

COUNTY OF SARATOGA, NEW YORK

Basic Financial Statements,  
Supplementary Information and  
Independent Auditors' Report

December 31, 2020

# COUNTY OF SARATOGA, NEW YORK

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COUNTY OF SARATOGA, NEW YORK

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## INDEPENDENT AUDITORS' REPORT

Chairman and Members of the  
Board of Supervisors  
County of Saratoga, New York:

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Saratoga County Industrial Development Agency, Saratoga County Water Authority and Saratoga County Prosperity Partnership, Inc. which collectively represent 100% of the assets, 100% of the net position, and 100% of the revenue of the discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Saratoga County Industrial Development Agency, Saratoga County Water Authority and Saratoga County Prosperity Partnership, Inc. is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinions

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

### Other Matters

As discussed in note 1(d) to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 84 - "Fiduciary Activities," during the year ended December 31, 2020. Our opinions are not modified with respect to this matter.

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and the additional information on pages 68 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information on pages 73 and 74 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 31, 2021, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

EFPR Group, CPAs, PLLC

Williamsville, New York  
August 30, 2021

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis  
December 31, 2020

Our discussion and analysis of the County of Saratoga, New York's (the County) financial performance provides an overview of the County's financial activities for the year ended December 31, 2020.

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**Using This Annual Report**

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This annual report consists of a series of financial statements. The statement of net position and the statement of activities (on pages 12 and 13) provide information about the County as a whole and present a longer-term view of the County's finances and are referred to as the Government-wide financial statements. Governmental Fund financial statements begin on page 14. For Governmental Funds, these statements tell how these services were financed in the short-term, as well as what remains for future spending. Governmental Fund financial statements also report the County's operations in greater detail than the Government-wide financial 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. Following these statements are notes that provide additional information that is essential to a full understanding of the data provided in the financial statements. As a whole, the aforementioned items are the County's basic financial statements.

In addition to the basic financial statements, the annual report contains required supplementary information as dictated by the Governmental Accounting Standards Board and other supplementary information in the form of combining statements for those funds that are not considered major funds and, therefore, are not presented individually in the basic financial statements.

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**Reporting the County as a Whole**

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Our analysis of the County as a whole begins on page 12, with the Government-wide financial statements. The statement of net position and the statement of activities report information about the County as a whole and about its activities in a way that helps answer the question of whether the County, as a whole, is better off or worse off as a result of the year's activities. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the full-accrual basis of accounting. All of the current year's revenue and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the County's net position and changes in them. One can think of the County's net position, the residual of assets, deferred outflows of resources, liabilities and deferred inflows of resources, 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. One needs 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.

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis, Continued

In the statement of net position and the statement of activities, we separate the County into two types of activities:

- **Primary Government:** All of the County's services are reported in this category, including public safety, public health, economic assistance, transportation, and general administration. Property and sales taxes, and New York State (the State) and Federal grants finance most of these activities.
- **Component Units:** The County includes the Saratoga County Industrial Development Agency, Saratoga County Water Authority and Saratoga County Prosperity Partnership, Inc. in its report as separate legal entities. Complete financial statements for these component units can be obtained from their respective administrative office.

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**Governmental Fund Financial Statements**

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Analysis of the County's major funds begins on page 14. The Governmental Fund financial statements provide detailed information about the most significant funds - not the County as a whole. Some funds are required to be established by State law. However, management establishes many other funds to help it control and manage money for particular purposes or to show it is meeting its legal responsibilities for using certain taxes and grants. The County's three kinds of funds - Governmental, Proprietary and Fiduciary - use different accounting approaches.

**Governmental Funds:** All of the County's services are reported in the 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 spending. These funds are reported using an accounting method called modified-accrual accounting which measures cash and all other financial assets that can be readily converted into cash. The Governmental Fund statements provide a detailed short-term view of the County's general governmental operations and the basic services it provides. Governmental Fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs.

**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 report the same way all activities are reported in the statement of net position and the statement of activities. Saratoga County Sewer District is the only Proprietary Fund.

**Fiduciary Funds:** The County is the trustee, or fiduciary, for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the County's fiduciary activities are reported on the statements on pages 21 and 22.

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis, Continued

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**County of Saratoga General Information**

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The County, located in the upper Hudson Valley and foothills of the Adirondack Mountains, is part of the Census Bureau's Albany-Schenectady-Troy Standard Metropolitan Statistical Area. The County's 814 square miles include the cities of Saratoga Springs and Mechanicville, the incorporated villages of Ballston Spa, Corinth, Galway, Round Lake, Schuylerville, South Glens Falls, Stillwater, Victory, and Waterford, and nineteen townships.

Saratoga County's economy is built on a diverse mix of industries with multiple well-established primary economic drivers. While agriculture and tourism have been the County's largest industries, manufacturing is a fast-growing segment of its economy. Its chief manufacturers produce microchips, paper products, chemicals, electronic equipment, knit goods, and ladies' wearing apparel. There are several nationally known manufacturers located within Saratoga County. One specialized facility for energy and propulsion research is located within the County: the West Milton Atomic Project, in the Town of Milton.

Saratoga County is home to several internationally-known tourist attractions. The County is well-known for horse racing and hosts the Saratoga Race Course, the oldest horse racing venue in the United States, and the Horse Racing National Hall of Fame. Based on a 2006 Economic Impact Study conducted by the New York Racing Association, the horse racing industry provides a total annual regional impact of between \$202,000,000 and \$232,000,000. Tax revenue to the County generated by the race course in 2017 was between \$8,500,000 and \$9,000,000. These taxes include sales tax, room taxes on lodging, property, admissions and other sundry taxes.

Supplementing this international tourist attraction are the Saratoga Casino and Raceway, the Saratoga Battlefield National Park - site of the turning point of the American Revolution, the Saratoga Spa State Park - featuring natural mineral springs and the Saratoga Performing Arts Center - the summer home of the New York City Ballet and Philadelphia Orchestra and host to dozens of Live Nation concerts each year from the biggest names in music, and the National Museum of Dance. The City of Saratoga Springs, with its rich Victorian-era history, has been nationally recognized and awarded several distinctions for its downtown area, seasonal celebrations, restaurants and pubs, and was the inspiration for Disney's Saratoga Springs Resort and Spa. The Saratoga Springs City Center has also become the centerpiece of the County's growing year-round convention and trade-show industry.

The County is home to the world's most advanced semiconductor foundry manufacturing facility and one of the largest construction projects in the United States. Global Foundries Fab 8, a \$6.9 billion, 2 million square foot computer chip manufacturing facility in the Luther Forest Technology Park located in the Towns of Malta and Stillwater, began production in January 2012. In July 2012, the company announced a \$2.3 billion 90,000 square foot expansion of its cleanroom, which was completed in 2014 and significantly expanded the facility's production capacity. On January 8, 2013, Global Foundries announced it would begin construction on a new research and development facility at the Fab 8 campus. Featuring more than a half million square feet of flexible space to support a range of technology development and manufacturing activities, the new Technology Development

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis, Continued

Center (TDC) will play a key role in the company's strategy to develop innovative semiconductor solutions. Global Foundries currently has 3,400 employees on site which is up from the 2,176 reported in 2014. On August 31, 2018, the company announced plans in the local media to focus on improving upon its profitable 14-nanometer microchip market and away from developing new 7-nanometer chips, necessitating the layoff of 424 employees, most of whom were involved in the research and development of 7-nanometer microchips. Global Foundries has an administrative building adjacent to the facility. The site occupied by Global Foundries within the Luther Forest Technology campus is zoned for two additional chip fab facilities and discussions about building a second fab are ongoing.

In April 2014, Samsung and Global Foundries announced partnership to develop 14-nanometer computer chips to be used in smartphones and tablets. In October 2014, Global Foundries announced that it is acquiring IBM's global commercial semiconductor technology business and will be IBM's exclusive server processor semiconductor technology for low-nanometer chips for the next decade. Global Foundries will also gain substantial intellectual property as a result of this deal including thousands of patents, making Global Foundries the holder of one of the largest semiconductor patent portfolios in the world and further solidifying its position as a world leader in semiconductor foundry technology. Global Foundries purchased 60 acres of land in November 2015 for \$1.2 million as part of its plan to expand Fab 8. In addition, Global Foundries is planning to purchase another 135 acres of land for a second Fab.

A development driven by Global Foundries is Ellsworth Commons, a \$53 million new urban lifestyle design retail/mixed-use community in downtown Malta. It is situated on a large plot of land on Route 9 and boasts 70,000 square feet of retail and office space, 312 luxury apartments as well as 22 brownstone-style townhouses.

Economic growth has continued in the County due to the expansion of Global Foundries resulting in an increase of home construction, business expansion and hotel development. Recent projects within the County include the following:

- Saratoga Hospital has \$16 million in projects ongoing as it looks to expand its coverage area. There are 7 projects under construction, awaiting approval or recently completed. Saratoga Hospital affiliated with Albany Medical Center, and its partner Columbia Memorial Health which is helping the hospital make these types of investments.
- SKS Bottling, Saratoga Springs, Grande Industrial Park. The president of this packaging supplier for the food and pharmaceutical industries has purchased 22 acres to construct a new \$15.9 million headquarters and distribution center along with 118,000 square foot operations center.
- Stone Bridge Iron & Steele's \$4.5 million 25,000 square foot expansion for this iron and steel fabricator. Expand from 69 to 79 employees and \$3.75 million in payroll.
- Arnoff Moving and Storage's \$4.6 million expansion. The company built a 43,780-square-foot addition and a 7,700-square-foot truck maintenance center in Malta.

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis, Continued

The County is served by a modern system of paved roads, electricity throughout, and gas service in the urban areas. There are numerous water and sewer systems within the County. The County boasts excellent schools and libraries, keeping pace with its expanding population. Many residents of its suburban areas work in nearby cities, such as Albany, Schenectady, Troy, and Glens Falls, although there is some commuting from neighboring counties to the County's manufacturers and other businesses.

Excellent higher education facilities are available in Saratoga Springs (Skidmore College) and in nearby communities: Rensselaer Polytechnic Institute, Russell Sage College (both in Troy), State University at Albany, Albany Medical College, Albany College of Pharmacy, Albany Law School, College of St. Rose in Albany, Union College in Schenectady, and Siena College in Loudonville. The County is also surrounded by four community colleges.

The County is served by first-rate regional and local transportation facilities including Amtrak, Canadian Pacific Railroad, Pan Am Southern Railroad, and local and inter-city bus service. The New York State Canal System extends for 32 miles along the County's eastern border (Champlain Canal/Hudson River) and for 15 miles along its southern border (Erie Canal/Mohawk River). Interstate 87 (the Adirondack Northway) carries traffic from the New York State Thruway exit in Albany, northward to the Canadian border. The former Delaware and Hudson "Mechanicville" rail yard, which was abandoned for over twenty years, has reopened as an intermodal operation featuring both containers and automobiles. The Albany International Airport and the County's own airport in Ballston Spa serve the commercial and general aviation needs of the County.

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**County of Saratoga Government Services**

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Saratoga County government services are those typically provided by New York State counties. Much of any county's operation and finances are mandated by the State, and little flexibility or discretion is left to individual counties. In the case of Saratoga, the majority of its general revenues finance state mandated programs.

The services provided by County government are accounted for through a General Fund, Highway Fund, Equipment Fund, Job Training and Employment Special Revenue Fund, Federal Forfeitures Fund, various Capital Project Funds, as well as one Proprietary Fund. Through a separate fund, the County insures itself and most municipalities within the County for workers' compensation. The County also maintains a separate fund to self-insure its health insurance. Other services are provided by entities related to the County: the Saratoga County Industrial Development Agency, the Saratoga County Soil and Water District, the Saratoga County Water Authority, the Saratoga County Prosperity Partnership, Inc. and the Saratoga Lake Improvement District.

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis, Continued

The County is also the custodian of a wide variety of funds held for the benefit of others. To the extent that these funds are in the custody of the County Treasurer, they are accounted for in a Fiduciary Fund and have been included in the fund-basis financial statements (but excluded from the government-wide statements, as prescribed by the Governmental Accounting Standards Board).

The maintenance of the County's 99 bridges and 365 miles of highway are accounted for in two of the Special Revenue Funds on a modified-accrual basis. In 2020, \$27,275,175 was expended in these funds which is an increase from the previous year of \$1,692,683. Another Special Revenue Fund accounts for the County's employment and training activities to the extent that they are paid for with Federal funds under the Work Force Investment Act. During 2020, \$1,063,436 was expended and reimbursed by the Federal government.

Activities of the County's Sewer District that serves the southern and eastern portions of the County are accounted for in the County's Enterprise Fund. The Sewer District received sewage from greater than 72,000 "equivalent domestic units," through a 320-mile collector system and treated it at a 43.4 million-gallon/day treatment plant. The 2020 cost of the Sewer Fund was \$21,380,579, with revenues of \$25,559,046.

The wide variety of the remaining services provided by County government are accounted for in the County's General Fund, including:

- financial assistance and social services to the County's low-income population, the elderly, veterans, children at risk and children in general;
- public safety services such as a sheriffs' road patrol, fire and other emergency response coordination and communications, a jail, and an animal shelter;
- education funding to those attending community college and to preschool children with special needs;
- health services to the general public in the form of public health service and mental health coordination and individual care in the form of home health care and mental health services;
- promotion of agriculture and tourism and other economic development activities;
- services to the court system including prosecution (District Attorney), recordkeeping (County Clerk), the holding of bail and other court funds (County Treasurer); and
- a variety of other services including the preservation and cataloging of important documents (County Clerk and Historian), motor vehicle offices, consumer protection, and environmental and forestry management.

The County serves the public and other levels of local government through the Planning Board, the Board of Elections, Real Property Tax Service, and the tax collection services of the County Treasurer. These services, together with the County's administrative costs and a small number of grants to community, historical, and cultural organizations, are provided at a total modified-accrual cost.

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis, Continued

For the year ended December 31, 2020, the General Fund expended \$243,274,554 and the general real property tax revenue amounted to \$61,766,463. Many of these services are mandated by New York State and in several areas the expenditures themselves are mandated, with the County having little or no control over the expenditure level. In most cases, the County receives State and/or Federal reimbursement for some, but not all, of those expenditures.

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**Analysis of the County's Budget and Fund-Basis Finances in 2020**

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The 2020 General Fund included \$19,394,180 in transfers to other funds, including the County Road and Road Machinery Funds. The County's Enterprise Fund, the Sewer District, had net operating income of \$4,178,467. The other budgeted funds were balanced without involving fund balance.

The County's actual expenditures in the General Fund during 2020 were \$21,338,690 under the modified budget amount. Actual revenue was lower than the modified budget by \$25,712,027. See details on page 68.

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**Analysis of the County's Government-Wide Financial Position During 2020**

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During 2020, the County's government-wide net position decreased by \$28,759,226. Governmental activities net position decreased by \$32,937,693 which was due in large part to changes in the net pension liability and the total OPEB liability and their related deferred outflows of resources and deferred inflows of resources. Business-type activities increased net position by \$4,178,467 as a result of operating revenue exceeding operating expenses.

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**Analysis of the County's Capital Investment and Bond Indebtedness**

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The County's net investment in capital assets at the end of 2020 is as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Related Debt</u>	<u>Net</u>
Land	\$ 4,820,105	-	-	4,820,105
Construction in progress	27,661,754	-	(21,555,537)	6,106,217
Buildings and improvements	233,573,425	(129,779,355)	(2,860,000)	100,934,070
Vehicles	27,502,861	(17,901,308)	-	9,601,553
Machinery and equipment	17,224,598	(11,652,169)	-	5,572,429
Infrastructure	<u>266,374,509</u>	<u>(118,107,112)</u>	<u>(46,306,198)</u>	<u>101,961,199</u>
Totals	\$ <u>577,157,252</u>	<u>(277,439,944)</u>	<u>(70,721,735)*</u>	<u>228,995,573</u>

Debt related to construction in progress consists of \$21,445,000 in bonds and \$110,537 in premiums.

