of the net pension liability	\$ 159,725	\$ 42,496,397	\$ 11,272,009	\$ 4,980,907	\$ 16,543,670
County's covered payroll	\$ 41,372,364	\$ 39,595,138	\$ 40,820,006	\$ 39,719,104	\$ 38,298,377
County's proportionate share of net pension liability as a percentage of its covered - employee payroll	0.39%	107.33%	27.61%	12.54%	43.20%
<b>Business-type Activities:</b>					
County's proportion of the net pension liability	0.0047523%	0.0042769%	0.0035517%	0.0027050%	0.0030355%
County's proportionate share of the net pension liability	\$ 4,730	\$ 1,132,555	\$ 251,648	\$ 87,303	\$ 285,219
County's covered payroll	\$ 1,207,482	\$ 1,133,455	\$ 1,046,447	\$ 983,616	\$ 967,903
County's proportionate share of net pension liability as a percentage of its covered - employee payroll	0.39%	99.92%	24.05%	8.88%	29.47%
Measurement date	2016	2015	2014		
	March 31, 2016	March 31, 2015	March 31, 2014		
Ratio of fiduciary net position to total pension liability	90.70%	97.90%	97.20%		
<b>Governmental Activities:</b>					
County's proportion of the net pension liability	0.1827787%	0.1096274%	NA		
County's proportionate share of the net pension liability	\$ 28,915,417	\$ 5,071,485	NA		
County's covered payroll	\$ 39,668,380	\$ 31,862,704	NA		
County's proportionate share of net pension liability as a percentage of its covered - employee payroll	72.89%	15.92%	NA		
<b>Business-type Activities:</b>					
County's proportion of the net pension liability	0.1827787%	0.1096274%	NA		
County's proportionate share of the net pension liability	\$ 422,360	\$ 1,115,959	NA		
County's covered payroll	\$ 4,664,636	\$ 7,011,252	NA		
County's proportionate share of net pension liability as a percentage of its covered - employee payroll	9.05%	15.92%	NA		

Note, the amounts presented for each fiscal year were determined as of the March 31 measurement date of the plans. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

**COUNTY OF COLUMBIA, NEW YORK**  
**SCHEDULE OF COUNTY'S EMPLOYER SHARE PENSION CONTRIBUTIONS**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**For the year ended December 31, 2021**

NYSERS Pension Plan					
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 6,461,100	\$ 6,026,627	\$ 5,815,736	\$ 5,650,836	\$ 5,743,329
Contributions in relation to the contractually required contribution	6,461,100	6,026,627	5,815,736	5,650,836	5,743,329
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered employee payroll	\$ 41,372,364	\$ 40,728,593	\$ 41,866,453	\$ 40,702,720	\$ 39,266,280
Contributions as a percentage of covered employee payroll	15.6%	14.8%	13.9%	13.9%	14.6%
	<u>2016</u>	<u>2015</u>	<u>2014</u>		
Contractually required contribution	\$ 6,315,736	\$ 6,953,610	\$ 7,858,789		
Contributions in relation to the contractually required contribution	6,315,736	6,953,610	7,858,789		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
County's covered employee payroll	\$ 44,333,016	\$ 38,873,956	\$ 40,547,649		
Contributions as a percentage of covered employee payroll	14.2%	17.9%	19.4%		

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See independent auditor's report.

**SUPPLEMENTAL INFORMATION**

**COUNTY OF COLUMBIA, NEW YORK**  
**BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS**  
**SUPPLEMENTAL INFORMATION**  
**December 31, 2021**

