

**COUNTY OF ONEIDA,
NEW YORK**

*Basic Financial Statements, Required
Supplementary Information, Supplementary Information
and Federal Awards Information
for the Year Ended December 31, 2021 and
Independent Auditors' Reports*

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Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable County Executive and County Legislature
County of Oneida, 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Oneida, New York (the "County"), as of and for the year ended December 31, 2021 (with the Mohawk Valley Community College for the fiscal year ended August 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, based on our audit and the reports of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the 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 for the year then ended in accordance with accounting principles generally accepted in the United State of America.

We did not audit the financial statements of the Oneida-Herkimer Solid Waste Management Authority ("OHSWMA") and the Mohawk Valley Community College ("MVCC"), which are shown as discretely presented component units. We did not audit the financial statements of the Upper Mohawk Valley Memorial Auditorium Authority ("UMVMAA"), which represent 12.4 percent and 2.1 percent of the assets and revenues, respectively, of the business-type activities. We did not audit the financial statements of the Oneida Tobacco Asset Securitization Corporation ("OTASC"), which represents 52.7 percent and 17.2 percent, respectively, of the assets and revenues of the total nonmajor governmental funds. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for OHSWMA, MVCC, UMVMAA, and OTASC is based solely on the reports of other auditors.

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

Other Matter

As discussed in Note 2 to the financial statements, during the year ended December 31, 2021, the County included the Upper Mohawk Valley Memorial Auditorium Authority as a blended component unit. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Supplementary Information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), 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 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the Supplementary Information, as listed in the table of contents, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 27, 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.

Drescher & Malecki LLP

September 27, 2022

COUNTY OF ONEIDA, NEW YORK
Management's Discussion and Analysis
Year Ended December 31, 2021

As management of the County of Oneida (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2021. We encourage the reader to consider the information contained in this analysis in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative. For comparative purposes, certain amounts have been reclassified to conform to the current year's presentation.

Financial Highlights

- The assets and deferred outflows of resources of the County's primary government exceeded total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$103,402,539 (*net position*). This consists of \$174,567,742 net investment in capital assets, \$12,300,439 restricted for specific purposes, offset by an unrestricted net position of \$(83,465,642).
- The primary government's total net position increased by \$6,010,681 during the current fiscal year. Governmental activities increased net position by \$4,260,909, while the net position of business-type activities increased by \$1,749,772.
- At December 31, 2021, the County's governmental funds reported combined ending fund balances of \$72,564,570, an increase of \$27,695,383 in comparison with the prior year.
- At the end of the current fiscal year, unrestricted fund balance (the total of committed, assigned and unassigned fund balances) for the General Fund was \$46,082,995 or 11.6 percent of total General Fund expenditures and transfers out.
- The County's governmental activities' total bonded debt, excluding that of OTASC, decreased \$9,064,684 due to scheduled principal payments and refunded bond payments of \$26,059,684 partially offset by the issuance of public improvement serial bonds and public improvement refunding bonds in the amount of \$10,800,000 and \$6,195,000, respectively. The County's business-type activities' total bonded debt and EFC notes payable increased \$25,261,545 due to the County drawing down EFC notes in the amount of \$33,701,364, partially offset by scheduled principal payments and refunded notes in the amount of \$8,439,819.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) governmental-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to remove all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government support, education, public safety, health, transportation, economic assistance and opportunity, culture and recreation, and home and community services. The business-type activities of the County include the Sewer Fund, the Workers' Compensation Fund and the Upper Mohawk Valley Memorial Auditorium Authority ("UMVMAA").

The government-wide financial statements include, not only the County itself (known as the *primary government*), but also a legally separate college (Mohawk Valley Community College) and a legally separate authority (Oneida-Herkimer Solid Waste Management Authority) for which the County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 15-16 of this report.

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

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

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

The County maintains seven individual governmental funds including the activities of its blended component unit, the Oneida Tobacco Asset Securitization Corporation (“OTASC”) as a governmental fund. General, Debt Service and Capital Projects Fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 17-20 of this report.

Proprietary funds—Other than the blended component unit, UMVMAA, The County maintains two individual proprietary funds. Enterprise Funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its sewer operations and to account for the operation of the workers’ compensation public entity risk pool.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the Sewer Fund and Workers’ Compensation Fund which are considered to be major funds of the County.

The basic proprietary fund financial statements can be found on pages 21-24 of this report.

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

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

The Fiduciary Fund financial statements can be found on pages 25-26 of this report.

Notes to the financial statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-80 of this report.

Other information—In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* concerning the County’s net pension liability/(asset), the changes in the County’s other postemployment benefits (“OPEB”) obligation, and the County’s budgetary comparison schedule for the General Fund. Required Supplementary Information and the related notes to the Required Supplementary Information can be found on pages 81-92 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds is presented immediately following the Required Supplementary Information on pages 93-94.

Finally, the Federal Awards Information presents the County’s Schedule of Expenditures of Federal Awards and can be found on pages 95-107 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County's primary government, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$103,402,539 at the close of the most recent fiscal year, as compared to \$97,391,858 at the close of the fiscal year ended December 31, 2020, as restated.

Table 1—Condensed Statements of Net Position—Primary Government

	Governmental Activities		Business-type Activities		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020 (restated)	2021	2020 (restated)
Current assets	\$ 208,608,531	\$ 177,991,776	\$ 74,245,089	\$ 47,501,095	\$ 282,853,620	\$ 225,492,871
Noncurrent assets	<u>354,192,479</u>	<u>354,538,055</u>	<u>326,700,869</u>	<u>286,362,485</u>	<u>680,893,348</u>	<u>640,900,540</u>
Total assets	<u>562,801,010</u>	<u>532,529,831</u>	<u>400,945,958</u>	<u>333,863,580</u>	<u>963,746,968</u>	<u>866,393,411</u>
Deferred outflows of resources	<u>93,831,237</u>	<u>72,680,879</u>	<u>2,927,291</u>	<u>2,299,030</u>	<u>96,758,528</u>	<u>74,979,909</u>
Current liabilities	96,146,409	93,387,100	16,207,347	6,681,328	112,353,756	100,068,428
Noncurrent liabilities	<u>417,992,594</u>	<u>462,367,704</u>	<u>315,808,776</u>	<u>262,141,251</u>	<u>733,801,370</u>	<u>724,508,955</u>
Total liabilities	<u>514,139,003</u>	<u>555,754,804</u>	<u>332,016,123</u>	<u>268,822,579</u>	<u>846,155,126</u>	<u>824,577,383</u>
Deferred inflows of resources	<u>107,599,269</u>	<u>18,822,840</u>	<u>3,348,562</u>	<u>581,239</u>	<u>110,947,831</u>	<u>19,404,079</u>
Net position:						
Net investment in capital assets	141,940,145	126,595,237	32,627,597	47,961,786	174,567,742	174,557,023
Restricted	5,228,460	6,142,827	7,071,979	6,975,693	12,300,439	13,118,520
Unrestricted	<u>(112,274,630)</u>	<u>(102,104,998)</u>	<u>28,808,988</u>	<u>11,821,313</u>	<u>(83,465,642)</u>	<u>(90,283,685)</u>
Total net position	<u>\$ 34,893,975</u>	<u>\$ 30,633,066</u>	<u>\$ 68,508,564</u>	<u>\$ 66,758,792</u>	<u>\$ 103,402,539</u>	<u>\$ 97,391,858</u>

The largest portion of the County's net position, \$174,567,742, reflects its investment in capital assets (e.g. land, buildings, infrastructure, and machinery and equipment) net of any accumulated depreciation and less related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided by other sources, as the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position, \$12,300,439, represents resources subject to external restrictions on how they may be used and are reported as restricted net position. The remaining category of total net position, \$(83,465,642), is considered to be unrestricted net position. The deficit is the result of having long-term commitments including bonds payable, other postemployment benefits and the net pension liability that are greater than currently available resources. Payments for these liabilities will be budgeted in the year actual payment is made.

Table 2, as presented on the following page, shows the changes in net position for the years ended December 31, 2021 and December 31, 2020.

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

	Governmental Activities		Business-type Activities		Total	
	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020 (restated)	2021	2020 (restated)
Revenues:						
Program revenues	\$ 193,244,937	\$ 188,621,325	\$ 41,427,897	\$ 36,476,166	234,672,834	225,097,491
General revenues	256,597,690	221,745,567	86,231	134,478	256,683,921	221,880,045
Total revenues	449,842,627	410,366,892	41,514,128	36,610,644	491,356,755	446,977,536
Total expenses	445,581,718	427,014,752	39,764,356	37,837,643	485,346,074	464,852,395
Change in net position	4,260,909	(16,647,860)	1,749,772	(1,226,999)	6,010,681	(17,874,859)
Net position—beginning	30,633,066	47,280,926	66,758,792	48,317,678	97,391,858	95,598,604
Restatement	-	-	-	19,668,113	-	19,668,113
Net position—ending	\$ 34,893,975	\$ 30,633,066	\$ 68,508,564	\$ 66,758,792	\$ 103,402,539	\$ 97,391,858

Governmental activities—Governmental activities increased the County’s net position by \$4,260,909. This is primarily due to an increase in the County’s non-property taxes related to sales tax.

A summary of revenues for governmental activities for the years ended December 31, 2021 and 2020 is presented in Table 3 below.

Table 3—Summary of Sources of Revenues—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2021	2020	Dollars	Percent (%)
Charges for services	\$ 54,151,961	\$ 51,337,452	\$ 2,814,509	5.5
Operating and capital grants	139,092,976	137,283,873	1,809,103	1.3
Property taxes and tax items	69,681,210	69,380,691	300,519	0.4
Non-property taxes	176,383,191	148,349,782	28,033,409	18.9
Use of money and property	2,475,718	1,321,107	1,154,611	87.4
Sale of property and compensation for loss	511,174	984,464	(473,290)	(48.1)
Other	7,546,397	1,709,523	5,836,874	341.4
Total revenues	\$ 449,842,627	\$ 410,366,892	\$ 39,475,735	9.6

The most significant sources of revenues for governmental activities for the year ended December 31, 2021 were non-property taxes of \$176,383,191, or 39.2 percent of total revenue, operating and capital grants and contributions of \$139,092,976, or 30.9 percent of total revenue, and property taxes and tax items of \$69,681,210, or 15.5 percent of total revenue. Similarly, for the year ended December 31, 2020 the most significant sources of revenues for governmental activities were non-property taxes of \$148,349,782, or 36.2 percent of total revenue, operating and capital grants and contributions of \$137,283,873, or 33.5 percent of total revenue; and property taxes and tax items of \$69,380,691, or 16.9 percent of total revenue

During the year ended December 31, 2021, total revenues increased by 9.6 percent. This is due to an increase in non-property taxes related to sales tax.

A summary of program expenses of governmental activities for the years ended December 31, 2021 and 2020 is presented in Table 4 below.

Table 4—Summary of Program Expenses—Governmental Activities

	Year Ended December 31,		Increase/(Decrease)	
	2021	2020	Dollars	Percent (%)
General government support	\$ 102,835,961	\$ 94,063,804	\$ 8,772,157	9.3
Education	23,131,751	22,213,955	917,796	4.1
Public safety	67,613,512	60,714,608	6,898,904	11.4
Health	26,324,264	22,308,641	4,015,623	18.0
Transportation	53,842,112	49,053,224	4,788,888	9.8
Economic assistance and opportunity	157,036,129	159,475,222	(2,439,093)	(1.5)
Culture and recreation	951,369	840,928	110,441	13.1
Home and community services	1,427,191	6,398,918	(4,971,727)	(77.7)
Interest and fiscal charges	12,419,429	11,945,452	473,977	4.0
Total program expenses	<u>\$ 445,581,718</u>	<u>\$ 427,014,752</u>	<u>\$ 18,566,966</u>	4.3

The County's most significant expense categories for governmental activities for the year ended December 31, 2021 were economic assistance and opportunity (primarily composed of social service costs) of \$157,036,129, or 35.2 percent of program expenses, general government support of \$102,835,961, or 23.1 percent of program expenses, and public safety of \$67,613,512, or 15.2 percent of program expenses. Similarly, for the year ended December 31, 2020 the County's most significant expense categories for governmental activities for the year ended December 31, 2020 were economic assistance and opportunity (primarily composed of social service costs) of \$159,475,222, or 37.3 percent of program expenses, general government support of \$94,063,804, or 22.0 percent of program expenses, and public safety of \$60,714,608, or 14.2 percent of program expenses.

During the year ended December 31, 2021, expenses increased 4.3 percent. Overall expenses increased as a result of an increase in overall allocable employee benefits related to the net pension and OPEB liabilities.

Business-type activities—Business-type activities (Sewer Fund, Workers' Compensation Fund and UMVMAA) increased the County's total net position by \$1,749,772.

A summary of sources of revenues and expenses for the County's business-type activities for the years ended December 31, 2021 and December 31, 2020 is presented in Table 5 on the following page.

Table 5—Summary of Sources of Revenues and Expenses—Business-type Activities

	Year Ended December 31,		Increase/(Decrease)	
	2021	2020 (restated)	Dollars	Percent (%)
Revenues:				
Departmental income—Sewer Fund	\$ 21,197,342	\$ 17,589,371	\$ 3,607,971	20.5
Charges for services—Workers' Compensation Fund	13,504,851	13,425,623	79,228	0.6
Capital grants and contributions—Sewer Fund	5,845,516	5,461,172	384,344	7.0
Grants and subsidies—UMVMAA	732,050	732,050	-	-
Other income	148,138	241,115	(92,977)	(38.6)
Use of money and property	65,544	118,986	(53,442)	(44.9)
Miscellaneous	20,687	15,800	4,887	30.9
Total revenues	<u>\$ 41,514,128</u>	<u>\$ 37,584,117</u>	<u>\$ 3,930,011</u>	10.5
Expenses:				
Sewer Fund expenses	\$ 22,749,409	\$ 24,343,147	\$ (1,593,738)	(6.5)
Workers' Compensation Fund expenses	13,560,717	13,494,496	66,221	0.5
UMVMAA expenses	3,454,230	2,031,041	1,423,189	70.1
Total expenses	<u>\$ 39,764,356</u>	<u>\$ 39,868,684</u>	<u>\$ (104,328)</u>	(0.3)

At December 31, 2021, the most significant source of revenues relating to the County's business-type activities is program revenues, including Sewer departmental income and Workers' Compensation charges for services. Total revenue relating to the County's business-type activities increased 10.5 percent from the year ended December 31, 2021, primarily due to an increase in Sewer Fund departmental income.

Total expenses decreased by \$104,328, or 0.3 percent. This increase is primarily related to a decrease in Sewer Fund contractual costs partially offset by an increase in UMVMAA expenses.

Financial Analysis of the Governmental Funds

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

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

At December 31, 2021, the County governmental funds reported combined ending fund balances of \$72,564,570, an increase of \$27,695,383 in comparison with the prior year. Of this amount, \$20,956,123, constitutes *unassigned fund balance*, which is available for spending at the County's discretion. The remainder of fund balance is either *nonspendable*, *restricted*, *committed* or *assigned* to indicate that it is: (1) not in spendable form, \$3,407,092, (2) restricted for particular purposes, \$22,267,933, (3) committed for particular purposes, \$16,150,000 or (4) assigned for particular purposes, \$9,783,422.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unrestricted fund balance (the total of committed, assigned and unassigned fund balances) of the General Fund was \$46,082,995, while total fund balance was \$49,599,122. The General Fund fund balance increased \$13,595,635 from the prior year. As a measure of the General Fund’s liquidity, it may be useful to compare both *unrestricted fund balance* and total fund balance to total fund expenditures and transfers out. *Unrestricted fund balance* represents approximately 11.6 percent of total General Fund expenditures and transfers out.

The fund balance of the Debt Service Fund decreased \$987,599 as a result of current year activity. Ending fund balance in the Debt Service Fund amounted to \$312,604 at December 31, 2021.

The fund balance of the Capital Projects Fund increased \$14,895,765 primarily as a result of the issuance of serial bonds of \$10,800,000, capital lease of \$21,466,940, and transfers in of \$17,994,580. Ending fund balance in the Capital Projects Fund amounted to \$17,039,473 at December 31, 2021, all of which is restricted for future capital projects.

Proprietary funds—The County’s proprietary funds provide the same type of information found in the governmental-wide financial statements, but in more detail. Total net position of proprietary funds increased by \$1,749,772. Total net position of the Sewer Fund increased \$4,323,814, primarily due to an increase in Sewer departmental income related to increased sewer charges, while net position of UMVMAA decreased by \$2,574,042 due to an increase in overall expenses.

General Fund Budgetary Highlights

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

A summary of the General Fund results of operations for the year ended December 31, 2021 is presented in Table 6 below.

Table 6—Summary of General Fund Results of Operations

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
Revenues and other financing sources	\$ 343,222,466	\$ 399,775,197	\$ 412,789,695	\$ 13,014,498
Expenditures and other financing uses	351,274,020	408,120,605	399,194,060	8,926,545
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (8,051,554)	\$ (8,345,408)	\$ 13,595,635	\$ 21,941,043

Original budget compared to final budget—During the year, the budget is modified for new revenues. The largest supplemental appropriation was to account for the gross sales tax proceeds received from New York State that are forwarded by the County to the towns and villages. The 2021 adjustment was for \$49,193,396 and increased non-property tax items revenue and the general government support expenditures.

Final budget compared to actual results—The General Fund had an favorable variance from final budgeted revenues of \$13,014,498. The largest positive variances were recognized in non-property tax items, which is primarily related to sales tax. The General Fund had a favorable variance from final budgetary appropriations of \$8,926,545. Positive variances were realized in all functional expenses, with the exception of transfers out. The largest positive variance was in home and community services as a result of the County budgeting for program costs that were less than anticipated, these were partially offset by transfers out exceeding the final budget due to higher than estimated budgets to support capital projects.

Capital Assets and Debt Administration

Capital assets—The County’s investment in capital assets for its governmental and business-type activities as of December 31, 2021 amounts to \$354,192,479 and \$326,700,869, respectively (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and building improvements, infrastructure, and equipment.

Capital assets, net of depreciation, for the governmental activities and business-type activities at the years ended December 31, 2021 and 2020 are presented below in Table 7:

Table 7—Summary of Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020 (restated)	2021	2020 (restated)
Land	\$ 12,328,462	\$ 12,239,612	\$ 2,084,670	\$ 2,087,595	\$ 14,413,132	\$ 14,327,207
Construction in progress	5,630,474	5,630,474	24,415,751	86,788,187	30,046,225	92,418,661
Land improvements	120,444	134,767	-	-	120,444	134,767
Buildings and building improvements	189,522,549	185,265,714	211,062,522	156,573,962	400,585,071	341,839,676
Infrastructure	120,204,512	121,758,418	86,155,384	38,307,498	206,359,896	160,065,916
Equipment	26,386,038	29,509,070	2,982,542	2,605,243	29,368,580	32,114,313
Total	\$ 354,192,479	\$ 354,538,055	\$ 326,700,869	\$ 286,362,485	\$ 680,893,348	\$ 640,900,540

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

Long-term liabilities—The County currently has approximately \$549.5 million in total bonded debt for functions considered governmental and business-type activities. This includes serial bonds issued on behalf of Mohawk Valley Community College and serial bonds (and accreted interest on capital appreciation bonds) issued by the Oneida Tobacco Asset Securitization Corporation (the “OTASC”).

A summary of the County’s long-term liabilities at December 31, 2021 and 2020 is presented in Table 8 below:

Table 8—Debt and Long-term Liabilities

	Governmental Activities		Business-type Activities		Total	
	December 31,		December 31,		December 31,	
	2021	2020	2021	2020 (restated)	2021	2020 (restated)
Bonds payable	\$ 146,065,505	\$ 155,130,189	\$ 268,278,211	\$ 243,016,666	\$ 414,343,716	\$ 398,146,855
Bond premium	3,426,383	2,872,718	17,665	49,901	3,444,048	2,922,619
Net OTASC bonds and accreted interest	102,804,278	98,490,348	-	-	102,804,278	98,490,348
UMVMAA bonds, notes, and mortgages	-	-	32,478,491	2,349,170	32,478,491	2,349,170
Capital lease	24,584,283	18,864,914	-	-	24,584,283	18,864,914
Workers' compensation	7,444,749	7,211,227	11,035,251	11,168,774	18,480,000	18,380,001
Compensated absences	3,788,156	4,115,871	117,466	96,138	3,905,622	4,212,009
Other postemployment benefits	126,765,455	94,942,264	3,793,282	2,922,744	130,558,737	97,865,008
Retirement obligation	2,515,180	3,311,930	79,040	104,864	2,594,220	3,416,794
Claims and judgements	300,000	215,772	-	-	300,000	215,772
Net pension liability	298,605	77,212,471	9,370	2,432,994	307,975	79,645,465
Total	\$ 417,992,594	\$ 462,367,704	\$ 315,808,776	\$ 262,141,251	\$ 733,801,370	\$ 724,508,955

For additional information on the County’s long-term debt, refer to Note 11 of this report.

Economic Factors and Next Year’s Budget

The first half of calendar year 2022 continued the financial rebound from the effects of the COVID pandemic. Sales tax collections have continued to grow, albeit at a slower rate than in 2021, and the Oneida Indian Nation gaming revenues continue to be strong.

In June of 2021 the County received a payment of approximately \$22.2 million for the first half of its allocation of Federal American Recovery Plan funding. The same amount was received in June of 2022. These revenues will fund numerous new initiatives which have not been finalized as of this writing.

In July of 2022 the County negotiated amendments to current agreements with its three largest bargaining units to increase salaries for all covered employees. These amendments also added incentives for attraction and retention of employees and overtime bonuses for workers in areas experiencing staffing challenges.

The 2022 budget did not contain a tax ley increase and appropriated \$6.5million from the fund balance to balance the budget. The 2023 budget is currently in process.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Joseph J. Timpano, County Comptroller, 800 Park Avenue, Utica, New York 13501.

