



2021

County of Westchester
NEW YORK

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2021

Westchester
gov.com

George Latimer, County Executive
County Board of Legislators
Karin E. Hablow, Commissioner
Department of Finance

2021

County of Westchester
NEW YORK

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2021

Westchester
gov.com

George Latimer, County Executive
County Board of Legislators
Karin E. Hablow, Commissioner
Department of Finance

Prepared by the Finance Department

(This page intentionally left blank.)

**COUNTY OF WESTCHESTER, NEW YORK
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2021**

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
INTRODUCTORY SECTION		
Letter of Transmittal.....		1
GFOA Certificate of Achievement for Excellence in Financial Reporting		7
Organizational Chart		9
List of Principal Officials		11
FINANCIAL SECTION		
Independent Auditors' Report		13
Management's Discussion and Analysis		17
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	1	36
Statement of Activities.....	2	38
Fund Financial Statements:		
Governmental Funds—Balance Sheet	A-1	42
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....		45
Governmental Funds—Statement of Revenues, Expenditures, and Changes in Fund Balances	A-2	46
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities		49
General, Combined Sewer Districts and Refuse Disposal District Funds—		
Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual	A-3	50
Proprietary Funds—Statement of Net Position.....	B-1	55
Proprietary Funds—Statement of Revenues, Expenses and Changes in Net Position	B-2	56
Proprietary Funds—Statement of Cash Flows	B-3	57
Statement of Fiduciary Net Position.....	C-1	61
Statement of Changes in Fiduciary Net Position.....	C-2	62
Component Units—Combining Statement of Net Position	D-1	64
Component Units—Combining Statement of Activities.....	D-2	66
Notes to the Financial Statements		67
Required Supplementary Information:		
Schedule of Changes in the County's Total OPEB Liability and Related Ratios.....	E-1	127
New York State and Local Employees' Retirement System		
Schedule of the Primary Government's Proportionate Share of the Net Pension Liability	E-2	128
Schedule of Contributions	E-3	129
New York State and Local Police and Fire Retirement System		
Schedule of the Primary Government's Proportionate Share of the Net Pension Liability	E-4	130
Schedule of Contributions	E-5	131
Combining and Individual Fund Financial Statements and Schedules:		
General Fund—Comparative Balance Sheet	F-1	137
General Fund—Comparative Schedule of Revenues, Expenditures and Changes in Fund		
Balance—Budget and Actual	F-2	138
General Fund—Schedule of Revenues and Other Financing Sources Compared to Budget	F-3	144
General Fund—Schedule of Expenditures and Other Financing Uses Compared to Budget	F-4	148
Combined Sewer Districts Fund—Comparative Balance Sheet	G-1	163
Sewer Districts Fund—Combining Schedule of Revenues, Expenditures and		
Changes in Fund Balances.....	G-2	164
Combined Sewer Districts Fund—Comparative Schedule of Revenues, Expenditures and		
Changes in Fund Balance—Budget and Actual.....	G-3	166
Combined Sewer Districts Fund—Schedule of Revenues and Other Financing Sources		
Compared to Budget	G-4	168
Combined Sewer Districts Fund—Schedule of Expenditures and Other Financing Uses		
Compared to Budget	G-5	170
Refuse Disposal District Fund—Comparative Balance Sheet	H-1	175
Refuse Disposal District Fund—Comparative Schedule of Revenues, Expenditures and		
Changes in Fund Balance—Budget and Actual.....	H-2	176

	<u>Exhibit</u>	<u>Page</u>
Refuse Disposal District Fund—Schedule of Expenditures and Other Financing Uses		
Compared to Budget	H-3	178
Grants Fund—Comparative Balance Sheet	I-1	183
Grants Fund—Comparative Statement of Revenues, Expenditures and Changes in Fund Balance	I-2	184
Capital Projects Fund—Comparative Balance Sheet.....	J-1	187
Capital Projects Fund—Comparative Statement of Revenues, Expenditures and Changes in		
Fund Balance	J-2	188
Nonmajor Funds—Combining Balance Sheet	K-1	191
Nonmajor Funds—Combining Statement of Revenues, Expenditures and Changes in Fund Balances	K-2	192
Airport Fund—Comparative Balance Sheet	L-1	193
Airport Fund—Comparative Schedule of Revenues, Expenditures and Changes in Fund		
Balance—Budget and Actual	L-2	194
Airport Fund—Schedule of Expenditures and Other Financing Uses Compared to Budget	L-3	196
Combined Water Districts Fund—Comparative Balance Sheet	M-1	197
Water Districts Fund—Combining Schedule of Revenues, Expenditures and Changes in		
Fund Balances	M-2	198
Combined Water Districts Fund—Comparative Schedule of Revenues, Expenditures and		
Changes in Fund Balance—Budget and Actual.....	M-3	200
Combined Water Districts Fund—Schedule of Revenues Compared to Budget	M-4	202
Combined Water Districts Fund—Schedule of Expenditures Compared to Budget	M-5	203
Internal Service Funds—Combining Statement of Net Position	N-1	207
Internal Service Funds—Combining Statement of Revenues, Expenses and Changes in Net Position	N-2	208
Internal Service Funds—Combining Statement of Cash Flows.....	N-3	209
Health Insurance Fund—Comparative Statement of Net Position	N-4	213
Health Insurance Fund—Comparative Statement of Revenues, Expenses, and		
Changes in Net Position	N-5	214
Health Insurance Fund—Comparative Statement of Cash Flows	N-6	215
Casualty Reserve Fund—Comparative Statement of Net Position	N-7	219
Casualty Reserve Fund—Comparative Statement of Revenues, Expenses, and		
Changes in Net Position	N-8	220
Casualty Reserve Fund—Comparative Statement of Cash Flows	N-9	221
Workers’ Compensation Reserve Fund—Comparative Statement of Net Position	N-10	225
Workers’ Compensation Reserve Fund—Comparative Statement of Revenues, Expenses, and		
Changes in Net Position	N-11	226
Workers’ Compensation Reserve Fund—Comparative Statement of Cash Flows.....	N-12	227

STATISTICAL SECTION (Unaudited)

Financial Trends

Net Position by Component	P-1	232
Changes in Net Position.....	P-2	234
Fund Balances, Governmental Funds	P-3	236
Changes in Fund Balances, Governmental Funds.....	P-4	238

Revenue Capacity

Assessed Valuation of Taxable Real Property, Average Equalization Rate and Full Valuation	P-5	243
Top Ten Property Taxpayers	P-6	244
Property Tax Levies and Collections	P-7	245
Direct and Overlapping Property Tax Rates	P-8	246

	<u>Exhibit</u>	<u>Page</u>
Debt Capacity		
Ratios of Outstanding Debt by Type	P-9	250
Ratios of Net General Bonded Debt Outstanding.....	P-10	251
Legal Debt Margin Information	P-11	252
Demographic and Economic Information		
Demographic and Economic Statistics	P-12	257
Employment and Wages by Sector	P-13	258
Operating Information		
County Government Annual Positions by Function/Department	P-14	262
Operating Indicators by Function	P-15	264
Capital Asset Statistics by Function	P-16	266
 ADDITIONAL REPORTS		
Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		271
Continuing Disclosure Information – General Obligation Bonds (Unaudited)		275

(This page intentionally left blank.)



George Latimer
County Executive

Department of Finance
Karin E. Hablow
Commissioner

August 23, 2022

To the Members of the County Board of Legislators and Taxpayers of the County of Westchester:

The Annual Comprehensive Financial Report (ACFR) of the County of Westchester, New York, (County) for the fiscal year ended December 31, 2021 is herewith submitted in accordance with the requirements of Chapter 119 of the County's Charter. This report is presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to the Charter requirement, we hereby issue the Annual Comprehensive Financial Report of the County for the year ended December 31, 2021.

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

The County's financial statements have been audited by PKF O'Connor Davies, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2021, are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Based upon this audit, the independent auditor concluded that there was a reasonable basis for rendering unmodified opinions that the County's financial statements for the fiscal year ended December 31, 2021 are fairly presented, in all material respects, in conformity with GAAP.

The independent auditors' report is presented as the first item in the financial section of this report. The financial section also includes a narrative introduction, overview and analysis of the December 31, 2021 financial statements to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). The letter of transmittal was designed to complement the MD&A and



should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditor.

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

PROFILE OF THE GOVERNMENT

The County was incorporated in 1683 and operates in accordance with its charter, adopted in 1937, its administrative code, enacted into State Law in 1948, the State Constitution and the various other applicable laws of the State of New York. The County functions under a County Executive/Board of Legislators form of government. The Board of Legislators is the legislative body responsible for overall operation of the County. The County Executive serves as the chief executive officer and the Commissioner of Finance serves as the chief financial officer. The County provides the following services to its residents: education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, home and community services and general and administrative support.

The annual budget serves as the foundation for the County’s financial planning and control. All agencies of the County are required to submit requests for appropriation to the Budget Department in August each year. The Budget Department uses these requests as the starting point for developing a proposed budget. The County Executive then presents this proposed budget to the Board of Legislators for review no later than November 10th. The Board of Legislators is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 27th. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may make transfers of appropriations within a department with Budget Department approval. Transfers of appropriations between departments, however, require the approval of the Board of Legislators. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The comparison of the General Fund, Sewer Districts Fund, and Refuse Disposal District Fund is presented as part of the basic financial statements for the governmental funds with appropriated annual budgets. The comparison of nonmajor governmental funds with appropriated annual budgets is presented in the governmental fund subsection of this report.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Local Economy

The onset of COVID-19 pandemic in March of 2020 affected the economies of the County of Westchester and the nation at large with many businesses being forced to shut down, especially in the Tri-

State region the County is located. The effect on the consumer in 2020 significantly decreased the County's realized revenues, in particular the sales tax revenues. With the availability of the 2021 COVID-19 inoculation shot, more entities and business opened within the County and surrounding communities which brought improvements in its sales tax revenues. In order to quantify the economic effects on the County of the COVID-19 virus, as measured by the County's key measurement on its economy (sales tax) a discussion of sales tax at June 30 is included below.

The County's gross sales tax receipts for the six month's ended June 30 are \$391.5 million and \$350.1 million for 2022 and 2021, respectively. This increase of \$41.4 million represents an increase of 12%. Both of these periods include the effect of the 1% increase in the County's sales tax rate that went into effect August 1, 2019. The five months ended May 31 had an increase of 17% while June had a decrease of 3%. The 2022 Adopted Budget includes \$833.0 million in gross sales tax. Effective with the County's first quarter forecast on May 13, 2022, this amount was increased by \$52.2 million to \$885.2 million. This represents a 6% increase.

In March 2022, the County unemployment rate declined to 3.5% from 5.8% one year prior. This was primarily due to an increase in the number of county residents employed of 15,500 (3.3%). Employment both within the County and for County residents grew steadily, with normal seasonal variation, from 2016 until the first quarter of 2021. After the onset of the COVID-19 pandemic in March 2020, April 2020 employment both in-county and for residents contracted sharply. Both figures fell by approximately 80,000 jobs from the prior month. Since April 2020, employment has been on the rebound with 393,000 jobs within the County, and 457,000 residents employed as of September 2021. More timely resident level data shows 469,000 residents employed as of March 2022.

Financial Planning

During the past four and half years, the administration has been focused on the future operating expenditures of the County in order to diminish and subsequently reverse the drain on the County's fund balance. Some of the focus has been on settling union contracts, reducing the health care costs burden of the County, and reduced funding on Medicaid and other mandated programs by the State. With the County's necessary past 2018 and 2019 tax levy increases, the administration was mindful of the need to increase other revenues, such as the 2019 increased County sales tax, and is continuing to explore other revenues and reductions in expenditures. The property tax levy for 2022 was \$7 million less than 2021. The 2021 and 2020 tax levies were both \$1.0 million less than the preceding year. The General Fund balance at December 31, 2017 was \$134.0 million. The General Fund balance at December 31, 2021 is \$413.7 million.

The sales tax revenues for the first six months of 2022 are higher by \$41.4 million from the prior year's comparative period as indicated in the *Local Economy* above. However, consumer prices are up 9.1% over the 12 months ended June 30, 2022. This is the largest 12 month increase since November 1981.

On July 27, 2022, the Federal Reserve enacted its second consecutive .75% increase, bringing its benchmark rate to 2.25% – 2.5 %. This is a long way from the 0 - .25% of two years ago. There are three

remaining Federal Reserve meetings in 2022 and many feel that additional increases are imminent for 2022.

A positive outlook for 2022 is forecasted at this time due to the following:

- The 2022 budget as adopted in December 2021 anticipated no additional use of General Fund balance. As of the County's 2022 first quarter forecast dated May 13, 2022, the County is forecasting a \$51.0 million increase in the General Fund balance for the 2022 fiscal year.
- Sales and Use Tax budgeted at \$833.0 million for 2022 is forecasted to increase by \$52.2 million due to more robust economic activity than originally anticipated to date.
- In May of 2021 and June of 2022, the County received \$94.0 million in funds under the American Rescue Plan Act (ARPA) – for a total of \$188 million.

As of July 2022 the County's bond rating from Standard and Poor's Corporation is AA+ (stable outlook), Fitch Ratings is AA+ (stable outlook) and Moody's Investors Service is Aa1 (stable outlook). The benefit of the County's high bond rating is lower borrowing costs.

Looking forward to the 2023 budget, the administration continues its commitment to provide its various operations with the necessary resources for carrying out the services being provided by each department. As in the past, revenue sources as well as labor costs and related fringe benefits will be addressed, especially in light of the COVID-19 virus pandemic.

Long Term Projects

The following are some of the major capital programs for economic growth and public infrastructure approved as part of the 2022 \$525.3 million Capital Budget (The 2021 Capital Budget was \$264.7 million):

- \$20.2 million for continued rehabilitation of the County's network of parkways, roads and bridges.
- \$80.5 million in Department of Planning initiatives including \$25.0 million for the New Homes Land Acquisition Fund and \$25.0 million for the Housing Implementation Fund for the construction of infrastructure necessary to support the development of affordable housing.
- \$28.0 million for the Westchester County Airport Deicing Systems Implementation.
- \$154.4 million for the Sewer and Water districts facilities inclusive of \$25.0 million for the Eastview Pumping Station (Water), \$47.5 million for the Mamaroneck Wastewater Treatment Plant, and \$32.6 million for the Yonkers Joint Sewer District.
- \$112.6 million for Parkland and Historical Preservation Programs including \$48.0 million for the Glen Island Bridge Rehabilitation.

Relevant Financial Policies

The County maintains separate documented policy guidelines for cash management/investments, purchasing, capital assets and a five-year capital improvement program. These policies are reviewed and updated, if warranted, on an annual basis.

Debt Management

During 2021, the County's long-term bond debt increased by \$79.9 million. The major factor contributing to this increase was debt issued of \$203.8 million partially offset by payments reducing debt of \$123.9 million.

Pension Benefits

The County participates in the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System ("Systems"). The County has elected to be part of the New York State Retirement Contribution Stabilization Program and had elected to amortize over ten year periods \$25,452,590 for 2012, \$43,816,683 for 2013, \$26,773,920 for 2014, \$14,196,691 for 2015, \$4,474,546 for 2016, \$3,894,909 for 2017, \$4,189,788 for 2018 and none for 2019, 2020 or 2021. Additional amortizations are not currently anticipated.

Additional information on pension arrangements can be found in Note 3, I in the notes to financial statements.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. This was the fourteenth year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

I would like to thank all those who have contributed to the preparation of this Annual Comprehensive Financial Report. This report could not have been possible without the diligent efforts of the Finance Department. Much appreciated assistance was received from the Budget and Law Departments and various other County departments and agencies. I would also like to thank the County officials for their support and our independent auditor, PKF O'Connor Davies, LLP, for their efforts throughout this audit engagement.

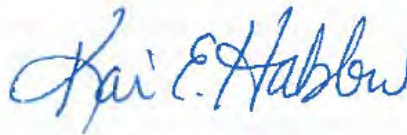
A SPECIAL NOTE

Our cover for this year's annual report features a picture of the City of White Plains. White Plains has long had a reputation as a shopping and restaurant hub within Westchester County and also offers exceptional educational, medical and cultural facilities. With a commute into Manhattan of approximately 50 minutes, White Plains can call itself the "birthplace of New York". On July 9, 1776 a copy of the Declaration of Independence was delivered to the New York Provincial Congress, which was meeting at the County courthouse in White Plains. A resolution was quickly adopted approving the Declaration. This is generally accepted as the formation of the State of New York.

Much has changed about White Plains in the last 246 years and the changes seem to never stop. A sample of very recent projects announced in the media include the following:

- Boca-Raton based Mill Creek Residential Trust is proposing the adaptive reuse of a warehouse at 39 Westmoreland Avenue in White Plains, to be combined with a new eight-story building to create a 191-unit apartment building.
- The Westchester County Industrial Development Agency has approved an incentives package to facilitate the construction of a three-building residential complex in downtown White Plains. The property is located at 70 Westchester Avenue and is currently occupied by a Chrysler Jeep dealership and service center.
- Construction on a high-rise mixed-use development in White Plains footsteps from the city's train station is expected to be completed in the first half of 2024. The project, dubbed 25 North Lex, is expected to be a two-tower development built where a parking lot currently sits across the street from the Gateway 1 (1 North Lexington) office building. The project would hold 755 parking spaces with most going toward 25 North Lex and the rest allotted for the Gateway I building.
- The Westchester County Industrial Development Agency has voted preliminary and final approval of financial incentives for the construction of two separate multi-family residential developments in downtown White Plains. The projects represent a combined \$131 million investment.

Respectfully submitted,



Karin E. Hablow
Commissioner of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Westchester County
New York**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

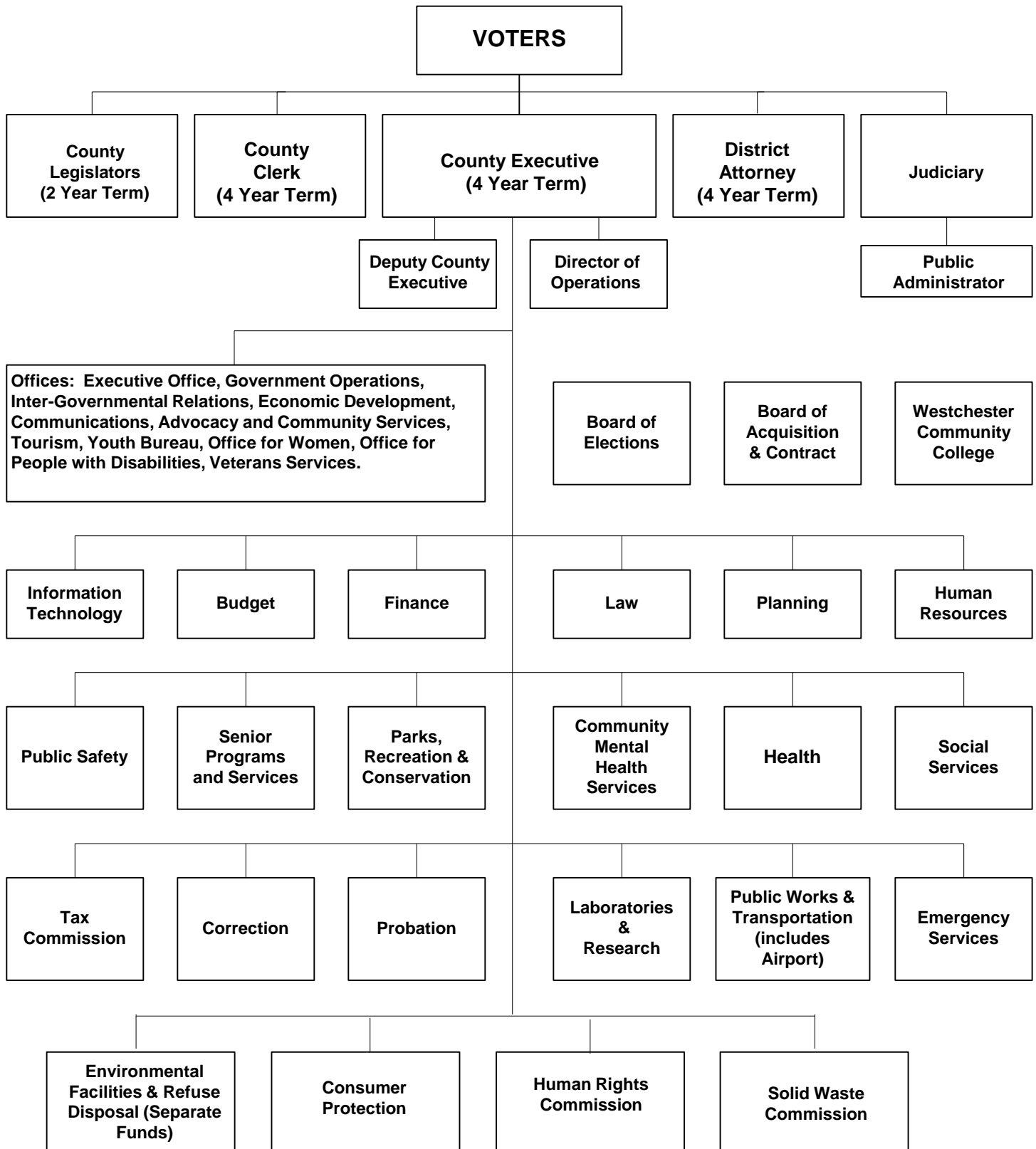
December 31, 2020

Christopher P. Morill

Executive Director/CEO

(This page intentionally left blank.)

COUNTY OF WESTCHESTER ORGANIZATIONAL CHART



(This page intentionally left blank.)

COUNTY OF WESTCHESTER, NEW YORK
PRINCIPAL OFFICIALS

COUNTY EXECUTIVE
George Latimer

COUNTY BOARD OF LEGISLATORS
Catherine Borgia, Board Chair (District 9)

	<u>District Number</u>
Nancy Barr, Board Vice Chair	6
José I. Alvarado	17
Benjamin Boykin II	5
Terry Clements	11
Margaret A. Cunzio	3
Vedat Gashi	4
Christopher Johnson	16
Damon R. Maher	10
James Nolan	15
Catherine F. Parker	7
Erika L. Pierce	2
MaryJane C. Shimsky	12
Colin D. Smith	1
David J. Tubiolo	14
Jewel Williams Johnson	8
Tyrae Woodson-Samuels	13

APPOINTED OFFICIALS

DEPUTY COUNTY EXECUTIVE
Kenneth W. Jenkins

COMMISSIONER OF FINANCE
Karin E. Hablow

BUDGET DIRECTOR
Lawrence C. Soule

COUNTY ATTORNEY
John M. Nonna

(This page intentionally left blank.)

Independent Auditors' Report

**The Honorable Board of Legislators
of the County of Westchester, New York**

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General, Combined Sewer Districts and Refuse Disposal District funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As more fully disclosed in Note 5 in the notes to financial statements, the only significant resource of the Westchester Tobacco Asset Securitization Corporation ("WTASC"), a blended component unit, is the right to receive tobacco revenues. A reduction in these revenues would affect debt service coverage on the tobacco bonds. If the reduction were material, it could impair the ability of the WTASC to make Turbo Redemption payments or even its ability to pay required bond structuring amounts as they are due. As a result, actual payments may not conform to the required bond structuring amounts or allow the WTASC to make advance Turbo Redemption payments prior to the Subordinate Bonds maturity dates. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the schedules included under Required Supplementary Information in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial

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

Supplementary Information

Our audit for the year ended December 31, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2021 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2021.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the County as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated July 23, 2021 which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information. The combining and individual fund financial statements and schedules for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the 2020 financial statements. The information was subjected to the audit procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 23, 2022 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

August 23, 2022

COUNTY OF WESTCHESTER, NEW YORK MANAGEMENT'S DISCUSSION AND ANALYSIS

The County's management team offers the readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1- 6 of this report.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of the County's governmental activities exceeded its assets and deferred outflows of resources at the years ended December 31, 2021 and 2020 by \$1,344,307,309 and \$1,450,740,631, respectively, an increase in total net position of \$106,433,322. Comparing 2021 net increase in net position of \$106,433,322 to 2020 net decrease in net position (\$153,772,571) results in a positive change of \$260,205,893 in 2021 versus 2020. The decreased deficit position when comparing 2021 to 2020 was primarily due to the recording in accordance with Governmental Accounting Standard Board ("GASB") Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*" ("GASB 75") ("OPEB") of an increase in 2021 to the net estimated post-retirement health insurance liabilities and related deferred outflows and inflows of resources of \$202,284,599 versus an adjustment of \$282,144,524 in 2020. Also, the recording in accordance with GASB Statement No. 68 "*Accounting and Financial Reporting for Pensions*" ("GASB 68") a decrease in the net estimated pension liabilities and related deferred outflow and inflows of resources of \$63,096,339 in 2021 versus an increase in the net estimated pension liabilities and related deferred outflows and inflows of \$99,268,881 in 2020.
- Internal Service Fund changes in net position for 2021, 2020 and 2019 are (\$22,949,835), \$3,543,662 and (\$2,189,340), respectively. This results in a decrease in net position in 2021 of \$26,493,497 versus an increase in net position of \$5,733,002 in 2020. The increased Internal Service Fund expense in 2021 versus 2020 was comprised of Health Insurance Fund \$9,254,465, Casualty Reserve Fund \$2,906,647 and Workers' Compensation Fund \$14,332,385. At December 31, 2021 a reserve for a legal settlement of \$31,445,000 was reversed, resulting in a corresponding increase in net position. Other net increases to net position in 2021 are \$13,029,245.
- In 2020, the County received \$167,569,879 in funds under the Federal Coronavirus Aid, Relief and Economic Surety Act (CARES). This receipt in 2020 led to a corresponding increase to total net position in 2020. No such funding was received in 2021. However, the County did receive \$93,963,349 on May 19, 2021 under the American Rescue Plan Act of 2021 ("ARPA"). Of this amount, only \$771,000 impacted 2021 fund balance in the Combined Sewer Districts. All other amounts are deferred at December 31, 2021. The County received an additional \$93,963,349 under ARPA on June 29, 2022.
- The unrestricted net deficit position at December 31, 2021 was \$3,552,812,734, which was an increased deficit from the year 2020 of \$19,150,384. This is primarily due to the 2021 increase in Net Investment in Capital Assets of \$127,886,260. Partially offsetting this increase is a reduction in net deficit due to a net increase in net position of \$106,433,322 due to the 2021 net change in position. Additional other net increases amount to \$2,302,554.
- Taxes on Real Property revenue decreased by \$1,000,000 to \$717,674,814 in 2021 from \$718,674,814 in 2020. Sales Tax revenue increased by \$142,741,769 to \$813,965,453 in 2021 from \$671,223,684 in 2020. Mortgage Tax revenue increased by \$8,432,160 to \$30,195,879 in 2021 from \$21,763,719 in 2020.
- For 2021 the County's governmental funds reported combined ending fund balances of \$404,852,945, an increase of \$148,697,375 in comparison with the 2020 balance of \$256,155,570. The governmental funds increase is comprised of increases in fund balance of the General Fund of \$165,016,583, the Grants

Fund of \$1,621,634 and the Nonmajor governmental funds of \$1,220,669 partially offset by the decreases in the Capital Projects Fund of \$708,908, Combined Sewer Districts Fund of \$17,485,040, and the Refuse Disposal District Fund of \$967,563.

- The General Fund's unrestricted fund balance (as defined by the NYS Office of the State Comptroller as the "total of committed, assigned, and unassigned fund balance classifications" as set forth by GASB Statement No. 54) was \$382,530,935 or 18.17% of the total General Fund expenditures for 2021 and \$220,568,298 or 10.64 % of the total General Fund expenditures for 2020.
- As of July 2022 the County's bond rating from Standard and Poor's Corporation is AA+ (stable outlook), Fitch Ratings is AA+ (stable outlook) and Moody's Investors Service is Aa1 (stable outlook).
- The County's total long-term bonded debt (exclusive of the Westchester Tobacco Asset Securitization Corporation (WTASC) blended component unit debt) increased \$79,869,477 (6.4%) during 2021. The major factor contributing to this increase was debt issuance of \$203,779,614, partially offset by debt payments of \$123,910,137.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components:

- 1) Government-wide financial statements;
- 2) Fund financial statements;
- 3) Notes to the financial statements

This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

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

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

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (for example, earned but unused vacation leave, net pension liabilities and other postemployment benefits).

The government-wide financial statements distinguish functions of the County that are *governmental activities* (those principally supported by taxes and revenues from other governments) and functions of the County that are *business-type activities* (those that are intended to recover all or a significant portion of their costs through user fees and charges). The governmental activities of the County include general government, education, public safety, health services, transportation, economic assistance and opportunity, culture and recreation, home and community services and interest. The business-type activities of the County reflect the operations of the WTASC.

The government-wide financial statements include not only the County itself (the primary government) and a business-type activity WTASC, a blended component unit, but also legally separate discretely presented component units for which the County is financially accountable.

The discretely presented component units are comprised of the following:

- 1) County of Westchester Industrial Development Agency
- 2) Westchester Community College
- 3) Westchester County Local Development Corporation

The Combining Statement of Net Position for these component units is reported separately in Exhibit D-1 from the financial information presented for the primary government itself, on Exhibit 1.

The government-wide financial statements can be found on Exhibit 1 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The County maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Combined Sewer Districts, Refuse Disposal District, Grants, and Capital Projects funds all of which are considered to be major funds. Data from the other two governmental funds (Airport and Combined Water Districts) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General, Sewer Districts, Refuse Disposal District (major funds), Airport, and Water Districts funds (nonmajor funds). Budgetary comparison statements have been provided for the major funds to demonstrate compliance with their budgets.

The governmental fund financial statements can be found in the basic financial statements section of this report.

Proprietary Funds

The blended component unit and the internal service funds are the proprietary funds maintained by the County. Management reviews the need for Internal Service Funds which are used to accumulate and allocate costs internally among the County's various functions. In 2021, the County used internal service funds to account for the health benefits of its employees and retirees, to provide for claims made against the County by third parties and to provide workers' compensation coverage for the employees of the County. All three of the internal service funds (individual fund data for the internal service funds are provided in the form of combining statements shown in Exhibits N-1 through N-3) benefit governmental activities and have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found in the basic financial statements section in Exhibit B-1 through B-3 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The County maintains only one type of fiduciary fund that is known as a Custodial Fund. The Custodial Fund reports resources, not in a trust, that are held by the County for parties outside of the County's reporting entity and in the case of the County, primarily to account for mortgage taxes and bail deposits collected for other governments and individuals.

The fiduciary fund financial statement can be found in the basic financial statements section in Exhibits C-1 and C-2 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are located following the basic financial statements of this report.

Other Information

Additional statements and schedules can be found immediately following the notes to the financial statements. These include the required supplementary information schedules for the County's OPEB and net pension liabilities, schedules of budget to actual comparisons, combining statements for the non-major governmental funds and proprietary funds, and the statistical tables.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements are being provided using the full accrual basis of accounting and a comparative analysis in accordance with GASB Statement No. 34. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Primary Governmental Activities (County), liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$1,344,307,309 and \$1,450,740,631 for 2021 and 2020 respectively.

The largest component of the County's net position reflects its investment in capital assets (e.g., land, buildings, construction-in-progress, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to repay these liabilities.

**COUNTY OF WESTCHESTER
NET POSITION
DECEMBER 31,**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Other assets	\$ 1,046,926,984	\$ 762,373,130	\$ 29,481,631	\$ 29,103,428	\$ 1,076,408,615	\$ 791,476,558
Capital assets	3,630,023,273	3,489,701,284	—	—	3,630,023,273	3,489,701,284
Total assets	<u>4,676,950,257</u>	<u>4,252,074,414</u>	<u>29,481,631</u>	<u>29,103,428</u>	<u>4,706,431,888</u>	<u>4,281,177,842</u>
Deferred outflows of resources	1,089,909,008	1,199,175,270	3,940,676	4,074,636	1,093,849,684	1,203,249,906
Current liabilities	736,412,000	579,324,222	6,225,351	6,051,990	742,637,351	585,376,212
Long-term liabilities	5,508,916,724	6,217,505,677	165,435,650	170,636,129	5,674,352,374	6,388,141,806
Total liabilities	<u>6,245,328,724</u>	<u>6,796,829,899</u>	<u>171,661,001</u>	<u>176,688,119</u>	<u>6,416,989,725</u>	<u>6,973,518,018</u>
Deferred inflows of resources	865,837,850	105,160,416	—	—	865,837,850	105,160,416
Net position:						
Net investment in capital assets	2,183,669,402	2,055,783,142	—	—	2,183,669,402	2,055,783,142
Restricted	24,836,023	27,138,577	—	—	24,836,023	27,138,577
Unrestricted	<u>(3,552,812,734)</u>	<u>(3,533,662,350)</u>	<u>(138,238,694)</u>	<u>(143,510,055)</u>	<u>(3,691,051,428)</u>	<u>(3,677,172,405)</u>
Total net position	<u>\$ (1,344,307,309)</u>	<u>\$ (1,450,740,631)</u>	<u>\$ (138,238,694)</u>	<u>\$ (143,510,055)</u>	<u>\$ (1,482,546,003)</u>	<u>\$ (1,594,250,686)</u>

A portion of the County's 2021 net position of \$24,836,023 represents resources that are subject to external restrictions on how they may be used. The 2021 unrestricted deficit is \$3,552,812,734.

The activities of the WTASC are reflected as a business-type blended component unit. The County has no obligation for the debt of the WTASC.

The business-type activities reflected a deficit balance in net position of \$138,238,694, a decrease of \$5,271,361 from the 2020 deficit balance of \$143,510,055.

Governmental Activities

Governmental activities increased the County's net position for 2021 by \$106,433,322. The 2020 net position decreased by \$153,772,571.

**COUNTY OF WESTCHESTER
CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31,**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 263,624,191	\$ 198,394,461	\$ —	\$ —	\$ 263,624,191	\$ 198,394,461
Operating Grants and Contributions	765,770,466	911,657,362	—	—	765,770,466	911,657,362
Capital Grants and Contributions	12,445,944	30,862,085	—	—	12,445,944	30,862,085
Total Program Revenues	1,041,840,601	1,140,913,908	—	—	1,041,840,601	1,140,913,908
General Revenues:						
Taxes on Real Property	717,674,814	718,674,814	—	—	717,674,814	718,674,814
Sales Tax	813,965,453	671,223,684	—	—	813,965,453	671,223,684
Auto Use Tax	17,028,577	16,019,449	—	—	17,028,577	16,019,449
Hotel Tax	4,908,847	3,178,221	—	—	4,908,847	3,178,221
Mortgage Tax	30,195,879	21,763,719	—	—	30,195,879	21,763,719
Payments in Lieu of Taxes	10,782,677	11,013,725	—	—	10,782,677	11,013,725
Earnings on Investments	10,174,251	10,694,152	579,491	579,508	10,753,742	11,273,660
Tobacco Settlement Revenues	—	—	15,100,032	14,722,609	15,100,032	14,722,609
Miscellaneous	26,463,815	27,657,792	—	—	26,463,815	27,657,792
Total General Revenues	1,631,194,313	1,480,225,556	15,679,523	15,302,117	1,646,873,836	1,495,527,673
Total Revenues	2,673,034,914	2,621,139,464	15,679,523	15,302,117	2,688,714,437	2,636,441,581
Expenses:						
General Government	399,205,169	434,555,962	168,796	155,225	399,373,965	434,711,187
Education	153,336,300	150,398,862	—	—	153,336,300	150,398,862
Public Safety	516,715,020	602,945,426	—	—	516,715,020	602,945,426
Health Services	137,140,542	146,000,833	—	—	137,140,542	146,000,833
Transportation	256,105,188	257,589,767	—	—	256,105,188	257,589,767
Economic Assistance and Opportunity	769,648,206	852,685,122	—	—	769,648,206	852,685,122
Culture and Recreation	87,456,456	92,861,369	—	—	87,456,456	92,861,369
Home and Community Services	211,128,643	214,849,783	—	—	211,128,643	214,849,783
Interest	37,957,422	25,063,992	8,148,012	8,349,566	46,105,434	33,413,558
Total Expenses	2,568,692,946	2,776,951,116	8,316,808	8,504,791	2,577,009,754	2,785,455,907
Increase/(Decrease)						
in Net Position Before Transfers	104,341,968	(155,811,652)	7,362,715	6,797,326	111,704,683	(149,014,326)
Transfers	2,091,354	2,039,081	(2,091,354)	(2,039,081)	—	—
Increase/ (Decrease) in Net Position	106,433,322	(153,772,571)	5,271,361	4,758,245	111,704,683	(149,014,326)
Net Position at Beginning of Year, as Reported	(1,450,740,631)	(1,297,770,879)	(143,510,055)	(148,268,300)	(1,594,250,686)	(1,446,039,179)
Cumulative Effect of Change						
in Accounting Principle	—	802,819	—	—	—	802,819
Net Position at Beginning of Year, as Restated	(1,450,740,631)	(1,296,968,060)	(143,510,055)	(148,268,300)	(1,594,250,686)	(1,445,236,360)
Net Position at End of Year	\$ (1,344,307,309)	\$ (1,450,740,631)	\$ (138,238,694)	\$ (143,510,055)	\$ (1,482,546,003)	\$ (1,594,250,686)

For the Year 2021—Governmental Activities

Revenues:

Program Revenues include charges to customers or applicants who purchase, use or directly benefit from goods and services, or privileges provided by a given function or segment; grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment; and interest earned on grants that is required to be used to support a particular program. Included in Program Revenues is a receipt by the County of \$167,569,879 in funds under the CARES Act in 2020. This revenue is allocated to governmental activities where expenses were incurred that were substantially dedicated to the pandemic.

Program revenues were \$99.1 million lower in 2021 than in 2020 due to increases or (decreases) in the following governmental activities:

- *General Government*: \$5.8 million decrease is attributed to a decrease of \$24.2 million in operating grants and contributions and \$.8 million in capital grants and contributions. Included in operating grants and contributions in 2020 was \$33.5 million received under the CARES Act. Partially offsetting this decrease is an increase in charges for services of \$19.2 million due to effects of the pandemic impacting 2020 operations.

	2021	2020	Increase/ (Decrease)
Charges for Services	\$ 56,985,321	\$ 37,790,748	\$ 19,194,573
Operating Grants and Contributions	14,870,016	39,113,487	(24,243,471)
Capital Grants and Contributions	680,904	1,435,158	(754,254)
Total	<u>\$ 72,536,241</u>	<u>\$ 78,339,393</u>	<u>\$ (5,803,152)</u>

- *Education*: \$2.5 million decrease is primarily due to decreased capital grants and contributions of \$3.2 million partially offset by an increase in operating grants and contributions of \$.7 million.

	2021	2020	Increase/ (Decrease)
Operating Grants and Contributions	\$ 67,208,119	\$ 66,546,731	\$ 661,388
Capital Grants and Contributions	923,324	4,081,049	(3,157,725)
Total	<u>\$ 68,131,443</u>	<u>\$ 70,627,780</u>	<u>\$ (2,496,337)</u>

- *Public Safety*: \$140.8 million decrease is attributed to increases in the charges for services of \$6.6 million and decreased operating grants and contributions of \$147.4 million which is primarily due to receipt of \$122.3 million in funds under the CARES Act in 2020.

	2021	2020	Increase/ (Decrease)
Charges for Services	\$ 35,435,492	\$ 28,804,947	\$ 6,630,545
Operating Grants and Contributions	19,575,236	166,988,566	(147,413,330)
Total	<u>\$ 55,010,728</u>	<u>\$ 195,793,513</u>	<u>\$ (140,782,785)</u>

- *Health Services*: \$15.2 million increase is primarily due to an increase of \$11.2 million in operating grants and contributions and an increase of \$4.0 million in charges for services.

	2021	2020	Increase/ (Decrease)
Charges for Services	\$ 20,680,748	\$ 16,665,079	\$ 4,015,669
Operating Grants and Contributions	75,632,159	64,438,882	11,193,277
Total	<u>\$ 96,312,907</u>	<u>\$ 81,103,961</u>	<u>\$ 15,208,946</u>

- *Transportation*: \$3.8 million increase is due to an increase of \$17.3 million in charges for services (due to buses not being occupied during the pandemic in 2020). Partially offsetting this increase is a decrease of \$1.6 million in operating grants and contributions and a decrease of \$11.9 million in capital grants and contributions.

	2021	2020	Increase/ (Decrease)
Charges for Services	\$ 65,673,975	\$ 48,359,598	\$ 17,314,377
Operating Grants and Contributions	128,226,604	129,855,586	(1,628,982)
Capital Grants and Contributions	8,464,799	20,351,703	(11,886,904)
Total	<u>\$ 202,365,378</u>	<u>\$ 198,566,887</u>	<u>\$ 3,798,491</u>

- *Economic Assistance and Opportunity*: \$29.3 million increase is attributed to an increase in operating grants and contributions of \$19.7 million. Charges for services increased by \$9.6 million due to the effects of the pandemic in 2020.

	2021	2020	Increase/ (Decrease)
Charges for Services	\$ 13,885,897	\$ 4,298,703	\$ 9,587,194
Operating Grants and Contributions	453,051,463	433,359,625	19,691,838
Total	<u>\$ 466,937,360</u>	<u>\$ 437,658,328</u>	<u>\$ 29,279,032</u>

- *Culture and Recreation*: \$4.8 million increase is due to increases in charges for services of \$7.7 million and operating grants and contributions of \$.2 million, partially offset by decreased capital grants and contributions of \$3.1 million. The increase in charges for services is primarily due to park closures during the pandemic in 2020. Included in capital grants and contributions in 2020 was \$3.4 million in funds under the CARES Act.

	2021	2020	Increase/ (Decrease)
Charges for Services	\$ 25,151,635	\$ 17,493,803	\$ 7,657,832
Operating Grants and Contributions	398,923	186,453	212,470
Capital Grants and Contributions	1,070,638	4,161,456	(3,090,818)
Total	<u>\$ 26,621,196</u>	<u>\$ 21,841,712</u>	<u>\$ 4,779,484</u>

- *Home and Community Services*: \$2.4 million decrease is due to decreased operating grants and contributions of \$4.3 million. Included in operating grants and contributions in 2020 was \$1.7 million in funds under the CARES act. Partially offsetting this decrease is an increase in charges for services of \$.8 million and an increase of \$1.1 million in capital grants and contributions.

	2021	2020	Increase/ (Decrease)
Charges for Services	\$ 45,811,123	\$ 44,981,583	\$ 829,540
Operating Grants and Contributions	6,807,946	11,168,032	(4,360,086)
Capital Grants and Contributions	1,228,349	71,290	1,157,059
Total	<u>\$ 53,847,418</u>	<u>\$ 56,220,905</u>	<u>\$ (2,373,487)</u>

General Revenues are taxes and other items not identified as program revenues above. General revenues increased \$151.0 million in 2021 compared to 2020 due to increases or (decreases) as indicated in the following table:

	2021	2020	Increase/ (Decrease)
Taxes on Real Property	\$ 717,674,814	\$ 718,674,814	\$ (1,000,000)
Sales Tax	813,965,453	671,223,684	142,741,769
Auto Use Tax	17,028,577	16,019,449	1,009,128
Hotel Tax	4,908,847	3,178,221	1,730,626
Mortgage Tax	30,195,879	21,763,719	8,432,160
Payments in Lieu of Taxes	10,782,677	11,013,725	(231,048)
Earnings on Investments	10,174,251	10,694,152	(519,901)
Miscellaneous	26,463,815	27,657,792	(1,193,977)
Total	<u>\$ 1,631,194,313</u>	<u>\$ 1,480,225,556</u>	<u>\$ 150,968,757</u>

Taxes on real property decreased \$1 million, which was a planned and budgeted reduction in the tax levy.

Sales tax (before distribution to municipalities) increased \$142.7 million, which was a 21% increase from the prior year. Included in general government expense below is an increase of \$32.8 million in sales tax distribution to municipalities within the County. The net sales tax increase after distribution to municipalities was \$110.0 million, due to the recovering local economy after the easing of pandemic era restrictions in 2021.

Expenses:

Major categories of expenses include cost of services, administrative expenses and benefit costs. Some of the other notable categories/adjustments the governmental activities presented also include post-retirement health insurance, the reversal of capital outlays as expenditures recorded at the governmental fund level, the recording of depreciation expense, the reversal of issuance of long term debt and related costs as well as the principal paid at the governmental fund level, accrual for the unpaid pension liability being amortized over future years, the proportionate share of the net pension liability of the New York State and Local Employees Retirement System and New York State Police and Fire Retirement System, and expenses for the Internal Service Funds.

Expenses were \$208.2 million lower in 2021 than they were in 2020 due to increases or (decreases) as indicated in the table below:

	2021	2020	Increase/ (Decrease)
General Government	\$ 399,205,169	\$ 434,555,962	\$ (35,350,793)
Education	153,336,300	150,398,862	2,937,438
Public Safety	516,715,020	602,945,426	(86,230,406)
Health Services	137,140,542	146,000,833	(8,860,291)
Transportation	256,105,188	257,589,767	(1,484,579)
Economic Assistance and Opportunity	769,648,206	852,685,122	(83,036,916)
Culture and Recreation	87,456,456	92,861,369	(5,404,913)
Home and Community Services	211,128,643	214,849,783	(3,721,140)
Interest	37,957,422	25,063,992	12,893,430
Total	<u>\$ 2,568,692,946</u>	<u>\$ 2,776,951,116</u>	<u>\$ (208,258,170)</u>

As stated in the financial highlights section of this MD&A, the County recorded in accordance with GASB Statement No. 75, an increase to the estimated post-retirement health insurance liability and related deferred outflows and inflows of resources of \$202,284,599 versus an adjustment of \$282,144,524 in 2020. Also, in accordance with GASB Statement No. 68, the County recorded a decrease in the estimated net pension liability and related deferred outflows and inflows of resources of \$63,096,339 in 2021 versus an increase in the estimated pension liability and related deferred outflows and inflows of resources of \$99,268,881 in 2020. These adjustments are reflected in the below analysis as a component of employee fringe benefits.

General Government expenses decreased by \$35.4 million primarily due to decreased employee fringe benefit costs of \$45.2 million due to decrease in pension liabilities. At December 31, 2021, an accrual for a legal settlement of \$31.4 million was reversed as the matter was settled. Also, in 2021 contract costs decreased \$7.1 million and equipment costs decreased \$3.8 million and a net decrease in other expenses of \$2.7 million. These decreases are substantially offset by increased distributions of sales tax to municipalities of \$32.8 million (see sales tax above) and an increase of \$22.0 million in net costs incurred by the Internal Service Funds. The increase in costs of the Internal Service Funds are primarily employee health insurance costs and workers' compensation costs.

Education expenses increased by \$2.9 million primarily due to increases in children with special needs programs of \$6.7 million partially offset by \$2.6 million decreased capital outlay and a decrease in other net costs of \$1.2 million.

Public Safety expenses decreased by \$86.2 million primarily due to decreased employee fringe benefit costs of \$99.4 million due to decrease in pension liabilities, partially offset by increased personal service costs of \$11.2 million, and other net increases of \$2.0 million.

Health Services expenses decreased by \$8.9 million primarily due to decreased employee fringe benefits of \$15.8 million due to decrease in pension liabilities partially offset by an increase of \$6.8 million in grant related expenses and \$.1 million in net other increases.

Transportation expenses increased by \$1.5 million due to increased contractual costs for bus transportation of \$4.3 million and increased expenses in the Airport Fund of \$2.6 million, primarily contract expenses. These increases are partially offset by decreased employee fringe benefit expenses due to decrease in pension liabilities of \$3.2 million and net other decreases of \$2.2 million.

Economic Assistance and Opportunity expenses decreased by \$83.0 million due to decreases in relief services of \$31.1 million and employee fringe benefit costs of \$48.0 million due to decrease in pension liabilities, personal service cost of \$5.1 million and contract expenses of \$5.8 million, partially offset by an increase in the Intergovernmental Transfer of \$5.1 million and other net expenses of \$1.9 million.

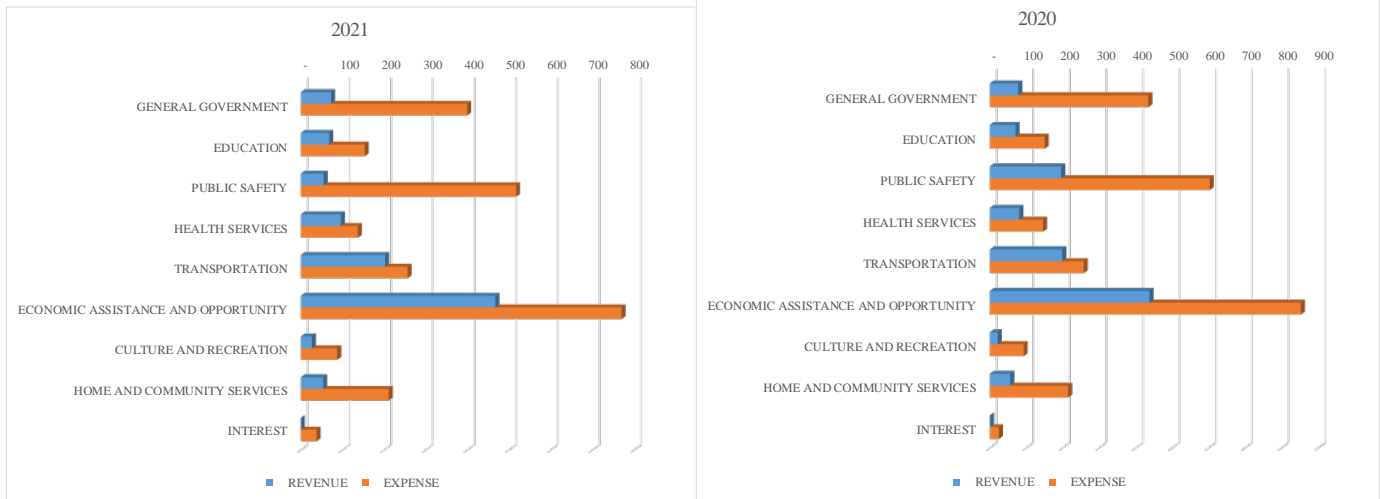
Culture and Recreation expenses decreased by \$5.4 million primarily due to decreased employee fringe benefit costs of \$13.4 million due to decrease in pension liabilities, partially offset by increased contract expenses of \$3.1 million, personal service costs of \$2.7 million and other net increases of \$2.2 million.

Home and Community Services expenses decreased by \$3.7 million primarily due to decreased employee fringe benefit costs of \$13.1 million due to decrease in pension liabilities, partially offset by an increase in contractual services of \$7.3 million, personal service expense of \$4.6 million and by other net decreases of \$2.5 million.

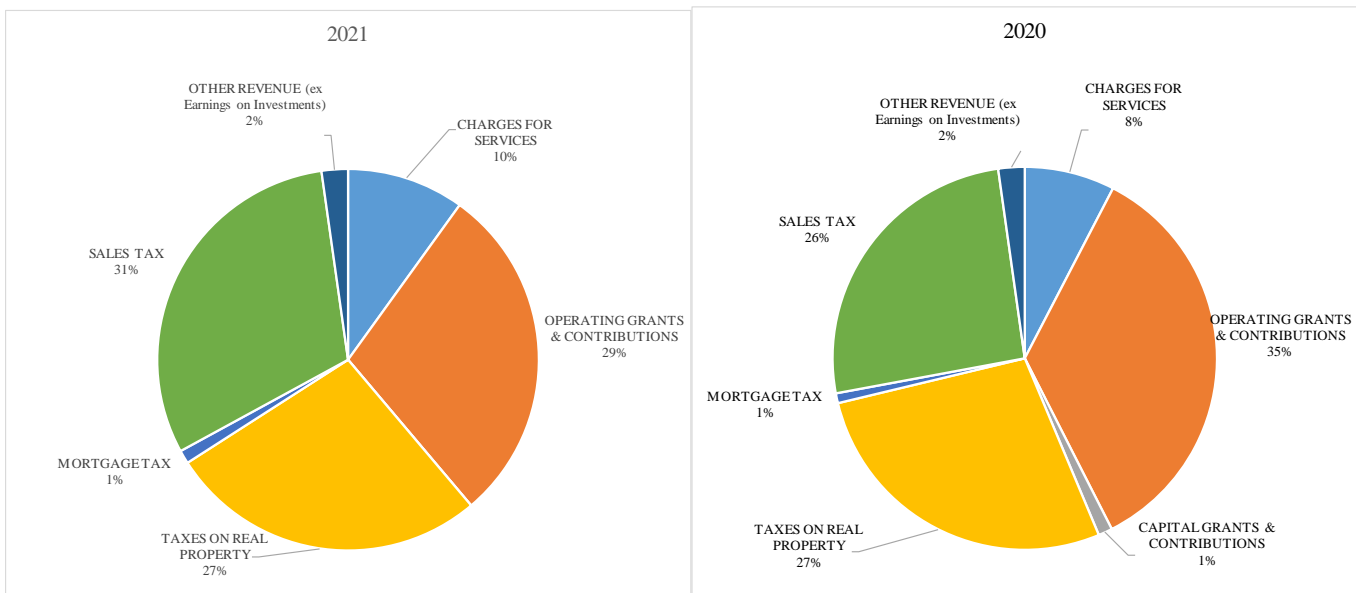
Interest expense increased by \$13.0 million in 2021 primarily due to increased levels of debt.

The following graphs and charts were derived from the current and prior year governmental activities.

Program Revenues and Expenses – Governmental Activities (In millions)



Revenue by Source – Governmental Activities



Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2021, the County's governmental funds reported a combined ending fund balance of \$404.9 million, an increase of \$148.7 million in comparison with the 2020 balance of \$256.2 million. The *non-spendable* fund balance is \$32.0 million primarily for the collection of Federal and State receivables and prepaid retirement and Medicaid costs. The *restricted* fund balance of \$12.8 million is comprised of \$12.5 million for unspent bond proceeds restricted for debt service, and \$.3 million for the use of passenger facility charges on eligible airport improvements approved by the Federal Aviation Administration. The *assigned* fund balance aggregates to \$120.4 million and is comprised of \$55.1 million in the General Fund, \$13.7 million in the Combined Sewer Districts Fund, \$15.9 million in the Refuse Disposal District Fund, \$10.9 million in the Grants Fund and \$24.8 million in the other governmental funds. The General Fund *assigned* items are comprised of \$14.1 million for encumbrances, and \$41.0 million for future OPEB funding. Since a positive unassigned classification is reported only in the General Fund, the assigned items for the aforementioned other funds amounting to \$65.3 million are by definition "assigned" for the purposes of these funds. The remaining fund balance of \$239.7 million is *unassigned* and is comprised of the General Fund of \$327.5 million that is available for any purpose and a (\$87.8) million deficit in the Capital Projects Fund.

The General Fund is the primary operating fund of the County. At the end of the 2021 and 2020 fiscal years, the total fund balance of the General Fund is \$413.6 million in 2021 (comprised of non-spendable \$31.1 million, assigned \$55.1 million and unassigned \$327.5 million) and \$248.6 million in 2020 (comprised of non-spendable \$28.0 million, assigned \$144.6 million and unassigned \$75.9 million), respectively. The General Fund's 2021, 2020 and 2019 fund balances of \$413.6 million, \$248.6 million and \$108.3 million yield an increase of \$165.0 million in 2021 and \$140.3 million in 2020. The 2021 increase in fund balance was greater than the 2020 increase by \$24.7 million. The increase is primarily due to an increase of \$142.7 million in sales tax, \$31.1 million in reduced relief services, \$30.2 million in increased departmental income primarily from parks and recreation programs, \$27.4 million in increased State Aid and \$8.4 million increase in mortgage tax due to low interest rate environment and strong housing market. These increases are substantially offset by \$167.6 million in funds under the CARES Act received in 2020 not duplicated in 2021, an increase in sales tax distributed to the municipalities of \$32.8 million, increased debt service of \$11.4 million and miscellaneous other net expenses of \$3.3 million.

The Combined Sewer Districts Fund (a major fund) 2021 year end fund balance is \$14.7 million. The 2020 fund balance was \$32.2 million. The fund balance in 2019 was \$36.5 million. The 2021 decrease of \$17.5 million was larger than the 2020 change in fund balance, a decrease of \$4.3 million, by \$13.2 million. This is due to a decrease in property tax revenue of \$6.7 million and an increase in contractual services of \$9.0 million and a net \$3.2 million decrease in other net expenses, partially offset by an increase in federal aid of \$1.4 million.

The Refuse Disposal District Fund (a major fund) 2021 fund balance is \$15.9 million. The 2020 fund balance was \$16.8 million. The 2021 decrease in fund balance of \$.9 million is less than the 2020 decrease in fund balance of \$10.6 million, by \$9.7 million. This is primarily due to an increase in real property taxes

of \$5.3 million, departmental income of \$3.6 million and \$1.3 million in federal aid. This is partially offset by an increase in other net expenses of \$.5 million.

The Grants Fund (a major fund) 2021 fund balance is \$10.9 million. The 2020 fund balance was \$9.3 million. The 2021 fund balance increased by \$1.6 million. The 2020 fund balance increased by \$3.3 million. The decrease in 2021 over 2020 of \$1.7 million is primarily due to an increase of \$10.2 million in expenditures. This includes an increase of \$6.8 million in health services. Partially offsetting the increase in expenditures is an increase of revenues of \$11.9 million. This includes an increase in state aid of \$5.1 million and \$4.2 million in federal aid.

The Capital Projects Fund (a major fund) is used to account for capital project activity throughout the County. The Capital Projects Fund 2021 change in fund balance is a decrease of \$.7 million. The 2020 fund balance decreased by \$93.4 million. This \$92.7 million decreased use of fund balance over the prior year is primarily due to increased bonds issued in the amount of \$113.4 million partially offset by decreased federal aid of \$14.9 million, \$2.1 million decrease in state aid and miscellaneous other net expenses of \$3.7 million. Total capital outlay activity for 2021 was \$234.4 million. Long term bonds and premium revenue totaled \$222.3 million. The bonds issued included new money amounts bonded for during the year of \$178.9 million which included various capital improvements including construction, renovation, upgrades and improvements to various Sewer District treatment plants and facilities, Water District and Refuse District facilities of \$58.3 million, improvements to various parks, golf courses and recreational facilities of \$31.3 million, rehabilitation, reconstruction or reconditioning of County roads and bridges of \$20.9 million, affordable housing acquisition and improvement of \$19.2 million, airport related acquisitions and improvements of \$16.1 million, renovation, reconstruction or upgrading to various County owned buildings and properties of \$14.7 million, information technology acquisition and improvements of \$6.5 million, transportation related acquisitions and improvements of \$6.1 million, voting machine acquisition and improvements of \$2.9 million and miscellaneous other items of \$2.8 million.

Nonmajor Governmental Funds consist of the Special Revenue Funds. The Special Revenue Funds are comprised of the following individual funds: Airport Fund and Water Districts Fund. The 2021 change in fund balance was an increase of \$1.2 million as compared to a decrease of \$3.2 million in 2020. This increase in fund balance of \$4.4 million is primarily due to increased departmental income of \$8.2 million and increased property tax of \$1.4 million, other net revenue of \$.5 million, partially offset by decreased federal aid of \$5.7 million, the result of increased airport traffic as pandemic related restrictions were eased in 2021.

GENERAL FUND BUDGETARY HIGHLIGHTS

When the fiscal 2021 budget was adopted, it anticipated the use of \$103.6 million of General Fund balance. This included \$88.0 million of 2020 appropriated fund balance and \$15.6 million of 2020 purchases on order. The final 2021 budget eliminated the entire use of fund balance primarily as a result of improved forecasted gross sales tax revenue of \$96.9 million partially offset by increased distributions to municipalities of \$26.2 million directly related to the gross increase in sales tax revenue. This net increase of \$70.7 million in sales tax is in addition to increased forecasted Federal and State transit aid in the amount of \$38.3 million and mortgage tax of \$9.7 million. A decrease in Education Services for Children with Disabilities of \$24.4 million was also reflected. Additional uses of fund balance in the amount of \$15.8 million in the final budget were due to increased public safety overtime due to COVID. Furthermore, the final budget was increased by \$6.6 million for state retirement system costs and \$15.7 million for increased DSS expenditures and \$2.1 million related to parks and recreation. Other financing sources (transfers out) were decreased by \$.7 million.

The actual 2021 addition to fund balance was \$165.0 million. This increase as compared to the final budget is due to increased revenues of \$132.5 million, decreased expenditures of \$35.5 million and a net other financing use increases of \$3.0 million.