\*Sewer District is responsible for \$46,306,198 of this amount, which consists of \$44,005,000 in bonds, \$3,909,294 in premiums and \$62,727 of deferred gains on refunding, less \$1,670,823 of deferred losses on refunding.

COUNTY OF SARATOGA, NEW YORK  
Management's Discussion and Analysis, Continued

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**Future Prospects for the County's Finances**

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In January 2020, Moody's Investors Service has upgraded Saratoga County issuer and general obligation limited tax (GOLT) ratings to Aa1 from Aa2. The upgrade to Aa1 reflects Saratoga County's continued financial strength and steadily growing tax base. The growing population and economy have led to growing property and sales taxes which have bolstered the county's reserve position.

In May 2021, Moody's reaffirmed the County's Aa1 rating with "no outlook" noting, "Saratoga County's credit position is excellent, and its Aa1 rating slightly exceeds the U.S. counties median of Aa2. Key credit factors include a very large tax base, a strong wealth and income profile and an exceptionally light debt burden." (The full Moody's Annual Comment should be read in its entirety and is available at [www.moody.com](http://www.moody.com).)

The County anticipates issuing debt for two sanitary sewer projects in the near future (12-24 months), a Regional Biosolids Facility and a relining of the Sewer District's interceptor. These projects will be funded through a combination of Environmental Facilities Corporation bond anticipation notes followed by permanent bond financing following completion of construction and an appointment of the County's American Rescue Plan Act funding.

In May 2021, the County was allotted \$44.6 million in American Rescue Plan Act (ARPA) of 2021 (H.R. 1319) Section 603 Coronavirus State and Local Fiscal Recovery Funds. \$22.3 million was received in May 2021 and the remaining \$22.3 million will be received in May 2022. The County has convened a Working Group consisting of county management and consultants to review the ARPA guidelines and rules and make recommendations to the Board regarding their use.

The County endured the 2020 pandemic shutdown while seeing only an approximate 4.3% decline in sales tax revenues. In the first half of 2021, sales tax has rebounded greatly and is on pace to exceed 2019 receipts. Further, the County's decision early in the pandemic to enact austerity measures greatly minimized the impact of suddenly reduced revenues. While all counties suffered in 2020, Saratoga County was able to maintain a relatively healthy position heading into 2021.

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**Requests for Additional Information**

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Additional information about the County's financial statements may be obtained from the Saratoga County Administrator's Office, County Municipal Center, 40 McMaster Street, Building 1, Ballston Spa, New York 12020.

COUNTY OF SARATOGA, NEW YORK  
Statement of Net Position  
December 31, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Current:				
Cash and equivalents	\$ 48,359,172	29,240,250	77,599,422	13,231,740
Taxes receivable, net of allowance	18,725,195	-	18,725,195	-
Accounts receivable	2,236,119	721,229	2,957,348	1,301,817
State and federal receivables	37,955,388	-	37,955,388	-
Due from other governments	19,144,734	-	19,144,734	-
Loans receivable	-	-	-	1,400,000
Grants receivable	-	-	-	254,786
Prepaid expenses	2,246,076	106,202	2,352,278	79,843
Inventories	1,117,832	-	1,117,832	-
Other assets	37,914	-	37,914	-
Restricted assets - cash and equivalents	13,794,216	-	13,794,216	3,192,173
Property held for development	-	-	-	344,717
Total current assets	143,616,646	30,067,681	173,684,327	19,805,076
Noncurrent assets - capital assets, net of accumulated depreciation	162,693,809	137,023,499	299,717,308	63,106,347
Total assets	306,310,455	167,091,180	473,401,635	82,911,423
Deferred outflows of resources:				
Loss on refunding	-	1,670,823	1,670,823	-
Pension	47,468,905	2,203,373	49,672,278	260,968
OPEB	51,693,539	2,899,566	54,593,105	36,034
Total deferred outflows of resources	99,162,444	6,773,762	105,936,206	297,002
Liabilities:				
Current:				
Accounts payable	12,802,109	2,926,937	15,729,046	482,226
Accrued liabilities	775,449	554,871	1,330,320	535,250
Due to other governments	24,721,306	-	24,721,306	4,859,957
Other liabilities	84,945	-	84,945	5,500
General obligation bonds and premiums	1,658,503	2,270,465	3,928,968	835,000
Total current liabilities	40,042,312	5,752,273	45,794,585	6,717,933
Long-term liabilities:				
General obligation bonds and premiums	22,757,034	45,643,829	68,400,863	43,767,684
Compensated absences	3,257,293	160,029	3,417,322	-
Self insured claims payable	21,845,246	-	21,845,246	-
Net pension liability	68,032,424	3,157,875	71,190,299	370,815
Total OPEB liability	278,969,038	15,954,191	294,923,229	102,000
Total long-term liabilities	394,861,035	64,915,924	459,776,959	44,240,499
Total liabilities	434,903,347	70,668,197	505,571,544	50,958,432
Deferred inflows of resources:				
Gain on refunding	-	62,727	62,727	-
Pension	4,153,105	192,775	4,345,880	27,402
OPEB	12,521,111	725,775	13,246,886	-
Unearned revenue	4,851,120	-	4,851,120	-
Total deferred inflows of resources	21,525,336	981,277	22,506,613	27,402
Net position (deficit):				
Net investment in capital assets	138,278,272	90,717,301	228,995,573	14,246,473
Restricted - self-insurance workers' compensation	12,964,056	-	12,964,056	-
Restricted - self-insurance health benefits	8,236,139	-	8,236,139	-
Restricted - other	1,487,228	-	1,487,228	3,192,173
Unrestricted (deficit)	(211,921,479)	11,498,167	(200,423,312)	14,783,945
Total net position (deficit)	\$ (50,955,784)	102,215,468	51,259,684	32,222,591

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Activities  
Year ended December 31, 2020

Functions	Expenses	Program Revenue			Net Revenue (Expenses) and Changes in Net Position			
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government			Component units
					Governmental activities	Business-type activities	Total	
Primary government:								
Governmental activities:								
General government support	\$ 107,663,159	10,857,359	4,176,685	-	(92,629,115)	-	(92,629,115)	-
Education	19,848,863	-	3,685,304	-	(16,163,559)	-	(16,163,559)	-
Public safety	70,228,495	14,168,030	1,308,978	-	(54,751,487)	-	(54,751,487)	-
Health	23,506,307	6,533,924	6,511,783	-	(10,460,600)	-	(10,460,600)	-
Transportation	33,024,624	5,727,644	5,191,680	3,779,559	(18,325,741)	-	(18,325,741)	-
Economic assistance and opportunity	71,127,900	5,847,547	25,778,014	-	(39,502,339)	-	(39,502,339)	-
Culture and recreation	1,013,691	1,501,821	18,043	759,312	1,265,485	-	1,265,485	-
Home and community services	4,261,915	2,384,343	64,150	-	(1,813,422)	-	(1,813,422)	-
Debt service	889,320	-	-	-	(889,320)	-	(889,320)	-
Total governmental activities	331,564,274	47,020,668	46,734,637	4,538,871	(233,270,098)	-	(233,270,098)	-
Business-type activities - Sewer District	21,380,579	25,322,232	-	-	-	3,941,653	3,941,653	-
Total primary government	\$ 352,944,853	72,342,900	46,734,637	4,538,871	(233,270,098)	3,941,653	(229,328,445)	-
Component units:								
Saratoga County Industrial Development Agency	418,035	9,125	-	-	-	-	-	(408,910)
Saratoga County Water Authority	6,239,672	7,378,911	2,627,508	-	-	-	-	3,766,747
Saratoga County Prosperity Partnership, Inc.	509,091	-	490,428	-	-	-	-	(18,663)
Total component units	\$ 7,166,798	7,388,036	3,117,936	-	-	-	-	3,339,174
General revenue:								
Real property tax and related tax items					66,242,657	-	66,242,657	-
Non-property tax items					128,305,170	-	128,305,170	-
Sales of property and compensation for loss					2,678,168	91,277	2,769,445	-
Use of money and property					1,803,372	124,717	1,928,089	182,439
Miscellaneous local sources					1,303,038	20,820	1,323,858	-
Total general revenue					200,332,405	236,814	200,569,219	182,439
Change in net position					(32,937,693)	4,178,467	(28,759,226)	3,521,613
Net position (deficit) at beginning of year					(18,018,091)	98,037,001	80,018,910	28,700,978
Net position (deficit) at end of year					\$ (50,955,784)	102,215,468	51,259,684	32,222,591

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Balance Sheet - Governmental Funds  
December 31, 2020

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Cash and equivalents	\$33,067,405	1,714,104	859,320	35,640,829
Taxes receivable, net of allowance	18,725,195	-	-	18,725,195
Accounts receivable	1,346,535	-	506,848	1,853,383
State and federal receivables	35,002,196	-	2,953,192	37,955,388
Due from other governments	4,371,525	-	-	4,371,525
Due from other funds	517,886	-	-	517,886
Other assets	37,914	-	-	37,914
Restricted assets - cash and equivalents	<u>830,160</u>	<u>-</u>	<u>-</u>	<u>830,160</u>
Total assets	<u>\$93,898,816</u>	<u>1,714,104</u>	<u>4,319,360</u>	<u>99,932,280</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts payable	9,222,670	1,442,264	1,364,067	12,029,001
Due to other governments	23,788,233	-	933,073	24,721,306
Due to other funds	<u>-</u>	<u>-</u>	<u>517,886</u>	<u>517,886</u>
Total liabilities	<u>33,010,903</u>	<u>1,442,264</u>	<u>2,815,026</u>	<u>37,268,193</u>
Deferred inflows of resources	<u>22,559,849</u>	<u>-</u>	<u>2,729,774</u>	<u>25,289,623</u>
<b>Fund balances:</b>				
Nonspendable	37,914	-	-	37,914
Restricted	1,055,065	271,840	160,323	1,487,228
Assigned - Maplewood Manor retiree health benefits	8,639,026	-	-	8,639,026
Assigned - appropriated	3,069,365	-	-	3,069,365
Unassigned (deficit)	<u>25,526,694</u>	<u>-</u>	<u>(1,385,763)</u>	<u>24,140,931</u>
Total fund balances	<u>38,328,064</u>	<u>271,840</u>	<u>(1,225,440)</u>	<u>37,374,464</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$93,898,816</u>	<u>1,714,104</u>	<u>4,319,360</u>	<u>99,932,280</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Reconciliation of the Balance Sheet - Governmental Funds to the  
Statement of Net Position  
December 31, 2020

Total fund balances - governmental funds	\$ 37,374,464
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	162,693,809
Compensated absences are expensed as paid in governmental funds, expensed as incurred, and reflected as liability on the statement of net position.	(3,257,293)
Significant inventories of materials and supplies are included in the statement of net position as current assets.	1,117,832
Internal service funds net position are not reported in the governmental funds, but included in the statement of net position.	17,318,043
Deferred property tax revenue is not available to pay current period expenditures and is therefore deferred in the funds.	8,449,718
Deferred revenue from receivables not available to pay for current period expenditures and is therefore deferred in the funds.	12,118,820
Prepaid expenses are not reported in the governmental funds.	2,246,076
Some deferred inflows and outflows of resources are not reported in the governmental funds as they do not provide for or use current resources:	
Deferred outflows of resources - pension	47,468,905
Deferred outflows of resources - OPEB, net of \$17,368 reported in workers' compensation fund	51,676,171
Deferred inflows of resources - pension	(4,153,105)
Deferred inflows of resources - OPEB, net of \$3,928 reported in workers' compensation fund	(12,517,183)
Long-term liabilities that are not due and payable in the current period are not reported in the governmental funds:	
General obligation bonds and premiums	(24,415,537)
Accrued interest	(149,930)
Total OPEB liability, net of \$74,888 reported in the workers' compensation fund	(278,894,150)
Net pension liability	<u>(68,032,424)</u>
Total net position (deficit) of the governmental activities	<u><u>\$(50,955,784)</u></u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Revenue, Expenditures, and Changes in Fund Balances -  
Governmental Funds  
Year ended December 31, 2020

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenue:				
Real property taxes	\$ 61,766,463	-	-	61,766,463
Real property tax items	3,671,367	-	-	3,671,367
Non-property tax items	128,305,170	-	-	128,305,170
Departmental income	11,309,091	-	1,758,797	13,067,888
Intergovernmental charges	5,202,890	-	417,254	5,620,144
Use of money and property	518,904	60,225	1,129,181	1,708,310
Licenses and permits	68,358	-	-	68,358
Fines and forfeitures	216,059	-	7,493	223,552
Sale of property and compensation for loss	2,516,809	-	161,359	2,678,168
Miscellaneous local sources	959,608	-	267,905	1,227,513
State aid	20,379,629	189,828	2,328,194	22,897,651
Federal aid	17,358,019	759,312	1,633,203	19,750,534
Total revenue	<u>252,272,367</u>	<u>1,009,365</u>	<u>7,703,386</u>	<u>260,985,118</u>
Expenditures:				
General government support	92,814,141	11,900	-	92,826,041
Education	19,843,415	-	-	19,843,415
Public safety	41,755,616	5,858,783	984,237	48,598,636
Health	18,820,270	-	-	18,820,270
Transportation	3,474,316	865,552	26,306,001	30,645,869
Economic assistance and opportunity	60,056,308	-	1,063,436	61,119,744
Culture and recreation	761,368	-	-	761,368
Home and community services	3,247,254	-	-	3,247,254
Debt service	2,501,866	-	-	2,501,866
Total expenditures	<u>243,274,554</u>	<u>6,736,235</u>	<u>28,353,674</u>	<u>278,364,463</u>
Other sources (uses):				
Operating transfers in	-	-	19,394,180	19,394,180
Operating transfers out	(19,394,180)	-	-	(19,394,180)
Total other sources (uses)	<u>(19,394,180)</u>	<u>-</u>	<u>19,394,180</u>	<u>-</u>
Net change in fund balances	(10,396,367)	(5,726,870)	(1,256,108)	(17,379,345)
Fund balances at beginning of year	<u>48,724,431</u>	<u>5,998,710</u>	<u>30,668</u>	<u>54,753,809</u>
Fund balances (deficit) at end of year	<u>\$ 38,328,064</u>	<u>271,840</u>	<u>(1,225,440)</u>	<u>37,374,464</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances -  
Governmental Funds to the Statement of Activities  
Year ended December 31, 2020

Net change in fund balances - governmental funds			\$(17,379,345)
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:			
Capital outlay	\$16,349,689		
Depreciation	(14,819,018)		
Loss on disposal	<u>(96,255)</u>	1,434,416	
Changes in net position from internal service funds which are not reported in governmental funds but included in the statement of activities.			466,108
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
Compensated absences			(715,456)
Accrued interest			9,043
Other postemployment benefits:			
Total OPEB liability	(53,402,014)		
Deferred outflows of resources - OPEB	36,173,992		
Deferred inflows of resources - OPEB	<u>2,966,156</u>	(14,261,866)	
Pension:			
Net pension liability	(50,462,386)		
Deferred outflows of resources - pension	33,021,758		
Deferred inflows of resources - pension	<u>4,903,058</u>	(12,537,570)	
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			1,595,000
Some revenues are reported in the statement of activities that do not result in current financial resources and therefore are not reported as revenue in the governmental funds.			8,505,675
Expenditure for pensions and bond premiums within governmental funds are recorded as expenditures when paid. In the statement of activities, these items are allocated over the time period the items are consumed.			89,156
Expenditures for inventory within certain governmental funds are recorded as expenditures when paid. In the statement of activities, these costs are allocated over the time period the items are consumed.			<u>(142,854)</u>
Change in net position of governmental activities			<u>\$(32,937,693)</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK

Statement of Net Position

Proprietary Funds

December 31, 2020

	Business-type Activities	Internal Service Funds		
	Enterprise Fund	Workers'	Health	
	<u>District</u>	<u>Compensation</u>	<u>Benefits</u>	<u>Total</u>
Assets:				
Current:				
Cash and equivalents	\$ 29,240,250	2,198,029	10,520,314	12,718,343
Accounts receivable	721,229	325,000	57,736	382,736
Due from other governments	-	14,773,209	-	14,773,209
Prepaid expenses	106,202	-	-	-
Restricted assets - cash and equivalents	-	12,964,056	-	12,964,056
Total current assets	<u>30,067,681</u>	<u>30,260,294</u>	<u>10,578,050</u>	<u>40,838,344</u>
Noncurrent assets - capital assets, net of accumulated depreciation	137,023,499	-	-	-
Total assets	<u>167,091,180</u>	<u>30,260,294</u>	<u>10,578,050</u>	<u>40,838,344</u>
Deferred outflows of resources:				
Loss on refunding	1,670,823	-	-	-
Pension	2,203,373	-	-	-
OPEB	2,899,566	17,368	-	17,368
Total deferred outflows of resources	<u>6,773,762</u>	<u>17,368</u>	<u>-</u>	<u>17,368</u>
Liabilities:				
Current:				
Accounts payable	2,926,937	151,572	621,536	773,108
Accrued liabilities	554,871	625,519	-	625,519
Other liabilities	-	-	84,945	84,945
General obligation bonds and premiums	2,270,465	-	-	-
Total current liabilities	<u>5,752,273</u>	<u>777,091</u>	<u>706,481</u>	<u>1,483,572</u>
Long-term:				
General obligation bonds and premiums	45,643,829	-	-	-
Compensated absences	160,029	-	-	-
Self insured claims payable	-	20,245,246	1,600,000	21,845,246
Net pension liability	3,157,875	-	-	-
Total OPEB liability	15,954,191	74,888	-	74,888
Total long-term liabilities	<u>64,915,924</u>	<u>20,320,134</u>	<u>1,600,000</u>	<u>21,920,134</u>
Total liabilities	<u>70,668,197</u>	<u>21,097,225</u>	<u>2,306,481</u>	<u>23,403,706</u>
Deferred inflows of resources:				
Gain on refunding	62,727	-	-	-
Pension	192,775	-	-	-
OPEB	725,775	3,928	-	3,928
Unearned revenue	-	94,605	35,430	130,035
Total deferred inflows of resources	<u>981,277</u>	<u>98,533</u>	<u>35,430</u>	<u>133,963</u>
Net position:				
Net investment in capital assets	90,717,301	-	-	-
Restricted - self-insurance workers' compensation	-	12,964,056	-	12,964,056
Restricted - self-insurance health benefits	-	-	8,236,139	8,236,139
Unrestricted (deficit)	11,498,167	(3,882,152)	-	(3,882,152)
Total net position	<u>\$ 102,215,468</u>	<u>9,081,904</u>	<u>8,236,139</u>	<u>17,318,043</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Revenue, Expenses, and Changes in Net Position -  
Proprietary Funds  
Year ended December 31, 2020

	Business-type Activities Enterprise Fund	Internal Service Funds		
	Sewer District	Workers' Compensation	Health Benefits	Total
Operating revenue:				
Charges for services	\$ 25,322,232	-	-	-
Participant assessments	-	5,001,705	23,748,880	28,750,585
Use of money and property	124,717	57,821	37,241	95,062
Sale of property and compensation for loss	91,277	-	-	-
Miscellaneous local sources	<u>20,820</u>	<u>107,085</u>	<u>183,056</u>	<u>290,141</u>
Total operating revenue	<u>25,559,046</u>	<u>5,166,611</u>	<u>23,969,177</u>	<u>29,135,788</u>
Operating expenses:				
Costs of sales and services	10,303,988	-	-	-
Employee benefits	3,075,012	3,065,700	25,603,980	28,669,680
Debt service	1,465,045	-	-	-
Depreciation	<u>6,536,534</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>21,380,579</u>	<u>3,065,700</u>	<u>25,603,980</u>	<u>28,669,680</u>
Gain (loss) from operations	4,178,467	2,100,911	(1,634,803)	466,108
Net position at beginning of year	<u>98,037,001</u>	<u>6,980,993</u>	<u>9,870,942</u>	<u>16,851,935</u>
Net position at end of year	<u>\$ 102,215,468</u>	<u>9,081,904</u>	<u>8,236,139</u>	<u>17,318,043</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Cash Flows  
Proprietary Funds  
Year ended December 31, 2020

	Business-type Activities Enterprise Fund	Internal Service Funds		
	Sewer District	Workers' Compensation	Health Benefits	Total
Cash flows from operating activities:				
Cash received from charges to customers and governmental funds	\$ 25,794,481	5,475,023	23,938,080	29,413,103
Cash paid for interest	(1,624,794)	-	-	-
Cash paid to employees and benefits	(1,794,134)	(3,374,790)	(24,836,947)	(28,211,737)
Cash paid for services and payables	(11,860,666)	-	-	-
Net cash provided by (used in) operating activities	<u>10,514,887</u>	<u>2,100,233</u>	<u>(898,867)</u>	<u>1,201,366</u>
Cash flows from non-capital financing activities - increase in restricted cash and equivalents	<u>-</u>	<u>(2,816,332)</u>	<u>-</u>	<u>(2,816,332)</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(7,708,835)	-	-	-
Repayments of long-term debt	(1,990,000)	-	-	-
Net cash used in capital and related financing activities	<u>(9,698,835)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash and equivalents	816,052	(716,099)	(898,867)	(1,614,966)
Cash and equivalents at beginning of year	<u>28,424,198</u>	<u>2,914,128</u>	<u>11,419,181</u>	<u>14,333,309</u>
Cash and equivalents at end of year	<u>\$ 29,240,250</u>	<u>2,198,029</u>	<u>10,520,314</u>	<u>12,718,343</u>
Reconciliation of gain (loss) from operations to net cash provided by (used in) operating activities:				
Gain (loss) from operations	4,178,467	2,100,911	(1,634,803)	466,108
Depreciation expense	6,536,534	-	-	-
Changes in:				
Accounts receivable	235,435	-	(29,286)	(29,286)
Due from other governments	-	278,764	-	278,764
Deferred outflows of resources	(3,454,533)	(4,082)	-	(4,082)
Accounts payable and accrued liabilities	(1,583,593)	(30,337)	(70,208)	(100,545)
Bond premium	(195,465)	-	-	-
Compensated absences	40,389	-	-	-
Self insured claims payable	-	(278,764)	800,000	521,236
Net pension liability	2,313,405	-	-	-
Total OPEB liability	2,879,636	4,093	-	4,093
Deferred inflows of resources	(435,388)	29,648	35,430	65,078
Net cash provided by (used in) operating activities	<u>\$ 10,514,887</u>	<u>2,100,233</u>	<u>(898,867)</u>	<u>1,201,366</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2020

	<u>Custodial Funds</u>	<u>Permanent Fund</u>	<u>Private Purpose Trust Fund</u>	<u>Total Fiduciary Funds</u>
Assets - cash and equivalents	<u>\$ 3,124,035</u>	<u>118,600</u>	<u>1,768</u>	<u>3,244,403</u>
Liabilities - due to other governments	<u>2,118,861</u>	<u>-</u>	<u>-</u>	<u>2,118,861</u>
Fiduciary net position	<u><u>\$ 1,005,174</u></u>	<u><u>118,600</u></u>	<u><u>1,768</u></u>	<u><u>1,125,542</u></u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
Year ended December 31, 2020

	Custodial Funds	Permanent Fund	Private Purpose Trust Fund	Total Fiduciary Funds
<b>Additions:</b>				
Bail	\$ 39,529	-	-	39,529
Court & Trust	114,101	-	-	114,101
Mortgage tax	10,901,282	-	-	10,901,282
Aid and Incentives for Municipalities (AIM)	780,636	-	-	780,636
Social Services trust	568,647	-	-	568,647
State training school	520	-	-	520
Tender offers	248,443	-	-	248,443
Union dues day dare	7,725	-	-	7,725
Interest earnings	-	48	1,768	1,816
Total additions	<u>12,660,883</u>	<u>48</u>	<u>1,768</u>	<u>12,662,699</u>
<b>Deductions:</b>				
Bail	117,098	-	-	117,098
Court & Trust	102,748	-	-	102,748
Mortgage tax	10,246,206	-	-	10,246,206
Aid and Incentives for Municipalities (AIM)	780,636	-	-	780,636
Social Services trust	610,977	-	-	610,977
State training school	250	-	-	250
Tender offers	264,807	-	-	264,807
Union dues day dare	7,733	-	-	7,733
Cemeteries	-	-	2,497	2,497
Total deductions	<u>12,130,455</u>	<u>-</u>	<u>2,497</u>	<u>12,132,952</u>
Change in fiduciary net position	<u>530,428</u>	<u>48</u>	<u>(729)</u>	<u>529,747</u>
Fiduciary net position at beginning of year, before restatement	-	-	-	-
Cumulative effect of change in accounting principle (note 19)	<u>474,746</u>	<u>118,552</u>	<u>2,497</u>	<u>595,795</u>
Fiduciary net position at beginning of year, as restated	<u>474,746</u>	<u>118,552</u>	<u>2,497</u>	<u>595,795</u>
Fiduciary net position at end of year	<u>\$1,005,174</u>	<u>118,600</u>	<u>1,768</u>	<u>1,125,542</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Net Position - Component Units  
December 31, 2020

	Saratoga County Industrial Development <u>Agency</u>	Saratoga County Water Authority	Saratoga County Prosperity Partnership, Inc.	<u>Total</u>
Assets:				
Current:				
Cash and equivalents	\$ 3,013,285	10,176,851	41,604	13,231,740
Accounts receivable	290	1,301,527	-	1,301,817
Loans receivable	1,400,000	-	-	1,400,000
Grants receivable	-	254,786	-	254,786
Prepaid expenses	-	71,797	8,046	79,843
Restricted assets - cash and equivalents	-	3,192,173	-	3,192,173
Property held for development	344,717	-	-	344,717
Total current assets	4,758,292	14,997,134	49,650	19,805,076
Noncurrent assets - capital assets, net of accumulated depreciation	-	63,095,744	10,603	63,106,347
Total assets	4,758,292	78,092,878	60,253	82,911,423
Deferred outflows of resources:				
Pension	-	260,968	-	260,968
OPEB	-	36,034	-	36,034
Total deferred outflows of resources	-	297,002	-	297,002
Liabilities:				
Current:				
Accounts payable	1,008	481,196	22	482,226
Accrued liabilities	-	533,723	1,527	535,250
Due to other governments	-	4,859,957	-	4,859,957
Unearned revenue	-	-	5,500	5,500
General obligation bonds	-	835,000	-	835,000
Total current liabilities	1,008	6,709,876	7,049	6,717,933
Long-term liabilities:				
General obligation bonds	-	43,767,684	-	43,767,684
Net pension liability	-	370,815	-	370,815
Total OPEB liability	-	102,000	-	102,000
Total long-term liabilities	-	44,240,499	-	44,240,499
Total liabilities	1,008	50,950,375	7,049	50,958,432
Deferred inflows of resources - pension	-	27,402	-	27,402
Net position:				
Net investment in capital assets	-	14,246,473	-	14,246,473
Restricted	-	3,192,173	-	3,192,173
Unrestricted	4,757,284	9,973,457	53,204	14,783,945
Total net position	\$ 4,757,284	27,412,103	53,204	32,222,591

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK  
Statement of Activities - Component Units  
Year ended December 31, 2020

<u>Functions</u>	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net Revenue (Expense) and Changes in Net Position</u>			<u>Total</u>
		<u>Charges for services</u>	<u>Operating grants and contributions</u>	<u>Saratoga County Industrial Development Agency</u>	<u>Saratoga County Water Authority</u>	<u>Saratoga County Prosperity Partnership, Inc.</u>	
Saratoga County Industrial Development Agency	\$ 418,035	9,125	-	(408,910)	-	-	(408,910)
Saratoga County Water Authority	6,239,672	7,378,911	2,627,508	-	3,766,747	-	3,766,747
Saratoga County Prosperity Partnership, Inc.	<u>509,091</u>	<u>-</u>	<u>490,428</u>	<u>-</u>	<u>-</u>	<u>(18,663)</u>	<u>(18,663)</u>
Total component units	<u>\$ 7,166,798</u>	<u>7,388,036</u>	<u>3,117,936</u>	(408,910)	3,766,747	(18,663)	3,339,174
General revenue - use of money and property				<u>21,851</u>	<u>160,588</u>	<u>-</u>	<u>182,439</u>
Change in net position				(387,059)	3,927,335	(18,663)	3,521,613
Net position at beginning of year				<u>5,144,343</u>	<u>23,484,768</u>	<u>71,867</u>	<u>28,700,978</u>
Net position at end of year				<u>\$ 4,757,284</u>	<u>27,412,103</u>	<u>53,204</u>	<u>32,222,591</u>

See accompanying notes to financial statements.

COUNTY OF SARATOGA, NEW YORK

Notes to Financial Statements

December 31, 2020

(1) Summary of Significant Accounting Policies

The basic financial statements of the County of Saratoga, New York (the County) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounting policies of the County conform to accounting principles generally accepted in the United States of America as applicable to governmental units. A summary of the significant accounting policies consistently applied in the preparation of the accompanying basic financial statements follows.

In preparing the basic financial statements in accordance with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, the disclosure of contingent liabilities at the date of the basic financial statements, and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

(a) Financial Reporting Entity

The County was established in 1791 and is governed by the general laws of the State of New York (the State) and various local laws and ordinances. The County Board of Supervisors, which is the legislative body responsible for the overall operation of the County, consists of 23 supervisors representing the 19 towns and 2 cities within the County. The Town of Clifton Park and the City of Saratoga Springs each are represented by two Supervisors. The Chairman of the Board, elected by the Board each year, is the Chief Executive Officer of the County. The Board of Supervisors also appoints a County Administrator and a Clerk of the Board. The County Administrator acts as the Budget Officer. The County Treasurer, elected at large to a four-year term, is the Chief Fiscal Officer of the County. The County Clerk, Sheriff, and District Attorney are constitutional officials and are elected in accordance with constitutional provisions.

The County provides the following basic services: general government support, education assistance for County residents attending community colleges, public safety, social services, health, road maintenance, public improvements, and a part-county sewer system. The County administers the Employment and Training Program for Saratoga, Warren, and Washington Counties.

The financial reporting entity consists of (a) the primary government which is the County of Saratoga, (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 by GASB.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(a) Financial Reporting Entity, Continued

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to influence operations significantly, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the County and/or its citizens, or whether the activity is conducted within the geographic boundaries of the County and is generally available to its citizens. A third criterion used in evaluating potential component units is the existence of special financing relationships, regardless of whether the County is able to exercise oversight responsibilities.