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BASIC FINANCIAL STATEMENTS

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COUNTY OF ONEIDA, NEW YORK
Statement of Net Position
December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Oneida-Herkimer Solid Waste Management Authority	Mohawk Valley Community College (August 31, 2021)
ASSETS					
Cash and cash equivalents	\$ 17,812,945	\$ 11,491,364	\$ 29,304,309	\$ 9,543,433	\$ 20,420,810
Restricted cash and cash equivalents	38,576,873	54,911,060	93,487,933	1,997,920	-
Deposits with trustees	4,665,625	-	4,665,625	-	512,418
Investments	-	-	-	31,690,968	11,376,759
Property taxes receivable (net of allowance)	23,040,231	-	23,040,231	-	-
Other receivables	11,897,512	8,576,098	20,473,610	5,093,210	3,722,356
Student loans receivable, net	-	-	-	-	911,570
Intergovernmental receivables	108,474,820	-	108,474,820	-	9,889,349
Internal balances	733,433	(733,433)	-	-	-
Prepaid items	3,407,092	-	3,407,092	556,735	85,919
Net pension asset	-	-	-	-	3,496,692
Capital assets not being depreciated	17,958,936	26,500,421	44,459,357	10,032,365	394,433
Capital assets, net of accumulated depreciation	<u>336,233,543</u>	<u>300,200,448</u>	<u>636,433,991</u>	<u>39,423,406</u>	<u>63,330,876</u>
Total assets	<u>562,801,010</u>	<u>400,945,958</u>	<u>963,746,968</u>	<u>98,338,037</u>	<u>114,141,182</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	138,247	-	138,247	-	-
Deferred outflows of resources relating to pensions	70,215,462	2,224,758	72,440,220	3,364,756	11,901,142
Deferred outflows of resources relating to OPEB	<u>23,477,528</u>	<u>702,533</u>	<u>24,180,061</u>	<u>612,549</u>	<u>5,235,929</u>
Total deferred outflows of resources	<u>93,831,237</u>	<u>2,927,291</u>	<u>96,758,528</u>	<u>3,977,305</u>	<u>17,137,071</u>
LIABILITIES					
Accounts payable	27,633,050	737,268	28,370,318	1,987,673	6,939,573
Retainage payable	2,009,660	3,583,518	5,593,178	-	-
Accrued liabilities	34,827,332	1,229,130	36,056,462	31,746	-
Intergovernmental payables	9,778,221	10,601,181	20,379,402	-	-
Unearned revenue	21,898,146	56,250	21,954,396	-	7,804,368
Other liabilities	-	-	-	-	2,405,502
Noncurrent liabilities:					
Due within one year	23,477,181	8,308,184	31,785,365	1,690,000	480,000
Due within more than one year	<u>394,515,413</u>	<u>307,500,592</u>	<u>702,016,005</u>	<u>16,553,168</u>	<u>37,249,606</u>
Total liabilities	<u>514,139,003</u>	<u>332,016,123</u>	<u>846,155,126</u>	<u>20,262,587</u>	<u>54,879,049</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue—advanced billings	-	-	-	796,221	-
Unavailable revenue—tuition and fees	-	-	-	-	1,162,777
Deferred inflows of resources relating to pensions	88,484,608	2,776,582	91,261,190	4,182,559	17,669,684
Deferred inflows of resources relating to OPEB	<u>19,114,661</u>	<u>571,980</u>	<u>19,686,641</u>	<u>559,956</u>	<u>6,846,298</u>
Total deferred inflows of resources	<u>107,599,269</u>	<u>3,348,562</u>	<u>110,947,831</u>	<u>5,538,736</u>	<u>25,678,759</u>
NET POSITION					
Net investment in capital assets	141,940,145	32,627,597	174,567,742	42,976,217	54,376,009
Restricted for:					
Handicap parking	5,796	-	5,796	-	-
Sheriff forfeiture	112,320	-	112,320	-	-
Debt	5,110,344	-	5,110,344	-	-
Restricted surcharges	-	7,071,979	7,071,979	-	-
Grantor restrictions	-	-	-	1,183,323	16,623,309
Unrestricted	<u>(112,274,630)</u>	<u>28,808,988</u>	<u>(83,465,642)</u>	<u>32,354,479</u>	<u>(20,278,873)</u>
Total net position	<u>\$ 34,893,975</u>	<u>\$ 68,508,564</u>	<u>\$ 103,402,539</u>	<u>\$ 76,514,019</u>	<u>\$ 50,720,445</u>

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

COUNTY OF ONEIDA, NEW YORK
Statement of Activities
Year Ended December 31, 2021

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Oneida-Herkimer Solid Waste Management Authority	Mohawk Valley Community College	
					Governmental Activities	Business-type Activities			Total
Primary government:									
Governmental activities:									
General government support	\$ 102,835,961	\$ 17,990,247	\$ 22,579,719	\$ 2,960,699	\$ (59,305,296)	\$ -	\$ (59,305,296)	\$ -	\$ -
Education	23,131,751	11,011,409	7,161,468	-	(4,958,874)	-	(4,958,874)	-	-
Public safety	67,613,512	9,811,112	5,955,476	1,081,498	(50,765,426)	-	(50,765,426)	-	-
Health	26,324,264	837,197	18,744,703	-	(6,742,364)	-	(6,742,364)	-	-
Transportation	53,842,112	11,751,874	10,642,926	2,565,571	(28,881,741)	-	(28,881,741)	-	-
Economic assistance and opportunity	157,036,129	2,594,474	65,638,504	-	(88,803,151)	-	(88,803,151)	-	-
Culture and recreation	951,369	9,000	311,187	-	(631,182)	-	(631,182)	-	-
Home and community services	1,427,191	146,648	504,186	947,039	170,682	-	170,682	-	-
Interest and fiscal charges	12,419,429	-	-	-	(12,419,429)	-	(12,419,429)	-	-
Total governmental activities	<u>445,581,718</u>	<u>54,151,961</u>	<u>131,538,169</u>	<u>7,554,807</u>	<u>(252,336,781)</u>	<u>-</u>	<u>(252,336,781)</u>	<u>-</u>	<u>-</u>
Business-type activities:									
Sewer Fund	22,749,409	21,197,342	-	5,845,516	-	4,293,449	4,293,449	-	-
Workers' Compensation Fund	13,560,717	13,504,851	-	-	-	(55,866)	(55,866)	-	-
Auditorium Authority	3,454,230	148,138	732,050	-	-	(2,574,042)	(2,574,042)	-	-
Total business-type activities	<u>39,764,356</u>	<u>34,850,331</u>	<u>732,050</u>	<u>5,845,516</u>	<u>-</u>	<u>1,663,541</u>	<u>1,663,541</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 485,346,074</u>	<u>\$ 89,002,292</u>	<u>\$ 132,270,219</u>	<u>\$ 13,400,323</u>	<u>(252,336,781)</u>	<u>1,663,541</u>	<u>(250,673,240)</u>	<u>-</u>	<u>-</u>
Component units:									
Solid Waste Management Authority	\$ 24,083,458	\$ 28,702,612	\$ 1,294,883	\$ -				5,914,037	-
Mohawk Valley Community College	68,103,292	26,983,178	24,183,435	21,472,568				-	4,535,889
Total component units	<u>\$ 92,186,750</u>	<u>\$ 55,685,790</u>	<u>\$ 25,478,318</u>	<u>\$ 21,472,568</u>				<u>5,914,037</u>	<u>4,535,889</u>
General revenues:									
Real property taxes					67,518,401	-	67,518,401	-	-
Real property tax items					2,162,809	-	2,162,809	-	-
Non-property taxes					176,383,191	-	176,383,191	-	-
Use of money and property					2,475,718	65,544	2,541,262	524,382	457,818
Sale of property and compensation for loss					511,225	-	511,225	-	-
Miscellaneous					7,546,346	20,687	7,567,033	-	2,603,550
Total general revenues					<u>256,597,690</u>	<u>86,231</u>	<u>256,683,921</u>	<u>524,382</u>	<u>3,061,368</u>
Change in net position					4,260,909	1,749,772	6,010,681	6,438,419	7,597,257
Net position—beginning, as restated					30,633,066	66,758,792	97,391,858	70,075,600	43,123,188
Net position—ending					<u>\$ 34,893,975</u>	<u>\$ 68,508,564</u>	<u>\$ 103,402,539</u>	<u>\$ 76,514,019</u>	<u>\$ 50,720,445</u>

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

COUNTY OF ONEIDA, NEW YORK
Balance Sheet—Governmental Funds
December 31, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 16,245,721	\$ -	\$ -	\$ 1,567,224	\$ 17,812,945
Restricted cash and cash equivalents	20,740,607	-	17,697,151	139,115	38,576,873
Deposits with trustees	-	-	-	4,665,625	4,665,625
Property taxes receivable (net of allowance for uncollectibles)	23,040,231	-	-	-	23,040,231
Other receivables	11,258,800	437,309	-	201,403	11,897,512
Due from other funds	1,233,623	221,061	-	2,545,916	4,000,600
Intergovernmental receivables	108,474,820	-	-	-	108,474,820
Prepaid items	3,398,011	-	-	9,081	3,407,092
Total assets	<u>\$ 184,391,813</u>	<u>\$ 658,370</u>	<u>\$ 17,697,151</u>	<u>\$ 9,128,364</u>	<u>\$ 211,875,698</u>
LIABILITIES					
Accounts payable	\$ 25,681,373	\$ -	\$ 276,846	\$ 1,674,831	\$ 27,633,050
Accrued liabilities	33,296,572	-	-	306,776	33,603,348
Due to other funds	2,334,649	345,766	329,021	257,731	3,267,167
Intergovernmental payables	9,726,410	-	51,811	-	9,778,221
Unearned revenues	20,622,491	-	-	1,275,655	21,898,146
Total liabilities	<u>91,661,495</u>	<u>345,766</u>	<u>657,678</u>	<u>3,514,993</u>	<u>96,179,932</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue—property taxes	15,006,196	-	-	-	15,006,196
Unavailable revenue—long term receivable	28,125,000	-	-	-	28,125,000
Total deferred inflows of resources	<u>43,131,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,131,196</u>
FUND BALANCES					
Nonspendable	3,398,011	-	-	9,081	3,407,092
Restricted	118,116	312,604	17,039,473	4,797,740	22,267,933
Committed	16,150,000	-	-	-	16,150,000
Assigned	8,976,872	-	-	806,550	9,783,422
Unassigned	20,956,123	-	-	-	20,956,123
Total fund balances	<u>49,599,122</u>	<u>312,604</u>	<u>17,039,473</u>	<u>5,613,371</u>	<u>72,564,570</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 184,391,813</u>	<u>\$ 658,370</u>	<u>\$ 17,697,151</u>	<u>\$ 9,128,364</u>	<u>\$ 211,875,698</u>

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

COUNTY OF ONEIDA, NEW YORK
Reconciliation of the Balance Sheet—Governmental Funds
to the Government-wide Statement of Net Position
December 31, 2021

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

Total fund balances—governmental funds (page 17)	\$	72,564,570
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$653,456,109 and the accumulated depreciation is \$299,263,630.		354,192,479
Retained percentages payable are not a current liability and, therefore, are not reported in the funds.		(2,009,660)
Deferred charges associated with refunding of bonds are not reported in the governmental funds. The charge is reported as a deferred outflow of resources on the statement of net position and is recognized as a component of interest expense over the life of the related debt.		138,247
Property taxes receivable of \$15,006,196 are not available to pay for current period expenditures and a long term receivable of \$28,125,000 is not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the funds.		43,131,196
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to employer contributions	\$ 10,368,458	
Deferred outflows of resources related to experience, changes of assumptions, investment earnings and changes in proportion	59,847,004	
Deferred inflows related to pension plans	<u>(88,484,608)</u>	\$ (18,269,146)
Deferred outflows and inflows of resources related to other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows related to OPEB	\$ 23,477,528	
Deferred inflows related to OPEB	<u>(19,114,661)</u>	4,362,867
To recognize interest accrual on long-term debt. Accrued interest for general obligation bonds is \$951,609 and accrued interest on OTASC bonds is \$272,375 at year end.		(1,223,984)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the fund statements. The effects of these items are:		
Serial bonds payable	\$ (146,065,505)	
Unamortized bond premium on bonds payable	(3,426,383)	
OTASC bonds and accreted interest	(103,162,248)	
Unamortized discount—OTASC bonds	357,970	
Capital lease	(24,584,283)	
Workers' compensation	(7,444,749)	
Compensated absences	(3,788,156)	
Other postemployment benefits obligation	(126,765,455)	
Retirement obligations	(2,515,180)	
Claims and judgments	(300,000)	
Net pension liability	<u>(298,605)</u>	<u>(417,992,594)</u>
Net position of governmental activities	\$	<u>34,893,975</u>

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

COUNTY OF ONEIDA, NEW YORK
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds
For the Year Ended December 31, 2021

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Real property taxes	\$ 66,344,786	\$ -	\$ -	\$ -	\$ 66,344,786
Real property tax items	4,662,809	-	-	-	4,662,809
Non-property tax items	176,383,191	-	-	-	176,383,191
Departmental income	12,324,710	-	-	1,436,708	13,761,418
Intergovernmental charges	26,607,633	212,125	-	3,611,425	30,431,183
Use of money and property	2,251,829	221,811	-	2,078	2,475,718
Licenses and permits	101,305	-	-	8,670	109,975
Fines and forfeitures	753,542	-	-	-	753,542
Sale of property and compensation for loss	488,966	-	-	25,204	514,170
Miscellaneous	1,180,087	-	6,227,154	136,160	7,543,401
Interfund revenues	246	-	-	4,937,186	4,937,432
State aid	75,001,426	6,757	5,735,430	7,241,259	87,984,872
Federal aid	46,669,165	258,629	1,560,748	2,619,562	51,108,104
Tobacco settlement revenue	-	-	-	4,158,411	4,158,411
Total revenues	<u>412,769,695</u>	<u>699,322</u>	<u>13,523,332</u>	<u>24,176,663</u>	<u>451,169,012</u>
EXPENDITURES					
Current:					
General government support	90,198,577	-	-	53,556	90,252,133
Education	23,131,751	-	-	-	23,131,751
Public safety	54,538,720	-	-	-	54,538,720
Health	24,020,609	-	-	-	24,020,609
Transportation	5,449,572	-	-	25,993,183	31,442,755
Economic assistance and opportunity	149,202,211	-	-	2,164,974	151,367,185
Culture and recreation	885,117	-	-	-	885,117
Home and community services	934,132	-	-	-	934,132
Debt service:					
Principal	1,814,495	18,929,684	-	800,000	21,544,179
Interest and other fiscal charges	681,375	4,859,509	-	3,289,333	8,830,217
Capital outlay	-	-	34,956,014	-	34,956,014
Total expenditures	<u>350,856,559</u>	<u>23,789,193</u>	<u>34,956,014</u>	<u>32,301,046</u>	<u>441,902,812</u>
Excess (deficiency) of revenues over expenditures	<u>61,913,136</u>	<u>(23,089,871)</u>	<u>(21,432,682)</u>	<u>(8,124,383)</u>	<u>9,266,200</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	20,000	22,153,447	17,994,580	8,335,968	48,503,995
Transfers out	(48,337,501)	(146,494)	-	(20,000)	(48,503,995)
Issuance of refunding capital lease	-	-	21,466,940	-	21,466,940
Payment to refunded capital lease escrow	-	-	(13,933,076)	-	(13,933,076)
Issuance of serial bonds	-	-	10,800,000	-	10,800,000
Issuance of refunding bonds	-	6,195,000	-	-	6,195,000
Payment to refunded bond escrow	-	(7,171,249)	-	-	(7,171,249)
Premium on refunding bonds	-	1,071,568	-	-	1,071,568
Total other financing sources (uses)	<u>(48,317,501)</u>	<u>22,102,272</u>	<u>36,328,444</u>	<u>8,315,968</u>	<u>18,429,183</u>
Net change in fund balances	13,595,635	(987,599)	14,895,762	191,585	27,695,383
Fund balance—beginning	<u>36,003,487</u>	<u>1,300,203</u>	<u>2,143,711</u>	<u>5,421,786</u>	<u>44,869,187</u>
Fund balances—ending	<u>\$ 49,599,122</u>	<u>\$ 312,604</u>	<u>\$ 17,039,473</u>	<u>\$ 5,613,371</u>	<u>\$ 72,564,570</u>

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

COUNTY OF ONEIDA, NEW YORK
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances—Governmental Funds to the Government-wide Statement of Activities
For the Year Ended December 31, 2021

Amounts reported for governmental activities in the statement of activities (page 16) are different because:

Net change in fund balances—total governmental funds (page 19) \$ 27,695,383

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

Capital asset additions	\$ 25,374,514	
Loss on disposal of assets	(430,482)	
Depreciation expense	<u>(25,289,608)</u>	(345,576)

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

(40,474)

Certain tax and other revenues in the governmental funds are deferred or not recognized because they are not available soon enough after year end to pay for the current period's expenditures. On the accrual basis, however, these are recognized regardless of when it is collected.

Change in deferred inflows of resources—property taxes	\$ 1,173,615	
Change in long-term receivable	<u>(2,500,000)</u>	(1,326,385)

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

County pension contributions	\$ 13,592,042	
Cost of benefits earned net of employee contributions	<u>(8,292,492)</u>	5,299,550

Deferred outflows and inflows of resources relating to OPEB result from actuarial changes in the census and changes in medical premiums that are different than expected healthcare cost trend rates and due to changes in assumptions and other inputs. These amounts are shown net of the current year's amortization.

4,028,719

Retainages payable are not paid with current financial resources and are not reported as expenditures in the funds.

399,910

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

1,088,538

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

Issuance of bonds payable	\$ (10,800,000)	
Repayment of bonds payable	18,929,684	
Issuance of refunding bonds	(6,195,000)	
Payment to refunded bond escrow	7,130,000	
Premium on refunding bonds	(1,071,568)	
Amortization of bond premiums	517,903	
Repayment of OTASC bonds	800,000	
Accreted interest on OTASC bonds	(5,098,751)	
Amortization of OTASC bond discount	(15,179)	
Issuance of refunding capital lease	(21,466,940)	
Payment to refunded capital lease escrow	13,933,076	
Repayment of capital lease	1,814,495	
Change in workers' compensation	(233,522)	
Change in compensated absences	327,715	
Change in other post-employment benefits obligation	(31,823,191)	
Change in retirement obligations	796,750	
Change in claims and judgments	<u>(84,228)</u>	<u>(32,538,756)</u>

Change in net position of governmental activities

\$ 4,260,909

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

COUNTY OF ONEIDA, NEW YORK
Statement of Net Position—Proprietary Funds
December 31, 2021

	Business-type Activities			
	Sewer	Workers' Compensation	Upper Mohawk Valley Memorial Auditorium Authority	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 11,443,720	\$ -	\$ 47,644	\$ 11,491,364
Restricted cash	13,773,074	21,303,088	19,834,898	54,911,060
Other receivables	8,317,203	-	258,895	8,576,098
Due from other funds	502,935	-	-	502,935
Total current assets	<u>34,036,932</u>	<u>21,303,088</u>	<u>20,141,437</u>	<u>75,481,457</u>
Noncurrent assets:				
Capital assets not being depreciated	15,189,678	-	11,310,743	26,500,421
Capital assets, net of accumulated depreciation	281,763,518	-	18,436,930	300,200,448
Total noncurrent assets	<u>296,953,196</u>	<u>-</u>	<u>29,747,673</u>	<u>326,700,869</u>
Total assets	<u>330,990,128</u>	<u>21,303,088</u>	<u>49,889,110</u>	<u>402,182,326</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources relating to pensions	2,224,758	-	-	2,224,758
Deferred outflows of resources relating to OPEB	702,533	-	-	702,533
Total deferred outflows of resources	<u>2,927,291</u>	<u>-</u>	<u>-</u>	<u>2,927,291</u>
LIABILITIES				
Current liabilities:				
Accounts payable	373,449	103,521	260,298	737,268
Accrued liabilities	136,017	-	-	136,017
Intergovernmental payable	-	10,601,181	-	10,601,181
Due to other funds	1,115,137	121,231	-	1,236,368
Unearned revenues	-	-	56,250	56,250
Retainage payable	3,583,518	-	-	3,583,518
Accrued interest payable	1,093,113	-	-	1,093,113
Total current liabilities	<u>6,301,234</u>	<u>10,825,933</u>	<u>316,548</u>	<u>17,443,715</u>
Noncurrent liabilities:				
Due within one year	7,729,990	523,858	54,336	8,308,184
Due within more than one year	265,123,140	9,953,297	32,424,155	307,500,592
Total noncurrent liabilities	<u>272,853,130</u>	<u>10,477,155</u>	<u>32,478,491</u>	<u>315,808,776</u>
Total liabilities	<u>279,154,364</u>	<u>21,303,088</u>	<u>32,795,039</u>	<u>333,252,491</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources relating to pensions	2,776,582	-	-	2,776,582
Deferred inflows of resources relating to OPEB	571,980	-	-	571,980
Total deferred inflows of resources	<u>3,348,562</u>	<u>-</u>	<u>-</u>	<u>3,348,562</u>
NET POSITION				
Net investment in capital assets	35,358,415	-	(2,730,818)	32,627,597
Restricted	7,071,979	-	-	7,071,979
Unrestricted	8,984,099	-	19,824,889	28,808,988
Total net position	<u>\$ 51,414,493</u>	<u>\$ -</u>	<u>\$ 17,094,071</u>	<u>\$ 68,508,564</u>

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

COUNTY OF ONEIDA, NEW YORK
Statement of Revenues, Expenses and Changes in Net Position—Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities			
	Sewer	Workers' Compensation	Upper Mohawk Valley Memorial Auditorium Authority	Total Enterprise Funds
OPERATING REVENUES				
Departmental income	\$ 21,197,342	\$ -	\$ -	\$ 21,197,342
Charges for services	-	13,504,851	-	13,504,851
Grants and subsidies	-	-	732,050	732,050
Other income	-	-	148,138	148,138
Total operating revenues	<u>21,197,342</u>	<u>13,504,851</u>	<u>880,188</u>	<u>35,582,381</u>
OPERATING EXPENSES				
Salaries and wages	4,099,767	285,025	-	4,384,792
Employee benefits	1,291,172	-	-	1,291,172
Claims and contractual expenses	4,827,128	13,275,692	716,578	18,819,398
Depreciation	9,404,139	-	1,231,237	10,635,376
Total operating expenses	<u>19,622,206</u>	<u>13,560,717</u>	<u>1,947,815</u>	<u>35,130,738</u>
Operating income (loss)	<u>1,575,136</u>	<u>(55,866)</u>	<u>(1,067,627)</u>	<u>451,643</u>
NON-OPERATING REVENUES (EXPENSES)				
Capital grants and contributions	5,845,516	-	-	5,845,516
Miscellaneous income	-	20,687	-	20,687
Use of money and property	30,365	35,179	-	65,544
Interest expense	(3,127,203)	-	(164,846)	(3,292,049)
Judgments and claims	-	-	(714,875)	(714,875)
Bond issuance costs	-	-	(626,694)	(626,694)
Total non-operating revenues (expenses)	<u>2,748,678</u>	<u>55,866</u>	<u>(1,506,415)</u>	<u>1,298,129</u>
Change in net position	4,323,814	-	(2,574,042)	1,749,772
Net position—beginning, as restated	<u>47,090,679</u>	<u>-</u>	<u>19,668,113</u>	<u>66,758,792</u>
Net position—ending	<u>\$ 51,414,493</u>	<u>\$ -</u>	<u>\$ 17,094,071</u>	<u>\$ 68,508,564</u>