Actual revenue and other financing sources was \$2,276.2 million in 2021. Revenue and other financing sources per the final budget was \$2,147.9 million. Actual revenues and other financing sources were \$128.3 million greater than the final budget. This is primarily due to greater than expected Intergovernmental Transfer of \$99.2 million (see also below in expenditure discussion). Other surpluses in revenue and other financing sources include \$21.6 million in sales tax, \$6.4 million in state aid and \$4.8 million in departmental income. Reversals of prior year amounts no longer needed totaled \$9.7 million. This is partially offset by a decrease in federal aid of \$12.4 million and miscellaneous net decreases totaling \$1.0 million

Actual expenditures were \$2,104.8 million in 2021. Expenditures per the final budget were \$2,140.2 million. Actual expenditures were \$35.4 million lower than the final budget in 2021. This savings was primarily due to a \$98 million decrease in relief provided by the Department of Social Services as a result of lagging expenditures due to COVID. Contractual expenditures across all departments net a decrease of \$26.3 million. This included reduced probation contract costs of \$5.9 million related to secure detention as a result of COVID and \$5.0 million in reduced Planning Department contract costs related to eviction and rental prevention assistance. There were also savings in personal service costs of \$6.0 million and a net \$ 3.1 million of other savings. Partially offsetting these decreases is an increased Intergovernmental Transfer of \$98 million (see also above in Revenues).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2021, amounts to \$3,630,023,273 (net of accumulated depreciation) as compared to \$3,489,701,284 in 2020, an increase of \$140,321,989. This investment in capital assets includes land, buildings, equipment, infrastructure and construction-in-progress. The total increase in the County's investment in capital assets for the current fiscal year was 4.0%.

COUNTY OF WESTCHESTER CAPITAL ASSETS (NET OF DEPRECIATION)

	Total Governmental Activities	
	2021	2020
Land	\$ 333,989,568	\$ 328,254,088
Buildings	1,153,644,102	1,144,987,105
Equipment	727,554,078	692,492,555
Construction-in-Progress	1,296,839,024	1,123,829,927
Infrastructure	1,853,010,014	1,840,012,648
Total	5,365,036,786	5,129,576,323
Less Accumulated Depreciation	1,735,013,513	1,639,875,039
Net Capital Assets	<u>\$ 3,630,023,273</u>	<u>\$ 3,489,701,284</u>

Additional information on the County's capital assets can be found in Note 3, D of this report.

Major capital asset expenditures during 2021 included the following:

- Construction-in-Progress increased by \$173.0 million. This category was reduced by \$5.5 million for items that were placed into service in 2021. Expenditures in 2021 are accordingly \$178.5 million in this category. Expenditures in 2021 include bonded amounts as follows: various capital improvements including construction, renovation, upgrades and improvements to various Sewer District treatment plants and facilities, Water District and Refuse District facilities. of \$58.3 million, improvements to various parks, golf courses and recreational facilities of \$31.3 million, rehabilitation, reconstruction or reconditioning of County roads and bridges of \$20.9 million, affordable housing acquisition and improvement of \$19.2 million, Airport related acquisitions and improvements of \$16.1 million, renovation, reconstruction or upgrading to various County owned buildings and properties of \$14.7 million, information technology acquisition and improvements of \$6.5 million, transportation related acquisitions and improvements of \$6.1 million and miscellaneous other items.

Long-Term Debt

At the end of 2021, the County had a total bonded long-term debt outstanding of \$1,323,780,511 and a capital lease liability of \$16,886,663 for governmental activities.

General Obligation Bonds	
Total Governmental Activities	
2021	2020
<u>\$ 1,323,780,511</u>	<u>\$ 1,243,911,034</u>

The County's total long-term bond debt (exclusive of the WTASC blended component unit debt) increased \$79,869,477 during 2021. The major factor contributing to this increase was new debt issued of \$203,779,614 partially offset by \$123,910,137 of payments to retire debt.

State statutes limit the amount of general obligation debt a County may issue to 7% of its five year average full valuation of taxable real property. For 2021, the five year average full valuation is \$183,592,952,114. The current debt limitation for the County is therefore \$11,921,230,213, which is significantly in excess of the County's outstanding debt. The percentage of debt contracting power exhausted as of December 31, 2021 is 7.24%.

Additional information on the County's long-term debt can be found in Note 3, I of the report.

BUSINESS TYPE ACTIVITY

The WTASC is a special purpose corporation and a subsidiary corporation of the Westchester County Health Care Corporation ("WCHCC"). The WTASC was organized under the New York State Not-for-Profit Corporation Law and pursuant to the Public Authorities Law of the State of New York. The By-Laws of WTASC specify that the Board of Directors of WTASC consists of three members; one director designated by WCHCC to be the Commissioner of Finance of the County, one director designated by WCHCC to be the WCHCC board representative selected by the Majority Leader of the County Board of Legislators, and a third director who meets certain requirements of independence and shall be designated by the other two members.

An agreement among the attorney generals of 46 states and various territories (Settling States) and the four largest United States tobacco manufacturers was entered into on November 23, 1998. The agreement, known as the Master Settlement Agreement (MSA), resolved cigarette smoking-related litigation between the Settling States and U.S. Tobacco manufacturers. Pursuant to the MSA, the Settling States and the participating manufacturers agreed to settle all past, present and future smoking related claims in exchange

for an agreement by the participating manufacturers to make certain payments. Under the MSA, the State of New York is entitled to receive approximately 12.76% of the initial and annual payments. The New York Consent Decree, which was entered into in the Supreme Court of the State of New York for the County of New York in December 1998, allocated 1.926% of this State-wide share of the initial and annual payments to the County and the remainder among the State, the City of New York and all other counties within the State.

The County and its blended component unit (WTASC) follow the guidance provided by GASB Technical Bulletin 2004-1 as amended and/or superseded by GASB Statement No.48. GASB Statement No.48 provided for prospective, rather than retrospective treatment, of the intra-entity sale of future revenues. The original sale of the WTASC's future revenue stream was consummated several years prior to the effective date of GASB Statement No.48, and no additional sale of future revenues has occurred since that time. The revenue from the sale was recognized at that time based on existing guidance. Therefore, there is no deferred inflow of resources to be reported for this purpose on the County's financial statements or a deferred outflow of resources to be reported on the WTASC financial statements. The deferred outflows of resources reflected in the County's business-type activity relate to the refunding of the debt of the WTASC and not to any new monies that would fall under the guidance promulgated in GASB Statement No.48.

WTASC's accounting principles are consistent with those applicable to proprietary funds; consequently, the activities of WTASC are reflected as a business-type blended component unit. The County has no obligation for the debt of WTASC.

Additional information on the WTASC debt can be found in Note 3, I of the report.

ECONOMIC FACTORS:

COVID- 19 Pandemic

The spread of COVID-19, a respiratory disease caused by a new strain of coronavirus, has spread globally, including to the United States, and on March 11, 2020 it was declared a pandemic by the World Health Organization. The outbreak of the disease affected travel, commerce and financial markets globally and affected economic growth worldwide. The outbreak caused the Federal government to declare a national state of emergency. New York State also declared a state of emergency and the Governor took steps designed to mitigate the spread and impact of COVID-19 including closing schools and non-essential businesses. The County Executive issued a statement on April 15, 2020 that the spread of COVID-19 could result in a significant revenue shortfall for the fiscal year ending December 31, 2020.

The impact to the County's operations and finances was estimated to be substantial for the year ended December 31, 2020. These included, but were not limited to, costs and challenges to the County's operations and decreases in major revenues such as sales and use tax, fees collected from various departmental services and passenger airline companies.

On April 24, 2020, the County received the CARES Act funds. The County was allocated \$168,822,336 for Coronavirus related expenditures. The County utilized the CARES Act allocation in accordance with the specified guidelines. This funding significantly improved the outcome of the 2020 year.

On May 29, 2021 the County received \$93,963,349 under the American Rescue Plan Act of 2021 ("ARPA"). Of this amount, only \$771,000 impacted 2021 net change in fund balance in the Combined Sewer Districts Fund. All other amounts are deferred at December 31, 2021. The County received an additional \$93,963,349 under ARPA on June 29, 2022.

The County continues to evaluate various options to mitigate the ongoing impact of COVID-19 on the County's finances, including eligibility for new federal or state aid programs, and how it plans to utilize its remaining ARPA funds.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County of Westchester's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Commissioner of Finance, County of Westchester, 148 Martine Avenue, Room 720, White Plains, New York 10601.

(This page intentionally left blank.)

Government-Wide Financial Statements

County of Westchester, New York

Statement of Net Position

December 31, 2021

Exhibit 1

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Current assets:				
Cash	\$ 378,913,302	\$ 122,651	\$ 379,035,953	\$ 143,196,816
Investments	29,868,750	121,399	29,990,149	—
Accounts Receivable, Net	200,925,019	15,100,032	216,025,051	8,492,218
Loan Receivable	16,370,946	—	16,370,946	—
Current Portion of Promissory Note Receivable	—	—	—	1,000,000
Interest Receivable on Promissory Note	—	—	—	90,000
Due From Federal and State Governments	359,235,298	—	359,235,298	—
Inventory	50,000	—	50,000	—
Asset Held For Sale - Land	—	—	—	125,000
Prepaid Expenses	22,392,718	—	22,392,718	25,677
Escrow Deposit Receivable	—	—	—	—
Total Current Assets	1,007,756,033	15,344,082	1,023,100,115	152,929,711
Non-current assets:				
Restricted Cash	39,170,951	3,924	39,174,875	—
Assets Limited As To Use	—	14,133,625	14,133,625	—
Promissory Note Receivable, Less Current Portion	—	—	—	5,000,000
Net Pension Asset	—	—	—	14,307,239
Capital Assets				
Not Being Depreciated	1,630,828,592	—	1,630,828,592	—
Being Depreciated, Net	1,999,194,681	—	1,999,194,681	730,623
Other	—	—	—	128,475
Total Non-Current Assets	3,669,194,224	14,137,549	3,683,331,773	20,166,337
Total Assets	4,676,950,257	29,481,631	4,706,431,888	173,096,048
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amounts on Refunding Bonds	9,813,441	3,940,676	13,754,117	—
Pension Related	433,655,132	—	433,655,132	23,963,381
OPEB Related	646,440,435	—	646,440,435	23,786,326
Total Deferred Outflows of Resources	1,089,909,008	3,940,676	1,093,849,684	47,749,707
LIABILITIES				
Current liabilities:				
Accounts Payable and Accrued Liabilities	299,775,393	698,997	300,474,390	80,462,686
Bond Anticipation Notes Payable	15,252,049	—	15,252,049	—
Internal Balances	(2,091,354)	2,091,354	—	—
Accrued Interest Payable	11,410,599	—	11,410,599	—
Due to Other Governments	62,362,669	—	62,362,669	1,805,959
Unearned Revenue	160,122,274	—	160,122,274	—
Due to Custodial Fund	209,243	—	209,243	—

LIABILITIES (Continued)	Governmental Activities	Business Type Activities	Total	Component Units
Current liabilities (Continued):				
Due Within One Year:				
General Obligation Bonds Payable	130,473,896	3,435,000	133,908,896	—
Capital Lease Payable	11,254,444	—	11,254,444	—
Compensated Absences	5,388,000	—	5,388,000	941,000
Landfill Post-Closure Costs	1,280,136	—	1,280,136	—
Claims Payable	27,514,323	—	27,514,323	—
Pollution Remediation	19,000	—	19,000	—
NYS Retirement Stabilization Program	13,441,328	—	13,441,328	—
Total Current Liabilities	736,412,000	6,225,351	742,637,351	83,209,645
Non-Current liabilities:				
Due in More Than One Year:				
Due to Other Governments	—	—	—	5,000,000
General Obligation Bonds Payable	1,293,554,704	165,435,650	1,458,990,354	—
Capital Lease Payable	5,632,219	—	5,632,219	—
Compensated Absences	48,490,487	—	48,490,487	8,472,923
Landfill Post-Closure Costs	21,055,425	—	21,055,425	—
Claims Payable	87,729,300	—	87,729,300	—
Pollution Remediation	167,048	—	167,048	—
Net Pension Liability	18,684,807	—	18,684,807	77,838
NYS Retirement Stabilization Program	22,612,614	—	22,612,614	—
Other Post Employment Benefit Liability	4,010,990,120	—	4,010,990,120	154,229,886
Other Custodial Funds	—	—	—	128,475
Total Non-Current Liabilities	5,508,916,724	165,435,650	5,674,352,374	167,909,122
Total Liabilities	6,245,328,724	171,661,001	6,416,989,725	251,118,767
DEFERRED INFLOWS OF RESOURCES				
Deferred Amounts from Service Concession Arrangements	73,407,382	—	73,407,382	—
Pension Related	497,046,176	—	497,046,176	40,298,808
OPEB Related	295,384,292	—	295,384,292	60,801,696
Total Deferred Inflows of Resources	865,837,850	—	865,837,850	101,100,504
NET POSITION				
Net Investment in Capital Assets	2,183,669,402	—	2,183,669,402	730,623
Restricted For:				
Special Revenue Funds:				
Grants	10,883,210	—	10,883,210	—
Airport	255,470	—	255,470	—
Casualty Claims	1,180,975	—	1,180,975	—
Debt Service	12,516,368	—	12,516,368	—
Component Unit - Westchester Community College	—	—	—	252,632
Unrestricted	(3,552,812,734)	(138,238,694)	(3,691,051,428)	(132,356,771)
Total Net Position	\$ (1,344,307,309)	\$ (138,238,694)	\$ (1,482,546,003)	\$ (131,373,516)

County of Westchester, New York

Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General Government	\$ 399,205,169	\$ 56,985,321	\$ 14,870,016	\$ 680,904
Education	153,336,300	—	67,208,119	923,324
Public Safety	516,715,020	35,435,492	19,575,236	—
Health Services	137,140,542	20,680,748	75,632,159	—
Transportation	256,105,188	65,673,975	128,226,604	8,464,799
Economic Assistance and Opportunity	769,648,206	13,885,897	453,051,463	—
Culture and Recreation	87,456,456	25,151,635	398,923	1,070,638
Home and Community Services	211,128,643	45,811,123	6,807,946	1,228,349
Interest	37,957,422	—	—	77,930
	2,568,692,946	263,624,191	765,770,466	12,445,944
Business type activities-				
Westchester Tobacco Asset Securitization Corporation	8,316,808	—	—	—
Total Primary Government	\$ 2,577,009,754	\$ 263,624,191	\$ 765,770,466	\$ 12,445,944
Component units:				
County of Westchester Industrial Development Agency	\$ 827,963	\$ 1,858,465	\$ —	\$ —
Westchester Community College	119,165,554	29,293,839	108,118,893	—
Westchester County Local Development Corporation	293,639	448,553	—	—
Total Component Units	\$ 120,287,156	\$ 31,600,857	\$ 108,118,893	\$ —
General Revenues:				
Taxes on Real Property				
Sales Tax				
Auto Use Tax				
Hotel Tax				
Mortgage Tax				
Payments in Lieu of Taxes				
Earnings on Investments				
Tobacco Settlement Revenues				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
NET POSITION				
Beginning of Year				
End of Year				

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

Exhibit 2

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business Type Activities	Total	Component Units
\$ (326,668,928)	\$ —	\$ (326,668,928)	\$ —
(85,204,857)	—	(85,204,857)	—
(461,704,292)	—	(461,704,292)	—
(40,827,635)	—	(40,827,635)	—
(53,739,810)	—	(53,739,810)	—
(302,710,846)	—	(302,710,846)	—
(60,835,260)	—	(60,835,260)	—
(157,281,225)	—	(157,281,225)	—
(37,879,492)	—	(37,879,492)	—
(1,526,852,345)	—	(1,526,852,345)	—
—	(8,316,808)	(8,316,808)	—
(1,526,852,345)	(8,316,808)	(1,535,169,153)	—
—	—	—	1,030,502
—	—	—	18,247,178
—	—	—	154,914
—	—	—	19,432,594
717,674,814	—	717,674,814	—
813,965,453	—	813,965,453	—
17,028,577	—	17,028,577	—
4,908,847	—	4,908,847	—
30,195,879	—	30,195,879	—
10,782,677	—	10,782,677	—
10,174,251	579,491	10,753,742	102,138
—	15,100,032	15,100,032	—
26,463,815	—	26,463,815	—
2,091,354	(2,091,354)	—	—
1,633,285,667	13,588,169	1,646,873,836	102,138
106,433,322	5,271,361	111,704,683	19,534,732
(1,450,740,631)	(143,510,055)	(1,594,250,686)	(150,908,248)
\$ (1,344,307,309)	\$ (138,238,694)	\$ (1,482,546,003)	\$ (131,373,516)

(This page intentionally left blank.)

Fund Financial Statements

County of Westchester, New York

Governmental Funds—

Balance Sheet

December 31, 2021

	General	Combined Sewer Districts	Refuse Disposal District	Grants
ASSETS				
Cash	\$ 308,745,575	\$ 400	\$ —	\$ 4,049,828
Accounts Receivable, Net	137,940,865	2,011,739	5,574,468	212,136
Loan Receivable	—	—	—	16,370,946
Due from Federal and State Governments	314,136,823	1,251,853	1,273,179	35,877,644
Due from Other Funds	101,836,074	16,722,180	15,873,877	36,395,931
Inventory	50,000	—	—	—
Prepaid Expenditures	21,038,018	899,000	—	—
Restricted Cash	—	—	—	—
Total Assets	<u>\$ 883,747,355</u>	<u>\$ 20,885,172</u>	<u>\$ 22,721,524</u>	<u>\$ 92,906,485</u>
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 217,143,413	\$ 6,219,502	\$ 6,846,508	\$ 16,156,383
Bond Anticipation Notes Payable	—	—	—	—
Due to Other Governments	62,362,669	—	—	—
Due to Other Funds	97,282,862	—	—	—
Unearned Revenue	93,339,458	—	—	65,866,892
Total Liabilities	<u>470,128,402</u>	<u>6,219,502</u>	<u>6,846,508</u>	<u>82,023,275</u>
Fund Balances (Deficits):				
Nonspendable	31,088,018	899,000	—	—
Restricted	—	—	—	—
Assigned	55,079,029	13,766,670	15,875,016	10,883,210
Unassigned	327,451,906	—	—	—
Total Fund Balances (Deficits)	<u>413,618,953</u>	<u>14,665,670</u>	<u>15,875,016</u>	<u>10,883,210</u>
Total Liabilities and Fund Balances (Deficits)	<u>\$ 883,747,355</u>	<u>\$ 20,885,172</u>	<u>\$ 22,721,524</u>	<u>\$ 92,906,485</u>

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

Exhibit A-1

Capital Projects	Nonmajor Governmental	Total Governmental Funds
\$ 30,439,025	\$ 20,738,272	\$ 363,973,100
—	14,160,349	159,899,557
—	—	16,370,946
6,425,716	270,083	359,235,298
—	—	170,828,062
—	—	50,000
—	—	21,937,018
39,170,951	—	39,170,951
<u>\$ 76,035,692</u>	<u>\$ 35,168,704</u>	<u>\$ 1,131,464,932</u>
\$ 38,935,497	\$ 7,279,159	\$ 292,580,462
15,252,049	—	15,252,049
—	—	62,362,669
97,088,363	1,923,308	196,294,533
—	915,924	160,122,274
<u>151,275,909</u>	<u>10,118,391</u>	<u>726,611,987</u>
—	—	31,987,018
12,516,368	255,470	12,771,838
—	24,794,843	120,398,768
(87,756,585)	—	239,695,321
<u>(75,240,217)</u>	<u>25,050,313</u>	<u>404,852,945</u>
<u>\$ 76,035,692</u>	<u>\$ 35,168,704</u>	<u>\$ 1,131,464,932</u>

(This page intentionally left blank.)

County of Westchester, New York

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

December 31, 2021

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balances - Governmental Funds		\$	404,852,945
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Capital assets - non-depreciable	\$	1,630,828,592	
Capital assets - depreciable		3,734,208,194	
Accumulated depreciation		<u>(1,735,013,513)</u>	3,630,023,273
Other long-term assets that are not available to pay for current period expenditures and, therefore, are either deferred or not reported in the funds-			
Receivables Related to Service Concession Arrangements			32,836,473
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.			
Deferred Outflows - Pension Related		433,655,132	
Deferred Outflows - OPEB Related		646,440,435	
Deferred Inflows - Pension Related		<u>(497,046,176)</u>	
Deferred Inflows - OPEB Related		<u>(295,384,292)</u>	287,665,099
Governmental funds report the effect of premiums, discounts, refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:			
Premium on General Obligation Bonds		<u>(100,248,089)</u>	
Deferred Amounts on Refunding Bonds		<u>9,813,441</u>	(90,434,648)
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds:			
Accrued Interest Payable		(11,410,599)	
General Obligation Bonds Payable		<u>(1,323,780,511)</u>	
Capital Leases Payable		(16,886,663)	
Compensated Absences Payable		(53,878,487)	
Landfill Post-Closure Costs		<u>(22,335,561)</u>	
Claims Payable		(416,623)	
Pollution Remediation		(186,048)	
Net Pension Liability		<u>(18,684,807)</u>	
NYS Retirement Stabilization Program		<u>(36,053,942)</u>	
Total OPEB Liability		<u>(4,010,990,120)</u>	(5,494,623,361)
Deferred inflows of resources are an acquisition of net assets that applies to a future period and so will not be recognized as revenue in the funds-			
Deferred Amounts from Service Concession Arrangements			(73,407,382)
Internal Service funds are used by management to charge the costs of health benefits, workers' compensation claims and general liability claims to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statements of net position.			
Net Position of Governmental Activities			<u>(41,219,708)</u>
		\$	<u><u>(1,344,307,309)</u></u>

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

County of Westchester, New York

Governmental Funds—

Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended December 31, 2021

	General	Combined Sewer Districts	Refuse Disposal District	Grants
REVENUES				
Taxes on Real Property	\$ 568,579,000	\$ 97,278,937	\$ 47,718,254	\$ —
Sales Tax	813,965,453	—	—	—
Federal Aid	200,201,740	1,904,100	1,273,179	55,078,420
State Aid	270,535,353	—	221,442	64,669,174
Departmental Income	146,083,259	5,043,879	20,804,231	9,698,003
Earnings on Investments	369,558	7,942,329	176,270	—
Miscellaneous	262,903,509	950,028	597,008	8,490,216
Total Revenues	2,262,637,872	113,119,273	70,790,384	137,935,813
EXPENDITURES				
Current:				
General Government	306,983,366	649,408	5,636,046	2,884,861
Education	146,793,675	—	—	—
Public Safety	304,824,836	—	—	16,798,212
Health Services	43,493,509	—	—	68,137,873
Transportation	188,599,618	—	—	644,711
Economic Assistance and Opportunity	661,959,497	—	—	43,749,151
Culture and Recreation	52,906,349	—	—	1,152,742
Home and Community Services	7,306,434	64,642,224	62,396,171	4,191,815
Employee Benefits	254,668,656	16,639,485	1,201,232	—
Debt Service:				
Principal	101,276,119	29,435,853	1,264,309	—
Interest	35,218,455	17,744,451	310,189	—
Costs of Issuance	720,933	140,701	—	—
Capital Outlay	—	402,469	—	—
Total Expenditures	2,104,751,447	129,654,591	70,807,947	137,559,365
Excess (Deficiency) of Revenues Over Expenditures	157,886,425	(16,535,318)	(17,563)	376,448
OTHER FINANCING SOURCES (USES)				
Bonds Issued	—	—	—	—
Bonds Premium	—	—	—	—
Bonds Anticipation Note Premium	487,523	—	—	—
Tax Anticipation Note Premium	2,265,650	—	—	—
Transfers In	10,819,029	33,505	50,000	6,292,044
Transfers Out	(6,442,044)	(983,227)	(1,000,000)	(5,046,858)
Total Other Financing Sources (Uses)	7,130,158	(949,722)	(950,000)	1,245,186
Net Change in Fund Balances	165,016,583	(17,485,040)	(967,563)	1,621,634
FUND BALANCES (DEFICITS)				
Beginning of Year	248,602,370	32,150,710	16,842,579	9,261,576
End of Year	<u>\$ 413,618,953</u>	<u>\$ 14,665,670</u>	<u>\$ 15,875,016</u>	<u>\$ 10,883,210</u>

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

Exhibit A-2

Capital Projects	Nonmajor Governmental	Governmental Funds
\$ —	\$ 4,098,623	\$ 717,674,814
—	—	813,965,453
8,172,405	10,083,250	276,713,094
3,439,704	—	338,865,673
—	57,575,269	239,204,641
77,931	46,293	8,612,381
755,904	2,123,917	275,820,582
<u>12,445,944</u>	<u>73,927,352</u>	<u>2,670,856,638</u>
—	—	316,153,681
—	—	146,793,675
—	—	321,623,048
—	—	111,631,382
—	43,302,969	232,547,298
—	—	705,708,648
—	—	54,059,091
—	17,392,052	155,928,696
—	3,561,319	276,070,692
—	2,636,299	134,612,580
—	1,146,736	54,419,831
599,965	—	1,461,599
234,431,115	3,434,599	238,268,183
<u>235,031,080</u>	<u>71,473,974</u>	<u>2,749,278,404</u>
<u>(222,585,136)</u>	<u>2,453,378</u>	<u>(78,421,766)</u>
203,779,614	—	203,779,614
18,495,000	—	18,495,000
—	—	487,523
—	—	2,265,650
3,687,774	643,838	21,526,190
(4,086,160)	(1,876,547)	(19,434,836)
<u>221,876,228</u>	<u>(1,232,709)</u>	<u>227,119,141</u>
(708,908)	1,220,669	148,697,375
<u>(74,531,309)</u>	<u>23,829,644</u>	<u>256,155,570</u>
<u>\$ (75,240,217)</u>	<u>\$ 25,050,313</u>	<u>\$ 404,852,945</u>

(This page intentionally left blank.)

County of Westchester, New York

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended December 31, 2021

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances—Total Governmental Funds	\$	148,697,375
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Capital Outlay Expenditures	\$	235,819,695
Depreciation Expense		<u>(95,497,707)</u>
		140,321,988
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds-		
Service Concession Arrangements		2,834,263
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
General Obligation Bonds Issued		(203,779,614)
Bonds Premium		(18,495,000)
Principal Paid on General Obligation Bonds		123,910,137
Principal Paid on Capital Lease		10,702,443
Payment on NYS Retirement Stabilization Program		<u>13,012,893</u>
		(74,649,141)
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:		
Accrued Interest		1,557,888
Compensated Absences		2,194,131
Pollution Remediation		38,571
Changes in Pension Liabilities and Related Deferred Outflows and Inflows of Resources		63,096,339
Claims		31,428,167
Landfill Post-Closure Costs		1,243,654
Changes in OPEB Liabilities and Related Deferred Outflows and Inflows of Resources		<u>(202,284,599)</u>
Amortization of Loss on Refunding Bonds and Issuance Premium		14,904,521
		(87,821,328)
Internal Service Funds are used by management to charge the cost of risk to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		
Change in Net Position of Governmental Activities.		<u>(22,949,835)</u>
	\$	<u><u>106,433,322</u></u>

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

County of Westchester, New York
General, Sewer and Refuse Disposal District Funds—
Statement of Revenues, Expenditures and Changes in Fund Balance—
Budget and Actual
Year Ended December 31, 2021

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes on Real Property	\$ 568,579,000	\$ 568,579,000	\$ 568,579,000	\$ —
Sales Tax	695,504,000	792,377,000	813,965,453	21,588,453
Federal Aid	186,512,827	212,599,827	200,201,740	(12,398,087)
State Aid	251,952,165	264,125,165	270,535,353	6,410,188
Departmental Income	141,283,298	141,283,298	146,083,259	4,799,961
Earnings on Investments	120,000	120,000	369,558	249,558
Miscellaneous	142,511,920	152,214,920	262,903,509	110,688,589
Total Revenues	1,986,463,210	2,131,299,210	2,262,637,872	131,338,662
EXPENDITURES				
Current				
General Government	294,667,907	316,746,656	306,983,366	9,763,290
Education	172,243,864	147,873,242	146,793,675	1,079,567
Public Safety	305,346,800	321,118,863	304,824,836	16,294,027
Health Services	45,587,177	45,940,799	43,493,509	2,447,290
Transportation	190,976,253	190,658,916	188,599,618	2,059,298
Economic Assistance and Opportunity	647,666,212	663,334,841	661,959,497	1,375,344
Culture and Recreation	52,178,247	54,279,690	52,906,349	1,373,341
Home and Community Services	8,052,342	8,052,342	7,306,434	745,908
Employee Benefits	247,815,611	254,671,611	254,668,656	2,955
Debt Service				
Principal	100,770,656	101,276,856	101,276,119	737
Interest	33,597,195	35,457,555	35,218,455	239,100
Costs of Issuance	815,121	815,121	720,933	94,188
Capital Outlay	—	—	—	—
Total Expenditures	2,099,717,385	2,140,226,492	2,104,751,447	35,475,045
Excess (Deficiency) of Revenues Over Expenditures	(113,254,175)	(8,927,282)	157,886,425	166,813,707
OTHER FINANCING SOURCES (USES)				
Bonds Issued	10,000,000	10,000,000	—	(10,000,000)
Bonds Premium	—	—	—	—
Bond Anticipation Note Premium	475,601	475,601	487,523	11,922
Tax Anticipation Note Premium	2,265,650	2,265,650	2,265,650	—
Transfers In	3,874,822	3,874,822	10,819,029	6,944,207
Transfers Out	(6,995,483)	(7,688,791)	(6,442,044)	1,246,747
Total Other Financing Sources (Uses)	9,620,590	8,927,282	7,130,158	(1,797,124)
Net Change in Fund Balances	(103,633,585)	—	165,016,583	165,016,583
FUND BALANCES				
Beginning of Year	103,633,585	—	248,602,370	248,602,370
End of Year	\$ —	\$ —	\$ 413,618,953	\$ 413,618,953

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

Exhibit A-3

Combined Sewer Districts Fund				Refuse Disposal District Fund			
Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 97,278,937	\$ 97,278,937	\$ 97,278,937	\$ —	\$ 47,718,254	\$ 47,718,254	\$ 47,718,254	\$ —
—	—	—	—	—	—	—	—
—	1,484,000	1,904,100	420,100	—	—	1,273,179	1,273,179
—	—	—	—	—	—	221,442	221,442
4,413,610	4,413,610	5,043,879	630,269	17,156,400	17,156,400	20,804,231	3,647,831
7,123,104	7,605,104	7,942,329	337,225	101,239	101,239	176,270	75,031
858,500	858,500	950,028	91,528	85,000	85,000	597,008	512,008
109,674,151	111,640,151	113,119,273	1,479,122	65,060,893	65,060,893	70,790,384	5,729,491
1,940,000	739,000	649,408	89,592	4,440,739	6,187,183	5,636,046	551,137
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
66,802,978	67,240,890	64,642,224	2,598,666	69,050,858	67,237,037	62,396,171	4,840,866
15,290,397	16,639,485	16,639,485	—	1,307,919	1,371,240	1,201,232	170,008
28,289,335	29,583,885	29,435,853	148,032	1,260,253	1,264,309	1,264,309	—
17,766,560	17,865,010	17,744,451	120,559	330,463	330,463	310,189	20,274
50,000	141,000	140,701	299	—	—	—	—
750,242	697,242	402,469	294,773	—	—	—	—
130,889,512	132,906,512	129,654,591	3,251,921	76,390,232	76,390,232	70,807,947	5,582,285
(21,215,361)	(21,266,361)	(16,535,318)	4,731,043	(11,329,339)	(11,329,339)	(17,563)	11,311,776
1,671,000	1,671,000	—	(1,671,000)	750,000	750,000	—	(750,000)
39,349	39,349	—	(39,349)	5,774	5,774	—	(5,774)
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
33,505	33,505	33,505	—	50,000	50,000	50,000	—
(983,227)	(983,227)	(983,227)	—	(1,000,000)	(1,000,000)	(1,000,000)	—
760,627	760,627	(949,722)	(1,710,349)	(194,226)	(194,226)	(950,000)	(755,774)
(20,454,734)	(20,505,734)	(17,485,040)	3,020,694	(11,523,565)	(11,523,565)	(967,563)	10,556,002
20,454,734	20,505,734	32,150,710	11,644,976	11,523,565	11,523,565	16,842,579	5,319,014
\$ —	\$ —	\$ 14,665,670	\$ 14,665,670	\$ —	\$ —	\$ 15,875,016	\$ 15,875,016

(This page intentionally left blank.)

Proprietary Funds

(This page intentionally left blank.)

County of Westchester, New York

Proprietary Funds—

Statement of Net Position

December 31, 2021

Exhibit B-1

	Business Type Activities - Enterprise Fund	Governmental Activities - Internal Service Funds
	Westchester Tobacco Asset Securitization Corporation	
ASSETS		
Current assets:		
Cash	\$ 122,651	\$ 14,940,202
Investments	121,399	29,868,750
Accounts Receivable	15,100,032	8,188,989
Due From Other Funds	—	28,081,631
Prepaid Expenses	—	455,700
Total Current Assets	15,344,082	81,535,272
Non-current assets:		
Restricted Cash	3,924	—
Assets Limited As To Use	14,133,625	—
Total Non-Current Assets	14,137,549	—
Total Assets	29,481,631	81,535,272
DEFERRED OUTLOWS OF RESOURCES		
Deferred Amounts on Refunding Bonds	3,940,676	—
LIABILITIES		
Current liabilities:		
Accounts Payable and Accrued Liabilities	698,997	7,194,931
Current Portion of Claims Payable	—	27,097,700
Bonds Payable	3,435,000	—
Due to Other Funds	2,091,354	733,049
Total Current Liabilities	6,225,351	35,025,680
Non-current liabilities:		
Claims Payable, less Current Portion	—	87,729,300
Bonds Payable	165,435,650	—
Total Non-Current Liabilities	165,435,650	87,729,300
Total Liabilities	171,661,001	122,754,980
NET POSITION		
Unrestricted	\$ (138,238,694)	\$ (41,219,708)

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

County of Westchester, New York

Proprietary Funds—

Statement of Revenues, Expenses and

Changes in Net Position

Year Ended December 31, 2021

Exhibit B-2

	Business Type Activities - Enterprise Fund Westchester Tobacco Asset Securitization Corporation	Governmental Activities - Internal Service Funds
OPERATING REVENUES		
Charges for Services	\$ —	\$ 200,043,699
Other	—	2,000,000
Tobacco Settlement Revenues	15,100,032	—
Total Operating Revenues	15,100,032	202,043,699
OPERATING EXPENSES		
Professional Fees	87,901	—
Insurance Expense	80,895	—
Claims	—	15,716,387
Claims Adjustments	—	10,594,000
Employee Benefits	—	198,108,250
Total Operating Expenses	168,796	224,418,637
Income (Loss) from Operations	14,931,236	(22,374,938)
NONOPERATING REVENUES (EXPENSES)		
Earnings on Investments	579,491	1,640,235
Interest Expense	(8,148,012)	—
Net Change in Fair Value of Investments	—	(2,215,132)
Total Nonoperating Expenses	(7,568,521)	(574,897)
Income (Loss) Before Transfers	7,362,715	(22,949,835)
TRANSFERS OUT	(2,091,354)	—
Change in Net Position	5,271,361	(22,949,835)
NET POSITION		
Beginning of Year	(143,510,055)	(18,269,873)
End of Year	\$ (138,238,694)	\$ (41,219,708)

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

County of Westchester, New York
Proprietary Funds—
Statement of Cash Flows
Year Ended December 31, 2021

Exhibit B-3

	Business Type Activities - Enterprise Fund Westchester Tobacco Asset Securitization Corporation	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Customers	\$ —	\$ 198,219,247
Cash Receipts from Other	—	2,000,000
Cash Received from Tobacco Settlement Revenues	14,722,609	—
Payments to Providers and Claimants	(168,796)	(210,226,844)
	<u>14,553,813</u>	<u>(10,007,597)</u>
Net Cash from Operating Activities		
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Repayment of Bonds Payable	(4,850,000)	—
Interest Paid	(8,243,443)	—
Transfer to County of Westchester	(2,039,081)	—
Advances from Other Funds	—	1,221,405
Payments to Other Funds	—	(2,172,143)
	<u>(15,132,524)</u>	<u>(950,738)</u>
Net Cash from Noncapital Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on Investments	579,491	1,682,916
	<u>780</u>	<u>(9,275,419)</u>
Net Change in Cash		
CASH		
Beginning of Year	125,795	24,215,621
	<u>126,575</u>	<u>14,940,202</u>
End of Year	\$ 126,575	\$ 14,940,202
Cash	\$ 122,651	\$ 14,940,202
Restricted Cash	3,924	—
	<u>126,575</u>	<u>14,940,202</u>
Total Cash	\$ 126,575	\$ 14,940,202

continued

County of Westchester, New York
Proprietary Funds—
Statement of Cash Flows (cont'd)
Year Ended December 31, 2021

Exhibit B-3

	Business Type Activities - Enterprise Fund Westchester Tobacco Asset Securitization Corporation	Governmental Activities - Internal Service Funds
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (loss) from Operations	\$ 14,931,236	\$ (22,374,938)
Adjustments to Reconcile Income (Loss) from Operations to Net Cash from Operating Activities		
Changes in Assets and Liabilities		
Accounts Receivable	(377,423)	(1,824,452)
Prepaid Expenses	—	(455,700)
Accounts Payable and Accrued Liabilities	—	2,703,493
Claims Payable	—	11,944,000
Net Cash from Operating Activities	<u>\$ 14,553,813</u>	<u>\$ (10,007,597)</u>
NONCASH NONCAPITAL FINANCING ACTIVITIES		
Decrease in Bonds Payable from Amortization of Original Issue Premium	\$ (210,479)	\$ —
Decrease in Deferred Outflows of Resources from Amortization of Loss on Refunding Bonds	133,960	—
NONCASH INVESTING ACTIVITIES		
Change in Fair Value of Investments	—	(2,215,132)

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

Fiduciary Fund

Fiduciary Fund: This fund is used to account for assets held for others. The Custodial Fund is used to account for mortgage taxes, bail and miscellaneous other amounts collected for other governments.

(This page intentionally left blank.)

County of Westchester, New York

Fiduciary Fund-

Statement of Fiduciary Net Position

December 31, 2021

Exhibit C-1

	Custodial Fund
ASSETS	
Cash	\$ 55,386,278
Accounts Receivable	5,925,018
Restricted Investments	4,060,185
Due from Other Funds	209,243
	<hr/>
Total Assets	<u><u>\$ 65,580,724</u></u>
LIABILITIES	
Accounts Payable	\$ 15,501
Due to Other Governments	14,718,767
Deposits Payable	2,726,730
	<hr/>
Total Liabilities	<u><u>\$ 17,460,998</u></u>
NET POSITION	
Restricted for Other Entities and Individuals	<u><u>\$ 48,119,726</u></u>

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

County of Westchester, New York

Exhibit C-2

Fiduciary Fund-

Statement of Changes in Fiduciary Net Position

Year Ended December 31, 2021

	Custodial Fund
ADDITIONS	
Mortgage Taxes Collected for Other Governments	\$ 66,647,297
Bail/ Court and Trust Deposits Collected for Individuals	1,991,818
Other Additions	1,700,116
Total Additions	70,339,231
DEDUCTIONS	
Payment of Mortgage Taxes to Other Governments	66,647,297
Payment of Bail/ Court and Trust Deposits to Individuals	5,507,926
Payment to Other Governments	2,183,337
Other Deductions	1,085,280
Total Deductions	75,423,840
Net Change in Fiduciary Net Position	(5,084,609)
NET POSITION	
Beginning of Year	53,204,335
End of Year	\$ 48,119,726

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

Component Units

County of Westchester, New York

Component Units—

Combining Statement of Net Position

December 31, 2021

	County of Westchester Industrial Development Agency	Westchester Community College
ASSETS		
Current assets:		
Cash	\$ 2,259,223	\$ 139,978,042
Accounts Receivable, Net	593,534	7,898,684
Current Portion of Promissory Note Receivable	1,000,000	—
Interest Receivable on Promissory Note	90,000	—
Asset held for sale - land	125,000	—
Prepaid Expenses	20,000	—
Total Current Assets	4,087,757	147,876,726
Non-current assets:		
Promissory Note Receivable, less current portion	5,000,000	—
Net Pension Asset	—	14,307,239
Equipment	—	26,865,095
Accumulated Depreciation	—	(26,134,472)
Other	128,475	—
Total Non-Current Assets	5,128,475	15,037,862
Total Assets	9,216,232	162,914,588
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related	—	23,963,381
OPEB Related	—	23,786,326
Total Deferred Outflows of Resources	—	47,749,707
LIABILITIES		
Current liabilities:		
Accounts Payable and Accrued Liabilities	70,500	80,357,287
Due to Other Governments	1,640,655	—
Due Within One Year- Compensated Absences	—	941,000
Total Current Liabilities	1,711,155	81,298,287
Non-current liabilities:		
Due in More Than One Year:		
Due to Other Governments	5,000,000	—
Compensated Absences	—	8,472,923
Net Pension Liability	—	77,838
Other Post Employment Benefit Liability	—	154,229,886
Other Custodial Funds	128,475	—
Total Non-Current Liabilities	5,128,475	162,780,647
Total Liabilities	6,839,630	244,078,934
DEFERRED INFLOWS OF RESOURCES		
Pension Related	—	40,298,808
OPEB Related	—	60,801,696
Total Deferred Inflows of Resources	—	101,100,504
NET POSITION		
Investment in Capital Assets	—	730,623
Restricted	—	252,632
Unrestricted	2,376,602	(135,498,398)
Total Net Position	\$ 2,376,602	\$ (134,515,143)

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

Exhibit D-1

Westchester County Local Development Corporation	Totals
\$ 959,551	\$ 143,196,816
—	8,492,218
—	1,000,000
—	90,000
—	125,000
5,677	25,677
<u>965,228</u>	<u>152,929,711</u>
—	5,000,000
—	14,307,239
—	26,865,095
—	(26,134,472)
—	128,475
<u>—</u>	<u>20,166,337</u>
<u>965,228</u>	<u>173,096,048</u>
—	23,963,381
<u>—</u>	<u>23,786,326</u>
<u>—</u>	<u>47,749,707</u>
34,899	80,462,686
165,304	1,805,959
—	941,000
<u>200,203</u>	<u>83,209,645</u>
—	5,000,000
—	8,472,923
—	77,838
—	154,229,886
—	128,475
<u>—</u>	<u>167,909,122</u>
<u>200,203</u>	<u>251,118,767</u>
—	40,298,808
<u>—</u>	<u>60,801,696</u>
<u>—</u>	<u>101,100,504</u>
—	730,623
—	252,632
765,025	(132,356,771)
<u>\$ 765,025</u>	<u>\$ (131,373,516)</u>

County of Westchester, New York

Component Units—

Combining Statement of Activities

Year Ended December 31, 2021

Exhibit D-2

	County of Westchester Industrial Development Agency	Westchester Community College	Westchester County Local Development Corporation	Totals
EXPENSES				
Program Operations	\$ 827,963	\$ 119,165,554	\$ 293,639	\$ 120,287,156
PROGRAM REVENUES				
Charges for Services	1,858,465	29,293,839	448,553	31,600,857
Operating Grants and Contributions	—	108,118,893	—	108,118,893
Total Program Revenues	1,858,465	137,412,732	448,553	139,719,750
Net Program Revenues	1,030,502	18,247,178	154,914	19,432,594
GENERAL REVENUES				
Earnings on Investments	1,018	99,475	1,645	102,138
Change in Net Position	1,031,520	18,346,653	156,559	19,534,732
NET POSITION				
Beginning of Year	1,345,082	(152,861,796)	608,466	(150,908,248)
End of Year	\$ 2,376,602	\$ (134,515,143)	\$ 765,025	\$ (131,373,516)

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

Notes to the Financial Statements

(This page intentionally left blank.)

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2021

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Westchester, New York (hereinafter referred to as the County) was incorporated in 1683 and operates in accordance with its charter, adopted in 1937, its administrative code, enacted into State Law in 1948, the State Constitution and the various other applicable laws of the State of New York. The County functions under a County Executive/Board of Legislators form of government. The Board of Legislators is the legislative body responsible for overall operation of the County. The County Executive serves as the chief executive officer and the Commissioner of Finance serves as the chief financial officer. The County provides the following services to its residents: education, public safety, health services, transportation, economic assistance and opportunity, culture and recreation, home and community services and general and administrative support.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units and the Uniform System of Accounts as prescribed by the State of New York. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County's significant accounting policies are described below:

A. Financial Reporting Entity

The financial reporting entity consists of: a) the primary government, which is the County, b) organizations for which the County is financially accountable and c) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the County's reporting entity was made by applying the criteria set forth by GASB Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 61, *"The Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34,"* including legal standing, fiscal dependency and financial accountability.

Based upon the application of the above criteria, the following individual component units are included in the County's reporting entity as discretely presented component units because of their operational relationship with the County: The County of Westchester Industrial Development Agency, Westchester Community College, and the Westchester County Local Development Corporation.

The County of Westchester Industrial Development Agency (hereinafter referred to as the IDA) is a public benefit corporation created in 1977 by New York State legislation under provisions of Chapter 788 for the purpose of encouraging economic growth in the County. The IDA is a source of financial assistance available to for-profit organizations located and established in the County and for those for-profit organizations relocating to the County.

Westchester Community College (hereinafter referred to as the College) was established in 1953, with the County as the local sponsor under provisions of Article 126 of the Education Law of the State of New York. The College is administered by a board of trustees consisting of nine voting members; five are appointed by the Board of Legislators and four by the Governor. The College's budget is subject to the approval of the Board of Legislators. The County provides one-half of the capital costs and approximately one-fifth of the operating costs for the College. Title to real property of the College rests with the County, and bonds and notes for the College's capital costs are issued by the

County and are County debt. A fiscal year ending August 31st is mandated by State Law for the College. The College may also result in a financial burden to the primary government since the County is obligated for the debt of the College. The primary government has financial accountability for the College due to its ability to appoint a majority of the College's Board of Trustees and also the ability to impose its will as demonstrated by the College budget being subject to approval by the primary government.

The Westchester County Local Development Corporation (hereinafter referred to as the LDC) is a not-for-profit corporation that was created in 2012 to be an important source of financial assistance to not-for-profit organizations located or established in the County and for those not-for-profit organizations relocating to the County. Both the IDA and LDC boards of directors control the affairs, property and fiscal matters of each respective entity. All of the directors are elected and appointed by the primary government which is an indicator of financial accountability by the primary government.

Additional financial accountability is indicated by the primary governments' ability to 1) remove the appointed directors of the IDA and LDC boards at will and 2) to appoint, hire, reassign, or dismiss the County employees responsible for the daily operations of the IDA and LDC, both of which indicates that the primary government has the ability to impose its will on the IDA and LDC.

Financial statements for the component units are included as part of the basic financial statements. Complete financial statements can be obtained from their respective administrative offices at the following addresses:

County of Westchester Industrial Development Agency
Michaelian Office Building
148 Martine Avenue
White Plains, New York 10601

Westchester Community College
75 Grasslands Road
Valhalla, New York 10595

Westchester County Local Development Corporation
Michaelian Office Building
148 Martine Avenue
White Plains, New York 10601

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole and its component units. Except for interfund services provided and used, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The Statement of Net Position presents the financial position of the County and its component units at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The County does not allocate indirect expenses to functions in the Statement of Activities.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Internal Service Funds are charges to customers for services. Operating expenses for the Internal Service Funds include the cost of services, administrative expenses, and benefit costs. The principal operating revenues of the blended component unit, Westchester Tobacco Asset Securitization Corporation (hereinafter referred to as WTASC), are settlement revenues (see Note 1,D), whereas operating expenses include general administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Fund Financial Statements

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The County maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. Proprietary and Fiduciary funds are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The County's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles, as follows:

Fund Categories

- a. **Governmental Funds** - Governmental Funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. Special Revenue Funds are governmental funds established to account for the proceeds of specific revenue sources that are restricted, committed or assigned to expenditures for certain defined purposes other than debt service or capital projects. The following are the County's major governmental funds:

General Fund - The General Fund constitutes the primary operating fund of the County and it includes all revenues and expenditures not required by law to be accounted for in other funds.

Sewer Districts Fund - The Sewer Districts Fund is a Special Revenue Fund and is provided to account for and report the operations of the County's sewer districts. The major revenues of this fund are real property taxes, departmental income and earnings on investments.

Refuse Disposal District Fund - The Refuse Disposal District Fund is a Special Revenue Fund provided to account for and report the operations of the County's solid waste facilities. The major revenues of this fund are real property taxes and departmental income.

Grants Fund - The Grants Fund is a Special Revenue Fund used to account for the assets, liabilities, revenues and expenditures of grant funds received by various County departments.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlay, including the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

The County also reports the following non-major governmental funds:

Airport Fund - The Airport Fund is a Special Revenue Fund used to account for the operations of the Westchester County Airport.

Water Districts Fund - The Water Districts Fund is a Special Revenue Fund used to account for the operations of the County's water districts.

- b. **Proprietary Funds** — Proprietary funds consist of the blended component unit and internal service funds. Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The County reports its Health Insurance, Casualty Reserve and Workers' Compensation Reserve funds as internal service funds.

WTASC is a special purpose corporation and a subsidiary corporation of the Westchester County Health Care Corporation (hereinafter referred to as WCHCC). WTASC was organized under the provisions of Section 1411 of the New York State Not-for-Profit Corporation Law and pursuant to Section 3306(7) of the Public Authorities Law of the State of New York. The Board of Directors of WTASC consists of three members; one director designated by WCHCC to be the Commissioner of Finance of the County of Westchester, one director designated by WCHCC to be the WCHCC board representative, selected by the Majority Leader of the County Board of Legislators and a third director who meets certain requirements of independence and shall be designated by the other two members.

- c. **Fiduciary Funds (Not included in Government-wide financial statements)** — The Fiduciary Funds are used to account for assets held by the County on behalf of others. The Custodial Fund is used to account for mortgage taxes, bail and miscellaneous other amounts collected for other governments and individuals.

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

Primary Government

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes are considered to be available if collected within sixty days of the fiscal year end. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are recognized as revenues when the expenditure is made and the amounts are expected to be collected within one year of the fiscal year end. A ninety day availability period is generally used for revenue recognition for most other governmental fund revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, landfill post-closure costs, capital leases, certain claims, pollution remediation, certain retirement costs and other post employment benefit liability are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The County and its blended component unit, WTASC, follow the guidance provided by GASB Technical Bulletin 2004-1 as amended and/or superseded by GASB Statement No. 48, "*Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues.*" GASB Statement No. 48 provided for prospective, rather than retrospective treatment, of the intra-entity sale of future revenues. The original sale of the WTASC's future revenue stream was consummated several years prior to the effective date of GASB Statement No. 48, and no additional sale of future revenues has occurred since that time. The revenue from the sale was recognized at that time based on existing guidance. Therefore, there is no deferred inflow of resources to be reported for this purpose on the County's financial statements or a deferred outflow of resources to be reported on the WTASC financial statements. The deferred outflows of resources reflected in the County's business-type activity relate to a refunding of the original debt of the WTASC and not to any new monies that would fall under the guidance promulgated in GASB Statement No. 48.

Component Units

Component units are presented on the basis of accounting that most accurately reflects their activities. The County's component units are the IDA, College, and LDC and are accounted for on the accrual basis.

Westchester Community College

The College does not reflect land and buildings as an asset of the fund and depreciation is not reflected. These assets are owned by the County, and the debt related to these assets are obligations of the County. The College does have furniture and equipment which was purchased through its operating budget, which is capitalized and depreciated.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position or Fund Balances

Cash and Equivalents, Investments and Risk Disclosure

Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts and short-term investments with original maturities of less than three months from the date of acquisition.

The County's deposits and investment policies are governed by State statutes. The County has adopted its own written investment policy, which provides for the deposit of funds in FDIC insured commercial banks or trust companies located in the State. The County is authorized to use demand deposit accounts, time deposit accounts and certificates of deposit.

In accordance with the provisions of General Municipal Law of the State of New York Section 10, all deposits of the County, including certificates of deposit and special time deposits in excess of the amount insured under the provision of the Federal Deposit Insurance Act will be secured at 102%. The County has entered into custodial agreements with the various banks which hold its deposits. These agreements authorize the obligations that may be pledged as collateral. Such obligations include, among other instruments, obligations issued or fully insured or guaranteed by the United States, an agency thereof or a United States government sponsored corporation and obligations issued or fully guaranteed by the State of New York.

Investments

Permissible investments include obligations of the U.S. Treasury, U.S. Agencies, repurchase agreements and obligations of New York State or its political subdivisions.

The County follows the provisions of GASB Statement No. 72, "*Fair Value Measurement and Application*", which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

Risk Disclosure

Interest Rate Risk - Interest rate risk is the risk that the government will incur losses in fair value caused by changing interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from changing interest rates. Generally, the County does not invest in any long-term investment obligations.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. GASB Statement No. 40, "*Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*," directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance and the deposits are either uncollateralized, collateralized by securities held by the pledging financial institution or collateralized by securities held by the pledging financial institution's trust department but not in the County's name. The County's aggregate bank balances that were not covered by depository insurance were not exposed to custodial credit risk at December 31, 2021.

Credit Risk - Credit risk is the risk that an issuer or other counterparty will not fulfill its specific obligation even without the entity's complete failure. The County does not have a formal credit risk policy other than restrictions to obligations allowable under General Municipal Law of the State of New York.

Concentration of Credit Risk - Concentration of credit risk is the risk attributed to the magnitude of a government's investments in a single issuer. The County's investment policy limits the amount on deposit at each of its banking institutions.

Real Property Taxes

Real property taxes attach as an enforceable lien on real property and are levied on January 1st. Real property taxes are generally payable to the collecting agents in April. The County-wide real property tax levy is collected by the cities and towns within the County. Payment of each city and town's share must be made to the County's Commissioner of Finance as collected and, in any event, not less than sixty percent must be paid by May 25th and the balance of the warrant by October 15th of the year for which such taxes are levied. The various cities and towns within the County are responsible for the billing and collection of taxes and foreclosure proceedings.

Other Receivables

Other receivables include amounts due from other governments and individuals for services provided by the County. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

Due From/To Other Funds and Due From/To Fiduciary Fund

During the course of its operations, the County has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of December 31, 2021, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Inventory

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies, and are reported in both the government-wide and fund financial statements. The cost of such inventories is recorded as expenditures when consumed rather than when purchased (the consumption method). Amounts reported as inventories in the fund financial statements are offset by the same amount in the component of nonspendable fund balance – not in spendable form to indicate that these amounts do not constitute available spendable resources, even though they are a component of current assets.

Prepaid Expenses/Expenditures

Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of employee retirement and other costs which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and will benefit such periods. Reported amounts in governmental funds are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Restricted Cash

Restricted cash in the Capital Projects Fund consists of funds held by a state agency. These funds are to be used for various sewer district upgrades.

Restricted cash in the WTASC Enterprise Fund consists of funds held in the Debt Service, Liquidity Reserve and Bond Proceeds accounts whose use is restricted to the payment of debt obligations on the WTASC bonds.

Assets Limited as to Use

WTASC

On June 15, 2005, WTASC issued \$216,600,000 Tobacco Settlement Asset-Backed Bonds, Series 2005 (Series 2005). These bonds were issued primarily to refund all of WTASC's outstanding Tobacco Settlement Asset-Backed Bonds, Series 1999, which were issued by WTASC to finance its purchase pursuant to a purchase and sale

agreement, dated as of December 1, 1999, by and between WTASC and the County. The terms of the bond indenture provided for the establishment of a liquidity reserve. The Series 2005 bonds liquidity reserve requirement was \$14,133,625, the maximum annual debt service requirement based on planned structured principal payments.

On December 22, 2016, WTASC issued \$180,990,000 of Tobacco Settlement Asset-Backed Bonds Series 2016 (Series 2016), comprised of Senior Bonds (federally taxable) of \$7,165,000, Senior Bonds of \$91,300,000 and Subordinate Bonds of \$82,525,000, the proceeds of which were used to 1) refund the outstanding Series 2005 bonds, 2) pay certain costs of issuance related to the Series 2016 bonds and 3) distribute to the Residual Certificate Holder the remaining proceeds. As part of the 2016 bond indenture, the same liquidity reserve balance of \$14,133,625 was required but separated into two components; \$7,645,487.50 for the “Senior Liquidity Reserve Account” and \$6,488,137.50 for the “Subordinate Liquidity Reserve Account”. In addition, as of December 31, 2021, there is \$3,188 of cash restricted to the payment of debt obligations on WTASC bonds.

Capital Assets

Capital assets, which include property, plant, and equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$50,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year.)

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

Land and construction-in-progress are not depreciated. Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives.

<u>Class</u>	<u>Life in Years</u>
Buildings	25-50
Equipment	10-25
Infrastructure	50

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheets.

Unearned Revenues

Unearned revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met.

Unearned revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The County has reported unearned revenues of \$93,339,458 for American Rescue Plan Act (ARPA) funds in the General Fund and \$915,924 for rent and remediation revenue received in advance in the Airport special revenue fund. The County’s Grants fund also has \$65,866,892 for advance funding to grants and uncollected loans issued under the County’s affordable housing

programs. Such amounts have been deemed to be measurable but not “available” pursuant to generally accepted accounting principles.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expense) until that time.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Deferred outflows and inflows of resources have been reported on the government-wide Statement of Net Position for the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Governmental Activities:		
New York State and Local Employees' Retirement System	\$ 366,167,487	\$ 442,295,423
New York State and Local Police and Fire Retirement System	67,487,645	54,750,753
Other Post Employment Benefit Liability	646,440,435	295,384,292
Refunding Bonds	9,813,441	—
Service Concession Arrangements	—	73,407,382
Governmental Activities		
Deferred Outflows/Inflows of Resources	<u>\$ 1,089,909,008</u>	<u>\$ 865,837,850</u>
Business-type Activities-		
Refunding Bonds	<u>\$ 3,940,676</u>	<u>\$ —</u>
College (Component Unit):		
New York State and Local Employees' Retirement System ERS	\$ 16,877,951	\$ 23,555,893
New York State Teachers' Retirement System	7,085,430	16,742,915
Other Post Employment Benefit Liability	<u>23,786,326</u>	<u>60,801,696</u>
College (Component Unit)		
Deferred Outflows/Inflows of Resources	<u>\$ 47,749,707</u>	<u>\$ 101,100,504</u>

The amount reported as deferred inflows of resources from service concession arrangements result from agreements with third parties to operate a parking garage and four hangars at the Westchester County Airport. This amount results from the difference between the original cost of the buildings and the rent receivable less the accumulated amortization of the cost of the building and rental payments received to date. These amounts are amortized over the shorter of the life of the asset or the term of the rental agreement. These amounts are detailed in the discussion of the County's service concession arrangements in Note 3, H.

The amount reported as deferred outflows of resources on refunding bonds in the government-wide Statement of Net Position for governmental and business-type activities results from the difference in the carrying value of the refunded debt and its reacquisition price. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt.

The County and College (component unit) also report deferred outflows of resources and deferred inflows of resources in relation to their pension and other post employment benefit liabilities in the government-wide financial statements. These amounts are detailed in the discussion of the County's and College's pension and other post employment benefit liabilities in Note 3, I.

Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as governmental fund expenditures.

Compensated Absences

The various collective bargaining agreements provide for the payment of accumulated vacation and sick leave upon retirement and, for certain bargaining units, upon separation from service. The liability for such accumulated leave is reflected in the government-wide and component unit financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee termination or retirement. The liability for compensated absences includes salary related payments, where applicable.

Net Pension Liability (Asset)

The net pension liability (asset) represents the proportionate share of the net pension liability (asset) of the New York State and Local Employees' Retirement System, the New York State and Local Police and Fire Retirement System and the New York State Teachers' Retirement System. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions"* and GASB Statement No. 71, *"Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68"*.

Other Post Employment Benefit Liability ("OPEB")

In addition to providing pension benefits, the County and College (component unit) provides health care benefits for certain retired employees and their survivors. The financial reporting of these amounts are presented in accordance with the provisions of GASB Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other than Pensions"*.

Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation/ amortization and reduced by outstanding balances of bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt are also included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Restricted net position for the County includes restricted for grants, airport, casualty claims, and debt service.

Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that does not meet the definition of the two preceding categories.

Fund Balance

Generally, fund balance represents the difference between current assets and deferred outflows of resources and current liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact.

Restricted fund balance is reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Committed fund balance is reported for amounts that can only be used for specific purposes pursuant to formal action of the entity's highest level of decision making authority. The Board of Legislators (Board) is the decision-making authority that can, by adoption of an Act prior to the end of the year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Board removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain amounts established and approved by the Board.