	<u>Capital Projects</u>	<u>Road</u>	<u>Road Machinery</u>	<u>Special Revenue</u>	<u>Special Grant</u>	<u>Total</u>
<b>Assets</b>						
Cash	\$ -	\$ 3,546,760	\$ 75	\$ 109,014	\$ -	\$ 3,655,849
Restricted cash	4,677,262	-	-	-	-	4,677,262
Accounts receivable	4,036	892	239,154	-	-	244,082
State and federal receivables	977,669	998,844	-	-	-	1,976,513
Prepaid expenditures	-	139,535	23,587	-	-	163,122
Due from other funds	56,694	-	1,848	-	-	58,542
Total assets	<u>\$ 5,715,661</u>	<u>\$ 4,686,031</u>	<u>\$ 264,664</u>	<u>\$ 109,014</u>	<u>\$ -</u>	<u>\$ 10,775,370</u>
<b>Liabilities</b>						
Accounts payable	\$ 1,229,404	\$ 794,223	\$ 183,983	\$ 7,565	\$ -	\$ 2,215,175
Accrued liabilities	-	-	-	-	-	-
Due to other funds	-	756,977	252	1,077	-	758,306
Total liabilities	<u>1,229,404</u>	<u>1,551,200</u>	<u>184,235</u>	<u>8,642</u>	<u>-</u>	<u>2,973,481</u>
<b>Fund balances</b>						
Restricted	4,486,257	-	-	-	-	4,486,257
Assigned	-	2,284,831	80,429	100,372	-	2,465,632
Subsequent years' expenditures	-	850,000	-	-	-	850,000
Encumbrances	-	-	-	-	-	-
Total fund balances	<u>4,486,257</u>	<u>3,134,831</u>	<u>80,429</u>	<u>100,372</u>	<u>-</u>	<u>7,801,889</u>
Total liabilities and fund balances	<u>\$ 5,715,661</u>	<u>\$ 4,686,031</u>	<u>\$ 264,664</u>	<u>\$ 109,014</u>	<u>\$ -</u>	<u>\$ 10,775,370</u>



**COUNTY OF COLUMBIA, NEW YORK  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
NON-MAJOR GOVERNMENTAL FUNDS  
SUPPLEMENTAL INFORMATION  
For the year ended December 31, 2021**

	Capital Projects	Road	Road Machinery	Special Revenue	Special Grant	Total
<b>Revenue</b>						
Real Property Taxes	\$ -	\$ 9,991,582	\$ 259,432	\$ -	\$ -	\$ 10,251,014
Departmental income	-	438	-	-	-	438
Use of money and property	2,069	1,504	1,599,369	85	-	1,603,027
Sale of property and compensation for loss	-	3,097	58,125	-	-	61,222
Interfund revenue	-	-	600,262	-	-	600,262
Miscellaneous local sources	-	7,318	-	14,890	-	22,208
State aid	744,923	4,262,818	-	-	-	5,007,741
Federal aid	533,383	31,397	7,343	-	-	572,123
Total revenue	<u>1,280,375</u>	<u>14,298,154</u>	<u>2,524,531</u>	<u>14,975</u>	<u>-</u>	<u>18,118,035</u>
<b>Expenditures</b>						
Education	483,008	-	-	-	-	483,008
Transportation	-	9,705,646	2,083,901	-	-	11,789,547
Public safety	-	-	-	6,308	-	6,308
Health	-	-	-	6,828	-	6,828
Culture and recreation	-	-	-	5,178	100	5,278
Employee benefits	-	2,365,415	398,424	-	-	2,763,839
Debt service	-	1,592,654	49,352	-	-	1,642,006
Capital outlays	3,539,785	-	-	-	-	3,539,785
Total expenditures	<u>4,022,793</u>	<u>13,663,715</u>	<u>2,531,677</u>	<u>18,314</u>	<u>100</u>	<u>20,236,599</u>
<b>Other financing sources (uses):</b>						
Serial bonds	8,505,000	-	-	-	-	8,505,000
Premium on bond issuance	841,678	-	-	-	-	841,678
Total other financing sources (uses)	<u>9,346,678</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,346,678</u>
Net change in fund balances	6,604,260	634,439	(7,146)	(3,339)	(100)	7,228,114
Fund balances (deficit) at the beginning of the year	(2,118,003)	2,500,392	87,575	103,711	100	573,775
Fund balances at end of year	<u>\$ 4,486,257</u>	<u>\$ 3,134,831</u>	<u>\$ 80,429</u>	<u>\$ 100,372</u>	<u>\$ -</u>	<u>\$ 7,801,889</u>