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

COUNTY OF ONEIDA, NEW YORK
Statement of Cash Flows—Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities			
	Upper Mohawk			
	Valley			
	Sewer	Workers'	Memorial	Total
	Compensation	Auditorium	Enterprise	
	Authority	Funds		
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from charges for services	\$ 20,080,433	\$ 22,481,320	\$ 36,399	\$ 42,598,152
Payments for claims and contractual expenses	(4,181,862)	(13,177,748)	(1,332,665)	(18,692,275)
Payments for personal services and benefits	(5,252,408)	(285,025)	-	(5,537,433)
Receipts from government grants	-	-	732,050	732,050
Net cash provided by (used for) operating activities	<u>10,646,163</u>	<u>9,018,547</u>	<u>(564,216)</u>	<u>19,100,494</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Loans from other funds	2,417,238	-	-	2,417,238
Internal activity—payment made from County	-	17,393	-	17,393
Interest earned on bank accounts	-	35,179	-	35,179
Net cash provided by non-capital financing activities	<u>2,417,238</u>	<u>52,572</u>	<u>-</u>	<u>2,469,810</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital expenses	(42,032,039)	-	(8,944,645)	(50,976,684)
Principal payments on long-term debt	(8,439,819)	-	(1,675,680)	(10,115,499)
Proceeds from long-term debt	33,701,364	-	31,805,000	65,506,364
Interest paid on long-term debt	(3,142,461)	-	(164,846)	(3,307,307)
State aid	5,875,881	-	-	5,875,881
Miscellaneous income	-	20,687	-	20,687
Proceeds from sale of property	-	-	2,925	2,925
Bond issuance costs	-	-	(626,694)	(626,694)
Net cash (used for) provided by capital and related financing activities	<u>(14,037,074)</u>	<u>20,687</u>	<u>20,396,060</u>	<u>6,379,673</u>
Net (decrease) increase in cash and cash equivalents	(973,673)	9,091,806	19,831,844	27,949,977
Cash and cash equivalents—beginning (including restricted cash), as restated	<u>26,190,467</u>	<u>12,211,282</u>	<u>50,698</u>	<u>38,452,447</u>
Cash and cash equivalents—ending (including restricted cash)	<u>\$ 25,216,794</u>	<u>\$ 21,303,088</u>	<u>\$ 19,882,542</u>	<u>\$ 66,402,424</u>

(continued)

COUNTY OF ONEIDA, NEW YORK
Statement of Cash Flows—Proprietary Funds
For the Year Ended December 31, 2021

(concluded)

	Business-type Activities			
	Sewer	Workers' Compensation	Upper Mohawk Valley Memorial Auditorium Authority	Total Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 1,575,136	\$ (55,866)	\$ (1,067,627)	\$ 451,643
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	9,404,139	-	1,231,237	10,635,376
Judgments and claims	-	-	(714,875)	(714,875)
(Increase) in other receivables	(1,116,909)	-	(111,739)	(1,228,648)
Decrease in intergovernmental receivables	-	8,976,469	-	8,976,469
(Increase) in deferred outflows relating to pensions	(447,880)	-	-	(447,880)
(Increase) in deferred outflows relating to OPEB	(188,617)	-	-	(188,617)
(Decrease) in accrued liabilities	(770,815)	-	-	(770,815)
(Decrease) increase in accounts payable	(141,096)	(2,055)	98,788	(44,363)
Increase in retainage payable	786,362	-	-	786,362
Increase in compensated absences liability	21,328	99,999	-	121,327
Increase in workers' compensation liability	336,102	-	-	336,102
(Decrease) in retirement obligation	(25,824)	-	-	(25,824)
Increase in other postemployment liability	870,538	-	-	870,538
(Decrease) in net pension liability	(2,423,624)	-	-	(2,423,624)
Increase in deferred inflows relating to pensions	2,698,972	-	-	2,698,972
Increase in deferred inflows relating to OPEB	68,351	-	-	68,351
Total adjustments	<u>9,071,027</u>	<u>9,074,413</u>	<u>503,411</u>	<u>18,648,851</u>
Net cash provided by (used for) operating activities	<u>\$ 10,646,163</u>	<u>\$ 9,018,547</u>	<u>\$ (564,216)</u>	<u>\$ 19,100,494</u>

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

COUNTY OF ONEIDA, NEW YORK
Statement of Fiduciary Net Position—Custodial Fund
December 31, 2021

	Custodial Fund
ASSETS	
Restricted cash and cash equivalents	\$ 8,666,047
Total assets	<u>8,666,047</u>
LIABILITIES	
Accounts payable	<u>7,864,140</u>
Total liabilities	<u>7,864,140</u>
NET POSITION	
Restricted	<u>\$ 801,907</u>

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

COUNTY OF ONEIDA, NEW YORK
Statement of Changes in Fiduciary Net Position—Custodial Fund
December 31, 2021

	<u>Custodial Fund</u>
ADDITIONS	
Funds received on behalf of others	\$ 5,764,170
Total additions	<u>5,764,170</u>
DEDUCTIONS	
Funds distributed to others	<u>5,884,870</u>
Total deductions	<u>5,884,870</u>
Change in fiduciary net position	(120,700)
Net position—beginning	<u>922,607</u>
Net position—ending	<u>\$ 801,907</u>

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

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COUNTY OF ONEIDA, NEW YORK
Notes to the Financial Statements
December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of Government-Wide Financial Statements

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

Reporting Entity

The County was established in 1798 and is governed by the County Charter, County Law, other general laws of the State of New York and various local laws. The County Charter provides for a County Executive form of government. The County Legislature, which is the legislative body responsible for the overall operation of the County, consists of 23 legislators, one from each of the County's legislative districts. The County Executive is the Chief Executive Officer of the County. The County Comptroller is the Chief Fiscal Accounting and Auditing Officer of the County.

Independently elected officials of the County include:

County Executive	District Attorney
County Legislators (23)	County Clerk
County Comptroller	Sheriff

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

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

Discretely Presented Component Units—The component unit columns in the basic financial statements include the financial data of the County’s two discretely presented component units. These units are reported in a separate column to emphasize that they are legally separate from the County.

Oneida-Herkimer Solid Waste Management Authority—The Oneida-Herkimer Solid Waste Management Authority (“OHSWMA”) was established in 1988 as a public benefit corporation under New York State Public Authorities Law to provide solid waste management services and to plan and implement a modern integrated solid waste management system for the benefit of Oneida and Herkimer counties (the counties). OHSWMA’s initial capitalization for the facilities as well as short-term funding of administrative and operating costs were provided from the issuance of approximately \$50 million of Solid Waste System Revenue Bonds. OHSWMA currently owns and operates nine operational solid waste management facilities and one closed facility. These facilities are as follows: an administration facility, a recycling center, three solid waste transfer stations, a green waste composting facility, a land clearing debris facility, a household hazardous waste facility, a regional landfill, and a closed ash landfill.

OHSWMA’s ten-member board, which consists of four members appointed by the County Executive and confirmed by the County Legislature, three members by the County Legislature, and three by Herkimer County, has complete responsibility for its management and financial operations. County officials do not exercise oversight responsibility for OHSWMA operations, and the County does not provide assistance to OHSWMA. However, the County is obligated to finance deficits, if necessary, and the County is a joint guarantor with Herkimer County on the revenue bonds disclosed in Note 11.

Based upon the financial obligations which the County assumes and because the County appoints the voting majority to OHSWMA’s board, OHSWMA is included as a discretely presented component unit within the County’s basic financial statements. All of the financial data for OHSWMA was derived from the independently audited financial statements. Certain amounts have been reclassified to conform to the County’s presentation. The financial statements of OHSWMA can be obtained at its administrative offices located at 1600 Genesee Street, Utica, New York 13502.

Mohawk Valley Community College—The Mohawk Valley Community College (the “College” or the “MVCC”) was founded in 1946 with the County as the local sponsor under provisions of Article 126 of the New York State Education Law. MVCC is administered by a Board of Trustees consisting of ten voting members. Five are appointed by the County Executive and confirmed by the Legislature, four by the Governor, and one student is elected by the student body. The Community College’s budget is subject to the approval of the County Executive and the County Legislature, with the County providing substantial funding for the operation of MVCC. MVCC is included based on its August 31st fiscal year end. The annual financial report can be obtained from the Vice President for Administrative Services, 1101 Sherman Drive, Utica, New York 13502.

The financial statements of MVCC have been prepared on the accrual basis.

The financial statements of MVCC include three discretely presented component units; the Auxiliary Services Corporation of Mohawk Community College, Inc., the Mohawk Valley Community College Dormitory Corporation and the Mohawk Valley Community College Foundation, Inc.

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

Oneida Tobacco Asset Securitization Corporation—The Oneida Tobacco Asset Securitization Corporation (“OTASC”) is a special purpose, bankruptcy remote, local development corporation organized under the Not-for-Profit Corporation Law of the State of New York and is an instrumentality of, but separate and apart from, the County. Although legally separate and independent of the County, OTASC is considered an affiliated organization and, therefore, is reported as a blended component unit of the County. The annual financial report may be obtained by writing the Comptroller's Office, Oneida County, 800 Park Avenue, Utica, New York 13501.

Upper Mohawk Valley Memorial Auditorium Authority—The Upper Mohawk Valley Memorial Auditorium Authority (the “Authority”) is a public benefit corporation under New York State Law. The Authority has a nine-member board, which is responsible for the overall direction of the Authority. The County Executive appoints five members and the County Legislature appoints the remaining four members. In 2021, the Authority entered into a project financing agreement with the County, where the County agrees to pay debt service charges payable on the Authority’s Nexus Center Project Revenue Bonds, resulting in a financial burden to the County. As a result, the Authority is considered to be a blended component unit of the County. The annual financial report may be obtained by writing the Upper Mohawk Valley Memorial Auditorium Authority, 400 Oriskany Street West, Utica, New York 13502.

Basis of Presentation—Government-wide Financial Statements

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

As discussed earlier, the County has two discretely presented component units. Their financial data are shown in separate columns in the government-wide financial statements.

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

Basis of Presentation—Fund Financial Statements

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

The County reports the following major governmental funds:

- *General Fund*—The General Fund is the principal operating fund of the County and is used to account for all financial resources except those required to be accounted for in other funds.
- *Debt Service Fund*—The Debt Service Fund is used to account for and report the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs (except those presented in the discretely presented component units).
- *Capital Projects Fund*—The Capital Projects Fund is used to account for and report financial resources to be used for the acquisition and construction of the government’s major capital facilities, other than those financed by proprietary funds.

The County reports the following nonmajor governmental funds:

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

- *Special Grant Fund*—This fund is used to account for funds received under the Job Training Partnership Act/Workforce Investment Opportunity Act.
- *County Road Fund*—This fund is used to account for expenditures for highway purposes authorized by Section 114 of the Highway Law.
- *Road Machinery Fund*—This fund is used to account for the purchase, repair, maintenance and storage of highway machinery, tools and equipment pursuant to Section 133 of the Highway Law.
- *Oneida Tobacco Asset Securitization Corporation*—The Oneida Tobacco Asset Securitization Corporation (“OTASC”) Fund is used to account for the receipt and disbursement of resources related to tobacco assets and related obligations.

The County reports three major proprietary funds as follows:

- *Sewer Fund*—This fund is used to account for operations and capital improvements of the County’s sewer district.
- *Workers’ Compensation Fund*—The County uses this fund to account for workers’ compensation insurance services for the County and communities within the County for which participants are charged fees to participate.
- *Upper Mohawk Valley Memorial Auditorium Authority*—Represents a public benefit corporation established to own and manage the activities of the former City of Utica Memorial Auditorium.

Additionally, the County reports the following fund type:

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

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

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

Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered *available* when they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and net pensions, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 180 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

Cash, Cash Equivalents and Investments—Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity date of three months or less from date of acquisition. State statutes and various resolutions of the County Legislature govern the County’s investment policies. Permissible investments include obligations of the U.S. Treasury and U.S. Government agencies, repurchase agreements and obligations of New York State or its localities. Investments are stated at fair value based on quoted market prices. The County’s primary government reports no investments at December 31, 2021.

Restricted Cash and Cash Equivalents—Restricted cash represents unspent proceeds from debt, unearned revenues received for grants, accumulated surcharges for sewer projects, amounts to support restricted fund balances, amount related to worker’s compensation, and amounts held on behalf of others.

Deposits with Trustees—Deposits with Trustees represent OTASC funds held in various types of investments accounts held by a Trust.

Receivables—Receivables are stated net of allowances for estimated uncollectible amounts. Intergovernmental receivables represent amounts owed to the County to reimburse it for expenditures incurred pursuant to state and federally funded programs and on behalf of the workers’ compensation insurance participants.

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

Capital Assets—Capital assets include property, buildings, equipment and infrastructure assets (e.g. roads, bridges, drainage systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are incurred. The County depreciates capital assets using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	20
Buildings and building improvements	15-50
Infrastructure	10-65
Equipment	5-25

The *capital outlays* character classification is employed only for expenditures reported in the Capital Projects Fund. Routine capital expenditures in the General Fund and other governmental funds are included in the appropriate functional category. At times, amounts reported as *capital outlays* in the Capital Projects Fund will also include non-capitalized, project-related costs (for example, furnishings).

Unearned Revenue—Certain amounts received have not been spent or otherwise used to meet the revenue recognition criteria for government-wide or fund financial purposes. At December 31, 2021, the County reported unearned revenues of \$20,622,491 and \$1,275,655 within the General Fund and County Road Fund, respectively. Of this amount, \$19,451,949 represents unspent American Rescue Plan Act funds.

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has four items which qualify for reporting in this category. The first two items represent unavailable revenues from two sources and arise only under the modified accrual basis of accounting: property taxes and long-term receivable related to Oneida Indian Nation (“Nation”) settlement payments. These amounts will be recognized as revenue in the governmental funds in the period that the amounts become available. The last two items are reported in the government-wide financial statements, as well as within individual proprietary funds. The third item represents the effect of the net change in the County’s proportion of the collective net pension liability and the difference during the measurement periods between the County’s contributions and its proportionate share of total contributions to the pension systems not included in pension expense. The final item represents the effects of the change in the County’s proportion of the collective total OPEB liability and difference during the measurement period between certain employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability.

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

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

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

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

Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as committed. The County Legislature (“Legislature”) may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenses/Expenditures

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses—Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Sewer and Workers’ Compensation Funds are charges to customers for sales and services. The principal operating revenue of the Authority is subsidies and grants. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The Sewer Fund recognizes revenue as services are provided.

Property Taxes—Real property tax levies are fully accrued at the beginning of the fiscal year and are received and accounted for in the General Fund. Accruals for “due to other funds” are recorded in the General Fund for the portion of the tax revenue allocated to other funds. The current year’s property taxes are levied and the prior year’s unpaid school taxes are re-levied on a warrant to collect taxes by December 31st based on the fully assessed value of real property within the County. The twenty-six towns are responsible for collection of the tax warrant until March 31st. At that time, settlement proceedings take place whereby the County becomes the collecting agent and the towns receive full credit for their entire levy. The County becomes the enforcement agent for tax liens on all County real property except property within the cities of Utica and Rome. The County has entered into agreements with these cities whereby the cities assess and collect all City and County taxes on property within each City and serve as enforcement agent for tax liens on such property. County taxes collected by the cities are remitted to the County periodically.

Uncollected property taxes assumed by the County as a result of the settlement proceedings are reported as receivables in the General Fund to maintain central control and provide for tax settlement and enforcement proceedings.

At December 31, 2021, the gross real property tax receivable relating to the County of \$23,217,483 is offset by an allowance for uncollectible taxes of \$177,252. Included in real property tax assets are current year returned village and school taxes of \$6,469,352, which are also included in liabilities to the villages and school districts to be paid no later than April 20, 2022. The remaining portion of tax assets is partially offset by deferred inflows of resources – property taxes of \$15,006,196 in the General Fund and represents an estimate of tax liens which will not be collected within the first sixty (60) days of the subsequent year.

Tax rates are calculated using assessments prepared by individual town and city assessors as adjusted by the New York State Board of Equalization and Assessment for the purpose of equalization. The total taxable assessed value of real property included in the tax levy of 2021 is approximately \$7.345 billion. The total County warrant, including all charge backs for 2021 was \$78.0 million. County tax rates vary by each assessing unit because assessing units often assess at different fractions of full value. The New York State statutory maximum tax limit is 1.5% of the 5-year average of the equalized assessment. The 2020 levy with allowable statutory exclusions represents approximately 39.72% of the constitutional tax limit for 2021.

Effective September 1, 1994, the County-wide sales tax was increased from seven percent to eight percent. The County received authorization to impose an additional 1.5% sales tax, with all proceeds to be retained by the County effective March 1, 2005. This rate was reduced to 1% on September 1, 2006, and in 2009 was further reduced to 0.75%. Since that time New York State has reauthorized the County to continue the 1% and 0.75% extension on its local share of sales tax. The current authorization expires November 30, 2023. The County allocates a percentage of the sales tax to the cities, towns and villages within the County.

Compensated Absences—According to various union contracts, County employees are entitled to personal leave, sick leave, compensatory time, and vacations annually. Vacation time vests for both union and non-union employees to a maximum of 21 days. Accordingly, liabilities for vacation time of \$2,756,797 are reported as long-term debt for the governmental funds in the government-wide financial statements. These payments are also budgeted annually without accrual and expenditure will be recorded when paid. Similar liabilities related to services rendered to the Sewer Fund are included in accrued liabilities of the enterprise fund in the amount of \$92,001.

Additional accrued liabilities of \$80,224 and \$951,135 are reported within long-term debt for the governmental activities in the government-wide financial statements for the value of sick leave and compensatory time, respectively, which will eventually be paid the employee upon retirement. Likewise, liabilities of \$1,130 and \$24,335 for sick leave and compensatory time, respectively, are reported in the Sewer Fund.

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

Other Postemployment Benefits—In addition to providing pension benefits, the County provides retired employees with group health insurance benefits. The obligation of the County to contribute to the cost of providing this benefit has been established pursuant to legislative resolution and various collective bargaining agreements. More information is included in Note 8.

Interfund Revenues—The County allocates General Fund costs incurred in the general administration of the County to other funds based on their proportionate benefit of the total costs allocated. In 2021, the County has reported interfund revenues in the General Fund and nonmajor funds of \$246 and \$4,937,186, respectively representing an allocation of costs to various special revenue funds and the enterprise fund. The amounts are reported as general government support expenditures in the General Fund as well as in the benefiting funds.

Other

Oneida Indian Nation Agreement—On May 16, 2013, the Governor of the State of New York (“the State”) announced an agreement between the State, the Oneida Indian Nation (the “Nation”), Oneida County and Madison County to settle land claims amounts due on real property taxes and provide future revenues to the State, the County and Madison County. The agreement also required the approval of the Department of the Interior. The agreement received all necessary approvals on March 4, 2014. Under the terms of the agreement, the County will receive \$2.5 million per year for 19.25 years in full satisfaction of all existing tax liens that they claim against the Nation and in full satisfaction of tax revenues of any kind that the County will not receive from the Nation in the future under the terms of the agreement or because of the trust status of Nation Land. This amount has been recorded as a long-term receivable offset by a deferred inflow of resources in the fund financial statements. \$28,125,000 is outstanding as of December 31, 2021. In addition, the County will receive 25% of the State’s payment (the State’s payment from the Nation will be based upon 25% of its net gaming revenue from its slot machines at the Turning Stone Casino and Resort in Vernon, New York, which is operated by the Nation).

Estimates—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows/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.

Adoption of New Accounting Pronouncements—During the year ended December 31, 2021, the County implemented GASB Statements No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*; No. 91, *Conduit Debt Obligations*; No. 93, *Replacement of Interbank Offered Rates*; and No. 98, *The Annual Comprehensive Financial Report*. GASB Statement No. 89 enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for certain interest costs. GASB Statement No. 91 clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. GASB Statement No. 93 addresses those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate (“IBOR”). GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR, which replaces the acronym for comprehensive annual financial report. The implementation of GASB Statements No. 89, 91, 93, and 98 did not have a material impact on the County’s financial position or results from operations.

Future Impacts of Accounting Pronouncements—The County has not completed the process of evaluating the impact that will result from adopting GASB Statements No. 87, *Leases*; and No. 99, *Omnibus 2022*, effective for the year ending December 31, 2022, No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; and No. 96, *Subscription-Based Information Technology Arrangements*, effective for the year ending December 31, 2023, and No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*; and No. 101, *Compensated Absences*, effective for the year ending December 31, 2024. The County is, therefore, unable to disclose the impact that adopting GASB Statements No. 87, 94, 96, 99, 100, and 101 will have on its financial position and results of operations when such statements are adopted.

Stewardship, Compliance and Accountability

Legal Compliance—Budgets—Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund, Special Grants Fund, County Road Fund and the Road Machinery Fund. The Capital Projects Fund is appropriated on a project-length basis. Instead, appropriations are approved through a County Legislature resolution at the grant/project’s inception and lapse upon completion/termination of the grant/project.

The County’s annual procedures in establishing the budgetary data reflected in the basic financial statements are as follows:

- Prior to October 5th, the County Executive, submits to the County Legislature a tentative budget for the following fiscal year to commence on January 1st.
- The tentative budget includes expenditures and the sources of financing. Public hearings are conducted to obtain taxpayers’ comments.

- The Legislature acts on the tentative budget no later than the date of the second Board of Legislators’ meeting in November.
- The County Executive is authorized to approve budget transfers within departments and/or individual funds. However, revisions in excess of \$5,000 must be approved by the Legislature.
- Formal annual budgetary accounts are adopted and employed for control of all governmental funds except the Capital Projects Fund. Appropriations for all budgets lapse at fiscal year-end. Budgetary control over individual capital projects is provided by Legislative approval or bond authorizations and provision of bond indebtedness.