Based on the application of these criteria, a brief review of each potential component unit addressed in defining the County's reporting entity follows:

Included in the Reporting Entity:

Saratoga County Industrial Development Agency - The Saratoga County Industrial Development Agency (the IDA) was created in 1971 by the New York State Legislature pursuant to Article 18-A and Section 890-h of the General Municipal Law. The members of the IDA Board are appointed by the County Board of Supervisors. The County provides office space to support its operations. The IDA is considered a component unit of the County and is discretely presented. Complete financial statements of the component unit can be obtained from its administrative office: Administrative Office, Saratoga County Industrial Development Agency, 50 West High Street, Ballston Spa, New York 12020.

Saratoga County Water Authority - The Saratoga County Water Authority (the Authority) was created by the New York State Legislature. The governing board of the Authority is appointed by the County Board of Supervisors. Currently, the County provides no subsidy to the Authority, but ultimately is responsible for debt or operating deficits of the Authority. The Authority's debt is essentially supported by its operating revenue. The Authority is considered a component unit of the County and is discretely presented. The County does not appoint management of the Authority nor does it approve the Authority's budget, contracts, or hiring of staff. The County has no oversight responsibility for funds of the Authority. The Authority is comprised of 7 board members, 3 of whom are on the Saratoga County Board of Supervisors.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(a) Financial Reporting Entity, Continued

Included in the Reporting Entity, Continued:

Saratoga County Prosperity Partnership, Inc. - The Saratoga County Prosperity Partnership, Inc. (the Partnership) is a special purpose, local development corporation organized under the Not-For-Profit Corporation Law of the State of New York. The County is the sole member of the Partnership, but separate and apart from the County. Although it qualifies as criteria as a blended component unit of the County, management of the County determined that its activity is not material to the primary government and has elected to report it as a discretely presented component unit. The Partnership receives the majority of its support from the County.

Excluded From the Reporting Entity - Although the following organizations, functions, or activities are related to the County, they are not included in the County reporting entity because of the reasons noted:

Saratoga County Soil and Water Conservation District - The Saratoga County Soil and Water Conservation District (the District) was created by the New York State Legislature. The governing board of the District is appointed by the County Board of Supervisors. The County is not responsible for operating deficits of the District. The District cannot issue any debt. The County does not appoint management of the District nor does it approve the District's budget, contracts, or hiring of staff. The County has no oversight responsibility for the funds of the District.

(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting, as are the Proprietary Funds. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources are recorded in these statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. This measurement focus and basis of accounting is similar to private sector reporting.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, Continued

The Governmental Funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, generally only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheet. The statement of revenue, expenditures, and changes in fund balances of these funds present increases (i.e. revenue and other financing sources) and decreases (i.e. expenditures and other financial uses) in fund balance.

Under the modified accrual basis of accounting, Governmental Funds revenue is recognized when susceptible to accrual (i.e., when it becomes both measurable and available). “Measurable” means the amount of the transaction can be reasonably determined and “available” means the related cash resources are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Deferred inflows arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred inflows also arise when the County receives resources before it has a legal claim to them, as when grant monies, general State aid, and other intergovernmental aid are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the deferred inflow is removed from the applicable balance sheet and revenue is recognized. The County follows GAAP and considers property taxes available if they are collected within 60 days after year-end. Property taxes determined to be collectible after the 60-day period are recorded as deferred inflows. The County uses a similar availability period for other significant governmental revenue sources. In addition to property taxes, governmental revenue susceptible to accrual includes sales tax, State and Federal aid, and certain other significant revenues. Fines, permits, and other miscellaneous revenue are not susceptible to accrual because generally they are not measurable until received.

Governmental Fund expenditures are recorded when the fund liability is incurred except that:

- Payment of prepaid expenses and purchase of inventory type items are recorded as expenditures when the related amounts are due and payable. This method is generally referred to as the “purchase” method, as opposed to the “consumption” method used in the government-wide financial statements.
- Principal and interest on indebtedness are recorded as expenditures when the related debt service amounts are due and payable, which normally approximates the date the debt is paid.
- Compensated absences, such as vacation leave and compensation time, which vest or accumulate with eligible employees, are recorded as expenditures in the payroll period that the leave credits are used by employees.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation, Continued

- Current pension costs payable to the New York State Retirement System are recorded as expenditures when billed by the System.
- Costs of acquiring capital assets are recorded as expenditures when the related acquisition amounts are due and payable.

(c) Government-Wide and Fund Financial Statements

The basic financial statements include the following sections: management's discussion and analysis, government-wide financial statements, fund financial statements, the aggregate discretely presented component units, and notes to financial statements.

The government-wide financial statements include the statement of net position and the statement of activities. These statements report all of the County's non-fiduciary activities and eliminate most of the interfund activity normally included in the County's separate fund financial statements. Governmental activities, which are the County's main activities financed primarily by taxes and other intergovernmental revenue, are reported separately from business-type activities, which are intended to be self-sustaining activities financed by charges to customers using the services.

The statement of net position presents the financial condition of the County's activities at year-end. The statement of activities presents a comparison between direct expenses needed to provide specific services and the program revenue that is generated by those services. Program revenue includes charges for services, operating grants and capital grants generated by and related to the applicable activity. General revenue includes real property taxes, sales taxes, other non-property taxes, sale of property, and interest earnings. The statement of activities identifies the net expense or revenue from each activity and identifies the amount of general revenue needed to help finance the specific activities.

(d) Fund Accounting

The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The activities of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenue, and expenditures. The accounts of each fund are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations. The County's fund types are as follows:

Fund Types:

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 County's Governmental fund types are as follows:

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Fund Accounting, Continued

(1) General Fund is the principal operating fund of the County and accounts for the general tax revenue, miscellaneous receipts not allocated by law or contractual agreement to another fund, and general operating expenditures. This fund operates within the financial limits of an annual budget adopted by the Board of Supervisors.

(2) Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. Special Revenue Funds of the County include the following:

- County Road Fund is used to account for revenue generated to finance maintenance, repairs, and improvements to County roads and bridges, snow removal, and other transportation related purposes.
- Road Machinery Fund is used to account for revenue generated to finance purchases, repairs, and maintenance of highway machinery, tools, and equipment.
- Employment and Training Fund is used to account for Federal grants and other revenue generated to finance job training and employment activities.
- Federal Forfeitures Fund is used to account for moneys received from the Federal Equitable Sharing Program involving the proceeds of crime from Drug Enforcement Agency cases and certain moneys confiscated during police actions. This money is restricted to certain law enforcement activities.

(3) Capital Projects Funds are used to account for financial resources generated for the acquisition or construction of major capital assets for governmental activities. Financing is generally provided from proceeds of bonds, notes, Federal and State grants, and transfers from other Governmental Funds.

Proprietary Funds represent the County's business-type activities, and include Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report activities for which fees are charged to external customers for goods and services provided, and the County's fee pricing policies are designed to recover the costs of providing such services, including capital costs such as depreciation or debt service. Internal Service Funds may be used to report any activity that provides goods and services to other funds or departments on a cost-reimbursement basis.

The County reports the following Enterprise Fund:

- Sewer District Fund is used to report operations of the County's wastewater treatment facilities and sanitary sewer system that is provided to residents and organizations located within the County's Sewer District.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(d) Fund Accounting, Continued

The County reports the following Internal Service Funds:

- Workers' Compensation Fund is used to account for the County's self-insured workers' compensation plan that provides workers' compensation insurance coverage for County employees and for other local governments and related organizations located within the County.
- Health Benefits Fund is used to account for the County's self-insured health benefits plan that provides health insurance coverage for County employees. On January 1, 2016, the County created this fund to properly state the activity of the benefits provided.

Proprietary Funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations. The principal operating revenue of these funds is charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Fiduciary Funds - These funds are used to account for fiduciary activities. Fiduciary activities are those in which the County acts as trustee or agent for resources that belong to others. These activities are not included in the County-wide financial statements because their resources do not belong to the County and are not available to be used.

During the year ended December 31, 2020, the County adopted provisions of GASB Statement No. 84 - "Fiduciary Activities." The primary objective of this Statement is to improve guidance regarding the indemnification of fiduciary activities for accounting and financial reporting purposes. See note 19 of the financial statements for the impact of the implementation on the financial statements. The following comprise the County's Fiduciary Funds:

- Custodial Fund is used to account for monies and other resources held by the County in a trustee or agent pending payment to the applicable agencies.
- Private Purpose Trust Fund is used to account for monies donated to the County to benefit certain private cemeteries and other non-County operations.
- Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used to support a cemetery within the County.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(e) General Budget Process

The County adopts an annual budget for the general, county road, road machinery, employment and training, sewer district and workers' compensation funds. Prior to November 15 of each year, the County Administrator submits to the Board of Supervisors a proposed tentative operating budget for the fiscal year commencing the following January 1. The operating budget includes expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers' comments. Prior to December 20, the budget is adopted by the Board of Supervisors. The County Administrator is authorized to approve budget transfer requests within departments within a fund; however, any revisions that alter total expenditures of any department or fund must be approved by the Board of Supervisors. These budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Budgetary controls are established for the Capital Projects Fund through resolutions authorizing individual projects that remain in effect for the life of the project. Budgets are prepared for Proprietary Funds primarily to establish the estimated contributions required from other funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the Governmental Funds. Open encumbrances at year-end are reported as reservations of fund balances since the commitments do not constitute expenditures or liabilities.

Budgetary controls for certain special grants are established in accordance with the applicable grant agreements, which may cover a period other than the County's fiscal year. Budgetary controls for the Federal Forfeitures Fund are established on an as needed basis after revenue has been received.

A comparison of General Fund transactions with the adopted and modified budgets is shown in the required supplementary information on page 68.

(f) Cash and Equivalents

The carrying amount of cash and equivalents at December 31, 2020 totaled \$94,638,041. These deposits were entirely covered by Federal Depository Insurance Corporation (FDIC) or by collateral held by the County's agent in the County's name.

For purposes of the statement of cash flows, the Proprietary Funds consider all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

(g) Inventories

Inventories in the government-wide financial statements are comprised of general and highway supplies, medical, and other supplies and are valued at the lower of cost or market. In the Governmental Funds, expenditures are recognized when inventory is purchased.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(h) Capital Assets

Capital assets include property, buildings, vehicles, machinery and equipment, and infrastructure assets, such as roads and bridges. Capital assets are defined by the County as assets with an initial unit cost of \$10,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the County are depreciated using the straight-line method over the following useful lives.

<u>Asset Class</u>	<u>Years</u>
Buildings	50
Improvements other than buildings	20
Machinery and Equipment:	
Vehicles	5
Computer equipment	5
Other equipment	5-10
Infrastructure:	
Roads	18
Bridges	50
Sewer infrastructure	30

(i) Compensated Absences

As described in the union contract between the County and Local 846 of the Civil Service Employees' Association, employees are granted the following compensated absences each year:

Personal leave	1-4 days
Compensatory leave	as accrued
Vacation	10-25 days

Vacation days granted are increased on the basis of longevity of service to the maximum of 25 days. Vacation days do not vest. However, unused vacation days may be carried forward three months into the succeeding year upon approval by the Personnel Department. Accordingly, liabilities for leave time of \$3,257,293 and \$160,029 are reported as compensated absences for governmental activities and the business-type activities, respectively, in the government-wide financial statements.

(j) Deferred Outflows of Resources and Deferred Inflows of Resources

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.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(j) Deferred Outflows of Resources and Deferred Inflows of Resources, Continued

Deferred inflows of resources are an increase in net position/fund balance in future periods. The County will not recognize the related revenues until a future event occurs. Governmental fund 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 and therefore are reported as deferred inflows of resources. Note 5 details the changes in deferred inflows of resources from modified accrual basis to accrual basis.

(k) Net Position and Fund Balance Classifications

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

- i) Net investment in capital assets - consists of 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.
- ii) 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. Also included are positive fund balances of any special revenue funds.
- iii) Unrestricted net position - consists of net position without constraints.

Fund balance in the governmental funds is comprised of five classifications: nonspendable, restricted, committed, assigned, and unassigned.

- i) Nonspendable consists of assets that are inherently nonspendable 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, principal of endowments, and amounts due from other funds which have fund deficits.
- ii) 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. At December 31, 2020, the County reported \$1,055,065 in the general fund, \$271,840 in the capital projects fund, \$160,323 in the federal forfeitures fund, \$12,964,056 in the workers' compensation fund, and \$8,236,139 in the health benefits fund.
- iii) 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. There are no committed fund balances at December 31, 2020.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(k) Net Position and Fund Balance Classifications, Continued

- iv) Assigned consists of amounts that are subject to a purpose constraint that represents 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. The County has an assigned fund balance of \$3,069,365 for the 2021 budget in the general fund.

The Board of Supervisors has also assigned through resolution to have the proceeds from the sale of Maplewood Manor Nursing Home available to meet future health benefit payments of former employees, with an assigned fund balance of \$8,639,026 at December 31, 2020.

- v) 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.

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

(l) Real Property Taxes

The levy and collection of real property taxes is governed by the Real Property Tax Law of the State of New York. Real property taxes are levied each year and become a property lien on January 1. County taxes are levied together with town taxes as a single tax bill. The tax levy is fully accrued at the beginning of the fiscal year and accounted for in the General Fund. Accruals for amounts due to other funds are recorded in the General Fund for the portion of the tax levy allocated to other funds or activities. The current year's property taxes are levied based on the assessed value of real property within the County. The town tax collecting officials are responsible for collection of taxes until the warrant for collection expires on March 31. At that time, settlement proceedings take place wherein the County becomes the enforcement agent for tax liens on all County real property except property within the cities of Saratoga Springs and Mechanicville. These cities assess and collect all County taxes on property within the cities and serve as enforcement agent for tax liens on such property. County taxes collected by these cities are remitted to the County periodically.

The County enforces collection of unpaid taxes levied by the villages and non-city school districts located within the County. Uncollected tax accounts are returned to the County in November of each year for collection. Any amounts remaining unpaid are relieved in the County's subsequent January 1 tax levy. On or before the next April 1, the County is required to pay the villages and school districts the amount of unpaid taxes returned for collection and enforcement. Unpaid village and school taxes are included in the financial statements as taxes receivable, and are offset by corresponding liabilities to the applicable village and school district governments.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(1) Summary of Significant Accounting Policies, Continued

(m) Non-Property Taxes

The primary non-property tax item is sales tax. Effective June 1, 1982, the County enacted a 3% County-wide sales tax, which it shares with other local governments within the County. Sales tax is initially recorded in an Agency Fund to facilitate distribution to local governments and allocation of the portion retained by the County.

(n) Fair Value

Generally accepted accounting principles provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

- Level 1 - Valuations are based on quoted prices in active markets for identical asset or liabilities that the component units have the ability to access.
- Level 2 - Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable directly, or indirectly.
- Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

(2) Cash and Investments

The County's investment policies are governed by State statutes. The County's monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The 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 localities.

Collateral is required for demand deposits and certificates of deposit at 102% of all deposits 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.

The written investment policy requires repurchase agreements to be purchased from banks located within the State and that underlying securities must be obligations of the Federal government. Underlying securities must have a market value of at least 102% of the cost of the repurchase agreement.