**COUNTY OF COLUMBIA, NEW YORK**  
**STATEMENT OF NET POSITION – NON-MAJOR PROPRIETARY FUNDS**  
**SUPPLEMENTAL INFORMATION**  
**December 31, 2021**

	Business-type Activities - Enterprise Funds	
	<u>Water</u>	<u>Total</u>
Assets		
Current Assets:		
Cash and equivalents	\$ 159,383	\$ 159,383
Accounts receivable, net	24,216	24,216
Due from other funds	214,468	214,468
Total current assets	<u>398,067</u>	<u>398,067</u>
Total assets	<u>398,067</u>	<u>398,067</u>
Liabilities		
Current liabilities:		
Accounts payable	15,889	15,889
Total current liabilities	<u>15,889</u>	<u>15,889</u>
Total liabilities	<u>15,889</u>	<u>15,889</u>
Net position:		
Unrestricted	382,178	382,178
Total net position	<u>\$ 382,178</u>	<u>\$ 382,178</u>

**COUNTY OF COLUMBIA, NEW YORK  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN NET POSITION –  
NON-MAJOR PROPRIETARY FUNDS  
SUPPLEMENTAL INFORMATION  
For the year ended December 31, 2021**

	Business-type Activities - Enterprise Funds	
	Water	Total
Operating revenue:		
Charges for services	\$ 115,275	\$ 115,275
Total operating revenue	<u>115,275</u>	<u>115,275</u>
Operating expenses:		
Home and community service	106,396	106,396
Total operating expenses	<u>106,396</u>	<u>106,396</u>
Operating gain	<u>8,879</u>	<u>8,879</u>
Non-operating revenue (expenses):		
Interest income	125	125
Total non-operating revenue (expenses)	<u>125</u>	<u>125</u>
Change in net position	9,004	9,004
Net position at beginning of year	373,174	373,174
Net position at end of year	<u>\$ 382,178</u>	<u>\$ 382,178</u>

## **OTHER INFORMATION**



ORRICK, HERRINGTON & SUTCLIFFE LLP  
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NEW YORK, NEW YORK 10019-6142  
tel +1-212-506-5000  
fax +1-212-506-9131  
WWW.ORRICK.COM

December 13, 2013

Thomas E. Myers  
(212) 506-5212  
tmyers@orrick.com

VIA E-MAIL (RONALD.CAPONERA@COLUMBIACOUNTYNY.COM)

Mr. Ron Caponera  
County Comptroller  
County of Columbia  
401 State St.  
Hudson NY 12534

Re: Columbia Tobacco Asset Securitization Corporation

Dear Ron:

You have asked us to provide advice concerning recourse to the County in connection with bonds issued by the Columbia Tobacco Asset Securitization Corporation (the "TASC") to finance the purchase of the County's right to receive payment under the Master Settlement Agreement and Consent Decree in New York involving various companies that sell tobacco products.

I have attached hereto various documents relating to the initial transaction in which the County sold its right to receive such payments which reflect that, as a true sale, there is no recourse to the County in the event any bonds issued by the TASC should default.

As you can see, the Local Law adopted by the County makes clear that this is a non-recourse transaction. An excerpt from the Indenture relating to the bonds issued by the TASC reflect that it does not create indebtedness for County purposes. The Purchase and Sale Agreement between the TASC and the County also reaffirms this position and, finally, the opinion which we were required to deliver to the underwriter and various rating agencies all reflect that the County is not obligated to make payment on any TASC bonds.

The disclosure document used by the TASC to issue these bonds is available on various websites, including EMMA. As you can see, the investors charged a higher interest rate when purchasing these bonds since they were well aware that there is no recourse to the County for payment and that the sole source of payment for such bonds was the receipt of settlement payments and any other revenues available under the Indenture, including a debt service reserve fund.

Very truly yours,

*Tom*

Thomas E. Myers

/es

cc: Mr. Patrick Grattan (grattl@fairpoint.net)

ONSUSA:755947075.1

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

**INDEPENDENT AUDITOR'S REPORT**

Members of the Board of Supervisors  
County of Columbia, New York

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Columbia, New York (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 9, 2023.