Additional information regarding the County’s budgets can be found in the Notes to the Required Supplementary Information section of this report.

2. RESTATEMENT OF NET POSITION

During the year ended December 31, 2021, the County determined that the Upper Mohawk Valley Memorial Auditorium Authority qualified for reporting as a blended component unit. The effect of this restatements to the County’s business-type activities is summarized as follows:

	<u>Business-type Activities</u>
Net position—December 31, 2020, as previously stated	\$ 47,090,679
Upper Mohawk Valley Memorial Auditorium Authority	<u>19,668,113</u>
Net position—December 31, 2020, as restated	<u>\$ 66,758,792</u>

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

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

Cash and cash equivalents at December 31, 2021, are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Fiduciary Fund</u>	<u>Total Balance</u>
Petty cash (uncollateralized)	\$ 7,712	\$ 200	\$ -	\$ 7,912
Deposits	<u>61,047,731</u>	<u>66,402,224</u>	<u>8,666,047</u>	<u>136,116,002</u>
Total	<u>\$ 61,055,443</u>	<u>\$ 66,402,424</u>	<u>\$ 8,666,047</u>	<u>\$ 136,123,914</u>

Deposits—All deposits are carried at fair value, and are classified by credit risk category as presented below:

	December 31, 2021	
	Bank Balance	Carrying Amount
Insured (FDIC)	\$ 2,462,980	\$ 1,998,549
Uninsured:		
Collateral held by bank's agent in County's name	134,818,804	134,117,453
Total deposits	<u>\$ 137,281,784</u>	<u>\$ 136,116,002</u>

Custodial Credit Risk—Deposits—Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. As noted above, by State statute all deposits in excess of FDIC insurance coverage must be collateralized. As of December 31, 2021, all of the County's deposits were insured or collateralized.

Restricted Cash—Total governmental activities restricted cash of \$38,576,873 represents \$17,697,151 restricted for County capital projects, \$20,622,491 to support unearned revenue, \$118,116 to support restricted fund balance, and \$139,115 of OTASC restricted cash. Total business-type activities restricted cash of \$54,911,060 represents restricted surcharges on sewer billings to be used for future projects of \$7,071,979, cash restricted for sewer capital projects held with a fiscal agent of \$6,701,095, cash restricted for workers' compensation of \$21,303,088 and UMVMAA restricted cash of \$19,834,898. In addition, the Custodial Fund reports restricted cash and cash equivalents of \$8,666,047 which represents cash held on behalf of others.

Deposits with Trustees—Under terms of OTASC's bond indenture agreements, \$4,665,625 is held at December 31, 2021 by a trust company to provide for various functions of bond repayments.

Discretely Presented Component Units

Oneida-Herkimer Solid Waste Authority

Cash and cash equivalents consist of cash deposits in banks, and other short-term investments, whether unrestricted or restricted, with an original maturity of three months or less. Cash deposits with financial institutions are either covered by federal depository insurance or collateralized by securities held by the pledging bank's trust department in OHSWMA's name, or U.S. Government and/or federal agency securities held by the Trustee. OHSWMA reported \$9,543,433 unrestricted cash and \$1,997,920 restricted cash at December 31, 2022. OHSWMA reported investments of \$31,690,968 at December 31, 2021. Short-term investments consist of money market funds with underlying investments in obligations of the U.S. government and repurchase agreements. Investments include certificates of deposit, Federal Agency Securities, and U.S. Treasury Bond State and Local Government Series.

OHSWMA categorizes its fair value measurements into the fair value hierarchy established by GASB Statement No. 72.

The authoritative guidance on fair value measurements establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of inputs used to measure fair value are presented on the following page.

- Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the entity has the ability to access.
- Level 2: Inputs to the valuation methodology include the following:
 - Quoted prices for similar assets or liabilities in active markets.
 - Quoted prices for identical or similar assets or liabilities in inactive markets.
 - Inputs other than quoted prices that are observable for the asset or liability.
 - Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

OHSWMA had the following investments and maturities at December 31, 2021:

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 29,211,448	\$ -	\$ 29,211,448
Federal agency securities	-	452,260	-	452,260
U.S. Treasury Bond State and Local Government Series	-	2,027,260	-	2,027,260
Total investments	<u>\$ -</u>	<u>\$ 31,690,968</u>	<u>\$ -</u>	<u>\$ 31,690,968</u>

Mohawk Valley Community College

At August 31, 2020, MVCC and its component units reported unrestricted cash and cash equivalents of \$20,420,810. MVCC's bank balances of \$17,998,516 were fully collateralized by securities held by an agent of the pledging financial institution in MVCC's name or FDIC insurance and were not exposed to custodial credit risk. MVCC's component units had deposits with trustees of \$512,418. These deposits represent bond proceeds not yet expended for new construction, and required reserves for debt service. MVCC's component units held \$11,376,759 of long-term investments at August 31, 2021. MVCC's long-term investments are measured at fair value, details are presented on the following page.

	August 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 120,548	\$ -	\$ -	\$ 120,548
U.S. government securities	-	130,637	-	130,637
Corporated debt securities	-	1,347,360	-	1,347,360
Unit investment trusts (a)	-	-	-	-
Exchange traded and mutual funds	<u>9,777,798</u>	<u>-</u>	<u>-</u>	<u>9,777,798</u>
Total investments	<u>\$ 9,898,346</u>	<u>\$ 1,477,997</u>	<u>\$ -</u>	<u>\$ 11,376,343</u>

4. RECEIVABLES

Property Taxes Receivable—The County has recorded property taxes receivable of \$23,217,483, offset by an allowance of \$177,252 for uncollectible amounts, at December 31, 2021.

Other Receivables—Represent amounts due from various sources. The County's other receivables at December 31, 2021 are shown below:

Governmental funds:

Various fees and charges:

General Fund	\$ 11,258,800
Debt Service Fund	437,309
Nonmajor funds	<u>201,403</u>
Total governmental funds	<u>\$ 11,897,512</u>

Enterprise funds:

Sewer Fund	<u>\$ 8,317,203</u>
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Intergovernmental Receivables—Intergovernmental receivables in the governmental funds primarily represent claims for reimbursement of expenditures in administering various mental health and social service programs. Amounts are net of related advances from New York State. The County also reports an intergovernmental receivable of \$28,125,000 from the Oneida Indian Nation, which represents the settlement of land claims amounts due on real property taxes. Under this settlement, the County will receive \$2.5 million per year through 2033. Amounts accrued at December 31, 2021 are shown below:

Governmental funds:

General Fund

Nation settlement long-term receivable	\$ 28,125,000
Due from State and Federal—social services	34,031,130
Due from State and Federal—other	32,507,308
Due from other governments	<u>13,811,382</u>
Total	<u>\$ 108,474,820</u>

Discretely Presented Component Units

Oneida-Herkimer Solid Waste Management Authority

Other Receivables—Receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. OHSWMA reported receivables, net of allowance for doubtful accounts of \$262,546, of \$3,722,356 at December 31, 2021.

Mohawk Valley Community College

Other Receivables—The following is a summary of the other receivables and their respective allowances reported by MVCC at August 31, 2021:

	Gross Receivable	Allowance	Net Receivable
Primary Institution:			
Tuition and fees receivable	\$ 1,815,757	\$ (205,000)	\$ 1,610,757
Due from related organization	612,240	-	612,240
Other receivables	694,570	-	694,570
Component Units:			
Tuition and fees receivable	716,631	(536,387)	180,244
Due from related organization	472,461	-	472,461
Other receivables	152,084	-	152,084
Total	<u>\$ 4,463,743</u>	<u>\$ (741,387)</u>	<u>\$ 3,722,356</u>

Student Loans Receivable—At August 31, 2021 MVCC reported student loans receivable of \$1,139,462, net of allowance for doubtful accounts of \$227,892.

Intergovernmental Receivables—At August 31, 2021, MVCC's primary institution reported intergovernmental receivables of \$9,889,349.

5. CAPITAL ASSETS

Governmental activities—Capital asset activity for the primary government’s governmental activities, for fiscal year ended December 31, 2021, was as presented below:

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
Capital assets, not being depreciated:				
Land	\$ 12,239,612	\$ 88,850	\$ -	\$ 12,328,462
Construction in progress	5,630,474	-	-	5,630,474
Total capital assets not being depreciated	<u>17,870,086</u>	<u>88,850</u>	<u>-</u>	<u>17,958,936</u>
Capital assets, being depreciated:				
Land improvements	2,246,691	4,950	-	2,251,641
Buildings and building improvements	292,988,255	15,233,492	(298,546)	307,923,201
Infrastructure	246,166,496	8,219,444	-	254,385,940
Equipment	71,480,793	1,827,778	(2,372,180)	70,936,391
Total capital assets being depreciated	<u>612,882,235</u>	<u>25,285,664</u>	<u>(2,670,726)</u>	<u>635,497,173</u>
Less accumulated depreciation for:				
Land improvements	(2,111,924)	(19,273)	-	(2,131,197)
Buildings and building improvements	(107,722,541)	(10,685,575)	7,464	(118,400,652)
Infrastructure	(124,408,078)	(9,773,350)	-	(134,181,428)
Equipment	(41,971,723)	(4,811,410)	2,232,780	(44,550,353)
Total accumulated depreciation	<u>(276,214,266)</u>	<u>(25,289,608)</u>	<u>2,240,244</u>	<u>(299,263,630)</u>
Total capital assets, being depreciated, net	<u>336,667,969</u>	<u>(3,944)</u>	<u>(430,482)</u>	<u>336,233,543</u>
Governmental activities capital assets, net	<u>\$ 354,538,055</u>	<u>\$ 84,906</u>	<u>\$ (430,482)</u>	<u>\$ 354,192,479</u>

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

General government support	\$ 2,944,133
Public safety	2,629,306
Public health	234,913
Transportation	19,220,589
Economic assistance and opportunity	145,929
Home and community service	114,738
Total	<u>\$ 25,289,608</u>

Business-type activities—Capital asset activity for the primary government’s business-type activities—Sewer, for fiscal year ended December 31, 2021, is as presented below:

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
Capital assets, not being depreciated:				
Construction in progress	\$ 86,384,718	\$ 15,186,599	\$ (86,381,639)	\$ 15,189,678
Total capital assets not being depreciated	<u>86,384,718</u>	<u>15,186,599</u>	<u>(86,381,639)</u>	<u>15,189,678</u>
Capital assets, being depreciated:				
Land improvements	53,682	-	-	53,682
Buildings and improvements	166,432,003	63,054,030	-	229,486,033
Infrastructure	45,819,654	49,578,199	(215,534)	95,182,319
Machinery and equipment	49,776,367	594,850	(31,768)	50,339,449
Total capital assets being depreciated	<u>262,081,706</u>	<u>113,227,079</u>	<u>(247,302)</u>	<u>375,061,483</u>
Less accumulated depreciation for:				
Land improvements	(53,682)	-	-	(53,682)
Buildings and building improvements	(28,491,124)	(7,503,689)	-	(35,994,813)
Infrastructure	(7,512,156)	(1,730,313)	215,534	(9,026,935)
Equipment	(48,084,166)	(170,137)	31,768	(48,222,535)
Total accumulated depreciation	<u>(84,141,128)</u>	<u>(9,404,139)</u>	<u>247,302</u>	<u>(93,297,965)</u>
Total capital assets, being depreciated, net	<u>177,940,578</u>	<u>103,822,940</u>	<u>-</u>	<u>281,763,518</u>
Business-type activities capital assets, net	<u>\$ 264,325,296</u>	<u>\$ 119,009,539</u>	<u>\$ (86,381,639)</u>	<u>\$ 296,953,196</u>

Business-type activities—Capital asset activity for the primary government’s business-type activities—Upper Mohawk Valley Memorial Auditorium Authority, for fiscal year ended December 31, 2021, is as presented below:

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
Capital assets, not being depreciated:				
Land	\$ 2,087,595	\$ -	\$ (2,925)	\$ 2,084,670
Construction in progress	<u>403,469</u>	<u>8,822,604</u>	<u>-</u>	<u>9,226,073</u>
Total capital assets not being depreciated	<u>2,491,064</u>	<u>8,822,604</u>	<u>(2,925)</u>	<u>11,310,743</u>
Capital assets, being depreciated:				
Buildings and building improvements	24,144,671	25,193	-	24,169,864
Equipment	<u>1,948,933</u>	<u>96,849</u>	<u>-</u>	<u>2,045,782</u>
Total capital assets being depreciated	<u>26,093,604</u>	<u>122,042</u>	<u>-</u>	<u>26,215,646</u>
Less accumulated depreciation for:				
Buildings and building improvements	(5,511,588)	(1,086,974)	-	(6,598,562)
Equipment	<u>(1,035,891)</u>	<u>(144,263)</u>	<u>-</u>	<u>(1,180,154)</u>
Total accumulated depreciation	<u>(6,547,479)</u>	<u>(1,231,237)</u>	<u>-</u>	<u>(7,778,716)</u>
Total capital assets, being depreciated, net	<u>19,546,125</u>	<u>(1,109,195)</u>	<u>-</u>	<u>18,436,930</u>
Business-type activities capital assets, net	<u>\$ 22,037,189</u>	<u>\$ 7,713,409</u>	<u>\$ (2,925)</u>	<u>\$ 29,747,673</u>

Discretely Presented Component Units

Oneida-Herkimer Solid Waste Management Authority

Capital asset balances for OHSWMA were as follows:

	Balance 12/31/2021
Construction in progress	\$ 6,639,309
Land	3,393,056
Land improvements	49,821,649
Buildings and improvements	27,896,112
Equipment and machinery	12,356,033
Vehicles	10,627,262
Office equipment	<u>374,070</u>
Total capital assets	111,107,491
Less: accumulated depreciation	<u>(61,651,720)</u>
Total capital assets, net	<u>\$ 49,455,771</u>

Mohawk Valley Community College

Capital asset activity for MVCC was as follows:

	Balance 9/1/2020	Additions	Deletions	Balance 8/31/2021
Capital assets, not being depreciated:				
Construction in progress	\$ 112,096	\$ 394,433	\$ (112,096)	\$ 394,433
Total capital assets not being depreciated	<u>112,096</u>	<u>394,433</u>	<u>(112,096)</u>	<u>394,433</u>
Capital assets, being depreciated:				
Buildings and improvements	134,163,848	761,612	-	134,925,460
Vehicles, equipment, and library books	<u>22,262,045</u>	<u>129,449</u>	<u>(14,358)</u>	<u>22,377,136</u>
Total capital assets being depreciated	<u>156,425,893</u>	<u>891,061</u>	<u>(14,358)</u>	<u>157,302,596</u>
Less accumulated depreciation for:				
Buildings and improvements	(81,864,420)	(2,346,378)	-	(84,210,798)
Vehicles, equipment, and library books	<u>(18,246,395)</u>	<u>(878,185)</u>	<u>14,358</u>	<u>(19,110,222)</u>
Total accumulated depreciation	<u>(100,110,815)</u>	<u>(3,224,563)</u>	<u>14,358</u>	<u>(103,321,020)</u>
Total capital assets, being depreciated, net	<u>56,315,078</u>	<u>(2,333,502)</u>	<u>-</u>	<u>53,981,576</u>
Total capital assets, net	<u>\$ 56,427,174</u>	<u>\$ (1,939,069)</u>	<u>\$ (112,096)</u>	<u>\$ 54,376,009</u>

In addition to the capital assets reported above, MVCC reports net capital assets of its discretely presented component units in the amount of \$9,349,300 of capital assets being depreciated, net.

6. ACCRUED LIABILITIES

Accrued liabilities reported by governmental funds at December 31, 2021, were as follows:

	General Fund	Nonmajor Funds	Total Governmental Funds
Salary and employee benefits	\$ 7,688,248	\$ 306,776	\$ 7,995,024
Other liabilities	<u>25,608,324</u>	<u>-</u>	<u>25,608,324</u>
Total	<u>\$ 33,296,572</u>	<u>\$ 306,776</u>	<u>\$ 33,603,348</u>

7. PENSION PLANS

Plan Description and Benefits Provided

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

The System is noncontributory, except for employees who joined the ERS after July 27, 1976 who contribute three percent (3%) of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010, who generally contribute three percent (3%) to three and one half percent (3.5%) of their salary for their entire length of service. In addition, employee contribution rates under ERS Tier VI vary based on a sliding salary scale. The Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the System's fiscal year ending March 31.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2021, the County reported the liabilities shown on the following page for their proportionate share of the net pension liability for ERS. The net pension liability was measured as of March 31, 2021. The total pension liability used to calculate the net pension liability was determined by actuarial valuations as of April 1, 2020, with update procedures used to roll forward the total net pension liability to the measurement date. The County's proportion of the net pension liability was based on projections of the County's long-term share of contributions to the System relative to the projected contributions of all participating members, actuarially determined. This information was provided by the System in reports provided to the County.

	Governmental Activities	Business-type Activities
	ERS	
Measurement date	March 31, 2021	March 31, 2021
Net pension liability	\$ 298,605	\$ 9,370
County's portion of the Plan's total net pension liability	0.2998787%	0.0094101%

For the year ended December 31, 2021, the County recognized pension expenses of \$6,647,157 and \$208,583 for ERS for governmental activities and business-type activities, respectively. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities
	ERS			
Differences between expected and actual experiences	\$ 3,646,776	\$ 114,433	\$ -	\$ -
Changes of assumptions	54,903,828	1,722,842	1,035,502	32,493
Net difference between projected and actual earnings on pension plan investments	-	-	85,776,939	2,691,618
Changes in proportion and differences between the County's contributions and proportionate share of contributions	1,296,400	40,681	1,672,167	52,471
County contributions subsequent to the measurement date	<u>10,368,458</u>	<u>346,802</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 70,215,462</u>	<u>\$ 2,224,758</u>	<u>\$ 88,484,608</u>	<u>\$ 2,776,582</u>

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

Year Ending December 31,	Governmental Activities	Business-type Activities
	ERS	
2022	\$ (5,265,574)	\$ (165,230)
2023	(2,009,699)	(63,063)
2023	(4,770,592)	(149,698)
2024	(16,591,739)	(520,635)

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

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

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

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

	ERS	
	Target Allocation	Long-Term Expected Real Rate of Return
Measurement date	March 31, 2021	
Asset class:		
Domestic equities	32.0 %	4.1 %
International equities	15.0	6.3
Private equity	10.0	6.8
Real estate	9.0	5.0
Opportunistic portfolio/Absolute return strategies	3.0	4.5
Credit	4.0	3.6
Real assets	3.0	6.0
Fixed income	23.0	0.0
Cash	1.0	0.5
Total	<u>100 %</u>	

Discount Rate—The discount rate used to calculate the total pension liabilities was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Governmental activities:			
Employer's proportionate share of the net pension liability/(asset)—ERS	\$ 82,881,197	\$ 298,605	\$ (75,861,872)
Business-type activities:			
Employer's proportionate share of the net pension liability/(asset)—ERS	\$ 2,600,751	\$ 9,370	\$ (2,380,490)

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

	(Dollars in Thousands)
	ERS
Valuation date	April 1, 2020
Employers' total pension liability	\$ 220,680,157
Plan fiduciary net position	220,580,583
Employers' net pension liability	<u>\$ 99,574</u>
System fiduciary net position as a percentage of total pension liability	100.0%

Discretely Presented Component Units

Oneida-Herkimer Solid Waste Management Authority

OHSWMA also participates in the ERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Inflows of Resources Related to Pensions—At December 31, 2021, OHSWMA reported a net pension liability of \$14,354 for its proportionate share of the net pension liability. At the March 31, 2021 measurement date, OHSWMA’s proportion was 0.0141157%.

For the year ended December 31, 2021, OHSWMA recognized pension expense of \$334,702. At December 31, 2021, OHSWMA reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown below:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	ERS	
Differences between expected and actual experiences	\$ 175,305	\$ -
Change of assumptions	2,639,290	49,778
Net difference between projected and actual earnings on pension plan investments	-	4,123,396
Changes in proportion and differences between the OHSWMA's contributions and proportionate share of contributions	28,928	9,385
OHSWMA contributions subsequent to the measurement date	521,233	-
Total	<u>\$ 3,364,756</u>	<u>\$ 4,182,559</u>

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

Year Ending December 31,	ERS
2022	\$ (240,988)
2023	(83,064)
2024	(223,486)
2025	(791,498)

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

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension liability/(asset)—ERS	\$ 3,984,195	\$ 14,354	\$ (3,646,768)

The actuarial assumptions, asset allocations and pension plan fiduciary net position are the same as those disclosed for the System within the County's portion of the footnote.

Mohawk Valley Community College

MVCC participates in the ERS and the Teachers' Retirement System ("TRS").

Plan Description and Benefits Provided

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

Teachers' Retirement System—MVCC participates in the New York State Teachers' Retirement System ("TRS"). This is a cost-sharing multiple-employer retirement system. TRS provides retirement benefits as well as death and disability benefits to plan members and beneficiaries as authorized by the Education Law and Retirement and the New York State Retirement and Social Security Law ("NYSRSSL"). TRS is governed by a 10 member Board of Trustees. TRS benefits are established under New York State Law. Membership is mandatory and automatic for all full-time teachers, teaching assistants, guidance counselors and administrators employed in New York State Public Schools and BOCES who elect to participate in TRS. Once a public employer elects to participate in TRS, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Additional information regarding TRS may be obtained by writing to the New York State Teachers' Retirement System, 10 Corporate Woods Drive, Albany, NY 12211-2395 or by referring to the NYSSTR Comprehensive Annual Financial Report which can be found on TRS' website at www.nystrs.org.

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Inflows of Resources Related to Pensions—At August 31, 2021, MVCC reported on the following page the liability/(asset) for its proportionate share of the net pension liabilities for each of the Systems. The net pension liability/(asset) were measured as of March 31, 2021 for ERS and June 30, 2020 for TRS. The total pension liabilities used to calculate the net pension liability/(asset) were determined by actuarial valuations as of April 1, 2020 for ERS and June 30, 2020 for TRS. MVCC's proportion of the net pension liability/(asset) were based on a projection of MVCC's long-term share of contributions to the Systems relative to the projected contributions of all participating members, actuarially determined. This information was provided by ERS and TRS in reports provided to MVCC.