For purposes of reporting cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and near their maturity.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(2) Cash and Investments, Continued

Deposits and investments at year-end were covered by Federal depository insurance or by collateral held by the County's custodial banks in the County's name. All deposits, including certificates of deposit, are carried at cost. The carrying amount (book balance) of cash and equivalents at December 31, 2020 totaled \$94,638,041. These bank balances were covered by federal depository insurance as follows:

Amount insured by FDIC	\$ 1,868,600
Collateral held by a third party	<u>107,367,995</u>
Total insured and collateral	\$ <u>109,236,595</u>
Bank balance as of December 31, 2020	\$ <u>101,606,365</u>
Percent of coverage	1.075%

(3) Capital Assets

A summary of changes in capital assets follows:

<u>Governmental Activities</u>	Balance January 1, 2020	Additions/ transfers	Retirements/ transfers	Balance December 31, 2020
Cost:				
Land	\$ 4,785,105	-	-	4,785,105
Construction in progress	22,491,487	5,170,267	-	27,661,754
Buildings and improvements	53,858,606	-	-	53,858,606
Vehicles	25,174,878	2,557,566	(1,677,900)	26,054,544
Machinery and equipment	13,503,421	-	-	13,503,421
Infrastructure	<u>157,188,636</u>	<u>8,621,856</u>	<u>-</u>	<u>165,810,492</u>
Total capital assets	<u>277,002,133</u>	<u>16,349,689</u>	<u>(1,677,900)</u>	<u>291,673,922</u>
Less accumulated depreciation:				
Buildings and improvements	29,508,015	1,383,233	-	30,891,248
Vehicles	17,157,539	2,286,790	(1,581,645)	17,862,684
Machinery and equipment	9,222,287	845,795	-	10,068,082
Infrastructure	<u>59,854,899</u>	<u>10,303,200</u>	<u>-</u>	<u>70,158,099</u>
Total accumulated depreciation	<u>115,742,740</u>	<u>14,819,018</u>	<u>(1,581,645)</u>	<u>128,980,113</u>
Net capital assets	\$ <u>161,259,393</u>	<u>1,530,671</u>	<u>(96,255)</u>	<u>162,693,809</u>

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(3) Capital Assets, Continued

Depreciation expense was charged to the following governmental activities during 2020:

General government support	\$ 3,474,813
Public safety	3,996,814
Health	58,743
Transportation	6,176,402
Economic assistance and opportunity	409,552
Home and community services	<u>702,694</u>
Total governmental activities	\$ <u>14,819,018</u>

	Balance January 1, <u>2020</u>	Additions/ <u>Transfers</u>	Retirements/ <u>Transfers</u>	Balance December 31, <u>2020</u>
<u>Sewer District</u>				
Cost:				
Land	\$ 35,000	-	-	35,000
Buildings and improvements	177,704,422	2,010,397	-	179,714,819
Vehicles	1,296,445	255,415	(103,543)	1,448,317
Machinery and equipment	2,857,216	863,961	-	3,721,177
Infrastructure	<u>95,984,955</u>	<u>4,579,062</u>	<u>-</u>	<u>100,564,017</u>
Total capital assets	<u>277,878,038</u>	<u>7,708,835</u>	<u>(103,543)</u>	<u>285,483,330</u>
Less accumulated depreciation:				
Buildings and improvements	94,709,438	4,178,669	-	98,888,107
Vehicles	61,193	80,974	(103,543)	38,624
Machinery and equipment	1,406,863	177,224	-	1,584,087
Infrastructure	<u>45,849,346</u>	<u>2,099,667</u>	<u>-</u>	<u>47,949,013</u>
Total accumulated depreciation	<u>142,026,840</u>	<u>6,536,534</u>	<u>(103,543)</u>	<u>148,459,831</u>
Net capital assets	\$ <u>135,851,198</u>	<u>1,172,301</u>	<u>-</u>	<u>137,023,499</u>

Depreciation expense charged to the Sewer District during 2020 was \$6,536,534.

(4) Interfund Transactions

During the course of normal operations, the County has numerous transactions between funds, including expenditures and transfers of resources to provide services. These transactions are recorded as interfund revenues and expenditures in the respective funds.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(4) Interfund Transactions, Continued

Individual interfund receivable and payable balances at December 31, 2020 arising from these transactions were as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 517,886	-
County Road Fund	<u>-</u>	<u>517,886</u>
Totals	\$ <u>517,886</u>	<u>517,886</u>

Interfund transfers during the year ended December 31, 2020 were as follows:

<u>Fund</u>	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
General	\$ -	19,394,180
Special Revenue Funds:		
County Road	16,737,664	-
Road Machinery	<u>2,656,516</u>	<u>-</u>
Totals	\$ <u>19,394,180</u>	<u>19,394,180</u>

(5) Deferred Inflows of Resources

Certain revenues have been deferred in the fund and/or governmental activities statements as the revenue relates to future reporting periods:

	<u>Governmental activities statement of net position</u>	<u>Balance sheet governmental funds</u>
Advance payments received	\$ 2,495,763	2,365,728
Federal and State aid	-	12,118,820
Long-term	2,355,357	2,355,357
Tax revenue	-	8,449,718
ERS pension deferred actuarial gain	4,153,105	-
OPEB deferred actuarial gain	<u>12,521,111</u>	<u>-</u>
	\$ <u>21,525,336</u>	<u>25,289,623</u>

COUNTY OF SARATOGA, NEW YORK

Notes to Financial Statements, Continued

(6) Due to Other Governments

As indicated in note 1(l), the County acts as a tax enforcement agent for its villages and non-city school districts. The County also receives other monies which are distributed to certain local governments. The following represents the liabilities “due to other governments” in the governmental activities at December 31, 2020:

Due to villages	\$ 576,068
Due to school districts	11,079,533
Due to other governments and agencies	<u>13,065,705</u>
	\$ <u>24,721,306</u>

(7) Long-term General Obligations

The following is a summary of the County’s long-term general obligations:

Governmental Activities

	Payable at January 1, <u>2020</u>	<u>Additions</u>	Principal <u>Payments</u>	Payable at December 31, <u>2020</u>	Due Within <u>One Year</u>	Due in More Than <u>One Year</u>
Serial bonds	\$ 25,900,000	-	1,595,000	24,305,000	1,650,000	22,655,000
Bond premiums	<u>119,040</u>	-	<u>8,503</u>	<u>110,537</u>	<u>8,503</u>	<u>102,034</u>
	\$ <u>26,019,040</u>	-	<u>1,603,503</u>	<u>24,415,537</u>	<u>1,658,503</u>	<u>22,757,034</u>

Serial Bonds

\$5,180,000 MBBA Recovery Act bonds, due in annual installments of \$260,000 to \$365,000 through 2029, with interest at 6.564%. \$ 2,860,000

\$24,105,000 Public Safety Building Serial bonds, due in annual installments of \$1,335,000 to \$1,955,000 through 2033, with interest at 3.0% to 3.5%. 21,445,000

Total serial bonds \$ 24,305,000

The annual requirements to amortize outstanding bonds payable as of December 31, 2020 are as follows:

<u>2009 MBBA Recovery Act Bonds</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 275,000	187,730	462,730
2022	285,000	169,679	454,679
2023	295,000	150,972	445,972
2024	305,000	131,608	436,608
2025	315,000	111,588	426,588
2026-2029	<u>1,385,000</u>	<u>231,053</u>	<u>1,616,053</u>
Total	<u>2,860,000</u>	<u>982,630</u>	<u>3,842,630</u>

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(7) Long-term General Obligations, Continued

<u>2018 Public Safety Building</u>				<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021				\$ 1,375,000	667,100	2,042,100
2022				1,415,000	625,850	2,040,850
2023				1,460,000	583,400	2,043,400
2024				1,500,000	539,600	2,039,600
2025				1,545,000	494,600	2,039,600
2026-2030				8,450,000	1,649,250	10,099,250
2031-2033				<u>5,700,000</u>	<u>393,488</u>	<u>6,093,488</u>
Total				<u>21,445,000</u>	<u>4,953,288</u>	<u>26,398,288</u>
Total Governmental Funds				\$ <u>24,305,000</u>	<u>5,935,918</u>	<u>30,240,918</u>
<u>Enterprise Fund - Sewer District</u>						
<u>Sewer Fund</u>	Payable at January 1, <u>2020</u>	<u>Additions</u>	<u>Payments</u>	Payable at December 31, <u>2020</u>	Due Within <u>One Year</u>	Due in More Than <u>One Year</u>
Serial bonds	\$ 45,995,000	-	1,990,000	44,005,000	2,075,000	41,930,000
Bond premiums	<u>4,104,759</u>	-	<u>195,465</u>	<u>3,909,294</u>	<u>195,465</u>	<u>3,713,829</u>
	\$ <u>50,099,759</u>	-	<u>2,185,465</u>	<u>47,914,294</u>	<u>2,270,465</u>	<u>45,643,829</u>
<u>Serial Bonds</u>						
\$5,200,000 County Sewer District serial bonds, 2003 series bonds refinanced in 2012, due in annual installments of \$295,000 to \$335,000 through 2023, with interest at 4%.						\$ 965,000
\$18,200,000 County Sewer District serial bonds for 2014 expansion, due in annual installments of \$785,000 to \$1,225,000 through 2034, with interest at 2.5% to 3.25%.						14,020,000
\$31,135,000 County Sewer District serial bonds for 2016 refinancing of Bonds 2009A and 2010A totaling \$35,465,000, due in installments of \$855,000 to \$2,005,000 through 2040, with interest at 2% to 5%.						<u>29,020,000</u>
Total serial bonds						\$ <u>44,005,000</u>

The annual requirements to amortize outstanding bonds payable as of December 31, 2020 are as follows:

<u>Serial Bonds - County</u>				
<u>Sewer District Bonds</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021		\$ 310,000	38,600	348,600
2022		320,000	26,200	346,200
2023		<u>335,000</u>	<u>13,400</u>	<u>348,400</u>
Total		<u>965,000</u>	<u>78,200</u>	<u>1,043,200</u>

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(7) Long-term General Obligations, Continued

<u>Sewer Expansion 2014</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 805,000	405,538	1,210,538
2022	825,000	385,163	1,210,163
2023	860,000	364,100	1,224,100
2024	890,000	340,000	1,230,000
2025	920,000	312,850	1,232,850
2026-2030	5,065,000	1,124,225	6,189,225
2031-2034	<u>4,655,000</u>	<u>305,638</u>	<u>4,960,638</u>
Total	<u>14,020,000</u>	<u>3,237,514</u>	<u>17,257,514</u>
<u>(Sewer Expansion) 2016</u>			
<u>(Refinancing of 2009A/2010A)</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 960,000	1,103,481	2,063,481
2022	1,010,000	1,055,481	2,065,481
2023	1,065,000	1,004,981	2,069,981
2024	1,125,000	951,731	2,076,731
2025	1,190,000	895,481	2,085,481
2026-2030	6,825,000	3,694,506	10,519,506
2031-2035	8,310,000	2,256,700	10,566,700
2036-2040	<u>8,535,000</u>	<u>770,075</u>	<u>9,305,075</u>
Total	<u>29,020,000</u>	<u>11,732,436</u>	<u>40,752,436</u>
Total serial bonds	\$ <u>44,005,000</u>	<u>15,048,150</u>	<u>59,053,150</u>

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

In the event that the County were to default on the bond principal or interest payments, a court has the power, in proper and appropriate proceedings brought by the bond owners, to render judgment against the County. A court has the power to order payment of a judgment on such bonds from funds lawfully available or to order the County to take all lawful action to obtain the funds including raising of the fund in the next annual tax levy.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(8) Retirement System

(a) Plan Description and Benefits Provided

Employees' Retirement System (ERS)

The County participates in the New York State and Local Employees' Retirement System (ERS). This is a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all 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 County 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.

The System is noncontributory except for employees who joined after July 27, 1976, who 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 who 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 under ERS tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems fiscal year ending March 31.

(b) Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the County reported the following liability for its proportionate share of the net pension liability for ERS. 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.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(8) Retirement System, Continued

(b) Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

	<u>Governmental Activities</u>	<u>Sewer District</u>	<u>Total</u>
Measurement date	3/31/2020	3/31/2020	3/31/2020
Net pension liability	\$ 68,032,424	3,157,875	71,190,299
County's proportion of the Plan's net pension liability	0.2569144%	0.0119253%	0.2688397%
Change in proportion since the prior measurement date	0.0089358	0.0000067	0.0089425

For the year ended December 31, 2020, the County recognized pension expense of \$22,419,984 for ERS in the statement of activities. At December 31, 2020 the County's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		
	<u>Governmental Activities</u>	<u>Sewer District</u>	<u>Total</u>
Differences between expected and actual experience	\$ 4,003,983	185,854	4,189,837
Changes of assumptions	1,369,850	63,585	1,433,435
Net difference between projected and actual investment earnings on pension plan investments	34,876,728	1,618,880	36,495,608
Changes in proportion and differences between the County's contributions and proportionate share of contributions	480,112	22,285	502,397
County's contributions subsequent to the measurement date	<u>6,738,232</u>	<u>312,769</u>	<u>7,051,001</u>
Total	\$ <u>47,468,905</u>	<u>2,203,373</u>	<u>49,672,278</u>

	<u>Deferred Inflows of Resources</u>		
	<u>Governmental Activities</u>	<u>Sewer District</u>	<u>Total</u>
Changes of assumptions	\$ 1,182,843	54,904	1,237,747
Changes in proportion and differences between the County's contributions and proportionate share of contributions	<u>2,970,262</u>	<u>137,871</u>	<u>3,108,133</u>
Total	\$ <u>4,153,105</u>	<u>192,775</u>	<u>4,345,880</u>

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(8) Retirement System, Continued

(b) Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

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

<u>Year ending</u>	<u>Governmental Activities</u>	<u>Sewer District</u>	<u>Total</u>
2021	\$ 5,315,636	246,737	5,562,373
2022	9,112,853	422,993	9,535,846
2023	12,179,073	565,319	12,744,392
2024	<u>9,970,006</u>	<u>462,780</u>	<u>10,432,786</u>
	<u>\$ 36,577,568</u>	<u>1,697,829</u>	<u>38,275,397</u>

(c) Actuarial Assumptions

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

Inflation	2.5%
Salary increases	4.2%
Investment rate of return (net of investment expense, including inflation)	6.8%
Cost of living adjustments	1.3%

Annuitant mortality rates are based on April 1, 2010 - March 31 2015 System experience with adjustments for mortality improvements based of the Society of Actuaries' Scale MP-2018. The previous actuarial valuation as of April 1, 2018 used the Society of Actuaries' Scale MP-2014.

The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(8) Retirement System, Continued

(c) Actuarial Assumptions, Continued

	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Asset class:		
Domestic equity	36.0%	4.05%
International equity	14.0%	6.15%
Private equity	10.0%	6.75%
Real estate	10.0%	4.95%
Absolute return strategies (1)	2.0%	3.25%
Opportunistic portfolio	3.0%	4.65%
Real assets	3.0%	5.95%
Bonds and mortgages	17.0%	0.75%
Cash	1.0%	0.00%
Inflation - indexed bonds	<u>4.0%</u>	0.50%
	<u>100.0%</u>	

\* The real rate of return is net of the long-term inflation assumption of 2.5%.

(1) Excludes equity-oriented long-only funds. For investment management purposes, these funds are included in domestic equity and international equity.