***Internal Control over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as item 2021-001 that we consider to be a material weakness.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The

results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***The County's Response to Findings***

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

***Purpose of this Report***

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

The image shows a handwritten signature in black ink that reads "UHY LLP". The letters are stylized and cursive.

Hudson, New York  
March 9, 2023

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

**Independent Auditor's Report**

Members of the Board of Supervisors  
County of Columbia, New York

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the County of Columbia, New York's (the "County") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The County's financial statements include the operations of component units described in note 1 to the schedule of expenditures of federal awards which is not included in the County's schedule of expenditures of federal awards during the year ended December 31, 2021. Our audit, described below, did not include the operations and federal awards, if any, of the entities identified in note 1 because separate compliance audits were performed in accordance with the Uniform Guidance where applicable.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements



of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

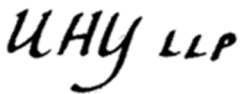
We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-002 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "UHY LLP". The letters are written in a cursive, slightly stylized font.

Hudson, New York  
March 9, 2023

**COUNTY OF COLUMBIA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the year ended December 31, 2021**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing / CFDA Number</u>	<u>Pass-through Grantor's Numbers</u>	<u>Federal Expenditures</u>	<u>Expenditures to Subrecipients</u>
U.S. Department of Agriculture - passed through NYS - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	\$ 1,432,531	\$ -
U.S. Department of Justice -				
Law Enforcement Assistance Narcotics and Dangerous Drugs Training	16.004	N/A	18,239	-
Law Enforcement Assistance Narcotics and Dangerous	16.831	N/A	35,000	-
Total U.S. Department of Justice			<u>53,239</u>	<u>-</u>
U.S. Department of Transportation				
Airport Improvement Program	20.106	N/A	408,812	-
Passed through NYS:				
Highway Planning and Construction	20.205	PIN8759.37	4,863	-
Highway Planning and Construction	20.205	PIN8760.99	39,128	-
Highway Planning and Construction	20.205	PIN8762.11	56,172	-
Highway Planning and Construction	20.205	PIN8761.43	43,074	-
Total Highway Planning and Construction - passed through NYS			<u>143,237</u>	<u>-</u>
Total U.S. Department of Transportation			<u>552,049</u>	<u>-</u>
U.S. Department of Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027		584,594	-
U.S. Department of Education - passed through NYS				
Department of Health				
Special Education - Grants for Infants and Families	84.181	C-31626GG	15,664	-
U.S. Department of Health and Human Services:				
Passed through New York State Office for the Aging:				
Special Programs for the Aging, Title III, Part D,				
Disease Prevention and Health Promotion Services	93.043	N/A	13,654	-
Aging Cluster:				
Special Programs for the Aging, Title III, Part B,				
Grants for Supportive Services and Senior Centers	93.044	N/A	67,118	-
Grants for Supportive Services and Senior Centers- CARES Act	93.044	N/A	-	-
Special Programs for Aging, Title III, Part C,				
Nutrition Services	93.045	N/A	221,028	-
Nutrition Services- CARES Act & FECRA	93.045	N/A	2,767	-
Nutrition Services Incentive Program	93.053	N/A	42,507	-
Total Aging Cluster			<u>333,420</u>	<u>-</u>
Home and Community-Based Support Services	93.048	N/A	1,274	-
National Family Caregiver Support, Title III, Part E	93.052	N/A	66,417	-
Medicare Enrollment Assistance Program	93.071	N/A	18,715	-
Centers for Medicare and Medicaid Services (CMS)				
Research, Demonstrations, and Evaluations	93.779	N/A	33,999	-
Total Office for the Aging			<u>467,479</u>	<u>-</u>

See notes to the schedule of expenditures of federal awards.