	<u>TRS</u>	<u>ERS</u>
Measurement date	June 30, 2021	March 31, 2021
Net pension liability/(asset)	\$ (3,496,692)	\$ 46,019
MVCC's portion of the Plan's total		
Net pension liability/(asset)	0.02018%	0.04622%

For the year ended August 31, 2021, MVCC recognized a pension expense of \$(332,956) for the TRS and pension expense of \$861,070 for ERS. At August 31, 2021, MVCC reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown below.

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>TRS</u>	<u>ERS</u>	<u>TRS</u>	<u>ERS</u>
Differences between expected and actual experiences	\$ 481,982	\$ 562,020	\$ 18,167	\$ -
Change of assumptions	1,150,135	8,461,457	203,672	159,586
Net difference between projected and actual earnings on pension plan investments	-	-	3,659,650	13,219,440
Changes in proportion and differences between MVCC's contributions and proportionate share of contributions	308,613	199,794	151,465	257,704
MVCC's contributions subsequent to the measurement date	53,983	683,158	-	-
Total	<u>\$ 1,994,713</u>	<u>\$ 9,906,429</u>	<u>\$ 4,032,954</u>	<u>\$ 13,636,730</u>

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

<u>Year Ending August 31,</u>	<u>TRS</u>	<u>ERS</u>
2022	\$ (414,798)	\$ (811,500)
2023	(504,412)	(309,723)
2024	(654,721)	(735,216)
2025	(867,177)	(2,557,020)
2026	209,580	-
Thereafter	139,304	-

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

	TRS	ERS
Measurement date	June 30, 2021	March 31, 2021
Actuarial valuation date	June 30, 2020	April 1, 2020
Interest rate	6.95%	5.90%
Salary scale	1.95%-5.18%	4.40%
Decrement tables	July 1, 2015 June 30, 2020	April 1, 2015- March 31, 2020
Inflation rate	2.4%	2.7%
Cost-of-living adjustment	1.3%	1.3%

For TRS, annuitant mortality rates are based on July 1, 2015 - 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 equities and fixed income as well as historical investment data and plan performance. Best estimates of arithmetic real rates of return for each major asset class included in the Systems' target asset allocation is summarized in the table below:

	Target Allocation		Long-Term Expected Real Rate of Return	
	TRS	ERS	TRS	ERS
			June 30, 2021	March 31, 2021
Measurement date				
Asset class:				
Domestic equities	33.0 %	32.0 %	7.1 %	4.1 %
International equities	16.0	15.0	7.7	6.3
Global equities	4.0	0.0	7.4	0.0
Private equity	8.0	10.0	10.4	6.8
Real estate	11.0	9.0	6.8	5.0
Opportunistic portfolio/Absolute return strategies	0.0	3.0	0.0	4.5
Credit	0.0	4.0	0.0	3.6
Domestic fixed income securities	16.0	0.0	1.8	0.0
Global fixed income securities	2.0	0.0	1.0	0.0
High-yield fixed income securities	1.0	0.0	0.0	0.0
Opportunistic portfolio	0.0	0.0	0.0	4.7
Private debt	1.0	0.0	5.2	0.0
Real assets	0.0	3.0	3.9	6.0
Bonds and mortgages	7.0	0.0	0.0	0.0
Fixed income	0.0	23.0	3.6	0.0
Cash	1.0	1.0	0.7	0.5
Total	<u>100.0 %</u>	<u>100.0 %</u>		

Discount Rate—The discount rate used to calculate the total pension liability/(asset) was 6.95% for TRS and 5.90% for ERS for the year ending August 31, 2021. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities/(assets).

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

	1% Decrease (5.95%)	Current Assumption (6.95%)	1% Increase (7.95%)
TRS			
Employer's proportionate share of the net pension/(asset)	\$ (366,927)	\$ (3,496,692)	\$ (6,127,032)
ERS			
Employer's proportionate share of the net pension liability/(asset)	\$ 12,773,165	\$ 46,019	\$ (11,691,388)

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

	(Dollars in Thousands)		
	TRS	ERS	Total
Valuation date	June 30, 2020	April 1, 2020	
Employers' total pension liability	\$ 130,819,415	\$ 220,680,157	\$ 351,499,572
Plan fiduciary net position	148,148,457	220,580,583	368,729,040
Employers' net pension liability/(asset)	<u>\$ (17,329,042)</u>	<u>\$ 99,574</u>	<u>\$ (17,229,468)</u>
System fiduciary net position as a percentage of total pension liability/(asset)	113.2%	100.0%	104.9%

Payables to the Pension Plan—At August 31, 2021, MVCC recorded a payable due to TRS in the amount of \$53,983, and a payable due to ERS in the amount of \$683,158.

8. OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) OBLIGATIONS

Plan Description—Oneida County provides medical and prescription drug insurance benefits for retirees, spouses, and their covered dependents while contributing a portion of the expenses. Such postemployment benefits are an included value in the exchange of salaries and benefits for employee services rendered. An employee’s total compensation package includes not only the salaries and benefits received during active service, but all compensation and benefits received for their services during postemployment. Nevertheless, both types of benefits constitute compensation for employee services. The County provides five separate medical plans and four separate prescription drug plans, with medical and prescription drug plans paired together and available to various members.

Employees Covered by Benefit Terms—For the year ended December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	351
Active employees	<u>1,319</u>
Total	<u>1,670</u>

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

Total OPEB Liability

The County’s primary government total OPEB liability of \$130,558,737 was measured as of January 1, 2021, and was determined by an actuarial valuation as of the same date.

Actuarial Methods and Assumptions—Calculations are based on the types of benefits provided under the terms of the substantive plan, the plan as understood by the employer and plan members, at the time of the valuation and on the pattern of cost sharing between the employer and plan members. The projection of benefits does not incorporate the potential effect of a change in the pattern of cost sharing between the employer and plan members in the future. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designated to reduce short-term volatility.

In the January 1, 2021 actuarial valuation, the Entry Age Normal over a level percent of pay was used. The discount rate was updated to 2.12% at December 31, 2021 from 2.74% at December 31, 2020. The RPH-2014 Mortality Table adjusted back to 2006 using scale MP-2014 and projected forward using scale MP-2020 was used. The rates of decrement due to turnover and retirement are based on the experience under the New York State & Local Retirement System as prepared by the Department of Civil Service’s actuarial consultant report entitled “Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45 Valuation (June 2019)”. The actuarial assumptions included annual healthcare cost trend rate for Pre-65 of 7.50% initially, decreased by increments to an ultimate rate of 4.04%.

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

	Total OPEB Liability	
	Governmental Activities	Business-type Activities
Balances at December 31, 2020:	\$ 94,942,264	\$ 2,922,744
Changes for the year:		
Service cost	4,042,405	120,963
Interest	2,685,465	80,359
Changes of assumptions	10,617,151	317,704
Differences between expected and actual experience	(6,854,418)	(205,109)
Changes in benefit terms	23,361,924	699,073
Benefit payments	<u>(2,029,336)</u>	<u>(142,452)</u>
Net changes	<u>31,823,191</u>	<u>870,538</u>
Balances at December 31, 2021:	<u>\$ 126,765,455</u>	<u>\$ 3,793,282</u>

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

	1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
Governmental activities:			
Total OPEB liability	\$ 155,663,039	\$ 126,765,455	\$ 104,713,080
Business-type activities:			
Total OPEB liability	\$ 4,658,003	\$ 3,793,282	\$ 3,133,395

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the total OPEB liability of a 1% change in current health cost trend rates as reported by the County’s actuary:

	1% Decrease (6.5%/3.04%)	Healthcare Cost Trend Rates (7.5%/4.04%)	1% Increase (8.5%/5.04%)
Governmental activities:			
Total OPEB liability	\$ 102,238,717	\$ 126,765,455	\$ 160,041,425
Business-type activities:			
Total OPEB liability	\$ 3,059,353	\$ 3,793,282	\$ 4,789,020

Funding Policy—Members who retired prior to January 1, 1994 contribute 50% of the premium for individual coverage and 65% of the excess of the two-person/family premium over the individual premium to cover dependents. Members who retired after January 1, 1994 contribute 50% of the premium for individual coverage and 100% of the excess of the two-person/family premium over the individual premium to cover dependents. There are 33 current retirees who contribute 20% as part of a retirement incentive offered between December 2005 and February 2006. Surviving spouses may continue coverage at 100% of the individual premium cost. The County does not issue a publicly available report. The County recognizes the cost of providing these benefits by expensing the annual insurance premiums when invoiced by the health insurance provider. For the year ended December 31, 2021, the County’s governmental activities and business-type activities recognized OPEB expense of \$29,964,064 and \$896,633, respectively. The County’s contributions to the plan are based on negotiated contracts with bargaining units, as discussed in Note 14. Any amendments to the employer’s contributions are subject to the bargaining units.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—The County reports deferred outflows of resources due to changes of assumptions and contributions subsequent to the measurement date and deferred inflows of resources due to differences during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. The table below presents the County’s deferred outflows and deferred inflows of resources at December 31, 2021.

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Changes of assumptions	\$ 21,228,863	\$ 635,245	\$ -	\$ -
Differences between expected and actual experience	-	-	19,114,661	571,980
Contributions subsequent to the measurement date	<u>2,248,665</u>	<u>67,288</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 23,477,528</u>	<u>\$ 702,533</u>	<u>\$ 19,114,661</u>	<u>\$ 571,980</u>

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

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2022	\$ (125,730)	\$ (3,762)
2023	(125,730)	(3,762)
2024	(125,730)	(3,762)
2025	(340,246)	(10,181)
2026	1,875,135	56,111
Thereafter	956,503	28,621

Discretely Presented Component Units

Oneida-Herkimer Solid Waste Management Authority

Plan Description— OHSWMA provides health care benefits for eligible retire employees comprised of a 50% monthly premium contribution toward their health insurance costs. Eligible retirees may also have a spouse and dependents covered at the retired employees’ expense. Healthcare benefits are provided through insurance companies whose premiums are based on the benefits provided.

Employees Covered by Benefit Terms—The benefit plan is administered and accounted for as a single-employer defined benefit plan. A summary of active employees and retired employees covered under this benefit plan as of December 31, 2021 is as follows:

Active employees	20
Retirees	<u>4</u>
Total	<u>24</u>

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

Total OPEB Liability— OHSWMA’s total OPEB liability of \$3,192,658 was measured as of January 1, 2021, and was determined by an actuarial valuation as of January 1, 2020.

Actuarial Methods and Assumptions—The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions:

Assumptions	Factor
Valuation date	January 1, 2021
Measurement date	January 1, 2020
Reporting date	December 31, 2021
Actuarial cost method	Entry age normal - level percent of pay
Discount rate:	
2021	2.12%
2020	2.74%
Health care cost trend rates	Society of Actuaries Long-Run Medical Cost Trend Model
Salary scale	3.50%
Inflation	2.20%
Mortality	RPH-2014 Mortality Table for Health Annuitants, sex distinct, with generationals mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2019.

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

	<u>Total OPEB Liability</u>
Balance at December 31, 2020:	\$ 2,378,044
Changes for the year:	
Service cost	73,448
Interest	66,627
Changes to benefit terms	494,303
Changes in assumptions and other inputs	219,837
Benefit payments	<u>(39,601)</u>
Net changes	814,614
Balance at December 31, 2021	<u>\$ 3,192,658</u>

Sensitivity of the Total OPEB Liability to the Change in the Discount Rate and Healthcare Cost Trend Rate—The table below presents the OPEB liability of the plan as of December 31, 2021, calculated using the discount rate of 2.12%, as well as what the OPEB liability would be if it were calculated using a discount rate that are 1% lower or 1% higher than the current rate.

	<u>1% Decrease (1.12%)</u>	<u>Current Discount Rate (2.12%)</u>	<u>1% Increase (3.12%)</u>
Total OPEB liability	\$ 3,830,421	\$ 3,192,658	\$ 2,698,593

The following presents the OPEB liability of the plan as of December 31, 2021 using current health care cost trend rates as well as what the OPEB liability would be if it were calculated using health care cost trend rates that is 1% lower and 1% higher than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 2,635,818	\$ 3,192,658	\$ 3,930,306

Funding Policy—The contribution requirements of benefit plan members and OHSWMA are established pursuant to applicable collective bargaining and employment agreements. The required rates of the employer and the members may vary depending on the applicable agreement. OHSWMA is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the year ended December 31, 2021 OHSWMA paid \$39,601 on behalf of the plan members. The benefit plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the benefit plan.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—OHSWMA reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. The table on the following page presents OHSWMA’s deferred outflows of resources and deferred inflows of resources at December 31, 2021.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 556,626	\$ 130,967
Differences between expected and actual experience	-	428,989
Contributions subsequent to the measurement date	55,923	-
Total	<u>\$ 612,549</u>	<u>\$ 559,956</u>

OHSWMA’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending December 31, 2022. The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as presented below.

<u>Year ending December 31,</u>	
2022	\$ (14,894)
2023	(14,894)
2024	(18,681)
2025	6,916
2026	33,912
Thereafter	4,311

Mohawk Valley Community College

Plan Description—MVCC sponsors and administers an employer defined benefit plan (Blue Cross/Blue Shield Traditional) for Professional Association, Administrators’ Association and Exempt Employees (the “Plan”) which provides postemployment health insurance coverage to its retired employees meeting certain qualifications (i.e. Age 55 with 5 years of full-time continuous service). Employees belonging to United Public Service Employees Union are covered under a choice of three plans (RMSCO PPO, RMSCO Traditional, and RMSCO MVP) administered by the County. Substantially all employees may become eligible for these benefits if they reach normal retirement age while working for MVCC. Benefit provisions are established and may be amended by MVCC’s Board of Trustees. The plan does not issue a standalone publicly available report since no assets are accumulated in a trust that meets the criteria of GASB No. 75, paragraph 4.

Employees Covered by Benefit Terms—At September 1, 2020 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	170
Active employees	<u>382</u>
Total	<u>552</u>

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

Total OPEB Liability—MVCC’s total OPEB liability of \$29,195,998 was measured as of September 1, 2020 and was determined by an actuarial valuation as of the same date.

Actuarial Methods and Assumptions—In the September 1, 2020 actuarial valuation, the entry age normal method, over a level percent of pay was used. The single discount rate is 2.20% effective September 1, 2020 compared to 2.97% effective September 1, 2019. In order to estimate the change in the cost of healthcare, the actuaries initial healthcare cost trend rate used is 7.0%, while the ultimate healthcare cost trend rate is 4.04%.

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

	Total OPEB Liability
Balance at August 31, 2020:	\$ 29,473,574
Changes for the year:	
Service cost	1,321,405
Interest	902,826
Changes in benefit terms	(1,739,077)
Differences between expected and actual experience	(2,477,911)
Changes of assumptions	2,508,767
Benefit payments	(793,586)
Net changes	(277,576)
Balance at August 31, 2021	<u>\$ 29,195,998</u>

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

	1% Decrease (1.20%)	Current Discount Rate (2.20%)	1% Increase (3.20%)
Total OPEB liability	\$ 34,249,401	\$ 29,195,998	\$ 25,149,708

Additionally, healthcare costs can be subject to considerable volatility over time. The following table presents the effect on the total OPEB liability of a 1% change in current health cost trend rates as reported by MVCC’s actuary:

	1% Decrease (6.0%/3.04%)	Healthcare Cost Trend Rates (7.0%/4.04%)	1% Increase (8.0%/5.04%)
Total OPEB liability	\$ 24,482,248	\$ 29,195,998	\$ 35,363,850

Eligibility and Funding Policy—MVCC pays the following percentages of health insurance premiums for the various employee groups:

- Professional Association
 - Retired before January 1, 1994 – 50% individual and 35% for spouse/family
 - Retired on or after January 1, 1994 – 50% individual only
 - Effective September 1, 2009, up to five retirees per year receive \$300 per day of accrued sick leave, up to \$36,000, credited to pay the retiree’s share of health insurance premiums. Once these funds have been exhausted payment reverts to 50% of the individual only.

- Administrators Association and Exempt Employees
 - Retired before June 28, 2007, members receive at a rate of one month of paid health insurance for every two days of accrued sick leave. (Members joining after June 28, 2007, do not receive this benefit; instead, up to one retiree per year receives \$300 per day of accrued sick leave, up to \$36,000, credited to pay the retiree’s share of health insurance premiums. Once these funds have been exhausted payment reverts to 50% of the individual only)
 - Retired before January 1, 1994 – 50% individual and 35% for spouse/family
 - Retired on or after January 1, 1994 – 50% individual

- United Public Service Employee Union
 - Retired before January 1, 1994 – 50% individual and 35% for spouse/family
 - Retired on or after January 1, 1994 – 50% individual

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB—MVCC reports deferred outflows of resources and deferred inflows of resources due to differences during the measurement period between certain of the employer’s contributions and its proportionate share of the total of certain contributions from employers included in the collective total OPEB liability. The table below presents MVCC’s deferred outflows and inflows of resources at August 31, 2021.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 4,364,301	\$ 3,130,895
Differences between expected and actual experience	-	3,715,403
Contributions subsequent to the measurement date	871,628	-
Total	<u>\$ 5,235,929</u>	<u>\$ 6,846,298</u>

MVCC’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending August 31, 2022. Other amounts reported as deferred outflows and deferred inflow of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending August 31,</u>	
2022	\$ (885,937)
2023	(885,937)
2024	(832,100)
2025	(256,432)
2026	374,421
Thereafter	3,988

9. RISK MANAGEMENT

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

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

The County is exposed to various risks of loss related to damage and destruction of assets, vehicle liability, injuries to employees, health insurance, and unemployment insurance. One such risk is associated with its workers’ compensation program. The County’s program is self-insured and is accounted for in the Workers’ Compensation Fund. The program provides for the participation of other municipalities within the County and is administered by the County’s Workers’ Compensation Board.

All funds of the County participate in the program and make payments to the Workers’ Compensation Fund. Payments from other funds and component units are determined by two methods. The first method reimburses the risk management fund by assessment against County organizations based upon actual claims history for the preceding five years (a rolling average). The second method results in charges to County organizations based upon pro-rata taxable base value.

The estimated accrued claims of \$18,480,000, net of \$558,096 and \$7,444,749 owed from the Sewer Fund and governmental activities, respectively, are recognized in the Workers’ Compensation Fund at December 31, 2021 based on the evaluation that it is probable that a liability has been incurred and the amount of the loss can be reasonable estimated. A receivable/payable has been recorded for amounts due from/to other municipalities that participate in the program. The changes since December 31, 2019 in the total workers’ compensation accrued claims liabilities were as follows:

Year Ended December 31,	Beginning of Year Liability	Claims and Changes in Estimates	Claims Payments	Balance at Year End
2021	\$ 18,380,001	\$ 12,991,697	\$ 12,891,698	\$ 18,480,000
2020	20,298,000	10,835,668	12,753,667	18,380,001

The County's portion of their liability is recorded within the governmental activities and Sewer Fund. Governmental activities and the Sewer Fund have recorded liabilities for workers' compensation claims in the amount of \$7,444,749 and \$558,096, at December 31, 2021, respectively. The County utilizes a third-party administrator who is responsible for, processing claims. Liabilities for the program have been estimated by an independent actuary.

In addition to its workers' compensation program, the County is self-insured for the major medical portion of its health insurance. Under this program, the County accounts in the General Fund for claims in the General Fund with maximum exposure of \$300,000 per person per year.

County employees are entitled to coverage under the New York State Unemployment Insurance Law. The County has elected to discharge its liability to the New York State Unemployment Insurance Fund by the benefit reimbursement method, a dollar-to-dollar reimbursement to the fund for benefits paid from the fund to former County employees and charged to the County's account.

The County purchases commercial insurance for all other risks of loss. Coverage includes policies for general liability, automobile, and police protection. These three lines have a combined stop loss aggregate in the amount of \$550,000. Other miscellaneous policies provide coverage with varying immaterial deductibles per individual claims.

Pending Litigation—The County is involved in litigation arising in the ordinary course of its operations. The County has recorded a liability of \$300,000 as of December 31, 2021 for such claims.

10. LEASE OBLIGATIONS

During the year ended December 31, 2018, the County executed a lease agreement to lease certain emergency services equipment in the amount of \$4,400,000. The lease was issued at an interest rate of 3.11% with principal payments made annually beginning in 2019, with the final payment scheduled for 2025.

During the year ended December 31, 2019, the County executed an energy performance lease contract for improvements to the County's airport in the amount of \$15,512,000. The lease was issued at an interest rate of 4.14% with principal payments made annually beginning in 2020, with the final payment scheduled for 2034. During the year ended December 31, 2021, the County refinanced this lease in the amount of \$21,466,940. Of this amount, \$13,933,076 was used to pay down the existing 2019 debt, \$5,360,860 was used toward capital purposes and the remaining balance of \$2,173,005 has not been spent as of December 31, 2021.

During the year ended December 31, 2020, the County executed a lease agreement to lease certain radio and tower equipment in the amount of \$1,349,000. The lease was issued at an interest rate of 2.28% with principal payments made annually beginning in 2021, with the final payment scheduled for 2023.

The table below summarizes requirements of the County’s capital leases:

Year Ending December 31,	Principal
2022	\$ 2,680,332
2023	2,680,332
2024	2,220,490
2025	2,220,492
2026	1,591,919
2027-2031	7,959,593
2032-2036	7,959,324
2037 and thereafter	<u>4,775,755</u>
Total payments	32,088,237
Interest	<u>(7,503,954)</u>
Total	<u>\$ 24,584,283</u>

11. LONG-TERM LIABILITIES

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

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

The County’s outstanding long-term liabilities include bonds payable, accreted interest, capital leases, workers’ compensation, compensated absences liability, other post-employment benefits (“OPEB”) obligations, retirement obligations, claims and judgments, and net pension liability.