(d) Discount Rate

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

(e) Sensitivity of the Net Pension Liability to the Discount Rate

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

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(8) Retirement System, Continued

(e) Sensitivity of the Net Pension Liability to the Discount Rate, Continued

	1% Decrease (5.8%)	Current Assumption (6.8%)	1% Increase (7.8%)
Employer's proportionate share of the net pension liability:			
Sewer District	\$ 5,795,592	3,157,875	728,526
Governmental Activities	<u>124,858,708</u>	<u>68,032,424</u>	<u>15,695,178</u>
Total	\$ <u>130,654,300</u>	<u>71,190,299</u>	<u>16,423,704</u>

(f) 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:

(Dollars in Millions)

Measurement date	3/31/2020
Employers' total pension liability	\$(194,596)
Plan fiduciary net position	<u>168,116</u>
Employers' net pension liability	\$ <u>(26,480)</u>
Ratio of plan fiduciary net position to the Employers' total pension liability	86.39%

(g) Contributions to the Pension Plan

Employer contributions are paid annually based on the System's fiscal year which ends on March 31<sup>st</sup>. Retirement contributions as of December 31, 2020 represent the projected employer contribution for the period of April 1, 2020 through March 31, 2021 based on paid ERS wages multiplied by the employer's contribution rate, by tier. This amount has been recorded as deferred outflows of resources in the accompanying government-wide financial statements.

(9) Total Other Postemployment Liability

(a) Plan Description

The County provides a single-employer self-insured medical plan (the Plan) that offers two options. The Plan provides lifetime healthcare insurance and prescription drug coverage for eligible retirees and their spouses through the County's Plan, which covers both active and retired members. Benefit provisions are established through negotiations between the County and the unions, representing employees, and are renegotiated at the end of each of the bargaining periods.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(9) Total Other Postemployment Liability, Continued

(a) Plan Description, Continued

Employees Covered by Benefit Terms - As of the measurement date of January 1, 2020, the following employees were covered by the benefit terms:

Retirees and survivors	758
Active employees	<u>978</u>
Total	<u>1,736</u>

(b) Actuarial Assumptions and Methods

The County's total OPEB liability of \$294,923,229 was determined by an actuarial valuation January 1, 2020 with update procedures used to roll forward the total OPEB liability to the measurement date.

Valuation Date	January 1, 2019
Measurement Date	January 1, 2020
Reporting Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Plan Type	Single Employer Defined Benefit Plan
Municipal Bond Index Rate	2.74%, as of the measurement date. Source: Bond Buyer Weekly 20-Bond GO Index
Salary Scale	3.5%
Rate of Inflation	2.5%
Mortality - Actives	The RPH-2014 Mortality Table for employees, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2019.
Mortality - Retirees	The RPH-2014 Mortality Table for Healthy Annuitants, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2019.
Turnover	Rates of decrement due to turnover based on the experience under the New York State & Local Retirement System as prepared by the Department of Civil Service's actuarial consultant in the report titled, <u>Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 75 Valuation</u> (June 2019).

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(9) Total Other Postemployment Liability, Continued

(b) Actuarial Assumptions and Methods, Continued

Medical Trend Rates Pre-65/Post 65	6.50%/8.00%
Ultimate Medical Trend Rate	3.94%
Year Ultimate Trend Rates Reached Pre-65/Post 65	2079/2079

(c) Changes in Total OPEB Liability

	<u>Governmental Activities</u>	<u>Sewer District</u>	<u>Total</u>
Balance at December 31, 2019	\$ 225,562,931	13,074,555	238,637,486
Changes for the year:			
Service cost	7,380,590	311,648	7,692,238
Interest on total OPEB liability	9,384,991	539,366	9,924,357
Changes in assumptions and other inputs	44,723,111	2,490,520	47,213,631
Benefit payments	<u>(8,082,585)</u>	<u>(461,898)</u>	<u>(8,544,483)</u>
Net changes	<u>53,406,107</u>	<u>2,879,636</u>	<u>56,285,743</u>
Balance at December 31, 2020	\$ <u>278,969,038</u>	<u>15,954,191</u>	<u>294,923,229</u>

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

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

	1% Decrease (1.74%)	Discount Rate (2.74%)	1% Increase (3.74%)
Governmental activities	\$ 324,815,618	278,969,038	242,087,603
Sewer District	<u>18,576,149</u>	<u>15,954,191</u>	<u>13,844,948</u>
Total OPEB liability	\$ <u>343,391,767</u>	<u>294,923,229</u>	<u>255,932,551</u>

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

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

	1% Decrease	Healthcare Cost Trend	1% Increase
Governmental activities	\$ 234,202,877	278,969,038	336,814,927
Sewer District	<u>13,394,022</u>	<u>15,954,191</u>	<u>19,262,387</u>
Total OPEB liability	\$ <u>247,596,899</u>	<u>294,923,229</u>	<u>356,077,314</u>

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(9) Total Other Postemployment Liability, Continued

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

For the year December 31, 2020, the County recognized OPEB expense of \$22,644,113 for governmental activities and \$1,170,435 for the Sewer District. At December 31, 2020, the County reported deferred outflows of resources related to OPEB from the following sources:

	<u>Governmental Activities</u>		<u>Sewer District</u>		<u>Total</u>	
	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Difference between expected and actual experience	\$ -	1,729,647	-	100,257	-	1,829,904
Changes in assumptions or other inputs	43,310,351	10,791,464	2,407,707	625,518	45,718,058	11,416,982
County payments subsequent to the measurement date	8,383,188	-	491,859	-	8,875,047	-
Total	<u>\$51,693,539</u>	<u>12,521,111</u>	<u>2,899,566</u>	<u>725,775</u>	<u>54,593,105</u>	<u>13,246,886</u>

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

<u>Year Ending</u>	<u>Governmental</u> <u>Activities</u>	<u>Sewer</u> <u>District</u>	<u>Total</u>
2021	\$ 5,878,230	319,743	6,197,973
2022	5,878,230	319,743	6,197,973
2023	5,878,230	319,743	6,197,973
2024	5,034,459	272,837	5,307,296
2025	6,538,102	361,920	6,900,022
Thereafter	<u>1,581,989</u>	<u>87,946</u>	<u>1,669,935</u>
	<u>\$30,789,240</u>	<u>1,681,932</u>	<u>32,471,172</u>

(10) Commitments and Contingencies

(a) Litigation

The County is a defendant in various lawsuits, the outcome of which is not determinable at this time including claims related to the Saratoga County Jail and Saratoga County Sheriff Department.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(10) Commitments and Contingencies, Continued

(b) Grant Programs

The County participates in a number of grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The audits of these programs may be conducted, in accordance with grantor requirements, on a periodic basis. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amounts, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the County believes, based upon its review of current activity and prior experience, the amount of such disallowances, if any, will be minimal.

(c) Contracts

The County has entered into various contracts with outside vendors for goods and services, which were unperformed at year-end. The County has provided authority to fund these transactions in the subsequent year's budget.

(d) Environmental Risks

Certain facilities are subject to Federal, State, and local regulations relating to the discharge of materials into the environment. Compliance with these provisions has not had, nor does the County expect such compliance to have, any material effect upon the capital expenditures or financial condition of the County. Management believes that its current practices and procedures for control and disposition of regulated wastes comply with applicable Federal, State, and local requirements.

(11) Internal Service Funds

The County established a self-insurance plan for workers' compensation under Local Law Nos. 1 and 2, 1956, pursuant to Article 5 of the Workers' Compensation Law. The plan is open to any eligible municipality or public entity within the County for participation. There were 28 participants at December 31, 2020. The County is responsible for administration of the plan and its reserves. The plan purchases commercial insurance for employer's liability in third-party suits; the limit is \$1,000,000 with a retention of \$10,000. Settled claims have not resulted in a claim against this excess liability coverage since the inception of the plan.

As of January 1, 2016, the County established its own self-insurance health benefits plan. The County is responsible for administration and its reserves.

All funds of the County participate in the program and make payments to the internal service funds based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses. A balance in the amount of \$12,964,056 was reserved at December 31, 2020 in the workers' compensation fund. A balance in the amount of \$8,236,139 was reserved at December 31, 2020 in the health benefits fund.

# COUNTY OF SARATOGA, NEW YORK

## Notes to Financial Statements, Continued

### (11) Internal Service Funds, Continued

Claims and judgments are recognized in accordance with the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," which requires that claims and judgments be recognized when it is probable that an asset has been impaired or a liability has been incurred, and the amount of loss can be reasonably estimated. Claims liabilities of \$20,245,246 and \$1,600,000 at December 31, 2020 have been set up as self-insured claims payable for a workers' compensation liability and a health benefit liability, respectively. Changes in the claims liability for 2020 were:

	Balance January 1, <u>2020</u>	Current Year Claims and Changes in <u>Estimates</u>	Claim <u>Payments</u>	Balance December 31, <u>2020</u>
Workers' compensation	\$ <u>20,524,010</u>	<u>3,096,026</u>	<u>3,374,790</u>	<u>20,245,246</u>
Health benefits	\$ <u>800,000</u>	<u>25,636,947</u>	<u>24,836,947</u>	<u>1,600,000</u>

### (12) Concentration of Credit Risk

Financial instruments which potentially expose the County to concentrations of credit risk consist primarily of taxes receivable and tax sale certificates which are secured by property values throughout the County.

### (13) Tax Abatements

As of December 31, 2020 the County tax abatement programs include abatements on property taxes, sales taxes and mortgage recording taxes. All abatements agreements are made by various area industrial development agencies, cities and townships.

#### Property Taxes

All property tax abatements are performed through Payment in Lieu of Tax (PILOT) agreements made by cities, townships and various area industrial development agencies. The PILOT agreements are made to support manufacturing, utilities and other purposes. Total amounts abated from PILOT agreements in each of these categories for the year ended December 31, 2020 is as follows:

Manufacturing	\$ 1,773,612
Other	<u>58,922</u>
	\$ <u>1,832,534</u>

PILOT agreements entered into by cities, townships and various area industrial development agencies other than Saratoga County IDA abated \$65,202 of County property taxes in 2020.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(14) Risks and Uncertainties

The United States is presently in the midst of a national health emergency related to the COVID-19 virus. The overall consequences of the COVID-19 virus on a national, regional and local level are unknown, but has the potential to result in a significant economic impact. The impact of this situation on the County and its future results and financial position is not presently determinable.

(15) Fund Deficits

The County Road fund had a deficit of \$1,385,763 at December 31, 2020. The County intends to remedy this deficit in the subsequent fiscal year.

(16) 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.

Saratoga County was allotted \$44.6 million in American Rescue Plan Act of 2021, Coronavirus Relief for State and Local Government funds in March 2021. The County received the first tranche of this allotment, \$22.3 million, in May 2021 and will receive the second tranche in May 2022 .

The Board of Supervisors approved a resolution authorizing the Sewer District Number 1 to pursue bonding for two projects included in the Sewer capital plan and previously included herein. The authorization to pursue bonding may not result in bonding as the County is exploring other sources of funding for at least a portion of these projects including NY State and federal aid and use of our ARPA funds.

(17) Detail Notes to Discretely Presented Component Units

(a) Saratoga County Industrial Development Agency

Organization and Purpose - The Saratoga County Industrial Development Agency (the Agency) was created in 1971 by the Saratoga County Board of Supervisor pursuant to Article 18-A of the General Municipal Law of the State of New York. The purpose of the Agency is to encourage economic growth in Saratoga County. The County appoints the Agency's governing board.

The Agency's function is to authorize the issuance of industrial revenue bonds for industrial development projects and to assist businesses in acquiring or constructing various facilities in order to provide job opportunities and increase economic welfare. In return for its efforts, the Agency receives application and closing fees related to this business financing.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(a) Saratoga County Industrial Development Agency, Continued

Industrial Development Revenue Bonds and Note Transactions - Certain industrial development revenue bonds and notes issued by the Agency are secured by property which is leased to companies and is retired by these lease payments. The bonds and notes are not obligations of the Agency, the County, or New York State. The Agency does not record the assets or liabilities resulting from completed bond and note issuances in its accounts since its primary function is to arrange the financing between the borrowing companies and the bond and note holders, and funds arising there from are controlled by trustees or banks acting as fiscal agents. For providing this conduit debt financing service, the Agency receives bond administration fees from the borrowing companies. Such administrative fee income is recognized immediately upon issuance of bonds and notes. Industrial development revenue bonds issued and outstanding at December 31, 2020 were \$18,519,630.

Investment Policy - The Agency's investment policies are governed by statutes of the State. Agency monies must be deposited in FDIC-insured commercial banks or trust companies located within the State. The Agency is authorized to use demand, money market accounts and certificates of deposit. Collateral is required for all deposits not covered by Federal deposit insurance. Deposits at December 31, 2020 were entirely covered by FDIC insurance or collateral investments, as required.

<u>Property Held for Development</u> -	Balance January 1, 2020	Net Increases	Balance December 31, 2020
Land for railroad spur	\$ <u>336,049</u>	<u>8,668</u>	<u>344,717</u>

(b) Saratoga County Water Authority

Organization - The Saratoga County Water Authority (Authority) was created during 1990 as a public benefit corporation under New York State Public Authorities Law Title 8-F of Article 5. The Authority is a component unit of the County. The Authority is charged with providing water services for public benefit. A governing board of seven members, appointed by the chairperson of the Board of Supervisors of Saratoga County governs the Authority.

The Authority began operations during February 2010 with the substantial completion of the Saratoga County Water Treatment and Transmission Facilities System (System). The System is designed to provide safe, reliable, and affordable drinking water to the residents of Saratoga County.

Basis of Accounting - The Authority's financial statements are prepared using the accrual basis in accordance with GAAP. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are accounted for on a flow of economic resources measurement focus. With the measurement focus, all assets and liabilities associated with the operations are included on the statement of net position. Net position is segregated into restricted and unrestricted components, as follows:

- Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by the net outstanding debt balances;
- Restricted net position has constraints placed on use by the Authority's Revenue Bonds;
- Unrestricted net position consists of assets, liabilities, deferred outflows and inflows that do not meet the definition of net investment in capital assets, net of related debt or restricted net position.

Revenue is recognized when earned and expenses are recognized when incurred. The Authority distinguishes operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing water services. The principal operating revenue of the Authority is charges to customers for user services. Operating expenses include the costs associated with providing those user services. All revenue and expenses not meeting this definition are reported as non-operating revenue and expenses.

Use of Estimates - In preparing financial statements in accordance with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Equivalents - Cash and equivalents consist of cash deposits and other short-term investments, with original maturities of three months or less.

Statutes authorize the Authority to maintain deposits with financial institutions and to invest in certificates of deposit, obligations of New York State, the United States Government and its agencies, and repurchase agreements collateralized by U.S. obligations.

Unrestricted cash deposits with financial institutions are either covered by federal depository insurance or collateralized by securities held by the pledging bank's trust department in the Authority's name, or U.S. Government and/or federal agency securities held by the Trustee. Restricted cash equivalents and investments are held in the Authority's name by their custodial agent and; therefore, not subject to custodial risk. The Authority's restricted cash equivalents are considered investments for cash flow statement purposes.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Accounts Receivable - Accounts receivable are carried at original invoice less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines if an allowance for doubtful accounts is needed by identifying troubled accounts and by using historical experience applied to an aging of accounts as well as regularly evaluating individual customer receivables and considering a customer's financial condition, credit history and economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. There was no allowance for doubtful accounts at December 2020.

Capital Assets, Net - Capital assets are recorded at cost, except for contributed property and equipment, which is recorded at fair market value or the contributor's net book value if fair market value is not readily ascertainable. Expenditures for acquisitions, renewals, and betterments are capitalized, whereas maintenance and repair costs are expensed as incurred. The Authority uses a capitalization threshold of \$5,000 to analyze expenditures for capitalization. When equipment is retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation, and any resultant gain or loss is credited or charged to operations.

Interest expenses incurred during construction of assets are capitalized. Constructed assets financed with the proceeds of tax-exempt debt (if those funds are externally restricted to finance the acquisitions of the asset or used to service the related debt) include capitalized interest to the extent that interest cost over the asset construction period exceeds interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing.