**COUNTY OF COLUMBIA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
For the year ended December 31, 2021**

Passed through New York State Office of Temporary and Disability Assistance (OTDA):				
Guardianship Assistance	93.090	N/A	24,776	-
Temporary Assistance for Needy Families	93.558	N/A	3,905,589	-
MaryLee Allen Promoting Safe and Stable Families Program	93.556	N/A	36,233	-
Low-Income Home Energy Assistance	93.568	N/A	3,065,158	123,227
Child Support Enforcement	93.563	N/A	577,959	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	79,471	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	43,051	-
Foster Care Title IV-E	93.658	N/A	993,491	-
Adoption Assistance	93.659	N/A	641,479	-
Social Services Block Grant	93.667	N/A	596,064	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	N/A	21,161	-
Children's Health Insurance Program	93.767	N/A	44,150	-
Medical Assistance Program	93.778	N/A	1,036,549	-
Total Passed through OTDA			<u>11,065,131</u>	<u>123,227</u>
Passed through Health Research, Inc.:				
Public Health Emergency Preparedness	93.069	HRI-15-0686-09	50,133	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	HRI-15-0991-02	34,389	-
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	HRI-6423-01	270,856	-
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	HRI-6825-01	505,511	-
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response - COVID-19 Response	93.354	HRI-2000-07 / HRI-15-2020-01	3,300	-
Total Passed through Health Research, Inc.			<u>864,189</u>	<u>-</u>
Passed through New York State Department of Health:				
Immunization Cooperative Agreements	93.268	C-36924GG	32,120	-
Immunization Cooperative Agreements	93.268	C-32510GG	9,360	-
Total Immunization Cooperative Agreements			<u>41,480</u>	<u>-</u>
Medical Assistance Program	93.778	N/A	213,181	-
Preventive Health and Health Services Block Grant	93.991	C-03511	49,986	-
Maternal and Child Health Services Block Grant to the States	93.994	C32655	-	-
Maternal and Child Health Services Block Grant to the States	93.994	C-34886GG	85,433	-
Maternal and Child Health Services Block Grant to the States	93.994	T36463GG	11,843	-
Total Maternal and Child Health Services Block Grant to the States			<u>97,276</u>	<u>-</u>
Total Passed through New York State Dept of Health			<u>401,923</u>	<u>-</u>
Passed through United Healthcare:				
Provider Relief Fund	93.498	N/A	-	-
Total U.S. Department of Health and Human Services			<u>12,798,722</u>	<u>123,227</u>

See notes to the schedule of expenditures of federal awards.

**COUNTY OF COLUMBIA, NEW YORK  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
For the year ended December 31, 2021**

U.S. Department of Homeland Security (DHS)) - passed through  
New York State:

Disaster Recovery Programs	97.036	N/A	343,865	-
Emergency Management Performance Grants	97.042	T969904/T837485	19,465	-
Emergency Management Performance Grants- COVID-19	97.042		5,261	-
Homeland Security Grant Program	97.067	T837496/T8374 79/T837489/C1 98487/C969970 /C969980/C969 990	88,318	-
 Total U.S. Department of Homeland Security			<u>456,909</u>	<u>-</u>
 Total expenditures of federal awards			<u>\$ 15,893,708</u>	<u>\$ 123,227</u>

**COUNTY OF COLUMBIA, NEW YORK**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**December 31, 2021**

(1) Basis of Presentation

(a) Reporting Entity

The accompanying schedule of expenditures of federal awards presents the activity of Federal financial assistance programs administered by the County of Columbia, New York (the County), an entity as defined in the basic financial statements, except that it does not include the federal financial assistance programs of its component units.

(b) Pass-Through Programs

Where the County receives funds from a government entity other than the federal government (pass-through), the funds are accumulated based upon the Catalog of Federal Domestic Assistance (CFDA) number advised by the pass-through grantor.

Identifying numbers, other than CFDA numbers, which may be assigned by pass-through grantors are not maintained in the County's financial management system. The County has identified certain pass-through identifying numbers and included them in the schedule of expenditures of federal awards.

(c) Nonmonetary Federal Programs

New York State makes payment of benefits directly to vendors, primarily utility companies, on behalf of eligible persons participating in the Low-Income Home Energy Assistance Program (CFDA Number 93.568). Included in the amount presented on the schedule of expenditures of federal awards is \$2,889,959 in direct payments by New York State.