Assigned fund balance represents amounts constrained by the Finance Commissioner, who is authorized by the laws of the County contained in the County Charter, to assign amounts for a specific purpose. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance. Assignments generally only exist temporarily, that is, no additional action needs to be taken for removal of an assignment.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive unassigned fund balance. For all governmental funds other than the General Fund, any deficit fund balance is reported as unassigned.

In order to calculate the amounts to report as restricted and unrestricted fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: committed, assigned, and unassigned.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally utilized as an extension of formal budgetary integration in the General and certain Special Revenue Funds. Encumbrances outstanding at year end are generally reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosures of contingent assets and liabilities at the date

of the financial statements. Estimates also affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is August 23, 2022.

NOTE 2

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Data

The Department of Budget is responsible by County Charter for the internal formulation of the budget and for its execution. The Department also assists the County Executive in duties relating to formulation of the budget and presentation to the Board of Legislators.

The County follows the procedures enumerated below in establishing the budgetary data reflected in the financial statements:

- a) Budget formulation commences in August of each year with the submission of expenditure requirements for the next fiscal year by the administrative head of each department in the County.
- b) The departmental estimates are reviewed and modified by the Department of Budget and the County Executive. The County Executive's Capital Projects Fund budget is presented to the Board of Legislators no later than October 15th while the proposed operating budget (General, Sewer, Refuse, Airport and Water funds) are published and is then presented to the Board of Legislators by November 10th.
- c) Subsequent to November 10th, the Board's Committee on Budget and Appropriations holds various public hearings and makes recommendations to amend the budget. The budget is adopted no later than December 27th.
- d) Formal budgetary integration is employed during the year as a management control device for General, Sewer, Airport, Water and Refuse funds.
- e) Budgets for General, Sewer, Airport, Water and Refuse funds are legally adopted annually on a basis consistent with generally accepted accounting principles. The Capital Projects Fund is budgeted on a project basis. Annual budgets are not adopted for Internal Service or Grants funds since other means control the use of these resources (e.g. grant awards) and sometimes span a period of more than one fiscal year.
- f) Legal budgetary control is maintained at the appropriation level. Transfer of appropriations between departments, require approval by the Board of Legislators. Any modification to appropriations resulting from increases in revenue estimates or appropriations also requires a majority vote by the Board.
- g) Appropriations in General, Sewer, Airport, Water and Refuse funds lapse at the end of the fiscal year, except that outstanding encumbrances are re-appropriated in the succeeding year, pursuant to the Uniform System of Accounts promulgated by the Office of the State Comptroller.

B. Property Tax Limitation

Chapter 97 of the New York State Laws of 2011 as amended (Tax Levy Limitation Law) modified previous law by imposing a further limit on the amount of real property taxes a local government may levy.

The following is a brief summary of certain relevant provisions of the Tax Levy Limitation Law. The summary is not complete and the full text of the Tax Levy Limitation Law should be read in order to understand the details and implementations thereof.

The Tax Levy Limitation Law imposes a limitation on increases in the real property tax levy, subject to certain exceptions. The Tax Levy Limitation Law permits the County to increase its overall real property tax levy over the tax levy of the prior year by no more than the "Allowable Levy Growth Factor," which is the lesser of one and two-hundredths or the sum of one plus the Inflation Factor; provided, however that in no case shall the levy growth factor be less than one. The "Inflation Factor" is the quotient of: (i) the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the coming fiscal year minus the average of the National Consumer Price Indexes determined by the United States Department of Labor for the twelve-month period ending six months prior to the start of the prior fiscal

year, divided by (ii) the average of the National Consumer Price Indexes determined by the United States Department of Labor with the result expressed as a decimal to four places. The County is required to calculate its tax levy limit for the upcoming year in accordance with the provision above and provide all relevant information to the New York State Comptroller prior to adopting its budget. The Tax Levy Limitation Law sets forth certain exclusions to the real property tax levy limitation of the County, including exclusions for certain portions of the expenditures for retirement system contributions and tort judgments payable by the County. The Board may adopt a budget that exceeds the tax levy limit for the coming fiscal year, only if the Board first enacts, by a vote of at least sixty percent of the total voting power of the Board, a local law to override such limit for such coming fiscal year.

In addition to the Tax Levy Limitation, the amount that may be raised by the Primary Government tax levy on real estate in any fiscal year for purposes other than for debt service on County indebtedness is limited to one and one-half per centum (subject to increase up to two per centum by State legislative enactment) of the average full valuation of taxable real estate of the County. In accordance with this definition, the maximum which could have been raised in 2021 was \$2,684,569,575 which exceeded the actual levy by \$2,145,863,577.

C. Fund Deficits

The following have unassigned/unrestricted deficits at December 31, 2021:

	Unassigned/ Unrestricted Deficits December 31, 2021
Capital Projects Fund	\$ 87,756,585
WTASC	138,238,694
Workers' Compensation Reserve Fund	55,681,238
College (Component Unit)	135,498,398

The deficit in the Capital Projects Fund arises in-part because of the application of generally accepted accounting principles to the financial reporting of such funds. The proceeds of the bond anticipation notes issued to finance construction of capital projects are not recognized as an "other financing source". Liabilities for bond anticipation notes are accounted for in the Capital Projects Fund. Bond anticipation notes are recognized as revenue only to the extent that they are redeemed. The deficit will be reduced and eliminated as bond anticipation notes are redeemed from interfund transfers from other governmental funds or converted to permanent financing. Other deficits, where no bond anticipation notes were issued or outstanding to the extent of the project deficits, arise because of expenditures exceeding current financing on the projects. These deficits will be eliminated with the subsequent receipt or issuance of authorized financing.

The deficit in the WTASC will be reduced annually with the receipt of tobacco revenues.

The deficit in the Workers' Compensation Reserve Fund is attributable to the accrual of claims including incurred but not reported claims which will be satisfied in subsequent years. This deficit will be addressed in future periods.

The deficit in the College (component unit) is primarily attributable to the accrual of its postemployment benefit liability in accordance with the provisions of GASB Statement No. 75.

NOTE 3

DETAILED NOTES ON ALL FUNDS

A. Investments

Details of the County's investment portfolio by fund as of December 31, 2021 were:

Investments	Quoted Prices in Active Markets for Identical Assets (Level 1)
Enterprise Fund -	
US Treasuries	\$ 121,399
Internal Service Fund -	
US Treasuries	\$ 29,868,750
Fiduciary Fund:	
Equity Securities	\$ 3,467,593
Bond Mutual Funds	592,592
Total Fiduciary Fund	\$ 4,060,185
Total Primary Government	\$ 34,050,334

The fair values of the equity securities and bond mutual funds fluctuate in response to changes in market rates. Since these investments constitute a small portion of the County's overall investments, the risk to the County is not significant.

B. Assets Limited As To Use

WTASC

WTASC assets limited as to use at December 31, 2021 consisted of the following:

Security Benefit Life Insurance Company	
fixed annuity due April 2045; interest at 4.1%	\$ 14,133,625
Restricted cash	3,924
	<u>\$ 14,137,549</u>

C. Due From/To Other Funds

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

	Due From	Due To
General Fund	\$ 101,836,074	\$ 97,282,862
Combined Sewer Districts Fund	16,722,180	—
Refuse Disposal District Fund	15,873,877	—
Grants Fund	36,395,931	—
Capital Projects Fund	—	97,088,363
Water Districts Fund	—	1,923,308
Custodial Fund	209,243	—
Health Insurance Fund	26,817,390	—
Casualty Reserve Fund	1,264,241	—
Workers' Compensation Reserve Fund	—	733,049
WTASC	—	2,091,354
	<u>\$ 199,118,936</u>	<u>\$ 199,118,936</u>

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

D. Capital Assets

Changes in the primary government's capital assets are as follows:

Class	Balance January 1, 2021	Additions (Transfers)	Deletions	Balance December 31, 2021
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 328,254,088	\$ 5,735,480	\$ —	\$ 333,989,568
Construction-in-progress	1,123,829,927	178,535,482	5,526,385	1,296,839,024
Total Capital Assets, not being depreciated	1,452,084,015	184,270,962	5,526,385	1,630,828,592
Capital Assets, being depreciated:				
Buildings	1,144,987,105	8,656,997	—	1,153,644,102
Equipment	692,492,555	35,420,756	359,233	727,554,078
Infrastructure	1,840,012,648	12,997,366	—	1,853,010,014
Total Capital Assets, being depreciated	3,677,492,308	57,075,119	359,233	3,734,208,194
Less Accumulated Depreciation for:				
Buildings	467,642,211	28,170,737	—	495,812,948
Equipment	394,156,584	31,151,999	359,233	424,949,350
Infrastructure	778,076,244	36,174,971	—	814,251,215
Total Accumulated Depreciation	1,639,875,039	95,497,707	359,233	1,735,013,513
Total Capital Assets, being depreciated, net	2,037,617,269	(38,422,588)	—	1,999,194,681
Governmental Activities Capital Assets, net	\$ 3,489,701,284	\$ 145,848,374	\$ 5,526,385	\$ 3,630,023,273

Depreciation expense was charged to the primary government's functions and programs as follows for the year ended December 31, 2021:

Governmental Activities:	
General Government	\$ 18,089,071
Education	5,776,200
Public Safety	15,106,523
Health Services	1,429,536
Transportation	19,944,171
Economic Assistance	935,841
Culture and Recreation	8,740,705
Home and Community Services	25,475,660
Total Depreciation Expense—Governmental Activities	<u>\$ 95,497,707</u>

E. Capital Assets — Component Unit

Changes in the College's capital assets are as follows:

Class	Balance September 1, 2020	Additions	Balance August 31, 2021
Capital Assets, being depreciated:			
Equipment	\$ 26,802,238	\$ 62,857	\$ 26,865,095
Total Accumulated Depreciation	25,601,518	532,954	26,134,472
Capital Assets, net	<u>\$ 1,200,720</u>	<u>\$ (470,097)</u>	<u>\$ 730,623</u>

F. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities at December 31, 2021 were as follows:

	Governmental Activities	Business Type Activities	Component Units
Payroll and employee benefits	\$ 15,735,287	\$ —	\$ 7,869,109
Unpaid Claims	282,826,173	—	43,335,195
Other	1,213,933	698,997	29,258,382
Total Accounts Payable and Accrued Liabilities	<u>\$ 299,775,393</u>	<u>\$ 698,997</u>	<u>\$ 80,462,686</u>

G. Short-Term Financing

Tax Anticipation Notes Payable (Non-Capital Financing)

The schedule below details short-term non-capital borrowings. The tax anticipation notes (TAN) were issued to provide cash flow leading up to the collection of the County's property tax levy of which 60% was collected on May 26, 2021. The County received the balance (40%) of the property tax levy on October 15, 2021.

Type	Date Issued	Maturity Date	Net Interest Rate	Balance January 1, 2021	New Issue	Redemptions	Balance December 31, 2021
TAN	1/6/2021	5/26/2021	1.00%	\$ —	\$ 50,000,000	\$ 50,000,000	\$ —
TAN	1/6/2021	10/18/2021	2.00%	—	150,000,000	150,000,000	—
				<u>\$ —</u>	<u>\$ 200,000,000</u>	<u>\$ 200,000,000</u>	<u>\$ —</u>

Interest expenditure/expense of \$2,456,944 was recorded in the General Fund in the fund financial statements and in the government-wide financial statements for governmental activities.

Bond Anticipation Notes Payable

The following table summarizes the changes in the County's short-term capital financing for the year ended December 31, 2021. The bond anticipation notes (BAN's) for the financing of sewer improvements were issued by the New York State Environmental Facilities Corporation (EFC) for accepted, eligible sewer projects.

Purpose	Original Issue	Maturity	Interest Rate	January 1, 2021	New Issues	Redemption	December 31, 2021
<i>Capital Projects Fund</i>							
Sewer Improvements *	2018	2023	1.67%	\$ 8,000,500	\$ —	\$ (8,000,500)	\$ —
Sewer Improvements *	2019	2022	1.74%	6,690,000	—	(6,690,000)	—
Sewer Improvements *	2019	2022	0.00%	6,690,000	—	(6,690,000)	—
Sewer Improvements *	2019	2022	1.74%	2,130,000	—	(2,130,000)	—
Sewer Improvements *	2019	2022	0.00%	2,130,000	—	(2,130,000)	—
Sewer Improvements *	2019	2021	1.75%	1,350,000	—	(1,350,000)	—
Sewer Improvements *	2019	2021	0.00%	1,316,780	—	(1,316,780)	—
Sewer Improvements *	2019	2021	1.75%	990,955	—	(990,955)	—
Sewer Improvements *	2019	2021	0.00%	994,265	—	(994,265)	—
Sewer Improvements *	2019	2021	0.00%	959,300	—	(959,300)	—
Sewer Improvements *	2019	2021	1.79%	995,000	—	(995,000)	—
Sewer Improvements *	2021	2023	0.26%	—	7,282,479	(213,500)	7,068,979
Sewer Improvements *	2021	2025	0.00%	—	5,025,440	(5,025,440)	—
Sewer Improvements *	2021	2025	0.26%	—	5,025,440	(5,025,440)	—
Sewer Improvements *	2021	2025	0.00%	—	4,091,535	—	4,091,535
Sewer Improvements *	2021	2025	0.26%	—	4,091,535	—	4,091,535
Sewer Improvements *	2021	2025	1.74%	—	3,418,028	(3,418,028)	—
Sewer Improvements *	2021	2025	0.00%	—	3,418,028	(3,418,028)	—
Various Capital Projects	2020	2021	0.84%	33,852,764	—	(33,852,764)	—
Various Capital Projects	2020	2021	1.00%	9,474,269	—	(9,474,269)	—
Various Capital Projects	2021	2021	1.00%	—	30,913,299	(30,913,299)	—
Various Capital Projects	2021	2021	1.50%	—	3,316,861	(3,316,861)	—
Various Capital Projects	2021	2021	1.50%	—	2,939,464	(2,939,464)	—
				<u>\$ 75,573,833</u>	<u>\$ 69,522,109</u>	<u>\$ (129,843,893)</u>	<u>\$ 15,252,049</u>

*\$7,527,748 of the Sewer Improvements has been drawn at December 31, 2021.
The County has a liability to repay only the amount drawn from EFC.

Liabilities for BANS are generally accounted for in the Capital Projects Fund. Principal payments on BANS must be made annually. State law requires that bond anticipation notes issued for capital purposes or judgments be converted to long-term obligations generally within five years after the original issue date. However, bond anticipation notes issued for assessable improvement projects may be renewed for period's equivalent to the maximum life of the permanent financing, provided that stipulated annual reductions of principal are made.

Interest expenditures of \$905,125 were recorded in the General Fund and \$145,488 in the Sewer Districts Fund. Interest expense of \$1,050,613 was recorded in the government-wide financial statements for governmental activities.

H. Service Concession Arrangements

The County follows the provisions of GASB Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements" in accounting for and reporting its service concession arrangements (SCAs), a type of public-private partnership entered into by state and local governments.

The County has determined that there are seven service concession arrangements which are reported in the County's Statement of Net Position as of December 31, 2021; (1) Westchester Airport Associates LP located at the airport garage; (2) PepsiCo at airport Hangar V; (3) Interlaken Capital Aviation Services, Inc. at airport Hangar V; (4) IBM at airport Hangar W; (5) West Air/ Million Air at airport Hangar M; (6) Panorama Flight Service at airport Hangar T; (7) Million

Air Interlink at airport Hangar R. The County has recorded receivables of \$32,836,473, capital assets of \$40,570,909, and deferred inflows of \$73,407,382 in the Statement of Net Position. See details below.

The County's agreement with Westchester Airport Associates LP (WAA) granted WAA the use of airport non-aeronautical space to construct a parking garage for passenger use. The agreement runs from August 1, 1994 through August 1, 2024. Pursuant to the agreement, ownership of the facility becomes the County's, at the County's option, at the end of the agreement. The agreement also calls for minimum lease payments from WAA to the County for base rent. The rent is increased by \$25,000 each year until the end of the agreement. The County reported in its Statement of Net Position a receivable with a carrying amount of \$2,175,000, capital asset of \$1,822,307 and a corresponding deferred inflow of resources of \$3,997,307 as of December 31, 2021, pursuant to the service concession arrangement.

The County's agreement with PepsiCo granted the use of airport aeronautical space to construct an airplane hangar for non-passenger use. The agreement runs from May 1, 1996 through May 1, 2026. Pursuant to the agreement, ownership of the facility becomes the County's, at the County's option, at the end of the agreement. The agreement also calls for minimum lease payments from PepsiCo to the County for base rent. The County reported in its Statement of Net Position a receivable with a carrying amount of \$865,860, capital asset of \$1,082,837 and a corresponding deferred inflow of resources of \$1,948,697 as of December 31, 2021, pursuant to the service concession arrangement.

The County's agreement with Interlaken Capital Aviation Services, Inc. (Interlaken) granted Interlaken the use of airport aeronautical space to construct an airplane hangar for non-passenger use. The agreement runs from May 1, 1996 through May 1, 2026. Pursuant to the agreement, ownership of the facility becomes the County's, at the County's option, at the end of the agreement. The agreement also calls for minimum lease payments from Interlaken to the County for base rent. The County reported in its Statement of Net Position a receivable with a carrying amount of \$739,020, capital asset of \$889,596 and a corresponding deferred inflow of resources of \$1,628,616 as of December 31, 2021, pursuant to the service concession arrangement.

The County's agreement with IBM granted the use of airport aeronautical space to construct an airplane hangar for non-passenger use. The agreement runs from January 1, 1997 through January 1, 2027. Pursuant to the agreement, ownership of the facility becomes the County's, at the County's option, at the end of the agreement. The agreement also calls for minimum lease payments from Interlaken to the County for base rent. The County reported in its Statement of Net Position a receivable with a carrying amount of \$1,003,260, capital asset of \$833,332 and a corresponding deferred inflow of resources of \$1,836,592 as of December 31, 2021, pursuant to the service concession arrangement.

The County's agreement with West Air, Inc. (West Air) granted West Air the use of airport aeronautical space to construct an airplane hangar for non-passenger use. The agreement runs from June 1, 2007 through June 1, 2032. Pursuant to the agreement, ownership of the facility becomes the County's, at the County's option, at the end of the agreement. The County reported in its Statement of Net Position a capital asset of \$1,980,000 and a corresponding deferred inflow of resources of \$1,980,000 as of December 31, 2021, pursuant to the service concession arrangement.

The County's agreement with Panorama Flight Service (Panorama) granted Panorama the use of airport aeronautical space to construct an airplane hangar for non-passenger use. The agreement runs from July 30, 1999 through July 30, 2029. Pursuant to the agreement, ownership of the facility becomes the County's, at the County's option, at the end of the agreement. The County reported in its Statement of Net Position a capital asset of \$1,496,000 and a corresponding deferred inflow of resources of \$1,496,000 as of December 31, 2021, pursuant to the service concession arrangement.

The County's agreement with Million Air Interlink (Million Air) granted Million Air the use of airport aeronautical space to construct an airplane hangar for passenger use. The agreement runs from June 1, 2016 through June 1, 2046. Pursuant to the agreement, ownership of the facility becomes the County's, at the County's option, at the end of the agreement. The agreement also calls for minimum lease payments from Million Air to the County for base rent. The rent is increased by 3% annually until the end of the agreement. The County reported in its Statement of Net Position a receivable with a carrying amount of \$28,053,333, capital asset of \$32,466,837 and a corresponding deferred inflow of resources of \$60,520,170 as of December 31, 2021, pursuant to the service concession arrangement.

I. Long-term Liabilities

The following table summarizes changes in the County's long-term liabilities for the year ended December 31, 2021.

	Balance January 1, 2021	New Issues/ Additions	Amortization, Defeasance and/or Payments	Balance December 31, 2021	Due Within One Year
Governmental Activities:					
General Obligation Bonds Payable	\$ 1,243,911,034	\$ 203,779,614	\$ (123,910,137) *	\$ 1,323,780,511	\$ 130,473,896
Add: Unamortized premium on bonds	99,172,749	18,495,000	(17,419,660)	100,248,089	—
	<u>1,343,083,783</u>	<u>222,274,614</u>	<u>(141,329,797)</u>	<u>1,424,028,600</u>	<u>130,473,896</u>
Capital Lease Payable	27,589,106	—	(10,702,443)	16,886,663	11,254,444
Compensated Absences	56,072,618	3,383,584	(5,577,715)	53,878,487	5,388,000
Landfill Post-Closure Costs	23,579,215	—	(1,243,654)	22,335,561	1,280,136
Claims Payable	134,727,789	39,058,534	(58,542,700)	115,243,623	27,514,323
Pollution Remediation	224,619	—	(38,571)	186,048	19,000
Net Pension Liability	498,291,015	—	(479,606,208)	18,684,807	—
NYS Retirement Stabilization Program	49,066,835	—	(13,012,893)	36,053,942	13,441,328
Other Post Employment Benefit Liability	<u>4,264,402,132</u>	<u>—</u>	<u>(253,412,012)</u>	<u>4,010,990,120</u>	<u>—</u>
Governmental Activities Long-term Liabilities	<u>\$ 6,397,037,112</u>	<u>\$ 264,716,732</u>	<u>\$ (963,465,993)</u>	<u>\$ 5,698,287,851</u>	<u>\$ 189,371,127</u>
Business Type Activities:					
General Obligation Bonds Payable	\$ 170,395,000	\$ —	\$ (4,850,000)	\$ 165,545,000	\$ 3,435,000
Add: Unamortized premium on bonds	<u>3,536,129</u>	<u>—</u>	<u>(210,479)</u>	<u>3,325,650</u>	<u>—</u>
Business type Activities Long-term Liabilities	<u>\$ 173,931,129</u>	<u>\$ —</u>	<u>\$ (5,060,479)</u>	<u>\$ 168,870,650</u>	<u>\$ 3,435,000</u>
Component Units:					
Compensated Absences	\$ 7,950,067	\$ 1,850,795	\$ (386,939)	\$ 9,413,923	\$ 941,000
Net Pension Liability	25,475,195	—	(25,397,357)	77,838	—
Other Post Employment- Benefit Liability	<u>153,621,494</u>	<u>6,515,073</u>	<u>(5,906,681)</u>	<u>154,229,886</u>	<u>—</u>
Component Units Long-term Liabilities	<u>\$ 187,046,756</u>	<u>\$ 8,365,868</u>	<u>\$ (31,690,977)</u>	<u>\$ 163,721,647</u>	<u>\$ 941,000</u>

*Includes debt payments related to the College for which the General Fund has been reimbursed

Governmental fund liabilities for costs related to compensated absences, claims payable, net pension liability, the retirement stabilization program and other post employment benefit liability will be primarily liquidated by the General Fund and the Sewer Districts Fund. The liabilities for landfill post-closure costs, capital leases and pollution remediation will be liquidated by the Refuse Disposal District Fund, General Fund and Airport Fund, respectively.

General Obligation Bonds Payable

The primary government issues general obligation bonds to provide funds for major capital projects. Bonds payable at December 31, 2021 are comprised of the following individual issues:

Year/Name of Issue	(if applicable) EFC Designation	Original Issue	Final Maturity	Range of Interest Rates*		Outstanding December 31, 2021
2003A	EFC 2003F	\$ 38,454,487	January, 2033	4.395%	4.612%	\$ 15,180,000
2004A	EFC 2004D	43,491,552	August, 2033	4.878%	5.150%	17,825,000
2005A	EFC 2005A	27,033,150	November, 2034	4.264%	4.569%	11,493,000
2005B	EFC 2005B	5,163,580	October, 2023	3.899%	3.939%	540,000
2006A	EFC 2006C	223,215	October, 2035	4.671%	4.861%	70,000
2006B	EFC 2006C	4,211,710	October, 2036	4.671%	4.731%	2,040,000
2008A	EFC 2008 DIRECT	15,212,688	April, 2038	4.270%		9,090,000
2009D	EFC 2009 DIRECT	2,991,715	April, 2034	4.247%		1,550,000
2010D	EFC 2010C	4,293,666	April, 2037	3.405%	4.603%	2,535,000
2010E	EFC 2010C	27,976,578	October, 2039	3.405%	4.603%	16,760,000
2011E	EFC 2011 DIRECT	100,470,000	June, 2040	3.259%	4.746%	65,655,000
2012A		22,360,000	October, 2022	4.000%		2,755,000
2012B		55,410,000	July, 2026	2.000%	5.000%	24,460,000
2012C		14,425,000	July, 2030	2.000%	3.000%	8,395,000
2012D	EFC 2012E	8,317,595	May, 2042	1.859%	4.098%	5,775,000
2013A	EFC 2013B	127,039,000	May, 2043	2.933%	4.756%	89,955,000
2013B		52,650,000	July, 2027	5.000%		8,620,000
2013C		4,305,000	July, 2024	5.000%		1,515,000
2014A		9,245,000	October, 2023	2.490%	2.690%	520,000
2014B	EFC 2014B	85,957,000	May, 2044	2.052%	4.293%	60,940,000
2015A	EFC 2015B	14,252,000	September, 2044	1.890%	4.267%	11,305,000
2015B		81,530,000	November, 2027	2.500%	5.000%	45,925,000
2015D		3,660,000	November, 2032	2.625%	5.000%	2,760,000
2016A		109,980,000	January, 2029	5.000%		69,640,000
2016B	EFC 2016B	26,494,000	February, 2044	0.978%	3.351%	21,650,000
2017A		135,870,000	July, 2029	4.000%	5.000%	105,720,000
2017B		23,090,000	July, 2029	2.500%	3.100%	17,400,000
2017C		18,930,000	July, 2034	4.000%	5.000%	16,380,000
2017D	EFC 2017C	19,549,660	February, 2047	1.311%	3.976%	16,795,000
2018A		163,715,000	December, 2029	4.000%	5.000%	134,185,000
2018B		8,630,000	November, 2031	3.500%	4.000%	7,065,000
2018C		9,810,000	December, 2036	3.000%	5.000%	8,795,000
2019A		32,325,000	January, 2040	4.000%	5.000%	26,215,000
2019B		14,450,000	October, 2022	5.000%		2,680,000
2019C	EFC 2019A	8,816,104	August, 2048	1.377%	3.799%	8,140,000
2019D		111,370,000	December, 2031	4.000%	5.000%	103,480,000
2019E		6,711,548	November, 2024	1.720%	1.900%	5,085,000
2019F		21,960,000	December, 2038	2.000%	5.000%	21,110,000
2020A		62,245,000	October, 2033	2.000%	5.000%	62,245,000
2020B		3,757,270	October, 2025	1.000%		3,757,270
2020C		50,920,000	July, 2031	0.650%	2.500%	49,930,000
2020D	EFC 2020B	35,470,627	October, 2050	0.240%	2.917%	34,065,627
2021A		118,080,000	October, 2034	2.000%	5.000%	118,080,000
2021B		30,065,000	October, 2048	2.000%	5.000%	30,065,000
2021C		19,180,000	October, 2035	1.400%	4.000%	19,180,000
2021D	EFC 2021B	36,454,614	August, 2051	0.180%	3.007%	36,454,614
						<u>\$ 1,323,780,511</u>
Bonds Sold to EFC						\$ 427,818,241
Bonds Sold to Other						<u>895,962,270</u>
						<u>\$ 1,323,780,511</u>

* The interest rates in the above table are the coupon rates. The coupon rates do not reflect interest subsidies that may be applicable to EFC bonds. Bonds may have been sold at a premium or a discount.

Interest expenditures of \$49,202,517 was recorded in the fund financial statements in the funds identified below. Interest expense of \$32,740,108 was recorded in the government-wide financial statements for governmental activities.

Fund	Amount
Governmental Fund:	
General	\$ 30,146,629
Combined Sewer Districts	17,598,963
Refuse Disposal District	310,189
Airport Fund	357,554
Combined Water Districts	789,182
	<u>\$ 49,202,517</u>

Blended Component Unit Debt

WTASC

The WTASC debt is an obligation of WTASC and is not County debt. This debt is payable from future tobacco revenues.

A schedule of WTASC planned structured principal maturities is below:

Year Ending December 31,	Principal	Interest	Total
2022	\$ 3,435,000	\$ 8,044,094	\$ 11,479,094
2023	3,610,000	7,867,969	11,477,969
2024	3,800,000	7,682,719	11,482,719
2025	4,005,000	7,487,594	11,492,594
2026	4,235,000	7,281,594	11,516,594
2027-2051	146,460,000	105,607,404	252,067,404
	<u>\$ 165,545,000</u>	<u>\$ 143,971,374</u>	<u>\$ 309,516,374</u>
Unamortized Original Issue Net Premium	<u>3,325,650</u>		
	<u>\$ 168,870,650</u>		

The annual requirements to amortize all issued bond debt outstanding as of December 31, 2021 are as follows:

Year Ending December 31,	Governmental Activities		Business type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 130,473,896	\$ 49,022,843	\$ 3,435,000	\$ 8,044,094	\$ 133,908,896	\$ 57,066,937
2023	128,810,615	44,705,303	3,610,000	7,867,969	132,420,615	52,573,272
2024	118,581,000	39,427,668	3,800,000	7,682,719	122,381,000	47,110,387
2025	109,841,000	34,875,097	4,005,000	7,487,594	113,846,000	42,362,691
2026	112,106,000	30,494,270	4,235,000	7,281,594	116,341,000	37,775,864
2027-2031	419,615,000	91,906,160	22,680,000	33,089,344	442,295,000	124,995,504
2032-2036	181,168,000	36,128,180	22,575,000	27,378,600	203,743,000	63,506,780
2037-2041	80,530,000	13,212,967	21,510,000	22,080,156	102,040,000	35,293,123
2042-2046	30,470,000	3,807,105	42,790,000	14,548,081	73,260,000	18,355,186
2047-2051	12,185,000	805,234	36,905,000	8,511,223	49,090,000	9,316,457
	<u>\$ 1,323,780,511</u>	<u>\$ 344,384,827</u>	<u>\$ 165,545,000</u>	<u>\$ 143,971,374</u>	<u>\$ 1,489,325,511</u>	<u>\$ 488,356,201</u>

Capital Lease Commitment

In 1998, the County entered into a lease agreement with the New York State Dormitory Authority (hereinafter referred to as DASNY) to rehabilitate the County's Courthouse, replace the Courthouse's façade, and to construct a three story annex. Using DASNY as the conduit issuer, bonds were issued for the Courthouse construction. On April 12, 2006, the County refunded a portion of the 1998 bonds, in conjunction with the issuance of \$21 million of new money to complete the Courthouse project. In October 2016, DASNY issued \$22,485,000 of refunding bonds. The proceeds of the 2016 bonds, together with other available moneys were used (i) to refund certain DASNY bonds and (ii) to pay the cost of issuance of the bonds. The issuance of the 2016 bonds reduced County lease payments by approximately \$3.9 million through 2023.

The terms of the lease provide for annual payments as follows:

2022	\$ 12,406,500
2023	<u>6,203,625</u>
	18,610,125
Less amounts representing unaccrued amounts and interest	<u>(1,723,462)</u>
Present Value of Lease Payments	<u>\$ 16,886,663</u>

Interest expenditures of \$1,709,757 were recorded in the fund financial statements in the General Fund and as interest expense in the government-wide financial statements for governmental activities.

Interest Expenditures/Expense (Bonds, BANS, TANS and Capital Leases)

Interest expenditures/expense for governmental funds on a fund basis and for governmental activities on the Statement of Net Position were as follows:

General Fund	\$ 35,218,455	
Sewer Districts	17,744,451	
Refuse Disposal District	<u>310,189</u>	
Total Major Funds		\$ 53,273,095
Airport Fund	357,554	
Water Districts	<u>789,182</u>	
Total Non-Major Funds		<u>1,146,736</u>
Total Governmental Funds		54,419,831
Statement of Activities:		
Change in Accrued Interest Payable	(1,557,888)	
Amortization of Bond Premium and Loss on Refunding	<u>(14,904,521)</u>	<u>(16,462,409)</u>
Total Statement of Activities		<u>\$ 37,957,422</u>

The above general obligation bonds, bond anticipation notes, tax anticipation notes and capital leases are direct borrowings of the County for which its full faith and credit are pledged and are payable from taxes levied on all taxable real property within the County.

Prior Years Defeasance of Debt

In prior years, the County had advance refunded various County bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments on the refunded bonds. The County considers these refunded bonds to be defeased. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. As of December 31, 2021, \$32,675,000 of refunded bonds outstanding is considered defeased.

Legal Debt Margin

The County is subject to legal limitations on the amount of debt that it may issue. The County's legal debt margin is 7% of the five year average full valuation of taxable real property. At December 31, 2021, that amount was \$12,851,506,648. As of December 31, 2021 the total outstanding debt applicable to the limit was \$930,276,434, which is 7.24% of the total debt limit.

Compensated Absences

County employees earn sick and vacation leave at various rates subject to certain maximum limitations based upon the terms of the respective collective bargaining agreements. At December 31, 2021, the value of the accumulated sick and vacation leave was \$41,983,977 and \$11,894,510 respectively, for a total of \$53,878,487. These amounts have been reflected in the Statement of Net Position. Accumulated sick and vacation leave of the component units has been recorded as an expense and liability, as the benefits accrue to those employees.

Landfill Post-Closure Costs

State and Federal laws and regulations require the Refuse Disposal District to cover its Sprout Brook Ash Landfill and Croton Point Landfill as both areas have been filled for quite some time. Current estimates for the costs to close and cover all areas at the landfill are \$6,709,384. The County anticipates funding this cost through the issuance of bonds. The revised estimated post-closure maintenance and monitoring functions will cost approximately \$15,626,177 over the years 2022 through 2037. The Refuse Disposal District will fund the post-closure operating costs through tipping fees and tax levies. The current cost of landfill closure and post-closure care is an estimate based on landfill capacity used to date and is subject to changes resulting from inflation, deflation, technology, or changes in applicable laws or regulations.

Croton Point Landfill has estimated capital closure costs of \$4,848,125, with revised estimated post-closure costs of \$7,230,677 for the years 2022 through 2031, for a total of \$12,078,802.

Sprout Brook Ash Landfill has estimated capital closure costs of \$1,861,259, with revised estimated post-closure costs of \$8,395,500 for the years 2022 through 2037, for a total of \$10,256,759.

Claims Payable

Judgements

In 2009, the County entered into a settlement with the United States Department of Housing and Urban Development that obligated the County to provide funds for the construction of 750 fair and affordable housing units. The original amount of the County's total commitment was \$64,275,000. As of December 31, 2021, this obligation has been satisfied.

Unpaid Claim Liabilities

The Internal Service Funds reflect health benefit liabilities, workers' compensation benefit liabilities and general liability claims. The Health Insurance Fund estimates are accrued based on actuarial computations. The Casualty Reserve and Workers' Compensation Reserve funds establish claim liabilities based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported (IBNR's). The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claim costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

Claim liabilities, at December 31, 2021 are reported at their present value using an expected future investment rate of return of 4% for the Casualty Reserve Fund and 3% for the Workers' Compensation Reserve Fund. Adjustments to

claim liabilities are charged or credited to expense in the periods in which they are made. An analysis of the activity of unpaid claim liabilities is as follows:

Fiscal 2021	Health Insurance	Casualty Reserve	Workers' Compensation
Unpaid claims - Beginning of Year	\$ 16,000,000	\$ 31,173,000	\$ 55,710,000
Incurred claims including IBNR's	198,108,250	8,590,845	17,719,542
Claims paid	(196,758,250)	(4,976,845)	(10,739,542)
Unpaid claims - End of Year	<u>\$ 17,350,000</u>	<u>\$ 34,787,000</u>	<u>\$ 62,690,000</u>
Due within one year	<u>\$ 17,350,000</u>	<u>\$ 3,478,700</u>	<u>\$ 6,269,000</u>

Fiscal 2020	Health Insurance	Casualty Reserve	Workers' Compensation
Unpaid claims - Beginning of Year	\$ 19,000,000	\$ 29,086,000	\$ 51,410,000
Incurred claims including IBNR's	182,253,985	6,812,686	15,275,126
Claims paid	(185,253,985)	(4,725,686)	(10,975,126)
Unpaid claims - End of Year	<u>\$ 16,000,000</u>	<u>\$ 31,173,000</u>	<u>\$ 55,710,000</u>
Due within one year	<u>\$ 16,000,000</u>	<u>\$ 3,117,300</u>	<u>\$ 5,571,000</u>

Tax certiorari payable in the amount of \$416,623 is included in the current portion of claims payable in the Statement of Net Position.

Pollution Remediation

In accordance with GASB Statement No. 49 *"Accounting and Financial Reporting for Pollution Remediation Obligations"*, the County, in 2012, recorded liabilities totaling \$1,834,036, which have been fully recovered from a prior tenant, in the government-wide financial statements primarily for the remediation and monitoring of soil pollution related to a fuel spill within a hangar at the County Airport. This liability represents an estimated amount based on the professional judgment of an environmental consultant company. The actual scope of the monitoring and associated costs will be determined by the appropriate regulatory agencies, New York State Department of Environmental Conservation, New York State Department of Health or a delegate agency. The actual costs may differ from the estimate due to inflation, changes in technology, or changes in regulation. As of December 31, 2021, as a result of costs incurred, the balance has been reduced to \$186,048.

Pension Plans – Primary Government and Component Unit

The County and College (component unit) participate in the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS) which are collectively referred to as the New York State and Local Retirement System (System). These are cost-sharing, multiple-employer defined benefit pension plans. 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 (Fund), which was established to hold all assets and record changes in fiduciary net position. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four year term. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). Once a public employer elects to participate in the 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 and College (component unit) also participate in the Public Employees' Group Life Insurance Plan, 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/retirement/publications or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% 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. The employer contribution rates for the plan's year ending in 2022 are as follows:

	Tier	Plan	Rates
ERS	1	75I	25.2%
	2	75I	23.0% -23.11%
	3	89E	24.8%
	3	A14	18.2% -20.2%
	3	WCI	29.9%
	4	89E	22.8% -24.8%
	4	A15	18.2% -20.2%
	4	WCI	29.9%
	5	89E	21.8%
	5	A15	15.2% -15.3%
	5	WCI	27.3%
	6	89E	16.3%
	6	A15	10.6% -12.5%
	6	WCI	22.0%
PFRS	Tier	Plan	Rates
	2	384D	30.4%
	3	A14PF	29.9%
	5	384D	25.5%
	6	384D	19.8%

The County and the College (component unit) reported liabilities as follows for their proportionate share of the net pension liability:

	Primary Government		College
	December 31, 2021		(Component Unit)
	ERS	PFRS	August 31, 2021
	ERS	PFRS	ERS
Measurement Date	March 31, 2021	March 31, 2021	March 31, 2021
Net pension liability	\$ 1,461,522	\$ 17,223,285	\$ 77,838
County/College's proportion of the net pension liability	1.4677217 %	0.9919670 %	0.0782249 %
Change in proportion since the prior measurement date	(0.1700769) %	(0.216512) %	(0.0094280) %

The net pension liability was measured as of March 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County and the College (component unit) proportion of the net pension liability was based on a computation of the actuarially determined indexed present value of future compensation by employer relative to the total of all participating members.

For the year ended December 31, 2021 and the year ended August 31, 2021, the County and College (component unit), respectively, recognized their proportionate share of pension expense in the government-wide financial statements and pension expenditures in the County's fund financial statements as follows:

	Primary Government December 31, 2021			College (Component Unit) August 31, 2021
	ERS	PFRS	Total	ERS
Pension Expense	\$ 6,655,821	\$ 7,147,107	\$ 13,802,928	\$ 1,477,243
Pension Expenditures	61,732,758	15,172,636	76,905,394	N/A

The County and the College (component unit) reported their proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government December 31, 2021			
	ERS		PFRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 17,849,148	\$ —	\$ 3,821,756	\$ —
Changes of assumptions	268,726,827	5,068,268	42,315,750	—
Net difference between projected and actual earnings on pension plan investments	—	419,835,294	—	50,644,063
Changes in proportion and differences between County/College contributions and proportionate share of contributions	6,894,609	17,391,861	6,327,301	4,106,690
County/College contributions subsequent to the measurement date	72,696,903	—	15,022,838	—
	<u>\$ 366,167,487</u>	<u>\$ 442,295,423</u>	<u>\$ 67,487,645</u>	<u>\$ 54,750,753</u>
	Total			
	Primary Government December 31, 2021		College (Component Unit) August 31, 2021	
	Totals		ERS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 21,670,904	\$ —	\$ 950,615	\$ —
Changes of assumptions	311,042,577	5,068,268	14,311,928	269,927
Net difference between projected and actual earnings on pension plan investments	—	470,479,357	—	22,359,705
Changes in proportion and differences between County/ College contributions and proportionate share of contributions	13,221,910	21,498,551	367,195	926,261
County/ College contributions subsequent to the measurement date	87,719,741	—	1,248,213	—
	<u>\$ 433,655,132</u>	<u>\$ 497,046,176</u>	<u>\$ 16,877,951</u>	<u>\$ 23,555,893</u>

The amounts reported as deferred outflows of resources related to ERS and PFRS, respectively, resulting from the County/ College's accrued contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plans' year ended March 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS will be recognized in pension expense as follows:

Years Ended March 31,	ERS		PFRS
	Primary Government	College (Component Unit)	Primary Government
2022	\$ (28,125,497)	\$ (1,497,916)	\$ (1,093,236)
2023	(11,315,245)	(602,630)	587,028
2024	(24,678,363)	(1,314,327)	(1,131,609)
2025	(84,705,734)	(4,511,282)	(8,671,684)
2026	—	—	8,023,555
Thereafter	—	—	—
	<u>\$ (148,824,839)</u>	<u>\$ (7,926,155)</u>	<u>\$ (2,285,946)</u>

The total pension liability for the March 31, 2021 measurement date was determined by using an actuarial valuation as of April 1, 2020, with update procedures used to roll forward the total pension liabilities to March 31, 2021. Significant actuarial assumptions used in the April 1, 2020 valuation were as follows:

	Primary Government		College (Component Unit)
	ERS	PFRS	ERS
Investment rate of return	5.9 % *	5.9 %	5.9 % *
Salary scale	4.4 %	6.2 %	4.4 %
Inflation rate	2.7 %	2.7 %	2.7 %
Cost of living adjustments	1.4 %	1.4 %	1.4 %

*Compounded annually, net of pension plan investment expenses, including inflation.

Annuitant mortality rates are based on the System's experience with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020.

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

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

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity	32 %	4.05 %
International Equity	15	6.30
Private Equity	10	6.75
Real Estate	9	4.95
Opportunistic/ARS Portfolio	3	4.50
Credit	4	3.63
Real Assets	3	5.95
Fixed Income	23	0.00
Cash	1	0.50
	<u>100 %</u>	

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

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, the 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.

The following presents the County's/ College's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (4.9%) or 1 percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Primary Government's proportionate share of the ERS net pension liability (asset)	<u>\$ 405,662,078</u>	<u>\$ 1,461,522</u>	<u>\$ (371,305,990)</u>
Primary Government's proportionate share of the PFRS net pension liability (asset)	<u>\$ 73,243,116</u>	<u>\$ 17,223,285</u>	<u>\$ (29,146,657)</u>
College's (component unit) proportionate share of the ERS net pension liability (asset)	<u>\$ 21,604,864</u>	<u>\$ 77,838</u>	<u>\$ (19,775,118)</u>

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

	ERS	PFRS	Total
Total pension liability	<u>\$ 220,680,157,000</u>	<u>\$ 41,236,775,000</u>	<u>\$ 261,916,932,000</u>
Fiduciary net position	<u>220,580,583,000</u>	<u>39,500,500,000</u>	<u>260,081,083,000</u>
Employers' net pension liability	<u>\$ 99,574,000</u>	<u>\$ 1,736,275,000</u>	<u>\$ 1,835,849,000</u>
Fiduciary net position as a percentage of total pension liability	<u>99.95%</u>	<u>95.79%</u>	<u>99.30%</u>

Employer contributions to ERS and PFRS are paid annually and cover the period through the end of the System's fiscal year, which is March 31st. Retirement contributions as of December 31, 2021 represent the employer contribution for the period of April 1, 2021 through December 31, 2021 based on prior year ERS and PFRS wages multiplied by the employers' contribution rate, by tier. Retirement contributions for the primary government to ERS and PFRS for the nine months ended December 31, 2021 were \$72,696,903 and \$15,022,838, respectively. Retirement contributions for the College (component unit) to ERS for the five months ended August 31, 2021 were \$1,248,213.

Voluntary Defined Contribution Plan

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

NYS Retirement Stabilization Program

The State Legislature enacted Chapter 57 of the Laws of 2010. This chapter authorized local governments, at their option, to amortize a portion of their respective ERS and PFRS contributions beginning in 2010. The maximum amortization amount each year going forward will be determined by the difference between each employer's effective contribution rate, as compared to the System's overall graded rate. The amortized amounts are to be paid in equal annual installments over a ten-year period, although amounts may be prepaid at any time. Interest will be charged at rates which approximate a market rate of return on fixed rate securities of a comparable duration and will be adjusted annually.

The County has elected to amortize the maximum allowable ERS and PFRS contribution in each of the fiscal years outlined in the table below:

	Original Amount Amortized	Current Year Installment Payments	Balance Due	Due Within One Year*
2012-2013 ERS	\$ 23,578,507	\$ 2,605,449	\$ 2,683,612	\$ 2,683,612
2012-2013 PFRS	1,874,083	207,088	213,301	213,301
2013-2014 ERS	41,062,415	4,469,434	9,436,972	4,633,462
2013-2014 PFRS	2,754,268	299,788	632,986	310,790
2014-2015 ERS	19,205,535	2,004,050	6,398,930	2,067,177
2014-2015 PFRS	7,568,385	789,742	2,521,647	814,619
2015-2016 ERS	14,087,528	1,430,948	6,198,111	1,476,882
2015-2016 PFRS	109,163	11,089	48,029	11,444
2016-2017 ERS	4,295,325	424,908	2,277,739	434,807
2016-2017 PFRS	179,223	17,730	95,036	18,141
2017-2018 ERS	3,908,567	371,526	2,461,522	382,078
2018-2019 ERS	4,189,788	381,141	3,086,057	395,015
	<u>\$ 122,812,787</u>	<u>\$ 13,012,893</u>	<u>\$ 36,053,942</u>	<u>\$ 13,441,328</u>

*Amount included in 2022 Adopted Budget

The current year payments were charged to retirement expenditures in the General, Sewer District, and Refuse Disposal District funds and the government-wide financial statements for governmental activities.

Pension Plans – Component Unit

College

Teachers' Retirement System

The College, in addition to ERS, participates in the New York State Teachers' Retirement System (TRS). This is a cost sharing, multiple-employer defined benefit pension plan. TRS provides retirement benefits as well as death and disability benefits. The TRS is governed by a ten member Board of Trustees, which sets policy and oversees operations consistent with its fiduciary obligations under applicable law. Obligations of employers and employees to contribute and benefits to employees are governed by the Education Law of the State of New York. Once a public employer elects to participate in the TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. The TRS issues a stand-alone financial report which may be found at www.nystrs.org or obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395.

The TRS is noncontributory except for employees who joined after July 27, 1976, who contribute 3% of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute between 3% and 6% depending on salary levels for their entire length of service. Pursuant to Article 11 of the Education Law of the State of New York, actuarially determined employer contributions are established annually for the TRS by its Board of Trustees. The employer contribution rate for the plan's year ending in 2021 was 9.53%.

At August 31, 2021, the College reported the following for its proportionate share of the net pension asset for TRS:

	College (Component Unit) TRS
Measurement Date	June 30, 2021
Net pension asset	\$ (14,307,239)
College's proportion of the net pension (asset)	0.082562 %
Change in proportion since the prior measurement date	0.000090 %

The net pension asset was measured as of June 30, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The College's proportion of the net pension asset was based on the College's contributions to the pension plan relative to the contributions of all participating members.

For the year ended August 31, 2021, the College recognized pension expense of (\$1,013,172). At August 31, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to TRS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,972,101	\$ 74,332
Changes of assumptions	4,705,950	833,354
Net difference between projected and actual earnings on pension plan investments	—	14,974,006
Changes in proportion and differences College contributions and proportionate share of contributions	187,491	861,223
College contributions subsequent to the measurement date	219,888	—
	<u>\$ 7,085,430</u>	<u>\$ 16,742,915</u>

The \$219,888 reported as deferred outflows of resources related to TRS resulting from the College's accrued contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the plan's year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to TRS will be recognized in pension expense as follows:

Year Ended June 30,	
2022	\$ (2,068,752)
2023	(2,362,064)
2024	(2,915,655)
2025	(3,632,222)
2026	630,298
Thereafter	471,022
	<u>\$ (9,877,373)</u>

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

	College (Component Unit) TRS
Investment rate of return	6.95 % *
Salary scale	1.95 % - 5.18 %
Inflation rate	2.4 %
Cost of living adjustments	1.3 %

*Compounded annually, net of pension plan investment expenses, including inflation.

Annuitant mortality rates are based on plan member experience, with adjustments for mortality improvements based on Society of Actuaries Scale MP-2020, applied on a generational basis. Active member mortality rates are based on plan member experience.

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

The long-term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, *Selection of Economic Assumptions for Measuring Pension Obligations*. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation are summarized in the following table:

Asset Type	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity	33 %	6.80 %
International Equity	16	7.60
Global Equity	4	7.10
Private Equity	8	10.00
Real Estate	11	6.50
Domestic Fixed Income Securities	16	1.30
Global Fixed Income Securities	2	0.80
Private Debt	1	5.90
Real Estate Debt	7	3.30
High Yield Fixed Income Securities	1	3.80
Cash Equivalents	1	(0.20)
	100 %	

*The real rate of return is net of the long-term inflation assumption of 2.4% for TRS.

The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based upon those assumptions, TRS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the College's proportionate share of the net pension asset calculated using the discount rate of 6.95%, as well as what the College's proportionate share of the net pension asset would be if it were calculated using a discount rate that is one percentage point lower (5.95%) or one percentage point higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
College's proportionate share of the net pension asset	<u>\$ (1,501,336)</u>	<u>\$ (14,307,239)</u>	<u>\$ (25,069,671)</u>

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

Total pension liability	\$ 130,819,415,417
TRS fiduciary net position	<u>148,148,457,363</u>
Employers' net pension asset	<u>\$ (17,329,041,946)</u>
TRS fiduciary net position as a percentage of total pension liability	<u>113.25%</u>

Employer and employee contributions for the year ended June 30, 2021 are paid to TRS in the following fiscal year through a state aid intercept or, if state aid is insufficient, through a payment by the College to TRS. Accrued retirement contributions as of August 31, 2021 represent employee and employer contributions for the fiscal year ended August 31, 2021 based on paid TRS wages multiplied by the employers' contribution rate plus employee contributions for the fiscal year as reported to TRS. Accrued retirement contributions to TRS as of August 31, 2021 were \$219,888.

Teachers' Insurance and Annuity Association College Retirement Equities Fund

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

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

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

Upon the completion of 366 days of service a lump sum contribution is made by the College for this initial vesting period and each pay period thereafter. An employee contribution of 3% of pay is required for Tiers 3, 4 and 5 which is

eliminated after 10 years of service when the College will make an additional 3% contribution for these employees. The Tier 6 employee contribution is required for the duration of their membership as follows:

Wages of \$45,000 or less	3.00%
Wages of \$45,000.01 - \$55,000	3.50%
Wages of \$55,000.01 - \$75,000	4.50%
Wages of \$75,000.01 - \$100,000	5.75%
Wages greater than \$100,000	6.00%

For the year ended August 31, 2021, employee contributions totaled \$278,803 and the College recognized pension expense of \$2,459,477. At August 31, 2021, the College reported payables to the defined contribution pension plan of \$83,171 for legally required employer contributions and \$55,342 for legally required employee contributions which had been withheld from employee wages but not yet remitted to TIAA-CREF.

Other Post Employment Benefit Liability (OPEB)

In addition to providing pension benefits, the County and College (component unit) provide certain health care benefits for retired employees through a single employer defined benefit OPEB plan. The various collective bargaining agreements stipulate the employees covered and the percentage of contribution. Contributions by the County and College (component unit) may vary according to length of service. The cost of providing post employment health care benefits is shared between the County and their retired employee or the College (component unit) and their retired employee as noted below. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for either of the entities. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", so the net OPEB liability is equal to the total OPEB liability. Separate financial statements are not issued for the plan.

The following employees were covered by the benefit terms:

	Primary Government December 31, 2021	College (Component Unit) August 31, 2021
Inactive employees currently receiving benefit payments	4,707	412
Active employees	4,337	508
	<u>9,044</u>	<u>920</u>

The County's total OPEB liability of \$4,010,990,120 was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021. The College's total OPEB liability of \$154,229,886 was measured as of August 31, 2021 and was determined by an actuarial valuation as of September 1, 2020.

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

	Primary Government	College (Component Unit)
Salary increases	3.00%	2.00%
Discount rate	2.25%	1.95%
Healthcare cost trend rates (County/College)	8.0%/4.40% for 2021, decreasing to an ultimate rate of 5%/3.784% for 2027/2075 and later years	
Retirees' share of benefit-related costs (County/College)	Varies from 0% to 100%/75%, depending on applicable retirement year and bargaining unit	

The discount rate for the County was based on the S&P Municipal Bond 20-year High Grade Bond Index. The discount rate for the College (component unit) was based on the Fidelity General Obligation 20-year AA Municipal Bond Index.

Mortality rates for the County were based on the PRI-2012 Mortality Tables with MP-2020 projection. Mortality rates for the College (component unit) were based on the headcount weighted Pub-2010 Public Retirement Plan's Mortality Tables and MP-2019 Mortality Improvement Scale.

The actuarial assumptions used in the valuation for turnover are based on the Sarasson T-5 table, and for retirement are based on rates from age 55, or from 20 or 25 years of service.

The change in the total OPEB liability for the year ended December 31, 2021 is as follows:

	County	College
	December 31, 2021	(Component Unit) August 31, 2021
Total OPEB Liability - Beginning of Year	\$ 4,264,402,132	\$ 153,621,494
Service cost	108,934,670	5,679,598
Interest	81,472,563	3,434,280
Differences between expected and actual experience	(188,544,215)	(6,210,277)
Changes in assumption or other inputs	(169,223,412)	3,611,472
Changes of benefit terms	—	—
Benefit payments	(86,051,618)	(5,906,681)
Total OPEB Liability - End of Year	<u>\$ 4,010,990,120</u>	<u>\$ 154,229,886</u>

The following presents the total OPEB liability of the County and College, as well as what the County and College's total OPEB 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 discount rate:

	1% Decrease (1.25%)	Current Discount Rate (2.25%)	1% Increase (3.25%)
Primary Government			
Total OPEB Liability	<u>\$ 4,540,343,153</u>	<u>\$ 4,010,990,120</u>	<u>\$ 3,481,637,087</u>
	1% Decrease (0.95%)	Current Discount Rate (1.95%)	1% Increase (2.95%)
College (Component Unit)			
Total OPEB Liability	<u>\$ 180,222,180</u>	<u>\$ 154,229,886</u>	<u>\$ 133,286,677</u>

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

	1% Decrease (7.0% decreasing to 4.0%)	Healthcare Cost Trend Rates (8.0% decreasing to 5.0%)	1% Increase (9.0% decreasing to 6.0%)
Total OPEB Liability	<u>\$ 3,317,596,975</u>	<u>\$ 4,010,990,120</u>	<u>\$ 4,839,806,822</u>
	1% Decrease (3.4% decreasing to 2.784%)	Healthcare Cost Trend Rates (4.4% decreasing to 3.784%)	1% Increase (5.4% decreasing to 4.784%)
Total OPEB Liability	<u>\$ 131,071,378</u>	<u>\$ 154,229,886</u>	<u>\$ 183,941,970</u>

For the year ended December 31, 2021, the County recognized OPEB expense of \$202,284,599 in the government-wide financial statements. For the year ended August 31, 2021, the College (component unit) recognized OPEB expense of (\$3,616,177). At December 31, 2021 and August 31, 2021, the County and College, respectively, reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Primary Government		College (Component Unit)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 579,035,309	\$ 135,378,730	\$ 23,547,556	\$ 3,871,471
Differences between expected and actual experience	<u>67,405,126</u>	<u>160,005,562</u>	<u>238,770</u>	<u>56,930,225</u>
	<u>\$ 646,440,435</u>	<u>\$ 295,384,292</u>	<u>\$ 23,786,326</u>	<u>\$ 60,801,696</u>

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

Primary Government Year Ended December 31,		College (Component Unit) Year Ended August 31,	
2022	\$ 97,928,984	2022	\$ (12,688,874)
2023	97,928,984	2023	(11,469,949)
2024	102,514,080	2024	(7,383,225)
2025	52,684,095	2025	(4,104,757)
2026	—	2026	(1,299,982)
Thereafter	—	Thereafter	(68,583)
	<u>\$ 351,056,143</u>		<u>\$ (37,015,370)</u>

J. Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The following have been reported as interfund transfers:

Transfers In							
Transfers Out	General	Sewer Districts	Refuse Disposal District	Grants Fund	Capital Projects	Non-Major Governmental	Total
General	\$ —	\$ —	\$ 50,000	\$ 6,292,044	\$ 100,000	\$ —	\$ 6,442,044
Sewer Districts	242,000	—	—	—	741,227	—	983,227
Refuse Disposal District	—	—	—	—	1,000,000	—	1,000,000
Grants Fund	5,046,858	—	—	—	—	—	5,046,858
Capital Projects	3,438,817	33,505	—	—	—	613,838	4,086,160
Non-Major Governmental	—	—	—	—	1,846,547	30,000	1,876,547
Business-type - WTASC	2,091,354	—	—	—	—	—	2,091,354
	<u>\$ 10,819,029</u>	<u>\$ 33,505</u>	<u>\$ 50,000</u>	<u>\$ 6,292,044</u>	<u>\$ 3,687,774</u>	<u>\$ 643,838</u>	<u>\$ 21,526,190</u>

Transfers are used to: 1) move amounts earmarked in the operating funds to fulfill commitments for the Sewer Districts Fund, the Refuse Disposal District Fund, and the Capital Projects Fund expenditures and other fund expenditures, 2) move unexpended Capital Projects Fund balances to the operating funds that originally provided the funding, and 3) move funds due to the General Fund from WTASC.

K. Encumbrances

As discussed in Note 1, F encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$	14,079,029
Sewer Districts		2,756,111
Refuse Disposal District		152,953
Non-Major Governmental Funds		2,815,595
	\$	<u>19,803,688</u>

L. Net Position

Net Investment in Capital Assets: the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Special Revenue Funds: the component of net position that represents funds restricted for specific purposes under New York State law or by external parties and/or statutes.

Restricted for Casualty Claims: the component of net position that has been established to set aside funds to be used for a specific purpose in accordance with Section 6N of the General Municipal Law of the State of New York.

Restricted for Debt Service: the component of net position that reports the difference between assets and liabilities with constraints placed on their use by the Local Finance Law of the State of New York.

Restricted for Component Units: the component of net position of the County's Component Units that are restricted as to their use.

Unrestricted: all other amounts of net position that do not meet the definition of "restricted" or "net investment in capital assets."

M. Fund Balances (Deficits)

Certain elements of fund balance are described in Note 3, L. Those additional elements which are not reflected in the statement of net position but are reported in the governmental funds balance sheet are described on the following pages.