Depreciation is provided for in amounts to prorate the cost of depreciable assets to operations over their estimated useful lives, using the straight-line method. The estimated useful lives established to determine depreciation for vehicles, machinery, and equipment vary from three to twenty years. Building and building improvements are depreciated over thirty years. Land improvements are depreciated over twenty years. Infrastructure is depreciated over forty years.

The Authority evaluated prominent events or changes in circumstances affecting property and equipment to determine if impairment of any capital assets has occurred. A capital asset is considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. There were no impaired capital assets at December 31, 2020.

Tax Status - The Authority is exempt from federal income taxes under Internal Revenue Service Code Section 115.

COUNTY OF SARATOGA, NEW YORK

Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Restricted Assets - In accordance with the terms of the Authority's bond indenture, the use of certain Authority assets is restricted for specific purposes as summarized below:

	December 31, <u>2020</u>
Construction fund	\$ 384,873
Debt service reserve fund	2,782,878
Debt service	<u>24,422</u>
Total assets held with fiscal agent	\$ <u>3,192,173</u>

Capital Assets, Net - A summary of the Authority's capital assets, net, is as follows:

	January 1, <u>2020</u>	<u>Additions</u>	<u>Deletions</u>	December 31, <u>2020</u>
Land and easement	\$ 1,080,409	-	-	1,080,409
Land improvements	1,961,969	-	-	1,961,969
Buildings and improvements	13,526,687	-	-	13,526,687
Infrastructure	61,037,049	2,847,082	-	63,884,131
Machinery and equipment	9,373,398	29,319	-	9,402,717
Vehicles	167,135	-	-	167,135
Office equipment and furniture	85,558	-	-	85,558
Construction in progress	<u>2,783,517</u>	<u>1,342,466</u>	<u>(2,847,082)</u>	<u>1,278,901</u>
	90,015,722	4,218,867	(2,847,082)	91,387,507
Less accumulated depreciation	<u>(25,740,133)</u>	<u>(2,551,630)</u>	<u>-</u>	<u>(28,291,763)</u>
Capital assets, net	<u>\$ 64,275,589</u>	<u>1,667,237</u>	<u>(2,847,082)</u>	<u>63,095,744</u>

Related Party Agreement - On September 1, 2008, the Authority entered into a Service Agreement (the "Agreement") with the County. The Agreement requires the Authority to construct, operate and maintain the Saratoga County Water System. In turn, the Agreement requires the County to pay a service fee, if needed, to the Authority based on the Authority's annual budget. The Authority is to repay the County for any and all amounts paid by the County as a service fee plus interest at 4%. The Agreement will terminate in 2048 with the maturity of the Authority's revenue bond.

Amounts due to the County at December 31, 2020:

Project costs incurred by the County (2003 to 2007), non-interest bearing	\$ 3,246,587
Cash advance, June 2007, interest at 4%	250,000
Service fees	4,117,328
Accrued interest	1,241,442
Repayment	<u>( 5,000,000)</u>
	\$ <u>3,855,357</u>

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Although these liabilities are due on demand, it is the intent of the County and the Authority to have these amounts paid over a period of time, after the Authority has commenced significant operations. The Authority anticipates that it will repay \$2,000,000 to the County in 2021.

Notes Payable Environmental Facilities Corporation (EFC) - During 2020, the capital project to expand the water system was in process. The project was funded by EFC grants and loans and is summarized as follows:

	Estimated Total Project	Incurred Through December 31, 2020
EFC Grant	\$ 3,177,337	1,127,909
EFC Loan	<u>4,955,492</u>	<u>-</u>
	<u>\$ 8,132,829</u>	<u>1,127,909</u>

Bonds Payable - At December 31, 2020, the Authority has outstanding related to bonds payable of \$44,602,684.

In 2014, Water System Revenue Bonds of \$4,340,000 were issued to finance costs incurred in connection with the construction of upgrades at the water treatment plant. Interest is payable semi-annually on June 1 and December 1, at 5%. Principal payments range from \$70,000 to \$275,000, and are payable annually on June 1. The bonds are collateralized by future operating revenues of the Authority and mature June 1, 2044.

The 2016 Water System Refunding Revenue Bonds were issued at \$41,360,000 to refund the 2008 Water System Revenue Bonds. Interest is payable semiannually on March 1 and September 1, at interest rates ranging from 3 to 5%. Principal payments range from \$605,000 to \$32,105,000, and are payable annually on September 1. The bonds are secured by the future operating revenues of the Authority and mature September 1, 2048.

The 2020 E.F.C. Drinking Water Statutory Installment Bond was issued at \$1,178,680. Interest is payable semi-annually on April 1 and October 1, at interest rates ranging from 0.25% to 2.93%. Principal payments range from \$35,000 to \$50,000 and are payable annually on October 1.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Future maturities of bonds payable and related interest amounts are as follows:

		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
For the year ending December 31,	2021	\$ 835,000	1,765,630	2,600,630
	2022	873,680	1,729,253	2,602,933
	2023	920,000	1,687,277	2,607,277
	2024	960,000	1,642,790	2,602,790
	2025	1,010,000	1,596,332	2,606,332
	2026-2030	5,850,000	7,195,659	13,045,659
	2031-2035	7,425,000	5,618,463	13,043,463
	2036-2040	8,980,000	4,054,265	13,034,265
	2041-2045	10,325,000	2,407,293	12,732,293
	2046-2048	<u>6,110,000</u>	<u>477,869</u>	<u>6,587,869</u>
		\$ <u>43,288,680</u>	<u>28,174,831</u>	<u>71,463,511</u>

Accrued Postemployment Benefits

Plan Description

GASB Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Revenue, Expenses and Change in Net Position when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefit. The postemployment benefit liability is recognized on the Statement of Net Position over time.

Benefits Provided

The Authority provides postemployment healthcare benefits for certain eligible retirees.

The Authority provides medical benefits to its eligible retirees. The benefits are provided through fully insured plans.

Employees Covered by Benefit Terms

As of January 1, 2020, the following employees were covered by the benefit terms:

Inactive employees entitled to but not yet receiving benefit payments, inactive employees or beneficiaries currently receiving benefits payments	-
Active employees	<u>7</u>
Total participants covered by OPEB Plan	<u><u>7</u></u>

Total OPEB Liability

The Authority's total OPEB liability of \$102,000 was measured as of January 1, 2020, and was determined by an actuarial valuation as of January 1, 2020.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Actuarial Assumptions and Other Inputs

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.74%
Healthcare cost trend rates:	
2019 (Pre 65/Post 65)	6.67%/3.00%
2020 trend	9.50%
Decrement	0.50%
Ultimate trend	5.00%
Year ultimate trend is reached	2029
Salary increases	2.00%

The discount rate was based on the index provided by Bond Buyer 20-Bond General Obligations Index, based on the 20 year AA municipal bond rate as of December 31, 2019.

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

Changes in the Total OPEB Liability

OPEB Liability, beginning of year	\$ 80,307
Changes for the year:	
Service cost	19,493
Interest on total OPEB liability	<u>2,200</u>
OPEB Liability, end of year	\$ <u>102,000</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The January 1, 2020 valuation was prepared using a discount rate of 2.74%. The following presents the total OPEB liability using a discount rate 1% higher and 1% lower as well as the current discount rate.

	<u>Discount Rate</u>		
	1%	2.74%	1%
	<u>Decrease</u>	<u>Baseline</u>	<u>Increase</u>
Total OPEB Liability	\$ <u>134,641</u>	<u>102,000</u>	<u>77,269</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The January 1, 2019 valuation was prepared using an initial trend rate of 6.67%/3.00%. The following presents the total OPEB liability using a healthcare cost trend rate 1% higher and 1% lower as well as the current healthcare cost trend rate.

	<u>Healthcare Cost Trend Rate</u>		
	1%	6.67%/3.00%	1%
	<u>Decrease</u>	<u>Baseline</u>	<u>Increase</u>
Total OPEB Liability	\$ <u>71,407</u>	<u>102,000</u>	<u>145,682</u>

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Commitments and Contingencies

Water Service Agreements - The Authority has entered into ten separate water service agreements with the Clifton Park Water Authority, Town of Ballston, Town of Malta, Town of Moreau, Town of Halfmoon, Town of Stillwater, Wilton Water and Sewer Authority, Village of Stillwater, Stewart's Corporation and Global Foundries US, Inc. Terms of said agreements are for the provision of water services and other services as described by the individual agreements. These agreements are for ten years subject to various conditions and qualifying events. 84% of operating revenue in 2020 was comprised of user fees received by the Authority related to three of the water service agreements.

Litigation - The Authority is also involved in other suits and claims (possible actions) arising from a variety of sources. It is the opinion of management and counsel that the liabilities that may arise from such possible actions would not result in losses that would materially affect the financial position of the Authority or the results of its operations.

Environmental Risks - Certain facilities are subject to federal, state, and local regulations relating to the discharge of materials into the environment. Compliance with these provisions has not had, nor does the Authority expect such compliance to have, any material effect upon the capital expenditures or financial condition of the Authority. The Authority believes that its current practices and procedures for control and disposition or regulated wastes comply with applicable federal, state, and local requirements.

Pension Plan

(1) General Information

The Authority participates in the New York State and Local Employees' Retirement System ("ERS"). The System is a cost sharing multiple-employer, public employee retirement system. The System offers a wide range of plans and benefits which are related to years of service and final average salary, vesting of retirement benefits, death and disability.

Plan Description and Benefits Provided - The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund, 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 (the "Comptroller") serves as sole trustee and administrative head of the System. System benefits are established under provisions of the New York State Retirement and Social Security Laws ("NYSRSSL"). Once a public employer elects to participate in the System, the election is irrevocable. The

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued  
Pension Plan, Continued

(1) General Information, Continued

New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined the System after July 27, 1976 who contribute 3% of their salary, for the first ten years of membership and employees who joined on or after January 1, 2010 who generally must contribute 3% of their salary for their entire length of service. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

Chapter 260 of the laws of the State of New York allows local employers to bond or amortize a portion (limitations established by fiscal year) of their retirement bill up to 10 years for fiscal years ended March 31, 2005 through 2008. Chapter 57 of the laws of the State of New York allows local employers to amortize a portion (limitations established by fiscal year) of their retirement bill for 10 years for fiscal years ended March 31, 2011 and forward.

These laws require participating employers to make payments on a current basis, while bonding or amortizing existing unpaid amounts. The Authority has not bonded or amortized any portion of their retirement obligations.

(2) Pension Liabilities, Pension Expense, and Deferred Inflows and Outflows of Resources Related to Pensions

At December 31, 2020, the Authority reported a liability of \$370,815 for its proportionate share of the net pension liability. The net pension liability was measured as of March 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2020, the Authority's proportion was 0.0014003%, an increase of 0.0000737 from December 31, 2019.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Pension Plan, Continued

(2) Pension Liabilities, Pension Expense, and Deferred Inflows and Outflows of Resources Related to Pensions, Continued

At December 31, 2020, the Authority reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 21,824	-
Changes of assumptions	7,466	6,447
Net difference between projected and actual investment earnings on pension plan investments	190,098	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,661	20,955
Employer contribution subsequent to the measurement date	<u>37,919</u>	<u>-</u>
	<u>\$ 260,968</u>	<u>27,402</u>

The net amount of the employer's balances of deferred outflows of resources related to pensions will be recognized in pension expense as follows:

2021	\$ 64,445
2022	46,911
2023	66,547
2024	<u>55,663</u>
	<u>\$ 233,566</u>

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

Significant actuarial assumptions used in the April 1, 2019 valuation were as follows:

Interest rate	6.8%
Salary increase	4.2%
Inflation rate	2.5%
Cost of living adjustments	1.3%

Annuitant mortality rates are based on April 1, 2010 - March 31, 2015 System's experience with adjustments for mortality improvements based on MP-2018.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Pension Plan, Continued

(2) Pension Liabilities, Pension Expense, and Deferred Inflows and Outflows of Resources Related to Pensions, Continued

The actuarial assumptions used in the April 1, 2019 valuation are based on the results of an actuarial experience study for the period April 1, 2010 - March 31, 2015.

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

ERS Actuarial Assumptions, Continued

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2020 for ERS were as follows:

	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Asset type:		
Domestic equity	36.0%	4.05%
International equity	14.0%	6.15%
Private equity	10.0%	6.75%
Real estate	10.0%	4.95%
Absolute return strategies (1)	2.0%	3.25%
Opportunistic portfolio	3.0%	4.65%
Real assets	3.0%	5.95%
Bonds and mortgages	17.0%	0.75%
Cash	1.0%	0.00%
Inflation - indexed bonds	<u>4.0%</u>	0.50%
	<u>100.0%</u>	

The real rate of return is net of the long-term inflation assumption of 2.50%.

(1) Excludes equity-oriented and long-only funds. For investment management purposes, these funds are included in domestic equity and international equity.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(b) Saratoga County Water Authority, Continued

Pension Plan, Continued

(3) Discount Rate

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

(4) Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

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

ERS

	1% Decrease (5.8%)	Current Assumption (6.8%)	1% Increase (7.8%)
Employers' proportionate share of the net pension liability	\$ <u>680,551</u>	<u>370,815</u>	<u>85,548</u>

(5) Pension Plan Fiduciary Net Position

The components of the net pension liability of the employer as of March 31, 2020 was as follows (in millions):

	<u>ERS</u>
Employers' total pension liability	\$ (194,596)
Plan fiduciary net position	<u>168,116</u>
Employers' net pension liability	\$ <u>(26,480)</u>
Ratio of plan fiduciary net position to the employers' total pension liability	<u>86.39%</u>

(c) Saratoga County Prosperity Partnership, Inc.

The Saratoga County Prosperity Partnership, Inc. (the Partnership) is a special purpose, local development corporation organized under the Not-For-Profit Corporation Law of the State of New York. The Partnership is an instrumentality of, but separate and apart from the County of Saratoga, New York (the County). Although legally separate from the County, the Partnership is a component unit of the County and, accordingly, is included in the County's financial statements as a discretely presented component unit.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(17) Detail Notes to Discretely Presented Component Units, Continued

(c) Saratoga County Prosperity Partnership, Inc., Continued

The Partnership's mission is to publicize and promote the advantages of the County and the Region as a place where employers and entrepreneurs can successfully locate new and expanded operations. The Partnership, through its promotional program, shall attract and encourage prospective employers in a wide range of economic activity, including but not limited to manufacturing, agri-business, education, clean and renewable energy production and technology, business services, international trade, high tech and broadband services and infrastructure, information technology, research, and tourism to locate to or expand within the County.

Transactions with the County of Saratoga - The Partnership receives a contract each year from the County to provide economic development. 50% of all unused general fund monies must be returned at the end of the year. In 2020, the County appropriated \$0 to the Partnership. The Partnership does not owe any amount to the County at December 31, 2020.

(18) Future Implementations of GASB Pronouncements

GASB has issued the following pronouncements which will be implemented in the years required. The effects of the implementation of these pronouncements are not known at this time.

Statement No. 87 - Leases. Effective for fiscal years beginning after June 15, 2021.

Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period. Effective for fiscal years beginning after December 15, 2020.

Statement No. 91 - Conduit Debt Obligations. Effective for fiscal years beginning after December 15, 2021.

Statement No. 92 - Omnibus 2020. Effective for fiscal years beginning after June 15, 2021.

Statement No. 93 - Replacement of Interbank Offered Rates. Effective for fiscal years beginning after June 15, 2021.

Statement No. 94 - Public-Private and Public-Public Partnerships and Availability Payment Arrangements. Effective for fiscal years beginning after June 15, 2022.