A summary of changes in the County's long-term debt at December 31, 2021 is shown below:

	Balance 1/1/2021 (as restated)	Additions	Reductions	Balance 12/31/2021	Due Within One Year
Governmental activities:					
Bonds payable	\$ 139,693,414	\$ 16,219,000	\$ 24,356,489	\$ 131,555,925	\$ 18,007,320
Bonds payable - MVCC	15,436,775	776,000	1,703,195	14,509,580	1,673,830
Unamortized bond premium	<u>2,872,718</u>	<u>1,071,568</u>	<u>517,903</u>	<u>3,426,383</u>	<u>507,682</u>
Net bonds payable	158,002,907	18,066,568	26,577,587	149,491,888	20,188,832
OTASC bonds and accreted interest	98,863,497	5,098,751	800,000	103,162,248	-
Unamortized discount	<u>(373,149)</u>	<u>-</u>	<u>(15,179)</u>	<u>(357,970)</u>	<u>(15,179)</u>
Net OTASC bonds	98,490,348	5,098,751	784,821	102,804,278	(15,179)
Capital lease	18,864,914	21,466,940	15,747,571	24,584,283	1,919,928
Workers' compensation	7,211,227	5,415,985	5,182,463	7,444,749	372,237
Compensated absences	4,115,871	6,977,343	7,305,058	3,788,156	189,408
OPEB obligation	94,942,264	40,706,945	8,883,754	126,765,455	-
Retirement obligations	3,311,930	-	796,750	2,515,180	821,955
Claims and judgments	215,772	84,228	-	300,000	-
Net pension liability*	<u>77,212,471</u>	<u>-</u>	<u>76,913,866</u>	<u>298,605</u>	<u>-</u>
Total governmental activities	<u>\$ 462,367,704</u>	<u>\$ 97,816,760</u>	<u>\$ 142,191,870</u>	<u>\$ 417,992,594</u>	<u>\$ 23,477,181</u>
Business-type activities:					
Bonds payable and EFC notes payable	\$ 243,016,666	\$ 33,701,364	\$ 8,439,819	\$ 268,278,211	\$ 7,633,898
Unamortized premium	<u>49,901</u>	<u>-</u>	<u>32,236</u>	<u>17,665</u>	<u>17,665</u>
Net serial bonds	243,066,567	33,701,364	8,472,055	268,295,876	7,651,563
UMVMAA bonds, notes, and mortgages payable	2,349,170	31,805,000	1,675,679	32,478,491	54,336
Workers' compensation	11,168,774	7,575,712	7,709,235	11,035,251	551,763
Compensated absences	96,138	260,332	239,004	117,466	5,873
OPEB obligation	2,922,744	1,218,099	347,561	3,793,282	-
Retirement obligations	104,864	-	25,824	79,040	44,649
Net pension liability*	<u>2,432,994</u>	<u>-</u>	<u>2,423,624</u>	<u>9,370</u>	<u>-</u>
Total business-type activities	<u>\$ 262,141,251</u>	<u>\$ 74,560,507</u>	<u>\$ 20,892,982</u>	<u>\$ 315,808,776</u>	<u>\$ 8,308,184</u>

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

Bonds Payable—The County issues bonds to provide funds for the acquisition and construction of major capital facilities. This policy enables the cost of these capital assets to be borne by the present and future taxpayers receiving the benefit of the capital assets. Bonds have been issued for both governmental and business-type activities.

On April 6, 2021, the County issued \$6,195,000 of Public Improvement Refunding Bonds at a premium of \$1,071,568. Of this amount, \$6,082,000 was issued for County activities and \$113,000 was issued on behalf of MVCC. The refunding bonds refunded the previously outstanding 2013 Public Improvement Serial Bonds. The refunding bonds were issued at an interest rate of 5.0 percent. Principal payments begin in 2022 and the bonds mature in 2028.

On May 18, 2021, the County issued \$10,800,000 of 2021 Public Improvement Serial Bonds. Of this amount, \$10,137,000 was issued for County activities and \$663,000 was issued on behalf of MVCC. The serial bonds were issued at interest rates ranging from 0.5-2.0 percent. Principal payments begin in 2022 and the bonds mature in 2035.

On September 24, 2020, the County entered into an agreement with the Environmental Facilities Corporation (“EFC”) to issue notes in the amount not to exceed \$78,277,215. The EFC notes were issued at interest rates ranging from 0.00-0.33% and mature in 2025. In previous years the County had drawn down a total of \$4,051,347. During the year, the County drew down an additional \$33,701,364 which has been recorded as an increase to the long-term liability recorded within business-type activities.

Defeased Debt—On March 27, 2013 and October 25, 2017 the County defeased certain governmental and business-type activities serial bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County’s financial statements. At December 31, 2021, remaining principal of the defeased debt was \$4,340,000.

A summary of additions and payments for the year ended December 31, 2021 is shown below:

Description	Year Issue/ Maturity	Interest Rate (%)	Issue Amount	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Governmental activities—bonds issued by County:							
Bond, tax 2009	2009/2023	3.38 - 5.25	\$ 7,515,000	\$ 1,650,000	\$ -	\$ 550,000	\$ 1,100,000
Taxable BABS, 2009	2009/2024	4.41 - 5.59	9,975,000	4,105,000	-	995,000	3,110,000
Refunding, 2011	2011/2022	2.50 - 4.00	4,398,005	594,000	-	297,000	297,000
Build America Bonds	2010/2025	4.25 - 5.93	13,270,000	4,619,000	-	893,000	3,726,000
Bond, 2013	2013/2028	2.00 - 3.13	14,074,850	7,899,000	-	7,899,000	-
Advance Refunding, 2013	2013/2021	3.00 - 5.00	10,801,048	525,185	-	525,185	-
Bond, 2014	2014/2029	2.00 - 4.00	15,450,000	9,214,000	-	1,154,000	8,060,000
Bond, 2015	2015/2030	2.00 - 3.00	13,420,000	9,715,000	-	847,000	8,868,000
Series 2015 bond	2015/2023	3.60	1,845,000	691,875	-	230,625	461,250
Series 2016 bond	2016/2031	2.00 - 2.50	13,763,500	9,931,470	-	1,065,770	8,865,700
Series 2017 bond	2017/2032	2.00 - 3.00	23,170,000	18,295,000	-	1,825,000	16,470,000
Series 2017 refunding	2017/2023	2.00 - 5.00	12,765,225	6,218,475	-	2,598,640	3,619,835
Series 2018	2018/2033	2.00 - 3.00	18,685,000	16,625,000	-	1,190,000	15,435,000
Series 2019	2019/2041	3.00	24,340,000	22,937,910	-	1,745,370	21,192,540
Series 2019 refunding	2019/2027	2.50 - 5.00	10,293,000	9,210,000	-	1,132,000	8,078,000
Series 2020	2020/2035	2.00 - 2.25	17,462,499	17,462,499	-	1,408,899	16,053,600
Refunding, 2021	2021/2028	5.00	6,082,000	-	6,082,000	-	6,082,000
Series 2020	2021/2035	0.50 - 2.00	10,137,000	-	10,137,000	-	10,137,000
Total				<u>\$ 139,693,414</u>	<u>\$ 16,219,000</u>	<u>\$ 24,356,489</u>	<u>\$ 131,555,925</u>

The County generally borrows funds on a long-term basis for the purpose of financing acquisitions of equipment and construction of buildings and improvements on behalf of MVCC. The debt service payments for the bonds are funded by capital chargebacks from other counties and by contributions from the County.

Description	Year Issue/ Maturity	Interest Rate (%)	Issue Amount	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Governmental activities—bonds issued on behalf of MVCC							
Taxable BABS, 2009	2009/2024	4.41 - 5.59	2,250,000	\$ 580,000	\$ -	\$ 140,000	\$ 440,000
Build America Bonds	2010/2025	4.25 - 5.93	3,780,000	1,505,000	-	287,000	1,218,000
Refunding, 2011	2011/2022	2.50 - 4.00	31,995	6,000	-	3,000	3,000
Advanced Refunding, 2013	2013/2021	2.00 - 3.13	241,875	131,050	-	131,050	-
Bond, 2013	2013/2028	3.00 - 5.00	234,037	14,953	-	14,953	-
Bond, 2015	2015/2030	2.00 - 3.00	7,500,000	5,430,000	-	473,000	4,957,000
Bond, 2016	2016/2031	2.00 - 2.50	7,111,500	5,548,530	-	439,230	5,109,300
Series 2017 refunding	2017/2023	2.00 - 5.00	89,145	39,155	-	18,735	20,420
Series 2019	2019/2041	3.00	100,000	82,090	-	19,630	62,460
Series 2019 refunding	2019/2027	2.50 - 5.00	1,162,000	1,040,000	-	128,000	912,000
Series 2020	2020/2035	2.00 - 2.25	1,060,000	1,060,000	-	48,600	1,011,400
Refunding, 2021	2021/2028	5.00	113,000	-	113,000	-	113,000
Series 2021	2021/2035	0.50 - 2.00	663,000	-	663,000	-	663,000
Total				<u>\$ 15,436,778</u>	<u>\$ 776,000</u>	<u>\$ 1,703,198</u>	<u>\$ 14,509,580</u>
Description	Year Issue/ Maturity	Interest Rate (%)	Issue Amount	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Business-type activities:							
Improvement, 2009	2009/2024	4.41 - 5.89	\$ 2,685,000	\$ 1,115,000	\$ -	\$ 265,000	\$ 850,000
Build America Bonds	2010/2025	4.25 - 5.93	300,000	126,000	-	20,000	106,000
Advance Refunding, 2013	2013/2021	3.00 - 5.00	4,479,915	799,815	-	799,815	-
Bond, 2014	2014/2039	2.00 - 4.00	10,630,000	8,956,000	-	346,000	8,610,000
EFC Bond,2015	2015/2045	0.20 - 4.70	12,602,509	10,749,999	-	345,000	10,404,999
Series 2017 refunding	2017/2023	2.00 - 5.00	1,275,630	662,370	-	252,625	409,745
EFC Series 2017C	2017/2047	0.96 - 3.98	46,533,677	42,520,000	-	1,295,000	41,225,000
Series 2019	2018/2041	3.00	4,500,000	4,405,000	-	155,000	4,250,000
EFC 2019 Bond	2019/2049	1.3 - 3.8	97,656,145	95,031,145	-	2,656,145	92,375,000
EFC 2019 Bonds Hardship	2019/2049	0.0	15,000,000	14,599,990	-	406,900	14,193,090
EFC 2020 Bonds Hardship	2020/2050	0.0	5,000,000	5,000,000	-	133,334	4,866,666
EFC 2020B Bonds Hardship	2020/2050	0.0	55,000,000	55,000,000	-	1,765,000	53,235,000
EFC 2020 Notes	2020/2025	0.0 - 0.33	4,051,347	4,051,347	33,701,364	-	37,752,711
Total				<u>\$ 243,016,666</u>	<u>\$ 33,701,364</u>	<u>\$ 8,439,819</u>	<u>\$ 268,278,211</u>

Business-type activities' interest expense was directly related was directly related to the Sewer Fund and has been included as a direct function expense.

The annual repayment of principal and interest on bonded debt are as follows:

Year Ending December 31,	Governmental Activities				Business-Type Activities	
	County Bonds		Issued by County on behalf of Discretely Presented Component Unit—MVCC		Sewer Fund	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 18,007,320	\$ 3,835,274	\$ 1,673,830	\$ 416,429	\$ 7,633,898	\$ 3,133,147
2023	16,231,565	3,187,609	1,698,790	350,944	7,603,882	3,059,806
2024	14,672,720	2,623,654	1,733,280	290,406	7,546,820	2,988,564
2025	13,148,860	2,165,825	1,610,140	228,571	7,337,994	2,917,407
2026	11,667,240	1,795,351	1,341,760	182,723	7,392,208	2,860,453
2027-2031	42,626,520	4,690,227	5,923,480	396,151	38,398,973	13,277,015
2032-2036	15,201,700	598,567	528,300	22,814	41,408,855	10,804,749
2037-2041	-	-	-	-	43,968,735	7,372,971
2042-2046	-	-	-	-	44,078,617	3,747,445
2047-2051	-	-	-	-	62,908,229	596,507
Total	<u>\$ 131,555,925</u>	<u>\$ 18,896,507</u>	<u>\$ 14,509,580</u>	<u>\$ 1,888,038</u>	<u>\$ 268,278,211</u>	<u>\$ 50,758,064</u>

Oneida Tobacco Asset Securitization Corporation

Changes in OTASC's long-term debt for the year ended December 31, 2021 are as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021	Due Within One Year
Tobacco Settlement Bonds:					
Series 2005	\$ 56,995,000	\$ -	\$ 800,000	\$ 56,195,000	\$ -
Subordinate Turbo CABs:					
Series 2005 - Original Principal	14,684,111	-	-	14,684,111	-
Accreted Interest	27,184,386	5,098,751	-	32,283,137	-
Total Subordinated Turbo CABs	41,868,497	5,098,751	-	46,967,248	-
Less:					
Bond discount	(373,149)	-	(15,179)	(357,970)	(15,179)
Total OTASC	<u>\$ 98,490,348</u>	<u>\$ 5,098,751</u>	<u>\$ 784,821</u>	<u>\$ 102,804,278</u>	<u>\$ (15,179)</u>

Series 2005—In 2005, the OTASC refunded and defeased in substance its outstanding 2000 Series bonds of \$58,609,855, carrying variable interest rates of 5.25% to 6.625%, with new 2005A, 2005B, 2005C/2010A Series bonds of \$65,630,000 issued at rates varying from 4.25% to 6.25%. All series have varied maturities with the final payment due December 31, 2045.

Debt service requirements for the Series 2005 bonds are as follows:

Year Ending December 31,	Principal	Interest	Total
2022	\$ -	\$ 3,268,500	\$ 3,268,500
2023	-	3,268,500	3,268,500
2024	800,000	3,243,500	4,043,500
2025	1,400,000	3,174,750	4,574,750
2026	1,400,000	3,087,250	4,487,250
Thereafter	<u>52,595,000</u>	<u>42,746,000</u>	<u>95,341,000</u>
Total	<u>\$ 56,195,000</u>	<u>\$ 58,788,500</u>	<u>\$ 114,983,500</u>

Issue NYCTT V—In 2005, OTASC participated in the New York Counties Tobacco Trust V (“NYCTT V”), along with 23 other New York County Tobacco Corporations, and issued Subordinate Capital Appreciation Bonds (Subordinate Turbo CABs) in various series for the purpose of securitizing additional future tobacco settlement revenues. They were sold discounted; the par value of these bonds totals \$721,365,000. The discount amount of these bonds (present value) at time of sale was \$14,684,111. The proposed repayment of the bonds would be on an accelerated basis, known as The Turbo Redemption. The yields and maturities, based on the Turbo Redemption Plan, are as shown below.

Issue	Maturity	Interest Rate	Issuance Amount
2005S2	2040	6.10%	\$ 2,853,841
2005S3	2040	6.85%	2,774,686
2005S4B	2040	7.85%	<u>9,055,584</u>
Total			<u>\$ 14,684,111</u>

Capital Lease—As discussed in Note 10, County has several capital lease agreements outstanding. The balance of these leases at December 31, 2021 amounted to \$24,584,283, of which \$1,919,928 is considered to be due within one year.

Workers’ Compensation—As discussed in Note 9, the County reports the workers’ compensation liability at December 31, 2021 is \$7,444,749 and \$11,035,251 for governmental activities and business-type activities, respectively.

Compensated Absences—As explained in Note 1, the County records the value of compensated absences in both the governmental activities and the business-type activities. The payment of compensated absences recorded as long-term debt in the government-wide financial statements is dependent upon many factors; therefore, timing of future payment is not readily determinable. However, management believes that sufficient resources will be made available for the future payment of compensated absences when such payments become due.

OPEB—As discussed in Note 8, the County’s total OPEB obligation at December 31, 2021 is \$126,765,455 and \$3,793,282 for governmental activities and business-type activities, respectively.

Retirement Obligations—Chapter 57 of the Laws of 2010 of the State of New York allows local employers to amortize a portion of their retirement bill for 10 years in accordance with the following stipulations:

- For State fiscal year 2010-2011, the amount in excess of the graded rate of 9.5 percent of employees’ covered pensionable salaries, with the first payment of those pension costs not due until the fiscal year succeeding that fiscal year in which the amortization was instituted.
- For subsequent State fiscal years, the graded rate will increase or decrease by up to one percent depending on the gap between the increase or decrease in the System’s average rate and the previous graded rate.
- For subsequent State fiscal years in which the System’s average rates are lower than the graded rates, the employer will be required to pay the graded rate. Any additional contributions made will first be used to pay off existing amortizations, and then any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

This law requires participating employers to make payments on a current basis, while amortizing existing unpaid amounts relating to the System’s fiscal years when the local employer opts to participate in the program. The total unpaid liability at the end of the year ended December 31, 2021 was \$2,594,220, of which \$2,515,180 and \$79,040 are reported in governmental activities and business-type activities, respectively.

Claims and Judgments—The County is exposed to various risks of losses related to torts, theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. As of December 31, 2021, the County has reported \$300,000 of claims and judgments which are classified as reasonably possible.

Net Pension Liability—The County reports a liability for its proportionate share of the net pension liability for the Employees’ Retirement System. The net pension liability is estimated to be \$298,605 and \$9,370 for its governmental activities and business-type activities, respectively. Refer to Note 7 for additional information related to the County’s net pension liability.

Upper Mohawk Valley Memorial Auditorium Authority

Changes in the Authority’s long-term debt for the year ended December 31, 2021 are as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021	Due Within One Year
Nexus Center bonds payable	\$ -	\$ 31,805,000	\$ -	\$ 31,805,000	\$ -
Adirondack Bank note payable	1,589,936	-	1,589,936	-	-
Urban Renewal note payable	48,000	-	12,000	36,000	12,000
Bank of Utica note payable	32,302	-	32,302	-	-
Bank of Utica mortgage payable	678,933	-	41,442	637,491	42,336
Total	<u>\$ 2,349,171</u>	<u>\$ 31,805,000</u>	<u>\$ 1,675,680</u>	<u>\$ 32,478,491</u>	<u>\$ 54,336</u>

On September 30, 2021, the Authority issued \$31,805,000 in revenue bonds at 2.0 – 3.5 percent, maturing December 1, 2051, to fund the remaining costs of the Nexus Center Project. On October 1, 2021, the Authority entered into a Project Funding Agreement with the County, where the County agrees to pay the debt service charges payable on the bonds, commencing May 1, 2023. Additionally, the Authority agrees to make quarterly payments to the County to be used by the County in making these project funding payments.

The annual repayment of principal and interest on bonded debt are as follows:

Year Ending December 31,	Business-Type Activities	
	Upper Mohawk Valley Memorial Auditorium Authority	
	Principal	Interest
2022	\$ 54,336	\$ 1,023,878
2023	796,871	1,021,343
2024	814,467	1,003,947
2025	820,401	985,914
2026	833,419	971,346
2027-2031	4,464,017	4,562,985
2032-2036	4,794,980	3,930,277
2037-2041	5,530,000	3,109,050
2042-2046	6,565,000	2,071,125
2047-2051	7,805,000	838,425
Total	<u>\$ 32,478,491</u>	<u>\$ 19,518,290</u>

Discretely Presented Component Units

Oneida-Herkimer Solid Waste Management Authority

A summary of changes in long-term debt for the year ended December 31, 2020 is presented below.

Description	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021
Revenue bonds 2011	\$ 4,950,000	\$ -	\$ 4,950,000	\$ -
EFC Revenue Bonds 2015	12,642,593	-	1,645,000	10,997,593
Total revenue bonds	17,592,593	-	6,595,000	10,997,593
Unamortized premium	13,725	-	13,725	-
Accrued closure and post-closure costs	3,948,722	89,841	-	4,038,563
OPEB obligation	2,378,044	854,215	39,601	3,192,658
Net pension liability	3,797,385	-	3,783,031	14,354
Total	<u>\$ 27,730,469</u>	<u>\$ 944,056</u>	<u>\$ 10,431,357</u>	<u>\$ 18,243,168</u>

OHSWMA maintains one landfill which reached full capacity at December 31, 1996, and began operating another in 2006. Based upon engineering estimates and actual usage, the landfill has a useful life of over seventy years. In accordance with New York State Department of Environmental Conservation Regulations, OHSWMA has, and will implement landfill closure and post-closure requirements. At December 31, 2021, OHSWMA accrued \$4,038,563 for estimated closure and post-closure costs. Due to changes in technology or changes in regulations, actual costs may be different from the current accrual.

OHSWMA's annual repayment of principal and interest on bonded debt is presented below:

Year Ending December 31,	OHSWMA		
	Principal	Interest	Total
2022	\$ 1,690,000	\$ 480,950	\$ 2,170,950
2023	1,735,000	400,663	2,135,663
2024	1,780,000	317,900	2,097,900
2025	1,830,000	232,429	2,062,429
2026	3,962,593	94,488	4,057,081
Total principal	\$ 10,997,593	\$ 1,526,430	\$ 12,524,023
Less current installments	1,690,000		
Bonds, less current installments	\$ 9,307,593		

Mohawk Valley Community College

The following is a summary of changes in long-term debt for the year ended August 31, 2021:

	Balance 9/1/2020	Increases	Decreases	Balance 8/31/2021
Primary Institution:				
Compensated absences	\$ 1,582,740	\$ 115,290	\$ -	\$ 1,698,030
OPEB obligation	29,473,574	4,732,998	5,010,574	29,195,998
Net pension liability	12,123,604	-	12,077,585	46,019
Component Units:				
Serial Bonds—MVCCDC	5,485,000	-	265,000	5,220,000
Compensated absences	34,999	621	-	35,620
Other liability	1,991,757	-	457,818	1,533,939
Total	\$ 50,691,674	\$ 4,848,909	\$ 17,810,977	\$ 37,729,606

A component unit of MVCC is a party to an interest rate swap agreement. The swap agreement is in place for a 2004 fixed rate serial bond with a notional principal amount of \$5,220,000 at July 31, 2021. The swap agreement matures at the same time as the related bond, August 1, 2036. Under the terms of the agreement the component unit will continue to pay the bond holders interest at a fixed rate. The counterparty will reimburse the component unit a variable interest rate at 67% of LIBOR (0.0165% at July 31, 2020) while the component unit is obligated to pay the counterparty a fixed rate of 4.051%. Generally accepted accounting principles require derivative instruments to be recognized at fair value. The derivative instrument is a Level 3 instrument with a fair value of \$1,533,939 at July 31, 2021.