	2021						
	General Fund	Combined Sewer Districts Fund	Refuse Disposal District Fund	Grants Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Nonspendable:							
Inventory	\$ 50,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 50,000
Federal and State Receivables	10,000,000	—	—	—	—	—	10,000,000
Prepaid Expenditures	21,038,018	899,000	—	—	—	—	21,937,018
Total Nonspendable	31,088,018	899,000	—	—	—	—	31,987,018
Restricted:							
Debt service	—	—	—	—	12,516,368	—	12,516,368
Passenger Facility Charges	—	—	—	—	—	255,470	255,470
Total Restricted	—	—	—	—	12,516,368	255,470	12,771,838
Assigned:							
Purchases on order:							
Information Technology	3,299,269	—	—	—	—	—	3,299,269
Public Works Operations	2,479,385	—	—	—	—	—	2,479,385
Department of Corrections	1,675,590	—	—	—	—	—	1,675,590
Department of Public Safety	2,388,446	—	—	—	—	—	2,388,446
Social Services Operations	405,385	—	—	—	—	—	405,385
Labs & Research	230,042	—	—	—	—	—	230,042
Sewer Districts Operations	—	2,756,111	—	—	—	—	2,756,111
Other	3,600,912	—	152,953	—	—	2,815,595	6,569,460
	14,079,029	2,756,111	152,953	—	—	2,815,595	19,803,688
GASB 75 (OPEB)	41,000,000	—	—	—	—	—	41,000,000
For subsequent year's expenditures, reported in:							
General Fund	—	—	—	—	—	—	—
Special Revenue Funds	—	10,661,651	5,319,014	—	—	1,188,581	17,169,246
Major Funds	—	348,908	10,403,049	10,883,210	—	—	21,635,167
Non-major Funds:							
Airport	—	—	—	—	—	17,558,664	17,558,664
Water Districts	—	—	—	—	—	3,232,003	3,232,003
Total Assigned	55,079,029	13,766,670	15,875,016	10,883,210	—	24,794,843	120,398,768
Unassigned	327,451,906	—	—	—	(87,756,585)	—	239,695,321
Total Fund Balances (Deficits)	\$ 413,618,953	\$ 14,665,670	\$ 15,875,016	\$ 10,883,210	\$ (75,240,217)	\$ 25,050,313	\$ 404,852,945

2020						
General Fund	Combined Sewer Districts Fund	Refuse Disposal District Fund	Grants Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
\$ 50,000	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 50,000
10,000,000	—	—	—	—	—	10,000,000
17,984,072	935,000	—	—	—	—	18,919,072
28,034,072	935,000	—	—	—	—	28,969,072
—	—	—	—	9,353,831	—	9,353,831
—	—	—	—	—	229,111	229,111
—	—	—	—	9,353,831	229,111	9,582,942
3,423,715	—	—	—	—	—	3,423,715
2,790,737	—	—	—	—	—	2,790,737
1,369,496	—	—	—	—	—	1,369,496
1,813,857	—	—	—	—	—	1,813,857
1,531,896	—	—	—	—	—	1,531,896
380,088	—	—	—	—	—	380,088
—	2,633,369	—	—	—	—	2,633,369
4,329,345	—	180,152	—	—	1,694,192	6,203,689
15,639,134	2,633,369	180,152	—	—	1,694,192	20,146,847
41,000,000	—	—	—	—	—	41,000,000
87,994,451	—	—	—	—	—	87,994,451
—	17,821,365	11,343,413	—	—	6,866,696	36,031,474
—	10,760,976	5,319,014	9,261,576	—	—	25,341,566
—	—	—	—	—	11,899,728	11,899,728
—	—	—	—	—	3,139,917	3,139,917
144,633,585	31,215,710	16,842,579	9,261,576	—	23,600,533	225,553,983
75,934,713	—	—	—	(83,885,140)	—	(7,950,427)
\$ 248,602,370	\$ 32,150,710	\$ 16,842,579	\$ 9,261,576	\$ (74,531,309)	\$ 23,829,644	\$ 256,155,570

Nonspendable fund balances

Inventory: Inventory represents funds authorized by the Board to be invested in inventory type items.

Federal and State Receivables: represents the Administration's estimate of Federal and State aid amounts which will not be remitted to the County within the period "available" for income recognition by the County in 2021 and other Federal and State aid that may not be remitted within the "available" period. These funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Prepaid Expenditures: has been established to account for retirement and Medicaid payments made in advance. The amount is classified as nonspendable to indicate that the funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Restricted fund balances

Debt Service: This fund balance classification is used to report funds that are restricted for debt service obligations and for other items contained in General Municipal Law of the State of New York.

Passenger Facility Charges: A portion of the fund balance of the Airport in the amount of \$255,470 has been restricted for use. The Airport charges a Passenger Facility Charge ("PFC") of \$4.50 per enplaned passenger. The PFC is collected by ticket-issuing airlines and remitted to the Airport. The PFC fees can only be used for eligible improvements approved by the Federal Aviation Administration ("FAA").

Assigned fund balances

Purchases on order: Represent the County's intention to honor the contracts in process at year-end. The subsequent year's appropriations will be amended to provide authority to complete the transactions.

Other Post-Employment Benefits (GASB 75): The County has assigned \$41,000,000 to provide funding for post-retirement health care employee benefits effective for the fiscal year 2021.

Subsequent Year's Expenditures: At December 31, 2021, the County has assigned \$10,705,627 of the Sewer Districts Fund, \$5,319,014 of the Refuse Disposal District Fund, and \$1,188,581 of the Water Districts Fund to be used to fund 2022 operations.

The components of fund balance for the Sewer Districts and Water Districts funds are as follows:

		Assigned			Subsequent Year's Expenditures	Total
		Nonspendable	Available	Purchases on Order		
SEWER DISTRICTS FUND						
Blind Brook	\$ 73,406	\$ 167,131	\$ 225,044	\$ 1,468,240	\$ 1,933,821	
Bronx Valley.....	241,987	—	741,873	2,629,319	3,613,179	
Central Yonkers.....	15,181	320	46,542	174,656	236,699	
Hutchinson Valley.....	64,311	—	197,160	678,125	939,596	
Mamaroneck Valley	145,038	—	444,650	1,326,450	1,916,138	
New Rochelle	73,780	103,506	226,191	967,693	1,371,170	
North Yonkers	42,980	68,665	131,767	599,730	843,142	
Ossining	26,804	—	82,175	379,571	488,550	
Peekskill	35,239	—	108,035	167,518	310,792	
Port Chester	17,330	—	53,128	218,019	288,477	
Saw Mill Valley	130,611	—	400,422	1,664,204	2,195,237	
South Yonkers	18,813	—	57,676	205,405	281,894	
Upper Bronx Valley.....	13,520	9,286	41,448	182,721	246,975	
	<u>\$ 899,000</u>	<u>\$ 348,908</u>	<u>\$ 2,756,111</u>	<u>\$ 10,661,651</u>	<u>\$ 14,665,670</u>	

The amounts designated for subsequent year's expenditures exceeded the available fund balance in certain sewer districts by the following amounts:

Bronx Valley	\$ 11,151
Hutchinson Valley	2,283
Mamaroneck Valley	18,385
Ossining	2,856
Peekskill	4,188
Port Chester	1,640
Saw Mill Valley	3,079
South Yonkers	394
	<u>\$ 43,976</u>

		<u>Assigned</u>			
			Purchases	Subsequent	
	<u>Nonspendable</u>	<u>Available</u>	<u>on Order</u>	<u>Year's Expenditures</u>	<u>Total</u>
WATER DISTRICTS FUND					
Water District No. 1	\$ —	\$ 1,170,310	\$ 110,185	\$ 358,777	\$ 1,639,272
Water District No. 2	—	452	—	—	452
Water District No. 3	—	1,732,216	82,316	829,804	2,644,336
Water District No. 4	—	329,025	—	—	329,025
	<u>\$ —</u>	<u>\$ 3,232,003</u>	<u>\$ 192,501</u>	<u>\$ 1,188,581</u>	<u>\$ 4,613,085</u>

(This page intentionally left blank.)

NOTE 4**LEASES****Operating Lease Commitments**

The County has commitments under various operating leases for equipment and facilities with rentals totaling \$150,699,407 with various expiration dates through December 31, 2051. Annual required payments on existing leases are payable as follows:

2022	\$	11,585,428
2023		9,304,559
2024		8,506,933
2025		7,016,844
2026		6,001,958
2027-2031		30,561,809
2032-2036		37,540,286
2037-2041		14,036,686
2042-2046		17,779,230
2047-2051		8,365,674
	\$	<u>150,699,407</u>

Operating Lease Rental Revenue

The County leases to others real property under operating leases which expire at various dates through 2106. The following schedule presents the future minimum lease rentals to be received as of December 31, 2021.

2022	\$	22,217,922
2023		21,279,353
2024		20,460,979
2025		19,800,636
2026		13,051,348
2027-2031		16,228,082
2032-2036		7,844,397
2037-2041		8,410,116
2042-2046		8,700,639
2047-2051		1,473,223
Thereafter		6,750,003
	\$	<u>146,216,698</u>

(This page intentionally left blank.)

NOTE 5

SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Litigation

The County, its officers and employees are defendants in a number of lawsuits. The County is self-insured for general negligence, public officials' liability losses and workers' compensation. The Department of Law, headed by the County Attorney, has reviewed the status of pending lawsuits and reports that an adverse decision in the following cases could have the potential for expenditure in excess of any applicable insurance or has not been provided for in the self-insurance reserves.

Management has reviewed the outstanding lawsuits and has determined that all claims, except those noted below, have been reviewed by the various claims administrators and actuary and has indicated that the appropriate reserve has been established within the risk retention program included in the financial statements.

Connecticut Fund for the Environment et al. v. County of Westchester et al. Plaintiffs commenced this action in 2015 against the County and local municipalities, alleging violations of the Clean Water Act with respect to four sanitary sewer districts maintained by the County and the local sewer infrastructure maintained by the municipalities. The District Court has given the parties an adjournment subject to periodic reports while all involved discuss potential settlement. Due to the inherent uncertainty of this proceeding, the County is unable to express an opinion on the probable outcome of the case at this stage.

Yonkers Contracting Corp. v. County of Westchester et al. This is a claim for recovery of monetary losses of approximately \$38,000,000 by a County hired contractor who claims alleged construction delays, inefficiencies, non-payment of materials and labor expenses related to the County project identified as the Composite Performance Implementation and Expansion at the New Rochelle Wastewater Treatment Plant ("Contract 08540") and the construction of the Biological Nutrient Removal Facilities at the New Rochelle Wastewater Treatment Plant ("Contract 09-514").

In August 2015, Plaintiff commenced an action against the County and eight (8) other defendants seeking said alleged damages. The County's answer to the complaint was filed on May 23, 2016.

Summary judgment was granted in favor of the County, on July 8, 2020. However, Plaintiff filed a motion to renew and reargue claiming that the parties had reached a settlement prior to the Court's granting of summary judgment. The Court issued an interim order directing the parties to engage in discovery on the issue of whether the parties entered an enforceable settlement agreement. The County challenged that interim order by filing its own motion to renew and reargue. Both motions are fully submitted.

This case is being handled by outside counsel. Due to the inherent uncertainty of this proceeding, the County is unable to express an opinion on the probable outcome of the case at this stage.

Airport Deicing and Retention Basins. The County has a Consent Order with the Department of Environmental Conservation ("DEC") regarding the completion of a pre-existing plan setting forth the timeline and requirements for completion of the already in progress deicing pad, restoration of existing storm water retention basins, and conducting of a study of the system, and the payment of a fine. A portion of the fine in the amount of \$11,400 has been held in abeyance pending completion and compliance with the directives of the Consent Order. Upon information and belief, the County is on schedule to complete the ordered provisions by the stated deadlines.

White Plains Transfer Station/Brockway Place. On or about December 28, 2016, the United States Environmental Protection Agency ("EPA") issued an order alleging violations of the Clean Water Act in excess of State Pollutant Discharge Elimination System ("SPDES") permit limits. Following negotiations, a revised order was received on or about May 12, 2018. Following further discussions with the EPA, the order was again revised on June 21, 2022, requiring certain best management practices be implemented.

Daniel P. Thomas Materials Recycling Facility/Yonkers Thruway Transfer Station On or about January 27, 2019, the County entered into a Consent Order regarding alleging Multi-Sector General ("MSG") permit violations stemming from concerns regarding leachate controls. The County paid a fine of \$7,000 related thereto. The District hired a consultant to redesign the leachate collection system, construction of which has been completed and appear to be functioning successfully. The Consent Order remains open while NYSDEC assesses the leachate control system.

Westchester County Airport Per- and Polyfluoroalkyl substances ("PFAS") The County has been contacted by the DEC with respect to the recent classification of perfluorooctanoic acid ("PFOA") and Perfluorooctanesulfonic acid ("PFOS") as hazardous substances. The County has been advised through on-site testing that these chemical compounds may have impacted the groundwater of certain portions of the airport and two off-site private drinking water wells. The County has agreed to address this issue, at DEC's request, and is negotiating a Consent Order with DEC. Additionally, the County has been contacted by Connecticut's Department of Energy and Environmental Projects ("CT DEEP") with respect to a property located in Greenwich, CT that is alleged to have PFAS contamination.

At this time, the source of the contamination is unconfirmed, but appears to be linked to the use of Aqueous Fire-Fighting Foam by the New York State Air National Guard, which was formerly located at the airport. The County and DEC have entered into an order on consent (the "Order.") Pursuant to the Order, the County has submitted a Site Investigation Work Plan and Plans for Interim Remedial Measures which have been accepted by the DEC. The County, through its consultants, continues to perform work in compliance with the Order and these plans.

105 Mt. Kisco Assoc., et. al v. Carozza, Westchester County Department of Health, et. al In this federal lawsuit brought under the Comprehensive Environmental Response, Compensation, and Liability Act, Plaintiffs allege actions by various parties, including the Westchester County Department of Health ("WCDOH") in connection with the contamination of their property. Specifically, Plaintiffs assert that the WCDOH arranged for the transportation and disposal of contaminated soil. On April 27, 2022, this matter was resolved by a global settlement, wherein the County paid to Plaintiff \$45,000.

Although this case has been resolved, the EPA has recently indicated that it may pursue response costs for work it did at this same site in the 1990's. To date, the EPA has not filed an action seeking response costs.

White Plains Aviation Partners, LLC v. County of Westchester On June 16, 2021, White Plains Aviation Partners, LLC, a company doing business under the name Million Air White Plains ("Million Air") commenced a breach of contract action against the County regarding a thirty-year lease at the Westchester County Airport that the parties entered into on June 1, 2016 (the "Subject Lease"). On March 11, 2022, the Court dismissed most of Million Air's claims, including their request for a judgment declaring that Million Air has a right under Article VI of the Subject Lease to build the Proposed Hangar on the leased premises. The only surviving claim is one brought under a "duty-of-good-faith-and-fair-dealing" theory, stemming from allegations that Million Air suffered damages of \$1.2 million by having to re-design a stormwater management system on the leased premises. This single surviving claim is currently in discovery. Separately, Million Air has also moved to amend their original complaint, seeking to bring another breach of contract action stemming from Article V of the Subject Lease. The County opposed this motion, which is fully briefed and pending decision by the Court.

Delux Public Charter, LLC v. County of Westchester On March 7, 2022, four airport charter companies (the "Charterers"), each of which operates charter flights out of Westchester County Airport fixed-base operators ("FBOs"), commenced a federal action against the County (the "Federal Action"). The Charterers are seeking to invalidate a County law that requires certain flights- specifically, flights on aircraft with nine seats or greater that sell individual tickets to "the public or a segment of the public"- to operate out of the Westchester County Airport terminal (as opposed to the FBOs). Shortly before the commencement of this action, the County commenced a separate, parallel action in state court (the "State Action"), in which it sought to affirm the law. On June 9, 2022, the County discontinued the State Action in favor of the federal one.

The Federal Action recently entered discovery, which is expected to be complete by March 13, 2023.

Risk Management

Since 1986, the County has self-insured its exposure for general negligence, auto and public official's liability losses and in 1989 included workers' compensation as a self-insurance program. The County established self-insurance funds, pursuant to Sections 6n and 6j of General Municipal Law of the State of New York. The provisions of the law provide for unencumbered general liability reserve contributions not to exceed 1-2/3% of the respective operating budgets and a maximum accumulation of not more than 5% of such operating budgets. The County has retained the services of an independent actuary to evaluate its loss history and provide data to be used in establishing ultimate losses to be incurred. The actuary has certified as to the adequacy of the amount accrued as of December 31, 2021 for claims arising from 1986 through 2021 occurrences.

Other Contingencies

- a) The County participates in numerous Federal Grant programs, principal of which are programs of the Department of Health and Human Services. These programs are subject to program compliance audits pursuant to the Uniform Grant Guidance. This audit is currently in progress and the report will be issued under separate cover. Accordingly, the County's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The County anticipates such amounts, if any, to be immaterial.
- b) The primary government has nine labor organizations which represent most of the County work force for collective bargaining purposes. Of the nine union contracts, five are expired, three are settled, and one is in mediation.

The following contracts are expired as of December 31, 2019:

- Westchester County Correction Officers Benevolent Association
- Westchester County Correction Department Superior Officers Association
- Westchester County Police Officers Benevolent Association, Inc.
- Westchester County Police Officers Benevolent Association, Superior Officers Unit
- District Attorney Investigators PBA of Westchester County

The contract with Local 456, International Brotherhood of Teamsters, Chauffeurs and Warehousemen and Helpers of America, AFL-CIO is settled and will expire December 31, 2025.

The contract with the New York State Nurses Association is settled and will expire December 31, 2026.

The contract with the Civil Service Employees Association, Local 1000 is settled and will expire December 31, 2022.

The contract with the Civil Service Employees Association, Local 1000, AFSCME, AFL-CIO, Westchester County Local 860, Westchester H.O.U.R. Unit is in mediation. The County's financial statements do not include a provision for any salary increases for the CSEA Local 860, Westchester H.O.U.R. Unit as of December 31, 2021.

c) *Westchester Tobacco Asset Securitization Corporation*

The enforceability of the rights and remedies of the State (and thus the bondholders) and of the obligations of a participating manufacturer under the Master Settlement Agreement (MSA) are subject to the Bankruptcy Code and the other applicable insolvency, moratorium or similar laws relating to or affecting the enforcement of creditors' rights. Some of the risks include risks of delay in or reduction of amounts of payment or of non-payment under the MSA and the risk that the State (and thus the County and/or WTASC) may be stayed for an extended time from enforcing any rights under the MSA and the Consent Decree or with respect to the payments owed by the bankrupt participating manufacturer or from commencing legal proceedings against the bankrupt participating manufacturer. As a result, if a participating manufacturer becomes a debtor in a bankruptcy case and defaults in making payment, funds available to WTASC to pay bondholders may be reduced or eliminated.

The bonds are payable only from the assets of WTASC. The bonds are neither legal nor moral obligations of WCHCC, the County or the State of New York, and no recourse may be had thereto for payment of amounts owing on the bonds. WTASC's only source of funds for payments on the bonds is the collections and amounts on deposit

in pledged accounts pursuant to the indenture. WTASC has no taxing power and no significant assets other than the rights to receive tobacco settlement revenues.

d) *Wastewater Services*

The County, through its Department of Environmental Facilities, operates a wastewater collection and treatment system consisting of seven water resource recovery facilities, 42 pumping stations, and 194 miles of trunk sewers serving 13 County Sanitary Sewer Districts.

On December 9, 2008, the County of Westchester Board of Legislators (the “Board”) by Act No. 240-2008, authorized the County to enter into an Order on Consent (the “2008 Consent Order”) with the State of New York Department of Environmental Conservation (“NYSDEC”), which was fully executed on December 30, 2008. The 2008 Consent Order replaced a prior Order on Consent entered into on December 24, 2004 (“2004 Consent Order”) settling the administrative claims of the NYSDEC relating to, among other things, the County’s anticipated noncompliance with state and federally mandated nitrogen removal standards to be imposed in the State Pollutant Discharge Elimination System (“SPDES”) permits. The Consent Orders involve the four County-owned Water Resource Recovery Facilities (“WRRFs”) that discharge into the Long Island Sound (“LIS”), namely: (1) the New Rochelle WRRF; (2) the Mamaroneck Valley WRRF; (3) the Blind Brook WRRF; and (4) the Port Chester WRRF. The matter stemmed from a multi-year study of nitrogen-based pollution in the Long Island Sound, the Long Island Sound Study (“LISS”), which began in 1985, and the subsequent agreement of the United States Environmental Protection Agency (“USEPA”), and the States of New York and Connecticut to impose mandatory nitrogen discharge reductions on all municipal WRRFs that discharge into the Long Island Sound. The 2008 Consent Order required improvements be undertaken at the larger two of the four LIS WRRFs, namely the Mamaroneck Valley and New Rochelle WRRFs (the “BNR Project”), to meet nitrogen discharge standards set forth in the NYSDEC-issued SPDES permits for all four Long Island Sound WRRFs, in the aggregate, by 2017. It further required the equitable apportionment of all the costs associated with the BNR Project among the four (4) Long Island Sound Sanitary Sewer Districts (“SSDs”), namely: (1) the New Rochelle SSD; (2) the Mamaroneck Valley SSD; (3) the Blind Brook SSD; and (4) the Port Chester SSD, as the Board has determined that all of the properties in the four LIS SSDs are benefited thereby. This had a substantial financial impact on those SSDs. During construction to upgrade the Mamaroneck Valley WRRF (the “Plant”), there were unintended releases of plastic media disks from the Plant into the Long Island Sound, which constituted violations of Environmental Conservation Law Section 17-0803. As a consequence of the violations, and subsequent work to prevent future occurrences, the Plant suffered setbacks with respect to implementation of its plan to upgrade the treatment facilities in accordance with the 2008 Consent Order. In October 2012, the 2008 Consent Order was modified to extend interim deadlines to “Complete construction at the Mamaroneck WRRF” and to “Operate to Meet the 12 Month Rolling Average” in addition to a “Green Beaches, Clean Beaches Media Disk Recovery Program” (the 2004 Consent Order and 2008 Consent Order, as modified are collectively referred to as the “Consent Order”), noting that said amendment does not change the termination date of the Consent Order. The County met its obligations for total nitrogen removal under the Consent Order by achieving the 12-month rolling average limit by May 2015, ahead of the required August 2017 deadline. The Consent Order remains open for continued monitoring.

The County had originally authorized approximately \$407.7 million in bonds in order to meet its obligations under the 2008 Consent Order. Pursuant to the American Recovery and Reinvestment Act of 2009, the County of Westchester applied for and was chosen to receive an award of \$22,944,000. The New York State Environmental Facilities Corporation (the “EFC”) which administered and financed the subject debt, forgave the outstanding debt in this amount. Due to this forgiveness of debt the authorized amount was reduced by \$22.9 million to \$384.8 million on November 6, 2014. To date, the County has issued \$379.3 million of which \$22.9 million was forgiven as described above.

On August 10, 2015, the Board, by Act No. 142-2015, authorized the County to enter into an Order on Consent with the NYSDEC to settle administrative claims concerning alleged violations of SPDES Permit No. NY 0026697 (the “Permit”) for the New Rochelle WRRF. The Permit, in relevant part, required the County to eliminate discharges from Overflow Retention Facilities (“ORF”) or to comply with the effluent limitation specified in 40 CFR Part 133 by August 1, 2014. The NYSDEC alleged that, from August 1, 2014, and continuing, the County did not eliminate discharges from the ORFs, nor did it comply with the effluent limitation, in violation of the Permit. The Order on Consent contains a Compliance Schedule that was agreed upon between the County and NYSDEC. Further, on

August 10, 2015, the Board, by Act No. 141-2015, authorized the County to enter into inter-municipal agreements with the four municipalities that discharge wastewater to the New Rochelle WRRF for the development and implementation of studies and plans so that the County can comply with the Compliance Schedule contained in the Order on Consent. On September 3, 2015, the County Board of Acquisition and Contract authorized the County to enter into the inter-municipal agreements and all four of these inter-municipal agreements have been fully executed. The four municipalities in the New Rochelle SSD are performing investigation and remediation work as required by the inter-municipal agreements and the Compliance Schedule contained in the Order on Consent, which has been amended from time to time as necessary for compliance.

e) Water Services

The County receives most of its public water from the Croton, Delaware and Catskill aqueduct systems of The City of New York ("City"). These systems are fed partly by approximately 177 square miles of watershed lands and reservoirs in the County and, in addition, receive water by aqueduct from the upstate Catskill and Delaware systems. The County operates four water districts, County Water Districts 1, 2, 3 and 4.

Effective January 1, 2002, Water District No. 2, which had previously been operated by the County, was leased to Northern Westchester Joint Water Works pursuant to State legislation and an inter-municipal agreement. Under this agreement, the lessee made lease payments to the County that covered the County's remaining annual debt service for prior capital projects at Water District No. 2. The County is reviewing the possible transfer of District assets to the lessee. Water District No. 4 is not active. Also, there are a variety of private and municipal reservoir and well systems which supply the remainder of public water needs.

In January 1997, the County entered into the New York City Watershed Memorandum of Agreement ("Watershed MOA") with the City, the State, the USEPA, Putnam County, the Coalition of Watershed Towns, the Catskill Watershed Corporation, certain municipal corporations located within the New York City Watershed and certain environmental organizations. The Watershed MOA provides for (i) a Land Acquisition Program pursuant to which the City will purchase land within the New York City Watershed, (ii) the promulgation of new Watershed Regulations, (iii) Watershed Protection and Partnership Programs pursuant to which the City will fund infrastructure and improvements within the New York City Watershed and has paid \$38 million to the County to create a fund known as the East of Hudson Water Quality Investment Program Fund ("EOH WQIP Fund") to support the implementation of water quality investments in the East of Hudson Watershed to protect the City's drinking water supply, and (iv) the creation of the Watershed Protection and Partnership Council.

Since 1997, the County has exercised fiduciary and administrative responsibilities for EOH WQIP Fund, which as of December 2021 has a fund balance of \$38,179,455. Expenditures of the EOH WQIP Fund must be approved by the Board. The 12 municipalities that have land area within the NYC water supply watershed, with the partnership of the County, established an ad hoc organization known as the Northern Westchester Watershed Committee ("NWWC") to be a regional forum to oversee implementation of the Watershed MOA and its programs. While the NWWC has advised the Board on spending priorities for the EOH Fund, NWWC recommendations are not required for EOH Fund allocations. Many projects, large and small, have been approved by the Board for funding through the EOH WQIP Fund. To date, these projects have been administered and implemented by the municipalities, not the County, through an inter-municipal agreement. Sample projects eligible for funding include: sewer diversion projects, water quality measures identified in the Croton Plan, rehabilitation or replacement of septic systems that are failing or likely to fail in certain areas, storm water Best Management Practices to correct or reduce existing erosion or pollution and new or upgraded sand and salt storage facilities.

On May 6, 1997, the USEPA issued a 1997 Filtration Avoidance Determination for the Catskill and Delaware Water Supply Systems ("1997 FAD"). The 1997 FAD remained in effect until April of 2002. In May of 2002, USEPA approved a new Filtration Avoidance Determination ("2002 FAD") and, therein, determined that the City has an adequate long-term watershed protection program for its Catskill/Delaware water supply which meets the established standards for unfiltered water systems. The 2002 FAD established milestones for the City's construction of Ultraviolet ("UV") Light Disinfection Facilities, to commence operation on August 31, 2009. In 2005, the City requested an extension of the construction schedule contained in the 2002 FAD. Pursuant thereto, the USEPA prepared the 2005 Draft Modification to the 2002 FAD and extended the date for commencement of operation at the UV Facility to August 31, 2010. The required UV disinfection plant at Eastview became operational at the end of

2012. The USEPA released a 10-year New York City Filtration Avoidance Determination (“2007 FAD”) for the Catskill/Delaware Water Supply in July 2007. After the 2007 FAD was issued, USEPA transferred primacy for regulatory oversight of the City’s FAD to the New York State Department of Health (“NYSDOH”). In May 2014, NYSDOH, in consultation with USEPA, issued the Revised 2007 FAD, which defined the City’s requirements for the remaining period of the 2007 FAD. In accordance with NYSDOH’s certification of the 2007 FAD, the next FAD was scheduled to be issued in 2017. The 2017 FAD supersedes the Revised 2007 FAD and will remain effective until a further determination is made, currently scheduled for July 2027.

On October 6, 2014, the Board, by Act No. 185-2014, authorized the County to carry out capital project “WD103-County Water District No. 1 Alternate Water Supply” (“WD103”) at a maximum estimated cost of \$9,950,000 to bring the County in compliance with the certain Long Term 2 Enhanced Surface Water Treatment Rule and to comply with the Consent Decree filed on September 2, 2015. Further, on October 6, 2014, the Board, by Act No. 187-2014 authorized a Bond Act in the amount of \$765,584 and on April 27, 2015, the Board, by Act No. 65-2015, authorized a Bond Act increasing Bond Act 187-2014 in the amount of \$8,453,416 for an amended total of \$9,219,000 in connection with WD103. There remains \$159,771 of available authorization pursuant to Bond Act 65-2015.

On July 18, 2022, USEPA issued an Administrative Order No.: SDWA-02-2022-8057 (“AO”) against Water District No. 3 (“WD3”) related to Disinfectants and Disinfection Byproducts rule. WD3 timely responded to the AO, and is awaiting approval from the USEPA of the proposed corrective action plan.

f) Refuse Disposal & Recycling

The County provides refuse disposal services to approximately 90% of the County’s population through the County Refuse Disposal District No. 1 (“District”). The District has four transfer stations, a Material Recovery Facility, and a Household-Hazardous Material Recovery Facility. In 2021, the District added a compost and education facility (“CompostED”), which acts as a demonstration and education site for food scrap composting.

Originally established through an agreement with the County of Westchester Industrial Development Agency in 1985, since October 2009, the County, on behalf of the District, has had a solid waste disposal agreement with WIN/Waste Innovations f/k/a Wheelabrator Westchester, L.P. to bring all municipal solid waste collected under inter-municipal agreements with District municipalities (“IMAs”) to the Charles Point Facility in the City of Peekskill, New York. The Agreement was renewed and extended in October 2019 through October 2029 (“2019 Agreement”), and the County has executed IMAs with District municipalities. Under the 2019 Agreement, the District is not obligated to supply a minimum tonnage of solid waste and the agreement allows the District to divert up to 62,500 tons annually to explore new waste disposal technologies.

In addition to the processing of curbside recyclable and household hazardous waste, the District also manages IMAs for recycling of Organic Yard Waste and Transportation and Disposal of Residential Food Scrap Transportation and disposals.

On December 28, 2016, USEPA issued an Administrative Order under various provisions of the Clean Water Act for compliance with the Multi-Sector General Permit (“MSGP”) (Order No.: CWA-02-2017-3022) at the Brockway Solid Waste Transfer Station in White Plains. The Administrative Order was revised on or about May 12, 2017, under Order No.: CWA-02-2017-3050, and again on or about June 21, 2022, under Order No.: CWA-02-2022-3030. The current Order continues the requirements for certain reporting, interim measures to control leachate, and the installation of a leachate filtering system at the site. Additionally, source investigation was completed and discussions are underway with the City of White Plains to address leachate concerns. The County is working collaboratively with the USEPA to address these concerns.

On January 27, 2020, the County and the NYSDEC entered into a Consent Order, wherein the County agreed to undertake an upgrade to the stormwater system to address stormwater runoff and leachate concerns at the Yonkers Transfer Station and Material Recovery Facility located in the City of Yonkers (NYSDEC CO No.: R3-20170505-87). The construction is completed and enhanced sampling, pursuant to the order, is ongoing.

NOTE 6

TAX ABATEMENTS

The County, through its IDA and LDC programs, to attract and/or maintain companies in the County, has the ability to induce developers with a sales tax and/or mortgage tax abatement as part of a payment in lieu of taxes (PILOT). These programs stimulate economic growth and are seen as a benefit to all the residents and business owners of the County. Some of the factors considered are the jobs created during the development of the project, the permanent jobs that will remain after the completion of the project, the cost of the improvements to the property and the amount of sales tax that is expected to be abated.

Each PILOT agreement entered into by the IDA and LDC contains very detailed sections of the remedies in the event of a default and the recapture provisions of benefits given to the developer. The recapture provisions include annual reporting of the number of jobs created and the cost of materials that would be subject to sales tax. The recapture provision also includes an interest component.

Mortgage Tax Abatement

In 2021 there were six projects that received mortgage tax abatements. The tax is specific to the local municipality where the property is located. The breakdown of the abatement is as follows:

County share	\$ 1,445,033
New York State share	1,445,032
Local municipality share	2,890,065
	<u>\$ 5,780,130</u>

Sales Tax Abatement

In 2021 there were seventeen projects that received sales tax abatements. The breakdown of the abatement is as follows:

County share	\$ 2,691,782
New York State share	4,682,303
Metropolitan Transit Authority share	438,966
Local municipality share	543,445
Local school district share	214,418
City of Mount Vernon share	81,791
City of White Plains share	1,138,910
	<u>\$ 9,791,615</u>

(This page intentionally left blank.)

NOTE 7

SUBSEQUENT EVENTS

On June 9, 2022, the County received \$93,963,349 as its second tranche of federal stimulus aid under the American Rescue Plan Act (“ARPA”). The funding comes from the United States Department of the Treasury through their State and Local Fiscal Recovery Fund (“SLFRF”) established under ARPA. SLFRF funding is not required to be obligated until December 31, 2024 and jurisdictions have until December 31, 2026 to fully expend these funds.

(This page intentionally left blank.)

NOTE 8

RECENTLY ISSUED GASB PRONOUNCEMENTS

GASB Statement No. 87, “*Leases*”, as amended by GASB Statement No. 95, “*Postponement of the Effective Dates of Certain Authoritative Guidance*”, establishes a single model for lease accounting based on the concept that leases are a financing of a “right-to-use” underlying asset. As such, this Statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

This is not an all inclusive list of recently issued GASB pronouncements but rather a listing of Statements that the County believes will most impact its financial statements. The County will evaluate the impact this and other pronouncements may have on its financial statements and will implement them as applicable and when material.

(This page intentionally left blank.)

Required Supplementary Information

(This page intentionally left blank.)

County of Westchester, New York

Exhibit E-1

Required Supplementary Information - Schedule of Changes in the

County's Total OPEB Liability and Related Ratios

Last Ten Fiscal Years(1)(2)

	2021	2020	2019	2018
Total OPEB Liability:				
Service cost	\$ 108,934,670	\$ 86,875,250	\$ 66,480,551	\$ 60,879,625
Interest	81,472,563	109,678,414	108,209,772	105,991,755
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(188,544,215)	26,398,305	99,612,512	(27,510,574)
Changes of assumptions or other inputs	(169,223,412) (5)	719,027,446 (4)	199,367,361	-
Benefit payments	(86,051,618)	(83,891,649)	(80,303,543)	(76,548,984)
Net Change in Total OPEB Liability	(253,412,012)	858,087,766	393,366,653	62,811,822
Total OPEB Liability – Beginning of Year	4,264,402,132	3,406,314,366	3,012,947,713	2,950,135,891 (3)
Total OPEB Liability – End of Year	\$ 4,010,990,120	\$ 4,264,402,132	\$ 3,406,314,366	\$ 3,012,947,713
County's covered-employee payroll	\$ 472,000,000	\$ 421,000,000	\$ 450,000,000	\$ 411,000,000
Total OPEB liability as a percentage of covered-employee payroll	849.79%	1012.92%	756.96%	733.08%

Notes to Schedule:

- (1) Data not available prior to fiscal year 2018 implementation of Governmental Accounting Standards Board Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".
- (2) No assets are accumulated in a trust that meets the criteria in paragraph 4 of this Statement to pay related benefits.
- (3) Restated for the implementation of the provisions of GASB Statement No. 75.
- (4) Increase due to change in the S&P Municipal Bond 20 Year High Grade Bond index rate from 3.26% in 2019 to 1.93% in 2020.
- (5) Decrease due to change in the S&P Municipal Bond 20 Year High Grade Bond index rate from 1.93% in 2020 to 2.25% in 2021.

See independent auditors' report

County of Westchester, New York
Required Supplementary Information—
Schedule of the Primary Government's Proportionate Share
of the Net Pension Liability
New York State and Local Employees'
Retirement System
Last Ten Fiscal Years(1)

	2021(4)	2020(3)	2019	2018	2017	2016 (2)	2015
Primary Government's proportion of the net pension liability	1.4677217%	1.6377986%	1.4648378%	1.5131856%	1.5446506%	1.5786907%	1.5655805%
Primary Government's proportionate share of the net pension liability	\$ 1,461,522	\$ 433,698,554	\$ 103,788,214	\$ 48,837,233	\$ 145,134,069	\$ 253,384,265	\$ 52,889,142
Primary Government's covered payroll	\$ 393,101,619	\$ 388,074,876	\$ 408,806,562	\$ 356,765,012	\$ 353,251,620	\$ 361,751,213	\$ 352,591,208
Primary Government's proportionate share of the net pension liability as a percentage of its covered payroll	0.37%	111.76%	25.39%	13.69%	41.09%	70.04%	15.00%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%	90.70%	97.90%

Note- The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

- (1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".
(2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.
(3) Increase in County's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses, and by a decrease in the discount rate from 7.0% to 6.8% effective with the March 31, 2020 measurement date.
(4) Decrease in County's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report

County of Westchester, New York
Required Supplementary Information—
Schedule of Contributions
New York State and Local Employees'
Retirement System
Last Ten Fiscal Years⁽¹⁾

Exhibit E-3

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 69,503,348	\$ 60,774,185	\$ 64,452,825	\$ 56,742,492	\$ 57,432,735	\$ 59,639,210	\$ 65,106,276
Contributions in relation to the contractually required contribution	69,503,348	60,774,185	64,452,825	56,742,492	57,432,735	59,639,210	65,106,276
Contribution excess	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Primary Government's covered payroll	\$ 397,747,165	\$ 392,963,345	\$ 386,881,488	\$ 403,861,874	\$ 356,638,853	\$ 353,887,652	\$ 364,517,126
Contributions as a percentage of covered payroll	17.47%	15.47%	16.66%	14.05%	16.10%	16.85%	17.86%

Notes

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

See independent auditors' report

County of Westchester, New York
Required Supplementary Information—
Schedule of the Primary Government's Proportionate Share
of the Net Pension Liability
New York State and Local Police and Fire
Retirement System
Last Ten Fiscal Years⁽¹⁾

	2021 ⁽⁴⁾	2020 ⁽³⁾	2019	2018	2017	2016 ⁽²⁾	2015
Primary Government's proportion of the net pension liability	0.9919670%	1.2084793%	1.0083993%	0.9993144%	1.0244298%	1.0801746%	1.3178962%
Primary Government's proportionate share of the net pension liability	\$ 17,223,285	\$ 64,592,461	\$ 16,911,493	\$ 10,100,639	\$ 21,232,864	\$ 31,981,669	\$ 3,627,635
Primary Government's covered payroll	\$ 52,483,296	\$ 49,591,438	\$ 53,486,255	\$ 43,421,015	\$ 42,259,950	\$ 41,671,605	\$ 40,037,004
Primary Government's proportionate share of the net pension liability as a percentage of its covered payroll	32.82%	130.25%	31.62%	23.26%	50.24%	76.75%	9.06%
Plan fiduciary net position as a percentage of the total pension liability	95.79%	84.86%	95.09%	96.93%	93.50%	90.20%	99.00%

Note- The amounts presented for each fiscal year were determined as of the March 31 measurement date within the current fiscal year.

- (1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".
- (2) The discount rate used to calculate the total pension liability was decreased from 7.5% to 7.0% effective with the March 31, 2016 measurement date.
- (3) Increase in the County's proportionate share of the net pension liability mainly attributable to decrease in plan fiduciary net position due to investment losses, and by a decrease in the discount rate from 7.0% to 6.8% effective with the March 31, 2020 measurement date.
- (4) Decrease in County's proportionate share of the net pension liability mainly attributable to increase in plan fiduciary net position due to investment gains, partially offset by a decrease in the discount rate from 6.8% to 5.9% effective with the March 31, 2021 measurement date.

See independent auditors' report

County of Westchester, New York
Required Supplementary Information—
Schedule of Contributions
New York State and Local Police and Fire
Retirement System
Last Ten Fiscal Years⁽¹⁾

	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 15,025,973	\$ 11,914,978	\$ 12,477,922	\$ 10,134,837	\$ 10,245,241	\$ 9,892,964	\$ 6,793,549
Contributions in relation to the contractually required contribution	15,025,973	11,914,978	12,477,922	10,134,837	10,245,241	9,892,964	6,793,549
Contribution excess	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Primary Government's covered payroll	\$ 52,663,222	\$ 51,578,394	\$ 49,596,244	\$ 52,913,720	\$ 42,265,356	\$ 42,469,381	\$ 40,604,890
Contributions as a percentage of covered payroll	28.53%	23.10%	25.16%	19.15%	24.24%	23.29%	16.73%

Notes

(1) Data not available prior to fiscal year 2015 implementation of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions".

See independent auditors' report

(This page intentionally left blank.)

Combining and Individual Fund Financial Statements and Schedules

(This page intentionally left blank.)

General Fund

General Fund: This fund is the principal operating fund of the County which includes all operations not required to be recorded in other funds.

(This page intentionally left blank.)

County of Westchester, New York
General Fund—
Comparative Balance Sheet
December 31, 2021 and 2020

Exhibit F-1

	2021	2020
ASSETS		
Cash	\$ 308,745,575	\$ 52,544,280
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$4,411,662 in 2021 and \$13,755,519 in 2020	137,940,865	45,408,973
Due from Federal and State Governments	314,136,823	340,816,986
Due from Other Funds	101,836,074	79,298,514
Inventory	50,000	50,000
Prepaid Expenditures	21,038,018	17,984,072
Total Assets	\$ 883,747,355	\$ 536,102,825
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 217,143,413	\$ 130,620,271
Due to Other Governments	62,362,669	53,658,539
Due to Other Funds	97,282,862	103,221,645
Unearned Revenue	93,339,458	—
Total Liabilities	470,128,402	287,500,455
Fund Balance:		
Nonspendable	31,088,018	28,034,072
Assigned	55,079,029	144,633,585
Unassigned	327,451,906	75,934,713
Total Fund Balance	413,618,953	248,602,370
Total Liabilities and Fund Balance	\$ 883,747,355	\$ 536,102,825

See independent auditors' report

County of Westchester, New York
General Fund—
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual
Years Ended December 31, 2021 and 2020

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes:				
Taxes on Real Property	\$ 568,579,000	\$ 568,579,000	\$ 568,579,000	\$ —
Sales Tax	695,504,000	792,377,000	813,965,453	21,588,453
	<u>1,264,083,000</u>	<u>1,360,956,000</u>	<u>1,382,544,453</u>	<u>21,588,453</u>
Federal Aid:				
Social Services	167,665,000	167,665,000	151,836,534	(15,828,466)
Other	18,847,827	44,934,827	48,365,206	3,430,379
	<u>186,512,827</u>	<u>212,599,827</u>	<u>200,201,740</u>	<u>(12,398,087)</u>
State Aid:				
Social Services	92,878,829	92,878,829	90,981,430	(1,897,399)
Other	159,073,336	171,246,336	179,553,923	8,307,587
	<u>251,952,165</u>	<u>264,125,165</u>	<u>270,535,353</u>	<u>6,410,188</u>
Departmental Income	<u>141,283,298</u>	<u>141,283,298</u>	<u>146,083,259</u>	<u>4,799,961</u>
Earnings on Investments	<u>120,000</u>	<u>120,000</u>	<u>369,558</u>	<u>249,558</u>
Miscellaneous Revenues:				
Auto Use Tax	16,423,000	16,423,000	17,028,577	605,577
Harness Racing Admissions Tax	4,000	4,000	—	(4,000)
Hotel Tax	3,463,000	3,463,000	4,908,847	1,445,847
Mortgage Tax	20,064,000	29,767,000	30,195,879	428,879
Payments in Lieu of Taxes	10,160,000	10,160,000	10,782,677	622,677
Services to WCHCC	9,284,920	9,284,920	7,764,239	(1,520,681)
Intergovernmental Transfer	80,000,000	80,000,000	179,228,804	99,228,804
Other	3,113,000	3,113,000	12,994,486	9,881,486
	<u>142,511,920</u>	<u>152,214,920</u>	<u>262,903,509</u>	<u>110,688,589</u>
Total Revenues	<u>1,986,463,210</u>	<u>2,131,299,210</u>	<u>2,262,637,872</u>	<u>131,338,662</u>
EXPENDITURES				
Current:				
General Government:				
Board of Legislators	5,142,417	5,142,417	4,863,667	278,750
County Executive	14,012,906	12,955,384	12,600,405	354,979
Board of Acquisition and Contract	321,136	334,136	333,886	250
Board of Elections	22,066,358	22,066,358	20,078,034	1,988,324
Department of Human Resources	5,207,405	5,207,405	5,028,772	178,633
Department of Budget	1,946,570	2,012,570	2,010,429	2,141
Department of Finance	5,464,005	5,464,005	5,341,123	122,882
Department of Information Technology	6,628,645	6,628,645	5,291,218	1,337,427
Department of Law	2,115,177	2,115,177	1,516,505	598,672
Department of Planning	11,440,647	11,440,647	6,259,136	5,181,511
County Clerk	6,649,781	6,649,781	6,265,534	384,247
Human Rights Commission	1,072,256	1,072,190	986,422	85,768
Tax Commission	275,478	275,478	242,227	33,251
Public Administrator	788,305	788,305	776,080	12,225
Department of Public Works	16,593,120	16,910,457	19,968,745	(3,058,288)
Solid Waste Commission	2,083,396	2,083,396	1,720,259	363,137
Other	192,860,305	215,600,305	213,700,924	1,899,381
	<u>294,667,907</u>	<u>316,746,656</u>	<u>306,983,366</u>	<u>9,763,290</u>

Exhibit F-2

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 569,579,000	\$ 569,579,000	\$ 569,579,000	\$ —
741,786,582	741,786,582	671,223,684	(70,562,898)
1,311,365,582	1,311,365,582	1,240,802,684	(70,562,898)
169,668,000	169,668,000	151,515,740	(18,152,260)
14,647,024	14,647,024	216,386,778	201,739,754
184,315,024	184,315,024	367,902,518	183,587,494
116,302,000	116,302,000	76,366,570	(39,935,430)
181,907,054	181,907,054	166,729,057	(15,177,997)
298,209,054	298,209,054	243,095,627	(55,113,427)
159,732,277	159,732,277	115,898,695	(43,833,582)
2,003,000	2,003,000	618,861	(1,384,139)
16,874,000	16,874,000	16,019,449	(854,551)
4,000	4,000	—	(4,000)
7,212,000	7,212,000	3,178,221	(4,033,779)
19,347,000	19,347,000	21,763,719	2,416,719
10,384,000	10,384,000	11,013,725	629,725
8,849,966	8,849,966	6,343,738	(2,506,228)
80,000,000	80,000,000	174,093,764	94,093,764
3,118,000	3,118,000	9,298,098	6,180,098
145,788,966	145,788,966	241,710,714	95,921,748
2,101,413,903	2,101,413,903	2,210,029,099	108,615,196
5,136,269	5,136,269	4,989,412	146,857
9,183,621	25,300,776	25,249,963	50,813
315,802	315,802	311,606	4,196
22,177,906	27,076,906	26,533,619	543,287
5,120,875	5,120,875	4,421,259	699,616
2,043,974	2,043,974	2,008,831	35,143
5,614,444	5,614,443	5,592,707	21,736
4,917,684	5,468,684	4,722,474	746,210
1,891,475	2,756,475	3,317,366	(560,891)
7,257,002	7,260,240	7,005,759	254,481
6,876,000	6,876,000	6,373,849	502,151
1,098,286	1,098,286	883,630	214,656
287,714	287,714	268,763	18,951
823,916	858,916	852,641	6,275
15,219,780	10,959,091	17,007,039	(6,047,948)
2,310,169	2,310,169	1,764,571	545,598
217,183,546	195,358,546	182,124,800	13,233,746
307,458,463	303,843,166	293,428,289	10,414,877

continued

County of Westchester, New York
General Fund—
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual (cont'd)
Years Ended December 31, 2021 and 2020

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Education:				
Department of Health	\$ 139,077,864	\$ 114,707,242	\$ 114,326,906	\$ 380,336
Other	33,166,000	33,166,000	32,466,769	699,231
	<u>172,243,864</u>	<u>147,873,242</u>	<u>146,793,675</u>	<u>1,079,567</u>
Public Safety:				
Department of Corrections	135,043,827	146,266,827	142,284,397	3,982,430
District Attorney	30,162,164	30,162,164	29,108,920	1,053,244
Department of Public Safety	49,786,683	54,947,746	52,013,692	2,934,054
Department of Emergency Services	9,848,873	9,848,873	10,422,260	(573,387)
Department of Probation	45,465,672	44,978,672	37,822,414	7,156,258
Other	35,039,581	34,914,581	33,173,153	1,741,428
	<u>305,346,800</u>	<u>321,118,863</u>	<u>304,824,836</u>	<u>16,294,027</u>
Health Services:				
Community Mental Health Services	7,754,733	7,754,733	7,803,521	(48,788)
Department of Health	22,883,798	23,237,420	21,758,499	1,478,921
Department of Laboratories and Research	14,948,646	14,948,646	13,931,489	1,017,157
	<u>45,587,177</u>	<u>45,940,799</u>	<u>43,493,509</u>	<u>2,447,290</u>
Transportation:				
Department of Transportation	186,095,808	186,095,808	184,500,652	1,595,156
County Road Maintenance	4,880,445	4,563,108	4,098,966	464,142
	<u>190,976,253</u>	<u>190,658,916</u>	<u>188,599,618</u>	<u>2,059,298</u>
Economic Assistance and Opportunity:				
County Executive	3,069,488	4,872,488	4,891,959	(19,471)
Department of Social Services	644,596,724	658,462,353	657,067,538	1,394,815
	<u>647,666,212</u>	<u>663,334,841</u>	<u>661,959,497</u>	<u>1,375,344</u>
Culture and Recreation:				
Department of Parks, Recreation and Conservation	48,289,652	50,391,095	49,017,754	1,373,341
Other	3,888,595	3,888,595	3,888,595	—
	<u>52,178,247</u>	<u>54,279,690</u>	<u>52,906,349</u>	<u>1,373,341</u>
Home and Community Services:				
Senior Programs and Services	801,466	801,466	731,902	69,564
Weights, Measures, Consumer Protection	2,214,410	2,214,410	2,178,685	35,725
Other	5,036,466	5,036,466	4,395,847	640,619
	<u>8,052,342</u>	<u>8,052,342</u>	<u>7,306,434</u>	<u>745,908</u>

Exhibit F-2

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 125,514,809	\$ 108,536,396	\$ 107,659,131	\$ 877,265
32,943,113	33,027,113	33,016,189	10,924
158,457,922	141,563,509	140,675,320	888,189
134,787,506	134,852,708	130,778,854	4,073,854
30,222,466	30,182,466	29,874,153	308,313
48,334,717	50,435,717	50,203,065	232,652
6,595,670	12,267,670	11,269,129	998,541
44,200,061	43,562,068	39,930,853	3,631,215
34,837,096	31,128,096	30,411,559	716,537
298,977,516	302,428,725	292,467,613	9,961,112
7,226,461	7,940,356	8,248,054	(307,698)
21,496,139	21,488,553	20,025,845	1,462,708
15,526,797	15,493,261	15,123,767	369,494
44,249,397	44,922,170	43,397,666	1,524,504
178,407,541	180,823,541	180,685,064	138,477
5,148,405	4,819,560	4,030,113	789,447
183,555,946	185,643,101	184,715,177	927,924
3,203,734	4,826,490	4,909,824	(83,334)
655,891,663	696,266,663	695,014,837	1,251,826
659,095,397	701,093,153	699,924,661	1,168,492
49,853,177	49,268,441	42,470,218	6,798,223
3,832,536	3,832,536	3,812,348	20,188
53,685,713	53,100,977	46,282,566	6,818,411
748,481	748,481	610,790	137,691
2,138,440	2,138,440	2,102,492	35,948
3,688,747	3,689,747	3,143,316	546,431
6,575,668	6,576,668	5,856,598	720,070

continued

County of Westchester, New York
General Fund—
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual (cont'd)
Years Ended December 31, 2021 and 2020

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Employee Benefits:				
State Retirement System	\$ 76,833,181	\$ 83,421,181	\$ 83,420,532	\$ 649
Social Security	28,715,718	29,438,718	29,438,164	554
Metropolitan Commuter Transportation Mobility Tax	1,456,000	1,516,000	1,515,495	505
Employee Health Insurance	134,934,712	134,934,712	134,934,696	16
Unemployment and Union Benefits	5,876,000	5,361,000	5,359,769	1,231
	<u>247,815,611</u>	<u>254,671,611</u>	<u>254,668,656</u>	<u>2,955</u>
Debt Service:				
Principal	100,770,656	101,276,856	101,276,119	737
Interest	33,597,195	35,457,555	35,218,455	239,100
Costs of Issuance	815,121	815,121	720,933	94,188
	<u>135,182,972</u>	<u>137,549,532</u>	<u>137,215,507</u>	<u>334,025</u>
Total Expenditures	<u>2,099,717,385</u>	<u>2,140,226,492</u>	<u>2,104,751,447</u>	<u>35,475,045</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(113,254,175)</u>	<u>(8,927,282)</u>	<u>157,886,425</u>	<u>166,813,707</u>
OTHER FINANCING SOURCES (USES)				
Bonds Issued	10,000,000	10,000,000	—	(10,000,000)
Bonds Premium	—	—	—	—
Bond Anticipation Note Premium	475,601	475,601	487,523	11,922
Tax Anticipation Note Premium	2,265,650	2,265,650	2,265,650	—
Transfers In	3,874,822	3,874,822	10,819,029	6,944,207
Transfers Out	(6,995,483)	(7,688,791)	(6,442,044)	1,246,747
Total Other Financing Sources (Uses)	<u>9,620,590</u>	<u>8,927,282</u>	<u>7,130,158</u>	<u>(1,797,124)</u>
Net Change in Fund Balance	<u>(103,633,585)</u>	<u>—</u>	<u>165,016,583</u>	<u>165,016,583</u>
FUND BALANCE				
Beginning of Year	<u>103,633,585</u>	<u>—</u>	<u>248,602,370</u>	<u>248,602,370</u>
End of Year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 413,618,953</u>	<u>\$ 413,618,953</u>

See independent auditors' report

Exhibit F-2

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 77,690,559	\$ 76,341,559	\$ 76,341,490	\$ 69
29,274,566	29,274,566	29,178,987	95,579
1,473,000	1,486,000	1,485,789	211
154,071,124	128,415,124	128,414,204	920
5,671,000	5,894,000	5,291,317	602,683
268,180,249	241,411,249	240,711,787	699,462
89,739,908	89,742,908	89,739,908	3,000
35,607,594	35,598,535	35,313,932	284,603
1,029,138	1,029,138	810,915	218,223
126,376,640	126,370,581	125,864,755	505,826
2,106,612,911	2,106,953,299	2,073,324,432	33,628,867
(5,199,008)	(5,539,396)	136,704,667	142,244,063
—	—	3,757,270	3,757,270
127,000	127,000	27,468	(99,532)
—	—	—	—
5,239,349	5,239,349	6,567,434	1,328,085
(7,127,763)	(6,787,375)	(6,741,691)	45,684
(1,761,414)	(1,421,026)	3,610,481	5,031,507
(6,960,422)	(6,960,422)	140,315,148	147,275,570
6,960,422	6,960,422	108,287,222	101,326,800
\$ —	\$ —	\$ 248,602,370	\$ 248,602,370

County of Westchester, New York
General Fund—
Schedule of Revenues and Other Financing
Sources Compared to Budget
Year Ended December 31, 2021

Exhibit F-3

	Original Budget	Final Budget	Actual	Variance with Final Budget
TAXES				
Taxes on Real Property	\$ 568,579,000	\$ 568,579,000	\$ 568,579,000	\$ —
Sales Tax	695,504,000	792,377,000	813,965,453	21,588,453
Total Taxes	1,264,083,000	1,360,956,000	1,382,544,453	21,588,453
FEDERAL AID				
Department of Social Services:				
Medical Assistance	1,864,000	1,864,000	1,259,394	(604,606)
Family Assistance	34,689,000	34,689,000	25,928,312	(8,760,688)
Safety Net	—	—	84,615	84,615
Child Care	12,136,000	12,136,000	10,885,613	(1,250,387)
Indirect Social Services	33,052,000	33,052,000	38,713,236	5,661,236
Emergency Assistance to Families	23,946,000	23,946,000	4,583,220	(19,362,780)
Salaries and Administration	61,978,000	61,978,000	67,788,144	5,810,144
Other Recovery Relief Funds	—	—	2,594,000	2,594,000
Total Department of Social Services	167,665,000	167,665,000	151,836,534	(15,828,466)
Other:				
Emergency Services	1,011,888	1,011,888	332,747	(679,141)
Community Mental Health	909,008	909,008	655,299	(253,709)
Information Technology	—	—	272,808	272,808
Parks, Recreation and Conservation	—	—	345,664	345,664
Corrections	35,000	35,000	14,200	(20,800)
District Attorney	133,500	133,500	50,000	(83,500)
Health - Operations	1,924,575	1,924,575	—	(1,924,575)
Planning	275,000	275,000	251,260	(23,740)
Probation	—	—	840	840
Public Safety	275,277	275,277	173,376	(101,901)
Human Rights Commission	165,000	165,000	275,170	110,170
Transportation	13,893,579	39,980,579	45,993,842	6,013,263
Miscellaneous	225,000	225,000	—	(225,000)
Total Other	18,847,827	44,934,827	48,365,206	3,430,379
Total Federal Aid	186,512,827	212,599,827	200,201,740	(12,398,087)
STATE AID				
Department of Social Services:				
Medical Assistance	1,864,000	1,864,000	1,003,083	(860,917)
Family Assistance	1,062,000	1,062,000	198,990	(863,010)
Safety Net	16,847,000	16,847,000	14,311,587	(2,535,413)
Child Care	13,066,000	13,066,000	12,636,938	(429,062)
Adolescent Offender Services	8,330,429	8,330,429	2,654,099	(5,676,330)
Emergency Assistance to Adults	750,000	750,000	370,040	(379,960)
Indirect Social Services	5,795,000	5,795,000	12,043,773	6,248,773
Committee on the Handicap	9,948,400	9,948,400	9,540,344	(408,056)
Salaries and Administration	35,216,000	35,216,000	35,247,255	31,255
Other Recovery Relief Funds	—	—	2,975,321	2,975,321
Total Department of Social Services	92,878,829	92,878,829	90,981,430	(1,897,399)

continued

County of Westchester, New York
General Fund—
Schedule of Revenues and Other Financing
Sources Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-3

	Original Budget	Final Budget	Actual	Variance with Final Budget
STATE AID (cont'd)				
Other:				
Board of Elections	\$ 159,882	\$ 159,882	\$ 561,025	\$ 401,143
County Executive:				
Youth Bureau	120,295	120,295	138,913	18,618
Office for Women	22,000	22,000	46,113	24,113
Community Mental Health	1,316,960	1,316,960	1,853,666	536,706
District Attorney	580,156	580,156	1,639,271	1,059,115
Health - Operations	4,343,829	4,343,829	5,514,322	1,170,493
Health - Services for Children with Disabilities	61,909,003	61,909,003	59,881,281	(2,027,722)
Information Technology	176,828	176,828	186,290	9,462
Laboratories and Research	1,066,102	1,066,102	1,396,467	330,365
Miscellaneous Budget:				
Indigent Defendants Reimbursement	3,811,651	3,811,651	4,420,981	609,330
DASNY Bond Interest Reimbursement	1,875,000	1,875,000	1,903,599	28,599
Court Facilities Aid	2,000,000	2,000,000	2,573,328	573,328
Parks, Recreation and Conservation	45,000	45,000	53,259	8,259
Planning	60,000	60,000	608,408	548,408
Probation	22,516,196	22,516,196	23,338,927	822,731
Public Safety	2,813,352	2,813,352	3,993,057	1,179,705
Public Works	2,920,894	2,920,894	4,302,737	1,381,843
Tax Commission	500	500	—	(500)
Transportation	53,335,688	65,508,688	67,142,279	1,633,591
Total Other	159,073,336	171,246,336	179,553,923	8,307,587
Total State Aid	251,952,165	264,125,165	270,535,353	6,410,188
DEPARTMENTAL INCOME				
Acquisition and Contract	1,900	1,900	1,100	(800)
Board of Elections	1,678,734	1,678,734	1,673,164	(5,570)
Budget	788,490	788,490	737,028	(51,462)
Community Mental Health	5,000	5,000	124	(4,876)
Corrections	14,268,450	14,268,450	18,483,018	4,214,568
County Clerk	8,500,854	8,500,854	11,744,278	3,243,424
County Executive:				
County Executive Office	—	—	120,962	120,962
Youth Bureau	—	—	110,772	110,772
Office of Economic Development	302,630	302,630	278,399	(24,231)
Office of Economic Development-Tourism	497,000	497,000	714,627	217,627
District Attorney	—	—	484	484
Emergency Services	77,032	77,032	77,288	256
Finance:				
Fiscal Management	2,039,617	2,039,617	2,173,957	134,340
Bureau of Purchase and Supply	404,600	404,600	598,976	194,376
Health:				
Operations	5,326,800	5,326,800	5,635,258	308,458
Services for Children with Disabilities	3,500,000	3,500,000	4,493,745	993,745

County of Westchester, New York

General Fund—

Schedule of Revenues and Other Financing Sources Compared to Budget (cont'd)