(2) Basis of Accounting

The schedule of expenditures of federal awards is reported on the modified accrual basis of accounting and the amounts presented are derived from the County's general ledger. For programs with funding ceilings and caps, federal expenditures are only recorded and presented in the schedule of expenditures of federal awards up to such amounts.

(3) Indirect Costs

Indirect costs are included in the reported expenditures to the extent such costs are included in the federal financial reports used as the source for the data presented. Costs passed through the New York State Office of Temporary and Disability Assistance are claimed using a Cost Allocation Plan. The County has not elected to use the 10 percent de-minimis indirect cost rate allowed under the Uniform Guidance.

(4) Matching Costs

Matching Costs, i.e., the County's share of certain program costs are not included in the schedule of expenditures of federal awards.

(5) Coronavirus State and Local Fiscal Recovery Funds

County received \$5,774,801 in Coronavirus State and Local Fiscal Recovery Funds in 2021 as a result of the American Rescue Plan (ARP). The County received an additional \$5,774,801 in funding in 2022. This funding is advanced to the County until certain restrictions are met. Funding not utilized for project costs not incurred by December 31, 2024 and expended by December 31, 2026 will be returned to the United States Treasury. As of December 31, 2021, the County has received \$5,190,207 that remains unspent.

**COUNTY OF COLUMBIA, NEW YORK**  
**Schedule of Findings and Questioned Costs**  
**December 31, 2021**

Part I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements:

Type of auditor's report issued:

Qualified for governmental activities and discretely presented component units. Unmodified on business-type activities, general fund, sewer fund, solid waste fund, and the aggregate remaining fund information.

*Internal control over financial reporting:*

- |   |   |   |
|---|---|---|
| 1. Material weakness(es) identified?  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                       |
| 2. Significant deficiency(ies) identified not considered to be material weakness(es)? | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> None reported |
| 3. Noncompliance material to financial statements noted?                              | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No            |

Federal Awards:

*Internal control over major programs:*

- |   |   |   |
|---|---|---|
| 4. Material weakness(es) identified?  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                       |
| 5. Significant deficiency(ies) identified not considered to be material weakness(es)? | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> None reported |

Type of auditor's report issued on compliance for major programs:

Unmodified

- |  |                              |  |
|--|------------------------------|--|
| 6. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance (section .510(a)? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| 7. The County's major programs audited were:   |                              |  |

Name of Federal Programs

CFDA Number

State Administrative Matching Grants for the Supplemental Nutrition Assistance Program  
 Airport Improvement Program  
 Epidemiology and Laboratory Capacity for Infectious Diseases  
 Low Income Home Energy Assistance  
 Medicaid Cluster

10.561  
 20.106  
 93.323  
 93.568  
 93.778

8. Dollar threshold used to distinguish between Type A and Type B programs?

\$750,000

- |   |                              |  |
|---|------------------------------|--|
| 9. Auditee qualified as low-risk auditee? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
|---|------------------------------|--|

**COUNTY OF COLUMBIA, NEW YORK**  
**Schedule of Findings and Questioned Costs**  
**December 31, 2021**

Part II – FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO  
BE REPORTED IN ACCORDANCE WITH *GENERALLY ACCEPTED AUDITING STANDARDS*

Finding 2021-001

Criteria – The County is responsible for preparing and posting any year end closing entries that are required to ensure the accounting records are in compliance with the Governmental Accounting Standards Board.

Condition – The financial results for the year ended December 31, 2021 included material misstatements in certain accounts that required an adjusting journal entry. Specific issues related to unposted receivables, unadjusted changes to accrued health insurance, adjusting to funding to incorporate a debt element on a sewer project, adjustment to update the fixed asset fund, and adjustment to the self insured workers compensation fund for changes to the accrued liabilities.

Cause –A changeover in key positions at the County resulted in the loss of institutional knowledge about required year end adjusting entries.

Effect –Multiple year-end audit adjustments were necessary.

Recommendation – We recommend the County review its closing procedures at year-end and implement and maintain procedures to ensure all necessary year end balances are reconciled. This policy should include enough detail to ensure its effectiveness with changes in County staffing.