12. NET POSITION AND FUND BALANCE

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

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

Governmental activities:

Capital assets, net of accumulated depreciation		\$ 354,192,479
Related debt:		
Bonds payable	(146,065,505)	
Unamortized bond premium	(3,426,383)	
Deferred charge on refunding	138,247	
OTASC bonds, net of discount	(70,521,141)	
Serial bonds issued on behalf of MVCC	14,509,580	
Capital lease liability	<u>(24,584,283)</u>	(229,949,485)
Unspent proceeds reported within the Capital Projects Fund		<u>17,697,151</u>
Net investment in capital assets—governmental activities		<u>\$ 141,940,145</u>

Business-type activities:

Capital assets, net of accumulated depreciation		\$ 296,953,196
UMVMAA capital assets, net of accumulated depreciation		29,747,673
Related debt:		
Serial bonds and EFC notes issued	(268,278,211)	
Unamortized bond premium	(17,665)	
UMVMAA serial bonds	<u>(32,478,491)</u>	(300,774,367)
Unspent proceeds reported within the Sewer Fund		<u>6,701,095</u>
Net investment in capital assets—business-type activities		<u>\$ 32,627,597</u>

- **Restricted Net Position**—This category represents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position**—This category represents net investment in assets of the County not restricted for any project or other purpose.

In the fund financial statements, nonspendable amounts represent net current financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. At December 31, 2021, nonspendable fund balance maintained by the County includes:

- **Prepaid Items**—Represents amounts prepaid to vendors of \$3,398,011 and \$9,081 in the General Fund and OTASC Fund that are applicable to future accounting periods.

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

	General Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Funds	Total
Handicapped parking fees	\$ 5,796	\$ -	\$ -	\$ -	\$ 5,796
Sheriff forfeiture	112,320	-	-	-	112,320
Debt	-	312,604	-	4,797,740	5,110,344
Capital projects	-	-	17,039,473	-	17,039,473
Total restricted fund balance	<u>\$ 118,116</u>	<u>\$ 312,604</u>	<u>\$ 17,039,473</u>	<u>\$ 4,797,740</u>	<u>\$ 22,267,933</u>

In the fund financial statements, committed fund balances are amounts subject to a purpose constraint imposed by a formal action of the County’s highest level of decision-making authority, or by its designated body or official. As of December 31, 2021, the County Legislature has committed, by resolution, \$12,500,000 to fiscal stability, \$1,000,000 to other post-employment benefits, \$2,500,000 to health insurance payments and \$150,000 to economic development.

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

As of December 31, 2021, the following balances were considered to be assigned:

	General Fund	Total Nonmajor Funds	Total
Encumbrances	\$ 856,441	\$ 35,877	\$ 892,318
Subsequent year's expenditures	6,525,292	-	6,525,292
Comprehensive planning activities	20,139	-	20,139
Tax certiorari	1,575,000	-	1,575,000
Specific use	-	770,673	770,673
Total assigned fund balance	<u>\$ 8,976,872</u>	<u>\$ 806,550</u>	<u>\$ 9,783,422</u>

- **Assigned to Encumbrances**—Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of monies are recorded, is employed as part of the County’s budgetary control mechanism for all funds. Unencumbered appropriations lapse at fiscal year-end.

- *Assigned to Subsequent Year's Appropriations*—Represents available fund balance being appropriated to meet expenditure requirements in the 2022 fiscal year.
- *Assigned to Comprehensive Planning Activities*—Represents fund balance that is assigned to pay for comprehensive planning activities within the County.
- *Assigned to Tax Certiorari*—Represents fund balance that assigned to pay the judgments and claims in tax certiorari proceedings.
- *Assigned to Specific Use*—Represents fund balance within the special revenue funds that is assigned for a specific purpose. The assignment's purpose relates to each funds' operations and represents amounts within the funds that are not restricted or committed.

In the fund financial statements unassigned fund balance represents the residual classification of the government's General Fund, and could report surplus or deficit. As of December 31, 2021, the unassigned fund balance of the General Fund was \$20,956,123.

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

13. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund loans are short term in nature and exist because of temporary advances or payments made on behalf of other funds. All interfund balances are expected to be collected/paid within the subsequent year. Interfund transfers are routine annual events for both the budget and accounting process and are necessary to present funds in their proper fund classification.

Transfers are used primarily to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget required to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the fund making payments when due, and (3) move residual cash from closed projects.

Interfund loans and transfers of the County as of and for the year ended December 31, 2021 are presented below:

Fund	Interfund	
	Receivable	Payable
Governmental funds:		
General Fund	\$ 1,233,623	\$ 2,334,649
Debt Service Fund	221,061	345,766
Capital Projects Fund	-	329,021
Nonmajor funds	2,545,916	257,731
Proprietary funds:		
Sewer Fund	502,935	1,115,137
Workers' Compensation Fund	-	121,231
Total	<u>\$ 4,503,535</u>	<u>\$ 4,503,535</u>

Transfers out:	Transfers in:				
	General Fund	Debt Service Fund	Capital Projects Fund	Total Nonmajor Funds	Total
General Fund	\$ -	\$ 22,153,447	\$ 17,848,086	\$ 8,335,968	\$ 48,337,501
Debt Service Fund	-	-	146,494	-	146,494
Total nonmajor funds	20,000	-	-	-	20,000
Total	<u>\$ 20,000</u>	<u>\$ 22,153,447</u>	<u>\$ 17,994,580</u>	<u>\$ 8,335,968</u>	<u>\$ 48,503,995</u>

14. LABOR CONTRACTS

Current employees are represented by five bargaining units with the balance governed by County rules and regulations. The CSEA Local 1000 – Nurses contract is settled through December 31, 2022, the UPSEU Blue Collar and UPSEU White Collar are settled through December 31, 2023, the Oneida County Sheriff’s Department Employees – Local 1249 is settled through December 31, 2025, and the PBA was settled through December 31, 2020, and is currently in negotiations.

15. COMMITMENTS

Encumbrances—Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Open encumbrances are reported as an assignment of fund balance since such commitments will be honored through budget appropriations in the subsequent year. The County considers encumbrances to be significant for amounts that are encumbered in excess of \$2,000,000. As of December 31, 2021, the County’s Sewer Fund has several outstanding construction commitments. These commitments relate to various Sewer treatment, facility improvements, consent order upgrades and repairs.

16. TAX ABATEMENTS

The County is subject to programs entered into by Oneida County Industrial Development Agency (“OCIDA”). These programs have the stated purpose of increasing business activity and employment in the region. Economic development agreements are entered into by the OCIDA and incentives may include property tax abatements of any new property tax revenue realized from the increased assessed value of any incentivized project from the investment of private capital. The abatement agreements include a stipulated reduction pursuant to the limits set forth in State statute and rules. In the future these new revenues will increase periodically until the project is taxed at full assessed value. Assuming the IDA incentivized projects would have been completed absent tax abatement, the unrealized property tax revenue is \$3,296,105. However, during 2021 the County collected \$1,597,502 related to these new incentivized projects.

17. CONTINGENCIES

Grants—The County receives significant financial assistance from numerous federal and state agencies. The receipt of such funds generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed expenditures resulting from such audits could become a liability of the County. The amount of disallowance, if any, cannot be determined at this time, although the County expects any such amounts to be immaterial.

Sewer District Consent Order—The County, as the permit holder for the part-County Sewer District, was served with a Complaint by the New York State Department of Environmental Conservation (“NYSDEC”) on February 26, 2007, alleging violations of environmental statutes and regulations stemming from wet weather overflows at the Sauquoit Creek Pump Station. The County served an Answer to the Complaint on April 25, 2007. On July 11, 2007, the County and the State executed a Consent Order resolving the issues rose in the Complaint. The Consent Order required the payment of a fine of One Hundred Fifty Thousand Dollars (\$150,000), \$120,000 of which was paid on July 13, 2007 and the DEC is allowing the remaining \$30,000 was applied by the County to an Environmental Benefit Project for the Sauquoit Creek Basin. The Consent Order contains a compliance schedule which calls for the completion of a study of the system within three years and the implementation of any repairs called for in the study by October 31, 2014.

On July 7, 2010, the County submitted the Plan of Study called for in the Consent Order. The Plan of Study proposed a project completion date of December 31, 2020.

During 2011, the County negotiated a new consent order that includes an extended compliance schedule with NYSDEC to replace the consent order that was issued in 2007. The new order was approved the Oneida County Legislature on November 30, 2011, signed by the County Executive on December 7, 2011 and issued by NYSDEC on December 12, 2011. The new order reflected the results of the Plan of Study conducted in 2010 and it extended the completion date of the order, which includes a compliance schedule, to December 31, 2021. The County is in compliance with the deadlines in the new compliance schedule. The County plans to issue long-term debt to finance the project and, therefore, will record a liability as such financing is obtained. As of December 31, 2021, the County has issued \$231,792,331 of EFC bonded debt in response to the consent order. Of the total issued, \$15,492,575 has been repaid with District funds, leaving a balance of \$216,299,756. The County also has short-term EFC notes outstanding at December 31, 2021 of \$37,752,711.

Upper Mohawk Valley Memorial Auditorium Authority Project Funding Allocation Agreement—The County has entered into a tentative project funding allocation agreement with the Upper Mohawk Valley Memorial Auditorium Authority. Under this agreement, the County will contribute annual amounts of no more than \$970,000 toward the debt service for the Authority’s pending 2021 bond issue. These contributions would be subject to annual budgetary appropriations adopted by the County Board of Legislators.

18. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 27, 2022, which is the date the financial statements are available for issuance, and have determined there are no subsequent events, except what is discussed below and in Note 17, that require disclosure under generally accepted accounting principles.

- On February 17, 2022, the County issued \$13,910,000 in public improvement serial bonds. The bonds were issued at a rate of 2.0 – 2.5 percent and mature on May 15, 2039. This issue refunded principal of \$15,145,000 of public improvement serial bonds issued May 27, 2014.
- On February 17, 2022, the County issued \$24,689,206 in public improvement serial bonds. The bonds were issued at a rate of 3.0 – 4.0 and mature on May 1, 2037.

REQUIRED SUPPLEMENTARY INFORMATION

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

	Year Ended August 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Mohawk Valley Community College ("MVCC")								
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
MVCC's proportion of the net pension liability/(asset)	0.020178%	0.025108%	0.027706%	0.024889%	0.024527%	0.026090%	0.027540%	0.025817%
MVCC's proportionate share of the net pension liability/(asset)	<u>\$ (3,496,692)</u>	<u>\$ 693,795</u>	<u>\$ (719,793)</u>	<u>\$ (442,834)</u>	<u>\$ (186,426)</u>	<u>\$ 279,437</u>	<u>\$ (2,860,511)</u>	<u>\$ (2,875,840)</u>
MVCC's covered payroll	\$ 3,421,154	\$ 4,261,580	\$ 4,625,697	\$ 3,989,051	\$ 3,886,647	\$ 4,025,980	\$ 4,143,949	\$ 3,806,736
MVCC's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	102.2%	-16.3%	15.6%	11.1%	4.8%	-6.9%	69.0%	75.5%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	113.20%	97.80%	102.20%	101.53%	100.66%	99.01%	110.46%	100.70%

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

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

	Year Ended August 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Mohawk Valley Community College ("MVCC")								
Contractually required contributions	\$ 326,036	\$ 377,576	\$ 491,249	\$ 390,927	\$ 455,515	\$ 533,845	\$ 725,191	\$ 620,498
Contributions in relation to the contractually required contribution	(326,036)	(377,576)	(491,249)	(390,927)	(455,515)	(533,845)	(725,191)	(620,498)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MVCC's covered payroll	\$ 3,421,154	\$ 4,261,580	\$ 4,625,697	\$ 3,989,051	\$ 3,886,647	\$ 4,025,980	\$ 4,143,949	\$ 3,806,736
Contributions as a percentage of covered payroll	9.5%	8.9%	10.6%	9.8%	11.7%	13.3%	17.5%	16.3%

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

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

	Year Ended December 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Measurement date	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Plan fiduciary net position as a percentage of the total pension liability	100.00%	86.40%	96.30%	98.24%	94.70%	90.70%	97.90%	97.20%
Oneida County Primary Government ("County")								
County's proportion of the net pension liability	0.3092888%	0.300771%	0.292636%	0.285655%	0.281108%	0.289268%	0.283828%	0.283828%
County's proportionate share of the net pension liability	<u>\$ 307,975</u>	<u>\$ 79,645,465</u>	<u>\$ 20,734,154</u>	<u>\$ 9,219,346</u>	<u>\$ 26,413,549</u>	<u>\$ 46,428,389</u>	<u>\$ 9,588,410</u>	<u>\$ 12,825,798</u>
County's covered payroll	\$ 74,603,640	\$ 71,051,086	\$ 76,639,979	\$ 73,773,900	\$ 71,766,894	\$ 71,763,360	\$ 68,543,394	\$ 76,328,553
County's proportionate share of the net pension liability as a percentage of its covered payroll	0.4%	112.1%	27.1%	12.5%	36.8%	64.7%	14.0%	16.8%
Oneida-Herkimer Solid Waste Management Authority ("OHSWMA")								
OHSWMA's proportion of the net pension liability	0.0144157%	0.0143403%	0.014510%	0.014310%	0.014156%	0.011847%	0.014236%	0.014236%
OHSWMA's proportionate share of the net pension liability	<u>\$ 14,354</u>	<u>\$ 3,797,385</u>	<u>\$ 1,028,066</u>	<u>\$ 461,847</u>	<u>\$ 1,330,098</u>	<u>\$ 2,276,668</u>	<u>\$ 480,933</u>	<u>\$ 643,313</u>
OHSWMA's covered payroll	\$ 4,458,927	\$ 4,267,962	\$ 4,100,777	\$ 4,064,975	\$ 3,836,397	\$ 3,695,136	\$ 3,419,002	n/a
OHSWMA's proportionate share of the net pension liability as a percentage of its covered payroll	0.3%	89.0%	25.1%	11.4%	34.7%	61.6%	14.1%	n/a

(continued)

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

(concluded)

	Year Ended August 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Mohawk Valley Community College ("MVCC")								
Measurement date	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Plan fiduciary net position as a percentage of the total pension liability	100.00%	86.40%	96.27%	98.24%	94.70%	90.70%	97.90%	97.20%
MVCC's proportion of the net pension liability	0.04622%	0.04316%	0.042420%	0.041240%	0.039792%	0.041702%	0.040400%	0.040400%
MVCC's proportionate share of the net pension liability	<u>\$ 46,019</u>	<u>\$ 11,429,909</u>	<u>\$ 3,005,431</u>	<u>\$ 1,330,920</u>	<u>\$ 3,738,904</u>	<u>\$ 6,693,337</u>	<u>\$ 1,363,515</u>	<u>\$ 1,823,886</u>
MVCC's covered payroll	\$ 11,270,825	\$ 11,113,185	\$ 11,111,738	\$ 10,383,616	\$ 10,157,867	\$ 9,500,420	\$ 9,370,054	\$ 9,584,855
MVCC's proportionate share of the net pension liability as a percentage of its covered payroll	0.4%	102.8%	27.0%	12.8%	36.8%	70.5%	14.6%	19.0%

*Information prior to the year ended December 31, 2014 is not available for the County and the OHSWMA. Information prior to the year ended August 31, 2014 is not available for MVCC.

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

	Year Ended December 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Oneida County Primary Government ("County")								
Contractually required contributions	\$ 13,592,042	\$ 11,734,862	\$ 11,078,919	\$ 11,030,022	\$ 10,776,206	\$ 11,272,218	\$ 13,377,068	\$ 14,383,478
Contributions in relation to the contractually required contributions	<u>(13,592,042)</u>	<u>(11,734,862)</u>	<u>(11,078,919)</u>	<u>(11,030,022)</u>	<u>(10,776,206)</u>	<u>(11,272,218)</u>	<u>(10,762,856)</u>	<u>(10,146,718)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,614,212</u>	<u>\$ 4,236,760</u>
County's covered payroll	\$ 68,787,077	\$ 79,922,830	\$ 76,639,979	\$ 77,772,810	\$ 74,910,056	\$ 73,477,001	\$ 68,319,525	\$ 67,006,448
Contributions as a percentage of covered payroll	19.8%	14.7%	14.5%	14.2%	14.4%	15.3%	15.8%	15.1%
Oneida-Herkimer Solid Waste Management Authority ("OHSWMA")								
Contractually required contributions	\$ 598,541	\$ 567,018	\$ 571,218	\$ 549,859	\$ 540,463	\$ 558,657	\$ 699,094	\$ 685,093
Contributions in relation to the contractually required contributions	<u>(598,541)</u>	<u>(567,018)</u>	<u>(571,218)</u>	<u>(549,859)</u>	<u>(540,463)</u>	<u>(540,463)</u>	<u>(699,094)</u>	<u>(685,093)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
OHSWMA's covered payroll	\$ 4,458,927	\$ 4,267,962	\$ 4,100,777	\$ 4,064,975	\$ 3,836,397	\$ 3,695,136	\$ 3,419,002	\$ 3,640,306
Contributions as a percentage of covered payroll	13.4%	13.3%	13.9%	13.5%	14.1%	14.6%	20.4%	18.8%

(continued)

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

(concluded)

	Year Ended August 31,							
	2021	2020	2019	2018	2017	2016	2015	2014
Mohawk Valley Community College ("MVCC")								
Contractually required contributions	\$ 1,451,755	\$ 1,456,593	\$ 1,407,859	\$ 1,439,379	\$ 1,445,613	\$ 1,702,830	\$ 1,648,055	\$ 1,867,933
Contributions in relation to the contractually required contributions	<u>(1,451,755)</u>	<u>(1,456,593)</u>	<u>(1,407,859)</u>	<u>(1,439,379)</u>	<u>(1,445,613)</u>	<u>(1,702,830)</u>	<u>(1,648,055)</u>	<u>(1,867,933)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MVCC's covered payroll	\$ 11,270,825	\$ 11,113,185	\$ 11,111,738	\$ 10,383,616	\$ 10,157,867	\$ 9,500,420	\$ 9,370,054	\$ 9,584,855
Contributions as a percentage of covered payroll	12.9%	13.1%	12.7%	13.9%	14.2%	17.9%	17.6%	19.5%

*Information prior to the year ended December 31, 2014 is not available for the County and OHSWMA. Information prior to the year ended August 31, 2014 is not available for MVCC.

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

	December 31,			
	2021	2020	2019	2018
County - Governmental Activities:				
Total OPEB liability				
Service cost	\$ 4,042,405	\$ 3,237,353	\$ 4,457,108	\$ 4,212,421
Interest	2,685,465	3,297,231	3,367,971	3,286,847
Changes of assumptions or other inputs	10,617,151	11,756,691	1,274,580	5,337,025
Differences between expected and actual experience	(6,854,418)	-	(22,767,952)	-
Changes of benefit terms	23,361,924	-	-	-
Benefit payments	(2,029,336)	(1,831,030)	(2,383,864)	(2,086,606)
Net changes in total OPEB liability	<u>31,823,191</u>	<u>16,460,245</u>	<u>(16,052,157)</u>	<u>10,749,687</u>
Total OPEB liability—beginning	<u>94,942,264</u>	<u>78,482,019</u>	<u>94,534,176</u>	<u>83,784,489</u>
Total OPEB liability—ending	<u>\$ 126,765,455</u>	<u>\$ 94,942,264</u>	<u>\$ 78,482,019</u>	<u>\$ 94,534,176</u>
Plan fiduciary net position				
Contributions—employer	\$ 2,029,336	\$ 1,831,030	\$ 2,383,864	\$ 2,086,606
Benefit payments	(2,029,336)	(1,831,030)	(2,383,864)	(2,086,606)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Governmental Activities' net OPEB liability—ending	<u>\$ 126,765,455</u>	<u>\$ 94,942,264</u>	<u>\$ 78,482,019</u>	<u>\$ 94,534,176</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 81,080,711	\$ 79,922,831	\$ 80,972,836	\$ 94,165,281
Governmental activities' net OPEB liability as a percentage of covered-employee payroll	156.3%	118.8%	96.9%	100.4%
County - Business-type Activities:				
Total OPEB liability				
Service cost	\$ 120,963	\$ 99,660	\$ 114,754	\$ 113,335
Interest	80,359	101,503	86,713	88,432
Changes of assumptions or other inputs	317,704	757,332	32,816	143,592
Differences between expected and actual experience	(205,109)	-	(695,724)	-
Changes of benefit terms	699,073	-	-	-
Benefit payments	(142,452)	(56,367)	(61,376)	(56,140)
Net changes in total OPEB liability	<u>870,538</u>	<u>902,128</u>	<u>(522,817)</u>	<u>289,219</u>
Total OPEB liability—beginning, as restated	<u>2,922,744</u>	<u>2,020,616</u>	<u>2,543,433</u>	<u>2,254,214</u>
Total OPEB liability—ending	<u>\$ 3,793,282</u>	<u>\$ 2,922,744</u>	<u>\$ 2,020,616</u>	<u>\$ 2,543,433</u>
Plan fiduciary net position				
Contributions—employer	\$ 142,452	\$ 56,367	\$ 61,376	\$ 56,140
Benefit payments	(142,452)	(56,367)	(61,376)	(56,140)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Business-type Activities' net OPEB liability—ending	<u>\$ 3,793,282</u>	<u>\$ 2,922,744</u>	<u>\$ 2,020,616</u>	<u>\$ 2,543,433</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 2,426,229	\$ 2,460,379	\$ 2,087,916	\$ 2,912,328
Business-type activities' net OPEB liability as a percentage of covered-employee payroll	156.3%	118.8%	96.8%	87.3%

(continued)

*Information prior to the year ended December 31, 2018 is not available.

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

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

	December 31,			
	2021	2020	2019	2018
Oneida-Herkimer Solid Waste Management Authority ("OHSWMA")				
Total OPEB liability				
Service cost	\$ 73,448	\$ 57,809	\$ 72,019	\$ 67,811
Interest	66,627	98,953	88,718	91,554
Difference between expected and actual experience	-	(498,831)	-	(254,514)
Changes of assumptions or other inputs	219,837	396,388	(249,668)	289,164
Changes of benefit terms	494,303	-	-	-
Benefit payments	(39,601)	(63,942)	(60,812)	(21,733)
Net changes in total OPEB liability	814,614	(9,623)	(149,743)	172,282
Total OPEB liability—beginning	2,378,044	2,387,667	2,537,410	2,365,128
Total OPEB liability—ending	<u>\$ 3,192,658</u>	<u>\$ 2,378,044</u>	<u>\$ 2,387,667</u>	<u>\$ 2,537,410</u>
Plan fiduciary net position				
Contributions—employer	\$ 39,601	\$ 63,942	\$ 60,812	\$ 21,733
Benefit payments	(39,601)	(63,942)	(60,812)	(21,733)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
OHSWMA's net OPEB liability—ending	<u>\$ 3,192,658</u>	<u>\$ 2,378,044</u>	<u>\$ 2,387,667</u>	<u>\$ 2,537,410</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 1,463,987	\$ 1,451,516	\$ 1,407,237	\$ 1,299,431
OHSWMA net OPEB liability as a percentage of covered-employee payroll	218.1%	163.8%	169.7%	195.3%

(continued)

*Information prior to the year ended December 31, 2018 is not available.