Exhibit F-3

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
DEPARTMENTAL INCOME (cont'd)				
Human Resources	\$ 561,600	\$ 561,600	\$ 688,484	\$ 126,884
Information Technology:				
Records Center	6,000	6,000	4,841	(1,159)
Information Technology	3,226,182	3,226,182	3,033,134	(193,048)
Support Services	28,301	28,301	46,190	17,889
E911	2,150,000	2,150,000	1,664,224	(485,776)
Wireless Cellphone	3,200,000	3,200,000	3,402,343	202,343
Laboratories and Research	2,476,000	2,476,000	2,514,118	38,118
Law:				
Law	2,849,308	2,849,308	3,040,485	191,177
Risk Management	1,010,684	1,010,684	736,794	(273,890)
Parks, Recreation and Conservation	27,798,352	27,798,352	24,390,177	(3,408,175)
Planning	399,808	399,808	291,037	(108,771)
Probation	340,000	340,000	558,834	218,834
Public Administrator	397,000	397,000	397,007	7
Public Safety:				
Sheriff—Civil Division	925,000	925,000	676,767	(248,233)
County Police	13,574,663	13,574,663	13,265,145	(309,518)
Police Academy	5,000	5,000	9,975	4,975
Taxi and Limousine Commission	1,451,550	1,451,550	1,192,634	(258,916)
Public Works:				
Engineering	3,505,419	3,505,419	3,390,386	(115,033)
White Plains	598,132	598,132	620,582	22,450
Leased and Owned Property	3,697,158	3,697,158	3,901,586	204,428
Valhalla Campus	637,268	637,268	562,181	(75,087)
Transportation	120,100	120,100	153,489	33,389
Central County Garage	418,243	418,243	431,382	13,139
Fleet Management	34,648	34,648	70,923	36,275
Social Services	4,300,000	4,300,000	5,447,939	1,147,939
Solid Waste Commission	2,080,650	2,080,650	2,487,660	407,010
Tax Commission	200	200	100	(100)
Transportation:				
Administration	418,962	418,962	418,962	—
Bus Operations	23,972,863	23,972,863	21,754,839	(2,218,024)
Weights, Measures, Consumer Protection	3,709,100	3,709,100	4,087,861	378,761
Total Departmental Income	141,283,298	141,283,298	146,083,259	4,799,961
EARNINGS ON INVESTMENTS	120,000	120,000	369,558	249,558
MISCELLANEOUS REVENUES				
Auto Use Tax	16,423,000	16,423,000	17,028,577	605,577
Harness Racing Admissions Tax	4,000	4,000	—	(4,000)
Hotel Tax	3,463,000	3,463,000	4,908,847	1,445,847
Mortgage Tax	20,064,000	29,767,000	30,195,879	428,879
Payments in Lieu of Taxes	10,160,000	10,160,000	10,782,677	622,677
Services to WCHCC	9,284,920	9,284,920	7,764,239	(1,520,681)

continued

County of Westchester, New York

General Fund—

Schedule of Revenues and Other Financing Sources Compared to Budget (cont'd)

Exhibit F-3

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
MISCELLANEOUS REVENUES (cont'd)				
Intergovernmental Transfer	\$ 80,000,000	\$ 80,000,000	\$ 179,228,804	\$ 99,228,804
Other	3,113,000	3,113,000	12,994,486	9,881,486
Total Miscellaneous Revenues	142,511,920	152,214,920	262,903,509	110,688,589
Total Revenues	1,986,463,210	2,131,299,210	2,262,637,872	131,338,662
OTHER FINANCING SOURCES				
Bonds Issued	10,000,000	10,000,000	—	(10,000,000)
Bond Anticipation Note Premium	475,601	475,601	487,523	11,922
Tax Anticipation Note Premium	2,265,650	2,265,650	2,265,650	—
	12,741,251	12,741,251	2,753,173	(9,988,078)
Transfers In:				
Sewer Districts Fund	—	—	242,000	242,000
Capital Projects Fund	1,537,557	1,537,557	3,438,817	1,901,260
Grants Fund	452,265	452,265	5,046,858	4,594,593
Westchester Tobacco Asset Securitization Corporation	1,885,000	1,885,000	2,091,354	206,354
	3,874,822	3,874,822	10,819,029	6,944,207
Total Other Financing Sources	16,616,073	16,616,073	13,572,202	(3,043,871)
Total Revenues and Other Financing Sources	\$ 2,003,079,283	\$ 2,147,915,283	\$ 2,276,210,074	\$ 128,294,791

See independent auditors' report

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT				
Board of Legislators:				
Personal services	\$ 4,501,581	\$ 4,501,581	\$ 4,311,197	\$ 190,384
Equipment	47,125	47,125	46,927	198
Materials and supplies	154,063	154,063	149,115	4,948
Contractual	439,648	439,648	356,428	83,220
	<u>5,142,417</u>	<u>5,142,417</u>	<u>4,863,667</u>	<u>278,750</u>
County Executive:				
Office of the County Executive, Governmental Relations and Communications:				
Personal services	3,105,843	3,103,120	3,076,813	26,307
Materials and supplies	118,989	120,509	108,745	11,764
Contractual	245,275	336,005	265,153	70,852
	<u>3,470,107</u>	<u>3,559,634</u>	<u>3,450,711</u>	<u>108,923</u>
Less services to other departments	<u>110,000</u>	<u>110,000</u>	<u>110,000</u>	<u>—</u>
	<u>3,360,107</u>	<u>3,449,634</u>	<u>3,340,711</u>	<u>108,923</u>
Office for People with Disabilities:				
Personal services	517,155	517,155	461,242	55,913
Materials and supplies	8,000	8,000	6,085	1,915
Contractual	282,269	282,269	260,745	21,524
	<u>807,424</u>	<u>807,424</u>	<u>728,072</u>	<u>79,352</u>
Less services to other departments	<u>232,460</u>	<u>232,460</u>	<u>232,460</u>	<u>—</u>
	<u>574,964</u>	<u>574,964</u>	<u>495,612</u>	<u>79,352</u>
Office of Economic Development:				
Personal services	484,189	484,189	477,241	6,948
Materials and supplies	9,007	9,007	6,753	2,254
Contractual	6,144,954	5,062,974	5,002,369	60,605
	<u>6,638,150</u>	<u>5,556,170</u>	<u>5,486,363</u>	<u>69,807</u>
Office of Economic Development-Tourism:				
Personal services	443,425	448,500	448,500	—
Materials and supplies	10,000	10,000	7,445	2,555
Contractual	495,840	495,840	485,539	10,301
	<u>949,265</u>	<u>954,340</u>	<u>941,484</u>	<u>12,856</u>
Less transfers out	<u>—</u>	<u>31,522</u>	<u>31,522</u>	<u>—</u>
	<u>949,265</u>	<u>922,818</u>	<u>909,962</u>	<u>12,856</u>
Total Office of Economic Development	<u>7,587,415</u>	<u>6,478,988</u>	<u>6,396,325</u>	<u>82,663</u>
Advocacy and Community Services:				
Personal services	740,186	740,196	739,212	984
Materials and supplies	8,863	7,343	4,556	2,787
Contractual	118,229	83,479	45,038	38,441
	<u>867,278</u>	<u>831,018</u>	<u>788,806</u>	<u>42,212</u>
Office for Women:				
Personal services	666,113	666,113	634,797	31,316
Materials and supplies	2,500	2,500	850	1,650
Contractual	1,330,672	1,330,672	1,319,389	11,283
	<u>1,999,285</u>	<u>1,999,285</u>	<u>1,955,036</u>	<u>44,249</u>
Less services to other departments	<u>557,693</u>	<u>557,693</u>	<u>520,107</u>	<u>(37,586)</u>
	<u>1,441,592</u>	<u>1,441,592</u>	<u>1,434,929</u>	<u>6,663</u>

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
County Executive: (cont'd)				
Office of Energy Conservation:				
Personal services	\$ 170,950	\$ 168,588	\$ 140,950	\$ 27,638
Materials and supplies	100	100	96	4
Contractual	10,500	10,500	2,976	7,524
	<u>181,550</u>	<u>179,188</u>	<u>144,022</u>	<u>35,166</u>
Total County Executive	<u>14,012,906</u>	<u>12,955,384</u>	<u>12,600,405</u>	<u>354,979</u>
Board of Acquisition and Contract:				
Personal services	264,437	277,437	277,386	51
Materials and supplies	1,400	1,400	1,216	184
Contractual	55,299	55,299	55,284	15
	<u>321,136</u>	<u>334,136</u>	<u>333,886</u>	<u>250</u>
Board of Elections:				
Personal services	10,202,732	10,499,732	10,498,665	1,067
Equipment	79,500	79,500	—	79,500
Materials and supplies	2,760,803	2,760,803	1,761,069	999,734
Contractual	9,023,323	8,726,323	7,818,300	908,023
	<u>22,066,358</u>	<u>22,066,358</u>	<u>20,078,034</u>	<u>1,988,324</u>
Department of Human Resources:				
Personal services	4,036,566	4,036,566	4,027,888	8,678
Materials and supplies	30,201	30,201	24,645	5,556
Contractual	1,664,029	1,664,029	1,512,335	151,694
	<u>5,730,796</u>	<u>5,730,796</u>	<u>5,564,868</u>	<u>165,928</u>
Less services to other departments	<u>523,391</u>	<u>523,391</u>	<u>536,096</u>	<u>12,705</u>
	<u>5,207,405</u>	<u>5,207,405</u>	<u>5,028,772</u>	<u>178,633</u>
Department of Budget:				
Personal services	1,651,404	1,711,404	1,710,442	962
Materials and supplies	3,742	3,742	2,643	1,099
Contractual	291,424	297,424	297,344	80
	<u>1,946,570</u>	<u>2,012,570</u>	<u>2,010,429</u>	<u>2,141</u>
Department of Finance:				
Administration:				
Personal services	2,843,360	2,843,275	2,820,033	23,242
Equipment	29,099	29,099	25,466	3,633
Contractual	1,029,798	1,028,706	952,591	76,115
	<u>3,902,257</u>	<u>3,901,080</u>	<u>3,798,090</u>	<u>102,990</u>
Bureau of Purchase and Supply:				
Personal services	988,068	930,153	918,861	11,292
Materials and supplies	5,252	5,252	3,908	1,344
Contractual	100,396	101,488	94,708	6,780
	<u>1,093,716</u>	<u>1,036,893</u>	<u>1,017,477</u>	<u>19,416</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
Department of Finance: (cont'd)				
Financial Compliance:				
Personal services	\$ 467,057	\$ 525,057	\$ 524,741	\$ 316
Contractual	975	975	815	160
	<u>468,032</u>	<u>526,032</u>	<u>525,556</u>	<u>476</u>
Total Department of Finance	<u>5,464,005</u>	<u>5,464,005</u>	<u>5,341,123</u>	<u>122,882</u>
Department of Information Technology:				
E911:				
Personal services	472,741	320,741	190,968	129,773
Equipment	780	780	780	—
Materials and supplies	200	200	—	200
Contractual	2,400,335	2,400,335	2,262,111	138,224
	<u>2,874,056</u>	<u>2,722,056</u>	<u>2,453,859</u>	<u>268,197</u>
Less transfer to debt service	<u>974,116</u>	<u>974,116</u>	<u>974,116</u>	<u>—</u>
	<u>1,899,940</u>	<u>1,747,940</u>	<u>1,479,743</u>	<u>268,197</u>
Wireless Cellphone:				
Personal services	7,315,950	7,624,950	7,614,693	10,257
Equipment	243,751	184,751	111,392	73,359
Materials and supplies	16,290	16,290	7,679	8,611
Contractual	5,441,389	5,132,389	4,627,028	505,361
	<u>13,017,380</u>	<u>12,958,380</u>	<u>12,360,792</u>	<u>597,588</u>
Less transfer to debt service	<u>2,584,451</u>	<u>2,584,451</u>	<u>2,584,451</u>	<u>—</u>
	<u>10,432,929</u>	<u>10,373,929</u>	<u>9,776,341</u>	<u>597,588</u>
Records Center:				
Personal services	683,008	683,008	635,462	47,546
Materials and supplies	18,314	18,314	10,851	7,463
Contractual	925,344	925,344	898,489	26,855
	<u>1,626,666</u>	<u>1,626,666</u>	<u>1,544,802</u>	<u>81,864</u>
Less services to other departments	<u>2,053,670</u>	<u>2,053,670</u>	<u>2,014,704</u>	<u>(38,966)</u>
	<u>(427,004)</u>	<u>(427,004)</u>	<u>(469,902)</u>	<u>42,898</u>
Information Technology:				
Personal services	9,678,324	9,966,324	9,949,582	16,742
Equipment	1,120,284	1,179,284	1,177,801	1,483
Materials and supplies	259,710	259,710	159,535	100,175
Contractual	24,556,260	24,556,260	24,469,689	86,571
	<u>35,614,578</u>	<u>35,961,578</u>	<u>35,756,607</u>	<u>204,971</u>
Less transfer to debt service	<u>4,724,649</u>	<u>4,724,649</u>	<u>4,703,720</u>	<u>(20,929)</u>
Less services to other departments	<u>36,451,953</u>	<u>36,451,953</u>	<u>36,828,955</u>	<u>377,002</u>
	<u>(5,562,024)</u>	<u>(5,215,024)</u>	<u>(5,776,068)</u>	<u>561,044</u>
Support Services:				
Personal services	687,260	551,260	540,428	10,832
Materials and supplies	6,500	6,500	482	6,018
Contractual	6,200	6,200	3,860	2,340
	<u>699,960</u>	<u>563,960</u>	<u>544,770</u>	<u>19,190</u>
Less services to other departments	<u>415,156</u>	<u>415,156</u>	<u>263,666</u>	<u>(151,490)</u>
	<u>284,804</u>	<u>148,804</u>	<u>281,104</u>	<u>(132,300)</u>
Total Department of Information Technology	<u>6,628,645</u>	<u>6,628,645</u>	<u>5,291,218</u>	<u>1,337,427</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Department of Law:				
Law:				
Personal services	\$ 9,441,537	\$ 9,348,139	\$ 9,348,009	\$ 130
Equipment	38,135	38,135	31,156	6,979
Materials and supplies	65,051	65,051	38,516	26,535
Contractual	3,281,758	3,144,946	1,658,467	1,486,479
	<u>12,826,481</u>	<u>12,596,271</u>	<u>11,076,148</u>	<u>1,520,123</u>
Less services to other departments	11,963,336	11,963,336	10,929,590	(1,033,746)
	<u>863,145</u>	<u>632,935</u>	<u>146,558</u>	<u>486,377</u>
Risk Management:				
Personal services	262,473	396,871	396,102	769
Materials and supplies	2,325	2,325	1,189	1,136
Contractual	987,234	1,083,046	972,656	110,390
	<u>1,252,032</u>	<u>1,482,242</u>	<u>1,369,947</u>	<u>112,295</u>
Total Department of Law	<u>2,115,177</u>	<u>2,115,177</u>	<u>1,516,505</u>	<u>598,672</u>
Department of Planning:				
Personal services	3,036,497	3,036,497	2,735,580	300,917
Equipment	40,000	40,000	36,272	3,728
Materials and supplies	53,391	53,391	23,236	30,155
Contractual	8,773,159	8,773,159	3,733,695	5,039,464
	<u>11,903,047</u>	<u>11,903,047</u>	<u>6,528,783</u>	<u>5,374,264</u>
Less transfers out	462,400	462,400	269,647	(192,753)
	<u>11,440,647</u>	<u>11,440,647</u>	<u>6,259,136</u>	<u>5,181,511</u>
County Clerk:				
Personal services	4,606,504	4,600,504	4,329,571	270,933
Equipment	2,410	8,410	7,810	600
Materials and supplies	101,600	101,600	67,959	33,641
Contractual	1,939,267	1,939,267	1,860,194	79,073
	<u>6,649,781</u>	<u>6,649,781</u>	<u>6,265,534</u>	<u>384,247</u>
Human Rights Commission:				
Personal services	775,873	775,873	751,296	24,577
Equipment	1,000	1,000	—	1,000
Materials and supplies	8,747	8,681	4,432	4,249
Contractual	286,636	286,636	230,694	55,942
	<u>1,072,256</u>	<u>1,072,190</u>	<u>986,422</u>	<u>85,768</u>
Tax Commission:				
Personal services	239,040	239,040	209,500	29,540
Materials and supplies	429	429	139	290
Contractual	36,009	36,009	32,588	3,421
	<u>275,478</u>	<u>275,478</u>	<u>242,227</u>	<u>33,251</u>
Public Administrator:				
Personal services	631,107	620,107	612,322	7,785
Equipment	1,000	1,000	—	1,000
Materials and supplies	6,487	6,487	3,262	3,225
Contractual	149,711	160,711	160,496	215
	<u>788,305</u>	<u>788,305</u>	<u>776,080</u>	<u>12,225</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Department of Public Works:				
Administration:				
Personal services	\$ 813,313	\$ 969,207	\$ 968,876	\$ 331
Engineering:				
Personal services	5,910,373	5,815,868	5,815,865	3
Materials and supplies	34,387	35,387	34,802	585
Contractual	2,583,704	2,775,086	2,596,632	178,454
	<u>8,528,464</u>	<u>8,626,341</u>	<u>8,447,299</u>	<u>179,042</u>
Less transfers out	100,000	100,000	100,000	—
	<u>8,428,464</u>	<u>8,526,341</u>	<u>8,347,299</u>	<u>179,042</u>
Operations—White Plains:				
Personal services	2,379,649	2,566,397	2,565,721	676
Equipment	435,922	436,021	436,019	2
Materials and supplies	3,383,983	3,604,189	3,561,912	42,277
Contractual	5,470,302	4,496,820	4,423,134	73,686
	<u>11,669,856</u>	<u>11,103,427</u>	<u>10,986,786</u>	<u>116,641</u>
Less services to other departments	7,784,585	7,784,585	7,153,798	(630,787)
	<u>3,885,271</u>	<u>3,318,842</u>	<u>3,832,988</u>	<u>(514,146)</u>
Leased and Owned Property:				
Personal services	797,182	840,694	840,472	222
Equipment	1,523	2,623	1,472	1,151
Materials and supplies	1,081,779	1,030,779	916,835	113,944
Contractual	13,590,978	15,067,318	14,659,036	408,282
	<u>15,471,462</u>	<u>16,941,414</u>	<u>16,417,815</u>	<u>523,599</u>
Less services to other departments	11,990,285	11,990,285	11,841,505	(148,780)
	<u>3,481,177</u>	<u>4,951,129</u>	<u>4,576,310</u>	<u>374,819</u>
Operations—Valhalla:				
Personal services	2,746,400	2,763,035	2,762,823	212
Equipment	54,650	54,551	50,464	4,087
Materials and supplies	11,856,583	11,696,377	11,413,264	283,113
Contractual	4,472,275	4,090,886	3,794,746	296,140
	<u>19,129,908</u>	<u>18,604,849</u>	<u>18,021,297</u>	<u>583,552</u>
Less services to other departments	20,697,797	20,697,797	16,707,689	(3,990,108)
	<u>(1,567,889)</u>	<u>(2,092,948)</u>	<u>1,313,608</u>	<u>(3,406,556)</u>
Garage Operations:				
Personal services	1,760,070	1,604,841	1,604,840	1
Equipment	57,100	56,000	55,437	563
Materials and supplies	628,872	669,278	660,927	8,351
Contractual	752,249	616,780	545,125	71,655
	<u>3,198,291</u>	<u>2,946,899</u>	<u>2,866,329</u>	<u>80,570</u>
Less services to other departments	2,231,948	2,231,948	1,642,227	(589,721)
	<u>966,343</u>	<u>714,951</u>	<u>1,224,102</u>	<u>(509,151)</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
Department of Public Works: (Cont'd)				
Fleet Operations:				
Personal services	\$ 357,233	\$ 337,182	\$ 337,181	\$ 1
Equipment	1,048,610	1,048,610	1,028,962	19,648
Materials and supplies	118,002	78,502	78,409	93
Contractual	391,884	387,929	377,839	10,090
	<u>1,915,729</u>	<u>1,852,223</u>	<u>1,822,391</u>	<u>29,832</u>
Less services to other departments	<u>1,329,288</u>	<u>1,329,288</u>	<u>2,116,829</u>	<u>787,541</u>
	<u>586,441</u>	<u>522,935</u>	<u>(294,438)</u>	<u>817,373</u>
	<u>16,593,120</u>	<u>16,910,457</u>	<u>19,968,745</u>	<u>(3,058,288)</u>
Total Department of Public Works				
Solid Waste Commission:				
Personal services	1,396,282	1,396,282	1,167,682	228,600
Equipment	5,100	5,100	2,886	2,214
Materials and supplies	21,844	21,844	18,519	3,325
Contractual	660,170	660,170	531,172	128,998
	<u>2,083,396</u>	<u>2,083,396</u>	<u>1,720,259</u>	<u>363,137</u>
Other:				
Certiorari proceedings	10,000,000	4,299,000	4,211,589	87,411
Casualty Reserve	—	2,000,000	2,000,000	—
County membership fees	110,000	110,000	101,011	8,989
Ethics Commission	10,000	10,000	—	10,000
Independent audit and control	525,000	525,000	497,500	27,500
In rem proceedings	1,000	1,000	—	1,000
Municipal sales tax distribution	165,188,000	191,412,000	191,411,052	948
Public Employment Relations Board	1,000	1,000	—	1,000
Services to WCHCC	9,284,920	9,284,920	7,750,213	1,534,707
Statutory charges	143,385	143,385	53,845	89,540
Tax on County property	1,750,000	1,750,000	1,611,887	138,113
Tourism	497,000	714,000	713,827	173
Workers' compensation	5,350,000	5,350,000	5,350,000	—
	<u>192,860,305</u>	<u>215,600,305</u>	<u>213,700,924</u>	<u>1,899,381</u>
	<u>294,667,907</u>	<u>316,746,656</u>	<u>306,983,366</u>	<u>9,763,290</u>
Total General Government				
EDUCATION				
Department of Health-				
Education/Services for Children with Disabilities	<u>139,077,864</u>	<u>114,707,242</u>	<u>114,326,906</u>	<u>380,336</u>
Other:				
Employee tuition	500,000	500,000	448,559	51,441
Resident tuition—other community colleges	8,573,000	8,573,000	7,925,210	647,790
Westchester Community College	24,093,000	24,093,000	24,093,000	—
	<u>33,166,000</u>	<u>33,166,000</u>	<u>32,466,769</u>	<u>699,231</u>
	<u>172,243,864</u>	<u>147,873,242</u>	<u>146,793,675</u>	<u>1,079,567</u>
Total Education				

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
PUBLIC SAFETY				
Department of Corrections:				
Administration:				
Personal services	\$ 8,272,471	\$ 9,949,093	\$ 9,303,109	\$ 645,984
Equipment	—	45,000	44,390	610
Materials and supplies	219,574	219,574	217,009	2,565
Contractual	24,281,851	25,271,851	23,947,025	1,324,826
	32,773,896	35,485,518	33,511,533	1,973,985
Jail Division:				
Personal services	68,819,554	76,525,254	75,915,759	609,495
Equipment	755,557	710,557	505,948	204,609
Materials and supplies	928,728	812,781	728,615	84,166
Contractual	7,023,471	6,093,471	5,572,335	521,136
	77,527,310	84,142,063	82,722,657	1,419,406
Penitentiary:				
Personal services	23,373,001	25,213,679	24,705,113	508,566
Materials and supplies	441,929	467,876	430,525	37,351
Contractual	1,072,691	1,102,691	1,071,538	31,153
	24,887,621	26,784,246	26,207,176	577,070
Less services to other departments	145,000	145,000	156,969	11,969
	24,742,621	26,639,246	26,050,207	589,039
Total Department of Corrections	135,043,827	146,266,827	142,284,397	3,982,430
District Attorney:				
Personal services	27,369,389	27,369,389	26,887,838	481,551
Equipment	119,042	119,042	50,678	68,364
Materials and supplies	302,706	302,706	207,298	95,408
Contractual	3,859,773	3,859,773	3,431,148	428,625
	31,650,910	31,650,910	30,576,962	1,073,948
Less transfers out	1,488,746	1,488,746	1,468,042	(20,704)
	30,162,164	30,162,164	29,108,920	1,053,244
Department of Public Safety:				
Services Division:				
Personal services	4,979,982	4,664,008	4,470,464	193,544
Equipment	148,150	148,150	135,992	12,158
Materials and supplies	43,439	17,287	17,287	—
Contractual	711,405	480,123	458,074	22,049
	5,882,976	5,309,568	5,081,817	227,751
Police Division:				
Personal services	38,772,161	43,717,155	43,716,652	503
Equipment	2,279,228	2,256,228	642,536	1,613,692
Materials and supplies	1,465,082	1,705,832	1,705,557	275
Contractual	6,451,528	6,864,905	6,101,432	763,473
	48,967,999	54,544,120	52,166,177	2,377,943
Less services to other departments	12,649,318	12,649,318	12,545,257	(104,061)
	36,318,681	41,894,802	39,620,920	2,273,882

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
County Police Academy:				
Personal services	\$ 1,705,396	\$ 1,935,611	\$ 1,916,373	\$ 19,238
Equipment	37,538	37,538	17,232	20,306
Materials and supplies	339,466	153,768	153,768	—
Contractual	760,178	669,070	642,284	26,786
	<u>2,842,578</u>	<u>2,795,987</u>	<u>2,729,657</u>	<u>66,330</u>
Less services to other departments	<u>174,692</u>	<u>174,692</u>	<u>155,950</u>	<u>(18,742)</u>
	<u>2,667,886</u>	<u>2,621,295</u>	<u>2,573,707</u>	<u>47,588</u>
Parkway Patrol-				
Personal services	<u>3,459,988</u>	<u>3,630,431</u>	<u>3,298,433</u>	<u>331,998</u>
Taxi and Limousine Commission:				
Personal services	1,105,480	1,236,865	1,235,950	915
Materials and supplies	20,985	15,085	15,085	—
Contractual	330,687	239,700	187,780	51,920
	<u>1,457,152</u>	<u>1,491,650</u>	<u>1,438,815</u>	<u>52,835</u>
Total Department of Public Safety	<u>49,786,683</u>	<u>54,947,746</u>	<u>52,013,692</u>	<u>2,934,054</u>
Department of Emergency Services:				
Personal services	2,230,735	2,631,735	2,630,130	1,605
Equipment	756,372	886,372	885,720	652
Materials and supplies	2,705,113	2,281,113	3,238,292	(957,179)
Contractual	4,520,698	4,413,698	4,032,161	381,537
	<u>10,212,918</u>	<u>10,212,918</u>	<u>10,786,303</u>	<u>(573,385)</u>
Less services to other departments	<u>364,045</u>	<u>364,045</u>	<u>364,043</u>	<u>(2)</u>
	<u>9,848,873</u>	<u>9,848,873</u>	<u>10,422,260</u>	<u>(573,387)</u>
Department of Probation:				
Personal services	17,743,732	17,743,732	16,792,695	951,037
Equipment	194,533	194,533	74,478	120,055
Materials and supplies	258,192	258,192	76,459	181,733
Contractual	27,269,215	26,782,215	20,878,782	5,903,433
	<u>45,465,672</u>	<u>44,978,672</u>	<u>37,822,414</u>	<u>7,156,258</u>
Other:				
Court ordered medical examinations	1,000	1,000	—	1,000
Legal Aid Society of Westchester	14,097,624	14,097,624	14,097,624	—
Legal services—Indigent defendants--Felony	4,474,422	4,474,422	4,158,290	316,132
Legal services—Indigent defendants--Misdemeanor	5,974,136	5,974,136	5,335,571	638,565
Legal services-Hudson Valley	681,463	681,463	681,075	388
Legal services-Peekskill	122,460	122,460	122,460	—
State court facilities	22,095,102	22,095,102	21,190,333	904,769
	<u>47,446,207</u>	<u>47,446,207</u>	<u>45,585,353</u>	<u>1,860,854</u>
Less transfer to debt service	<u>12,406,626</u>	<u>12,531,626</u>	<u>12,412,200</u>	<u>(119,426)</u>
	<u>35,039,581</u>	<u>34,914,581</u>	<u>33,173,153</u>	<u>1,741,428</u>
Total Public Safety	<u>305,346,800</u>	<u>321,118,863</u>	<u>304,824,836</u>	<u>16,294,027</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
HEALTH SERVICES				
Community Mental Health Services:				
Personal services	\$ 2,956,052	\$ 2,956,052	\$ 2,887,995	\$ 68,057
Materials and supplies	28,955	28,955	17,680	11,275
Contractual	7,066,678	7,066,678	5,862,089	1,204,589
	10,051,685	10,051,685	8,767,764	1,283,921
Less transfers out	1,245,238	1,245,238	254,568	(990,670)
Less services to other departments	1,051,714	1,051,714	709,675	(342,039)
	7,754,733	7,754,733	7,803,521	(48,788)
Department of Health:				
Personal services	16,630,485	16,940,485	16,938,293	2,192
Equipment	128,500	128,500	110,674	17,826
Materials and supplies	444,442	444,442	255,408	189,034
Contractual	144,930,135	120,603,135	118,878,976	1,724,159
	162,133,562	138,116,562	136,183,351	1,933,211
Less transfer to education	139,077,864	114,707,242	114,326,906	(380,336)
Less services to other departments	171,900	171,900	97,946	(73,954)
	22,883,798	23,237,420	21,758,499	1,478,921
Department of Laboratories and Research:				
Personal services	8,696,699	8,696,699	8,396,242	300,457
Equipment	177,338	177,338	58,654	118,684
Materials and supplies	1,385,558	1,385,558	1,193,033	192,525
Contractual	4,799,051	4,799,051	4,351,660	447,391
	15,058,646	15,058,646	13,999,589	1,059,057
Less services to other departments	5,000	5,000	4,982	(18)
Less transfers out	105,000	105,000	63,118	(41,882)
	14,948,646	14,948,646	13,931,489	1,017,157
Total Health Services	45,587,177	45,940,799	43,493,509	2,447,290
TRANSPORTATION				
Department of Transportation:				
Personal services	1,919,469	1,857,469	1,732,567	124,902
Equipment	90,000	90,000	88,814	1,186
Materials and supplies	1,669,125	1,731,125	1,730,145	980
Contractual	183,105,107	183,105,107	181,637,019	1,468,088
	186,783,701	186,783,701	185,188,545	1,595,156
Less transfers out	188,430	188,430	188,430	—
Less services to other departments	499,463	499,463	499,463	—
	186,095,808	186,095,808	184,500,652	1,595,156
County Road Maintenance:				
Personal services	2,016,366	2,077,362	2,076,465	897
Equipment	100,000	100,000	99,876	124
Materials and supplies	954,251	943,345	600,833	342,512
Contractual	2,440,024	2,072,597	1,951,988	120,609
	5,510,641	5,193,304	4,729,162	464,142
Less services to other departments	630,196	630,196	630,196	—
	4,880,445	4,563,108	4,098,966	464,142
Total Transportation	190,976,253	190,658,916	188,599,618	2,059,298

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
ECONOMIC ASSISTANCE AND OPPORTUNITY				
County Executive-				
Youth Bureau:				
Personal services	\$ 786,105	\$ 786,105	\$ 738,607	\$ 47,498
Materials and supplies	4,224	4,224	995	3,229
Contractual	2,889,117	4,692,117	4,691,324	793
	<u>3,679,446</u>	<u>5,482,446</u>	<u>5,430,926</u>	<u>51,520</u>
Less services to other departments	609,958	609,958	538,967	(70,991)
	<u>3,069,488</u>	<u>4,872,488</u>	<u>4,891,959</u>	<u>(19,471)</u>
Department of Social Services:				
Personal services	78,143,116	73,325,116	73,081,635	243,481
Equipment	318,719	318,719	309,799	8,920
Materials and supplies	598,978	598,978	473,004	125,974
Contractual	63,193,040	62,304,040	61,287,557	1,016,483
Relief	502,342,871	522,577,286	522,576,591	695
	<u>644,596,724</u>	<u>659,124,139</u>	<u>657,728,586</u>	<u>1,395,553</u>
Less transfers out	—	661,786	661,048	(738)
	<u>644,596,724</u>	<u>658,462,353</u>	<u>657,067,538</u>	<u>1,394,815</u>
	<u>647,666,212</u>	<u>663,334,841</u>	<u>661,959,497</u>	<u>1,375,344</u>
CULTURE AND RECREATION				
Department of Parks, Recreation and				
Conservation:				
General Services:				
Personal services	6,182,276	6,351,361	6,350,930	431
Equipment	19,000	41,469	30,134	11,335
Materials and supplies	571,245	627,843	626,922	921
Contractual	5,254,327	5,490,617	5,150,766	339,851
	<u>12,026,848</u>	<u>12,511,290</u>	<u>12,158,752</u>	<u>352,538</u>
Less services to other departments	400,295	400,295	385,552	(14,743)
	<u>11,626,553</u>	<u>12,110,995</u>	<u>11,773,200</u>	<u>337,795</u>
Golf Courses:				
Personal services	4,552,200	4,730,043	4,730,022	21
Equipment	64,900	59,410	59,410	—
Materials and supplies	2,746,403	2,904,500	2,835,743	68,757
Contractual	845,192	820,589	765,011	55,578
	<u>8,208,695</u>	<u>8,514,542</u>	<u>8,390,186</u>	<u>124,356</u>
Parks:				
Personal services	8,211,690	8,989,387	8,988,654	733
Equipment	161,965	149,115	149,115	—
Materials and supplies	2,838,100	2,661,154	2,400,593	260,561
Contractual	1,072,280	1,112,912	966,662	146,250
	<u>12,284,035</u>	<u>12,912,568</u>	<u>12,505,024</u>	<u>407,544</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Department of Parks, Recreation and				
Conservation: (cont'd)				
Playland:				
Personal services	\$ 5,441,583	\$ 4,411,535	\$ 4,410,844	\$ 691
Equipment	11,000	10,646	10,646	—
Materials and supplies	1,391,997	1,164,581	1,097,077	67,504
Contractual	7,058,058	6,146,332	6,107,159	39,173
	<u>13,902,638</u>	<u>11,733,094</u>	<u>11,625,726</u>	<u>107,368</u>
Less transfer to debt service	<u>3,253,751</u>	<u>3,378,308</u>	<u>3,378,306</u>	<u>(2)</u>
	<u>10,648,887</u>	<u>8,354,786</u>	<u>8,247,420</u>	<u>107,366</u>
Parkways:				
Personal services	884,242	949,477	949,198	279
Equipment	8,970	7,960	7,960	—
Materials and supplies	225,000	228,200	197,394	30,806
Contractual	144,440	139,440	79,436	60,004
	<u>1,262,652</u>	<u>1,325,077</u>	<u>1,233,988</u>	<u>91,089</u>
Recreation:				
Personal services	1,697,963	2,452,071	2,448,693	3,378
Equipment	37,700	35,417	11,492	23,925
Materials and supplies	884,770	879,235	619,844	259,391
Contractual	3,110,501	5,230,005	5,229,752	253
	<u>5,730,934</u>	<u>8,596,728</u>	<u>8,309,781</u>	<u>286,947</u>
Less transfer to debt service	<u>1,993,306</u>	<u>1,993,306</u>	<u>1,993,303</u>	<u>(3)</u>
	<u>3,737,628</u>	<u>6,603,422</u>	<u>6,316,478</u>	<u>286,944</u>
Conservation:				
Personal services	434,377	456,458	456,448	10
Equipment	3,840	3,359	3,359	—
Materials and supplies	76,400	103,403	89,808	13,595
Contractual	6,585	6,485	1,843	4,642
	<u>521,202</u>	<u>569,705</u>	<u>551,458</u>	<u>18,247</u>
Total Department of Parks, Recreation and Conservation	<u>48,289,652</u>	<u>50,391,095</u>	<u>49,017,754</u>	<u>1,373,341</u>
Other:				
Arts in Westchester	1,951,719	1,951,719	1,951,719	—
Hudson River Museum	721,925	721,925	721,925	—
Westchester Historical Society	164,351	164,351	164,351	—
Westchester Library System	1,050,600	1,050,600	1,050,600	—
	<u>3,888,595</u>	<u>3,888,595</u>	<u>3,888,595</u>	<u>—</u>
Total Culture and Recreation	<u>52,178,247</u>	<u>54,279,690</u>	<u>52,906,349</u>	<u>1,373,341</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
HOME AND COMMUNITY SERVICES				
Department of Senior Programs and Services:				
Contractual	\$ 4,447,855	\$ 4,447,855	\$ 4,378,291	\$ 69,564
Less transfers out	3,355,669	3,355,669	3,355,669	—
Less services to other departments	290,720	290,720	290,720	—
	<u>801,466</u>	<u>801,466</u>	<u>731,902</u>	<u>69,564</u>
Weights, Measures, Consumer Protection:				
Personal services	1,792,057	1,782,057	1,768,312	13,745
Equipment	5,000	5,000	1,677	3,323
Materials and supplies	54,285	54,285	36,307	17,978
Contractual	363,068	373,068	372,389	679
	<u>2,214,410</u>	<u>2,214,410</u>	<u>2,178,685</u>	<u>35,725</u>
Other:				
Westchester County Extension Service	769,518	769,518	769,518	—
Community Based Initiatives	4,266,948	4,266,948	3,626,329	640,619
	<u>5,036,466</u>	<u>5,036,466</u>	<u>4,395,847</u>	<u>640,619</u>
Total Home and Community Services	<u>8,052,342</u>	<u>8,052,342</u>	<u>7,306,434</u>	<u>745,908</u>
EMPLOYEE BENEFITS				
State retirement system	76,833,181	83,421,181	83,420,532	649
Social security	28,715,718	29,438,718	29,438,164	554
Metropolitan commuter transportation mobility tax	1,456,000	1,516,000	1,515,495	505
Employee health insurance	134,934,712	134,934,712	134,934,696	16
Unemployment and union benefits	5,876,000	5,361,000	5,359,769	1,231
	<u>247,815,611</u>	<u>254,671,611</u>	<u>254,668,656</u>	<u>2,955</u>
Total Employee Benefits				
DEBT SERVICE				
Principal:				
Bonds	90,072,039	90,574,413	90,573,676	737
Capital Lease Obligations	10,698,617	10,702,443	10,702,443	—
	<u>100,770,656</u>	<u>101,276,856</u>	<u>101,276,119</u>	<u>737</u>
Total Debt Service Principal				
Interest:				
Bonds	30,643,894	30,385,506	30,146,629	238,877
Capital Lease Obligations	1,708,009	1,709,757	1,709,757	—
Tax Anticipation Notes	737,500	2,457,167	2,456,944	223
Bond Anticipation Notes	507,792	905,125	905,125	—
	<u>33,597,195</u>	<u>35,457,555</u>	<u>35,218,455</u>	<u>239,100</u>
Total Debt Service Interest				
Costs of Issuance	<u>815,121</u>	<u>815,121</u>	<u>720,933</u>	<u>94,188</u>
Total Debt Service	<u>135,182,972</u>	<u>137,549,532</u>	<u>137,215,507</u>	<u>334,025</u>
Total Expenditures	<u>2,099,717,385</u>	<u>2,140,226,492</u>	<u>2,104,751,447</u>	<u>35,475,045</u>

continued

County of Westchester, New York
General Fund—
Schedule of Expenditures and Other Financing
Uses Compared to Budget (cont'd)
Year Ended December 31, 2021

Exhibit F-4

	Original Budget	Final Budget	Actual	Variance with Final Budget
OTHER FINANCING USES				
Transfers Out:				
Department Transfers to Other Funds:				
Grants Fund for:				
County Executive - Tourism	\$ —	\$ 31,522	\$ 31,522	\$ —
Planning	462,400	462,400	269,647	192,753
Social Services	—	661,786	661,048	738
Community Mental Health	1,245,238	1,245,238	254,568	990,670
Laboratories and Research	105,000	105,000	63,118	41,882
District Attorney	1,488,746	1,488,746	1,468,042	20,704
Transportation	188,430	188,430	188,430	—
Senior Programs and Services	3,355,669	3,355,669	3,355,669	—
	<u>6,845,483</u>	<u>7,538,791</u>	<u>6,292,044</u>	<u>1,246,747</u>
Other:				
Capital Projects Fund	100,000	100,000	100,000	—
Refuse Disposal District Fund	50,000	50,000	50,000	—
	<u>150,000</u>	<u>150,000</u>	<u>150,000</u>	<u>—</u>
Total Other Financing Uses	<u>6,995,483</u>	<u>7,688,791</u>	<u>6,442,044</u>	<u>1,246,747</u>
Total Expenditures and Other Financing Uses	<u>\$ 2,106,712,868</u>	<u>\$ 2,147,915,283</u>	<u>\$ 2,111,193,491</u>	<u>\$ 36,721,792</u>

See independent auditors' report

Sewer Districts Fund

Sewer Districts Fund: These funds are used to account for the planning, operation and maintenance of the wastewater treatment facilities and wastewater collection systems within or on the borders of Westchester County.

(This page intentionally left blank.)

County of Westchester, New York
Combined Sewer Districts Fund—
Comparative Balance Sheet
December 31, 2021 and 2020

Exhibit G-1

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 400	\$ 400
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$108,561 in 2021 and 2020	2,011,739	1,908,855
Due from Federal and State Governments	1,251,853	—
Due from Other Funds	16,722,180	34,395,866
Prepaid Expenditures	<u>899,000</u>	<u>935,000</u>
Total Assets	<u><u>\$ 20,885,172</u></u>	<u><u>\$ 37,240,121</u></u>
LIABILITIES AND FUND BALANCE		
Liabilities-		
Accounts Payable and Accrued Liabilities	<u>\$ 6,219,502</u>	<u>\$ 5,089,411</u>
Fund Balance:		
Nonspendable	899,000	935,000
Assigned	<u>13,766,670</u>	<u>31,215,710</u>
Total Fund Balance	<u>14,665,670</u>	<u>32,150,710</u>
Total Liabilities and Fund Balance	<u><u>\$ 20,885,172</u></u>	<u><u>\$ 37,240,121</u></u>

See independent auditors' report

County of Westchester, New York
Sewer Districts Fund—
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
Year Ended December 31, 2021

	Department of Environ- mental Facilities	North Yonkers Pumping Station	Yonkers Joint Treatment Plant	Blind Brook	Bronx Valley	Central Yonkers	Hutchinson Valley	Mamaroneck Valley
REVENUES	\$ 6,811,409	\$ 32,909	\$ 303,725	\$ 7,629,690	\$ 22,077,245	\$ 1,300,301	\$ 5,466,937	\$ 18,292,789
EXPENDITURES	<u>81,578,961</u>	<u>1,530,644</u>	<u>11,487,599</u>	<u>9,352,617</u>	<u>25,809,821</u>	<u>1,728,466</u>	<u>7,240,109</u>	<u>20,055,391</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(74,767,552)</u>	<u>(1,497,735)</u>	<u>(11,183,874)</u>	<u>(1,722,927)</u>	<u>(3,732,576)</u>	<u>(428,165)</u>	<u>(1,773,172)</u>	<u>(1,762,602)</u>
OTHER FINANCING SOURCES (USES)								
Transfers In	74,767,552	1,587,973	11,532,374	—	—	—	3,205	—
Transfers Out	<u>—</u>	<u>(90,238)</u>	<u>(348,500)</u>	<u>(19,090)</u>	<u>(4,000)</u>	<u>—</u>	<u>—</u>	<u>(58,741)</u>
Total Other Financing Sources (Uses)	<u>74,767,552</u>	<u>1,497,735</u>	<u>11,183,874</u>	<u>(19,090)</u>	<u>(4,000)</u>	<u>—</u>	<u>3,205</u>	<u>(58,741)</u>
Net Change in Fund Balances	—	—	—	(1,742,017)	(3,736,576)	(428,165)	(1,769,967)	(1,821,343)
FUND BALANCES								
Beginning of Year	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,675,838</u>	<u>7,349,755</u>	<u>664,864</u>	<u>2,709,563</u>	<u>3,737,481</u>
End of Year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,933,821</u>	<u>\$ 3,613,179</u>	<u>\$ 236,699</u>	<u>\$ 939,596</u>	<u>\$ 1,916,138</u>

See independent auditors' report

Exhibit G-2

New Rochelle	North Yonkers	Ossining	Peekskill	Port Chester	Saw Mill Valley	South Yonkers	Upper Bronx Valley	Eliminations	Totals
\$ 19,958,392	\$ 4,362,336	\$ 3,778,835	\$ 4,504,378	\$ 3,180,498	\$ 12,739,359	\$ 1,609,898	\$ 1,070,572	\$ —	\$ 113,119,273
21,065,935	5,047,633	4,532,650	5,556,068	3,571,155	15,568,154	1,996,519	1,420,768	(87,887,899)	129,654,591
(1,107,543)	(685,297)	(753,815)	(1,051,690)	(390,657)	(2,828,795)	(386,621)	(350,196)	87,887,899	(16,535,318)
—	10,860	19,440	—	—	—	—	—	(87,887,899)	33,505
(128,176)	—	(316,988)	(13,000)	(2,494)	(2,000)	—	—	—	(983,227)
(128,176)	10,860	(297,548)	(13,000)	(2,494)	(2,000)	—	—	(87,887,899)	(949,722)
(1,235,719)	(674,437)	(1,051,363)	(1,064,690)	(393,151)	(2,830,795)	(386,621)	(350,196)	—	(17,485,040)
2,606,889	1,517,579	1,539,913	1,375,482	681,628	5,026,032	668,515	597,171	—	32,150,710
\$ 1,371,170	\$ 843,142	\$ 488,550	\$ 310,792	\$ 288,477	\$ 2,195,237	\$ 281,894	\$ 246,975	\$ —	\$ 14,665,670

County of Westchester, New York
Combined Sewer Districts Fund—
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual
Years Ended December 31, 2021 and 2020

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes on Real Property	\$ 97,278,937	\$ 97,278,937	\$ 97,278,937	\$ —
Federal Aid	—	1,484,000	1,904,100	420,100
Departmental Income	4,413,610	4,413,610	5,043,879	630,269
Earnings on Investments	7,123,104	7,605,104	7,942,329	337,225
Miscellaneous	858,500	858,500	950,028	91,528
Total Revenues	109,674,151	111,640,151	113,119,273	1,479,122
EXPENDITURES				
Current:				
General Government	1,940,000	739,000	649,408	89,592
Home and Community Services	66,802,978	67,240,890	64,642,224	2,598,666
Employee Benefits	15,290,397	16,639,485	16,639,485	—
Debt Service				
Principal	28,289,335	29,583,885	29,435,853	148,032
Interest	17,766,560	17,865,010	17,744,451	120,559
Costs of Issuance	50,000	141,000	140,701	299
Capital Outlay	750,242	697,242	402,469	294,773
Total Expenditures	130,889,512	132,906,512	129,654,591	3,251,921
Deficiency of Revenues Over Expenditures	(21,215,361)	(21,266,361)	(16,535,318)	4,731,043
OTHER FINANCING SOURCES (USES)				
Bonds Issued	1,671,000	1,671,000	—	(1,671,000)
Bonds Premium	39,349	39,349	—	(39,349)
Transfers In	33,505	33,505	33,505	—
Transfers Out	(983,227)	(983,227)	(983,227)	—
Total Other Financing Sources (Uses)	760,627	760,627	(949,722)	(1,710,349)
Net Change in Fund Balance	(20,454,734)	(20,505,734)	(17,485,040)	3,020,694
FUND BALANCE				
Beginning of Year	20,454,734	20,505,734	32,150,710	11,644,976
End of Year	\$ —	\$ —	\$ 14,665,670	\$ 14,665,670

See independent auditors' report

Exhibit G-3

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 103,994,583	\$ 103,994,583	\$ 103,994,583	\$ —
—	—	468,530	468,530
4,413,610	4,413,610	5,134,917	721,307
8,768,227	8,768,227	7,982,881	(785,346)
858,500	858,500	820,759	(37,741)
118,034,920	118,034,920	118,401,670	366,750
1,940,000	1,964,000	728,065	1,235,935
68,308,444	66,606,390	57,928,171	8,678,219
15,891,739	15,891,739	15,382,565	509,174
27,163,223	27,202,386	27,017,222	185,164
19,314,877	19,458,329	18,997,126	461,203
50,116	89,059	89,059	—
852,022	1,755,214	1,755,214	—
133,520,421	132,967,117	121,897,422	11,069,695
(15,485,501)	(14,932,197)	(3,495,752)	11,436,445
—	—	—	—
—	—	—	—
302,640	302,640	392,163	89,523
(1,242,000)	(1,795,304)	(1,260,675)	534,629
(939,360)	(1,492,664)	(868,512)	624,152
(16,424,861)	(16,424,861)	(4,364,264)	12,060,597
16,424,861	16,424,861	36,514,974	20,090,113
\$ —	\$ —	\$ 32,150,710	\$ 32,150,710

County of Westchester, New York
Combined Sewer Districts Fund—
Schedule of Revenues and Other Financing
Sources Compared to Budget

Exhibit G-4

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes on Real Property:				
Blind Brook	\$ 6,752,861	\$ 6,752,861	\$ 6,752,861	\$ —
Bronx Valley	21,444,541	21,444,541	21,444,541	—
Central Yonkers	1,251,087	1,251,087	1,251,087	—
Hutchinson Valley	5,231,113	5,231,113	5,231,113	—
Mamaroneck Valley	16,797,409	16,797,409	16,797,409	—
New Rochelle	16,747,222	16,747,222	16,747,222	—
North Yonkers	4,184,224	4,184,224	4,184,224	—
Ossining	3,214,990	3,214,990	3,214,990	—
Peekskill	4,123,303	4,123,303	4,123,303	—
Port Chester	2,703,610	2,703,610	2,703,610	—
Saw Mill Valley	12,246,305	12,246,305	12,246,305	—
South Yonkers	1,542,009	1,542,009	1,542,009	—
Upper Bronx Valley	1,040,263	1,040,263	1,040,263	—
	97,278,937	97,278,937	97,278,937	—
Federal Aid:				
Environmental Facilities	—	876,000	1,133,100	257,100
Bronx Valley	—	—	11,000	11,000
Central Yonkers	—	—	7,000	7,000
Hutchinson Valley	—	—	4,000	4,000
Mamaroneck Valley	—	260,000	260,000	—
North Yonkers	—	—	42,000	42,000
Ossining	—	273,000	289,000	16,000
Peekskill	—	52,000	92,000	40,000
Port Chester	—	23,000	27,000	4,000
Saw Mill Valley	—	—	13,000	13,000
South Yonkers	—	—	26,000	26,000
	—	1,484,000	1,904,100	420,100
Departmental Income:				
Environmental Facilities	4,163,610	4,163,610	4,725,866	562,256
Blind Brook	250,000	250,000	256,584	6,584
Bronx Valley	—	—	61,429	61,429
	4,413,610	4,413,610	5,043,879	630,269
Earnings on Investments:				
Environmental Facilities	1,776	1,776	2,415	639
North Yonkers Pumping Station	109,935	109,935	32,909	(77,026)
Yonkers Joint Treatment Plant	1,258,139	1,258,139	303,725	(954,414)
Blind Brook	596,366	596,366	620,245	23,879
Bronx Valley	19,508	58,508	560,275	501,767
Central Yonkers	—	25,000	42,214	17,214
Hutchinson Valley	83,682	166,682	235,029	68,347
Mamaroneck Valley	1,104,004	1,235,004	1,235,380	376
New Rochelle	2,960,002	2,960,002	3,207,965	247,963
North Yonkers	14,107	40,107	136,112	96,005
Ossining	240,406	274,406	274,845	439
Peekskill	206,506	288,506	289,075	569
Port Chester	413,883	449,883	449,888	5
Saw Mill Valley	114,790	140,790	480,054	339,264
South Yonkers	—	—	41,889	41,889
Upper Bronx Valley	—	—	30,309	30,309
	7,123,104	7,605,104	7,942,329	337,225

continued

County of Westchester, New York
Combined Sewer Districts Fund—
Schedule of Revenues and Other Financing
Sources Compared to Budget (cont'd)

Exhibit G-4

Year Ended December 31, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Miscellaneous Revenues-				
Environmental Facilities	\$ 858,500	\$ 858,500	\$ 950,028	\$ 91,528
Total Revenues	<u>109,674,151</u>	<u>111,640,151</u>	<u>113,119,273</u>	<u>1,479,122</u>
OTHER FINANCING SOURCES				
Bonds Issued:				
Blind Brook	100,000	100,000	—	(100,000)
Bronx Valley	550,000	550,000	—	(550,000)
Central Yonkers	20,000	20,000	—	(20,000)
Hutchinson Valley	100,000	100,000	—	(100,000)
Mamaroneck Valley	31,000	31,000	—	(31,000)
New Rochelle	225,000	225,000	—	(225,000)
North Yonkers	90,000	90,000	—	(90,000)
Ossining	50,000	50,000	—	(50,000)
Peekskill	50,000	50,000	—	(50,000)
Port Chester	15,000	15,000	—	(15,000)
Saw Mill Valley	350,000	350,000	—	(350,000)
South Yonkers	50,000	50,000	—	(50,000)
Upper Bronx Valley	40,000	40,000	—	(40,000)
	<u>1,671,000</u>	<u>1,671,000</u>	<u>—</u>	<u>(1,671,000)</u>
Bonds Premium-				
Environmental Facilities	39,349	39,349	—	(39,349)
Transfers from Capital Projects Fund to:				
Environmental Facilities	22,645	22,645	—	(22,645)
Hutchinson Valley	—	—	3,205	3,205
North Yonkers	10,860	10,860	10,860	—
Ossining	—	—	19,440	19,440
	<u>33,505</u>	<u>33,505</u>	<u>33,505</u>	<u>—</u>
Total Other Financing Sources	<u>1,743,854</u>	<u>1,743,854</u>	<u>33,505</u>	<u>(1,710,349)</u>
Total Revenues and Other Financing Sources	<u>\$ 111,418,005</u>	<u>\$ 113,384,005</u>	<u>\$ 113,152,778</u>	<u>\$ (231,227)</u>

See independent auditors' report

County of Westchester, New York

Combined Sewer Districts Fund—

Schedule of Expenditures and Other Financing

Uses Compared to Budget

Exhibit G-5

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES				
General Government:				
Blind Brook	\$ 100,000	\$ 49,000	\$ 48,200	\$ 800
Bronx Valley	550,000	215,000	214,083	917
Central Yonkers	20,000	16,000	7,782	8,218
Hutchinson Valley	100,000	82,000	56,330	25,670
Mamaroneck Valley	300,000	121,000	110,879	10,121
New Rochelle	225,000	22,000	9,853	12,147
North Yonkers	90,000	18,000	17,703	297
Ossining	50,000	43,000	41,423	1,577
Peekskill	50,000	12,000	4,779	7,221
Port Chester	15,000	15,000	13,324	1,676
Saw Mill Valley	350,000	103,000	102,567	433
South Yonkers	50,000	25,000	21,233	3,767
Upper Bronx Valley	40,000	18,000	1,252	16,748
	<u>1,940,000</u>	<u>739,000</u>	<u>649,408</u>	<u>89,592</u>
Home and Community Services:				
Personal Services-				
Environmental Facilities	<u>22,692,152</u>	<u>24,015,064</u>	<u>24,013,598</u>	<u>1,466</u>
Equipment-				
Environmental Facilities	<u>1,039,063</u>	<u>915,063</u>	<u>504,001</u>	<u>411,062</u>
Materials and Supplies-				
Environmental Facilities	<u>19,204,151</u>	<u>18,693,151</u>	<u>18,250,127</u>	<u>443,024</u>
Contractual:				
Environmental Facilities	22,768,028	21,569,028	20,909,216	659,812
North Yonkers Pumping Station	19,369	13,369	12,909	460
Yonkers Joint Treatment Plant	208,171	169,171	168,725	446
Blind Brook	6,120,823	6,185,823	6,184,897	926
Bronx Valley	25,071,738	25,444,738	25,442,621	2,117
Central Yonkers	1,692,444	1,721,444	1,720,684	760
Hutchinson Valley	6,666,435	6,766,435	6,764,536	1,899
Mamaroneck Valley	12,099,932	12,278,932	12,277,086	1,846
New Rochelle	6,473,036	6,533,036	6,469,626	63,410
North Yonkers	4,794,172	4,880,172	4,878,794	1,378
Ossining	2,243,658	2,272,658	2,262,835	9,823
Peekskill	2,924,856	2,962,856	2,960,353	2,503
Port Chester	1,483,500	1,497,500	1,489,666	7,834
Saw Mill Valley	14,581,153	14,827,153	14,825,647	1,506
South Yonkers	1,946,489	1,976,489	1,975,286	1,203
Upper Bronx Valley	1,398,832	1,420,832	1,419,516	1,316
	<u>110,492,636</u>	<u>110,519,636</u>	<u>109,762,397</u>	<u>757,239</u>

(Continued)

County of Westchester, New York

Combined Sewer Districts Fund—

Schedule of Expenditures and Other Financing

Uses Compared to Budget (cont'd)

Exhibit G-5

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Less Services to Sewer District by:				
Environmental Facilities	\$ (74,804,640)	\$ (74,804,640)	\$ (74,767,552)	\$ (37,088)
North Yonkers Pumping Station	(1,455,155)	(1,518,155)	(1,587,973)	69,818
Yonkers Joint Treatment Plant	(10,365,229)	(10,579,229)	(11,532,374)	953,145
	(86,625,024)	(86,902,024)	(87,887,899)	985,875
Total Home and Community Services	66,802,978	67,240,890	64,642,224	2,598,666
Employee Benefits-				
Environmental Facilities	15,290,397	16,639,485	16,639,485	—
Debt Service:				
Principal-				
Serial Bonds:				
Environmental Facilities	525,612	570,162	570,162	—
North Yonkers Pumping Station	850,441	938,441	937,825	616
Yonkers Joint Treatment Plant	6,761,797	7,094,797	7,094,676	121
Blind Brook	2,037,151	2,023,151	1,878,373	144,778
Bronx Valley	91,101	91,101	91,101	—
Hutchinson Valley	248,349	248,349	248,349	—
Mamaroneck Valley	4,861,720	5,007,720	5,007,419	301
New Rochelle	8,342,638	8,545,638	8,545,583	55
North Yonkers	107,034	114,034	113,268	766
Ossining	1,131,088	1,502,088	1,501,783	305
Peekskill	1,764,270	1,831,270	1,831,022	248
Port Chester	1,184,503	1,210,503	1,209,743	760
Saw Mill Valley	383,631	406,631	406,549	82
	28,289,335	29,583,885	29,435,853	148,032
Interest-				
Serial Bonds:				
Environmental Facilities	85,245	149,695	149,202	493
North Yonkers Pumping Station	604,525	585,525	579,393	6,132
Yonkers Joint Treatment Plant	4,178,363	4,098,363	4,097,661	702
Blind Brook	1,323,323	1,323,323	1,236,986	86,337
Bronx Valley	61,056	62,056	62,016	40
Hutchinson Valley	170,781	171,781	170,894	887
Mamaroneck Valley	2,356,481	2,652,481	2,651,635	846
New Rochelle	6,098,568	6,038,568	6,036,114	2,454
North Yonkers	47,987	47,987	37,868	10,119
Ossining	813,597	727,597	726,609	988
Peekskill	693,685	760,685	759,914	771
Port Chester	838,882	857,882	857,280	602
Saw Mill Valley	229,580	233,580	233,391	189
	17,502,073	17,709,523	17,598,963	110,560

(Continued)

County of Westchester, New York

Combined Sewer Districts Fund—

Schedule of Expenditures and Other Financing

Uses Compared to Budget (cont'd)

Exhibit G-5

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Interest-				
Bond Anticipation Notes:				
Environmental Facilities	\$ 118,999	\$ 9,999	\$ —	\$ 9,999
North Yonkers Pumping Station	517	517	517	—
Yonkers Joint Treatment Plant	126,537	126,537	126,537	—
Blind Brook	4,161	4,161	4,161	—
Mamaroneck Valley	8,372	8,372	8,372	—
New Rochelle	4,759	4,759	4,759	—
Port Chester	1,142	1,142	1,142	—
	<u>264,487</u>	<u>155,487</u>	<u>145,488</u>	<u>9,999</u>
Total Debt Service	<u>46,055,895</u>	<u>47,448,895</u>	<u>47,180,304</u>	<u>268,591</u>
Cost of Issuance-				
Environmental Facilities	<u>50,000</u>	<u>141,000</u>	<u>140,701</u>	<u>299</u>
Capital Outlay-				
Non-Recurring Repairs-				
Environmental Facilities	<u>750,242</u>	<u>697,242</u>	<u>402,469</u>	<u>294,773</u>
Total Expenditures	<u>130,889,512</u>	<u>132,906,512</u>	<u>129,654,591</u>	<u>3,251,921</u>
OTHER FINANCING USES:				
Transfers Out:				
General Fund for:				
North Yonkers Pumping Station	20,000	20,000	20,000	—
Yonkers Joint Treatment Plant	135,000	135,000	135,000	—
Blind Brook	10,000	10,000	10,000	—
Bronx Valley	4,000	4,000	4,000	—
Mamaroneck Valley	31,000	31,000	31,000	—
New Rochelle	27,000	27,000	27,000	—
Peekskill	13,000	13,000	13,000	—
Saw Mill Valley	2,000	2,000	2,000	—
	<u>242,000</u>	<u>242,000</u>	<u>242,000</u>	<u>—</u>
Capital Projects Fund for:				
North Yonkers Pumping Station	70,238	70,238	70,238	—
Yonkers Joint Treatment Plant	213,500	213,500	213,500	—
Blind Brook	9,090	9,090	9,090	—
Mamaroneck Valley	27,741	27,741	27,741	—
New Rochelle	101,176	101,176	101,176	—
Ossining	316,988	316,988	316,988	—
Port Chester	2,494	2,494	2,494	—
	<u>741,227</u>	<u>741,227</u>	<u>741,227</u>	<u>—</u>
Total Other Financing Uses	<u>983,227</u>	<u>983,227</u>	<u>983,227</u>	<u>—</u>
Total Expenditures and Other Financing Uses	<u>\$ 131,872,739</u>	<u>\$ 133,889,739</u>	<u>\$ 130,637,818</u>	<u>\$ 3,251,921</u>

See independent auditors' report

Refuse Disposal District Fund

Refuse Disposal District Fund: This fund is used to account for the planning, operation, and maintenance of the solid waste facilities within or on the borders of Westchester County.