Response – Year end procedures are being reviewed and updated by the Controller’s Office and impacted County Departments.

Responsible Official – PJ Keeler, Treasurer



**COUNTY OF COLUMBIA, NEW YORK**  
**Schedule of Findings and Questioned Costs**  
**December 31, 2021**

Part III – FINDINGS RELATED TO THE FEDERAL AWARDS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH *UNIFORM GUIDANCE* (SECTION .510(A))

Finding 2021-002

Criteria – The Schedule of Expenditures of Federal Awards (the “SEFA”) represents federal funding that was expended by the County in its fiscal year.

Condition – The SEFA included revenue adjustments for several programs that if not adjusted, would misstate the federal expenditures for the year ended December 31, 2021.

Cause – The method used by the County to prepare the SEFA uses federal revenues as a starting point for preparing the SEFA. This method caused several revenue adjustments to impact the numbers used by the County on the SEFA.

Effect – The SEFA without adjustment would have been misstated for several programs.

Recommendation – We recommend the County review its preparation process of the SEFA to focus only on federal expenditures.

Response – The County will review policies and procedures and take appropriate action to capture SEFA expenses for the fiscal year as required.

Responsible Official – Robert Gibson, Commissioner and James Breig, Controller/Auditor

**COUNTY OF COLUMBIA, NEW YORK**  
**Status of Prior Year Audit Findings**  
**December 31, 2021**

Part IV – STATUS OF PRIOR YEAR FINDINGS

Findings 2020-001 and 2020-002 were resolved.



OFFICE OF THE  
**Columbia County Controller**  
401 STATE STREET OFFICE BUILDING HUDSON, NY 12534  
TELEPHONE (518) 828-8561 FAX (518) 828-4063

**CONTROLLER/AUDITOR**  
JAMES A. BREIG

**DIRECTOR OF ACCOUNTING & AUDITING**  
JESSICA MCMAHON, CPA

Matthew VanDerbeck  
UHY LLP  
One Hudson City Centre  
Suite 203  
Hudson, NY 12534

**Re: 2021 Findings Response**

Mr. VanDerbeck:

Below are Columbia County's responses to the UHY LLP findings from the 2021 Audit.

**Part II – FINDINGS RELATED TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS**

**Finding 2021-001**

**Criteria** – The County is responsible for preparing and posting any year end closing entries that are required to ensure the accounting records are in compliance with the Governmental Accounting Standards Board.

**Condition** – The financial results for the year ended December 31, 2021 included material misstatements in certain accounts that required an adjusting journal entry. Specific issues related to unposted receivables, unadjusted changes to accrued health insurance, adjusting to funding to incorporate a debt element on a sewer project, adjustment to update the fixed asset fund, and adjustment to the self-insured workers compensation fund for changes to the accrued liabilities.

**Cause** – A changeover in key positions at the County resulted in the loss of institutional knowledge about required year end adjusting entries.

**Effect** – Multiple year-end audit adjustments were necessary.

**Recommendation** – We recommend the County review its closing procedures at year-end and implement and maintain procedures to ensure all necessary year end balances are reconciled. This policy should include enough detail to ensure its effectiveness with changes in County staffing.

**Response** – Year end procedures are being reviewed and updated by the Controller's Office and impacted County Departments.

**Responsible Official** – PJ Keeler, Treasurer

## Finding 2021-002

Criteria – The Schedule of Expenditures of Federal Awards (the “SEFA”) represents federal funding that was expended by the County in its fiscal year.

Condition – The SEFA included revenue adjustments for several programs that if not adjusted, would misstate the federal expenditures for the year ended December 31, 2021.

Cause – The method used by the County to prepare the SEFA uses federal revenues as a starting point for preparing the SEFA. This method caused several revenue adjustments to impact the numbers used by the County on the SEFA.

Effect – The SEFA without adjustment would have been misstated for several programs.

Recommendation – We recommend the County review its preparation process of the SEFA to focus only on federal expenditures.

Response – The County will review policies and procedures and take appropriate action to capture SEFA expenses for the fiscal year as required.