Statement No. 96 - Subscription-Based Information Technology Arrangements. Effective for fiscal years beginning after June 15, 2022.

Statement No. 97 - Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Effective for fiscal years beginning after June 15, 2021.

COUNTY OF SARATOGA, NEW YORK  
Notes to Financial Statements, Continued

(19) Cumulative Effect of Change in Accounting Principle

For the year ended December 31, 2020, the County implemented GASB Statement No. 84 - "Fiduciary Activities." The implementation of this Statement resulted in the statement of changes in fiduciary net position as a new statement to the basic financial statements as well as reporting certain liabilities as fiduciary net position. The County's fiduciary net position at December 31, 2019 has been restated as follows:

Fiduciary Funds:

Custodial Fund:

Net position at beginning of year, as previously stated	\$ -
GASB Statement No. 84 implementation	<u>474,746</u>
Net position at beginning of year, as restated	\$ <u>474,746</u>

Permanent Fund:

Net position at beginning of year, as previously stated	\$ -
GASB Statement No. 84 implementation	<u>118,552</u>
Net position at beginning of year, as restated	\$ <u>118,552</u>

Private Purpose Trust Fund:

Net position at beginning of year, as previously stated	\$ -
GASB Statement No. 84 implementation	<u>2,497</u>
Net position at beginning of year, as restated	\$ <u>2,497</u>

COUNTY OF SARATOGA, NEW YORK  
Required Supplementary Information  
Schedule of Revenue, Expenditures, and Changes in  
Fund Balance - Budget and Actual - General Fund  
Year ended December 31, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Adopted</u>	<u>Modified</u>	<u>Amounts</u>	
Revenue:				
Real property taxes	\$62,627,257	62,627,257	61,766,463	(860,794)
Real property tax items	4,953,750	4,953,750	3,671,367	(1,282,383)
Non-property tax items	131,121,847	131,121,847	128,305,170	(2,816,677)
Departmental income	11,271,390	11,281,590	11,309,091	27,501
Intergovernmental charges	3,324,266	3,324,266	5,202,890	1,878,624
Use of money and property	690,730	690,730	518,904	(171,826)
Licenses and permits	90,000	90,000	68,358	(21,642)
Fines and forfeitures	414,340	419,040	216,059	(202,981)
Sale of property and compensation for loss	2,056,000	2,056,000	2,516,809	460,809
Miscellaneous local sources	2,542,253	2,628,423	959,608	(1,668,815)
State aid	31,159,664	34,256,455	20,379,629	(13,876,826)
Federal aid	22,998,134	24,535,036	17,358,019	(7,177,017)
Total revenue	<u>273,249,631</u>	<u>277,984,394</u>	<u>252,272,367</u>	<u>(25,712,027)</u>
Expenditures:				
General government support	96,479,954	97,971,588	92,814,141	5,157,447
Education	21,475,000	20,372,845	19,843,415	529,430
Public safety	40,572,902	45,379,131	41,755,616	3,623,515
Health	20,809,140	21,474,871	18,820,270	2,654,601
Transportation	6,570,900	6,951,341	3,474,316	3,477,025
Economic assistance and opportunity	65,491,352	65,334,224	60,056,308	5,277,916
Culture and recreation	1,174,643	1,176,883	761,368	415,515
Home and community services	3,450,495	3,450,495	3,247,254	203,241
Debt service	2,498,434	2,501,866	2,501,866	-
Total expenditures	<u>258,522,820</u>	<u>264,613,244</u>	<u>243,274,554</u>	<u>21,338,690</u>
Excess of revenue over expenditures	<u>14,726,811</u>	<u>13,371,150</u>	<u>8,997,813</u>	<u>(4,373,337)</u>
Other financing uses - operating transfers out	<u>(18,292,025)</u>	<u>(19,394,180)</u>	<u>(19,394,180)</u>	<u>-</u>
Net change in fund balance	<u>\$ (3,565,214)</u>	<u>(6,023,030)</u>	<u>(10,396,367)</u>	<u>(4,373,337)</u>
Fund balance at beginning of year			<u>48,724,431</u>	
Fund balance at end of year			<u>\$38,328,064</u>	

COUNTY OF SARATOGA, NEW YORK  
Required Supplementary Information  
Schedule of Changes in the County's Total OPEB Liability and Related Ratios  
December 31, 2020

<u>County-wide</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 7,692,238	8,155,233	7,586,537
Interest	9,924,357	8,734,993	8,864,916
Differences between expected and actual experience	-	(2,697,158)	-
Changes in assumptions or other inputs	47,213,631	(16,827,874)	11,334,333
Benefit payments	<u>(8,544,483)</u>	<u>(8,993,383)</u>	<u>(8,910,324)</u>
Net change in total OPEB liability	56,285,743	(11,628,189)	18,875,462
Total OPEB liability, beginning	<u>238,637,486</u>	<u>250,265,675</u>	<u>231,390,213</u>
Total OPEB liability, ending	<u>\$294,923,229</u>	<u>238,637,486</u>	<u>250,265,675</u>
Covered payroll	\$ 60,402,915	60,402,915	58,384,878
Total OPEB liability as a percentage of covered payroll	488%	395%	429%
<u>Governmental Activities:</u>			
Total OPEB liability			
Service cost	\$ 7,380,590	7,708,421	7,191,227
Interest	9,384,991	8,256,417	8,402,994
Differences between expected and actual experience	-	(2,549,385)	-
Changes in assumptions or other inputs	44,723,111	(16,577,024)	10,719,045
Benefit payments	<u>(8,082,585)</u>	<u>(8,500,650)</u>	<u>(8,446,036)</u>
Net change in total OPEB liability	53,406,107	(11,662,221)	17,867,230
Total OPEB liability, beginning	<u>225,562,931</u>	<u>237,225,152</u>	<u>219,357,922</u>
Total OPEB liability, ending	<u>\$278,969,038</u>	<u>225,562,931</u>	<u>237,225,152</u>
Covered payroll	\$ 57,135,354	57,093,539	55,342,634
Total OPEB liability as a percentage of covered payroll	488%	395%	429%

(Continued)

COUNTY OF SARATOGA, NEW YORK  
Required Supplementary Information  
Schedule of Changes in the County's Total OPEB Liability and Related Ratios, Continued

<u>Sewer District:</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 311,648	446,812	395,310
Interest	539,366	478,576	461,922
Differences between expected and actual experience	-	(147,773)	-
Changes in assumptions or other inputs	2,490,520	(250,850)	615,288
Benefit payments	<u>(461,898)</u>	<u>(492,733)</u>	<u>(464,288)</u>
Net change in total OPEB liability	2,879,636	34,032	1,008,232
Total OPEB liability, beginning	<u>13,074,555</u>	<u>13,040,523</u>	<u>12,032,291</u>
Total OPEB liability, ending	<u>\$ 15,954,191</u>	<u>13,074,555</u>	<u>13,040,523</u>
Covered payroll	\$ 3,267,561	3,309,376	3,042,244
Total OPEB liability as a percentage of covered payroll	488%	395%	429%

Note to schedule:

Changes of assumptions - Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

<u>2020</u>	<u>2019</u>	<u>2018</u>
2.74%	3.44%	3.44%

The schedule is presented to illustrate the requirement for 10 years. However, until a full 10 year trend is compiled, the County is presenting information for those years for which information is available.

COUNTY OF SARATOGA, NEW YORK  
Required Supplementary Information  
Schedule of County's Proportionate Share of the Net Pension Liability  
Year ended December 31, 2020

NYSERS Pension Plan

	<u>County-wide</u>					
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability	0.2688397%	0.2598972%	0.2581054%	0.2596440%	0.2978990%	0.2998883%
County's proportionate share of the net pension liability	\$71,190,299	18,414,508	8,330,210	24,396,728	47,813,621	10,130,958
County's covered payroll	\$63,867,567	61,063,602	58,952,768	57,329,348	56,778,955	61,263,111
County's proportionate share of the net pension liability as a percentage of its covered payroll	111.47%	30.16%	14.13%	42.56%	84.21%	16.54%
Plan fiduciary net position as a percentage of the total pension liability	0.0%	96.3%	98.2%	94.7%	90.7%	97.9%

Governmental Activities

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental activities proportion of the net pension liability	0.2569144%	0.2479786%	0.2452426%	0.2471586%	0.2828585%	0.2833960%
Governmental activities proportionate share of the net pension liability	\$68,032,424	17,570,038	7,915,069	23,223,577	45,303,272	9,624,412
Governmental activities covered payroll	\$61,034,515	58,263,288	56,016,920	54,572,585	53,797,901	58,199,697
Governmental activities proportionate share of the net pension liability as a percentage of its covered payroll	111.47%	30.16%	14.13%	42.56%	84.21%	16.54%

Sewer District

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Fund's proportion of the net pension liability	0.0119253%	0.0119186%	0.0128628%	0.0124854%	0.0156405%	0.0164930%
Fund's proportionate share of the net pension liability	\$ 3,157,875	844,470	415,141	1,173,151	2,510,349	506,546
Fund's covered payroll	\$ 2,833,052	2,800,314	2,935,848	2,756,763	2,981,054	3,063,144
Fund's proportionate share of the net pension liability as a percentage of its covered payroll	111.47%	30.16%	14.14%	42.56%	84.21%	16.54%

\* The schedule is presented to illustrate the requirement for 10 years. However, until a full 10 year trend is compiled, the County is presenting information for those years for which information is available from the NYS Retirement System.

COUNTY OF SARATOGA, NEW YORK  
Required Supplementary Information  
Schedule of County's Pension Contributions  
Year ended December 31, 2020

NYSERS Pension Plan									
	<u>County-wide</u>								
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 9,401,334	9,078,001	8,806,295	8,834,255	8,903,604	10,728,541	12,160,083	12,336,753	12,370,870
Contributions in relation to the contractually required contribution	<u>9,401,334</u>	<u>9,078,001</u>	<u>8,806,295</u>	<u>8,834,255</u>	<u>8,903,604</u>	<u>10,728,541</u>	<u>12,160,083</u>	<u>12,336,753</u>	<u>12,370,870</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
County's covered payroll	\$63,867,567	61,063,602	58,952,768	57,329,348	56,778,955	61,263,111	63,150,465	62,407,807	66,174,183
Contributions as a percentage of covered payroll	14.72%	14.87%	14.94%	15.41%	15.68%	17.51%	19.26%	19.77%	18.69%
	<u>Governmental Activities</u>								
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 8,984,308	8,661,693	8,367,428	8,409,447	8,439,667	10,138,512	11,534,897	11,694,724	11,727,065
Contributions in relation to the contractually required contribution	<u>8,984,308</u>	<u>8,661,693</u>	<u>8,367,428</u>	<u>8,409,447</u>	<u>8,439,667</u>	<u>10,138,512</u>	<u>11,534,897</u>	<u>11,694,724</u>	<u>11,727,065</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
County's covered payroll	\$61,034,515	58,263,288	56,016,920	54,572,585	53,797,901	58,199,967	59,903,710	59,159,980	62,730,346
Contributions as a percentage of covered payroll	14.72%	14.87%	14.95%	15.41%	15.69%	17.42%	19.26%	19.77%	18.69%
	<u>Sewer District</u>								
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 417,026	416,308	438,867	424,808	463,937	590,029	625,186	642,029	643,805
Contributions in relation to the contractually required contribution	<u>417,026</u>	<u>416,308</u>	<u>438,867</u>	<u>424,808</u>	<u>463,937</u>	<u>590,029</u>	<u>625,186</u>	<u>642,029</u>	<u>643,805</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund's covered payroll	\$ 2,833,052	2,800,314	2,935,848	2,756,763	2,981,054	3,063,144	3,246,755	3,247,827	3,443,837
Contributions as a percentage of covered payroll	14.72%	14.87%	14.95%	15.41%	15.56%	19.26%	19.26%	19.77%	18.69%

\* The schedule is presented to illustrate the requirement for 10 years. However, until a full 10 year trend is compiled, the County is presenting information for those years for which information is available.

COUNTY OF SARATOGA, NEW YORK  
Other Supplementary Information  
Combining Balance Sheet - Nonmajor Governmental Funds  
December 31, 2020

	Special Revenue Funds				Total Nonmajor Governmental Funds
	County <u>Road</u>	Road <u>Machinery</u>	Employment <u>and Training</u>	Federal <u>Forfeitures</u>	
Assets:					
Cash and equivalents	\$ 250	604,186	94,561	160,323	859,320
Accounts receivable	506,848	-	-	-	506,848
State and federal receivables	2,953,192	-	-	-	2,953,192
Total assets	<u>\$ 3,460,290</u>	<u>604,186</u>	<u>94,561</u>	<u>160,323</u>	<u>4,319,360</u>
Liabilities, deferred inflows of resources and fund balances:					
Liabilities:					
Accounts payable	759,109	604,186	772	-	1,364,067
Due to other governments	933,073	-	-	-	933,073
Due to other funds	517,886	-	-	-	517,886
Total liabilities	<u>2,210,068</u>	<u>604,186</u>	<u>772</u>	<u>-</u>	<u>2,815,026</u>
Deferred inflows of resources	<u>2,635,985</u>	<u>-</u>	<u>93,789</u>	<u>-</u>	<u>2,729,774</u>
Fund balances:					
Restricted	-	-	-	160,323	160,323
Unassigned (deficit)	(1,385,763)	-	-	-	(1,385,763)
Total fund balances (deficit)	<u>(1,385,763)</u>	<u>-</u>	<u>-</u>	<u>160,323</u>	<u>(1,225,440)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,460,290</u>	<u>604,186</u>	<u>94,561</u>	<u>160,323</u>	<u>4,319,360</u>

COUNTY OF SARATOGA, NEW YORK  
Other Supplementary Information  
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Year ended December 31, 2020

	Special Revenue Funds				Total Nonmajor Governmental Funds
	County <u>Road</u>	Road <u>Machinery</u>	Employment and Training	Federal <u>Forfeitures</u>	
Revenue:					
Departmental income	\$ 1,758,797	-	-	-	1,758,797
Intergovernmental charges	417,254	-	-	-	417,254
Use of money and property	-	1,129,099	-	82	1,129,181
Fines and forfeitures	-	-	-	7,493	7,493
Sale of property and compensation for loss	25,889	133,659	-	1,811	161,359
Miscellaneous local sources	44,538	223,367	-	-	267,905
State aid	2,078,194	250,000	-	-	2,328,194
Federal aid	569,767	-	1,063,436	-	1,633,203
Total revenue	<u>4,894,439</u>	<u>1,736,125</u>	<u>1,063,436</u>	<u>9,386</u>	<u>7,703,386</u>
Expenditures:					
Public safety	969,174	-	-	15,063	984,237
Transportation	21,863,360	4,442,641	-	-	26,306,001
Economic assistance and opportunity	-	-	1,063,436	-	1,063,436
Total expenditures	<u>22,832,534</u>	<u>4,442,641</u>	<u>1,063,436</u>	<u>15,063</u>	<u>28,353,674</u>
Deficiency of revenue over expenditures	(17,938,095)	(2,706,516)	-	(5,677)	(20,650,288)
Other financing sources - operating transfers in	<u>16,737,664</u>	<u>2,656,516</u>	-	-	<u>19,394,180</u>
Net change in fund balances	(1,200,431)	(50,000)	-	(5,677)	(1,256,108)
Fund balances (deficit) at beginning of year	<u>(185,332)</u>	<u>50,000</u>	-	<u>166,000</u>	<u>30,668</u>
Fund balances (deficit) at end of year	<u><u>\$ (1,385,763)</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>160,323</u></u>	<u><u>(1,225,440)</u></u>