(This page intentionally left blank.)

County of Westchester, New York

Refuse Disposal District Fund—

Comparative Balance Sheet

December 31, 2021 and 2020

Exhibit H-1

	<u>2021</u>	<u>2020</u>
ASSETS		
Accounts Receivable, Net of Allowance for		
Doubtful Accounts of \$656,122 in 2021 and 2020	\$ 5,574,468	\$ 5,392,009
Due from Federal and State Governments	1,273,179	—
Due from Other Funds	<u>15,873,877</u>	<u>17,435,170</u>
 Total Assets	 <u><u>\$ 22,721,524</u></u>	 <u><u>\$ 22,827,179</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities-		
Accounts Payable and Accrued Liabilities	\$ 6,846,508	\$ 5,984,600
 Fund Balance-		
Assigned	<u>15,875,016</u>	<u>16,842,579</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 22,721,524</u></u>	 <u><u>\$ 22,827,179</u></u>

See independent auditors' report

County of Westchester, New York
Refuse Disposal District Fund—
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual
Years Ended December 31, 2021 and 2020

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes on Real Property	\$ 47,718,254	\$ 47,718,254	\$ 47,718,254	\$ —
Federal Aid	—	—	1,273,179	1,273,179
State Aid	—	—	221,442	221,442
Departmental Income	17,156,400	17,156,400	20,804,231	3,647,831
Earnings on Investments	101,239	101,239	176,270	75,031
Miscellaneous	85,000	85,000	597,008	512,008
Total Revenues	65,060,893	65,060,893	70,790,384	5,729,491
EXPENDITURES				
Current:				
General Government	4,440,739	6,187,183	5,636,046	551,137
Home and Community Services	69,050,858	67,237,037	62,396,171	4,840,866
Employee Benefits	1,307,919	1,371,240	1,201,232	170,008
Debt Service:				
Principal	1,260,253	1,264,309	1,264,309	—
Interest	330,463	330,463	310,189	20,274
Total Expenditures	76,390,232	76,390,232	70,807,947	5,582,285
Deficiency of Revenues Over Expenditures	(11,329,339)	(11,329,339)	(17,563)	11,311,776
OTHER FINANCING SOURCES (USES)				
Bonds Issued	750,000	750,000	—	(750,000)
Bonds Premium	5,774	5,774	—	(5,774)
Transfers In- General Fund	50,000	50,000	50,000	—
Transfers Out- Capital Projects Fund	(1,000,000)	(1,000,000)	(1,000,000)	—
Total Other Financing Uses	(194,226)	(194,226)	(950,000)	(755,774)
Net Change in Fund Balance	(11,523,565)	(11,523,565)	(967,563)	10,556,002
FUND BALANCE				
Beginning of Year	11,523,565	11,523,565	16,842,579	5,319,014
End of Year	\$ —	\$ —	\$ 15,875,016	\$ 15,875,016

See independent auditors' report

Exhibit H-2

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 42,378,946	\$ 42,378,946	\$ 42,378,946	\$ —
—	—	—	—
—	—	—	—
17,209,322	17,209,322	17,578,274	368,952
264,405	264,405	246,219	(18,186)
100,000	100,000	892,831	792,831
59,952,673	59,952,673	61,096,270	1,143,597
4,710,792	4,664,405	3,676,949	987,456
67,148,889	67,230,309	64,145,960	3,084,349
1,523,447	1,475,031	1,191,267	283,764
1,303,185	1,303,185	1,303,185	—
348,394	361,777	361,777	—
75,034,707	75,034,707	70,679,138	4,355,569
(15,082,034)	(15,082,034)	(9,582,868)	5,499,166
—	—	—	—
—	—	—	—
50,000	50,000	50,000	—
(1,000,000)	(1,000,000)	(1,000,000)	—
(950,000)	(950,000)	(950,000)	—
(16,032,034)	(16,032,034)	(10,532,868)	5,499,166
16,032,034	16,032,034	27,375,447	11,343,413
\$ —	\$ —	\$ 16,842,579	\$ 16,842,579

County of Westchester, New York

Refuse Disposal District Fund—

Schedule of Expenditures and Other Financing

Uses Compared to Budget

Exhibit H-3

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES				
General Government-				
Administration:				
Personal services	\$ 347,595	\$ 344,595	\$ 239,081	\$ 105,514
Materials and supplies	6,800	6,800	3,004	3,796
Contractual	4,086,344	5,835,788	5,393,961	441,827
	<u>4,440,739</u>	<u>6,187,183</u>	<u>5,636,046</u>	<u>551,137</u>
Home and Community Services:				
Mount Vernon Transfer Station:				
Personal services	58,820	58,820	54,281	4,539
Materials and supplies	103,633	103,633	77,135	26,498
Contractual	2,592,263	2,602,263	2,522,621	79,642
	<u>2,754,716</u>	<u>2,764,716</u>	<u>2,654,037</u>	<u>110,679</u>
Yonkers Transfer Station:				
Personal services	51,980	51,980	45,961	6,019
Materials and supplies	213,527	251,491	251,491	—
Contractual	3,930,935	3,930,935	3,774,144	156,791
	<u>4,196,442</u>	<u>4,234,406</u>	<u>4,071,596</u>	<u>162,810</u>
White Plains:				
Personal services	48,490	48,490	37,805	10,685
Materials and supplies	115,175	79,498	77,539	1,959
Contractual	2,725,945	2,845,945	2,676,249	169,696
	<u>2,889,610</u>	<u>2,973,933</u>	<u>2,791,593</u>	<u>182,340</u>
Recovery and Disposal:				
Personal services	385,036	385,036	325,974	59,062
Materials and supplies	126,276	123,989	65,151	58,838
Contractual	43,940,977	42,226,977	40,784,223	1,442,754
	<u>44,452,289</u>	<u>42,736,002</u>	<u>41,175,348</u>	<u>1,560,654</u>
Recycling:				
Personal services	941,504	881,183	881,002	181
Equipment	—	—	—	—
Materials and supplies	76,129	76,129	50,754	25,375
Contractual	1,128,972	779,472	176,151	603,321
	<u>2,146,605</u>	<u>1,736,784</u>	<u>1,107,907</u>	<u>628,877</u>

continued

County of Westchester, New York

Refuse Disposal District Fund—

Schedule of Expenditures and Other Financing

Uses Compared to Budget (cont'd)

Exhibit H-3

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Material Recovery Facility:				
Personal services	\$ 51,435	\$ 51,435	\$ —	\$ 51,435
Materials and supplies	252,357	252,357	190,183	62,174
Contractual	12,307,404	12,487,404	10,405,507	2,081,897
	<u>12,611,196</u>	<u>12,791,196</u>	<u>10,595,690</u>	<u>2,195,506</u>
Total Home and Community Services	<u>69,050,858</u>	<u>67,237,037</u>	<u>62,396,171</u>	<u>4,840,866</u>
Employee Benefits:				
Administration	187,143	177,921	118,492	59,429
Mount Vernon Transfer Station	46,901	46,901	16,087	30,814
Yonkers Transfer Station	45,133	45,133	39,360	5,773
White Plains	44,231	44,231	41,081	3,150
Recovery and Disposal	288,332	288,332	260,093	28,239
Recycling	653,577	726,120	726,119	1
Material Recovery Facility	42,602	42,602	—	42,602
	<u>1,307,919</u>	<u>1,371,240</u>	<u>1,201,232</u>	<u>170,008</u>
Debt Service- Serial Bonds:				
Principal	1,260,253	1,264,309	1,264,309	—
Interest	330,463	330,463	310,189	20,274
	<u>1,590,716</u>	<u>1,594,772</u>	<u>1,574,498</u>	<u>20,274</u>
Total Expenditures	76,390,232	76,390,232	70,807,947	5,582,285
OTHER FINANCING USES				
Transfers Out- Capital Projects Fund	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>—</u>
Total Expenditures and Other Financing Uses	<u>\$ 77,390,232</u>	<u>\$ 77,390,232</u>	<u>\$ 71,807,947</u>	<u>\$ 5,582,285</u>

See independent auditors' report

(This page intentionally left blank.)

Grants Fund

Grants Fund: This fund is used to account for the operations of various projects or programs funded in full or major part by Federal and State government grants and certain private sources.

(This page intentionally left blank.)

County of Westchester, New York
Grants Fund—
Comparative Balance Sheet
December 31, 2021 and 2020

Exhibit I-1

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 4,049,828	\$ 3,379,059
Accounts Receivable	212,136	1,205,602
Loan Receivable	16,370,946	16,363,240
Due from Federal and State Governments	35,877,644	35,324,145
Due from Other Funds	<u>36,395,931</u>	<u>23,142,572</u>
 Total Assets	 <u><u>\$ 92,906,485</u></u>	 <u><u>\$ 79,414,618</u></u>
 LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 16,156,383	\$ 11,252,498
Unearned Revenue	<u>65,866,892</u>	<u>58,900,544</u>
 Total Liabilities	 82,023,275	 70,153,042
 Fund Balance-		
Assigned	<u>10,883,210</u>	<u>9,261,576</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 92,906,485</u></u>	 <u><u>\$ 79,414,618</u></u>

See independent auditors' report

County of Westchester, New York

Exhibit I-2

Grants Fund—

Comparative Statement of Revenues, Expenditures and Changes in Fund Balance

Years Ended December 31, 2021 and 2020

	2021	2020
REVENUES		
Federal Aid	\$ 55,078,420	\$ 49,674,592
State Aid	64,669,174	59,528,338
Departmental Income	9,698,003	9,689,316
Miscellaneous	8,490,216	5,920,689
Total Revenues	137,935,813	124,812,935
EXPENDITURES		
Current:		
General Government	2,884,861	3,028,032
Public Safety	16,798,212	16,542,110
Health Services	68,137,873	61,331,233
Transportation	644,711	730,306
Economic Assistance and Opportunity	43,749,151	41,068,593
Culture and Recreation	1,152,742	986,111
Home and Community Services	4,191,815	3,591,018
Total Expenditures	137,559,365	127,277,403
Excess (Deficiency) of Revenues Over Expenditures	376,448	(2,464,468)
OTHER FINANCING SOURCES (USES)		
Transfers In	6,292,044	6,191,691
Transfers Out	(5,046,858)	(346,602)
Total Other Financing Sources	1,245,186	5,845,089
Net Change in Fund Balance	1,621,634	3,380,621
FUND BALANCE		
Beginning of Year	9,261,576	5,880,955
End of Year	\$ 10,883,210	\$ 9,261,576

See independent auditors' report

Capital Projects Fund

Capital Projects Fund: This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

(This page intentionally left blank.)

County of Westchester, New York
Capital Projects Fund—
Comparative Balance Sheet
December 31, 2021 and 2020

Exhibit J-1

	<u>2021</u>	<u>2020</u>
ASSETS		
Cash	\$ 30,439,025	\$ 67,945,625
Due from Federal and State Governments	6,425,716	999,450
Restricted Cash	<u>39,170,951</u>	<u>38,936,043</u>
Total Assets	<u><u>\$ 76,035,692</u></u>	<u><u>\$ 107,881,118</u></u>
LIABILITIES AND FUND BALANCE (DEFICIT)		
Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 38,935,497	\$ 34,927,539
Bond Anticipation Notes Payable	15,252,049	75,573,833
Due to Other Funds	<u>97,088,363</u>	<u>71,911,055</u>
Total Liabilities	<u>151,275,909</u>	<u>182,412,427</u>
Fund Balance (Deficit):		
Restricted	12,516,368	9,353,831
Unassigned	<u>(87,756,585)</u>	<u>(83,885,140)</u>
Total Fund Balance (Deficit)	<u>(75,240,217)</u>	<u>(74,531,309)</u>
Total Liabilities and Fund Balance (Deficit)	<u><u>\$ 76,035,692</u></u>	<u><u>\$ 107,881,118</u></u>

See independent auditors' report

County of Westchester, New York

Exhibit J-2

Capital Projects Fund—

Comparative Statement of Revenues, Expenditures and Changes in Fund Balance

Years Ended December 31, 2021 and 2020

	2021	2020
REVENUES		
Federal Aid	\$ 8,172,405	\$ 23,055,904
State Aid	3,439,704	5,534,594
Earnings on Investments	77,931	761,429
Miscellaneous	755,904	1,510,158
Total Revenues	12,445,944	30,862,085
EXPENDITURES		
Debt Service-		
Costs of Issuance	599,965	1,022,711
Capital Outlay:		
General Government	69,786,636	40,727,587
Education	764,437	4,719,184
Public Safety	3,890,009	6,044,505
Health Services	708,072	445,672
Transportation	54,976,631	79,246,863
Culture and Recreation	68,839,234	45,825,716
Home and Community Services	35,466,096	55,232,109
Total Capital Outlay	234,431,115	232,241,636
Total Expenditures	235,031,080	233,264,347
Deficiency of Revenues Over Expenditures	(222,585,136)	(202,402,262)
OTHER FINANCING SOURCES (USES)		
Bonds Issued	203,779,614	97,715,627
Bonds Premium	18,495,000	11,126,329
Refunding Bonds Issued	—	50,920,000
Premium on Refunding Bonds	—	441,003
Transfers In	3,687,774	7,430,976
Transfers Out	(4,086,160)	(7,961,944)
Payment to Refunded Bond Escrow Agent	—	(50,728,569)
Total Other Financing Sources	221,876,228	108,943,422
Net Change in Fund Balance	(708,908)	(93,458,840)
FUND BALANCE (DEFICIT)		
Beginning of Year	(74,531,309)	18,927,531
End of Year	\$ (75,240,217)	\$ (74,531,309)

See independent auditors' report

Nonmajor Governmental Funds

Airport Fund: This fund is used to account for the operations of the Westchester County Airport.

Combined Water District Fund: These funds are used to account for the water filtration facilities and water distribution systems within or on the borders of Westchester County.

(This page intentionally left blank.)

County of Westchester, New York

Nonmajor Governmental Funds—

Combining Balance Sheet

Exhibit K-1

December 31, 2021

(With Comparative Totals for 2020)

			Totals	
	Airport Fund	Combined Water Districts Fund	2021	2020
ASSETS				
Cash	\$ 20,738,272	\$ —	\$ 20,738,272	\$ 14,928,776
Accounts Receivable, Net	5,135,663	9,024,686	14,160,349	15,013,711
Due from Federal and State Governments	247,770	22,313	270,083	5,750,050
Total Assets	<u>\$ 26,121,705</u>	<u>\$ 9,046,999</u>	<u>\$ 35,168,704</u>	<u>\$ 35,692,537</u>
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 4,768,553	\$ 2,510,606	\$ 7,279,159	\$ 7,332,928
Due to Other Funds	—	1,923,308	1,923,308	3,707,428
Unearned Revenue	915,924	—	915,924	822,537
Total Liabilities	<u>5,684,477</u>	<u>4,433,914</u>	<u>10,118,391</u>	<u>11,862,893</u>
Fund Balance:				
Restricted	255,470	—	255,470	229,111
Assigned	20,181,758	4,613,085	24,794,843	23,600,533
Total Fund Balances	<u>20,437,228</u>	<u>4,613,085</u>	<u>25,050,313</u>	<u>23,829,644</u>
Total Liabilities and Fund Balances	<u>\$ 26,121,705</u>	<u>\$ 9,046,999</u>	<u>\$ 35,168,704</u>	<u>\$ 35,692,537</u>

See independent auditors' report

County of Westchester, New York

Nonmajor Governmental Funds—

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Exhibit K-2

Year Ended December 31, 2021
(With Comparative Totals for 2020)

			Totals	
	Airport Fund	Combined Water Districts Fund	2021	2020
REVENUES				
Taxes on Real Property	\$ —	\$ 4,098,623	\$ 4,098,623	\$ 2,722,285
Federal Aid	10,060,937	22,313	10,083,250	15,751,539
Departmental Income	41,419,199	16,156,070	57,575,269	49,421,235
Earnings on Investments	40,445	5,848	46,293	103,256
Miscellaneous	1,856,907	267,010	2,123,917	2,368,286
Total Revenues	53,377,488	20,549,864	73,927,352	70,366,601
EXPENDITURES				
Current:				
Transportation	43,302,969	—	43,302,969	40,666,351
Home and Community Services	—	17,392,052	17,392,052	19,749,902
Employee Benefits	3,177,568	383,751	3,561,319	4,309,032
Debt Service:				
Principal	1,190,528	1,445,771	2,636,299	2,393,125
Interest	357,554	789,182	1,146,736	1,354,710
Capital Outlay	3,333,425	101,174	3,434,599	3,833,489
Total Expenditures	51,362,044	20,111,930	71,473,974	72,306,609
Excess (Deficiency) of Revenues Over Expenditures	2,015,444	437,934	2,453,378	(1,940,008)
OTHER FINANCING SOURCES (USES)				
Transfers In	643,838	—	643,838	3,630,030
Transfers Out	(1,876,547)	—	(1,876,547)	(4,912,301)
Total Other Financing Uses	(1,232,709)	—	(1,232,709)	(1,282,271)
Net Change in Fund Balances	782,735	437,934	1,220,669	(3,222,279)
FUND BALANCES				
Beginning of Year	19,654,493	4,175,151	23,829,644	27,051,923
End of Year	\$ 20,437,228	\$ 4,613,085	\$ 25,050,313	\$ 23,829,644

See independent auditors' report

County of Westchester, New York

Airport Fund—

Comparative Balance Sheet

December 31, 2021 and 2020

Exhibit L-1

	2021	2020
ASSETS		
Cash	\$ 20,738,272	\$ 14,928,776
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$1,600,000 in 2021 and \$797,283 in 2020	5,135,663	3,425,937
Due from Federal and State Governments	247,770	5,750,050
Total Assets	<u>\$ 26,121,705</u>	<u>\$ 24,104,763</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 4,768,553	\$ 3,627,733
Unearned Revenue	915,924	822,537
Total Liabilities	<u>5,684,477</u>	<u>4,450,270</u>
Fund Balance:		
Restricted	255,470	229,111
Assigned	20,181,758	19,425,382
Total Fund Balance	<u>20,437,228</u>	<u>19,654,493</u>
Total Liabilities and Fund Balance	<u>\$ 26,121,705</u>	<u>\$ 24,104,763</u>

See independent auditors' report

County of Westchester, New York
Airport Fund—
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance—Budget and Actual
Years Ended December 31, 2021 and 2020

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Federal Aid	\$ 4,081,597	\$ 4,671,597	\$ 10,060,937	\$ 5,389,340
Departmental Income	38,557,547	38,557,547	41,419,199	2,861,652
Earnings on Investments	90,000	90,000	40,445	(49,555)
Miscellaneous	2,400,000	2,400,000	1,856,907	(543,093)
Total Revenues	45,129,144	45,719,144	53,377,488	7,658,344
EXPENDITURES				
Current:				
Transportation	44,005,980	43,307,363	43,302,969	4,394
Employee Benefits	3,252,425	3,178,425	3,177,568	857
Debt Service	1,552,385	1,549,035	1,548,082	953
Capital Outlay	1,398,008	3,333,428	3,333,425	3
Total Expenditures	50,208,798	51,368,251	51,362,044	6,207
Excess (Deficiency) of Revenues Over Expenditures	(5,079,654)	(5,649,107)	2,015,444	7,664,551
OTHER FINANCING SOURCES (USES)				
Transfers In- Capital Projects Fund	—	—	643,838	643,838
Transfers Out- Capital Projects Fund	(2,446,000)	(1,876,547)	(1,876,547)	—
Total Other Financing Sources (Uses)	(2,446,000)	(1,876,547)	(1,232,709)	643,838
Net Change in Fund Balance	(7,525,654)	(7,525,654)	782,735	8,308,389
FUND BALANCE				
Beginning of Year	7,525,654	7,525,654	19,654,493	12,128,839
End of Year	\$ —	\$ —	\$ 20,437,228	\$ 20,437,228

See independent auditors' report

Exhibit L-2

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ —	\$ —	\$ 15,751,539	\$ 15,751,539
48,631,006	48,631,006	31,054,433	(17,576,573)
90,000	90,000	86,456	(3,544)
3,300,000	3,300,000	1,275,965	(2,024,035)
52,021,006	52,021,006	48,168,393	(3,852,613)
43,632,690	42,506,498	40,666,351	1,840,147
5,227,359	4,547,714	3,949,901	597,813
2,190,725	1,546,382	1,514,729	31,653
2,646,012	3,483,887	3,483,884	3
53,696,786	52,084,481	49,614,865	2,469,616
(1,675,780)	(63,475)	(1,446,472)	(1,382,997)
3,630,030	3,630,030	3,630,030	—
(3,300,000)	(4,912,305)	(4,912,301)	4
330,030	(1,282,275)	(1,282,271)	4
(1,345,750)	(1,345,750)	(2,728,743)	(1,382,993)
1,345,750	1,345,750	22,383,236	21,037,486
\$ —	\$ —	\$ 19,654,493	\$ 19,654,493

County of Westchester, New York

Exhibit L-3

Airport Fund—

Schedule of Expenditures and Other Financing Uses Compared to Budget

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES				
Current:				
Transportation:				
Personal services	\$ 9,542,252	\$ 9,405,252	\$ 9,405,039	\$ 213
Equipment	560,619	117,619	116,483	1,136
Materials and supplies	1,886,989	1,980,989	1,978,209	2,780
Contractual	32,016,120	31,803,503	31,803,238	265
	<u>44,005,980</u>	<u>43,307,363</u>	<u>43,302,969</u>	<u>4,394</u>
Employee Benefits	<u>3,252,425</u>	<u>3,178,425</u>	<u>3,177,568</u>	<u>857</u>
Debt Service:				
Serial Bonds:				
Principal	1,170,478	1,191,478	1,190,528	950
Interest	<u>381,907</u>	<u>357,557</u>	<u>357,554</u>	<u>3</u>
Total Debt Service	<u>1,552,385</u>	<u>1,549,035</u>	<u>1,548,082</u>	<u>953</u>
Capital Outlay	<u>1,398,008</u>	<u>3,333,428</u>	<u>3,333,425</u>	<u>3</u>
Total Expenditures	50,208,798	51,368,251	51,362,044	6,207
OTHER FINANCING USES				
Transfers Out-				
Capital Projects Fund	<u>2,446,000</u>	<u>1,876,547</u>	<u>1,876,547</u>	<u>—</u>
Total Expenditures and Other Financing Uses	<u>\$ 52,654,798</u>	<u>\$ 53,244,798</u>	<u>\$ 53,238,591</u>	<u>\$ 6,207</u>

See independent auditors' report

County of Westchester, New York Combined Water Districts Fund— Comparative Balance Sheet

Exhibit M-1

December 31, 2021 and 2020

	2021	2020
ASSETS		
Accounts Receivable	\$ 9,024,686	\$ 11,587,774
Due from Federal and State Governments	22,313	—
Total Assets	<u>\$ 9,046,999</u>	<u>\$ 11,587,774</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 2,510,606	\$ 3,705,195
Due to Other Funds	1,923,308	3,707,428
Total Liabilities	4,433,914	7,412,623
Fund Balance-		
Assigned	<u>4,613,085</u>	<u>4,175,151</u>
Total Liabilities and Fund Balance	<u>\$ 9,046,999</u>	<u>\$ 11,587,774</u>

See independent auditors' report

County of Westchester, New York

Exhibit M-2

Water Districts Fund—

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

Year Ended December 31, 2021

	County Water District No. 1	County Water District No. 2	County Water District No. 3	County Water District No. 4	Totals
REVENUES	\$ 18,355,594	\$ 7,092	\$ 2,186,469	\$ 709	\$ 20,549,864
EXPENDITURES	17,736,774	7,090	2,368,066	—	20,111,930
Excess (Deficiency) of Revenues Over Expenditures	618,820	2	(181,597)	709	437,934
FUND BALANCES					
Beginning of Year	1,020,452	450	2,825,933	328,316	4,175,151
End of Year	\$ 1,639,272	\$ 452	\$ 2,644,336	\$ 329,025	\$ 4,613,085

See independent auditors' report

(This page intentionally left blank.)

County of Westchester, New York
Combined Water Districts Fund—
Comparative Schedule of Revenues, Expenditures
and Changes in Fund Balance—Budget and Actual
Years Ended December 31, 2021 and 2020

	2021			
	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes on Real Property	\$ 4,098,623	\$ 4,098,623	\$ 4,098,623	\$ —
Federal Aid	—	—	22,313	22,313
Departmental Income	20,220,000	20,220,000	16,156,070	(4,063,930)
Earnings on Investments	1,000	1,000	5,848	4,848
Miscellaneous	457,005	457,005	267,010	(189,995)
Total Revenues	24,776,628	24,776,628	20,549,864	(4,226,764)
EXPENDITURES				
Current:				
Home and Community Services	22,835,500	22,769,003	17,392,052	5,376,951
Employee Benefits	385,968	413,328	383,751	29,577
Debt Service	2,254,762	2,293,899	2,234,953	58,946
Capital Outlay	417,501	417,501	101,174	316,327
Total Expenditures	25,893,731	25,893,731	20,111,930	5,781,801
Excess (Deficiency) of Revenues Over Expenditures	(1,117,103)	(1,117,103)	437,934	1,555,037
OTHER FINANCING SOURCES				
Bonds Issued	80,000	80,000	—	(80,000)
Bonds Premium	1,869	1,869	—	(1,869)
Total Other Financing Sources	81,869	81,869	—	(81,869)
Net Change in Fund Balance	(1,035,234)	(1,035,234)	437,934	1,473,168
FUND BALANCE				
Beginning of Year	1,035,234	1,035,234	4,175,151	3,139,917
End of Year	\$ —	\$ —	\$ 4,613,085	\$ 4,613,085

See independent auditors' report

Exhibit M-3

2020			
Original Budget	Final Budget	Actual	Variance with Final Budget
\$ 2,722,285	\$ 2,722,285	\$ 2,722,285	\$ —
—	—	—	—
18,720,000	18,720,000	18,366,802	(353,198)
26,000	26,000	16,800	(9,200)
145,052	145,052	1,092,321	947,269
21,613,337	21,613,337	22,198,208	584,871
21,189,099	20,706,175	19,749,902	956,273
499,973	438,721	359,131	79,590
2,232,687	2,812,579	2,233,106	579,473
385,321	349,605	349,605	—
24,307,080	24,307,080	22,691,744	1,615,336
(2,693,743)	(2,693,743)	(493,536)	2,200,207
—	—	—	—
—	—	—	—
—	—	—	—
(2,693,743)	(2,693,743)	(493,536)	2,200,207
2,693,743	2,693,743	4,668,687	1,974,944
\$ —	\$ —	\$ 4,175,151	\$ 4,175,151

County of Westchester, New York

Combined Water Districts Fund—

Schedule of Revenues and Other Financing

Sources Compared to Budget

Exhibit M-4

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Taxes on Real Property-				
County Water District No. 1	\$ 4,098,623	\$ 4,098,623	\$ 4,098,623	\$ —
Federal Aid-				
County Water District No. 3	—	—	22,313	22,313
Departmental Income:				
County Water District No. 1	17,820,000	17,820,000	14,005,765	(3,814,235)
County Water District No. 3	2,400,000	2,400,000	2,150,305	(249,695)
	20,220,000	20,220,000	16,156,070	(4,063,930)
Earnings on Investments:				
County Water District No. 2	—	—	1	1
County Water District No. 3	—	—	5,138	5,138
County Water District No. 4	1,000	1,000	709	(291)
	1,000	1,000	5,848	4,848
Miscellaneous:				
County Water District No. 1	447,005	447,005	251,206	(195,799)
County Water District No. 2	10,000	10,000	7,091	(2,909)
County Water District No. 3	—	—	8,713	8,713
	457,005	457,005	267,010	(189,995)
Total Revenues	24,776,628	24,776,628	20,549,864	(4,226,764)
OTHER FINANCING SOURCES				
Bonds Issued				
County Water District No. 1	80,000	80,000	—	(80,000)
Bonds Premium				
County Water District No. 1	580	580	—	(580)
County Water District No. 3	1,289	1,289	—	(1,289)
	1,869	1,869	—	(1,869)
Total Other Financing Sources	81,869	81,869	—	(81,869)
Total Revenues and Other Financing Sources	\$ 24,858,497	\$ 24,858,497	\$ 20,549,864	\$ (4,308,633)

See independent auditors' report

County of Westchester, New York
Combined Water Districts Fund—
Schedule of Expenditures Compared to Budget
Year Ended December 31, 2021

Exhibit M-5

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES				
Home and Community Services:				
County Water District No. 1:				
Personal services	\$ 360,539	\$ 360,179	\$ 359,989	\$ 190
Equipment	21,774	21,774	—	21,774
Materials and supplies	18,659,664	18,632,664	14,680,376	3,952,288
Contractual	1,755,802	1,755,802	955,461	800,341
	<u>20,797,779</u>	<u>20,770,419</u>	<u>15,995,826</u>	<u>4,774,593</u>
County Water District No. 2 -				
Contractual	<u>10,000</u>	<u>10,000</u>	<u>7,090</u>	<u>2,910</u>
County Water District No. 3:				
Personal services	315,979	315,979	205,221	110,758
Equipment	11,774	11,774	—	11,774
Materials and supplies	713,200	731,200	729,885	1,315
Contractual	985,768	928,631	454,030	474,601
	<u>2,026,721</u>	<u>1,987,584</u>	<u>1,389,136</u>	<u>598,448</u>
County Water District No. 4 -				
Contractual	<u>1,000</u>	<u>1,000</u>	<u>—</u>	<u>1,000</u>
Total Home and Community Services	<u>22,835,500</u>	<u>22,769,003</u>	<u>17,392,052</u>	<u>5,376,951</u>
Employee Benefits:				
County Water District No. 1	195,568	222,928	222,928	—
County Water District No. 3	190,400	190,400	160,823	29,577
	<u>385,968</u>	<u>413,328</u>	<u>383,751</u>	<u>29,577</u>
Debt Service:				
Principal-				
Serial Bonds:				
County Water District No. 1	815,353	817,332	817,332	—
County Water District No. 3	554,452	628,439	628,439	—
	<u>1,369,805</u>	<u>1,445,771</u>	<u>1,445,771</u>	<u>—</u>
Interest-				
Serial Bonds:				
County Water District No. 1	680,065	678,253	678,253	—
County Water District No. 3	199,240	164,390	110,929	53,461
	<u>879,305</u>	<u>842,643</u>	<u>789,182</u>	<u>53,461</u>

County of Westchester, New York

Exhibit M-5

Combined Water Districts Fund—

Schedule of Expenditures Compared to Budget (cont'd)

Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget
Bond Anticipation Notes:				
County Water District No. 1	\$ 1,755	\$ 1,588	\$ —	\$ 1,588
County Water District No. 3	3,897	3,897	—	3,897
	<u>5,652</u>	<u>5,485</u>	<u>—</u>	<u>5,485</u>
Total Debt Service	<u>2,254,762</u>	<u>2,293,899</u>	<u>2,234,953</u>	<u>58,946</u>
Capital Outlay:				
County Water District No. 1	192,437	192,437	22,435	170,002
County Water District No. 3	225,064	225,064	78,739	146,325
	<u>417,501</u>	<u>417,501</u>	<u>101,174</u>	<u>316,327</u>
Total Expenditures	<u>\$ 25,893,731</u>	<u>\$ 25,893,731</u>	<u>\$ 20,111,930</u>	<u>\$ 5,781,801</u>

See independent auditors' report

Internal Service Funds

Internal Service Funds: These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis.

(This page intentionally left blank.)

County of Westchester, New York

Internal Service Funds—

Combining Statement of Net Position

December 31, 2021
(With Comparative Totals for 2020)

Exhibit N-1

	Totals			
	Health Insurance Fund	Casualty Reserve Fund	Workers' Compensation Reserve Fund	
	2021	2021	2021	2020
ASSETS				
Cash	\$ 2,503,796	\$ 4,444,850	\$ 7,991,556	\$ 24,215,621
Investments	—	29,868,750	—	32,126,563
Accounts Receivable	7,728,829	460,160	—	6,364,537
Due from Other Funds	26,817,390	1,264,241	—	28,038,795
Prepaid Expenses	455,700	—	—	—
Total Assets	37,505,715	36,038,001	7,991,556	90,745,516
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	6,875,160	70,026	249,745	4,491,438
Current Portion of Claims Payable	17,350,000	3,478,700	6,269,000	24,688,300
Due to Other Funds	—	—	733,049	1,640,951
Total Current Liabilities	24,225,160	3,548,726	7,251,794	30,820,689
Non-Current Liabilities-				
Claims Payable, Less Current Portion	—	31,308,300	56,421,000	78,194,700
Total Liabilities	24,225,160	34,857,026	63,672,794	109,015,389
NET POSITION				
Unrestricted	\$ 13,280,555	\$ 1,180,975	\$ (55,681,238)	\$ (18,269,873)

See independent auditors' report

County of Westchester, New York Internal Service Funds—

Exhibit N-2

Combining Statement of Revenues, Expenses and Changes in Net Position

Year Ended December 31, 2021
(With Comparative Totals for 2020)

	Health Insurance Fund	Casualty Reserve Fund	Workers' Compensation Reserve Fund	Totals
				2021 2020
OPERATING REVENUES				
Charges for Services	\$ 194,066,837	\$ 125,000	\$ 5,851,862	\$ 200,043,699 \$ 199,963,328
Other	—	2,000,000	—	2,000,000 5,332,762
Total Operating Revenues	194,066,837	2,125,000	5,851,862	202,043,699 205,296,090
OPERATING EXPENSES				
Claims	—	4,976,845	10,739,542	15,716,387 15,700,812
Claims Adjustments	—	3,614,000	6,980,000	10,594,000 6,387,000
Employee Benefits	198,108,250	—	—	198,108,250 182,253,985
Total Operating Expenses	198,108,250	8,590,845	17,719,542	224,418,637 204,341,797
Income (Loss) from Operations	(4,041,413)	(6,465,845)	(11,867,680)	(22,374,938) 954,293
NONOPERATING REVENUES				
Earnings on Investments	61,117	1,567,893	11,225	1,640,235 1,742,935
Net Change in Fair Value of Investments	—	(2,215,132)	—	(2,215,132) 846,434
Total Nonoperating Revenues	61,117	(647,239)	11,225	(574,897) 2,589,369
Change in Net Position	(3,980,296)	(7,113,084)	(11,856,455)	(22,949,835) 3,543,662
NET POSITION				
Beginning of Year	17,260,851	8,294,059	(43,824,783)	(18,269,873) (21,813,535)
End of Year	\$ 13,280,555	\$ 1,180,975	\$ (55,681,238)	\$ (41,219,708) \$ (18,269,873)

See independent auditors' report

County of Westchester, New York

Internal Service Funds—

Combining Statement of Cash Flows

Year Ended December 31, 2021
(With Comparative Totals for 2020)

Exhibit N-3

	Totals			
	2021		2020	

See independent auditors' report

(This page intentionally left blank.)

Health Insurance Fund

Health Insurance Fund: This fund is used to account for the County's self-Insurance programs for employee medical and dental benefits

(This page intentionally left blank.)

County of Westchester, New York

Internal Service Fund-Health Insurance Fund

Comparative Statement of Net Position

Exhibit N-4

December 31, 2021 and 2020

	2021	2020
ASSETS		
Cash	\$ 2,503,796	\$ 2,480,013
Accounts Receivable	7,728,829	5,904,377
Due from Other Funds	26,817,390	28,038,795
Prepaid Expenses	455,700	—
Total Assets	37,505,715	36,423,185
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	6,875,160	3,162,334
Claims Payable	17,350,000	16,000,000
Total Liabilities	24,225,160	19,162,334
NET POSITION		
Unrestricted	\$ 13,280,555	\$ 17,260,851

See independent auditors' report

County of Westchester, New York

Internal Service Fund-Health Insurance Fund

Comparative Statement of Revenues, Expenses and Changes in Net Position

Exhibit N-5

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Charges for Services	\$ 194,066,837	\$ 187,456,988
OPERATING EXPENSES		
Employee Benefits	<u>198,108,250</u>	<u>182,253,985</u>
Income (Loss) from Operations	(4,041,413)	5,203,003
NONOPERATING REVENUES		
Earnings on Investments	<u>61,117</u>	<u>71,166</u>
Change in Net Position	(3,980,296)	5,274,169
NET POSITION		
Beginning of Year	<u>17,260,851</u>	<u>11,986,682</u>
End of Year	<u>\$ 13,280,555</u>	<u>\$ 17,260,851</u>

See independent auditors' report

County of Westchester, New York
Internal Service Fund-Health Insurance Fund
Comparative Statement of Cash Flows
Years Ended December 31, 2021 and 2020

Exhibit N-6

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Customers	\$ 192,242,385	\$ 186,783,677
Payments to Providers and Claimants	(193,501,124)	(185,471,010)
Net Cash from Operating Activities	(1,258,739)	1,312,667
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Advances from (to) Other Funds	1,221,405	(1,385,244)
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on Investments	61,117	71,166
Net Change in Cash	23,783	(1,411)
CASH		
Beginning of Year	2,480,013	2,481,424
End of Year	<u>\$ 2,503,796</u>	<u>\$ 2,480,013</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (Loss) from Operations	\$ (4,041,413)	\$ 5,203,003
Adjustments to Reconcile Income (Loss) From Operations to Net Cash from Operating Activities		
Changes in Assets and Liabilities		
Accounts Receivable	(1,824,452)	(673,311)
Prepaid Expenses	(455,700)	-
Accounts Payable and Accrued Liabilities	3,712,826	(217,025)
Claims Payable	1,350,000	(3,000,000)
Net Cash from Operating Activities	<u>\$ (1,258,739)</u>	<u>\$ 1,312,667</u>

See independent auditors' report

(This page intentionally left blank.)

Casualty Reserve Fund

Casualty Reserve Fund: This fund is used to account for the County's self-insurance programs for general negligence.

(This page intentionally left blank.)

County of Westchester, New York

Internal Service Fund-Casualty Reserve Fund

Comparative Statement of Net Position

Exhibit N-7

December 31, 2021 and 2020

	2021	2020
ASSETS		
Cash	\$ 4,444,850	\$ 8,592,277
Investments	29,868,750	32,126,563
Accounts Receivable	460,160	460,160
Due from Other Funds	1,264,241	—
Total Assets	36,038,001	41,179,000
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	70,026	1,044,279
Current Portion of Claims Payable	3,478,700	3,117,300
Due to Other Funds	—	667,662
Total Current Liabilities	3,548,726	4,829,241
Non-Current Liabilities-		
Claims Payable, Less Current Portion	31,308,300	28,055,700
Total Liabilities	34,857,026	32,884,941
NET POSITION		
Unrestricted	\$ 1,180,975	\$ 8,294,059

See independent auditors' report

County of Westchester, New York

Internal Service Fund-Casualty Reserve Fund

Comparative Statement of Revenues, Expenses and Changes in Net Position

Exhibit N-8

Years Ended December 31, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Charges for Services	\$ 125,000	\$ 125,000
Other	2,000,000	—
Total Operating Revenues	2,125,000	125,000
OPERATING EXPENSES		
Claims	4,976,845	4,725,686
Claims Adjustments	3,614,000	2,087,000
Total Operating Expenses	8,590,845	6,812,686
Loss from Operations	(6,465,845)	(6,687,686)
NONOPERATING REVENUES (EXPENSES)		
Earnings on Investments	1,567,893	1,634,815
Net Change in Fair Value of Investments	(2,215,132)	846,434
Total Nonoperating Revenues	(647,239)	2,481,249
Change in Net Position	(7,113,084)	(4,206,437)
NET POSITION		
Beginning of Year	8,294,059	12,500,496
End of Year	\$ 1,180,975	\$ 8,294,059

See independent auditors' report

County of Westchester, New York

Internal Service Fund-Casualty Reserve Fund

Comparative Statement of Cash Flows

Years Ended December 31, 2021 and 2020

Exhibit N-9

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Customers	\$ 125,000	\$ 125,000
Cash Receipts from Other	2,000,000	—
Payments to Providers and Claimants	(5,951,098)	(3,737,789)
Net Cash from Operating Activities	(3,826,098)	(3,612,789)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments to Other Funds	(1,931,903)	(16,214)
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on Investments	1,610,574	1,677,495
Net Change in Cash	(4,147,427)	(1,951,508)
CASH		
Beginning of Year	8,592,277	10,543,785
End of Year	<u>\$ 4,444,850</u>	<u>\$ 8,592,277</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Loss from Operations	\$ (6,465,845)	\$ (6,687,686)
Adjustments to Reconcile Loss from Operations to Net Cash from Operating Activities		
Changes in Assets and Liabilities		
Accounts Payable and Accrued Liabilities	(974,253)	987,897
Claims Payable	3,614,000	2,087,000
Net Cash from Operating Activities	<u>\$ (3,826,098)</u>	<u>\$ (3,612,789)</u>
Noncash Investing Activities-Change in Fair Value of Investments	\$ (2,215,132)	\$ 846,434

See independent auditors' report

(This page intentionally left blank.)

Workers' Compensation Reserve Fund

Worker's Compensation Reserve Fund: This fund is used to account for the County's self-insurance program for workers' compensation.

(This page intentionally left blank.)

County of Westchester, New York

Internal Service Fund-Workers' Compensation Reserve Fund

Exhibit N-10

Comparative Statement of Net Position

December 31, 2021 and 2020

	2021	2020
ASSETS		
Cash	\$ 7,991,556	\$ 13,143,331
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	249,745	284,825
Current Portion of Claims Payable	6,269,000	5,571,000
Due to Other Funds	733,049	973,289
Total Current Liabilities	7,251,794	6,829,114
Non-Current Liabilities-		
Claims Payable, Less Current Portion	56,421,000	50,139,000
Total Liabilities	63,672,794	56,968,114
NET POSITION		
Unrestricted	\$ (55,681,238)	\$ (43,824,783)

See independent auditors' report

County of Westchester, New York
Internal Service Fund-Workers' Compensation
Reserve Fund

Exhibit N-11

Comparative Statement of Revenues, Expenses and
Changes in Net Position

Years Ended December 31, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Charges for Services	\$ 5,851,862	\$ 12,381,340
Other	—	5,332,762
Total Operating Revenues	5,851,862	17,714,102
OPERATING EXPENSES		
Claims	10,739,542	10,975,126
Claims Adjustments	6,980,000	4,300,000
Total Operating Expenses	17,719,542	15,275,126
Income (Loss) from Operations	(11,867,680)	2,438,976
NONOPERATING REVENUES		
Earnings on Investments	11,225	36,954
Change in Net Position	(11,856,455)	2,475,930
NET POSITION		
Beginning of Year	(43,824,783)	(46,300,713)
End of Year	<u>\$ (55,681,238)</u>	<u>\$ (43,824,783)</u>

See independent auditors' report

County of Westchester, New York

Internal Service Fund-Workers' Compensation Reserve Fund

Exhibit N-12

Comparative Statement of Cash Flows

Years Ended December 31, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Customers	\$ 5,851,862	\$ 12,381,340
Cash Receipts from Other	—	5,332,762
Payments to Providers and Claimants	(10,774,622)	(10,995,953)
Net Cash from Operating Activities	(4,922,760)	6,718,149
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Payments from (to) Other Funds	(240,240)	(916,149)
CASH FLOWS FROM INVESTING ACTIVITIES		
Earnings on Investments	11,225	36,954
Net Change in Cash	(5,151,775)	5,838,954
CASH		
Beginning of Year	13,143,331	7,304,377
End of Year	\$ 7,991,556	\$ 13,143,331
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES		
Income (Loss) from Operations	\$ (11,867,680)	\$ 2,438,976
Adjustments to Reconcile Income (Loss) from Operations to Net Cash from Operating Activities		
Changes in Assets and Liabilities		
Accounts Payable and Accrued Liabilities	(35,080)	(20,827)
Claims Payable	6,980,000	4,300,000
Net Cash from Operating Activities	\$ (4,922,760)	\$ 6,718,149

See independent auditors' report

(This page intentionally left blank.)

Statistical Section

(Unaudited)

(This page intentionally left blank.)

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time. These schedules include:

Net Position by Component

Changes in Net Position

Fund Balances, Governmental Funds

Changes in Fund Balance, Governmental Funds

County of Westchester, New York
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015 (1)</u>
Governmental Activities				
Net Investment in Capital Assets	\$ 1,508,027,858	\$ 1,563,467,927	\$ 1,613,492,531	\$ 1,658,285,180
Restricted	169,690,881	151,927,913	124,398,927	63,923,451
Unrestricted	<u>(692,239,589)</u>	<u>(837,096,228)</u>	<u>(927,243,769)</u>	<u>(982,643,262)</u>
Total Governmental				
Activities Net Position	<u>985,479,150</u>	<u>878,299,612</u>	<u>810,647,689</u>	<u>739,565,369</u>
Business Type Activities				
Unrestricted	<u>(134,460,513)</u>	<u>(134,803,650)</u>	<u>(133,976,662)</u>	<u>(121,543,599)</u>
Primary Government				
Net Investment in Capital Assets	1,508,027,858	1,563,467,927	1,613,492,531	1,658,285,180
Restricted	169,690,881	151,927,913	124,398,927	63,923,451
Unrestricted	<u>(826,700,102)</u>	<u>(971,899,878)</u>	<u>(1,061,220,431)</u>	<u>(1,104,186,861)</u>
Total Primary				
Government Net Position	<u>\$ 851,018,637</u>	<u>\$ 743,495,962</u>	<u>\$ 676,671,027</u>	<u>\$ 618,021,770</u>

(1) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 68
"Accounting and Financial Reporting for Pensions".

(2) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 75
"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(3) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 84 *"Fiduciary Activities"*.

See independent auditors' report

EXHIBIT P-1

2016	2017	2018 (2)	2019 (3)	2020	2021
\$ 1,753,165,275	\$ 1,793,471,564	\$ 1,880,534,602	\$ 1,980,284,625	\$ 2,055,783,142	\$ 2,183,669,402
62,249,420	60,388,898	34,501,162	30,097,777	27,138,577	24,836,023
(1,170,056,203)	(1,328,488,962)	(3,164,438,586)	(3,307,350,462)	(3,533,662,350)	(3,552,812,734)
645,358,492	525,371,500	(1,249,402,822)	(1,296,968,060)	(1,450,740,631)	(1,344,307,309)
(156,694,176)	(154,052,677)	(151,947,383)	(148,268,300)	(143,510,055)	(138,238,694)
1,753,165,275	1,793,471,564	1,880,534,602	1,980,284,625	2,055,783,142	2,183,669,402
62,249,420	60,388,898	34,501,162	30,097,777	27,138,577	24,836,023
(1,326,750,379)	(1,482,541,639)	(3,316,385,969)	(3,455,618,762)	(3,677,172,405)	(3,691,051,428)
\$ 488,664,316	\$ 371,318,823	\$ (1,401,350,205)	\$ (1,445,236,360)	\$ (1,594,250,686)	\$ (1,482,546,003)

County of Westchester, New York
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015 (1)
Expenses				
Governmental Activities				
General Government	\$ 285,730,753	\$ 289,820,252	\$ 279,498,075	\$ 292,920,535
Education	168,494,282	161,303,912	170,899,799	170,212,825
Public Safety	430,680,536	451,204,516	451,216,154	419,202,353
Health Services	132,576,877	126,285,794	120,886,847	118,684,365
Transportation	202,375,900	214,498,616	217,958,463	219,412,656
Economic Assistance and Opportunity	709,289,880	688,405,478	707,778,948	694,617,403
Culture and Recreation	76,325,202	79,758,239	79,752,519	79,044,899
Home and Community Services	184,828,152	186,145,497	189,913,637	184,666,295
Interest	37,573,729	38,416,704	40,959,942	38,447,875
	<u>2,227,875,311</u>	<u>2,235,839,008</u>	<u>2,258,864,384</u>	<u>2,217,209,206</u>
Business Type Activities				
Westchester Tobacco Asset Securitization Corporation	<u>11,339,462</u>	<u>11,163,769</u>	<u>11,036,430</u>	<u>10,920,332</u>
Total Primary Government Expenses	<u>2,239,214,773</u>	<u>2,247,002,777</u>	<u>2,269,900,814</u>	<u>2,228,129,538</u>
Program Revenues				
Governmental Activities				
Charges for Services				
General Government	39,296,129	39,379,757	36,454,317	36,716,580
Public Safety	24,932,464	22,844,187	23,260,359	24,695,441
Health Services	21,156,215	12,745,210	12,360,046	10,800,507
Transportation	80,037,954	80,580,841	80,947,503	82,666,277
Economic Assistance and Opportunity	4,432,946	3,996,472	3,900,111	3,532,042
Culture and Recreation	30,659,066	28,598,695	29,430,493	33,459,718
Home and Community Services	38,781,997	38,383,892	40,110,922	41,862,863
Operating Grants and Contributions	613,168,860	592,808,158	612,635,413	619,540,192
Capital Grants and Contributions	31,746,206	32,254,612	61,058,436	22,719,429
Total Primary Government Program Revenues	<u>884,211,837</u>	<u>851,591,824</u>	<u>900,157,600</u>	<u>875,993,049</u>
Net (Expense)/Revenue				
Governmental Activities	(1,343,663,474)	(1,384,247,184)	(1,358,706,784)	(1,341,216,157)
Business Type Activities	<u>(11,339,462)</u>	<u>(11,163,769)</u>	<u>(11,036,430)</u>	<u>(10,920,332)</u>
	<u>(1,355,002,936)</u>	<u>(1,395,410,953)</u>	<u>(1,369,743,214)</u>	<u>(1,352,136,489)</u>
General Revenues				
Governmental Activities				
Taxes on Real Property	695,053,337	694,904,941	694,609,543	694,597,306
Sales Tax	460,997,517	489,522,517	503,322,529	500,642,409
Auto Use Tax	14,771,666	15,375,989	15,345,870	15,905,840
Harness Racing Admissions Tax	5,966	5,581	5,074	4,824
Hotel Tax	5,298,409	5,306,491	5,581,672	6,115,422
Mortgage Tax	13,798,860	16,997,949	14,951,342	18,396,878
Payments in Lieu of Taxes	11,323,377	10,566,714	9,593,210	10,532,518
Earnings on Investments	8,800,234	9,455,437	10,778,863	11,298,055
Miscellaneous	49,804,962	32,832,775	35,072,783	37,634,421
Transfers	1,852,337	2,099,252	1,793,975	3,641,209
Gain on Sale of Real Property	—	—	—	—
Total Governmental Activities	<u>1,261,706,665</u>	<u>1,277,067,646</u>	<u>1,291,054,861</u>	<u>1,298,768,882</u>
Business Type Activities				
Earnings on Investments	580,347	579,599	579,508	579,283
Tobacco Revenues	13,499,271	15,290,831	13,077,885	26,415,321
Transfers	<u>(1,852,337)</u>	<u>(2,099,252)</u>	<u>(1,793,975)</u>	<u>(3,641,209)</u>
Total Business Type Activities	<u>12,227,281</u>	<u>13,771,178</u>	<u>11,863,418</u>	<u>23,353,395</u>
Total General Revenues	<u>1,273,933,946</u>	<u>1,290,838,824</u>	<u>1,302,918,279</u>	<u>1,322,122,277</u>
Changes in Net Position				
Governmental Activities	(81,956,809)	(107,179,538)	(67,651,923)	(42,447,275)
Business Type Activities	<u>887,819</u>	<u>2,607,409</u>	<u>826,988</u>	<u>12,433,063</u>
	<u>\$ (81,068,990)</u>	<u>\$ (104,572,129)</u>	<u>\$ (66,824,935)</u>	<u>\$ (30,014,212)</u>

(1) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 68 "Accounting and Financial Reporting for Pensions".

(2) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions".

(3) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 84 "Fiduciary Activities".

See independent auditors' report

EXHIBIT P-2

2016	2017	2018 (2)	2019(3)	2020	2021
\$ 311,773,179	\$ 288,564,954	\$ 319,930,591	\$ 342,175,705	\$ 434,555,962	\$ 399,205,169
171,190,010	159,818,491	165,254,135	168,827,834	150,398,862	153,336,300
448,688,871	480,357,652	456,177,132	490,515,841	602,945,426	516,715,020
116,543,351	118,089,095	120,399,430	124,126,260	146,000,833	137,140,542
223,791,919	232,512,770	244,765,103	250,904,153	257,589,767	256,105,188
700,290,920	684,303,902	745,686,456	755,486,005	852,685,122	769,648,206
73,889,592	78,834,849	78,484,794	84,093,278	92,861,369	87,456,456
189,701,196	188,991,665	196,276,530	197,892,409	214,849,783	211,128,643
37,527,890	37,942,396	33,042,017	55,883,817	25,063,992	37,957,422
2,273,396,928	2,269,415,774	2,360,016,188	2,469,905,302	2,776,951,116	2,568,692,946
38,596,754	8,728,233	8,697,730	8,628,940	8,504,791	8,316,808
2,311,993,682	2,278,144,007	2,368,713,918	2,478,534,242	2,785,455,907	2,577,009,754
37,364,775	36,009,695	35,706,676	40,469,426	37,790,748	56,985,321
25,390,895	22,063,692	24,612,479	26,418,349	28,804,947	35,435,492
10,096,264	9,384,388	9,828,811	13,970,218	16,665,079	20,680,748
84,035,603	85,879,669	85,496,348	91,424,823	48,359,598	65,673,975
4,298,336	3,850,878	4,103,142	8,816,965	4,298,703	13,885,897
35,225,385	32,887,568	31,930,833	34,426,611	17,493,803	25,151,635
42,888,530	43,438,390	41,191,968	41,652,527	44,981,583	45,811,123
590,933,112	568,444,946	649,192,392	660,638,246	911,657,362	765,770,466
21,366,320	18,293,306	33,260,876	61,798,896	30,862,085	12,445,944
851,599,220	820,252,532	915,323,525	979,616,061	1,140,913,908	1,041,840,601
(1,421,797,708)	(1,449,163,242)	(1,444,692,663)	(1,490,289,241)	(1,636,037,208)	(1,526,852,345)
(38,596,754)	(8,728,233)	(8,697,730)	(8,628,940)	(8,504,791)	(8,316,808)
(1,460,394,462)	(1,457,891,475)	(1,453,390,393)	(1,498,918,181)	(1,644,541,999)	(1,535,169,153)
694,597,306	694,597,306	705,565,775	719,674,814	718,674,814	717,674,814
507,445,900	525,230,119	551,883,494	630,288,471	671,223,684	813,965,453
15,855,777	16,168,942	16,382,152	16,423,208	16,019,449	17,028,577
4,153	3,048	4,176	3,219	—	—
6,325,138	6,449,824	6,825,805	6,881,646	3,178,221	4,908,847
19,718,700	20,141,856	18,414,553	20,135,934	21,763,719	30,195,879
10,601,482	10,375,346	9,934,442	10,413,195	11,013,725	10,782,677
11,097,588	11,474,311	13,203,368	13,805,222	10,694,152	10,174,251
36,983,553	43,000,796	32,072,072	22,680,110	27,657,792	26,463,815
8,707,915	1,734,702	1,643,586	1,885,516	2,039,081	2,091,354
16,253,319	—	—	—	—	—
1,327,590,831	1,329,176,250	1,355,929,423	1,442,191,335	1,482,264,637	1,633,285,667
587,886	579,510	579,562	579,708	579,508	579,491
11,566,206	12,524,923	11,867,048	13,613,831	14,722,609	15,100,032
(8,707,915)	(1,734,702)	(1,643,586)	(1,885,516)	(2,039,081)	(2,091,354)
3,446,177	11,369,731	10,803,024	12,308,023	13,263,036	13,588,169
1,331,037,008	1,340,545,981	1,366,732,447	1,454,499,358	1,495,527,673	1,646,873,836
(94,206,877)	(119,986,992)	(88,763,240)	(48,097,906)	(153,772,571)	106,433,322
(35,150,577)	2,641,498	2,105,294	3,679,083	4,758,245	5,271,361
\$ (129,357,454)	\$ (117,345,494)	\$ (86,657,946)	\$ (44,418,823)	\$ (149,014,326)	\$ 111,704,683

County of Westchester, New York
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund				
Nonspendable	\$ 23,199,887	\$ 21,635,145	\$ 24,408,055	\$ 25,487,413
Restricted	5,144,034	6,115,714	956,771	—
Assigned	81,650,061	79,870,802	87,687,837	84,590,558
Unassigned	<u>59,408,904</u>	<u>62,003,562</u>	<u>56,612,606</u>	<u>54,665,169</u>
Total General Fund	<u>169,402,886</u>	<u>169,625,223</u>	<u>169,665,269</u>	<u>164,743,140</u>
All Other Governmental Funds				
Nonspendable	596,779	649,311	700,000	18,478,823
Restricted	12,531,115	7,647,780	3,950,910	5,113,371
Assigned	184,748,096	183,242,783	170,047,992	146,682,265
Unassigned	<u>(109,651,144)</u>	<u>(46,497,484)</u>	<u>(58,119,296)</u>	<u>(33,267,390)</u>
Total All Other Governmental Funds	<u>88,224,846</u>	<u>145,042,390</u>	<u>116,579,606</u>	<u>137,007,069</u>
Total Governmental Funds	<u>\$ 257,627,732</u>	<u>\$ 314,667,613</u>	<u>\$ 286,244,875</u>	<u>\$ 301,750,209</u>
General Fund Unrestricted Fund				
Balance as a Percentage of General Fund Expenditures	8.23%	8.22%	8.23%	7.84%
Governmental Funds Unrestricted Non-capital Fund				
Balance as a Percentage of Non-capital Governmental Funds Expenditures	15.63%	15.56%	14.75%	13.23%

(1) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 84 "Fiduciary Activities".