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

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

(concluded)

	August 31,			
	2021	2020	2019	2018
Mohawk Valley Community College ("MVCC")				
Total OPEB liability				
Service cost	\$ 1,321,405	\$ 1,110,134	\$ 1,496,583	\$ 1,896,002
Interest	902,826	986,909	1,043,398	888,303
Changes in benefit terms	(1,739,077)	789,203	-	-
Differences between expected and actual experience	(2,477,911)	-	(2,858,022)	-
Changes of assumptions or other inputs	2,508,767	3,144,505	(3,290,347)	(3,086,853)
Benefit payments	(793,586)	(738,010)	(881,297)	(818,406)
Net changes in total OPEB liability	<u>(277,576)</u>	<u>5,292,741</u>	<u>(4,489,685)</u>	<u>(1,120,954)</u>
Total OPEB liability—beginning	<u>29,473,574</u>	<u>24,180,833</u>	<u>28,670,518</u>	<u>29,791,472</u>
Total OPEB liability—ending	<u>\$ 29,195,998</u>	<u>\$ 29,473,574</u>	<u>\$ 24,180,833</u>	<u>\$ 28,670,518</u>
Plan fiduciary net position				
Contributions—employer	\$ 793,586	\$ 738,010	\$ 881,297	\$ 818,406
Benefit payments	(793,586)	(738,010)	(881,297)	(818,406)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position—beginning	-	-	-	-
Plan fiduciary net position—ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MVCC's net OPEB liability—ending	<u>\$ 29,195,998</u>	<u>\$ 29,473,574</u>	<u>\$ 24,180,833</u>	<u>\$ 28,670,518</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 29,413,047	\$ 30,256,654	\$ 30,256,654	\$ 29,754,548
MVCC net OPEB liability as a percentage of covered-employee payroll	99.3%	97.4%	79.9%	96.4%

*Information prior to the year ended August 31, 2018 with respect to MVCC is not available.

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

COUNTY OF ONEIDA, NEW YORK
Schedule of Revenues, Expenditures and Changes in Fund Balances—
Budget and Actual—General Fund
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Real property taxes	\$ 66,215,834	\$ 66,215,834	\$ 66,344,786	\$ 128,952
Real property tax items	4,290,000	4,290,000	4,662,809	372,809
Non-property tax items	106,451,210	155,644,605	176,383,191	20,738,586
Departmental income	15,711,983	15,913,331	12,324,710	(3,588,621)
Intergovernmental charges	26,966,312	27,674,081	26,607,633	(1,066,448)
Use of money and property	2,681,843	2,681,843	2,251,829	(430,014)
Licenses and permits	63,725	63,725	101,305	37,580
Fines and forfeitures	1,086,000	1,086,000	753,542	(332,458)
Sale of property and compensation for loss	199,335	205,791	488,966	283,175
Miscellaneous	617,075	1,337,713	1,180,087	(157,626)
Interfund revenues	-	-	246	246
State aid	75,996,923	77,477,823	75,001,426	(2,476,397)
Federal aid	44,550,451	47,164,451	46,669,165	(495,286)
Total revenues	<u>344,830,691</u>	<u>399,755,197</u>	<u>412,769,695</u>	<u>13,014,498</u>
EXPENDITURES				
Current:				
General government support	45,550,403	93,132,315	90,198,577	2,933,738
Education	24,959,753	23,408,927	23,131,751	277,176
Public safety	53,698,673	56,352,788	54,538,720	1,814,068
Health	22,524,138	24,686,050	24,020,609	665,441
Transportation	7,371,340	6,051,712	5,449,572	602,140
Economic assistance and opportunity	166,065,326	151,267,124	149,202,211	2,064,913
Culture and recreation	890,681	903,383	885,117	18,266
Home and community services	3,773,476	4,714,932	934,132	3,780,800
Debt service:				
Principal	1,016,887	1,814,496	1,814,495	1
Interest and other fiscal charges	71,525	681,376	681,375	1
Total expenditures	<u>325,922,202</u>	<u>363,013,103</u>	<u>350,856,559</u>	<u>12,156,544</u>
Excess of revenues over expenditures	<u>18,908,489</u>	<u>36,742,094</u>	<u>61,913,136</u>	<u>25,171,042</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	20,000	20,000	20,000	-
Transfers out	<u>(26,980,043)</u>	<u>(45,107,502)</u>	<u>(48,337,501)</u>	<u>(3,229,999)</u>
Total other financing sources (uses)	<u>(26,960,043)</u>	<u>(45,087,502)</u>	<u>(48,317,501)</u>	<u>(3,229,999)</u>
Net change in fund balances*	(8,051,554)	(8,345,408)	13,595,635	21,941,043
Fund balances—beginning	<u>36,003,487</u>	<u>36,003,487</u>	<u>36,003,487</u>	-
Fund balances—ending	<u>\$ 27,951,933</u>	<u>\$ 27,658,079</u>	<u>\$ 49,599,122</u>	<u>\$ 21,941,043</u>

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

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

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COUNTY OF ONEIDA, NEW YORK
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

1. OPEB LIABILITY

Changes of Assumptions—Changes of assumptions reflect the effects of changes in the discount rate and the medical healthcare cost trend rate. The discount rate is based on a 20-year high-quality tax-exempt municipal bond index as of the measurement date. The discount rate was updated to 2.12% at December 31, 2021 from 2.74% at December 31, 2020. The medical healthcare cost trend rates were updated to reflect current medical provisions and premiums and expected future experience.

Oneida-Herkimer Solid Waste Management Authority

Changes of Assumptions—Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rate is based on a 20-year high-quality tax-exempt municipal bond index as of the measurement date. The discount rate in effect at January 1, 2021 is 2.12%, which decreased from 2.74%, at December 31, 2020.

Mohawk Valley Community College

Changes of Assumptions—Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The discount rate is based on a 20-year high-quality tax-exempt municipal bond index as of the measurement date. The discount rate in effect at September 1, 2020 is 2.20% and was 2.97% as of September 1, 2019.

2. BUDGETARY INFORMATION

Budgetary Basis of Accounting—Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, except the Capital Projects Fund and the Oneida Tobacco Asset Securitization Corporation, which adopts its own budget. The Capital Projects Fund is appropriated on a project length basis; appropriations are approved through a County Legislature resolution at the project's inception and lapse upon termination of the project.

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

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

Actual results of operations presented in accordance with GAAP and the County's accounting policies do not recognize encumbrances and restricted fund balance as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are only reported on the balance sheet of the governmental funds included within restricted, committed, or assigned fund balance. Significant encumbrances are disclosed in the notes to the financial statements. The General Fund original budget for the year ended December 31, 2021 includes encumbrances from the prior year of \$526,262.

Excess of Expenditures over Appropriations—For the year ended December 31, 2021, the County had expenditures in excess of the final budget amounts in the General Fund of \$3,229,999 due to higher than anticipated transfers to support capital projects.

SUPPLEMENTARY INFORMATION

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COUNTY OF ONEIDA, NEW YORK
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Special Revenue				Total Nonmajor Funds
	Special Grant	County Road	Road Machinery	OTASC	
ASSETS					
Cash and cash equivalents	\$ 63,054	\$ 225,940	\$ 1,278,230	\$ -	\$ 1,567,224
Restricted cash and cash equivalents	-	-	-	139,115	139,115
Deposits with trustees	-	-	-	4,665,625	4,665,625
Other receivables	106,259	92,198	2,946	-	201,403
Due from other funds	-	2,545,916	-	-	2,545,916
Prepaid items	-	-	-	9,081	9,081
Total assets	<u>\$ 169,313</u>	<u>\$ 2,864,054</u>	<u>\$ 1,281,176</u>	<u>\$ 4,813,821</u>	<u>\$ 9,128,364</u>
LIABILITIES					
Accounts payable	\$ 123,698	\$ 1,307,934	\$ 236,199	\$ 7,000	\$ 1,674,831
Accrued liabilities	45,615	260,621	540	-	306,776
Due to other funds	-	-	257,731	-	257,731
Unearned revenue	-	1,275,655	-	-	1,275,655
Total liabilities	<u>169,313</u>	<u>2,844,210</u>	<u>494,470</u>	<u>7,000</u>	<u>3,514,993</u>
FUND BALANCES					
Nonspendable	-	-	-	9,081	9,081
Restricted	-	-	-	4,797,740	4,797,740
Assigned	-	19,844	786,706	-	806,550
Total fund balances	<u>-</u>	<u>19,844</u>	<u>786,706</u>	<u>4,806,821</u>	<u>5,613,371</u>
Total liabilities and fund balances	<u>\$ 169,313</u>	<u>\$ 2,864,054</u>	<u>\$ 1,281,176</u>	<u>\$ 4,813,821</u>	<u>\$ 9,128,364</u>

COUNTY OF ONEIDA, NEW YORK
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Special Revenue				Total Nonmajor Funds
	Special Grant	County Road	Road Machinery	OTASC	
REVENUES					
Departmental income	\$ -	\$ 1,436,708	\$ -	\$ -	\$ 1,436,708
Intergovernmental charges	-	3,611,425	-	-	3,611,425
Use of money and property	-	-	-	2,078	2,078
Licenses and permits	-	8,670	-	-	8,670
Sale of property and compensation for loss	-	14,879	10,325	-	25,204
Miscellaneous	135,835	325	-	-	136,160
Interfund revenues	22,872	1,621,895	3,292,419	-	4,937,186
State aid	110,375	7,130,884	-	-	7,241,259
Federal aid	1,706,861	912,701	-	-	2,619,562
Tobacco settlement revenue	-	-	-	4,158,411	4,158,411
Total revenues	<u>1,975,943</u>	<u>14,737,487</u>	<u>3,302,744</u>	<u>4,160,489</u>	<u>24,176,663</u>
EXPENDITURES					
Current:					
General government support	-	-	-	53,556	53,556
Transportation	-	22,491,828	3,501,355	-	25,993,183
Economic assistance and opportunity	2,164,974	-	-	-	2,164,974
Debt service:					
Principal	-	-	-	800,000	800,000
Interest and other fiscal charges	-	-	-	3,289,333	3,289,333
Total expenditures	<u>2,164,974</u>	<u>22,491,828</u>	<u>3,501,355</u>	<u>4,142,889</u>	<u>32,301,046</u>
Excess (deficiency) of revenues over expenditures	<u>(189,031)</u>	<u>(7,754,341)</u>	<u>(198,611)</u>	<u>17,600</u>	<u>(8,124,383)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	490,903	7,845,065	-	-	8,335,968
Transfers out	-	-	-	(20,000)	(20,000)
Total other financing sources (uses)	<u>490,903</u>	<u>7,845,065</u>	<u>-</u>	<u>(20,000)</u>	<u>8,315,968</u>
Net change in fund balances	301,872	90,724	(198,611)	(2,400)	191,585
Fund balances (deficit)—beginning	<u>(301,872)</u>	<u>(70,880)</u>	<u>985,317</u>	<u>4,809,221</u>	<u>5,421,786</u>
Fund balances—ending	<u>\$ -</u>	<u>\$ 19,844</u>	<u>\$ 786,706</u>	<u>\$ 4,806,821</u>	<u>\$ 5,613,371</u>

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FEDERAL AWARDS INFORMATION

COUNTY OF ONEIDA, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor Program or Cluster Title (1a)	Assistance Listing Number (1b)	Pass-Through Entity Identifying Number (1c)	Passed Through to Sub- recipients	Total Federal Expenditures (1d)
U.S. DEPARTMENT OF AGRICULTURE				
Passed through NYS Department of Family Assistance:				
<i>SNAP Cluster</i>				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	N/A	\$ -	\$ 2,821,846
<i>Total SNAP Cluster</i>			-	2,821,846
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	2,821,846
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through NYS Office of Home and Community Renewal:				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				
	14.228	846ME141-19	165,750	165,750
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	846HR329-19	397,334	397,334
<i>Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii</i>			563,084	563,084
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			563,084	563,084
U.S. DEPARTMENT OF JUSTICE				
Passed through NYS Office of Victim Services:				
Crime Victim Assistance	16.575	N/A	-	199,584
Passed through Institute for Intergovernmental Research:				
Comprehensive Opioid, Stimulant, and Substance Abuse Program	16.838	2017-AR-BX-K003	-	19,009
TOTAL U.S. DEPARTMENT OF JUSTICE			-	218,593
U.S. DEPARTMENT OF LABOR				
Passed through Herkimer County:				
<i>WIA/WIOA Cluster</i>				
WIA/WIOA Adult Program	17.258	N/A	-	419,966
WIA/WIOA Youth Activities	17.259	N/A	-	472,918
WIA/WIOA Dislocated Worker Formula Grants	17.278	N/A	-	247,638
<i>Total WIA/WIOA Cluster</i>			-	1,140,522
TOTAL U.S. DEPARTMENT OF LABOR			-	1,140,522
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through Federal Aviation Administration:				
Airport Improvement Program	20.106	3-36-0119-49-2019	-	13,097
Airport Improvement Program	20.106	3-36-0119-51-2020	-	69,000
Airport Improvement Program	20.106	3-36-0119-52-2020	-	889,805
Airport Improvement Program	20.106	3-36-0119-053-2021	-	45,925
<i>Total Airport Improvement Program</i>			-	1,017,827
Passed through NYS Department of Transportation:				
<i>Highway Planning and Construction Cluster</i>				
Highway Planning and Construction	20.205	C033459	-	452,698
<i>Total Highway Planning and Construction Cluster</i>			-	452,698
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			-	1,470,525
U.S. DEPARTMENT OF THE TREASURY				
Direct Program:				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	2,750,000
TOTAL U.S. DEPARTMENT OF THE TREASURY			-	2,750,000

(continued)

COUNTY OF ONEIDA, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor Program or Cluster Title (1a)	Assistance Listing Number (1b)	Pass-Through Entity Identifying Number (1c)	Passed Through to Sub- recipients	Total Federal Expenditures (1d)
U.S. ENVIRONMENTAL PROTECTION AGENCY				
Passed through NYS Department of Environmental Conservation:				
Water Quality Management Planning	66.454	C00926GG	-	45,474
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			-	45,474
U.S. DEPARTMENT OF EDUCATION				
Passed through NYS Division of Family Health:				
Early Childhood Intervention Program	81.181	C-027494	-	104,281
TOTAL U.S. DEPARTMENT OF EDUCATION			-	104,281
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through NYS Office for the Aging:				
Special Programs for the Aging, Title III , Part D <i>Aging Cluster</i>	93.043	N/A	-	20,540
Special Programs for the Aging, Title III, Part B	93.044	N/A	-	316,727
Special Programs for Aging, Title III, Part C <i>Total Aging Cluster</i>	93.045	N/A	-	173,819
Special Programs for the Aging Title IV National Family Caregiver Support, Title III, Part E	93.052	N/A	-	91,602
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Centers for Medicare and Medicaid Services Demonstrations and Evaluations	93.779	N/A	-	50,581
Passed through Health Research, Inc.				
Aligned Cooperative Agreements	93.074	1577-13	-	123,528
Injury Prevention and Control Research and State and Community Based Programs	93.136	15-0991-01	-	130,974
Public Health Emergency Responses: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	15-1028-01	-	15,799
Passed through Columbia University:				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	15-1043-06	-	70,822
Passed through NYS Office of Temporary and Disability Assistance:				
Temporary Assistance for Needy Families	93.558	N/A	-	18,390,130
Child Support Enforcement, Title IV-D	93.563	N/A	-	1,601,312
Refugee and Entrant Assistance-State Administered Programs	93.566	N/A	-	18,201
Low Income Home Energy Assistance	93.568	N/A	-	15,687,267
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	-	356,952
Passed through NYS Department of Health:				
Immunization Cooperative Agreements	93.268	C-028305	-	163,480
Medical Assistance Program	93.778	LGU-70210	-	2,879,751

(continued)

COUNTY OF ONEIDA, NEW YORK
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

(concluded)

Federal Grantor/Pass-through Grantor Program or Cluster Title (1a)	Assistance Listing Number (1b)	Pass-Through Entity Identifying Number (1c)	Passed Through to Sub- recipients	Total Federal Expenditures (1d)
Passed through NYS Office of Children and Family Services:				
Child Care and Development Block Grant	93.575	N/A	-	5,934,726
Foster Care, Title IV-E	93.658	N/A	-	4,627,524
Adoption Assistance	93.659	N/A	-	1,659,196
Social Services Block Grant	93.667	N/A	-	519,133
Chafee Foster Care Independence Program	93.674	N/A	-	11,370
Passed through NYS Office of Alcoholism and Substance Abuse Services:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	27540	1,044,792	1,044,792
Block Grants for Prevention and Treatment of Substance Abuse	93.959	20560	563,824	563,824
<i>Total Block Grants for Prevention & Treatment of Substance Abuse</i>			<u>1,608,616</u>	<u>1,608,616</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>1,608,616</u>	<u>54,452,050</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through NYS Division of Homeland Security and Emergency Services:				
Emergency Management Performance Grants	97.042	M2019 EMPG	-	51,466
Homeland Security Grant Program	97.067	C835079	-	45,363
Homeland Security Grant Program	97.067	WM18972082	-	32,496
<i>Total Homeland Security Grant Program</i>			<u>-</u>	<u>77,859</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>-</u>	<u>129,325</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS (1e)			<u>\$ 2,171,700</u>	<u>\$ 63,695,700</u>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

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COUNTY OF ONEIDA, NEW YORK
Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of the County of Oneida, New York (the “County”) under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County. The following notes were identified on the Schedule:

- (a) Includes all federal award programs of the County of Oneida, New York. The federal expenditures of the Oneida-Herkimer Solid Waste Management Authority, the Mohawk Valley Community College, the Oneida County Tobacco Asset Securitization Corporation, and the Upper Mohawk Valley Memorial Auditorium Authority have not been included.
- (b) Source: Catalog of Federal Domestic Assistance
- (c) Pass-through entity identifying numbers are presented where available.
- (d) Prepared under accounting principles generally accepted in the United States of America and includes all federal award programs.
- (e) A reconciliation to the financial statements is available.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. The County has not elected to use the 10 percent de minimis direct cost rate as allowed under the Uniform Guidance.

3. NONMONETARY FEDERAL PROGRAMS

The County is the recipient of federal financial assistance programs that do not result in cash receipts or disbursements, termed “nonmonetary programs.”

New York State makes payments of benefits directly to vendors, primarily utility companies, on behalf of eligible persons receiving Low-Income Home Energy Assistance (CFDA Number 93.568). Included in the amount presented on the schedule of expenditures of federal awards is \$15,313,955 in direct payments.

4. MATCHING COSTS

Matching costs, i.e., the County’s share of certain program costs, are not included in the reported expenditures.

5. DEPARTMENT OF SOCIAL SERVICES – ADMINISTRATIVE COSTS

Differences between the amounts reflected in the Schedule of Expenditures of Federal Awards and the Department of Social Services' federal financial reports (RF-2 claims) are due to allocation of administrative costs to the individual federal programs.

6. AMOUNTS PROVIDED TO SUBRECIPIENTS

Certain program funds are passed through the County to subrecipient organizations. The County identifies, to the extent practical, the total amount provided to subrecipients from each federal program, however, the Schedule does not contain separate schedules disclosing how the subrecipients outside of the County's control utilize the funds. The County requires subrecipients receiving funds to submit separate audit reports disclosing the use of the program funds.

Certified Public Accountants

**INDEPENDENT AUDITORS' 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**

Honorable County Executive and County Legislature
County of Oneida, New York:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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 discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Oneida, New York (the "County") as of and for the year ended December 31, 2021 (with the Mohawk Valley Community College for the year ended August 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 September 27, 2022. Our report includes a reference to other auditors who audited the financial statements of the Oneida-Herkimer Solid Waste Management Authority, the Mohawk Valley Community College, the Oneida Tobacco Asset Securitization Corporation, and the Upper Mohawk Valley Memorial Auditorium Authority, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Oneida Tobacco Asset Securitization Corporation were not audited in accordance with *Government Auditing Standards*.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 may exist that have not been identified.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Drescher & Malecki LLP

September 27, 2022

Certified Public Accountants

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

Honorable County Executive and County Legislature
County of Oneida, New York:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

The County's basic financial statements include the operations of the Oneida-Herkimer Solid Waste Management Authority ("OHSWMA"), the Mohawk Valley Community College ("MVCC"), the Oneida Tobacco Asset Securitization Corporation ("OTASC"), and the Upper Mohawk Valley Memorial Auditorium Authority ("UMVMAA") which reported receiving \$0, \$29,965,990, \$0 and \$0 in federal awards, which are not included in the County's Schedule of Expenditures of Federal Awards for the year ended December 31, 2021. Our compliance audit, described below, did not include the operations of the Mohawk Valley Community College because other auditors were engaged to perform an audit in accordance with the Uniform Guidance.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Drescher & Malecki LLP

September 27, 2022

COUNTY OF ONEIDA, NEW YORK
Schedule of Findings and Questioned Costs
Year Ended December 31, 2021

Section I. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

Type of report the auditor issued: Unmodified*

* (which report includes a reference to other auditors)

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes _____ No

Significant deficiency(ies) identified? _____ Yes _____ None reported

Noncompliance material to the financial statements noted? _____ Yes _____ No

Federal Awards:

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes _____ No

Significant deficiency(ies) identified? _____ Yes _____ None reported

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

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200.516(a)? _____ Yes _____ No

Identification of major federal programs:

<u>ALN</u>	<u>Name of Federal Program or Cluster</u>
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.575	Child Care and Development Block Grant
93.959	Block Grants for Prevention and Treatment of Substance Abuse

Dollar threshold used to distinguish between Type A and Type B programs? \$ 1,910,871

Auditee qualified as low-risk auditee? _____ Yes _____ No

COUNTY OF ONEIDA, NEW YORK
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Section II. FINANCIAL STATEMENT FINDINGS

No findings noted.

Section III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings noted.

COUNTY OF ONEIDA, NEW YORK
Summary Schedule of Prior Year Audit Findings
Year Ended December 31, 2021
(Follow Up on December 31, 2020 Findings)

No findings were reported.

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