See independent auditors' report

EXHIBIT P-3

2016	2017	2018	2019 (1)	2020	2021
\$ 26,187,109	\$ 25,793,700	\$ 29,530,674	\$ 32,683,995	\$ 28,034,072	\$ 31,088,018
—	—	—	—	—	—
83,083,190	86,417,318	46,997,501	47,960,422	144,633,585	55,079,029
56,944,177	21,825,361	17,921,922	27,642,805	75,934,713	327,451,906
166,214,476	134,036,379	94,450,097	108,287,222	248,602,370	413,618,953
850,000	850,000	850,000	1,459,198	935,000	899,000
6,138,844	3,720,725	3,333,436	22,792,978	9,582,942	12,771,838
148,789,170	141,897,065	115,393,271	91,498,654	80,920,398	65,319,739
(138,735,253)	(68,995,115)	(1,453,387)	—	(83,885,140)	(87,756,585)
17,042,761	77,472,675	118,123,320	115,750,830	7,553,200	(8,766,008)
<u>\$ 183,257,237</u>	<u>\$ 211,509,054</u>	<u>\$ 212,573,417</u>	<u>\$ 224,038,052</u>	<u>\$ 256,155,570</u>	<u>\$ 404,852,945</u>

7.85%	6.05%	3.42%	3.83%	10.64%	18.17%
13.33%	11.56%	7.85%	7.06%	12.23%	17.81%

County of Westchester, New York
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016
Revenues					
Taxes on Real Property	\$ 695,053,337	\$ 694,904,941	\$ 694,609,543	\$ 694,597,306	\$ 694,597,306
Sales Tax	460,997,517	489,522,517	503,322,529	500,642,409	507,445,900
Federal Aid	245,846,304	282,135,691	294,842,966	268,349,007	241,643,092
State Aid	327,262,275	280,259,431	307,951,830	286,756,313	287,777,139
Departmental Income	247,953,208	235,534,388	228,155,204	239,703,175	243,021,433
Earnings on Investments	6,253,874	6,965,587	8,460,954	9,063,180	9,223,767
Miscellaneous Revenues	150,125,650	133,971,763	141,453,394	164,880,461	167,903,926
Total Revenues	2,133,492,165	2,123,294,318	2,178,796,420	2,163,991,851	2,151,612,563
Expenditures					
Current					
General Government	211,911,412	207,872,944	203,057,865	209,718,912	216,527,136
Education	162,897,826	155,264,128	155,767,999	159,050,745	161,350,743
Public Safety	277,439,469	284,779,779	283,206,725	279,916,654	261,306,306
Health Services	105,280,820	99,477,411	94,424,051	95,678,175	90,341,575
Transportation	174,775,717	186,604,135	191,146,332	198,966,517	198,122,971
Economic Assistance and Opportunity	639,957,849	619,253,621	640,873,206	634,829,795	629,596,633
Culture and Recreation	47,911,478	49,955,021	49,784,906	50,575,448	45,068,400
Home and Community Services	137,385,796	140,648,597	145,214,511	150,340,416	144,947,792
Employee Benefits	206,200,269	219,618,040	229,337,567	242,365,196	263,344,808
Debt Service					
Principal	84,370,693	84,986,856	93,785,319	95,216,972	110,126,986
Interest	34,483,427	37,680,022	41,163,943	39,997,571	42,361,572
Costs of Issuance	1,684,036	2,187,788	1,241,333	809,771	1,415,537
Advance Refunding Escrow	—	—	—	—	—
Capital Outlay	217,661,824	171,359,650	166,082,318	113,889,492	162,499,270
Total Expenditures	2,301,960,616	2,259,687,992	2,295,086,075	2,271,355,664	2,327,009,729
Deficiency of Revenues					
Over Expenditures	(168,468,451)	(136,393,674)	(116,289,655)	(107,363,813)	(175,397,166)
Other Financing Sources (Uses)					
Sale of Real Property	—	—	—	—	20,400,000
Bonds Issued	78,152,595	183,994,000	85,957,000	103,975,000	26,494,000
Refunding Bonds Issued	22,360,000	—	9,245,000	—	109,980,000
Bond Premium	11,885,504	7,340,303	27,948	15,252,938	22,802,961
Premium on Refunding Bonds	—	—	—	—	—
Bond Anticipation Note Premium	—	—	—	—	—
Tax Anticipation Note Premium	—	—	—	—	—
Transfers In	32,170,077	19,126,697	13,705,419	10,420,109	27,393,071
Transfers Out	(14,552,326)	(17,027,445)	(11,911,444)	(6,778,900)	(18,685,156)
Payment to Refunded Bond Escrow Agent	(27,185,591)	—	(9,157,006)	—	(131,480,682)
Total Other Financing Sources	102,830,259	193,433,555	87,866,917	122,869,147	56,904,194
Net Change in Fund Balances	\$ (65,638,192)	\$ 57,039,881	\$ (28,422,738)	\$ 15,505,334	\$ (118,492,972)
Debt Service as a Percentage of					
Non-capital Expenditures	5.71%	5.86%	6.31%	6.28%	7.02%

(1) Reflects initial implementation of Governmental Accounting Standards Board Statement No. 84 "Fiduciary Activities".

See independent auditors' report

EXHIBIT P-4

2017	2018	2019 (1)	2020	2021
\$ 694,597,306	\$ 705,565,775	\$ 719,674,814	\$ 718,674,814	\$ 717,674,814
525,230,119	551,883,494	630,288,471	671,223,684	813,965,453
226,580,659	242,957,439	245,428,421	456,853,083	276,713,094
296,151,380	318,545,265	364,528,855	308,158,559	338,865,673
240,497,892	241,966,750	253,197,117	197,722,437	239,204,641
9,610,582	11,057,489	11,814,664	9,712,646	8,612,381
153,505,728	196,800,695	187,892,424	253,223,437	275,820,582
2,146,173,666	2,268,776,907	2,412,824,766	2,615,568,660	2,670,856,638
216,381,353	235,442,312	251,319,883	300,861,335	316,153,681
149,666,455	155,795,752	160,306,636	140,675,320	146,793,675
277,545,282	287,280,735	295,819,577	309,009,723	321,623,048
91,722,256	96,821,308	97,568,395	104,728,899	111,631,382
204,147,119	216,668,422	224,191,666	226,111,834	232,547,298
613,480,432	681,954,970	683,403,729	740,993,254	705,708,648
46,539,775	50,423,538	51,949,155	47,268,677	54,059,091
142,867,017	152,427,988	149,168,944	147,600,698	155,928,696
271,763,947	263,779,157	278,368,039	265,265,602	276,070,692
102,710,754	104,698,999	114,923,105	120,453,440	134,612,580
43,660,740	44,751,222	53,634,494	56,027,545	54,419,831
1,516,186	898,226	1,163,786	1,922,685	1,461,599
—	—	1,394,683	—	—
183,513,640	180,968,501	217,671,188	237,830,339	238,268,183
2,345,514,956	2,471,911,130	2,580,883,280	2,698,749,351	2,749,278,404
(199,341,290)	(203,134,223)	(168,058,514)	(83,180,691)	(78,421,766)
—	—	—	—	—
197,439,660	182,155,000	148,857,652	101,472,897	203,779,614
—	—	46,775,000	50,920,000	—
28,418,745	20,400,000	23,618,258	11,153,797	18,495,000
—	—	5,265,278	441,003	—
—	—	—	—	487,523
—	—	—	—	2,265,650
19,435,965	20,620,276	20,352,936	24,262,294	21,526,190
(17,701,263)	(18,976,690)	(18,467,420)	(22,223,213)	(19,434,836)
—	—	(53,134,328)	(50,728,569)	—
227,593,107	204,198,586	173,267,376	115,298,209	227,119,141
\$ 28,251,817	\$ 1,064,363	\$ 5,208,862	\$ 32,117,518	\$ 148,697,375
6.72%	6.59%	7.13%	7.16%	7.52%

(This page intentionally left blank.)

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax. These schedules include:

Assessed Valuation of Taxable Real Property,
Average Equalization Rate and Full Valuation

Top Ten Property Taxpayers

Property Tax Levies and Collections

Direct and Overlapping Property Tax Rates,
Per \$1,000 of Assessed Valuation

(This page intentionally left blank.)

County of Westchester, New York
Assessed Valuation of Taxable Real Property, Average
Equalization Rate and Full Valuation

EXHIBIT P-5

Last Ten Fiscal Years

Year	Assessed Valuation (a)	Average Equalization Rate	Full Valuation (a)	County Direct Rate (a)
2012	\$ 15,781,908,183	10.18%	\$ 154,998,951,612	\$ 3.54
2013	15,356,113,048	9.99%	153,740,960,056	3.57
2014	23,915,578,337 (b)	15.99%	149,540,079,541	3.67
2015	33,130,065,879 (c)	21.24%	155,963,411,807	3.52
2016	34,219,580,766	20.89%	163,815,785,746	3.35
2017	57,932,203,645 (d)	34.53%	167,758,214,049	3.27
2018	60,430,784,749 (e)	34.69%	174,189,428,026	3.21
2019	61,378,271,540	34.03%	180,383,474,053	3.16
2020	62,158,175,371	32.22%	185,037,881,544	3.03
2021	63,171,825,671	33.69%	187,487,527,225	2.87

(a) *Source: County of Westchester Tax Commission*

(b) For the 2014 tax year the Town of Mamaroneck reassessed their properties to full value

(c) For the 2015 tax year the Village of Scarsdale reassessed their properties to full value

(d) For the 2017 tax year the Town of Greenburgh and the Town of Ossining reassessed their properties to full value

(e) For the 2018 tax year the Town of North Salem reassessed their properties to full value

See independent auditors' report

County of Westchester, New York

Top Ten Property Taxpayers

EXHIBIT P-6

Current Year and Nine Years Ago

Fiscal Year 2012		
<u>Taxpayer</u>	<u>Equalized Full Value</u>	<u>Percentage of County Equalized Full Value</u>
Con Edison	\$ 4,856,794,217	3.13%
City of New York (Water)	1,970,550,391	1.27%
NY Telephone/Verizon/NYNEX	594,942,696	0.38%
Cali/Robert Martin	535,568,434	0.35%
Reckson Operating	447,054,335	0.29%
Westchester Mall, LLC	318,375,000	0.21%
City of New York (Aqueduct)	288,106,952	0.19%
IBM	269,656,634	0.17%
United Water of New Rochelle	255,627,491	0.16%
County of Westchester (Airport)	189,078,204	0.12%
Total:	\$ 9,725,754,354	6.27%
County of Westchester	\$ 154,998,951,612	100%

Fiscal Year 2021		
<u>Taxpayer</u>	<u>Equalized Full Value</u>	<u>Percentage of County Equalized Full Value</u>
Con Edison	\$ 6,432,875,348	3.43%
City of New York (Water)	1,223,785,071	0.65%
Westchester Mall, LLC	429,300,000	0.23%
Avalon	330,369,218	0.18%
SC Rye Brook Partners, LLC	169,615,563	0.09%
BA Leasing BSC, LLC	167,308,799	0.09%
Clearbrook Crossing, LLC	164,879,800	0.09%
44 South Broadway Property	152,264,151	0.08%
Clearbrook South, LLC	152,082,804	0.08%
Algonquin Gas	145,455,986	0.08%
Total:	\$ 9,367,936,740	5.00%
County of Westchester	\$ 187,487,527,225	100%

Source: County of Westchester, New York Tax Commission

See independent auditors' report

County of Westchester, New York

Property Tax Levies And Collections

EXHIBIT P-7

Last Ten Fiscal Years

Fiscal Year	Tax Levy			Actual Total Collection	Uncollected at End of Fiscal Year	% Collected *
	County General Fund Purposes	Sewer, Water and Refuse Disposal Districts	Total County and District Purposes			
2012	\$ 548,423,468	\$ 146,629,869	\$ 695,053,337	\$ 695,053,337	\$ —	100%
2013	548,423,468	146,481,473	694,904,941	694,904,941	—	100%
2014	548,423,468	146,186,075	694,609,543	694,609,543	—	100%
2015	548,423,468	146,173,838	694,597,306	694,597,306	—	100%
2016	548,423,468	146,173,838	694,597,306	694,597,306	—	100%
2017	548,423,468	146,173,838	694,597,306	694,597,306	—	100%
2018	559,391,937	146,173,838	705,565,775	705,565,775	—	100%
2019	570,579,000	149,095,814	719,674,814	719,674,814	—	100%
2020	569,579,000	149,095,814	718,674,814	718,674,814	—	100%
2021	568,579,000	149,095,814	717,674,814	717,674,814	—	100%

* The County-wide real property tax levy is collected by the cities and towns within the County. Payment of each city and town's share must be 60% on May 25, and 40% on October 15, thereby allowing the County to collect 100% of each year's levy. The various cities and towns within the County are responsible for the billing and collection of taxes and foreclosure proceedings.

Source: County of Westchester, New York Property Tax Legislation.

See independent auditors' report

County of Westchester, New York

Direct and Overlapping Property Tax Rates

Last Ten Years

(rate per \$1,000 of assessed value, year taxes are payable)

	2012	2013	2014	2015
County Rates				
General (equalized full value rate)	3.54	3.57	3.67	3.52
City Rates				
Mount Vernon	321.61	341.40	367.90	383.58
New Rochelle	185.53	198.50	202.59	208.36
Peekskill	224.72	233.86	238.37	244.91
Rye	144.99	148.91	150.38	155.11
White Plains	184.47	191.74	196.14	200.74
Yonkers	209.85	209.21	214.22	217.30
Town Rates	.05-244.05	.05-258.08	.04-266.17	.04-273.03
Village Rates	2.943-464.89	3.01-489.18	3.07-501.77	3.04-530.39
School Districts	12.50-1538.31	12.31-1553.56	12.82-1583.52	12.99-1460.65

Source: County of Westchester, New York Tax Commission

See independent auditors' report

EXHIBIT P-8

2016	2017	2018	2019	2020	2021
3.35	3.27	3.21	3.16	3.03	2.87
391.76	395.97	395.98	403.62	410.80	426.67
210.95	225.21	229.68	234.23	235.43	243.24
259.27	260.71	266.56	271.03	273.67	282.15
157.16	167.74	172.83	176.76	180.06	187.88
200.95	205.37	211.36	217.07	224.52	224.52
238.98	234.26	282.75	295.20	300.86	278.44
.03-338.86	.03-342.98	.03-353.22	.11-363.60	.49-370.78	.25-370.78
3.06-545.79	3.10-540.42	3.17-562.81	3.28-576.15	3.39-580.26	3.49-597.06
12.13-1544.89	9.24-1517.74	9.10-1590.45	9.21-1622.33	9.24-1641.23	9.32-1662.34

(This page intentionally left blank.)

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. These schedules include:

Ratios of Outstanding Debt by Type

Legal Debt Margin Information

County of Westchester, New York

Ratios of Outstanding Debt by Type

EXHIBIT P-9

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business Type Activities	Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽²⁾
	General Obligation Bonds	Capital Leases	Tobacco Securitization Bonds			
2012	\$ 1,058,797,988	\$ 99,965,550	\$ 162,572,516	\$ 1,321,336,054	1.57%	\$ 1,374.13
2013	1,157,157,000	92,651,193	191,513,315	1,441,321,508	1.71%	1,487.70
2014	1,140,885,733	84,986,115	188,032,254	1,413,904,102	1.60%	1,453.88
2015	1,155,134,287	76,952,563	186,296,193	1,418,383,043	1.56%	1,452.67
2016	1,085,166,947	68,532,567	185,368,041	1,339,067,555	1.42%	1,374.05
2017	1,205,666,790	63,521,240	182,947,563	1,452,135,593	1.46%	1,481.40
2018	1,302,229,151	47,453,633	180,142,085	1,529,824,869	1.45%	1,581.03
2019	1,353,645,386	37,769,030	177,846,607	1,569,261,023	1.43%	1,621.97
2020	1,343,083,783	27,589,106	173,931,129	1,544,604,018	1.39%	1,594.20
2021	1,424,028,600	16,886,663	168,870,650	1,609,785,913	*	1,613.18

(1) Personal Income data can be found in Exhibit P-12.

(2) Population data can be found in Exhibit P-12.

* Data not yet available.

See independent auditors' report

County of Westchester, New York

Ratios of Net General Bonded Debt Outstanding

EXHIBIT P-10

Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Personal Income (2)	Percentage of Estimated Actual Taxable Value of Property (3)	Per Capita (2)
	General Obligation Bonds (1)	Less: Amounts Restricted to Repaying Principal	Total			
2012	\$ 1,058,797,988	\$ 12,531,115	\$ 1,046,266,873	1.24 %	6.63 %	\$ 1,088.07
2013	1,157,157,000	7,647,780	1,149,509,220	1.36	7.49	1,186.50
2014	1,140,885,733	3,950,910	1,136,934,823	1.28	4.75	1,169.08
2015	1,155,134,287	5,113,371	1,150,020,916	1.26	3.47	1,177.82
2016	1,085,166,947	6,138,844	1,079,028,103	1.15	3.15	1,107.22
2017	1,205,666,790	3,720,725	1,201,946,065	1.21	2.07	1,226.17
2018	1,302,229,151	3,333,436	1,298,895,715	1.23	2.15	1,342.37
2019	1,353,645,386	7,244,344	1,346,401,042	1.23	2.19	1,391.62
2020	1,343,083,783	9,353,831	1,333,729,952	1.20	2.15	1,376.55
2021	1,424,028,600	12,516,368	1,411,512,232	*	2.23	1,414.49

(1) - Presented net of original issuance discounts and premiums

(2) - Personal Income data can be found in Exhibit P-12.

(3) - Assessed Value data can be found in Exhibit P-5.

* Data not yet available.

See independent auditors' report

County of Westchester, New York

Legal Debt Margin Information

Last Ten Fiscal Years
(as of December 31)

	2012	2013	2014	2015
Five-year Average Full Valuation of Taxable Real Property (a)	<u>\$ 169,158,120,154</u>	<u>\$ 160,060,081,792</u>	<u>\$ 154,799,558,254</u>	<u>\$ 155,151,988,239</u>
Debt Limit (7% thereof)	\$ 11,841,068,411	\$ 11,204,205,725	\$ 10,835,969,078	\$ 10,860,639,177
Total Net Debt Applicable to Limit	753,228,550	800,726,657	580,323,360	593,382,334
Legal Debt Margin	<u>\$ 11,087,839,861</u>	<u>\$ 10,403,479,068</u>	<u>\$ 10,255,645,718</u>	<u>\$ 10,267,256,843</u>
Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	6.36%	7.15%	5.36%	5.46%

Legal Debt Margin Calculation for Fiscal Year 2021

Five Year Average Full Valuation of Taxable Real Property (a)	\$ 183,592,952,114
Debt Limit (7% thereof)	<u>12,851,506,648</u>
Outstanding Indebtedness - Bonds	1,323,780,511
Outstanding Indebtedness - Notes	15,252,049
	<u>1,339,032,560</u>
Less Exclusions:	
2022 Debt Service Appropriation (Principal Only):	
- General Fund and Special Revenue Fund - Airport	98,387,820
- District Funds	7,712,006
Certain Sewer District Debt	281,344,437
Water District Debt	21,311,862
	<u>408,756,125</u>
Total Net Indebtedness	<u>930,276,435</u>
Net Debt Contracting Margin	<u>\$ 11,921,230,213</u>
Percentage of Debt Contracting Power Exhausted as of December 31, 2021	7.24%

(a) Source: New York State Equalization Tables, as established by
the New York State Board of Equalization and Assessment.

See independent auditors' report

EXHIBIT P-11

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>\$ 157,944,893,640</u>	<u>\$ 162,253,383,832</u>	<u>\$ 168,422,062,734</u>	<u>\$ 174,236,956,684</u>	<u>\$ 178,971,304,979</u>	<u>\$ 183,592,952,114</u>
<u>\$ 11,056,142,555</u>	<u>\$ 11,357,736,868</u>	<u>\$ 11,789,544,391</u>	<u>\$ 12,196,586,968</u>	<u>\$ 12,527,991,349</u>	<u>\$ 12,851,506,648</u>
<u>554,454,798</u>	<u>666,093,039</u>	<u>743,890,152</u>	<u>808,279,636</u>	<u>900,221,427</u>	<u>930,276,435</u>
<u>\$ 10,501,687,757</u>	<u>\$ 10,691,643,829</u>	<u>\$ 11,045,654,239</u>	<u>\$ 11,388,307,332</u>	<u>\$ 11,627,769,922</u>	<u>\$ 11,921,230,213</u>
5.01%	5.86%	6.31%	6.63%	7.19%	7.24%

(This page intentionally left blank.)

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place. These schedules include:

Demographic and Economic Statistics

Employment and Wages by Sector

(This page intentionally left blank.)

County of Westchester, New York

Demographic and Economic Statistics

EXHIBIT P-12

Last Ten Fiscal Years

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾ (in thousands)	Per Capita Personal Income ⁽²⁾	Median Age ⁽³⁾	Percent High School Graduate or Higher ⁽⁴⁾	PK-12 School Enrollment ⁽⁵⁾	Unemployment Rate ⁽⁶⁾
2012	961,577	\$ 84,420,938	\$ 87,794	40.3	87.7 %	144,697	7.4 %
2013	968,826	84,488,001	87,207	40.2	87.6	148,435	6.4
2014	972,504	88,497,294	90,999	40.0	87.6	149,303	5.2
2015	976,396	91,028,734	93,229	40.5	87.5	148,716	4.6
2016	974,542	94,100,550	96,158	40.5	87.6	149,332	4.4
2017	980,244	99,536,199	101,542	40.6	87.6	149,081	4.5
2018	967,612	105,446,410	108,976	40.9	87.8	148,033	3.9
2019	967,506	109,790,050	113,477	39.2	88.1	146,888	3.6
2020	968,890	111,440,026	115,018	38.0	88.6	142,895	8.0 **
2021	997,895	*	*	*	*	142,740	4.8

* Information not yet available.

** Significant increase due to COVID-19 outbreak

(1) Source: U.S. Census Bureau, Population Division. (The population estimate as of July 1st is used for all years.)

(2) Source: U.S. Department of Commerce, Bureau of Economic Analysis.

(3) Source: U.S. Census Bureau.

(4) Source: U.S. Census Bureau—American Community Survey.

(5) Source: New York State Education Department. Figures represent public school enrollment.

(6) Source: New York State Department of Labor.

See independent auditors' report

County of Westchester, New York

Employment and Wages by Sector

2020 and 2015

2020

<i>Employment Sector</i>	<i>Average Employment</i>	<i>Total Wages</i>	<i>Average Wages</i>	<i>Percentage of Total Employment</i>
Total, All Industries	386,761	\$ 32,801,216,454	\$ 84,810	100 %
Total, All Private	328,325	27,569,008,282	83,969	84.89
Agriculture, Forestry, Fishing and Hunting	381	18,346,203	48,153	0.10
Utilities, Mining	2,446	368,664,023	150,721	0.63
Construction	25,726	2,063,374,228	80,206	6.65
Manufacturing	11,447	1,280,783,950	111,888	2.96
Wholesale Trade	12,545	1,263,302,873	100,702	3.24
Retail Trade	43,284	1,849,127,795	42,721	11.19
Transportation and Warehousing	8,726	581,997,301	66,697	2.26
Information	7,215	800,370,478	110,931	1.87
Finance and Insurance	17,118	3,359,993,778	196,284	4.43
Real Estate, Rental and Leasing	9,479	773,827,567	81,636	2.45
Professional and Technical Services	25,865	4,817,785,878	186,267	6.69
Management of Companies and Enterprises	8,660	1,646,902,689	190,174	2.24
Administrative and Waste Services	21,476	1,142,677,876	53,207	5.55
Educational Services	14,982	812,888,849	54,258	3.87
Health Care and Social Assistance	71,111	4,925,626,302	69,267	18.39
Arts, Entertainment and Recreation	7,364	350,573,957	47,606	1.90
Accommodation and Food Services	22,556	694,317,054	30,782	5.83
Other Services	17,057	759,919,674	44,552	4.41
	327,438	\$ 27,510,480,475	84,017	84.66 %
Government:				
Federal Government	4,513	337,858,590	74,863	1.17
State Government	6,818	546,744,823	80,191	1.76
Local Government	47,105	4,347,604,759	92,296	12.18
Total Government	58,436	\$ 5,232,208,172	\$ 89,537	15.11 %
Unclassified/Not Disclosed *	887	\$ 58,527,807	\$ 65,984	0.23 %
Totals	386,761	\$ 32,801,216,454	\$ 84,810	100 %

Source: New York State Department of Labor, Quarterly Census of Employment and Wages (QCEW)

Note: As presented in this table, the most recent data available is for 2020.

* In New York State, QCEW report data are confidential. In order to ensure the anonymity of individual employers, employment and wage data are not released for any industry level in any location that a) consists of fewer than three reporting units; or b) contains a single unit that accounts for 80 percent or more of the industry's employment.

See independent auditors' report

2015

<i>Average Employment</i>	<i>Total Wages</i>	<i>Average Wages</i>	<i>Percentage of Total Employment</i>
418,757	\$ 29,176,340,962	\$ 69,674	100% %
360,260	24,633,174,657	68,376	86.03
353	15,570,211	44,108	0.08
2,681	357,985,544	133,527	0.64
25,851	1,936,849,430	74,924	6.17
13,755	1,439,494,372	104,652	3.28
13,769	1,293,535,374	93,945	3.29
50,786	1,751,213,436	34,482	12.13
10,841	555,388,574	51,230	2.59
8,337	706,282,965	84,717	1.99
18,046	3,085,716,421	170,992	4.31
9,712	654,343,469	67,375	2.32
26,172	3,421,767,371	130,742	6.25
9,161	1,755,985,952	191,681	2.19
21,829	982,731,917	45,020	5.21
15,783	772,579,273	48,950	3.77
69,297	3,915,090,335	56,497	16.55
10,581	370,306,582	34,997	2.53
30,731	760,171,916	24,736	7.34
20,871	781,876,510	37,462	4.98
358,556	\$ 24,556,889,652	\$ 68,488.30	85.62 %
4,474	331,227,740	74,034	1.07
6,907	438,220,328	63,446	1.65
47,116	3,773,718,237	80,094	11.25
58,497	\$ 4,543,166,305	\$ 77,665	13.97 %
1,704	\$ 76,285,005	\$ 44,768	0.41 %
418,757	\$ 29,176,340,962	\$ 69,674	100 %

(This page intentionally left blank.)

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs. These schedules include:

County Government Annual Positions by Function/ Department

Operating Indicators by Function

Capital Asset Statistics by Function

County of Westchester, New York

County Government Annual Positions By Function/Department

Last Ten Fiscal Years

	2012	2013	2014	2015	2016
General Government					
Board of Legislators	57	57	57	58	58
County Executive	67	65	68	69	67
Board of Acquisitions and Contract	3	3	3	3	3
Board of Elections	82	82	88	90	90
Department of Human Resources	47	44	43	42	42
Department of Budget	13	13	14	14	13
Department of Finance	51	50	51	51	49
Department of Information Technology	136	132	133	134	128
Department of Law	96	95	95	94	87
Department of Planning	25	26	26	26	24
County Clerk	78	77	77	72	72
Human Rights Commission	6	7	7	5	6
Tax Commission	2	2	2	2	2
Public Administrator	7	7	7	7	7
Department of Public Works	202	186	184	182	179
Solid Waste Commission	8	8	8	8	8
Education					
Department of Health	6	4	4	5	4
Public Safety					
Department of Corrections	881	878	878	878	877
District Attorney	200	200	200	200	200
Department of Public Safety	320	320	320	333	333
Department of Emergency Services	66	50	52	51	50
Department of Probation	211	206	203	203	201
Health Services					
Community Mental Health Services	41	38	38	39	36
Department of Health	211	211	211	200	189
Department of Laboratories and Research	101	98	98	98	97
Transportation					
Department of Transportation	20	19	19	19	16
County Road Maintenance	35	33	33	36	35
Economic Assistance					
County Executive	4	4	4	5	4
Department of Social Services	1,077	1,032	1,032	1,032	1,032
Culture and Recreation					
Department of Parks Recreation and Conservation	265	250	254	252	235
Home and Community Services					
Senior Program Services	1	1	1	1	1
Weights Measures and Consumer Protection	21	21	21	24	21
Total	4,340	4,219	4,231	4,233	4,166

Source: County Operating Budget

See independent auditors' report

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
58	60	60	60	60
67	63	68	64	65
3	3	3	3	3
90	104	104	106	106
42	42	43	46	46
13	14	14	14	14
50	50	49	49	49
128	129	130	131	131
87	87	91	91	91
21	21	26	39	30
71	70	68	67	64
6	6	6	7	7
2	2	2	2	2
8	8	8	8	8
184	177	212	216	216
8	8	8	9	9
4	5	5	5	5
877	877	877	877	856
224	224	228	238	237
333	333	338	341	341
50	54	50	51	51
201	217	228	228	217
36	36	40	40	40
188	188	196	196	196
97	97	100	102	102
16	18	19	19	28
35	35	35	35	35
4	4	4	4	4
1,041	1,041	1,039	1,039	1,039
235	240	244	244	244
1	1	1	1	1
21	21	22	23	23
<u>4,201</u>	<u>4,235</u>	<u>4,318</u>	<u>4,355</u>	<u>4,320</u>

County of Westchester, New York

Operating Indicators by Function

Last Ten Fiscal Years

	2012	2013	2014	2015
Public Safety				
Emergency Services: Number of 911 Calls	18,944	19,425	19,720	18,440
Arrests for DWI	355	302	371	234
Average County Police Training Hours (per Officer)	28	28	28	28
Basic Recruits Trained	83	103	121	109
Department of Correction				
Average Daily Population	1,471	1,333	1,214	1,110
Average Yearly Admissions	8,547	8,055	7,472	6,197
Department of Social Services				
Medical Assistance Applications Processed	36,157	38,046	24,442	18,313
Child Protective Services—Reports Investigated	6,661	6,808	6,769	6,765
Child Preventive Services—Children Served (monthly avg.)	1,356	1,362	1,470	1,355
Children in Foster Care (monthly average)	638	582	585	573
Child Support Collections (in millions)	\$74.1	\$74.8	\$75.8	\$77.5
Veterans: Contacts	38,650	42,235	44,350	43,995
Veterans: Follow-up Services	14,606	15,803	17,470	17,950
Transportation				
Total Transit Passengers	32,117,882	32,475,123	31,413,914	29,879,885
Airport				
Total Operations (including General Aviation)	161,109	150,998	137,151	141,567
General Aviation Operations	129,043	124,276	112,570	118,298
Passengers	1,751,087	1,437,685	1,442,501	1,459,554
Typical Number of Airlines	9	8	8	8
Parks				
Number of paid admissions	3,131,754	2,896,392	3,075,836	3,224,500
Total revenues realized	\$30,912,181	\$28,668,812	\$29,725,897	\$33,448,916
Public Works: Roads and Bridges Maintenance				
Miles of roads maintained	136	136	136	136
Number of bridges maintained	165	165	165	165
Sewer Systems (County operated)				
Average daily sewage treatment (thousands of gallons)	129,300	119,000	127,400	118,500
Water Systems (County operated)				
Maximum daily capacity of plants (millions of gallons)	62	62	62	62

* 2021 figures are estimated.

** Significant decrease due to COVID-19 outbreak.

Source: County of Westchester, New York Departments and County Operating Budgets.

See independent auditors' report

EXHIBIT P-15

2016	2017	2018	2019	2020	2021*
18,440	18,203	20,297	19,736	17,561	21,068
224	227	227	204	204	100
28	28	28	28	28	28
76	103	131	159	159	109
1,041	1,048	1,034	923	574	700
5,946	5,746	5,849	5,191	1,890	2,500
16,501	15,868	15,695	14,905	12,209	12,523
7,118	7,118	7,255	7,514	5,914	7,000
1,286	1,200	1,153	1,022	980	1,010
547	527	477	469	427	395
\$78.4	\$77.9	\$79.0	\$79.5	\$83.7	\$80.5
44,070	44,470	44,043	44,820	44,860	45,210
18,025	18,065	18,069	18,500	18,239	19,325
29,216,300	28,639,782	27,373,048	26,474,087	16,641,134 **	17,250,000
147,516	161,146	151,368	153,331	100,463	120,000
124,380	138,878	129,231	45,129	31,005	36,000
1,468,808	1,480,589	1,521,708	1,713,447	464,750 **	1,100,000
8	8	8	8	8	8
3,149,888	3,133,055	3,031,027	3,108,188	1,646,466 **	2,332,678
\$35,218,572	\$32,887,568	\$31,929,842	\$33,629,432	\$16,931,265 **	\$24,390,177
136	136	136	136	136	136
165	165	165	165	165	165
114,900	118,200	139,397	134,500	115,400	126,000
62	62	62	62	62	62

County of Westchester, New York

Capital Asset Statistics by Function

Last Ten Fiscal Years

	2012	2013	2014	2015
Parks				
Total acreage	17,843	17,843	17,843	17,843
Number of parks	70	70	70	70
Number of historical sites	9	9	9	9
Number of golf courses	6	6	6	6
Number of nature centers	7	7	7	7
Number of beaches	3	3	3	3
Number of pools	4	4	4	4
Education				
Westchester Community College (main campus)	1	1	1	1
Health				
Health Department Clinics/in County-owned buildings	4/1	4/1	4/1	4/1
Boat (used for water sampling)	2	2	2	2
Home and Community Services				
Sewer Systems (County operated):				
Miles of sanitary sewers	194	194	194	194
Number of treatment plants	7	7	7	7
Water Systems (County operated)				
Miles of water mains	17	17	17	17
Transportation				
Buses	329	329	329	329
ParaTransit Vans	59	50	49	49
Transit Connect/Prius/Rav4	40	39	38	38

Source: County Departments or Operating Budget

See independent auditors' report

EXHIBIT P-16

2016	2017	2018	2019	2020	2021
17,843	17,843	17,843	17,843	17,843	17,843
70	70	70	70	70	70
9	9	9	9	9	9
6	6	6	6	6	6
7	7	7	7	7	7
3	3	3	3	3	3
4	5	5	5	5	5
1	1	1	1	1	1
4/1	4/1	4/1	4/1	4/1	4/1
2	2	2	2	2	2
194	194	194	194	194	194
7	7	7	7	7	7
17	17	17	17	17	17
329	326	326	327	327	327
59	59	59	63	62	62
38	40	42	43	43	40

(This page intentionally left blank.)

Additional Report

(This page intentionally left blank.)

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance With *Government
Auditing Standards***

Independent Auditors' Report

**The Honorable Board of Legislators
of the County of Westchester, New York**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the County of Westchester, New York ("County") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 23, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

PKF O'Connor Davies, LLP

PKF O'Connor Davies, LLP

Harrison, New York

August 23, 2022

Continuing Disclosure Information

(This page intentionally left blank.)

THE COUNTY OF WESTCHESTER CONTINUING DISCLOSURE INFORMATION - GENERAL OBLIGATION BONDS

Here follows a brief description of the County, together with certain information concerning its economy and governmental organization, its indebtedness, current major revenue sources and expenditures of the General and Special Revenue funds.

General Information

County of Westchester, incorporated in 1683, is a suburban county located in the northern sector of the New York City metropolitan area. It is bordered on the south by New York City, on the east by the State of Connecticut and Long Island Sound, on the north by Putnam County and on the west by the Hudson River. The County has a 2020 Federal census population of 1,004,457 and an area of 450 square miles.

The County has a large and varied economic base containing many corporate headquarters, research facilities, manufacturing firms and well-developed trade and service sectors. Approximately thirty-five percent of employed County residents are employed outside the County, primarily in New York City.

Population Characteristics

The 2020 Federal census recorded that the County had experienced a 5.8% population increase since the last completed census in 2010.

TABLE 1

Population (in thousands)

<u>Year</u>	<u>Westchester</u>	<u>New York City</u>	<u>New York State</u>	<u>United States</u>
1960	809	7,782	16,782	179,323
1970	894	7,895	18,237	203,212
1980	867	7,072	17,558	226,546
1990	875	7,323	17,990	248,710
2000	923	8,008	18,976	283,868
2010	950	8,175	19,378	308,746
2020	1,004	8,804	20,201	331,449

Source: United States Department of Commerce, Bureau of the Census as of most recent adjustment.

The County's 48 municipalities vary greatly in population size. Four cities: Yonkers, New Rochelle, Mount Vernon and White Plains (the County seat), contain over 42% of Westchester's population. The southern portion of the County, with about 9,692 people per square mile, is almost 6 times more densely populated than the northern area, which has about 1,615 people per square mile. Within the metropolitan area, Westchester's overall population density in 2020 of 2,230 people per square mile is much lower than that of the central parts of the region and much higher than that of the more outlying exurban areas. Westchester is approximately eight percent as densely populated as New York City (27,012 per square mile) and less than one-half as densely populated as Nassau County (4,705 per square mile). However, it is more densely populated than Rockland County (1,796 per square mile), Suffolk County (1,637 per square mile), Putnam County (433 per square mile) or Dutchess County (374 per square mile).

Personal Income

Total personal income of Westchester residents was \$109.8 billion in 2019. The County's 2019 per capita personal income is among the highest in the nation. As reported by the U.S. Department of Commerce, Bureau of Economic Analysis, County of Westchester's per capita personal income of \$113,477 in 2019 placed it in the top 1% among the 3,113 counties nationwide. In addition, the County of Westchester's 2019 per capita personal income of \$113,477 compared favorably to New York State and the U.S., which were \$71,717 and \$56,490, respectively.

Economy

From 2011 through 2020, employment in the County has for the most part stabilized along with the County population. In addition, the County's rate of unemployment has been primarily lower than the State for this period. In 2020, the State's unemployment rate was higher than the national rate as shown in Table 2 due to the impact of the COVID-19 pandemic. Table 2a reflects monthly employment and unemployment for the most recent 12-month period available.

TABLE 2

Annual Employment and Unemployment, 2011-2020
(Employment figures in thousands)

	Westchester ^(a)		New York State		United States	
	<u>Employment</u>	<u>Unemployment Rate</u>	<u>Employment</u>	<u>Unemployment Rate</u>	<u>Employment</u>	<u>Unemployment Rate</u>
2011	440.4	7.1%	8,725	8.3%	153,617	8.9%
2012	441.6	7.4	8,775	8.6	154,975	8.1
2013	446.4	6.4	8,880	7.8	155,389	7.4
2014	445.7	5.2	8,925	6.3	155,922	6.2
2015	455.8	4.6	9,036	5.2	157,130	5.3
2016	457.1	4.4	9,062	4.9	159,187	4.9
2017	458.7	4.5	9,106	4.6	160,320	4.4
2018	462.8	3.9	9,121	4.1	162,075	3.9
2019	467.2	3.6	9,143	3.8	163,539	3.7
2020	437.8	8.4	8,361	10.0	160,742	8.1

Sources: New York State Department of Labor and United States Labor Department, Bureau of Labor Statistics.
Annual Averages.

^(a) Statistical data represents employment of the County's residents employed either within the County or outside the County.

TABLE 2a

Monthly Employment and Unemployment, Most Recent 12-Month Period Available
(Employment figures in thousands)

	Westchester ^(a)		New York State		United States	
	<u>Employment</u>	<u>Unemployment Rate</u>	<u>Employment</u>	<u>Unemployment Rate</u>	<u>Employment</u>	<u>Unemployment Rate</u>
October 2020	442.6	6.4%	8,433	8.3%	149,669	6.9%
November	446.5	6.2	8,468	8.3	149,809	6.7
December	445.7	6.2	8,446	8.5	149,830	6.7
January 2021	441.1	6.6	8,321	9.4	150,031	6.3
February	438.4	7.0	8,325	9.7	150,239	6.2
March	446.6	6.2	8,639	8.4	150,848	6.0
April	447.7	5.4	8,661	7.7	151,176	6.1
May	448.7	4.9	8,627	7.0	151,620	5.8
June	455.3	5.2	8,715	7.2	151,602	5.9
July	458.8	5.4	8,692	7.4	152,645	5.4
August	454.8	5.2	8,672	7.1	153,154	5.2
September	448.5	4.4	8,669	6.3	153,680	4.8

Sources: New York State Department of Labor and United States Labor Department, Bureau of Labor Statistics.
Monthly Averages.

^(a) Statistical data represents employment of the County's residents employed either within the County or outside the County.

TABLE 3

Non-Farm Average Employment in Westchester/Rockland/Orange Counties*
2017– 2021
(Figures in thousands)

	Total Non- Farm	Services	Trade Transportation and Utilities	Education & Health Services	Government	Finance, Insurance & Real Estate	Manufacturing	Construction/ Mining	Other
2017	690.7	159.4	138.5	143.5	103.9	47.3	28.6	40.2	29.2
2018	699.0	162.3	137.7	147.7	104.3	47.3	29.2	42.3	28.1
2019	709.2	164.7	136.2	153.4	104.7	47.5	29.3	44.4	29.0
2020	582.6	118.4	104.7	133.7	103.8	44.4	25.3	33.7	18.7
2021	640.6	137.5	123.9	145.5	102.1	44.4	27.0	39.5	20.7

Source: New York State Department of Labor.
Annual Averages

* For purposes of these statistics, the New York State Department of Labor has combined these counties as a “Metropolitan Statistical Area.”

Approximately 96 percent of the wage and salary jobs in the metropolitan statistical area which includes the County of Westchester in 2021 were with firms whose major activity was other than manufacturing. During the period 2021, employment in all sectors, except Government sector, showed same or increased levels as compared to the previous year.

Westchester County’s median sales price of single family homes increased 17.7 percent from \$710,000 in 2020 to \$835,500 in 2021. Single family closed sales were up 54% over last year. Closed sales in other housing markets such as condos and co-ops also show an increase over 2020 activity.

The Health Care sector in the County of Westchester continues to grow, as does transit-oriented residential housing. The expansion of the Health Care sector is led by a number of major initiatives, including White Plains Hospital’s new \$272 million outpatient center for advanced medicine and surgery and the growth and expansion of other Hospitals and Medical Consortiums.

Retail highlights include:

- Shopping attractions in the County include Ridge Hill, The Westchester Mall, Rivertowns, New Roc City, the Galleria at White Plains, Jefferson Valley Mall and the Cross County Mall.
- Major department stores in the County include Bloomingdale’s, Kohl’s, Neiman Marcus, Nordstrom, Macys, Burlington, and Target.
- In August 2020 Wegman’s, the Rochester-based grocery store, opened in Harrison.

Other development highlights include:

- The Sonesta White Plains Downtown Hotel reopened in January 2021 and the Opus Westchester Hotel reopened in June 2021.
- The City of White Plains has more than 3,000 residential units approved, a portion of which are under construction, and another 2,000 units proposed. A residential complex known as “the Mitchell” with 434 total dwelling units is expected to open in White Plains in 2022.
- The City of Yonkers continues a revitalization of its downtown and waterfront with thousands of new residential units built or approved since 2012.

TABLE 4**Major Employers (Non-Municipal) in the County of Westchester**

<u>Firms</u>	<u>Business Activity</u>
Westchester Medical Center	Hospital and Healthcare Services
IBM	Computer Hardware and Software
White Plains Hospital	Hospital and Healthcare Services
Regeneron Pharmaceuticals Inc.	Pharmaceuticals
St. John's Riverside Hospital	Hospital and Healthcare Services
PepsiCo Inc	Soft Drink Manufacturing
St. Joseph's Medical Center Hospital and Healthcare Services	Hospital and Healthcare Services
FDR VA Hospital	Hospital and Healthcare Services
Northern Westchester Hospital	Hospital and Healthcare Services
Montefiore New Rochelle	Hospital and Healthcare Services

*Source: Data Axle Reference Solutions as of October 2021

Transportation

The County has three commuter train lines providing service into Manhattan. Approximately three-quarters of the County's population live within a 40-minute ride to Grand Central Terminal. Freight service is provided on some rail lines. The Metropolitan Transportation Authority (MTA) has made investments in new rolling stock and improved station facilities for the County's three commuter lines and is implementing a program to expand parking facilities at various stations on all three lines.

The County is served by the New York State Thruway, three interstate highways (I-95, I-287, and I-684), and a network of scenic parkways dating back to the 1920s. The parkway system includes the Bronx River Parkway, Saw Mill River Parkway, Hutchinson River Parkway, Sprain Brook Parkway, Cross County Parkway and Taconic State Parkway.

All parkways are owned and operated by the New York State Department of Transportation with the exception of the Bronx River Parkway, which is owned and patrolled by the County. Pursuant to an agreement with the State, the County patrols the Saw Mill, Hutchinson River and Cross County Parkways and is reimbursed by the State for a portion of those patrol costs.

The County is served by the Bee-Line Transit System which is administered by the County Department of Public Works and Transportation and several private bus companies. The County provides operating assistance to the companies under contract and obtains State and Federal aid for acquisition of new buses and other capital improvements in bus transportation. The Bee-Line Transit System operates over 900 route miles and on average carries over 28 million passengers annually.

The Westchester County Airport is owned by the County and is operated by a management company under contract. As of January 1, 2009, AFCO AvPorts Management, LLC took over as the management company at the Airport, which was previously managed by Macquarie Aviation North America 2, Inc. The Airport is located close to the intersection of three interstate highways. The Airport provides direct commercial service to Atlanta; Charlotte; Chicago O'Hare; Detroit; Fort Lauderdale; Fort Myers; Orlando; Tampa; West Palm Beach; Washington D.C. Ronald Reagan. The Airport also houses numerous corporate and privately owned aircraft.

Utility Services*Wastewater Services*

The County, through its Department of Environmental Facilities, operates a wastewater collection and treatment system consisting of seven water resource recovery facilities, 42 pumping stations, and 194 miles of trunk sewers serving 13 County Sanitary Sewer Districts.

On December 9, 2008, the County of Westchester Board of Legislators (the “Board”) by Act No. 240-2008, authorized the County to enter into an Order on Consent (the “2008 Consent Order”) with the State of New York Department of Environmental Conservation (“NYSDEC”), which was fully executed on December 30, 2008. The 2008 Consent Order replaced a prior Order on Consent entered into on December 24, 2004 (“2004 Consent Order”) settling the administrative claims of the NYSDEC relating to, among other things, the County’s anticipated noncompliance with state and federally mandated nitrogen removal standards to be imposed in the State Pollutant Discharge Elimination System (“SPDES”) permits. The Consent Orders involve the four County-owned Water Resource Recovery Facilities (“WRRFs”) that discharge into the Long Island Sound (“LIS”), namely: (1) the New Rochelle WRRF; (2) the Mamaroneck Valley WRRF; (3) the Blind Brook WRRF; and (4) the Port Chester WRRF. The matter stemmed from a multi-year study of nitrogen-based pollution in the Long Island Sound, the Long Island Sound Study (“LISS”), which began in 1985, and the subsequent agreement of the United States Environmental Protection Agency (“USEPA”), and the States of New York and Connecticut to impose mandatory nitrogen discharge reductions on all municipal WRRFs that discharge into the Long Island Sound. The 2008 Consent Order required improvements be undertaken at the larger two of the four LIS WRRFs, namely the Mamaroneck Valley and New Rochelle WRRFs (the “BNR Project”), to meet nitrogen discharge standards set forth in the NYSDEC-issued SPDES permits for all four Long Island Sound WRRFs, in the aggregate, by 2017. It further required the equitable apportionment of all the costs associated with the BNR Project among the four (4) Long Island Sound Sanitary Sewer Districts (“SSDs”), namely: (1) the New Rochelle SSD; (2) the Mamaroneck Valley SSD; (3) the Blind Brook SSD; and (4) the Port Chester SSD, as the Board has determined that all of the properties in the four LIS SSDs are benefited thereby. This had a substantial financial impact on those SSDs. During construction to upgrade the Mamaroneck Valley WRRF (the “Plant”), there were unintended releases of plastic media disks from the Plant into the Long Island Sound, which constituted violations of Environmental Conservation Law Section 17-0803. As a consequence of the violations, and subsequent work to prevent future occurrences, the Plant suffered setbacks with respect to implementation of its plan to upgrade the treatment facilities in accordance with the 2008 Consent Order. In October 2012, the 2008 Consent Order was modified to extend interim deadlines to “Complete construction at the Mamaroneck WRRF” and to “Operate to Meet the 12 Month Rolling Average” in addition to a “Green Beaches, Clean Beaches Media Disk Recovery Program” (the 2004 Consent Order and 2008 Consent Order, as modified are collectively referred to as the “Consent Order”), noting that said amendment does not change the termination date of the Consent Order. The County met its obligations for total nitrogen removal under the Consent Order by achieving the 12-month rolling average limit by May 2015, ahead of the required August 2017 deadline. The Consent Order remains open for continued monitoring.

The County had originally authorized approximately \$407.7 million in bonds in order to meet its obligations under the 2008 Consent Order. Pursuant to the American Recovery and Reinvestment Act of 2009, the County of Westchester applied for and was chosen to receive an award of \$22,944,000. The New York State Environmental Facilities Corporation (the “EFC”) which administered and financed the subject debt, forgave the outstanding debt in this amount. Due to this forgiveness of debt the authorized amount was reduced by \$22.9 million to \$384.8 million on November 6, 2014. To date, the County has issued \$379.3 million of which \$22.9 million was forgiven as described above.

On August 10, 2015, the Board, by Act No. 142-2015, authorized the County to enter into an Order on Consent with the NYSDEC to settle administrative claims concerning alleged violations of SPDES Permit No. NY 0026697 (the “Permit”) for the New Rochelle WRRF. The Permit, in relevant part, required the County to eliminate discharges from Overflow Retention Facilities (“ORF”) or to comply with the effluent limitation specified in 40 CFR Part 133 by August 1, 2014. The NYSDEC alleged that, from August 1, 2014, and continuing, the County did not eliminate discharges from the ORFs, nor did it comply with the effluent limitation, in violation of the Permit. The Order on Consent contains a Compliance Schedule that was agreed upon between the County and NYSDEC. Further, on August 10, 2015, the Board, by Act No. 141-2015, authorized the County to enter into inter-municipal agreements with the four municipalities that discharge wastewater to the New Rochelle WRRF for the development and implementation of studies and plans so that the County can comply with the Compliance Schedule contained in the Order on Consent. On September 3, 2015, the County Board of Acquisition and Contract authorized the County to enter into the inter-municipal agreements and all four of these inter-municipal agreements have been fully executed. The four municipalities in the New Rochelle SSD are performing investigation and remediation work as required by the inter-municipal agreements and the Compliance Schedule contained in the Order on Consent, which has been amended from time to time as necessary for compliance.

Electrical Services

Except for its northeastern portion, the County receives electrical delivery service from Consolidated Edison of New York (“Con Edison”). The cost of electricity in the Con Edison service territory is the highest in the continental United States. These high-power costs may accelerate the current trend in the County away from manufacturing production. Con Edison also supplies natural gas service to the County. The northeastern portion of the County receives its electric power from New York State Gas and Electric at rates substantially below those of Con Edison. Since the latter part of 1976, both the County and the majority of municipalities within the County have received their electricity from the Power Authority of the State of New York over Con Edison distribution lines. The New York State Public Service Commission embarked on a program whereby the current utilities would continue to operate, under a regulatory scheme, the distribution system for electricity, but the utilities have divested themselves of most of their generation facilities. The generation facilities have been acquired by independent operators, with the electricity generated at these and other facilities sold under market conditions. However, to date, the majority of residential customers continue to buy their electricity from the regulated utilities.

Recharge New York (“RNY”) is a statewide economic development power program for qualified businesses and not-for-profit corporations and was signed into law on April 14, 2011. The RNY program merges all existing NYPA Economic Development Programs into one program directly administered by NYPA. RNY provides benefits for businesses and non-profits including: a permanent and dedicated funding source for the low-cost energy economic development programs; long term contracts for a term of up to seven years so that program participants can make appropriate business decisions to re-locate, remain, and/or expand; and the ability to add new program participants and provide additional allocations to existing program participants.

Water Services

The County receives most of its public water from the Croton, Delaware and Catskill aqueduct systems of The City of New York (“City”). These systems are fed partly by approximately 177 square miles of watershed lands and reservoirs in the County and, in addition, receive water by aqueduct from the upstate Catskill and Delaware systems. The County operates four water districts, County Water Districts 1, 2, 3 and 4.

Effective January 1, 2002, Water District No. 2, which had previously been operated by the County, was leased to Northern Westchester Joint Water Works pursuant to State legislation and an inter-municipal agreement. Under this agreement, the lessee made lease payments to the County that covered the County’s remaining annual debt service for prior capital projects at Water District No. 2. The County is reviewing the possible transfer of District assets to the lessee. Water District No. 4 is not active. Also, there are a variety of private and municipal reservoir and well systems which supply the remainder of public water needs.

In January 1997, the County entered into the New York City Watershed Memorandum of Agreement (“Watershed MOA”) with the City, the State, the USEPA, Putnam County, the Coalition of Watershed Towns, the Catskill Watershed Corporation, certain municipal corporations located within the New York City Watershed and certain environmental organizations. The Watershed MOA provides for (i) a Land Acquisition Program pursuant to which the City will purchase land within the New York City Watershed, (ii) the promulgation of new Watershed Regulations, (iii) Watershed Protection and Partnership Programs pursuant to which the City will fund infrastructure and improvements within the New York City Watershed and has paid \$38 million to the County to create a fund known as the East of Hudson Water Quality Investment Program Fund (“EOH WQIP Fund”) to support the implementation of water quality investments in the East of Hudson Watershed to protect the City’s drinking water supply, and (iv) the creation of the Watershed Protection and Partnership Council.

Since 1997, the County has exercised fiduciary and administrative responsibilities for EOH WQIP Fund, which as of December 2021 has a fund balance of \$38,179,455. Expenditures of the EOH WQIP Fund must be approved by the Board. The 12 municipalities that have land area within the NYC water supply watershed, with the partnership of the County, established an ad hoc organization known as the Northern Westchester Watershed Committee (“NWWC”) to be a regional forum to oversee implementation of the Watershed MOA and its programs. While the NWWC has advised the Board on spending priorities for the EOH Fund, NWWC recommendations are not required for EOH Fund allocations. Many projects, large and small, have been approved by the Board for funding through the EOH WQIP Fund. To date, these projects have been administered and implemented by the municipalities, not the

County, through an inter-municipal agreement. Sample projects eligible for funding include: sewer diversion projects, water quality measures identified in the Croton Plan, rehabilitation or replacement of septic systems that are failing or likely to fail in certain areas, storm water Best Management Practices to correct or reduce existing erosion or pollution and new or upgraded sand and salt storage facilities.

On May 6, 1997, the USEPA issued a 1997 Filtration Avoidance Determination for the Catskill and Delaware Water Supply Systems (“1997 FAD”). The 1997 FAD remained in effect until April of 2002. In May of 2002, USEPA approved a new Filtration Avoidance Determination (“2002 FAD”) and, therein, determined that the City has an adequate long-term watershed protection program for its Catskill/Delaware water supply which meets the established standards for unfiltered water systems. The 2002 FAD established milestones for the City’s construction of Ultraviolet (“UV”) Light Disinfection Facilities, to commence operation on August 31, 2009. In 2005, the City requested an extension of the construction schedule contained in the 2002 FAD. Pursuant thereto, the USEPA prepared the 2005 Draft Modification to the 2002 FAD and extended the date for commencement of operation at the UV Facility to August 31, 2010. The required UV disinfection plant at Eastview became operational at the end of 2012. The USEPA released a 10-year New York City Filtration Avoidance Determination (“2007 FAD”) for the Catskill/Delaware Water Supply in July 2007. After the 2007 FAD was issued, USEPA transferred primacy for regulatory oversight of the City’s FAD to the New York State Department of Health (“NYSDOH”). In May 2014, NYSDOH, in consultation with USEPA, issued the Revised 2007 FAD, which defined the City’s requirements for the remaining period of the 2007 FAD. In accordance with NYSDOH’s certification of the 2007 FAD, the next FAD was scheduled to be issued in 2017. The 2017 FAD supersedes the Revised 2007 FAD and will remain effective until a further determination is made, currently scheduled for July 2027.

On October 6, 2014, the Board, by Act No. 185-2014, authorized the County to carry out capital project “WD103-County Water District No. 1 Alternate Water Supply” (“WD103”) at a maximum estimated cost of \$9,950,000 to bring the County in compliance with the certain Long Term 2 Enhanced Surface Water Treatment Rule and to comply with the Consent Decree filed on September 2, 2015. Further, on October 6, 2014, the Board, by Act No. 187-2014 authorized a Bond Act in the amount of \$765,584 and on April 27, 2015, the Board, by Act No. 65-2015, authorized a Bond Act increasing Bond Act 187-2014 in the amount of \$8,453,416 for an amended total of \$9,219,000 in connection with WD103. There remains \$159,771 of available authorization pursuant to Bond Act 65-2015.

On July 18, 2022, USEPA issued an Administrative Order No.: SDWA-02-2022-8057 (“AO”) against Water District No. 3 (“WD3”) related to Disinfectants and Disinfection Byproducts rule. WD3 timely responded to the AO, and is awaiting approval from the USEPA of the proposed corrective action plan.

Refuse Disposal

The County provides refuse disposal services to approximately 90% of the County’s population through the County Refuse Disposal District No. 1 (“District”). The District has four transfer stations, a Material Recovery Facility, and a Household-Hazardous Material Recovery Facility. In 2021, the District added a compost and education facility (“CompostED”), which acts as a demonstration and education site for food scrap composting.

Originally established through an agreement with the County of Westchester Industrial Development Agency in 1985, since October 2009, the County, on behalf of the District, has had a solid waste disposal agreement with WIN/Waste Innovations f/k/a Wheelabrator Westchester, L.P. to bring all municipal solid waste collected under inter-municipal agreements with District municipalities (“IMAs”) to the Charles Point Facility in the City of Peekskill, New York. The Agreement was renewed and extended in October 2019 through October 2029 (“2019 Agreement”), and the County has executed IMAs with District municipalities. Under the 2019 Agreement, the District is not obligated to supply a minimum tonnage of solid waste and the agreement allows the District to divert up to 62,500 tons annually to explore new waste disposal technologies.

In addition to the processing of curbside recyclable and household hazardous waste, the District also manages IMAs for recycling of Organic Yard Waste and Transportation and Disposal of Residential Food Scrap Transportation and disposals.

On December 28, 2016, USEPA issued an Administrative Order under various provisions of the Clean Water Act for compliance with the Multi-Sector General Permit (“MSGP”) (Order No.: CWA-02-2017-3022) at the Brockway Solid Waste Transfer Station in White Plains. The Administrative Order was revised on or about May 12, 2017, under Order No.: CWA-02-2017-3050, and again on or about June 21, 2022, under Order No.: CWA-02-2022-3030. The current Order continues the requirements for certain reporting, interim measures to control leachate, and the installation of a leachate filtering system at the site. Additionally, source investigation was completed and discussions are underway with the City of White Plains to address leachate concerns. The County is working collaboratively with the USEPA to address these concerns.

On January 27, 2020, the County and the NYSDEC entered into a Consent Order, wherein the County agreed to undertake an upgrade to the stormwater system to address stormwater runoff and leachate concerns at the Yonkers Transfer Station and Material Recovery Facility located in the City of Yonkers (NYSDEC CO No.: R3-20170505-87). The construction is completed and enhanced sampling, pursuant to the order, is ongoing.

Recreational and Cultural Facilities

The nationally accredited Westchester County Department of Parks, Recreation and Conservation (“Westchester County Parks”) operates and manages 50 parks and recreational facilities spanning nearly 18,000 acres of publicly-owned parkland throughout the County. In 2018, Westchester County Parks has, for the fourth time, earned the distinction of being accredited by the National Recreation and Parks Association (NRPA). The distinction is for a 5 year period. Westchester County Parks is the only agency in New York State to be nationally accredited, and the distinction makes the parks system a member of an elite group of 71 agencies that have been accredited since the program was introduced in 1994. The national accreditation by the NRPA is the highest honor that can be bestowed on a parks system, and sets it apart from thousands of other parks systems throughout the nation.

Westchester County Parks includes six golf courses, five swimming pools, three beaches, six nature preserves and various historic sites. County Parks also operates a number of flagship parks, e.g.: Lasdon Park Arboretum and Veterans Memorial, Camp Morty at Mountain Lakes Park, Muscoot Farm, the Westchester County Center (a public assembly and entertainment facility), the Bronx River Parkway Reservation, the North and South County Trailways, Playland Amusement Park which is designated as a National Historic Landmark, and Kensico Dam Plaza, known as the County’s “Central Park”.

State and local agencies provide an additional 17,000 acres of parkland and preserves for public use. There are also a considerable number of landmarks and historic sites throughout the County dating back to the 17th century, reflecting the rich architectural and historic heritage of the area. The County houses an array of colleges and universities, theaters, museums, private golf courses, yacht clubs, marinas, country clubs, equestrian clubs, and skating rinks, all of which combine to provide a wide range of educational, cultural and recreational opportunities.

Governmental Organization

Subject to the State Constitution, the County operates pursuant to the County Charter (the “Charter”) and Administrative Code and in accordance with other laws governing the County generally to the extent that such laws are applicable to counties operating under a charter form of government. The Charter in its present form was originally enacted into law by the State Legislature after its approval by the electors of the County at a general election held in November 1937. The Administrative Code was enacted into State law in 1948.

County Board of Legislators. The legislative power of the County is vested in the County Board of Legislators (the “Board”) which in its present form has been in existence since January 1, 1970. Its 17 members are elected for two-year terms by the voters in their respective legislative districts. Vacancies occurring on the Board are to be filled at a special election in the legislative district of the vacated office. However, if a vacancy occurs within seven (7) months prior to the regular expiration of such term of office, the vacancy may be filled for the remainder of the unexpired term by an appointment of the majority of the remaining members of the Board. Both the number of members and boundaries of legislative districts may be varied from time to time in accordance with requirements of the Federal and State Constitution or by Charter amendment. Since 1974 the Board has retained the services of PKF O’Connor Davies, LLP to review and report projections of revenues and expenditures as contained in proposed

budgets. This firm or its predecessors has been the independent certified public accountants of the County since 1966.

The County Executive. The County Executive is elected every four years in the year following the presidential election. He must be a resident of the County for at least five years prior to his election, is required to devote his full time to the duties of his office and may hold no other public office. Subject to certain exceptions hereafter described, no act of the Board can take effect unless approved by the County Executive. If any act is not returned to the County Board by the County Executive with his written reason for not approving it within ten days of its presentation to him, it is deemed approved; further any act disapproved by the County Executive nevertheless becomes effective if upon reconsideration it is passed by at least two-thirds vote of all the members of the Board. Pursuant to the Charter, there are several departments of the County established, including the Department of the Budget, responsible for preparation of the budget for submission to the County Executive, and such other duties in regard thereto as the County Executive may direct. Also pursuant to the Charter, the Department of Finance is charged with the administration of the financial affairs of the County, including collection of all taxes and other revenues due to the County, the custody and safekeeping of all funds belonging to the County and the disbursement of all County funds including the keeping and supervision of all accounts.

Westchester County Executive George Latimer was sworn into office on January 1, 2018. Mr. Latimer was elected to a four-year term commencing January 1, 2018 and such term will end December 31, 2021. On November 2, 2021, the County Executive was re-elected to a second four-year term which will commence January 1, 2022 and such term will end December 31, 2025.

Chief Fiscal Officer. The Commissioner of Finance is appointed by and serves at the pleasure of the County Executive and is confirmed by the Board. By the Charter, the Commissioner of Finance is responsible for the administration of the financial affairs of the County, including the management of \$2.1 billion in general County funds, collection of all taxes, assessments, license fees and other revenues due the County; custody and safekeeping of all funds belonging to or by law deposited with, distributed to or handled by the County; the disbursement of County funds; the keeping and supervision of all accounts; the supervision of such similar functions of local units of government as may be transferred or entrusted to the County; and such other duties as may be prescribed by law, by the County Executive or the Board.

In addition, since 1961 the Charter has required that all financial dealings, transactions and records of the County shall be subject annually to a complete independent audit. The auditors' report is required to be filed with the Board and is open to public inspection.

Karin Hablow is the Commissioner of Finance for the County. The Commissioner is responsible for the administration of the Finance Department and the financial reporting for the County.

COUNTY INDEBTEDNESS

Nature of County Indebtedness and Procedure for Authorization

Constitutional Requirements

The New York State Constitution limits the power of the County (and other municipalities and school districts of the State) to issue obligations and to contract indebtedness. Such constitutional limitations include the following, in summary form, and are generally applicable to bonds and notes of the County:

Purpose and Pledge. The County shall not give or loan any money or property to or in aid of any individual, or private corporation or private undertaking or give or loan its credit to or in aid of any of the foregoing or any public corporation. However, the County in its discretion has the legal authority to do so for the Westchester County Health Care Corporation ("WCHCC").

The County may contract indebtedness only for County purposes or, in its discretion for WCHCC purposes, and shall pledge its faith and credit for the payment of principal of and interest thereon.

Payment and Maturity. The County is authorized by the State Constitution to contract debt for objects or purposes which the State Legislature has determined to have a “period of probable usefulness” and the maximum maturity of such debt may not exceed the period of probable usefulness of the object or purpose or, in the alternative, the weighted average period of probable usefulness of the several objects or purpose for which it is contracted. Bonds must mature in annual installments and may be issued to finance any object or purpose for which a “period of probable usefulness” has been determined by the State Legislature. No annual installment of a serial bond may be more than 50% in excess of the smallest prior installment unless the Board provides for substantially level or declining debt service payments in the manner prescribed by the State Legislature. Except for certain short-term indebtedness contracted in anticipation of taxes or to be paid within one of the two fiscal years immediately succeeding the fiscal year in which such indebtedness was contracted, indebtedness is required to be paid in annual installments commencing no later than two years after the date such indebtedness has been contracted and ending no later than the expiration of the period of probable usefulness of the object or purpose determined by statute.

Debt Limit. The County has the power to contract indebtedness for any lawful County purpose so long as the principal amount thereof shall not exceed seven per centum of the five-year average full valuation of taxable real estate of the County and subject to certain enumerated exclusions and deductions such as water and certain sewer facilities and cash or appropriations for current debt service. The constitutional method for determining average full valuation is calculated by taking the assessed valuations of taxable real estate for the last five completed assessment rolls and applying thereto the ratio which such assessed valuation bears to the full valuation; full valuation is determined by the New York State Office of Real Property Services or such other State agency or officer as the State Legislature shall direct. The Legislature also is required to prescribe the manner by which such ratio shall be determined by such authority.

The following table sets forth the debt limit of the County and its debt contracting margin under such constitutional standard.

TABLE 5

Summary of Constitutional Debt Statement Prepared as of December 31, 2021

Five-year average full valuation of taxable real property	\$183,592,952,114
Debt limit (7% thereof).....	<u>12,851,506,648</u>
Outstanding indebtedness:	
Bonds.....	\$ 1,323,780,511 ^(a)
Bond Anticipation Notes	15,252,049
Less Exclusions:	
Current year Debt Service Appropriation (principal only)	
General Fund and Special Revenue Fund Airport.....	98,387,820
District Funds	7,712,006
Certain Sewer District Debt.....	281,344,437
Water District Debt	<u>21,311,862</u>
Total Exclusions	<u>408,756,125</u>
Total Net Indebtedness	\$ <u>930,276,435</u>
Net Debt — contracting margin	<u>\$11,921,230,213</u>
Percentage of Debt Contracting Power Exhausted as of December 31, 2021	<u>7.24%</u>

(a) See Table 6 for previously refunded debt, which is excluded from the above table.

There is no constitutional limitation on the amount that may be raised by the County by tax on real estate in any fiscal year to pay interest and principal on all indebtedness. However, the Tax Levy Limitation Law imposes a statutory limit on the amount of taxes the County may levy. See “FINANCIAL FACTORS - The Tax Levy Limitation Law” herein.

In prior years, the County has advance refunded various County bonds by placing the proceeds of the refunding bonds in irrevocable trusts to provide for all future debt service payments. These bonds continue to be general obligations of the County. However, inasmuch as moneys held in an escrow fund will be sufficient to meet all debt service requirements for such bonds, it is not anticipated that any other source of payment will be required.

TABLE 6

Previously Refunded and Escrowed Bonded Debt as of December 31, 2021

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$13,000,000	\$1,384,600	\$14,384,600
2023	<u>19,675,000</u>	<u>734,600</u>	<u>20,409,600</u>
	<u>\$32,675,000</u>	<u>\$2,119,200</u>	<u>\$34,794,200</u>

General. The County is further subject to constitutional limitation by the general constitutionally imposed duty on the State Legislature to restrict the power of taxation, assessment, borrowing money, contracting indebtedness and loaning the credit of the County so as to prevent abuses in taxation and assessments and in contracting indebtedness; however, the State Legislature is prohibited by a specific constitutional provision from restricting the power of the County to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted. However, the Tax Levy Limitation Law imposes a statutory limit on the power of the County to increase its annual tax levy. (See “FINANCIAL FACTORS - Tax Levy Limitation Law” herein).

Statutory Procedure

In general, the State Legislature has authorized the power and procedure for the County to borrow and incur indebtedness by the enactment of the Local Finance Law, subject to the constitutional provisions set forth above. The power to spend money, however, generally derives from other law, including County Law and General Municipal Law of New York State and the County Charter.

The Local Finance Law also provides that where a bond act is published with a statutory form of notice, the validity of the bonds authorized thereby, including bond anticipation notes issued in anticipation of the sale thereof, may be contested only if:

1. such obligations are authorized for a purpose for which the County is not authorized to expend money; or
2. there has not been substantial compliance with the provisions of law which should have been complied with in the authorization of such obligations; and

an action contesting such validity is commenced within twenty days after the date of such publication; or

3. such obligations are authorized in violation of the provisions of the Constitution.

The Board, as the finance board of the County, has the power to enact bond acts and acts authorizing bond anticipation notes to be issued in anticipation of the bonds authorized by such bond acts. In addition, in that capacity, the Board has the power to authorize the issuance of bonds and notes. However, the Board may delegate its powers in relation to the sale and issuance of the bonds or notes of the County to the Commissioner of Finance, the chief fiscal officer of the County under its Charter.

The Local Finance Law also contains provisions providing the County with power to issue general obligation revenue and tax anticipation notes and general obligation budget and capital notes (see “COUNTY INDEBTEDNESS - Temporary Borrowing”).

Outstanding Long-Term Indebtedness

TABLE 7

County Long-Term Bond Indebtedness ^(a)
Principal Amount Outstanding as of December 31, 2021

Buildings and Related	\$ 285,277,248
Parks and Recreation	172,086,687
Roads and Bridges	152,499,840
Transportation	52,727,851
Community College	26,580,489
Tax Certiorari and other legal matters	15,843,250
Correctional Facilities	15,848,963
Airport	26,144,293
Laboratories and Research	6,362,756
WCHCC	1,105,047
Refuse Disposal District	13,191,152 ^(b)
Water District 1	15,463,718 ^(b)
Water District 3	5,848,144 ^(b)
Sewer Districts	<u>534,8501,072^(b)</u>
 Total Net Indebtedness	 \$1,323,780,510
 Deduct District debt	 (569,356,084)
 Net Long-Term debt	 <u>\$ 754,424,426</u>

^(a) See Table 6 for previously refunded debt, which is excluded from the above table.

^(b) Debt service and operating costs of sewer, water and refuse disposal districts, established pursuant to law, primarily funded by a special annual ad valorem tax or assessment for each district as well as by fees or charges. (See “Financial Factors - Assessed and Full Valuation, County Tax Levy and Rates” herein).

In addition to the foregoing debt, the County has contractual obligations to make payments such as the solid waste service fees paid to Wheelabrator (see “THE COUNTY OF WESTCHESTER - Utility Services -- *Refuse Disposal*” herein) and lease payments for the courthouse project (see “COUNTY INDEBTEDNESS - Summary of Significant Contingencies and Commitments” herein).

Debt Ratios

TABLE 8

Debt Ratios as of December 31, 2021

	<u>Amount ^(a)</u>	<u>Per Capita ^(b)</u>	<u>Estimated Percentage Full Value ^(c)</u>
Gross Long-Term Bond Debt	\$1,323,780,511	\$1,318	0.69%
Net Long-Term Bond Debt	754,424,426	751	0.40

^(a) See Table 6 for previously refunded debt, which is excluded from the above table.

^(b) County of Westchester’s 2020 population was 1,004,457, according to the U.S. Bureau of the Census.

^(c) Calculated using 2022 Full Value of \$190,866,449,724.

Debt Service Schedule

The following schedule sets forth all principal and interest payments presently required on all outstanding long-term bond indebtedness of the County:

TABLE 9

Summary of Principal and Interest on County Long-Term Bond Indebtedness
As of December 31, 2021

	<u>Principal</u> ^(a)	<u>Interest</u> ^{(a)(b)}	<u>Total</u>
2022	\$130,473,896	\$49,022,843	\$179,496,739
2023	128,810,615	44,705,303	173,515,918
2024	118,581,000	39,427,668	158,008,668
2025	109,841,000	34,875,097	144,716,097
2026	112,106,000	30,494,270	142,600,270
2027	103,501,000	25,948,302	129,449,302
2028	94,986,000	21,896,180	116,882,180
2029	98,006,000	17,989,875	115,995,875
2030	61,441,000	14,126,053	75,567,053
2031	61,681,000	11,945,750	73,626,750
2032	47,216,000	9,883,877	57,099,877
2033	47,426,000	8,455,534	55,881,534
2034	38,776,000	7,034,691	45,810,691
2035	24,660,000	5,826,791	30,486,791
2036	23,090,000	4,927,287	28,017,287
2037	22,240,000	4,057,812	26,297,812
2038	21,745,000	3,216,880	24,961,880
2039	14,440,000	2,479,708	16,919,708
2040	13,335,000	1,931,675	15,266,675
2041	8,770,000	1,526,892	10,296,892
2042	8,630,000	1,220,850	9,850,850
2043	8,190,000	923,885	9,113,885
2044	5,890,000	688,850	6,578,850
2045	3,865,000	540,622	4,405,622
2046	3,895,000	432,898	4,327,898
2047	3,930,000	325,472	4,255,472
2048	3,545,000	223,924	3,768,924
2049	1,740,000	134,730	1,874,730
2050	1,740,000	84,122	1,824,122
2051	<u>1,230,000</u>	<u>36,986</u>	<u>1,266,986</u>
Total	<u>\$1,323,780,511</u>	<u>\$344,384,827</u>	<u>\$1,668,165,338</u>

(a) Includes \$427,818,241 bonds sold to New York State Environmental Facilities Corporation (EFC). Excludes notes sold to EFC, which may have a term longer than one year. See Table 13 herein detailing the ten-year history of bond anticipation notes issued by the County, including notes sold to EFC.

(b) Interest does not reflect any applicable subsidies for EFC debt.

Trend of Outstanding Long-Term County Indebtedness

The following schedule sets forth the total long-term bond indebtedness outstanding at the end of each of the last ten fiscal years:

TABLE 10

Outstanding Long-Term County Indebtedness^(a)
As of December 31

<u>Fiscal Year</u>	<u>Amount</u>	<u>Fiscal Year</u>	<u>Amount</u>
2012	\$ 1,012,426,484	2017	\$ 1,122,593,660
2013	1,108,757,834	2018	1,211,674,675
2014	1,098,445,984	2019	1,249,373,825
2015	1,103,557,005	2020	1,243,911,018
2016	1,103,557,005	2021	1,323,780,511

^(a) See Table 6 for previously refunded debt.

See Table 13 for Bond Anticipation Note history over the past ten years.

Summary of Significant Contingencies and Commitments

Commitments-DASNY

In December 1998, the County financed \$133,007,717 over 25 years through the Dormitory Authority of the State of New York (the “DASNY”) in connection with the implementation of the County’s Court Facilities Capital Plan for the County of Westchester Courthouse rehabilitation and facade replacement, and construction of a three-story courthouse annex (the “Project”). Concurrently, the County conveyed to DASNY title to the Courthouse property, including buildings and improvements thereon or to be erected thereon. The parties entered into a Lease and Agreement (the “Lease”) by which DASNY leases the property back to the County. When the Lease term has expired and all of the bonds have been paid in full, DASNY will convey back to the County all of the property and the improvements thereon. In 2006, DASNY issued \$21 million of new money bonds for the benefit of the County. Through DASNY, the County also refunded a portion of the outstanding 1998 DASNY bonds issued as described above.

In October 2016, the DASNY issued \$22,485,000 of Refunding Bonds (the “2016 Bonds”) in connection with the refinancing of the County’s court facilities. The proceeds of the 2016 Bonds together with other available moneys were used (i) to refund certain DASNY Bonds described above and (ii) to pay the Cost of Issuance of the 2016 Bonds. The 2016 Bonds reduced County Lease payments by approximately \$3.9 million through 2023. DASNY’s bonds are not general obligations of the County.

State Assistance Coverage

In the event the County fails to pay all or any part of the Basic Rent when due, Title 4-B of the Public Authorities Law of the State of New York, as amended, directs the State Comptroller to pay DASNY the amount of unpaid rent from certain moneys appropriated by the State as State aid and local assistance to the County. The following paragraph and table outline the aid susceptible to this and the coverage ratio of that aid to Maximum Basic Rent.

The following table sets forth for the County’s last ten fiscal years, the amount of State assistance paid to the County for the administrative costs of the assistance and pursuant to Section 608 of the Public Health Law and Section 10-c of the Highway Law; the amount of Court Facilities Incentive Aid for the maintenance expenses of court facilities and interest on the bonds; the greatest amount of Basic Rent payable in any fiscal year of the County on account of the debt service of the Bonds; and the coverage of the Basic Rent from the sources of State assistance described above.

TABLE 11
State Assistance Coverage Ratio
As of December 31,

	State Assistance					Maximum Basic Rent	Coverage
	Administrative Costs	Highway Law-CHIPs	Court Facilities Incentive Aid		Total		
			Maintenance of Facilities	Interest			
2021	\$35,247,255	\$4,302,737	\$2,573,328	\$1,903,599	\$44,026,919	\$12,255,875	3.59 x
2020	26,007,043	3,439,377	2,622,195	1,875,204	33,943,819	12,255,875	2.77 x
2019	42,081,098	3,605,311	2,156,501	1,772,584	49,615,494	12,255,875	4.05 x
2018	35,425,844	3,608,751	2,431,654	1,072,938	42,539,187	12,255,875	3.47 x
2017	44,482,325	3,511,660	3,305,901	277,170	51,577,056	12,406,750	4.28 x
2016	36,912,184	3,696,399	1,361,828	405,232	42,375,643	12,406,500	3.42 x
2015	42,519,110	2,838,627	1,856,968	527,219	47,741,924	12,411,463	3.85 x
2014	50,064,362	2,817,055	2,271,147	643,535	55,796,099	12,411,463	4.50 x
2013	44,868,991	2,726,113	2,247,583	754,803	50,597,490	12,411,463	4.08 x
2012	45,397,522	2,952,768	2,765,312	860,456	51,976,058	12,411,463	4.19 x

Future Issuance of General Obligation Indebtedness

The County Charter establishes a capital program procedure to provide the County with five-year projections of capital projects and estimates of expenditures required. These expenditures are financed from current annual appropriations, the proceeds of bonds and notes and other sources, such as Federal and State funds. (See “COUNTY INDEBTEDNESS - Statutory Procedure” herein).

A Capital Projects Committee, composed of the County Executive as Chairman, the Budget Director and other designated heads of Executive Departments, the Chairman of the Board and the Chairman of its Budget and Appropriations Committee, meet to prepare the proposed capital plan for the ensuing five years. They are required to consider the feasibility of all proposed capital projects in reference to their necessity, priority, location, costs and method of financing, and the plan is required to be printed with the County budget.

The County is required by its Charter to adopt a capital budget annually. Each capital project which is either contemplated or commenced is reflected in either the capital plan or the capital budget. Whenever the County determines to finance the costs of a capital project by borrowing, it adopts acts authorizing bonds and bond anticipation notes. Notwithstanding the inclusion of a capital project in the capital plan or budget or in a bond act, the County may at any time eliminate or terminate such project, subject to any contract liabilities theretofore incurred.

In general, the County has provided for capital projects in accordance with the foregoing capital program procedure, although the County may adopt a bond act even though the project for which it is adopted has not been in any previous capital plan so long as the capital budget is amended.

The County capital project plan will necessitate further financing by the issuance of bonds and/or bond anticipation notes. General improvement and reconstruction of County roads and bridges will continue as required. Additional building construction and capital improvements at various County facilities including the Westchester Community College and correctional facilities on the Valhalla Campus are anticipated. Recreational improvements and improvement of public transportation facilities, including acquisition of new equipment, may be financed during the next several years. In addition, financing will be required for the expansion of County sewer districts, nutrient removal from the Long Island Sound and for expansion of County Refuse Disposal District No. 1 facilities.

On December 9, 2021, the County expects to issue and sell \$36.5 million of bonds to EFC, the proceeds of which will be used to (i) provide original financing for various Sewer District projects, (ii) redeem and convert certain outstanding EFC Notes to EFC Bonds and (iii) pay for cost of issuance for such bonds. Approximately \$34.5 million EFC notes balance will be converted to \$30.9 million in EFC Bonds. See Table 13 herein.

TABLE 12

Proposed Capital Budget Projection
As of January 1, 2022
(Dollars in Thousands)

	Estimated Total Cost ^(a)	Financing ^(c)				
		Cumulative Appropriations ^(b)	Operating Budgets ^(d)	Non- County Share ^(e)	Aggregate Bonding Authorized And Anticipated ^(f)	Bonds Authorized ^(g)
Buildings, Land & Misc.	\$ 1,248,897	\$ 786,042	\$ 2,350	\$ 23,675	\$ 760,017	\$ 429,757
Parkways	100,070	96,720	-	-	96,720	38,394
Roads & Bridges	370,840	210,500	-	12,144	198,356	137,767
Recreation Facilities	900,705	726,435	263	7,724	718,448	363,929
Transportation	<u>359,722</u>	<u>214,347</u>	<u>100</u>	<u>102,101</u>	<u>112,146</u>	<u>62,561</u>
Total County	\$ 2,980,234	\$ 2,034,044	\$ 2,713	\$ 145,645	\$ 1,885,687	\$ 1,032,408
Airport	\$ 235,500	\$ 186,900	\$ 10,648	\$ 47,520	\$ 128,732	\$ 66,698
Refuse Disposal						
District No. 1	69,730	55,730	14,250	2,000	39,480	18,950
Sewer and Water						
Districts ^(h)	<u>2,102,034</u>	<u>1,014,909</u>	<u>8,413</u>	<u>61,044</u>	<u>945,452</u>	<u>759,213</u>
Grand Total	<u>\$ 5,387,498</u>	<u>\$ 3,291,583</u>	<u>\$ 36,024</u>	<u>\$ 256,209</u>	<u>\$ 2,999,351</u>	<u>\$ 1,877,269</u>

^(a) As estimated in the capital plan, but not necessarily appropriated. Includes projects not yet under the capital budget or subject of a Bond Act. No assurance can be given that the actual cost will not be greater than estimated, in part because of the anticipatory nature of capital planning.

^(b) As provided in the capital budgets, which provide for the authorization to spend and the plan of financing. Such appropriations remain in effect until the project is completed or terminated.

^(c) As provided in the capital budgets, the County is not committed to the issuance of such bonds and, generally, reduces the final amount of the issue by transfers from the operating budgets and from other sources such as Federal and State funds.

^(d) Reflects contribution from operating budgets.

^(e) Reflects other revenues, primarily Federal and State funds.

^(f) As provided in the capital budget. Includes all bonds issued or anticipated to be issued for the capital projects. Bond anticipation notes may be issued pending the sale of the bonds.

^(g) Bonds in the amounts indicated have been issued in prior years. Certain of these bonds have matured and been retired. Completed projects and bonds issued therefor are not shown since they are not in the capital budget.

^(h) The Sewer and Water Districts costs include system, pump stations and treatment plants upgrades and rehabilitations as well as biological nutrient removal projects.

(The remainder of this page has been intentionally left blank.)

Temporary Borrowing

Bond Anticipation Notes. The following table sets forth the ten-year history of bond anticipation notes (“County BANs”) and EFC draw-down notes (“EFC Notes”) issued by the County. As of December 31, 2021, the County has drawn down \$7.5 million of its outstanding notes with EFC.

TABLE 13

	County BANs and EFC Notes EFC and County Issued			Balance December 31	
	Issued ^(a)	Retired	31-Dec Balance ^(a)	EFC Notes	County BANs
2012	\$80,000,000	\$ 9,198,000	\$135,000,000	\$135,000,000	-
2013	-	80,000,000	55,000,000	55,000,000	-
2014	88,727,800	55,000,000	88,727,800	48,727,800	\$40,000,000
2015	39,136,800	54,827,800	73,036,800	73,036,800	-
2016	79,426,000	27,200,000	125,262,800	52,852,800	72,410,000
2017	78,940,000	97,956,000	106,246,800	36,836,800	69,410,000
2018	17,350,000	69,410,000	54,186,800	54,186,800	-
2019	42,124,100	34,030,100	62,280,800	62,280,800	-
2020	43,327,033	30,034,000	75,573,833	32,246,800	43,327,033
2021	69,522,109	129,843,893	15,252,049	15,252,049	- ^(b)

(a) Includes the maximum principal amount available to be drawn down on EFC Notes that closed on any such year, even if such notes have not been drawn.

(b) On April 29, 2021, the County issued three Bond Anticipation Notes in the amount of \$30,913,299, \$3,316,861 and \$2,939,464, which matured on December 17, 2021 and were redeemed with proceeds from Long term General Obligation Bonds.

(The remainder of this page has been intentionally left blank.)

Tax Anticipation Notes. The following table shows the ten-year history of tax anticipation note issuance by the County:

TABLE 14

<u>Fiscal Year</u>	<u>Tax Anticipation Notes</u>		<u>Balance as of December 31</u>
	<u>Issued</u>	<u>Retired</u>	
2012	\$ 64,720,000	\$ 64,720,000	--
2013	89,997,656	89,997,656	--
2014	90,000,000	90,000,000	--
2015	105,000,000	105,000,000	--
2016	105,000,000	105,000,000	--
2017	140,000,000	140,000,000	--
2018	150,000,000	150,000,000	--
2019	200,000,000	200,000,000	--
2020	200,000,000	200,000,000	--
2021	200,000,000	200,000,000	--

Except for tax anticipation notes issued during the period shown in Table 14, the County has not issued revenue anticipation notes or any other form of short-term obligations to finance operating cash-flow needs. The timing of the receipt of taxes and other revenues (including Federal and State aid) and its need for such monies, together with its control of the timing of expenditures, has in the past enabled the County to minimize the need for short-term financing.

On January 15, 2021, the County issued \$50,000,000 (Series A) and \$150,000,000 (Series B) Tax Anticipation Notes (collectively, the “TANs”). The TANs were issued to provide cash flow assistance to the County leading up to the May 25, 2021 and October 15, 2021 property tax collections, respectively. The TANs matured on May 26, 2021 and October 18, 2021, respectively.

Underlying Indebtedness of Political Subdivisions Within the County

The estimated gross outstanding indebtedness of other governmental entities within the County, based on unverified information furnished by such entities, is as follows:

TABLE 15

Estimated Underlying Indebtedness
As of June 30, 2021

Cities:	Yonkers	\$ 583,540,000 ^(a)
	Peekskill	50,572,652
	Rye	6,060,000
	White Plains	177,629,454
	Mount Vernon	14,500,000
	New Rochelle	98,500,000
Towns:	Nineteen	373,281,176
Villages:	Twenty-three	563,996,582
School Districts:	Forty-seven	<u>1,579,378,150</u> ^(b)
Overall Estimated Underlying Gross Debt:		<u>\$3,447,458,014</u> ^(c)

^(a) The amount reported includes the Yonkers School District indebtedness of \$205,100,000.

^(b) Net of State Building Aid of \$61,422,517.

^(c) Does not include deductions for self-supporting debt.

FINANCIAL FACTORS

County finances are operated primarily through the County's General Fund. The County also has sewer, water and refuse disposal districts which are managed through individual district funds into which all special assessments or charges for these purposes are paid and from which all expenditures are made. The County also has an Airport Fund and a Trust Fund, which do not levy taxes. There is also a Capital Projects Fund used for purposes of capital construction, revenues for which are derived through appropriations in the operating budget, sale of bonds and bond anticipation notes, and State and federal receipts. The County's fiscal year begins January 1 and ends December 31. Financial statements for the County are included in a link found in Appendix A of this Official Statement. These statements have been audited by PKF O'Connor Davies, LLP, independent certified public accountants.

Revenues

The County derives its revenues from: State and Federal aid, a direct tax levy on real property, a 1 1/2 % County-wide sales tax, which was increased on October 15, 1991 to 2 1/2% in the towns and in those cities which have not imposed their own sales tax, a hotel occupancy tax, a motor vehicle tax, a mortgage recording tax, and departmental fees and charges. An additional 1/2% sales tax was authorized and imposed in March 2004, within the towns and cities not imposing their own sales tax. In 2019 an additional 1% sales tax was authorized and became effective as of August 1, 2019, within the towns and cities not imposing their own sales tax.

Real Property Tax

The County derives its power to levy an ad valorem real property tax from Article 8, Section 10 of the State Constitution. The County's property tax levying powers, other than for debt service and certain other purposes, are limited to one and one-half per centum (subject to increase up to 2% by State legislative enactment) of the average full valuation of taxable real estate of the County. See "REVENUES - Municipally Generated Revenues - Real Property Tax" herein. On June 24, 2011, the Tax Levy Limitation Law (as defined below in "FINANCIAL FACTORS - The Tax Levy Limitation Law") was enacted and imposes a statutory tax levy limitation upon the County's power to increase its annual tax levy. (See "FINANCIAL FACTORS - The Tax Levy Limitation Law" herein).

In each of the years 2017 through 2021, the County levied approximately 30% of its annual revenues from a direct real property tax. Set forth in the following table is the amount of the annual tax levy of the County for the past five years.

TABLE 16

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Tax Levy for County Purposes	\$568,579,000	\$569,579,000	\$570,579,000	\$559,391,937	\$548,423,468
Tax Levy for Sewer, Water and Refuse Disposal Districts	<u>149,095,814</u>	<u>149,095,814</u>	<u>149,095,814</u>	<u>146,173,838</u>	<u>146,173,838</u>
Total	<u>\$717,674,814</u>	<u>\$718,674,814</u>	<u>\$719,674,814</u>	<u>\$705,565,775</u>	<u>\$694,597,306</u>

Tax Limit. The amount that may be raised by the County-wide tax levy on real estate in any fiscal year for purposes other than for debt service on County indebtedness, is generally limited to one and one-half per centum (subject to increase up to 2% by State legislative enactment) of the average full valuation of taxable real estate of the County. However, the Tax Levy Limitation Law imposes a statutory tax levy limitation on the County's power to increase its annual tax levy. The amount of such increase is limited by the formulas set forth in the Tax Levy Limitation Law. (See "FINANCIAL FACTORS - The Tax Levy Limitation Law" herein).

The following table sets forth such real estate taxing limit of the County for the fiscal year 2021.

TABLE 17

Computation of Constitutional Taxing Power-General Fund
For the Fiscal Year 2021

<u>Tax Year</u>	<u>Full Valuation of Real Estate</u>
2022	\$190,866,449,724
2021	187,487,527,225
2020	185,037,881,544
2019	180,383,474,053
2018	<u>174,189,428,026</u>
Total	\$917,964,760,572
Five-year average full valuation	183,592,952,114
Tax Limit: (1.5%)	\$2,753,894,282
Total Additions	<u>186,076,300 ^(a)</u>
Total taxing power	2,939,970,582
Total levy for 2022	<u>710,674,814</u>
Tax Margin	<u>\$2,229,295,768</u>

(a) Excluded from the Constitutional Tax Limit is \$180,370,724 appropriated for Net Debt Service and \$5,705,576 for Equipment replacement/Additional Equipment as per the 2022 adopted budget.

Full Valuation, General Fund County Tax Levy and Rates

The following table sets forth five years of the full valuation of taxable real property, the County's real property tax levy for General Fund County purposes and rates of tax per \$1,000.

TABLE 18
Historic Valuation, Tax Levy and Rates

<u>Tax Levy Year</u>	<u>Full Valuation</u>	<u>Levied for County Purposes</u>	<u>Rate per \$1,000 of Full Valuation</u>
2022	\$190,866,449,724	\$548,196,227	\$2.87
2021	187,487,527,225	568,579,000	3.03
2020	185,037,881,544	569,579,000	3.08
2019	180,383,474,053	570,579,000	3.16
2018	174,189,428,026	559,391,937	3.21

The County-wide real estate tax levy is determined by subtracting all other available revenues from total expenditures necessary for County purposes and Sewer, Water, and Refuse Disposal District purposes.

The County-wide real estate tax levy is collected by the cities and towns within the County, each of which constitutes a separate tax district and, as such, is required by statute to collect its proportionate share of such tax levy. Payment of such share must be made to the Commissioner of Finance of the County as collected, and in any event, not less than 60% must be paid by May 25th and the balance must be paid by October 15th of the year for which such taxes are levied.

Unlike most other counties within the State, the County is not legally responsible or liable to the cities, towns, and other municipal corporations and school districts in the County for the amount of any unpaid delinquent County or local taxes. Instead, pursuant to applicable provisions of its Charter and Administrative Code and the State Real Property Tax Law, the County is required to include the amount of any unpaid County-wide taxes in the levy for the subsequent fiscal year on the particular tax district. Consequently, the cities and towns within the County remain liable for the collection of delinquent taxes and bear the burden of enforcement procedures.

However, in the event of the failure of a tax district to pay when due the full amount of its share of taxes payable to the County, the County may sell tax anticipation notes, which notes are redeemable out of such delinquent taxes and any penalties thereon which are payable by the tax district to the County. The County sold tax anticipation notes for this purpose in 1972. See “FINANCIAL FACTORS - Tax Collection Record” and “-Temporary Borrowing.”

These statutes relating to collection of the County-wide tax levy place the burden for collecting unpaid delinquent taxes together with enforcement proceedings therefore, upon the respective tax district, with the result that any liability for unpaid delinquent taxes is not shared by all County taxpayers.

Tax Collection Record

On February 8, 2021, the tax warrants for fiscal year 2021 were approved by the Board of Legislators. The warrants total \$717,674,814 and were collected in two installments, \$430,604,888 (60%) on May 25, 2021 and \$287,069,926 (40%) on October 15, 2021. Set forth below (and as a result of the statutory requirements above) is the tax collection record of the County and district levies for the past five fiscal years.

TABLE 19
Historic Tax Collection Record

<u>Fiscal Year Ending</u> <u>December 31</u>	<u>Total Ad Valorem</u> <u>Property Tax</u>	<u>Actual Collection</u>	<u>Uncollected at End</u> <u>of Tax or Fiscal Year</u>
2021	\$717,674,814	\$717,674,814	--
2020	718,674,814	718,674,814	--
2019	719,674,814	719,674,814	--
2018	705,565,775	705,565,775	--
2017	694,597,306	694,597,306	--

Tax Levy Limitation Law

On June 24, 2011, Chapter 97 of the Laws of 2011 of the State of New York was signed into law by the Governor (the “Tax Levy Limitation Law”). The Tax Levy Limitation Law applies to all local governments, including school districts (with the exception of New York City, the counties comprising New York City and the Big 5 City School Districts (Buffalo, Rochester, Syracuse, Yonkers and New York). It also applies to independent special districts and to town and county improvement districts as part of their parent municipalities’ tax levies.

The Tax Levy Limitation Law restricts, among other things, the amount of real property taxes (including assessments of certain special improvement districts) that may be levied by or on behalf of a municipality in a particular year, beginning with fiscal years commencing on or after January 1, 2012. On April 12, 2019, the enacted State budget legislation made the Tax Levy Limitation Law permanent. Pursuant to the Tax Levy Limitation Law, the tax levy of a municipality cannot increase by more than the lesser of (i) two percent (2%) or (ii) the annual increase in the consumer price index (“CPI”), over the amount of the prior year’s tax levy. Certain adjustments would be permitted for taxable real property full valuation increases due to changes in physical or quantity growth in the real property base as defined in Section 1220 of the Real Property Tax Law. A municipality may exceed the tax levy limitation for the coming fiscal year only if the governing body of such municipality first enacts, by at least a sixty percent vote of the total voting strength of the board, a local law (resolution in the case of fire districts and certain special districts) to override such limitation for such coming fiscal year only. There are permissible exceptions to the tax levy limitation provided in the Tax Levy Limitation Law, including expenditures made on account of certain tort settlements and certain increases in the average actuarial contribution rates of the New York State and Local Employees’ Retirement System, the Police and Fire Retirement System, and the Teachers’ Retirement System. Municipalities are also permitted to carry forward a certain portion of their unused levy limitation from a prior year. Each municipality prior to adoption of each fiscal year budget must submit for review to the State Comptroller any information that is necessary in the calculation of its tax levy for each fiscal year.

The Tax Levy Limitation Law does not contain an exception from the levy limitation for the payment of debt service on either outstanding general obligation debt of municipalities or such debt incurred after the effective date of the tax levy limitation provisions.

Since the Tax Levy Limitation Law took effect, tax levies were below the respective limitations as prescribed by the Tax Levy Limitation Law.

Article 8 Section 2 of the State Constitution requires every issuer of general obligation notes and bonds in the State to pledge its faith and credit for the payment of the principal thereof and the interest thereon. This has been interpreted by the Court of Appeals, the State's highest court, in *Flushing National Bank v. Municipal Assistance Corporation for the City of New York*, 40 N.Y.2d 731 (1976), as follows:

"A pledge of the city's faith and credit is both a commitment to pay and a commitment of the city's revenue generating powers to produce the funds to pay. Hence, an obligation containing a pledge of the City's "faith and credit" is secured by a promise both to pay and to use in good faith the city's general revenue powers to produce sufficient funds to pay the principal and interest of the obligation as it becomes due. That is why both words, "faith" and "credit", are used and they are not tautological. That is what the words say and that is what courts have held they mean."

Article 8 Section 12 of the State Constitution specifically provides as follows:

"It shall be the duty of the legislature, subject to the provisions of this constitution, to restrict the power of taxation, assessment, borrowing money, contracting indebtedness, and loaning the credit of counties, cities, towns and villages, so as to prevent abuses in taxation and assessments and in contracting of indebtedness by them. Nothing in this article shall be construed to prevent the legislature from further restricting the powers herein specified of any county, city, town, village or school district to contract indebtedness or to levy taxes on real estate. The legislature shall not, however, restrict the power to levy taxes on real estate for the payment of interest on or principal of indebtedness theretofore contracted."

On the relationship of the Article 8 Section 2 requirement to pledge the faith and credit and the Article 8 Section 12 protection of the levy of real property taxes to pay debt service on bonds subject to the general obligation pledge, the Court of Appeals in the *Flushing National Bank* case stated:

"So, too, although the Legislature is given the duty to restrict municipalities in order to prevent abuses in taxation, assessment, and in contracting of indebtedness, it may not constrict the city's power to levy taxes on real estate for the payment of interest on or principal of indebtedness previously contracted....While phrased in permissive language, these provisions, when read together with the requirement of the pledge of faith and credit, express a constitutional imperative: debt obligations must be paid, even if tax limits be exceeded".

In addition, the Court of Appeals in the *Flushing National Bank* case has held that the payment of debt service on outstanding general obligation bonds and notes takes precedence over fiscal emergencies and the police power of municipalities.

Therefore, while the Tax Levy Limitation Law may constrict an issuer's power to levy real property taxes for the payment of debt service on debt contracted after the effective date of said Tax Levy Limitation Law, it is clear that no statute is able (1) to limit an issuer's pledge of its faith and credit to the payment of any of its general obligation indebtedness or (2) to limit an issuer's levy of real property taxes to pay debt service on general obligation debt contracted prior to the effective date of the Tax Levy Limitation Law. Whether the Constitution grants a municipality authority to treat debt service payments as a constitutional exception to such statutory tax levy limitation outside of any statutorily determined tax levy amount is not clear.

It is possible that the Tax Levy Limitation Law will be subject to judicial review to resolve the constitutional issues raised by its adoption. Although courts in New York have historically been protective of the rights of holders of general obligation debt of political subdivisions, the outcome of any such legal challenge cannot be predicted.

Sales Tax

Since 1971, the County has imposed a 1-1/2% County-wide sales and use tax on all retail sales.

Additionally, the State imposes a 4% State sales tax and, since May 1, 2005, a 3/8% sales tax levied in the Metropolitan Transportation Authority District.

The cities of White Plains, Mount Vernon and New Rochelle, pursuant to State law, have imposed sales and use taxes at a rate of 2-1/2%. The city of Yonkers, pursuant to State law, has imposed sales and use taxes at a rate of 3.00%. Currently the city of Rye and the city of Peekskill do not impose such a sales tax.

In July 1991, the State Legislature authorized an additional 1% sales tax (above the 1-1/2% County-wide sales and use tax described above). The additional 1% sales tax is apportioned between the County (33-1/3%), school districts in the County (16-2/3%) and towns, villages and cities in the County which have not imposed sales taxes (50%). The County imposes this additional sales tax in localities other than cities which have their own sales tax. This additional 1% sales tax became effective on October 15, 1991 and had been periodically reauthorized by State Legislature and was made permanent in 2019.

In February 2004, the State Legislature authorized an increase of 1/2% to the additional 1991 1% sales tax. The County retains 70% of this 1/2 percentage point increase, the municipalities 20% and school districts 10%. This increase became effective March 1, 2004 and had been periodically reauthorized by the State Legislature and was made permanent in 2019. The County imposes this additional sales tax in localities other than cities which have their own sales tax.

In 2019, the County petitioned the State Legislature to authorize a 1% increase to the 3% currently imposed by the County outside of the four cities imposing sales and use taxes. The tax increase was approved and effective as of August 1, 2019. This authorization expires on November 30, 2023. The County retains 70% of the 1% point increase, the municipalities 20% and school districts 10%.

In summary, the combined sales tax (County, State, and MTA) in the County, exclusive of cities that have imposed sales tax, is 8.375%. The sales tax rate in the city of Yonkers is 8.875%. In the other cities that impose a sales tax, the rate is 8.375%. The total County portion of sales tax equates to a rate of 1.5% on sales in locations with city sales tax and 2.833% (after municipal sharing) on sales in locations that do not have city sales tax. Therefore, the total sales and use tax rate within the County is 8.375% in all jurisdictions except Yonkers (8.875%).

Chapter 59 of the Laws of 2019 requires that a portion of the sales tax be withheld to be distributed as payments to towns and villages in the amounts they had previously received through the Aid and Incentives to Municipalities program in State fiscal year 2018-19. Chapter 56 of the Laws of 2020 requires that a portion of the sales tax be withheld and deposited in the State's Distressed Provider Assistance Account for distribution to distressed nursing homes and hospitals. The gross impact of these two initiatives was approximately \$8.8 million in 2021.

(The remainder of this page has been intentionally left blank.)

Set forth below is a summary of Sales Tax revenues.

TABLE 20
Sales Tax Revenue the County of Westchester

<u>Fiscal Year</u>	<u>Gross</u>	<u>County Share</u>
2021	\$813,965,453	\$622,554,401
2020	671,223,684	512,600,025
2019	630,288,471	487,866,640
2018	551,883,494	431,369,350
2017	525,230,119	410,772,156
2016	507,445,900	397,296,155
2015	500,642,409	392,017,318
2014	503,322,529	394,068,933
2013	489,522,517	382,767,743
2012	460,997,517	361,665,155

Other Revenues

Since 1988, the County has imposed a Hotel Occupancy Tax. Since 1991, the County has imposed a Motor Vehicle Tax. Since 2004, the County has imposed a Mortgage Recording Tax.

	<u>Actual</u> <u>2021</u>	<u>Actual</u> <u>2020</u>	<u>Actual</u> <u>2019</u>	<u>Actual</u> <u>2018</u>
Hotel Occupancy Tax	\$4,908,847	\$3,307,106	\$6,881,646	\$6,825,805
Motor Vehicle Tax	17,028,577	16,019,449	16,423,208	16,382,152
Mortgage Recording Tax	30,195,879	21,763,719	20,135,934	18,414,553

In 2018 State and Federal Aid totaled \$419.4 million. This included \$243.1 million in Federal and State aid for Social Service programs and \$176.3 million for mental health, public health, transportation and other County programs. Of such amounts 40% (\$169.5 million) is Federal aid and 60% (\$249.9 million) is State aid.

In 2019 State and Federal Aid totaled \$453 million, which includes \$262 million for Social Service programs and \$191 million for mental health, public health, transportation and other County programs. Of such amounts, approximately 37% (\$166.6 million) is Federal aid and 63% (\$286.5 million) is State aid.

In 2020 State and Federal Aid totaled \$611.0 million, which includes \$227.9 million for Social Service programs, \$167.6 in funds under the Federal Coronavirus Aid, Relief and Economic Security Act (CARES) and \$215.5 million for mental health, public health, transportation and other County programs. Excluding the CARES Act funds, approximately 45% (\$200.3 million) is Federal aid and 55% (\$243.1 million) is State Aid.

In 2021 State and Federal Aid totaled \$471.9 million, which includes \$244.0 million for Social Service programs and \$227.9 million for mental health, public health, transportation and other County programs. Of such amounts, approximately 42% (\$200.2 million) is Federal aid and 58% (\$271.7 million) is State aid.

Expenditures

The County's major expenditures are for social services, public health, public safety and transportation. Municipalities and school districts located within the County provide primary police and fire protection, refuse collection and primary and secondary education.

The 2018 Audited Operating results for the General Fund expenditures and other financing uses totals approximately \$1.908 billion, of which 33.6% was spent for economic assistance.

The 2019 Audited Operating results for the General Fund expenditures and other financing uses totals approximately \$1.977 billion, of which 32% was spent for economic assistance.

The 2020 Audited Operating results for the General Fund expenditures and other financing uses totals approximately \$2.077 billion, of which 34% was spent for economic assistance.

The 2021 Audited Operating results for the General Fund expenditures and other financing uses totals approximately \$2.111 billion, of which 31% was spent for economic assistance

TABLE 21

	<u>2021 Actual</u>	<u>2020 Actual</u>	<u>2019 Actual</u>	<u>2018 Actual</u>
General Government	\$306,984	\$293,428	\$241,640	\$223,548
Education	146,794	140,675	160,307	155,796
Public Safety	304,825	292,468	279,130	271,378
Health	43,494	43,398	40,069	39,710
Transportation	188,600	184,715	177,603	172,287
Economic Assistance	661,957	699,925	645,649	640,702
Culture and Recreation	52,906	46,283	49,925	48,432
Home & Community Services	7,306	5,857	5,069	4,358
Employee Benefits	254,669	240,712	257,855	243,207
Cost of Debt Issuance	721	811	584	614
Debt Service	136,495	125,054	117,567	99,810
Transfers Out & other (net)	<u>6,442</u>	<u>3,609</u>	<u>1,528</u>	<u>8,458</u>
Total Expenditures	<u>\$2,111,193</u>	<u>\$2,076,935</u>	<u>\$1,976,926</u>	<u>\$1,908,300</u>

County Deposits and Investments

New York State law strictly limits the investments of county funds and requires counties to designate, with legislative approval, one or more banks or trust companies for the deposit of public funds. All deposits must be made to the credit of the County and all such deposits in excess of the amount insured under the provisions of the Federal Deposit Insurance Act must be fully collateralized by “eligible securities” held pursuant to a tri-party agreement (under New York State Law) among the County, each depository bank and each custodian bank. In certain instances the institution that holds the deposit can act as the custodian to the applicable collateral. Eligible securities that the County utilizes as collateral by the banks for benefit of the County, include the following: obligations issued by the United States of America, an agency thereof or a United States Government sponsored corporation or agency; obligations fully insured or guaranteed as to the payment of principal and interest by the United States of America; and obligations issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

Collateral agreements entered into by the County must stipulate that eligible securities are pledged by the bank as security for County deposits and must provide the conditions under which the securities held may be valued, sold, presented for payment, or released and the events of default which will enable the County to exercise its rights and define its obligations as they relate to the pledged securities. Such collateral agreements must also provide that pledged securities will be held by a bank as agent and custodian for the County, will be kept separate and apart from the general assets of the bank and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities of the bank.

The County has the power to invest funds of the County not required for immediate expenditure in special time deposit or money market accounts in, or certificates of deposits issued by, a bank or trust company located and authorized to do business in the State. Any such investments must be payable within such times as the proceeds shall be needed to meet expenditures for which such monies were obtained and must provide that such time deposit account or certificate of deposit be collateralized in the same manner as provided for deposits above. All such

temporary investments are structured to be payable or redeemable at the option of the County within such times as the proceeds will be needed by the County. This “matching” investment policy frees the County from having to sell such investments prior to maturity or redemption and thereby avoids market risk for such investments. The County may also make temporary investments of public funds in obligations of the United States of America where the payment of principal and interest are guaranteed by the United States of America or in obligations of the State of New York or with the approval of the New York State Comptroller in short-term obligations of State municipal corporations.

The County’s written Investment Policy, as approved by the Board, is conservative in practice as well as in design. All trading partners are either primary dealer investment banks chosen from The Federal Reserve Primary Dealer List or highly rated, well capitalized, commercial banks as determined by the County’s own strict due diligence review.

Usual County investments consist of money market accounts, Certificates of Deposit, United States Government Bills, bonds or notes backed by the full faith and credit of the United States, and Repurchase Agreements based in the same United States Government securities, under standardized trading partner repurchase agreements. Securities purchased under Repurchase Agreements are held with third party custodians until repurchase date and are marked to market daily, valued at 102% of the Repurchase Agreement contract.

Commercial bank money market accounts and Certificates of Deposit are collateralized with “eligible securities” as described above and held for the benefit of the County.

BUDGETARY PROCESS

The Department of the Budget (the “Budget Department”) is by Charter responsible for the formulation and management of the budget and for its execution, revenue estimates, review and financial analysis. The Budget Department assists the County Executive with the preparation of the budget and presentation to the Board of Legislators. Budget formulation commences in June of each year with a call for budget submissions to all County Departments. By September 10th of each year, department heads submit their requests for the next fiscal year with expenditure and revenue estimates. These estimates are reviewed by the Budget Department and the County Executive, and the County Executive’s proposed Operating Budget is then presented to the Board on or before November 10. In turn, the Committee on Budget and Appropriations of the Board of Legislators reviews the proposed budget and makes recommendations to amend and/or adopt the budget by December 27. The budget is presented on a department and program basis by object of expenditure and includes the general operating budget for the County, a budget for each of the water, sewer and refuse disposal districts and the capital budget for the County. The capital budget is presented with a five-year plan and is subject to a separate budget process. Not later than May 1st of each year the head of each department, institution, furnishes to the Budget Director, the County Planning Board, and the Capital Projects Committee detailed estimates of any capital projects which should be undertaken within the next five fiscal years. Not later than the tenth day of September, the Planning Board submits to the County Executive, to the Budget Director and the Capital Projects Committee its recommendations. The County Executive submits the Capital Budget along with the report of the Capital Projects Committee to the Board not later than October 15. In turn, the Committee on Budget and Appropriations of the Board reviews the proposed budget and makes recommendations to amend and/or adopt the budget by December 27. The budget is published both in its proposed and adopted form. For the widest possible dissemination, the County’s Budget is available on the County’s website at <http://www.westchestergov.com>.

The basic format and content of the operating and capital budgets are fixed by Charter. From time to time during the course of a fiscal year, additional appropriations and modifications of the budget may be enacted. Additional appropriations to the current year’s budget requires the recommendation of the County Executive and approval of the Board.

FINANCIAL CONTROLS

During the course of the year, the Budget Department, in addition to the Department of Finance, maintains supervision and control over expenditures and appropriations and monitors revenues. At least monthly, reports on

the foregoing are rendered. Once adopted, the annual budget is released to the operating departments. No expenditures may be made unless they are included as part of an allocation. The County operates a full encumbrance accounting system based on allocations wherein requisitions, purchase orders and contracts are encumbered. In addition, all capital outlays must receive a separate allocation. Pursuant to the County Charter, with certain exceptions, contracts must receive prior approval by the Board of Acquisition and Contract, comprised of the Chairman of the Board, the County Executive and the Budget Director. A position control system is maintained with respect to employment. The Commissioner of Finance may not disburse money unless appropriated and allocated and not in excess of the amount of the appropriation or allocation. No appropriation may be used for any purpose other than that for which it is made. All unencumbered balances in the General Fund appropriation for each fiscal year lapse on the last day of the fiscal year.

FINANCIAL STATEMENTS AND ACCOUNTING PROCEDURES

Included in this Appendix A is a link to the financial statements of the County for the year ended December 31, 2020 together with the report thereon, dated July 23, 2021, of PKF O'Connor Davies, LLP, independent certified public accountants. Appendix B contains the budgets for the 2019 and 2020 fiscal years, as amended, the adopted 2021 budget and the proposed 2022 budget.

RESULTS OF OPERATIONS FOR THE GENERAL FUND FOR THE 2019 AND 2020 FISCAL YEARS, THE ADOPTED BUDGET FOR THE 2021 FISCAL YEAR, AND THE PROPOSED BUDGET FOR THE 2022 FISCAL YEAR

Results 2019

The December 31, 2019 General Fund balance totaled \$108.3 million. This balance is made up of the following items: unassigned - \$27.6 million, non-spendable - \$32.7 million, and assigned - \$48.0 million. The detail of the assigned balance is as follows: other post-employment benefits (GASB 75) - \$41 million, purchases on order - \$7.0 million.

Results 2020

The December 31, 2020 General Fund balance totaled \$248.6 million. This balance is made up of the following items: unassigned - \$75.9 million, non-spendable - \$28.0 million, and assigned - \$144.7 million. The detail of the assigned balance is as follows: other post-employment benefits (GASB 75) - \$41.0 million, purchases on order - \$15.6 million and \$88.0 million for 2021 expenditures.

Results 2021

The December 31, 2021 General Fund balance totaled \$413.6 million. This balance is made up of the following items: unassigned - \$327.5 million, non-spendable - \$31.0 million, and assigned - \$55.1 million. The detail of the assigned balance is as follows: other post-employment benefits (GASB 75) - \$55.0 million, purchases on order - \$14.1 million.

Adopted 2022 Budget

Total expenditures in the adopted budget are \$2.219 billion. Sales tax revenues are budgeted at \$833.0 million (37.5% of total), property tax is budgeted at \$548.2 million (24.7% of total) and Federal and State Aid is budgeted at \$541.6 million (24.0% of total).

EMPLOYEES

As of December 31, 2021, the County provides services through approximately 4,451 full-time equivalent employees; 385 of these employees have been determined to be management level or confidential in nature and thus are not represented by any labor organization. All other employees are in titles that are represented for collective bargaining purposes. As of December 31, 2021, this representation is provided by nine labor organizations, which are:

- The Local 456, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, AFL-CIO (the “Teamsters”) representing 125 administrators and managers;
- The Westchester County Correction Officers Benevolent Association (the “COBA”) representing 715 correction officers;
- The Westchester County Correction Department Superior Officers Association (the “SOA”) representing 111 senior assistant wardens, sergeants, captains and specialists;
- The New York State Nurses Association (the “NYSNA”) representing 30 registered nurses in various County departments;
- The Westchester County Police Officers Benevolent Association, Inc. (the “PBA”) representing 270 police officers and sergeants in the Police Division, Public Safety Services;
- The Westchester County Police Officers Benevolent Association, Superior Officers Unit (the “SPBA”) representing 28 Captains and Lieutenants in the Police Division, Public Safety Services;
- The District Attorney Investigators PBA of Westchester County (the “DA Investigators”) representing 33 Criminal Investigators in the District Attorney’s Office;
- The Civil Service Employees Association (the “CSEA”) representing 2,754 employees; and
- The Civil Service Employees Association Local 1000, American Federation of State, County and Municipal Employees Union, AFL-CIO, Westchester County Local 860, Westchester H.O.U.R. Unit (the “HOUR”).

The Primary Government has nine labor organizations which represent most of the County work force for collective bargaining purposes. The status of the various union contracts is as follows:

The County is a party to eight collective bargaining agreements. There are two police contracts which expired on December 31, 2019, two Corrections contracts which expired on December 31, 2019, and one with the District Attorney Investigators which expired December 31, 2019. The County’s contract with the New York State Nurses Association was recently negotiated and will expire December 31, 2026. The County’s contract with the Teamsters was recently negotiated and will expire December 31, 2025. The CSEA contract expires December 31, 2022. The County is currently in negotiations with both of its police bargaining units. Negotiations have yet to commence for successor agreements with the two Corrections units or the DA Investigators.

Pension Systems

Defined Benefit Plan

The primary government participates in the New York State and Local Employees’ Retirement System (“ERS”) and the New York State and Local Police and Fire Retirement System (“PFRS”) (collectively the “Systems”). The Systems are cost-sharing multiple-employer defined benefit pension plans. The Systems provide retirement, disability and death benefits to plan members. Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. That report may be obtained by writing to the New York State and Local Employees’ Retirement System, 110 State Street, Albany, New York 12224.

Funding Policy - The Systems are non-contributory with respect to those employees in Tier 1 and Tier 2. Those employees in Tier 3 and Tier 4 having less than ten years of service, must contribute 3% of their salary. Those employees in Tier 5 contribute 3% of their salary without regard to their years of service. Tier 6 members are required to contribute from 3% to 6% of their salaries based on a sliding scale toward pension costs as long as they accumulate additional pension credits. Contributions are certified by the State Comptroller and expressed as a plan. Contribution rates applicable to the County for the plan year ended March 31, 2022, are as follows:

TABLE 22

	<u>Tier</u>	<u>Rates</u>
ERS	1	25.2
	2	23.0% - 23.11%
	3	18.2% - 29.9%
	4	18.2% - 29.9%
	5	15.2% - 27.3%
	6	10.6% -22.0%
PFRS	2	30.4%
	3	29.9%
	5	25.5%
	6	19.8%

The County's expense in connection with the Systems is funded on an actuarial basis provided by the State and the billing is on a fiscal year basis of April 1 to March 31.

The County's cost for the last five years is set forth as follows:

TABLE 23

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018^(a)</u>	<u>2017^(b)</u>
ERS	\$85,829,804	\$76,738,761	\$81,108,813	\$67,769,770	\$65,666,470
PFRS	<u>16,498,072</u>	<u>13,312,729</u>	<u>13,875,922</u>	<u>11,611,637</u>	<u>11,720,473</u>
Total Payment	<u>\$102,327,876</u>	<u>\$90,051,490</u>	<u>\$94,984,735</u>	<u>\$79,381,407</u>	<u>\$77,386,943</u>

^(a) In 2018, the County elected to amortize the maximum ERS contribution (2019 annual invoice due February 1, 2019) of \$4,171,106. Therefore, the gross bills for ERS and PFRS were \$71,940,876 and \$11,611,637, respectively

^(b) In 2017 the County elected to amortize the maximum allowable ERS contribution (2018 Annual invoice due Feb. 1, 2018) of \$3,894,909. Therefore, gross bills for ERS and PFRS were \$69,561,379 and \$11,720,473, respectively.

The County did not amortize any portion of the 2019, 2020 and 2021 payments. The County does not plan on amortizing any portion of the 2022 payments.

Defined Contribution Plan

The New York State Voluntary Defined Contribution Program (VDC) is a defined contribution Retirement Plan and is an alternative option to the defined benefit plans described above. The VDC Program includes an employee and employer contribution. The employee contribution is required for the duration of employment. The employer contribution rate currently is 8% of gross salary. Retirement benefits will depend on the value of individually owned retirement contracts purchased and issued by one or more of the authorized investment providers.

Eligibility for the NYS VDC Program is limited to unrepresented employees hired on or after July 1, 2013 with an estimated annual salary rate of \$75,000 or greater. Vesting occurs after 366 days of active service. All contributions will become the property of, and all investments will be directed by, the participant upon vesting.

GASB 75 and Other Post-Employment Benefit (OPEB)

GASB Statement No. 75 ("GASB 75") of the Governmental Accounting Standards Board ("GASB"), replaces GASB Statement No. 45. GASB 75 requires state and local governments to account for and report their costs associated with post-retirement healthcare benefits and other non-pension benefits, known as other post-employment benefits ("OPEB"). GASB 75 generally requires that employers account for and report the annual cost of the OPEB and the outstanding obligations and commitments related to OPEB similarly to GASB Statement No. 68 reporting requirements for pensions.

GASB 75 requires state and local governments to measure a defined benefit OPEB plan as the portion of the present value of projected benefit payments to be provided to current active and inactive employees, attributable to past periods of service in order to calculate the total OPEB liability. Total OPEB liability generally is required to be determined through an actuarial valuation using a measurement date that is no earlier than the end of the employer's prior fiscal year and no later than the end of the employer's current fiscal year.

GASB 75 requires that most changes in the OPEB liability be included in OPEB expense in the period of the changes. Based on the results of an actuarial valuation, certain changes in the OPEB liability are required to be included in OPEB expense over current and future years.

Danziger & Markhoff LLP has completed its analysis and actuarial valuation of the County's OPEB obligation as of the fiscal year ended December 31, 2021 in accordance with GASB 75. The actuarial report determined that as of December 31, 2021, the County's total OPEB liability was \$4,010,990,120 using a discount rate of 2.25% and healthcare cost trend rates of 8% decreasing to 5%. For the year ended December 31, 2021, the County recognized OPEB expense of \$202,284,599 in the Government Wide Financial Statements, the County reported deferred inflows of \$295,384,292.

Actuarial valuations are required every two years since the County's OPEB plan has more than 200 members.

Should the County be required to fund the total OPEB liability, it could have a material adverse impact upon the County's finances and could force the County to reduce services, raise taxes or both. At the present time, however, there is no current or planned requirement for the County to partially fund its OPEB liability.

At this time, New York State has not developed guidelines for the creation and use of irrevocable trusts for the funding of OPEB. As a result, the County will continue funding this expenditure on a pay-as-you-go basis.

Legislation has been introduced to create an optional investment pool to help the State and local governments fund retiree health insurance and other post-employment benefits. The proposed legislation would authorize the creation of irrevocable OPEB trusts so that the State and its local governments can help fund their OPEB liabilities, establish an OPEB investment fund in the sole custody of the State Comptroller for the investment of OPEB assets of the State and participating eligible local governments, designate the president of the Civil Service Commission as the trustee of the State's OPEB trust and the governing boards as trustee for local governments and allow school districts to transfer certain excess reserve balances to an OPEB trust once it is established. Under the proposed legislation, there would be no limits on how much a local government can deposit into the trust. The County cannot predict whether such legislation will be enacted into law in the foreseeable future.

Westchester
gov.com

George Latimer, County Executive
County Board of Legislators
Ann Marie Berg, Commissioner of Finance

#MyWestchester

post your pic

